## **TECEP® Test Description for MAR-322-TE**

# **SALES MANAGEMENT**

This exam assesses students' knowledge of the role of sales management in marketing; principles and practices in planning, organizing, and controlling the sales force; and selection, training, compensating, supervising, and motivating salespeople. (3 credits)

- Test format:
  - o 40 multiple choice questions (1 point each)
  - o 6 essays (10 points each)
- Passing score: 60% (60/100 points). Your grade will be reported as CR (credit) or NC (no credit).
- Time limit: 3 hours

#### **OUTCOMES ASSESSED ON THE TEST**

- Differentiate between the skills required for selling and those required for sales management.
- Formulate the characteristics of a successful salesperson.
- Compare the processes and elements involved in relationship selling.
- Formulate the characteristics of an effective sales presentation.
- Analyze the processes of negotiation, closing methods, and time and territory management.

#### TOPICS ON THE TEST AND THEIR APPROXIMATE DISTRIBUTION

The table below indicates the main topics covered by this exam and the approximate percentage of the exam devoted to each main topic. It is important to review these topics to determine how much prior knowledge you have and/or how much additional study is necessary.

Topic	Percentage
Sales	20%
Sales management	



	1
personal selling	
customer relations	
The Marketing Plan	15%
Decision support	
strategic planning	
<ul> <li>forecasting</li> </ul>	
Professional Selling	15%
Sales force organization	
recruitment training	
territory design	
deployment	
Marketing Research and Development	15%
Motivation	
assessment	
development and leadership	
Targeting and Positioning	15%
Channel strategy	
competitive analysis	
Integrated Marketing Communications and the Changing Media Landscape	20%
Internet selling	
integrated marketing communications	
relationship marketing	

#### STUDY MATERIALS

Most textbooks in this subject include the topics listed above and will prepare you for the test. If you choose another text, be sure to compare its table of contents against the topic list to make sure all topics are covered.

The test focuses on the elements of an effective sales force as a central element of a firm's overall marketing effort. In addition, it assesses knowledge of the relationship between marketing and sales, formation and structure of the sales force, customer relationship management and the use of technology in sales effectiveness. Issues in sales force recruitment, selection, training and motivation will be addressed. Test content is primarily drawn from the two texts below and you should concentrate your reading on the following sections of each:



Study Materials					
Title	Ingram, T. N. et al. <i>Sell</i> . Stamford, CT: Cengage.	Principles of Marketing. Minneapolis, MN: University of Minnesota Libraries. (CC BY-NC-SA 3.0)			
Topics	<ul> <li>Overview</li> <li>Understanding Buyers</li> <li>Communication Skills</li> <li>Expanding Customer Relationships</li> <li>Adding Value</li> </ul>	<ul> <li>Consumer Behavior</li> <li>Business Buying Behavior</li> <li>Market Segmenting</li> <li>Targeting and Positioning</li> <li>Using Supply Chains to Create Value for Customers</li> <li>Integrated Marketing Communications and the Changing Media Landscape</li> <li>Professional Selling</li> </ul>			

In addition to the resources above, you may wish to consider the following open educational online materials. All of these resources (along with <u>Principles of Marketing</u>, listed above) are openly licensed, which means that they are free to be <u>revised</u>, <u>remixed</u>, <u>redistributed</u>, <u>and retained</u>, so long as their unique terms are followed. You can learn more about open licensing <u>here</u>.

Title	License
Richmond, K. (2010). <i>The Power of Selling</i> . Washington, D.C.: Saylor Foundation.	CC BY-NC-SA
Boundless Marketing [Lumen course]. Portland, OR: Lumen Learning.	CC BY 4.0

### **SAMPLE QUESTIONS**

The questions below are designed to help you study for your TECEP. Answering these questions does not guarantee a passing score on your exam.

Please note that the questions below will not appear on your exam.

#### **Multiple-Choice Questions**

- 1. To determine which customer accounts to call on, a firm needs to evaluate
  - a. territory allocation



- b. commission schedules
- c. geographic proximity to other accounts
- d. reference checks
- 2. To maximize the performance of their field sales forces, companies should
  - a. review staff expense accounts
  - b. retrain staff in sales techniques
  - c. develop a strong marketing plan
  - d. develop a strong advertising plan
- 3. Which of the following is an advantage of using a commission form of sales compensation?
  - a. The salesperson will be highly motivated.
  - b. The salesperson will regularly collect sales data.
  - c. Accounts will be serviced on a regular basis.
  - d. Accounts will be more productive.



- 4. Qualifying a prospect is
  - a. identical with checking references for an applicant
  - b. determining which applicant to hire
  - c. conducting an exit interview
  - d. determining if a prospect is interested in a product
- 5. Projection on the basis of past records is a method of
  - a. value analysis
  - b. sales forecasting
  - c. standard appraisal
  - d. sales MBO
- 6. Matching the capabilities of the sales recruit to the needs of the organization is known as
  - a. congruence
  - b. realism
  - c. selection
  - d. socialization
- 7. Which of the following personal selling approaches is designed to help customers reach strategic goals through use of products, services, and sales organization expertise?
  - a. Problem solving
  - b. Consultative
  - c. Need satisfaction
  - d. Mental states
- 8. Which of the following areas of training for sales managers is most frequently neglected?
  - a. Forecasting and budgeting techniques
  - b. Accounting principles
  - c. Marketing principles
  - d. Management principles
- 9. Sales performance evaluations are necessary to
  - a. ensure management meets its goals
  - b. supplement and enhance training
  - c. provide feedback to salespeople
  - d. keep salespeople on their toes



# **Essay Question**

10. Discuss two key benefits a company gains by using a manufacturer's representatives rather than its own sales force.

Essays will be graded on the following basis:

Criteria	Points
Response includes all key information.	5 points
Response is supported with appropriate examples/evidence/discussion.	3 points
Response is clearly expressed and logically organized.	2 points



#### ANSWERS TO SAMPLE QUESTIONS

#### **Multiple-Choice Questions**

1. (c) 4. (d) 7. (b) 2. (b) 5. (b) 8. (d)

3. (a) 6. (a) 9. (c)

#### **Essay Question**

10. Companies must often consider a choice between developing and maintaining an in-house sales force and hiring outside experts, such as manufacturer's representatives. The choice for hiring representatives is strong for two major reasons: cost and planning.

Hiring outside reps provides cost savings since expenses such as recruiting, training, and career development are not incurred. In addition, salary is usually on a commission basis so employees will be both motivated and productive. A second cost benefit is the ability to enter a sales territory immediately. Since the rep is already trained and familiar with the industry and presumably has industry contacts, he or she will be able to "hit the ground running" and work from a book of business or a list of established accounts. Because many accounts prefer to buy from an individual they know, this can also allow for a previously unknown company to introduce its lines and image to new customers in an expedient manner.

The use of outside sales reps also allows for a more stable planning environment for a firm. As mentioned, costs are reduced and the salesperson is able to communicate information on account activity as well as potential, based on their experience. This information is helpful in analyzing industry trends. In addition, since outside hires have provided their employment background to the firm, future sales earnings will be that much easier to develop and project and make internal, tactical planning easier in terms of workload balance. The agent's experience and self-interest in improving sales to increase their compensation is also a key strategic asset.

While some sales managers prefer to hire and develop from within their organizations, the use of outside reps can often provide critical cost savings and planning support. It is for these key reasons that the use of outside sales reps should be considered.

