

MB 118 B

III Semester M.B.A. Examination, July 2010
Management
Elective B : MARKETING
Course – 18 B : Sales and Distribution Management
(Freshers)

Time : 3 Hours

Max. Marks: 75

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **2** marks. **(5×2=10)**
- What do you mean by win-win strategy ?
 - How is personal selling different from advertising ?
 - What do you mean by selling policy ?
 - What is brand talk ?
 - What do you mean by gross margin ratio ?
 - What are the various types of sales expenses ?
 - What is sales promotion budget ?

SECTION – B

Answer **any four** questions. **Each** question carries **5** marks. **(4×5=20)**

- What are the criteria that can be used for the evaluation of channel members ?
- What are the motivational tools and control areas for a distributor ?
- Discuss the trends in wholesaling and the special characteristics of high technology marketing channels.
- How do you prepare job description for sales representatives in an MNC ?
- Discuss the factors favouring 'centralisation' of sales activities.
- What is the difference between a suspect, a prospect and a qualified prospect ?

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SECTION – C

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Briefly explain the theories of personal selling .
9. Discuss the role of Telemarketing in present era.
10. Explain the challenges faced by international sales managers.
11. “ Demographics decides the Indian distribution pattern” – discuss.
12. Briefly explain recent trends in logistics management.

13. **Case Study – Compulsory :** **(15×1=15)**

Lucknow Electronics manufactured power generating equipment and were in business for only about five years. They sold directly to consumers as well as through a distribution network. They expanded their sales force to cover a greater part of the market and to expand their activities in the entire country. The objectives were to increase sales revenue by 30% over the previous year.

The marketing manager felt that to achieve these objectives, the salesmen have to be motivated and there is an urgent need of introducing an incentive programme. For this he suggested that the goals be set in consultation with the sales managers. The principle of MBO (Management by objectives) was suggested. The power generating business was highly competitive and although the company had a fixed price list, the sales managers would tend to ask for reduction in price on the approved list. In deciding whether or not the concessions should be given, a lot of valuable time of the marketing managers was being wasted and he wanted to stop this practice. The only way he could discourage salesmen from asking for concessions was to give them price flexibility (a range of price over which they could quote their clients a price that would win business). There was a danger that the sales people would arbitrarily drop prices to generate more revenue at lower prices and obtain greater incentives as bonus.

The marketing manager, after discussing with sales managers, devised an incentive programme as under :

- a) Incentives bonus would only start after the sales persons had achieved 80% of their targets.



- b) Although flexible pricing was allowed, but it was to be exercised by the discretion of the salesperson himself in genuine cases.
- c) If the goods were sold at the minimum price, the incentive would also be minimised. It would increase in proportion to sales at higher prices.

The marketing manager presented this incentive programme to the sales force expecting enthusiastic support. However, there was no positive response from the sales force.

Posers :

1. Do you feel that this incentive programme will achieve the results expected by the manager ?
2. Can you suggest an alternative incentive programme to motivate the sales force ?
3. Why was there no positive reaction from the sales personnel on the incentive programme ?
