Code: 14E00313

MBA III Semester Regular & Supplementary Examinations November/December 2017

SALES & DISTRIBUTION MANAGEMENT

(For students admitted in 2014, 2015 & 2016 only)

Time: 3 hours | Max. Marks: 60

PART – A

(Answer the following: (05 X 10 = 50 Marks)

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1 What is the relation & linking between sales and distribution management and make a brief note on types and skills of sales managers.

OR

2 "Sales is the only function or department in an organization that generates revenue / income" justify the statement with an illustration and state the evaluation & role of sales management in a service organization.

3 Provide a detailed note on concepts of sales organization and state the different types of sales organization structures with its advantages, limitations & suitability of the structures.

OR

4 Discuss the methods of sizing the sales force and make a brief note on salesforce staffing process with an illustration.

5 What do you understand by distribution management, need of distribution channels in the delivery process and what value addition distribution management provides for the delivery progression?

OR

6 What is meant by a customer oriented channel, how it different from a conventional marketing channel and brief on channel levels.

7 Discuss different factors to be considered for effective channel design and brief on the channel planning process for a financial concept selling.

OR

8 Explain the role of distribution channels for establishing products in the rural market and brief on the techniques of evaluating the channel members.

9 Discuss the differences in customer expectations across countries and stipulate some marketing strategies to overcome the differences.

OR

10 Discuss different modes of entry decisions and what are the implications for each entry mode on the distribution task?

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PART – B

(Compulsory question, 01 X 10 = 10 Marks)

11 **Case Study:**

Sales promotion schemes are devised to motivate the consumer to take that last step and buy the product. This objective has to be held sacrosanct while formulating a promotion scheme. The soft drinks industry is organized. The soft drinks company supplies concentrate to the bottling company. The bottler adds water and gas to the concentrate, packs it and delivers the finished product to the distributor. The distributor then delivers the product to the retailer and the retailer to the consumer. The marketing message reaches the consumer directly from the company that makes and markets the concentrate. But message like sales promotion passes through three hands before it reaches HNAL destination. Often, there are accidents on this journey. The soft drinks company offers different types of schemes. The schemes that offer gifts on purchase reach the consumer because he insists on the gift being advertised. However, those that require involvement by the consumer like turning in crowns along with/without money for gifts are not relished by the consumer.

This is because:

(1) The consumer is not excited enough to bite the bait. The consumer bites the bait only when his/her perceived value of the benefit is high. A scheme like 'look under the crown and get whatever is printed on it' will be successful if the prizes are of extremely high value. Because, if you announce a car or bike and do not say how many of these prizes can be won, then you have done a half-hearted job. The consumer is sure to calculate the probability of a prize. He/she will note participate in the scheme, if he/she thinks that the chance of bagging a prize is remote. Instead, it will create hostility in the consumers mind about the brand.

(2) The company does a callous job relaying the information through the distribution channel. This is often the case l with the soft drink giants. The distribution is the weak link in these schemes.

(3) The distributor's vans and their salesmen represent the company as far as retailers are concerned. Retailers are enthusiastic about schemes because they think the increase is throughout to their profits. But the distributors salesmen seem to use their judgments in communicating the schemes. They often act as they are doing a favour by telling them about the schemes. But the retailers also watch TV and know about the schemes.

And when there is no communication from the distributor, the retailer gets distrustful. Not just distrustful, retailers are enraged when they learn that the scheme is not on offer in their area or has not been communicated by the distributor's representatives. There are instances (not stray ones) where a retailer has no idea about a scheme which is being offered by a neighbouring retailer. The company cannot afford to differentiate between retailers when it is advertising the schemes on the national channel. Bar owners are not interested in promoting the schemes because of the profile of their clientele. Hotel owners are one up; they always serve soft drinks in glasses. The staff of the hotel/bar tend to be avid crown collectors. So, the sales promotion scheme goes off-target.

Questions:

(a) Why such sales promotions are started that seen unwanted expenses and generate heart burn among the consumer and retailer?

(b) How can you synchronize media planning, marketing, sales and distribution efforts in such sales promotion scheme?

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