



## EXAMINER'S REPORT

AUGUST 2008

### MANAGEMENT OF SALES AND CUSTOMER SERVICE

#### General Comments

Overall the responses to the August examination were good. Unfortunately a number of the questions were not laid out well and consequently were more difficult to follow, i.e., they were not divided into sections and points. The theory aspects were answered well, but sometimes the discussions were weak and incomplete. Overall, the main weaknesses were in not knowing the facts in the case of the failures, and sometimes not completing all of the question and not using practical examples to support the arguments in others.

Pass: 66.7% - D (16.7%), C (50%), B (0%), A (0%)

Fail: 33.3% - E (8.3%), F (25.0%)

The pass rate is lower than last August, but the proportion of C grades has improved.

#### Question 1

This was the third most popular question and the answers varied considerably. The answers should have included an explanation/definition of personal selling and advertising, their application in different types of markets and some conclusions.

#### Question 2

This was the second most popular question and the answers varied considerably. The answer should have included: planning (reviewing budgets and targets, planning visits and travel arrangements), arranging appointments, travelling, visiting clients indicating the various purposes of such visits (taking orders, selling to new clients, building/maintaining the relationship), communicating with head office, reporting results (placing new orders and adding new information to SMIS). The cost of the average sales person should have included salary, company PRSI, commission, travelling expenses, personal equipment (depreciated over the relevant years), and office costs – all with actual estimates. A number of answers did not address this latter point.

#### Question 3

This was the fifth most popular question and it was answered well. The answers should have included the purpose of a SMIS, its typical content, how it is maintained, its impacts on costs and budgets, and the use of the information in other departments in the company.

#### Question 4

This was the second least popular question and the answers were poor. The answers should have included what is profitability per customer, the factors one should use to calculate individual customer profitability (selling price less the product/service cost, the selling costs, cost of the credit period and the client support/maintenance cost), and the and the 20/80 rule.

This allows the sales manager to target customer groups, to optimise sales force effort, to minimise costs, and to maximise returns.

#### **Question 5**

This was the fourth most popular question and the answers were good. The answers should have included an overview of the tasks of a sales manager, a training needs analysis or skills gap analysis of both sales managers' strengths and weaknesses, and then it should have proposed a specific training solution to strengthen their weaknesses (i.e., actual training topics).

#### **Question 6**

This was the most popular question and the answers were good. The answers should have included what is motivation in the context of sales effort and sales people, what influences motivation drawing on theories you know, how you would recognise poorly motivated sales people and improve their motivation. The theory answers were good but how to apply the theory needs to be more persuasive and coherent.

#### **Question 7**

This was the third least popular question and the answers were good. The answer should have included why use different channels, what these channels are, how one compares the costs with a diagram of costs per transactions with examples, profits of these channels and some conclusions.

#### **Question 8**

This was the least popular question. The answer should have included a description of the following sales components: audit of the sales management environment, sales management planning, sales force organisation, sales management functions and sales performance, and recommendations for improvement.