

# CHUKA UNIVERSITY

## DEPARTMENT OF BUSINESS ADMINISTRATION

- **BCOM 321**
- **SALES MANAGEMENT**
  
- **BACHELOR OF ENTREPRENEURSHIP AND ENTERPRISE MGT/BEEM**
- **BACHELOR OF COOPERATIVE MANAGEMENT /BCOP**
- **Y3S2**
- **MAIN CAMPUS**
- **NUMBER OF CANDIDATES—80 STUDENTS**
- **0755-994142**

## INSTRUCTIONS

- **SECTION A-QUESTION ONE (1)- IS COMPULSORY**
  
- **SECTION B-ANSWER ANY OTHER TWO QUESTIONS**

## SECTION- A

### QUESTION ONE (1)- IS COMPULSORY (30 MARKS)

#### QUESTION ONE.

#### **NEW VEHICLE SALES REBOUND 6.26PC IN FIRST QUARTER**

Sales of new motor vehicles rose 6.26 per cent in the first quarter ended March, signalling a rebound from last year when orders suffered from a mix of economic weakness and coronavirus restrictions on the transport sector.

Data from the Kenya Motor Industry Association (KMI) shows that formal dealers including Toyota Kenya, Isuzu East Africa and DT Dobie moved 2,867 units in the review period compared to 2,698 units a year earlier.

The momentum, however, risks being reversed by the new partial lock-down of the economic hub of Nairobi and its neighbouring counties.

Effective March 27, movement of people into and out of Nairobi, Kajiado, Machakos, Kiambu and Nakuru counties was banned indefinitely to curb the spread of coronavirus.

The night-time curfew was also escalated in the one-zoned area to start from 8pm compared to 10pm previously.

The measures have hit the transport industry hard, with the effect set to be felt in showrooms through reduced orders, especially for buses, minivans and passenger cars.

The restrictions could, however, be short-lived as indicated by the government's statement that schools' third term commencement date of May 10 will not be changed.

Dealers with a big exposure to trade and construction industries –which have been less disrupted in the pandemic compared to household spending and long-distance public transport— grew their sales as others lost market share.

Isuzu, which sells its namesake commercial vehicles including pick-ups, trucks and buses, raised its unit sales to 1,171 in the review period from 1,081 the year before. This raised its market share to a new high of 41 per cent from 40 per cent.

Isuzu's sales strategy has been increasingly driven by partnerships with major client groups such as contractors, transport operators, schools and banks which finance the bulk of new vehicle purchases.

Simba Corporation also recorded a rise in unit sales to 410 from 342, a move that boosted its market share by one percentage point to 14 per cent. The dealer sold nine units of the budget Malaysian car Proton which it introduced in the market in February at prices starting from Sh1 million.

The Proton cars are being assembled at the dealer's Associated Vehicle Assemblers (AVA) plant in Mombasa. Toyota and DT Dobie were the major dealers to record lower sales, losing market share in the process.

Toyota's orders dropped to 572 from 688, with its market share declining by the largest margin to 20 per cent from 25 per cent.

DT Dobie's sales fell to 113 from 162, with the dealer's market share receding to four per cent from six per cent.

### **REQUIRED.**

**A.)** What are the product and market situations conducive to the use of personal selling in the vehicles' market? **(10 Marks)**

**B.)** Develop a sales strategy for the vehicles' in the Kenyan market. **(10 Marks)**

**C.)** Design sales programs to develop sales autonomy among the company's sales team. **(10 Marks)**

### **SECTION B-ANSWER ANY OTHER TWO QUESTIONS**

#### **QUESTION TWO**

**A.)** How would you select the personal selling presentation if you were planning to have a face to face presentation of a group insurance scheme to policy makers in a large organisation? **(10 Marks)**.

**B.)** Discuss the process of identifying training needs of salespersons, what kind of training program would you suggest for training new recruits to a company selling Fast moving consumer goods. **(10 Marks)**.

#### **QUESTION THREE**

**A.)** You are in the business of selling pharmaceuticals and are looking for young dynamic salespersons. Discuss the process of recruiting salespersons for your company. **(10 Marks)**

**B.)** Discuss the concept of composite inventory in sales territory management. **(10 Marks)**

#### **QUESTION FOUR**

**A.)** As a sales manager at a Fast moving consumer goods, explain the types of selling to the new sales team. **(10 Marks)**

**B.)** As a newly recruited sales manager at K.C.B, Prepare a presentation entitled, motivation and sales organization of sales team. **(10 Marks)**