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10MBAMM312

Third Semester MBA Degree Examination, December 2011
Sales and Retail Management

Time: 3 hrs.

Max. Marks:100

Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7
2. Question No. 8 is compulsory.

- 1 a. What are the different types of selling? (03 Marks)
b. Explain the various negotiation tactics followed by a salesman. (07 Marks)
c. Explain the various factors influencing a sales manager, while modifying sales territory. (10 Marks)
- 2 a. What are the different selling and buying styles? (03 Marks)
b. What are emerging sales management trends? How are they affecting the role and functions of a sales person? (07 Marks)
c. Explain the various principles associated with sales force motivation. (10 Marks)
- 3 a. Why is it important to study motivation in the context of sales management? (03 Marks)
b. Describe the methods of setting sales quota. (07 Marks)
c. Explain the habits of highly effective sales person in establishing relationship with customers. (10 Marks)
- 4 a. How is net profit margin quota determined? (03 Marks)
b. What is work load approach? How it benefits manager in building a territory? (07 Marks)
c. Explain the strategies should a sales manager follow to reduce the conflict in a selling situation. (10 Marks)
- 5 a. Explain the departmental store. (03 Marks)
b. What do you mean by customer profile? Explain the components of customer profile. (07 Marks)
c. Write a note on characteristics of retailing. (10 Marks)
- 6 a. Differentiate between product management and merchandise management. (03 Marks)
b. Describe the different types of retail locations. (07 Marks)
c. What are the retail pricing objectives? (10 Marks)
- 7 a. Explain the importance of retail layout. (03 Marks)
b. Explain the objectives of advertising in retail promotion. (07 Marks)
c. Describe the relationship management strategies. (10 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

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Case study :

(10 Marks)

Computer Corporation is a large electronic and computer manufacturing company in India, with 60,000 employees. The market share which in about 67% has annual rate of sales decline, which is estimated around 3%. The board of directors has decided to offer early retirement to the vice – president (sales) who had been incharge of sales for the last decade and hired Mr. Nadil Saha, who was working a fast rising competitor. Mr. Saha is expected to reverse the company's declining market share, by fostering growth and enhancing the market effectively.

The labour cost for Computer Corporation is almost 50% of its total cost. Mr. Saha has constituted a committee to examine the firm's compensation plan and submit a report. The committee includes the vice president (human resource), the assistant vice president (sales and marketing) and two external consultants from IIM, Kozikode. Five months later, the committee came out identifying several key problems in compensation system and related sales force management practices.

The report has following conclusions. The firm has too many management layers, which is expensive and slows down the communication flow. Most of the sales employees have a feeling of entitlement of benefits irrespective of their performance. This kind of perception has a negative effect on motivation.

The policy of promotion from within means, once employees are hired, there was hardly any chance of termination, even if they are not performing up to the desired level. Many employees are working in Computer Corporation, because of high salary package, compared with industry standards. The tradition of giving job security is putting pressure on the firm's bottomline, because it cannot reduce its labour force to remain competitive in the industry. After reading the report, Mr. Saha was thinking about what kind of recommendations he should make to the board now.

Answer the following questions.

- a. Do you agree with the statement that sales people are more willing to take risk when their job security is low? (05 Marks)
- b. What other problems or issues can be perceived from the case? (05 Marks)
- c. What kind of compensation plan can help in fostering growth, increase market share and enhanced flexibility to respond to the competitor's moves? (05 Marks)
- d. What recommendation would you offer for redesigning sales force compensation plan? (05 Marks)

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