



## Certificate in Marketing Skills

### SELLING SKILLS

TUESDAY, MAY 19, 2009. 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: The Wrong Price?

While browsing in a department store, a woman discovered what she regarded as a great bargain. It was a fine leather jacket with a very recognisable brand name but had a price tag of only €19.99. She took it to the cash desk to buy it. The sales assistant scanned the barcode and asked her for €199.99. The following conversation then occurred:

*Customer:* But the price tag clearly says €19.99.

*Salesperson:* I know, but that is obviously a mistake. Anybody would recognize that. It clearly should say €199.99. You can't expect to get a jacket like this for such a cheap price, it was just human error.

*Customer:* It may well have been, but I am entitled to get it for the price you advertised it for. You asked for €19.99 and I offered you that, the law is on my side.

*Salesperson:* I think you will find it's not, we are not a charity, it's €199.99, take it or leave it.

*Customer:* I seem to remember that when Aer Lingus recently advertised transatlantic flights in error on its website for a very cheap price they eventually sold them at that price. So you are obliged to also.

*Salesperson:* All I can say madam is that if you want a cheap leather jacket, maybe you should try [www.aerlingus.com](http://www.aerlingus.com), we don't do cheap.

You are required to answer **each** of the following questions:

1. (a) Examine the legal implications of the above incident (15 marks)
- (b) Assess the potential impact of publicity/word of mouth of such incidents. (10 marks)
- (c) Assess how the sales assistant handled the situation. (10 marks)
- (d) How would you have handled the situation? (15 marks)

**P.T.O.**

## SECTION B (50%)

(Please attempt TWO questions. All questions carry equal marks.)

2. An electrical goods store sells plasma screen televisions for €900, including VAT. The store applies a mark-up of 100% on all purchases and the VAT rate is 20%.
- (a) What purchase price does the store pay for televisions? (10 marks)
  - (b) What is the store's percentage sales margin? (5 marks)
  - (c) How much VAT does the consumer pay when purchasing the television? (5 marks)
  - (d) In monetary terms what value does the store add to the televisions? (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 term *Store Position*. (10 marks)
  - (b) Advise the manager of a supermarket on laying out the store and managing internal traffic. (10 marks)
  - (c) How will the store's position affect the store-layout decisions? (5 marks)
4.
  - (a) Describe the retail selling process. (15 marks)
  - (b) Explain how the job of the retail salesperson differs from that of the traveling salesperson. (10 marks)
5. Explain **each** of the following terms:
- Sale Closing Techniques (5 marks)
  - Measuring retail success (5 marks)
  - Sales forecasting (5 marks)
  - Visual merchandising (5 marks)
  - Non-verbal communication (5 marks)