National Diploma in Sales Management  
Stage I – November 03rd, 2019 – Examination

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Instructions to Candidates

Time: 1400 hrs – 1700 hrs
Duration: Three (03) hours

There are three parts in this question paper.

Part One

- This part has 40 multiple choice questions. It is a compulsory section. Candidates are expected to select the most suitable answer and underline the selected answer in the question paper itself.

Part Two

- Candidates are expected to answer the questions in the space provided in the question paper. All answers are compulsory.

Part Three

- Candidates are expected to answer only two questions out of four.
- Answers should be written in the additional supplementary answer sheets provided and they should be attached to the question paper itself.

Other Instructions

- State your Registration Number on the front cover of the answer book and on each and every additional paper attached to it. Your name must not appear anywhere in the answer book or answer scripts.
- Always start answering a question on a new page.
- You are reminded that answers should not be written in pencil or red pen except in drawing diagrams.
- Answer the questions using:
  - Effective arrangement and presentation
  - Clarity of expression
  - Logical and precise arguments
- Illegible hand writing will be penalised.
PART ONE
Read the question and underline the most appropriate answer

Question 1.1
What are the components in the analysis of a MACRO environment?

a) PESTEEL factors
b) Collaborators, competitors and customers
c) Product, price, place and promotions
d) Organizational structure, people and physical evidence

Question 1.2
Which one is the wrong answer based on the advantages of personal selling?

a) High proximity with potential customer
b) Flexibility of adjusting sales message
c) Enables demonstration of products
d) Cost per prospect is high

Question 1.3
A marketers point of view of a market is defined as:

a) Meeting the specific requirement of every single individual consumer
b) Act of designing the company’s image and what it offers in the minds of the customers
c) A cluster of individuals/organizations or mixture of two, who have specific needs and have the ability, willingness and authority to purchase a product
d) A market is a physical location
Question 1.4
The term used when a salesperson provides information to an individual who will influence the purchase decision:

a) New task selling  
b) Missionary selling  
c) Telephonic selling  
d) Technical selling

Question 1.5
Select the one which does not represent the rules of effective team selling:

a) Select team member carefully  
b) Team leader should be a helm of the team  
c) Pre-briefing sessions to define the job for each member  
d) Keep the number of members at a maximum

Question 1.6
Select the right sequence of the effective personal selling process:

a) Prospecting, pre-approach, approach, presentation and demonstration, handling objection, close and follow-up  
b) Prospecting, approach, pre-approach, presentation and demonstration, handling objection, close and follow-up  
c) Pre-approach, prospecting, approach, presentation and demonstration, handling objection, close and follow-up  
d) Approach, prospecting, pre-approach, presentation and demonstration, handling objection, close and follow-up

Question 1.7
Identify the selling approach of the following except in modern selling:

a) Consultative approach  
b) Customer relationship based approach  
c) Problem-solving approach  
d) Stimulus response approach
Question 1.8
What is the wrong statement on handling objection in effective personal selling process?

a) Objection is the resistance from the prospective buyers to block the completion of selling
b) Objections should be welcome as they indicate prospect's interest in the offer
c) Objections should be seen as an opportunity than an obstacle to sales
d) Objections should be seen as an obstacle for the effective sales presentation

Question 1.9
What are the correct steps of a need satisfaction approach in personal selling?

a) Need identification, need fulfilment, need satisfaction
b) Need satisfaction, evaluating alternatives, need fulfilment
c) Need identification, need satisfaction, purchase
d) Need satisfaction, evaluating alternatives, after sales evaluation

Question 1.10
What is not a personal selling approach?

a) AIDAS approach
b) Buying formula approach
c) Right set of circumstances approach
d) Constructive approach

Question 1.11
The sales force structure in which a sales representative works to sell specific items of a product line is called:

a) Indirect sales force structure
b) Territorial sales force structure
c) Customer sales force structure
d) Product sales force structure
Question 1.12
When introducing new consumer product qualities and demonstrating it to consumers to achieve high awareness levels; the firm will most likely make heavy use of ____________ in the promotional mix.

