

UNIVERSITY OF ESWATINI  
FACULTY OF COMMERCE  
DEPARTMENT OF BUSINESS ADMINISTRATION  
MAIN EXAMINATION PAPER  
NOVEMBER 2019

---

TITLE OF PAPER	:	SALES MANAGEMENT
COURSE CODE	:	BA 418
TIME ALLOWED	:	THREE (3) HOURS

---

**INSTRUCTS:**

1. TOTAL NUMBER OF QUESTIONS IN THIS PAPER (6)
2. SECTION A IS COMPULSORY
3. ANSWER ANY THREE (3) QUESTIONS IN SECTION B
4. THE MARKS TO BE AWARDED FOR EACH QUESTION ARE INDICATED ALONG SIDE THE QUESTION.

**NOTE:**

MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH, AND FOR ORDERLY AND NEAT PRESENTATION OF WORK. FURTHER MARKS WILL BE AWARDED FOR USE OF RELEVANT EXAMPLES.

**SPECIAL REQUIREMENTS: NONE**

**THIS PAPER SHOULD NOT BE OPENED UNTIL PERMISSION TO DO SO HAS BEEN GRANTED BY THE INVIGILATOR.**

## NATURAL HAIR RESURGENCE A BOON FOR LOCAL SALONS

### Consumers get to pick and choose as market responds to demand

Those looking to get their hair done in the Johannesburg CBD are spoilt for choice, with a multitude of salons all promising the best braids, cuts, weaves and treatments.

In recent years, the hair market has experienced resurgence in consumer demand for natural hair-care products and styles, and niche salons have mushroomed as a result. This is a global trend premised on conscious hair care.

In Commissioner Street, one of the busiest parts of the city is Indalo Nubian Naturals, a salon started three years ago by Smangele Sibisi.

She said she opened Indalo after she noticed the dearth of salons that catered to black people with natural hair, and the damaging styling done by some salons.

She has since opened another salon in Pretoria and business is booming.

"I've realised that there's a lot of demand.

And also, now people are following this natural hair thing. Now [the] black woman can appreciate her blackness without anyone telling her otherwise," she said.

Sibisi was referring to the pressure black women had faced for decades to straighten their hair by any means possible, whether using scorching hot combs, chemical relaxers, or both.

According to Rubab Abdoolla, a senior beauty and fashion analyst at market researchers Euromonitor International, data from 2017 showed that SA's hair-care market was worth \$18m (about R7.2bn). The black hair-care market represented about 30% of this figure.

"Ethnic hair is big business in Africa and over the last couple of years we have seen multinationals launching new products aimed at African consumers," said Abdoolla.

An example of this is Soft Sheen Carson's natural hair-care range. The company, better known for its relaxer and hair-colour lines for black consumers, has now added the Au Naturele range aimed at the natural black hair market.

Abdoolla added that some of the ingredients these companies now use in their natural hair products, such as coconut oil, shea butter and castor oil had been used by African consumers for years.

"There is a trend towards using natural ingredients, which are familiar to African consumers, in hair and skin products."

A struggle to find a hair salon that catered to her hair needs, led to the founder of franchise, Candi & Co, Candice Thurston, to start her own salon in 2014.

"When I launched Candi & Co the intent was to deracialise hair ... not putting race to a hair type," said Thurston.

"At the time, I couldn't find a natural hair brand in SA and I had to import an American brand. Now there are piles of different natural brands. I'm actually overwhelmed with the choice."

Thurston's salons are in partnership with Sorbet, one of SA's biggest beauty franchises. It is owned by the JSE-listed Long4Life.

Retailers have also tapped into this market, with Dis-Chern and Clicks expanding their hair-care lines to cater for consumers who want natural products.

"Prominent retailers had very limited stock of ethnic hair products, but now we see a much wider range and they have their own dedicated shelves, thereby giving consumers more choice," said Abdoolla.

Dis-Chern has recently introduced vegan- formulated natural hair-care products and is considering introducing a private-label product according to a company spokesperson. Health-care and beauty retailer Clicks said it had a wide range of local and international natural hair-care products.

Clicks said it catered for all hair types, but natural products were growing in popularity.

Ruben Okpoko, co-founder of natural hair-care product range Ruutos, said of the industry: "It will never go small - it will forever grow big. Most women at the moment want to have their own natural hair. People are tired of the relaxer and the relaxed hair type."

Popular natural products are shampoo, conditioner, leave-in conditioner, oil, loc butter and restorative masks.

"The most popular would be the natural combo which consists of seven products. For natural hair, one product doesn't do the trick. You actually need a combination of products," said Okpoko. "By 2020 the [global] hair-care market is going to reach about \$211bn [and] it will only get bigger."

Natural hair-care entrepreneur Jabu Stone entered the market more than 20 years ago when chemical-based products were at the height of their popularity.

In spite of that, he has made a name for himself providing products for people with dreadlocks and natural hair.

Jabu Stone Brand Manager Tumiso Mathebula said the industry had grown considerably in the past few years, especially with the rise of the natural-hair movement.

The competition from new entrants has not made much of a dent to his business. "This has not hurt the brand so much because a lot of the natural products being launched from big corporates, particularly

American products are not tested on South Africans' hair and therefore tend to not perform as well on our hair types," said Mathebula.

Penelope Mashego and Ntando Thukwana. Sunday Times, Business Times.. Business Consumer. Page 7

### SECTION A

Q.1 Hair saloons are mushrooming all over the place in Gauteng, South Africa. Discuss the reasons. (20 marks)

Q.2 Is eSwatini also experiencing this rise in the natural hair movement ? (10 marks)

Q.3 What has been the effects on the whole supply chain of the hair saloon industry ? (10 marks)

-----

40 MARKS

### SECTION B

Q.1 Discuss with relevant examples five (5) types of sales jobs that a sales person can do. (20 marks)

Q.2 Explain with examples the major issues involved in personal selling. (20 marks)

Q.3 The Sales Force Manager can hire from inside the company.

(a) What are the advantages of hiring from inside the company ? (8 marks)

(b) What are the disadvantages of hiring from inside the company ?

(12 marks)

Q.4 Very often when selecting applicants for sales jobs, companies do personal interviews.

What are the objectives of interviews ?

(20 marks)

Q.5 Training is one of the most important factors in the success of a sales person. It costs a lot of money and time. Hence it must have good objectives to be effective. Why is training so important for the company ?

(20 marks)

-----  
60 MARKS

TOTAL

-----  
100 MARKS  
-----