EXAMINER'S REPORT

MAY 2007

PRINCIPLES OF PERSONAL SELLING

General Comments

It is difficult to prepare a meaningful Examiner's Report when so few students elected the subject this year. The basic statistics are that the average mark achieved was 46%. Fifty per cent of those who attempted the exam achieved a pass grade while the remainder did not satisfy the examiner on this occasion.

As so often said before in relation to this examination, the answers presented were generally too short. It is difficult for a student to garner high marks at this level with answers of less than three pages per question. Students of this exam however, typically attempted to answer questions in less than one page. Indeed one student attempted to *explain* the four disparate concepts of Question 8 in that limited space. A student must consider the difficulty of attempting to explore the variety of issues that may be incorporated in a question on a professional examination in less than one page.

Question 1

Nobody attempted this question.

Question 2

Part (a) of this question sought an explanation of the value objections. Answers should have explained that objections show how the prospect is reacting to the presentation method, show how the prospect is reacting to the information provided, indicate the areas where more information is needed, identify the obstacles to be overcome before a sale can be made and present an opportunity to close the sale. The primary mistake made in part (b) of the question was that the student presented the response that might be given to the objection without *examining* the objection as required by the question.

Question 3

The main elements that the student should have explained in this question were: sales call objectives, customer profile, customer needs/benefits, and presentation method. It wasn't necessary to limit the answer to these elements however.

Question 4

Students in the main knew the Pareto Principle or the 80/20 rule and were able to explain it. However in describing its implications for all aspects of personal selling they tended to limit its applicability. Answers typically limited its applicability to the allocation of resources. They intimated that 80% of resources should be allocated to the top 20% of customers. This seems logical, but what about when a salesperson has only a relatively small number of customers? Spending 80% of one's time with them would be excessive and wouldn't give the opportunity to cultivate future growth. Additionally students should have considered such things as the allocation of time across the selling process and so on.

Question 5

The importance of prospecting is: to replace lost customers and to fuel new growth. But is it the *lifeblood* of selling? There is no point in successfully prospecting unless you equally successfully close the sale and then retain the customer. Surely *retention* is the lifeblood. Students should have examined all aspects. The criteria for differentiating between a lead and a prospect are Need, Authority, Means, and Eligability (NAME). Where students suggested MAN however full marks were awarded.

Question 6

Nobody attempted this question.

Question 7

A logical seven or eight stage process should have been explained in part (a). It wasn't necessary to slavishly reproduce a process from a textbook. In part (b) it should have been identified that the purchase of photocopier paper is a low involvement purchase, a rebuy in industrial terms. The implications being that such a DMU will have less people in it, less senior people will be involved, and less time will be devoted to the decision.

Question 8

Explanation of 4 disparate personal selling concepts was required in this question. While, given the nature of the question, great depth was not required in explaining each concept it was expected that more than an outline or an overview would be provided.