a) Advertising  
b) Sales promotion  
c) Personal selling  
d) Publicity

Question 1.13
AIDAS stands for attention, ____________, desire, ____________ and satisfaction.

a) Interest, action  
b) Intensity, appeal  
c) Involvement, action  
d) Involvement, appeal

Question 1.14
“Business to business selling is more complex and time consuming”, is called:

a) Industrial selling  
b) Consumer selling  
c) Retailing  
d) Promotions

Question 1.15
Which of the following is not a category of personal selling?

a) Service  
b) Industrial  
c) Retail  
d) Web base
Question 1.16
A group of experts, together closing a sale is called:

a) Consultative approach of selling
b) Customer relationship-based approach
c) Problem-solving approach
d) Team selling approach

Question 1.17
All of the following are cited as being forms of direct marketing communication EXCEPT for:

a) Advertising
b) Face-to-face selling
c) Kiosk marketing
d) Online marketing

Question 1.18
Things to consider when making an appointment:

a) Right person, right company, right place
b) Right time, right location, right method
c) Right person, right time, right place
d) Right dress, right method, right language

Question 1.19
The approach used by a sales person who understands the exact nature of the issue/problem and convinces the prospect to buy the product, is called:

a) Problem-solving approach
b) Team selling approach
c) Customer relationship-based approach
d) Consultative approach
Question 1.20
Personal selling would be most appropriate for which of the following products?

a) Chocolate bar
b) Paper serviettes
c) New cosmetic items for ladies
d) Instant noodles

Question 1.21
Scheduling refers to:

a) Optimal allocation of time on selling and non-selling activities
b) Proper appointment scheduling for sales people job interviews
c) No of schedule calls in a given route
d) Preparing the event schedule for the monthly sales review meeting

Question 1.22
Market penetration strategy is used for:

a) Existing products in new markets
b) Existing products in existing markets
c) New products in new markets
d) New Products in existing markets

Question 1.23
What is the generic strategy which aims at niche markets?

a) Focus
b) Differentiation
c) Cost leadership
d) Market penetration
**Question 1.24**
Divest strategy refers to:

- a) Investing extra money into the company
- b) Selling or liquidating the business
- c) Introducing new products to new markets
- d) Reaping short term benefits from the company

**Question 1.25**
In developing a sales organization structure “Span of Control” refers to:

- a) Number of subordinates that a sales manager can supervise
- b) Ability to control the sales performance
- c) Ability to control the cost of distribution
- d) Control switch of a product of the company

**Question 1.26**
In developing a sales organization structure “Stability and continuity” refers to:

- a) The company continuing its business in the future
- b) Considering the talents and preference of the current employees
- c) Mental stability and the level of motivation of the sales manager
- d) Financial stability of the organization to continue its business

**Question 1.27**
Select the statement which does not describe the term sales territory:

- a) A geographical area
- b) A group of prospective and present customers
- c) An industry based territory
- d) Customers in a particular sales route
Question 1.28
The two methods available for deciding basic sales territories are:

- a) Market penetration and diversification
- b) Market penetration and market build up method
- c) Market build up method and sales build up method
- d) Market build up method and sales break down method

Question 1.29
What is not an advantage of routing?

- a) It works for getting the maximum customer coverage
- b) Facilitates the implementation of territory plans
- c) It suggests optimum allocation of resources
- d) Develops a competitive mission statement

Question 1.30
What is not a routing design?

