

CIMG Programme Pathway 3 Professional Diploma in Marketing

Selling and Sales Management (PDM 303)

JUNE 2023

The examination comprises of two parts:

Part A - a compulsory case study, worth 40 marks

Part B - answer any three questions, worth 60 marks in total

PART A - COMPULSORY

CASE STUDY

ABC Textiles is a textile manufacturing and distribution company which has been operating in Ghana for the past four decades. It has been the market leader in terms of product development and market share. ABC Textiles operates in a very competitive market, with competition coming from both local and imported products. There is also some amount of unfair competition from the imported products as most of these are smuggled into the country without paying the requisite duties and taxes, thus making their prices comparatively lower than the locally manufactured textiles.

One key advantage of ABC Textiles is its distribution network; it has sales outlets in ten out of sixteen regional capitals and some district capitals managed by competent sales managers and staff. It has also established an effective wholesale and retail network through the appointment of key distributors and retailers across the country. The wholesale and retail customers play key role in helping the company achieve its annual sales budget.

The company provides support to its distributors in the form of trade incentives (discounts on product purchases, guaranteeing their loans with the banks, providing shops to some very key customers) and also through trade advert and promotions. The key objective of this incentives is to build customer loyalty and also dissuade the customers from selling competitive products.

To ensure that its distributors earn reasonable returns on their investments, the company normally sets a recommended open market price (ROPM) for its customers. Even though this arrangement has no legal backing it is enforced through moral suasion. The key objective of this arrangement is to avoid unnecessary price undercutting among the distributors which also results in a loss of economic margins and in some case eroding their working capital.

The past few years have been very challenging for ABC Textiles company in particular and all businesses in general. The market has become increasingly competitive and demand for

ABC products sluggish. The undertaking of an objective review of current position of ABC Textile business indicated to the organisation that there is lack of staff motivation and there has been no real incentives for the individual work teams; There are no clear links between sales and marketing. Inquiries generated for ABC textile companies are high, but the conversion from sales visits to orders are low.

QUESTION ONE - COMPULSORY

You have just been appointed as the Sales Officer of ABC Textiles and your Managing Director has tasked you to write a report on the following:

- a) Five strategies to reverse the falling sales trends and improve the effectiveness of the sales team **(20 marks)**
- b) Five strategies to improve the relationship with your distributors and delight them. **(20 marks)**

PART B - ANSWER THREE (3) QUESTIONS ONLY FROM THIS SECTION

QUESTION TWO

Basically, sales are organized around three structures. As a Sale Officer of an organisation of your choice your Head of Human Resource Management has asked you to run a workshop for the newly recruited sales force on what customer-based structure is. Include in your workshop an explanation of two advantages and two disadvantages of organizing sales functions around customer-based structures. **(20 marks)**

QUESTION THREE

As the Officer of sales of your company, you have been asked by the chairman of Branch Outlets Development Committee to write a report explaining any five factors that need to be taken into consideration in determining territory design. **(20 marks)**

QUESTION FOUR

In your role as the Sales Officer of your company, your Director of Sales and Marketing has asked you to submit a paper on a Sales Budget, and also outline four differences between Sales budget and Sales forecast? As part of your paper identify three reasons sales forecasts and targets are sometimes not achieved. **(20 marks)**

QUESTION FIVE

Sales objectives are linked to the overall marketing objectives and strategies. You have been employed as the Sales Officer by your company on its options for growing sales and hence increase its market share for the next five years. Your Director of Sales and Marketing has asked you to write a report to recommend four strategic options for sales growth. **(20 marks)**

QUESTION SIX

There should be a crucial balance between achieving sales and developing relationships with existing and potential clients. In your role as a sales manager of your organisation, you have been asked by the Human resource development manager to run a workshop for newly recruited salesmen. The workshop should include relationship selling and five outcomes. **(20 marks)**