



## Certificate in Marketing Skills

### SELLING SKILLS

**WEDNESDAY, AUGUST 13, 2008. TIME: 2.00 pm - 4.00 pm**

**Please attempt Section A and TWO questions from Section B.**

(If more than the specified number of questions are attempted, delete those you do not wish to have marked. Otherwise the Examiner will mark **QUESTION 1** and the next **TWO** questions in your Answer Book).

All questions carry equal marks.

Do **NOT** repeat question in answer, but show clearly the number of the question attempted on the appropriate page of the Answer Book.

### **SECTION A (50%)**

#### **Case Study: Using objections to make a sale**

John Conroy completed his demonstration of the CopyCat Deluxe photocopier for Sandra Knox, the head of administration at Midlands Business School. The demonstration had gone well and Conroy was confident of the sale, particularly as MBS had bought its last two copiers from him.

As Ms. Knox considered all she had just heard she ran off a copy of a family photograph she carried in her handbag. Admiring the quality of the copy she finally said: "I'll be honest with you John, we have been doing business with your company for a long time and you have never let us down but I have a few problems with this model. Firstly, it's a bit expensive; about €700 more expensive than I had budgeted for. It also looks very complicated; with all the buttons and keys I think I'd need an engineer to operate it for me. And what's with all these new colours, why couldn't ye stick to black and white like every other photocopier company".

"Now, admittedly, it seems to be a fine machine and would certainly handle our volume of copying. I presume delivery and set up won't take long. But anyway, I'm going to have to think about it. I might leave it until the new year altogether, I'm sure next year's model will have greater capacity and capabilities than this one. My deputy, Ms. Fenton, will be back from holidays next week I'll discuss it with her then." "Keep in touch" she concluded, as she ran off one more copy of the photo.

**P.T.O.**

1. You are required to answer **each** of the following questions.
  - (a) Explain the value of objections to the salesperson. (10 marks)
  - (b) Analyse and categorise the objections Mr Conroy received. (20 marks)
  - (c) How would you handle each of the objections? (10 marks)
  - (d) Identify the buying signals in the discussion above and assess the likelihood of Mr Conroy making a sale. (10 marks)

**SECTION B (50%)**  
**(Please attempt TWO questions)**

2. A hardware store buys garden sheds for €600 each excluding VAT and sells them for €1,000 excluding VAT. The VAT rate is 20%.
  - (a) How much will a consumer pay for a shed? (5 marks)
  - (b) What is the retailer's mark-up in % terms? (5 marks)
  - (c) What is the retailer's sales margin in % terms? (5 marks)
  - (d) What value, in monetary terms, does the retailer add to the product? (5 marks)
  - (e) How much VAT does the retailer pay when purchasing each shed? (5 marks)

**(Note:** A VAT rate of 20% is used for the convenience of the question rather than indicating the existence of such a rate in the Republic of Ireland)

3.
  - (a) Explain the principles of effective negotiations. (15 marks)
  - (b) Examine the factors that determine the balance of power in a negotiation session. (10 marks)
4.
  - (a) Describe the essential differences between consumer buying behaviour and industrial buyer behaviour. (15 marks)
  - (b) Explain the roles that will be fulfilled by members of an industrial decision making unit (DMU) for the purchase of expensive capital equipment. (10 marks)
5. Explain each of the following terms:
  - Prospecting (5 marks)
  - Cold calling (5 marks)
  - Buying signals (5 marks)
  - Closing the sale (5 marks)
  - Follow-up (5 marks)