

GUJARAT TECHNOLOGICAL UNIVERSITY**MBA - SEMESTER– III EXAMINATION – WINTER 2019****Subject Code: 3539213****Date: 05-12-2019****Subject Name: Sales and Distribution Management****Time: 10:30 AM TO 1.30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q.1 Definitions / terms / explanations / short questions based on concepts of theory/practical **14**

- a) Retailing
- b) Supply Chain Management
- c) Reference Power
- d) Catalogue marketing
- e) Value –added selling
- f) Sales volume quotas
- g) Refresher training

Q.2 (a) List and explain some of the theories of personal selling with relevant examples of each theory. **07**

(b) Assume you are a sales manager. You will be opening a new branch for which you are looking to promote one of the existing salespersons as a branch sales manager. What criteria or qualities you would look for in selecting a person for the position of branch sales manager? **07**

OR

(b) Suggest sales strategies for a courier service company operating in a domestic market, Make suitable assumptions, if needed. **07**

Q.3 (a) Explain the procedure of designing sales territories with a relevant example. **07**

(b) To develop a value proposition for his customers and ensure long term relationships, what are some of the steps which a retailer can take? **07**

OR

Q.3 (a) Explain the methods used by companies for setting sales quotas. **07**

(b) E-Choupal is a concept which can be extended by many companies to improve distribution in rural areas. Discuss how it can be useful? **07**

Q.4 (a) What are the major reasons of channel conflicts? Explain the techniques of handling channel conflicts. **07**

(b) Taking a hypothetical example, explain the process of preparing a Sales Budget **07**

OR

Q.4 (a) What are the major functions of a warehouse? How is warehousing related to inventory decisions? **07**

- (b) List the steps for developing a channel information system, channel MIS, for a medium scale selling enterprise.

Q.5

CASE STUDY:

Sunshine Luminaires was an established in 1992 in Bangalore, India to manufacture lamps mainly for household use. The company was established by Dr. Srinath Kashyap who had extensive experience in the lamp industry with the major multinational manufacturers in India and overseas.

Sunshine was involved till now in manufacturing and supplying lamps for consumer and household use under various brands for the leading lamp companies. Dr. Kashyap was involved in looking after the manufacturing and marketing functions while his wife looked after the finances and the HR functions. The company had a total of 50 employees and grossed revenue of Rs. 9 crores in 2005.

The market in India was large and growing due to the increasing affluence and the massive rural electrification programmes of the Government. Post the liberalization in 1992; the market dynamics slowly started changing due to increased competition from leading brands looking to capture larger market shares. Dr. Kashyap felt it was time to diversify this business and get into newer product segments.

Sunshine Luminaires hired Dr. Mohan Das, a bright Engineer from IIT and a MBA from leading Business school. After working in some leading companies, Mohan felt it was for him to exploit his innovative skills and create world class products. In a very short span of time after joining Sunshine, Dr. Das was able to produce some very interesting and technologically advanced products.

Early in 2004, Sunshine was approached by leading global players interested in sourcing products from sunshine, for the European and American markets. These markets were large, but almost saturated, with demand coming mainly from replacements. Although this would guarantee large and assured business, sunshine would have to compromise on margins. Also, the products would have to offer under the sourcing companies brands and these companies' brands and these companies were sticklers from deliveries.

Around this time, Mohan met his old friend Sachin Sharma, also a fellow alumnus from his business school. Sachin had spent many years in Africa and Europe with India's largest companies and had excellent understanding of the international markets and a large number of contacts. Sachin had just returned to India. Looking for a suitable Opportunity. He suggested to Mohan that he could help Sunshine export their products to Africa, where he had some good contacts.

Dr. Kashyap felt that over time, in low value products like lamps, the large MNCs would be forced to give way to players from developing countries like China and India, who would over time establish the products under their own brands. Establishing the Sunshine brand over time was therefore vital for the future.

Meanwhile, Mohan had designed a slew on new and innovative products-comparable with the best in their class in the world, in the energy efficient and industrial lamp categories. Given suitable financial investments, these could take company's revenues to over Rs. 100 crores by 2008 between the domestic and export markets.

- (a) Should the sales be organized on geographic or product basis?

07

(b) Should the distribution be common for all products? **07**
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OR

Q.5 (a) Should he have his own Sales and Distribution organizations in some **07**
countries?

(b) Should domestic and export organizations be separate? **07**

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