



## EXAMINER'S REPORT

AUGUST 2005

### MANAGEMENT OF SALES AND CUSTOMER SERVICE

#### General Comments

Seventy-five percent of those re-sitting the examinations passed. The overall results by grade were:

A: 0%	B: 0%	C: 30%	D: 45%	=	75% passed
E: 10%	F: 15%			=	25% not yet passed

Generally repeat students revealed an important weakness in their knowledge - they were less able to apply the theory to practical situations, particularly in relation to the application of motivational theory.

#### Question 1

This question was the most popular question but many answers did not cover all the areas they should have. The answer should have discussed the role of the sales manager (including leadership), the way different people perform it and, in particular the importance or otherwise of being an information broker in the system. It should have discussed what the real added value of a sales manager is, in terms of achieving the company's sales objectives and how.

#### Question 2

This was the fourth most popular question, but it was not answered well. The answer should have included: an explanation of the differences between selling techniques and negotiation, explanation of a typical sales model such as SPIN and the differences between SPIN and negotiation. The final discussion should have covered where either technique is used.

#### Question 3

This was the second least popular question. It was a very straight forward question and was generally answered well. The answer should have included three organisation charts, showing clearly the differences in structures and explaining them:

- (a) One or two sales people (geographically organised) reporting to a sales manager
- (b) A number of sales people reporting to sales managers, and one or two key account managers reporting to a sales director.
- (c) A salesforce organised by product and geographical area reporting to sales supervisors, regional and product sales managers; and key account managers reporting to their own key account manager, all reporting in turn to the Sales Director.

**Question 4**

This was the least popular question and the answers were mixed. A small number of answers were poor, these students did not know the right information. The question was based on "*The Channel Advantage*" by Friedman and Furey, published by Butterworth & Heinemann, 1999, page 159.

**Question 5**

This was the fifth most popular question and the answers were mixed. The answers should have included what remuneration is: a mix of salary, pension, bonus or commission, and expenses. Sales people may receive other benefits, such as a company car, health insurance, golf fees, etc. The mix will depend on the sales objectives. These should discuss turnover, product mix targets, gross margins, market share, sales versus potential, return on investment; and how they influence the remuneration mix.

**Question 6**

This was the second most popular question and the answers were mixed. Most students explained what motivation was (but many need to learn a more detailed explanation); they described a motivation theory that in their opinion applied best to the situation, but did not adequately explain why. How the theory could be applied to increase sales was rarely persuasive.

**Question 7**

This was the fourth most popular question and it was either answered well or poorly. Those who answered well began with a diagram of the process and then explained it. The process should have covered: sales management environment, sales management strategy and planning, sales organisation and staffing, sales functions and performance, conclusions and recommendations, implementation of the recommendations.

**Question 8**

This was the second most popular question (the same number of people answered this question as question 6). It was answered well from the perspective of what was needed on the ground (complaints procedure and staffing, training and listening to customers), but less completely on the management aspects (selection, training, systems) and how to monitor customer care (measure returns, complaints, listening to customers, mystery shoppers, etc).