**SET - 1**

**JAIPURIA INSTITUTE OF MANAGEMENT, INDORE**

**POST GRADUATE DIPLOMA IN MANAGEMENT**

**TRIMESTER V (Batch 2019-21)**

**END TERM EXAMINATION, JANUARY-2021**

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| Course Name | Distribution and Channel Management (DCM) | Course Code | MKT503 |
| Max. Time | 2 hours | Max. Marks | 40 |

**Instructions: All the questions are compulsory and carry equal marks**

Q.1. ABC Ltd. vending machines have existed as a mechanical channel for distributing a variety of products for many decades. Traditionally the typical products found in vending machines were soft drinks, candy, cigarettes, magazines, and snack foods. But in recent years the variety of products sold through vending machine channels has broadened dramatically. ABC Ltd. Is now planning for consumers can now buy digital cameras, DVDs, iPods, baby diapers, and even solid gold bars for which the price charged changes every two minutes with the ups and downs of the price of gold.

From a channel design standpoint, what do you see as the key variables to be considered by ABC Ltd. in determining whether vending machines could be a feasible channel choice for any given product of your choice?

**(10 Marks)**

Q.2. Dealers will not be interested in stocking goods for a new company or brand. Assuming you are launching a new brand, how will you convince the dealers to start stocking your brand?

**(10 Marks)**

Q.3. Puma (an MNC company) is one of the world’s best known manufacturers of casual shoes and sports boots. For many years the company’s logistical system was geared to large orders. Hence priority was given to major department stores and retail chains that purchased in large quantities. But market reports were indicating that consumers were shopping in increasing numbers at small independent retailers and boutiques for the kinds of shoes and boots sold by Puma. So, the problem facing Puma was how to service the large numbers of small retailers with their tiny orders while still maintaining high levels of efficiency and low order processing costs. To meet this challenge, Puma reengineered its logistical system by using modern scanning equipment to control inventory, track merchandise and handle all paperwork automatically.

Does this situation represent an interface between channel management and logistics management? Explain.

(**10 Marks)**

Q.4. Internet today electronically links many thousands of manufacturers to millions of consumers, thereby eliminating the need for middlemen in the twenty-first century. Who need intermediaries if customers can go online and manufactures all have web site that can be visited by customers from literally all corners of the earth? Shopping trips, malls, stores, indeed the bricks and mortar of current channel structure will eventually become obsolete. Do you agree or disagree with this scenario? Discuss with example

**(10 Marks)**