

Name:

Enrolment No:



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**

**End Semester Examination, December 2018**

**Course: Sales & Distribution Management**

**Programme: BBA AM**

**Time: 03 hrs.**

**Instructions:** Questions are weighted equally as per the sections.

**Semester: V**

**CC: BBDA 104**

**Max. Marks: 100**

**Section – A**

(Total 10 Marks)

(CO 1,)

- (1) A famous automobile company wants to open a big dealership in your city. What are the factors they should look for taking the decision for dealership in your city? Explain in detail.

**Section – B**

(Total 20 Marks)

(2) Short Notes

(CO 1, 2)

**Attempt all.**

- a. Importance of Time Management for Sales Personnel
- b. Role of Corporate Social Responsibility
- c. Purpose of assigning Sales Quota to Sales Force
- d. Intensive Distribution vs. Selective Distribution
- e. theories of selling

**Section – C**

(Total 40 Marks)

**(3) Descriptive Type Questions**

**(CO 3, 4)**

**Attempt Any FOUR.**

- a. Critically analyze the various methods of sales forecasting. What methods would you suggest for
  - i. A new range of Woodland shoes targeted to a higher class
  - ii. A new refrigerator targeted to rural consumers
- b. Raj Jaiswal (Raj) has a management degree from a reputed institute. He appeared for an interview at AUDI for the post of sales manager for its Sales Division in Mumbai. During the interview, Raj was asked to elaborate on the roles and responsibilities of an effective sales manager with reference to AUDI. If you were Raj what kind of answer would you give to impress the interviewer?
- c. Channel intermediaries are a medium of distribution of various goods and services. They play a vital part in the total marketing plan of a company. Describe the various roles undertaken by the channel intermediaries giving suitable example.
- d. FedEx, a courier company, has always followed the direct marketing route in the business to business segment to increase its customer base. The company is now considering the use of territory management to improve its sales process. Which method would you suggest to FedEx for designing territories? What are the benefits it would get out of territory management?
- e. How do factors like nature of the product, profile of the target market and company resources affect the sales job? Explain by taking the examples of the following selling situations.
  - i. Selling of a consumer durable product
  - ii. Selling of an industrial product

**Section – D**

(Total 30 Marks)

**(4) Analyze the Case:**

**(CO 5)**

## ROYALE MOTORS LTD.

Geoff Brown had recently been appointed Sales Director of Royale Motors of King's Lynn. In his first two months in his new job, he had conducted a thorough review of the firm's operation, and this filled him with foreboding about the future. The company consisted of four garages and showrooms, all holding Rover franchises, in the King's Lynn area. For the last three years, the firm had suffered badly from increased competition, especially from new products by foreign producers; the entire range, from the Metro to the top of the range had been affected. Now, although new stock was available in all the showrooms, sales were very sluggish.

Much of this could be blamed on Rover's poor overall performance, but Geoff was not content to use this as an excuse. He felt that the company could not afford to simply wait for Rover to solve its problems: 'That will take years, if it happens at all'. His sense of disquiet was made worse by a number of unhealthy behaviour patterns which he observed among his sales staff: Sales force turnover was steadily increasing, notably among younger men; and a passive attitude to winning business existed (on one day alone he noted seventeen visitors to one showroom; of these, only three were spontaneously approached by a salesman; six called into the sales office for attention, and the rest left). Also, trade - in values and price discounts were increasing as a proportion of the purchase value of new and used vehicles sold, and increasing numbers of old and difficult - to - sell foreign cars were being accepted. In contrast to this, fewer cars from the 'majors' (Ford, Fiat, VW and the leading Japanese manufacturers) were being traded in for new Rovers: 'The only major manufacturer, whose cars are traded in is Rover, and often the impression is that Rover dealers were the only one offering acceptable trade - in'. The major bright spot was the relative strength of second -hand sales.

Geoff put these points on the board at the first meeting after completing his review. There was some discussion of the scope for seeking out a new franchise. Geoff, along with his fellow board members, rejected this on the grounds in Rover', and besides, the better producers (Ford, VW, Nissan, Toyota, Fiat etc.) were well represented in the area. It was generally agreed that revitalized sales and marketing would go a long way to resolving their problems, atleast in the short to medium term.

Geoff decided upon a number of immediate steps:

- (a) He reorganized the sales force, giving each outlet far more freedom and responsibility for turnover and profitability. He then looked for a method to generate a spirit of constructive competition between outlets.
- (b) He restructured the payment system. In the past the commission element had been very small ('Rover cars sell themselves' was almost the message). Now commissions allied to agreed sales targets would constitute a significant part of the salesman's income.
- (c) Layout of the showrooms was drastically changed. The sales offices were eliminated and a more open - plan format adopted: 'they must not hide behind glass walls'.

- (d) Stricter controls over trade-ins and discounts were introduced. These were linked to the commission system.
- (e) The sales manager in each outlet was given special responsibility for 'fleet' business. The type of 'fleet' sought was closely defined, i.e. small firms with seven to ten company cars. The managers and their staff were required to go out and actively seek this business.
- (f) Advertising and sales expenditure were boosted, primarily through local radio.
- (g) Links were established with the East Anglia Regional Management Centre for a continuing counseling relationship.
- (h) Rover inspectors were actively involved in future developments.

These were put before the board at the next board meeting. Some of the board members were already aware of complaints among the sales force about the scale of these developments.

**Questions:**

1. Review the proposals and relate these to the type of promotions to be seen on offer from rival car dealers.
2. Decide which to support and make specific recommendations to Geoff on implementation, especially in terms of winning active support from the sales force.