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Internal Assessment Test - 1

Sub: **SALES MANAGEMENT**

Code: **18MBAMM401**

Date: **04-05-2021**

Duration: 90 mins

Max Marks: 50

Sem: 4

Branch: MBA

OBE

Marks CO RBT

Part A -Answer Any Two Full Questions (20*02=40 Marks)

- 1(a) What is sales management? . [03] CO1 L1
Ans. Sales management is the process of developing a sales force, coordinating sales operations, and implementing sales techniques that allow a business to consistently hit, and even surpass, its sales targets.
- (b) Explain qualities of a sales manager. [07] CO1 L2
Ans. Gravitas.
Empathy.
The Ability To Forecast.
Active Listening Skills.
Emotional Intelligence.
The Ability To Challenge And Inspire Growth. ...
Adaptability.
- (c) Discuss the types of sales organization. [10] CO1 L2
Ans. Functional Structure.
Geographic Structure.
Market-Based Structure.
Product Sales Force Structure.
Function structure refers to the sales organization structure that focuses on specialization within the marketing team. This means that everyone has their own purpose to fulfill within the team based on their specialties, interests, and other factors. Geographic sales structures sound like what they are. Sales teams that run by this structure organize by location. A market-based structure, also known as a customer sales force structure, refers to a sales team that is organized by customers or industry. More likely, they're grouped by industry. The product sales force structure focuses on the products that clients make. This can be based on individual products or product types. This organizational structure is the most specialized of all of these options.
- 2(a) Explain importance of sales management. [03] CO1 L2
Ans. Sales managers can attain sales target by proper knowledge of marketing and selling. Through this point, the sales management decides the profitable strategies for making the sales effective in the market because it helps to target potential buyers, regular customers, and market opportunities.

- (b) Explain the difference between marketing and sales. [07] CO1 L2
 Ans. Sales and marketing are two business functions within an organization -- they both impact lead generation and revenue. The term, sales, refers to all activities that lead to the selling of goods and services. And marketing is the process of getting people interested in the goods and services being sold.
- Sales is a term used to describe the activities that lead to the selling of goods or services. Salespeople are responsible for managing relationships with potential clients (prospects) and providing a solution for prospects that eventually leads to a sale.
- And marketing encompasses all activities that help spark interest in your business. Marketers use market research and analysis to understand the interests of potential customers. Marketing departments are responsible for running campaigns to attract people to the business' brand, product, or service.
- (c) Describe the steps in selling process. [10] CO2 L2
 Ans. The 7-step sales process
 Prospecting. The first of the seven steps in the sales process is prospecting. ...
 Preparation.
 Approach.
 Presentation
 Handling objections.
 Closing.
 Follow-up.
- 3(a) What is personal selling? [03] CO1 L1
 Ans. Personal selling is also known as face-to-face selling in which one person who is the salesman tries to convince the customer in buying a product. It is a promotional method by which the salesperson uses his or her skills and abilities in an attempt to make a sale.
- (b) Explain emerging trends in sales management. [07] CO1 L2
 Ans. Emerging trends in Sales Management
 Technological Revolution.
 Customer Relationship Management [CRM]
 Sales Force Diversity.
 Team Selling Approach.
 Managing Multi-Channels.
 Ethical and Social Issues.
- (c) Explain two theories of personal selling. [10] CO1 L2
 Ans. Right set of circumstances” Theory of Selling:
- It is also called the “situation-response” theory. It has its psychological origin in experiments with animals. The major emphasis of the theory is that a particular circumstance prevailing in a given selling situation will cause the prospect to respond in a predictable way. The set of circumstances can be both internal and external to the prospect. This is essentially a seller-oriented theory and it stresses that the salesman must control the situation in such a way as to produce a sale ultimately.

“Buying Formula” Theory of Selling:

The buyer’s needs or problems receive major attention, and the salesperson’s role is to help the buyer to find solutions. This theory purports to answer the question: What thinking process goes on in the prospects’s mind that causes the decision to buy or not to buy? The name “buying formula” was given to this theory by strong.

Part B - Compulsory (01*10=10marks)

4. Bringing alive the promise of a 'Brighter Every Day' for its customers, Croma [5+5] CO1 L1 offers its customers a world-class ambience to shop both in-store and Staged at www.croma.com and also allows for a seamless 'omni-channel' shopping experience that lets a customer enjoy the best of both the Staged & the offline worlds. With over 6000 products across 200 brands and 150+ stores across 40+ major cities of India, Croma ensures that for each customer, a Brighter Tomorrow begins Today! From the newlywed couple setting up their house to the son reducing his mother's burden with a washing machine; from the daughter gifting her parents a new LED TV to the newly promoted manager buying an inverter air-conditioner to make the summer bearable, Croma ensures that customers always get 'More for their money'!