- a) Straight line design
- b) Narrow line design
- c) Cloverleaf design
- d) Hopscotch design

Question 1.31
A sales management especially contributes to achieve:

- a) Corporate objectives
- b) Marketing objectives
- c) Pricing strategy
- d) Marketing strategy
Question 1.32
An example of qualitative objective:

a) To develop new accounts
b) To achieve thirty percent of ROI
c) To add two more distributors within six months
d) To increase customer base by ten percent within present year

Question 1.33
Picking and hiring a few candidates by screening out the rest who do not meet the hiring criteria is:

a) Training
b) Developing
c) Selection
d) Recruiting

Question 1.34
Large FMCG firms follow:

a) Product based sales structure
b) Complex sales force structure
c) Functional sales force structure
d) Territory sales structure

Question 1.35
When authority and control are concentrated to the top of the organization, it is:

a) Decentralization
b) Centralization
c) Stability
d) Continuity
Question 1.36
“Lanka Orix Leasing Company is venturing to the leisure industry.” What is the strategy used here?

a) New market development  
b) New product development  
c) Diversification  
d) Neither of above

Question 1.37
What is not an element of the SWOT analysis model?

a) Strength  
b) Opportunity  
c) Weakness  
d) Company image

Question 1.38
What is the Easter Sunday attack in a business perspective?

a) Threat to the tourism sector  
b) An opportunity to the tourism sector  
c) An advantage to the politicians in Sri Lanka  
d) A weakness of the government intelligence unit

Question 1.39
“Sunsilk shampoo is available in Gunasena Stores.” What is this?

a) Brand strategy of Sunsilk  
b) Place strategy of Sunsilk  
c) Communication strategy of Sunsilk  
d) Product strategy of Sunsilk
Question 1.40
What is not a promotional mix element?

a) Public relationship
b) Personal selling
c) Lead generation
d) Advertising

(1 Mark x 40 Questions)
(Total 40 Marks)
PART TWO
Answer all questions in the given space

Question 02
Define sales territory and explain benefits that a company gains by practicing better territory management.

(04 Marks)

Question 03
What are the imperatives of sales territories?

(04 Marks)

Question 04
Name four (04) areas in which the objectives of a sales management are set.

1. .................................................................................................................................
2. .................................................................................................................................
3. .................................................................................................................................
4. .................................................................................................................................

(04 Marks)
Question 05
List down four (04) principle factors you will take in to consideration when developing a sales organization.

1. ...........................................................................................................................................................................
2. ...........................................................................................................................................................................
3. ...........................................................................................................................................................................
4. ...........................................................................................................................................................................

(04 Marks)

Question 06
Write four (04) task elements in sales management.

1. ...........................................................................................................................................................................
2. ...........................................................................................................................................................................
3. ...........................................................................................................................................................................
4. ...........................................................................................................................................................................

(04 Marks)

Question 07
Write four (04) areas triggering confusion among the sales force.

1. ...........................................................................................................................................................................
2. ...........................................................................................................................................................................
3. ...........................................................................................................................................................................
4. ...........................................................................................................................................................................

(04 Marks)

Question 08
Ansoff suggested four strategies that would fit in a particular product market situation. Explain one of the strategies with an example.

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(04 Marks)
Question 09
List down four (04) techniques to approach prospects.
1. .................................................................................................................................
2. .................................................................................................................................
3. .................................................................................................................................
4. .................................................................................................................................
(04 Marks)

Question 10
Give four (04) essentials for effective personal selling.
1. .................................................................................................................................
2. .................................................................................................................................
3. .................................................................................................................................
4. .................................................................................................................................
(04 Marks)

Question 11
List down the four (04) types of leads in qualifying prospects.
1. .................................................................................................................................
2. .................................................................................................................................
3. .................................................................................................................................
4. .................................................................................................................................
(04 Marks)

(4 Marks x 10 Questions)
(Total of 40 Marks)
PART THREE

Select 2 out of 4 questions and answer them in supplementary sheets. Attach your answer sheets to the question paper.

Question 12

Explain your sales team on the step of pre-approaching in an effective personal selling process and discuss its benefits for an industrial selling.  

(10 Marks)

Question 13

Briefly discuss at least four (04) of DO’s in an effective sales presentation. 

(10 Marks)

Question 14

Explain the concept of the modern selling approach and its advantages towards organizational development. 

(10 Marks)

Question 15

Explain the four (04) strategies mentioned in the Ansoff Matrix for business development. 

(10 Marks)

(10 Marks x 2 Questions)

(Total of 20 Marks)

(100 Marks)

- END -