

**JAIPURIA INSTITUTE OF MANAGEMENTOMA IN MANAGEMENT**

**THIRD TRIMESTER (Batch 2020-22)**

**END TERM EXAMINATIONS**

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| Course Name | Sales Management and Business Development (SMBD) | Course Code | MKT401 |
| Max. Time | 2 hours | Max. Marks | 40 |

Instructions: All the questions are compulsory

CASE STUDY

**Profile of Sales Executives**

TPI Food Products Ltd, a subsidiary of TPI group of industries established in 1990, has been engaged in the manufacturing of snack foods, spices, chillies, organic herbal-enriched health foods, livestock foods, fisheries, etc. At present, the company has 150 professionals on its payroll working all over India. The company is in search of more professionals to expand the business in north-eastern region. It has recently invited applications from potential sales professionals for filling the vacancies of sales executives. The company plans to recruit 10 sales executives soon. The following are the details of qualification criteria for selection:

**Post: Sales Executive**

**Necessary Qualifications:**  Candidates, male or female must have an MBA degree in marketing from a recognized institute. They should have a maximum age of 28 on 01 January 2021. They should have a minimum experience of four years in selling foods and beverages or relevant consumer products division. The candidates should be fluent in English, Hindi, Bengali and regional languages of the north-eastern states. They should also be conversant in computers and high speed internet operations and have experience in handling logistical functions and intermediaries.

**Desired profile of the candidate**

Following are the desired profiles of the candidates:

(a) Should have sound physique and pleasing appearance

(b) Should be dynamic in handling territories independently

(c) Should be ambitious to move up the managerial ranks by consistent sales performance

(d) Should be assertive to hold courage and determination even under depressed market situations (e) Should have emotional flexibility to cope with the ups and downs of the business

(f) Should have the ability to work in a team

(g) Should take initiative to identify profitable leads and convert them to actual customers

**Job Profile**

Following is the job profile of the sales executive:

(a) To fulfil sales targets every month

 (b) To plan, organize, and coordinate sales activities. These prospecting, customer call preparations, making cold calls, preparation of sales kits**,** handling customer objections, customer follow-up calls, getting in touch with customer stock positions, replenishing

(c) To open an account at least for five new customers a month

(d) To make at least five calls a day

(e) To type call reports every day and send it by e-mail to territory managers

(f) to attend sales meetings every fortnight convened by territory managers

(g) to attend at least two conferences (one national and one international) in sales and marketing areas in a year

(h) To prepare route plans and time schedules independently and get it approved by territory managers

(i)To ably perform sales presentations and product demonstrations

(j) To be able to properly negotiate and close sales independently

(k) To resolve customer complaints on emergency basis and manage customer relationship convincingly

(l) To be equipped with sales brochures and other promotional materials, and distribute them amongst prospective/existing customers

**Performance evaluations used**

Following are the performance evaluations used:

(a) Target sales: Actual sales

(b) Order: Call

(c) Number of customers contacted: Number of prospects developed

(d) Sales: Sales expenses

(e) Field sales cost: Total sales cost

Remuneration Basic 20,000 plus 20 per cent DA and 15 per cent HRA on basic salaries. Yearly increment is decided on sales performance. Company sponsored TA and DA will be provided on sales tours.

**Promotion opportunities** Based on merit

**Probation** One year probation after joining and then confirmed on the basis of performance

**Discussion Questions**

1. Based on the case given and your understanding of the job description provided, prepare a brief outline of the different types of sales personnel in the company based on your understanding of the type of responsibilities required to be handled by them **(5)**

Ans: In this scenario there is possibility of following types of salesperson:

Order Takers: Inside order taker, Outside order taker and Delivery salesperson

Order Getters: Their role will be to increase the number of customers and do business development as well.

Students need to elaborate on above two types of sales personnel

1. Discuss the situations when a sales representative would be using canned, organised or tailored sales presentation approach in TPI Food Products Ltd.? **(5)**

Ans; Canned presentation would be when new joiness or junior sales representatives need to make standard presentations to clients. They cannot make any changes. Organised presentations can be modified but no changes are possible in the company policies and terms and conditions of doing the business. Tailored presentations are when the sales managers try to understand the needs and specifications of the clients and then make presentations to cater to those needs.

1. Suggest an organization structure for TPI Food products Ltd. Based on following information:
   1. The company want wants to expand in north-eastern state
   2. The company wants to approach public and private airlines to serve packaged food
   3. The company wants to export packaged snacks **(10)**

Students are required to draw out an organization structure based on line and staff functions, geographical orientation and customer segments. An explanation of the structure needs to be done

1. While carrying out performance appraisal of Mr. Ramesh (Posted in Indore) and Mr. Varun (Posted in Kolkata) following data is available before you: **(10)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Evaluation Parameters | Mr Ramesh | Performance Index | Mr Varun | Performance Index |
| Target sales (in units) | 5000 | 69% | 15000 | 80% |
| Actual sales  (in units) | 3450 | 12000 |
| Order (in units) | 25 | 10% | 100 | 11.11% |
| Call | 250 | 900 |
| Number of customers contacted | 2500 | 1.8% | 1250 | 13.2% |
| Number of prospects developed | 45 | 165 |
| Sales (In Rupees) | 25,00,000 | 1.8% | 55,00,000 | 3.6% |
| Sales expenses (In Rupees) | 45000 | 2,00,000 |
| Field sales cost (In Rupees) | 2,50,000 | 50% | 5,00,000 | 50% |
| Total sales cost (In Rupees) | 5,00,000 | 10,00,000 |

Based on the above calculation it can be inferred that Mr. Varun has been a better performer as compared to Mr. Ramesh.

5. The marketing strategy of Steel Tubes Ltd. (STL) was to focus on selling CEW (Cold Drawn Electric Welded) tubes more than ERW (Electric Resistance Welded) tubes. This product strategy was determined due to very thin profits of the company. What would you suggest as a consultant to the company when the types of quotas for sales person are developed in order to show in a suitable manner the company’s need for improvement in profitability?

**Additional information:** The salesperson believe that they have been hired only for sales and are not required to do any other task. The management want to set quotas in such a manner that the salesperson can be evaluated based on the other tasks as well and is also prompted to increase the profitability. (Note; Profitability of CEW tube was about twice that of ERW tube) **(10)**

Students need to explain sales volume Quota in this case and based on units. Points can be allotted to sell more profitable but difficult to sell product categories. Explanation about these need to be given.

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