**SET - 2**

**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**

**Question 1. *Business Case*:** “I just can’t get these guys to feature our new fresh button mushroom products the way they should,” remarked Sanjay Sharma, the product manager for a major manufacturer that had ventured into the new growth field of fresh refrigerated foods. Fresh button mushrooms was to be one of the company’s key products in its effort to build the fresh food product category. The “guys” Sanjay Sharma referred to were store managers for a regional supermarket chain. They were not using manufacturer’s carefully planned display with special signs to feature the fresh button mushrooms. Instead they had simply stacked up the mushrooms in the refrigerator case next to the eggs and milk in most of the stores. This had been going on for more than five weeks and the new fresh button mushrooms line had not done well. Sanjay Sharma blamed the poor results on lack of retailer promotion support.

**Q1 (a).** Discuss the situation in terms of the need to obtain channel member support and follow-through in push promotions.

**Q1 (b).** Suggest some options to Sanjay Sharma to increase the sales of Mushroom products through the channel members**? (a & b above carry 5 marks each)**

**Question 2.** Today, only 34 to 40 percent in India has internet penetration, does online selling make sense for a large company? Should it not concentrate on physical selling alone? How can companies use the Internet to gain competitive advantage? You can take any product category to elaborate your answer. **(10 marks)**

**Question 3.** (a) “If I eliminate the wholesaler, I can save his commission and thus offer better prices to my customer”. Do you agree with this statement made by a retailer? Justify your answer.

**Question 3.** (b) Is it necessary to use multiple channels, considering the fact that the number of consumers is limited? What benefits do you think companies can reap by using multiple channels?

**(a & b above carry 5 marks each)**

**Question 4.** A new franchising business in the education space is emerging and is growing at a phenomenal pace. While preparation of competitive exams was once spread over local teachers, big brands set up coaching centers in cities and towns. As a result, some businessmen who had no background in education started coaching centers hoping that they would be run by inputs provided by the parent company just like a slimming center or a fast food outlet. However an important element in coaching is the skill of the teacher and coaching centers were unable to hire skilled teachers locally. The franchisees thought that teachers would be provided by the parent company as a part of its “support” but were told by the company that hiring of local staff was their headache. As a result, franchisees started asking for their money back. Many closed down.

Assuming you were the manager in such a company what would you do? And Why? **(10 Marks)**