



The Co-operative University of Kenya

END OF SEMESTER EXAMINATION DECEMBER-2019

**EXAMINATION FOR THE DEGREE OF BACHELOR OF CO-OPERATIVE
BUSINESS**

UNIT CODE: HCOB/HBM

UNIT TITLE: SALES MANAGEMENT

DATE: DECEMBER, 2019

TIME:

INSTRUCTIONS:

- Answer question **ONE (compulsory)** and any other **TWO** questions

QUESTION ONE

XYZ Paper Company is located about 2500 kilometers from Nairobi city. The company manufactures writing and printing paper hence its primary raw material is wheat strew. The paper industry is dominated by selling agents who bring the stakeholders within the publishing and printing sector together and make a commission of about 5 percent on all transactions. The XYZ sells about 25 percent of its paper directly to customers in the public and private sector and it depends on about 75 agents to solicit business from its customers who arranges for the buyer to pay the company for its products. The agent are expected to provide credit support to the buyer, however, they are not exclusive to XYZ and work for other firms also and normally play them against each other. They have a hold on the business and are unwilling to put the XYZ directly in touch with the customer. There is a continuous doubt on the purchase requested and the price, which would be gained on the orders, this the business cannot forecast on its profits appropriately nor deliver the best service to its customers so as to endure repeat purchases hence guarantee customer loyalty

Required:

- (a) Explain how XYZ Company can become less dependent on the selling agents (8 marks)
- (b) Discuss how the company can plan its customer service effort so as to enhance company interaction with customers (8 marks)
- (c) Describe how the company can motivate its sales Agents to give priority to the company products (8 marks)
- (d) Describe the performance standards that can be used XYZ company to assess their sales agents (6 marks)

QUESTION TWO

- (a) Describe how selling process has evolved overtime (6 marks)
- (b) Discuss the importance of sales planning in an environment characterized by high competitive intensity (8 marks)
- (c) Explain the reasons establishing sales territories (6 marks)

QUESTION THREE

- (a) The selling process is guided by certain principles. Discuss the principles of selling (6 marks)
- (b) Discuss the steps involved in sales force selection process (8 marks)
- (c) Describe the importance of sales forecasting to companies in the marketplace (6 marks)

QUESTION FOUR

- (a) Highlight the basic objectives of sales force management (4 marks)

- (b) The process of influencing other to buy may be viewed four different angles on the basis of different theories; Discuss the FOUR theories of selling (8 marks)
- (c) There are the FOUR basic elements of sales management. Briefly describe these elements (8 marks)

QUESTION FIVE

- (a) Discuss the factors that influence the choice of sales organization structure (6 marks)
- (b) Sales audit is systematic and comprehensive appraisal of the total selling operations. Describe the components of sales audit (6 marks)
- (c) Motivated sales team delivers good results to the company hence companies have established various motivation programs. Explain motivation programs that a company can use to motive their sales force (6 marks)