Questions:

1. According to you, what is the selling process of Tata Croma?

Ans. Some of the Important Steps Involved in Selling Process are: (i) Pre-Sale Preparations (ii) Prospecting (iii) Pre-Approach (iv) Approach (v) Sales Presentation (vi) Objections (vii) Close and (viii) The Follow-up:

Prospecting, Pre-approach, Approach, Presentation and Handling, Objection, Closing, Follow- up. The communication view of the Selling Process is much richer and comprehensive view of Salesmanship. Personal Selling is an oral presentation in conversation with one or more prospects. Here, both buyer and seller are active participants and in the direct face to face communication. Both try to influence each other.

The process of selling involves the following steps:

(i) Pre-Sale Preparations:

A salesman has to serve the customer and must identify a customer's problems and prescribe a suitable solution. For this, a salesman must be familiar with the product characteristics, the market, the organisation and the techniques of selling. Also he must know the customer, himself and the company. He must know buying motives and buying behaviour of the customers or prospects. He should be aware of current competition and market environment.

(ii) Prospecting:

A salesman has to seek potential customers who are his prospects i.e., probable buyers. A prospect has unsatisfied need, ability to buy and willingness to buy. Prospecting relates to locating prospects. They can be through present customers, other salesman, phone directories, or by direct cold canvassing. These prospects must, of course, be accessible to salesman. Thus, prospecting is similar to the seeking function for the total marketing activities.

(iii) Pre-Approach:

After locating a prospect, salesman should find out his needs and problems, his preferences and behaviour etc. The product may have to be tailored to the specific requirement of customer. On the basis of adequate information of the customer's wants and desires, salesman can prepare his plan of sales presentation or interview. The sales presentation should match to the needs of the individual prospect. It should enable the salesman to handle his prospect smoothly through the buying process, i.e., during, the sales talk.

(iv) Approach:

The next step is approach where the salesman comes face to face with the prospect. The approach has two parts, i.e., obtaining an interview, the first contact. He may use for this, telephone, reference or an introduction from another customer; and his business card. The salesman must be able to attract the prospect's attention and get him interested in the product. It is very important to avoid being dismissed before he is able to present his product.

(v) Sales Presentation:

After the salesman has found a prospect and he has matched the customer's wants with his product, he becomes ready to make a sales presentation. The sales presentations is closely related to the buying process of customers. The sales interview should generally go according to AIDA theory (i.e., Attention, Interest, Desire and Action).

Attention is attracted and interest is gained. The salesman at this point can increase the interest through smart and lively sales talk together with proper demonstration. Sometimes, visual aids are used in sales demonstration. These are common for capital goods or machineries.

After explaining the product characteristics and expected benefits, the salesman should find out customer's reactions. The prospective customer's all queries and doubts must be clearly answered. The salesman should find the customer satisfied. A satisfied sales presentation must be clear, complete, assertive about product's superior performance and be able to gain the confidence of the prospect.

(vi) Objections:

At any stage of sales interview, the prospect may attempt to postpone the purchase or resist purchase. A good salesman must consider an objection as an indication of how the prospect's mind is working. The clever salesman should welcome an objection, interpret it correctly and will avoid it tactfully, without arguing with the customer.

(vii) Close:

The close is the act of actually getting the prospects' consent to buy. It is culmination of the efforts so far made by the salesman and is the climax of the entire sales process.

It is very important for salesman to be alert and find out the right moment for closing the deal. This is the “Psychological or reaction movement”, at which the minds of salesman and prospect are tuned together.

The salesman watches every sign of prospect willing to buy and shall apply “the close”. A sale is never complete until the product is finally in the hands of a satisfied customer.

(viii) The Follow-up:

This stage is the post sale contacts. The salesman after obtaining the order, arranges for despatch and delivery of the product, facilitate grant of credit, reassure the customer on the wisdom of his purchase decision, and minimize dissatisfaction, if any.

The salesman should contact the customer periodically to maintain his goodwill. A sale is made not in the mind of salesman, nor over the counter, but in the mind of the buyer. A salesman should have the quality of empathy, i.e., reading customer’s mind. This will provide the salesman accurate information of buyer’s motives, feelings, emotions, and attitude etc.

2. What qualities should a salesperson have while selling a consumer durable goods?

Ans. The 7 qualities a good salesperson must have

- 1) Good listening skills.
- 2) Think value creation.
- 3) Customise according to customer requirements.
- 4) Perform a thorough background check before jumping into the sales process.
- 5) Collaboration across different roles.
- 6) Share new and long-term trends.

Course Outcomes		PO1	PO2	PO3	PO4	PO5
CO1	Understand the apply the selling techniques in an organisation.	1a,1b,1c,2a,2b,3a,3b,3c,4				
CO2	Develop a plan for organising, staffing & training sales force.	2c				
CO3	Organise sales territories to maximize selling effectiveness.					
CO4	Evaluate sales management strategies.					

Cognitive level	KEYWORDS
L1	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
L2	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select

L5	grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

PO1–Theoretical Knowledge; PO2–Effective Communication Skills; PO3–Leadership Qualities; PO4 –Sustained Research Orientation; PO5 –Self-Sustaining Entrepreneurship

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