



INTERNATIONAL MANAGEMENT INSTITUTE BHUBANESWAR

SALES & DISTRIBUTION MANAGEMENT

Term 4

PGDM 2014-16

Credits: 3

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Course Objective:

1. To expose the participants to the function & role of Sales & Distribution Management in any product centric business, across product categories.
2. To develop a hands-on in-depth understanding of both the functions.
3. To understand the relationship between the trade and the organization and the strategic role of the distribution function.
4. Provide the required skills to be able to conceptualize, develop and manage a sales & distribution network.

Pedagogy:

The approach will be hands-on, through active field work in the market place. Besides conceptual learning which will involve case discussions, lectures, role plays and written assignments. Surprise quizzes will be a special feature. Prior reading and preparation of the assigned work will be a pre requisite. **Field project will constitute an important element of the learning pedagogy.**

<u>Evaluation:</u>	Class discussions /written submissions	15%
	Quizzes (n-1)	20%
	Term Assignment	15%
	Mid term exam	15%
	End term exam	35%

Text Book: **Sales & Distribution Management-Text & Cases, Havaldar & Cavale (Tata McGraw Hill) 2nd ed.**

- Reference Books:**
1. Sales Management- Decisions, Strategies & Cases : Cundiff, Still & Govoni (Prentice Hall)
 2. Marketing Channels: Coughlan, Anderson, Stern ,El Ansary & Natarajan (Prentice Hall/ Pearson) 7th ed.
 3. Sales & Distribution Management, Panda & Sahadev, Oxford University Press, 2005 ed.
 4. Selling Today: creating customer value, Pearson, 9th ed.
 5. Sales & Distribution Management: an Indian perspective, Pingali Venugopal, Response Books, 2008
 6. Dalrymple's Sales Management: William Cron & Thomas DeCarlo, Wiley 9th ed

Session Plan

<u>Session</u>	<u>Topics</u>	<u>Readings & Cases</u>
1	<ul style="list-style-type: none"> • Overview of Sales & Distribution • Distribution & marketing mix • Why channels • Channels for FMCG, Industrial products & services 	<p>R: Planning The Distribution Function in an Organization</p> <p>R: Customer-driven distribution systems</p> <p>R: Chapter - 8</p>
2-4	<ul style="list-style-type: none"> • The participants in the channel process & the environmental impact • Types of intermediaries & their role • Functions intermediaries perform • Impact of competition on channels • Legal issues impacting distribution 	<p>R: Channel Partnerships: Streamline Distribution</p> <p>R: Chapter - 9-11</p>
5-6	<ul style="list-style-type: none"> • Behavioral implications in channel management • Quest for Power in the channel system • Role of communication • Conflict in channels • Channel Power & conflict resolution 	<p>R: A New Approach to Distribution Conflict Management</p> <p>C: Flat Tyres of India (session 5)</p>
7-9	<ul style="list-style-type: none"> • Developing Distribution Strategy & channel network • Interpreting channel behaviour • Identifying distribution needs • Evolving channel structure & design • Evaluating channel alternatives • Channel selection • Developing the channel 	<p>C: Sunny Foods (Session 7) ..written submission in session 7</p> <p>R: Chapter - 12</p>
10	<ul style="list-style-type: none"> • Managing Channels • Product & Debtor control thru channels • Motivating the channel • Promoting through channels • Channel Compensation 	<p>R: Channel Management</p> <p>R: Chapter - 13-14</p> <p>C:</p>
11	<ul style="list-style-type: none"> • Physical distribution & logistics • Elements of logistics • Developing & Managing the supply chain distribution/logistics • Inventory planning & management 	<p>R: Chapter 15</p> <p>R: What is the Right Supply Chain for Your Product.</p>

12-14	<ul style="list-style-type: none"> • Personal Selling • Pre & post selling activities • Opening & Closing a sale • Handling objections • Sales Negotiations 	<p>C: Colonial Heritage Furniture (Session 12)-- ROLE PLAY</p> <p>R: After the Sale is over</p> <p>R: Chapter 1-3</p>
15-17	<ul style="list-style-type: none"> • Managing the sales organization • The sales organization • Primary & secondary structure • Managing Sales Force • Recruiting, training & motivating • Sales force Compensation 	<p>R: Chapter 5 - 6</p> <p>R: Humanize Your Selling Strategy.</p> <p>R: Building a top Con Goods Sales Force</p> <p>C: Amhurst Computers. (written submission & discussion in Sesn 15)</p>
18	<ul style="list-style-type: none"> • Territory Management • Determining territories & Load plan • Coverage planning: extensive / intensive • Developing new markets 	<p>R: Sales Force Work Load and Territory Analysis</p> <p>R: Chapter - 4</p>
19	<ul style="list-style-type: none"> • Controlling the sales effort • Setting targets & budgets • Reporting & analysis • Sales meetings/reviews 	<p>R: Chapter - 7</p>
20	<ul style="list-style-type: none"> • Review & closure • Term Project VIVA 	<p>Schedule for Viva will be notified.</p>

Readings assigned for each session could be the subject of class discussion or a quiz. Students are thus advised to read the same prior to coming to class.

Term assignment

Weightage 20%

A term project will be required to be done by each student, in groups of 2 students, to get a first hand feel of the discipline of Sales & Distribution. Groups may be formed by the students; names of group members should be emailed to reach the instructor **before session 5, along with a brief outline of the proposed project.**

Assignment: Develop an understanding of the Sales & Distribution function for any of the under mentioned product categories; how these are distributed in the market including the last mile delivery; how the sales function is discharged; and develop a Sales & Distribution action plan for expanding the **intensity and coverage of its distribution with a view to increase market share.**

1. Fresh fruits and vegetables.

2. Milk and other Dairy products from an organized large/medium sized dairy
 3. Bidis, Match boxes and Agarbattis.
 4. Salty snacks from an unorganized manufacturer / a small scale operator.
 5. Candy and low priced confectionery products, with a semi-urban reach with emphasis on last mile delivery.
 6. Distribution of Frozen Desserts (Ice creams), across types of outlets, with special emphasis on mobile distribution through Carts.
 7. Auto ancillary supplies like lubes, grease and other branded and non-branded products to wayside and micro repair shops.
 8. Regional FMCG brands in the Foods or Toiletries category.
 9. Electrical appliances and or household consumer durable products.
 10. Pharmaceutical products, covering both OTC and Scheduled drugs.
- To be able to do this assignment you will need to select any product category and or Brand from amongst the above list and visit the wholesale and retail markets to understand the working hands-on. Contacts with company's field staff, intermediaries and customers will be essential. Primary research, covering both consumers and members of the Trade is mandatory for purposes of understanding the operational dynamics which impacts distribution.
 - Based on your understanding develop a complete Sales & Distribution plan for the organization to increase its distribution intensity & market share. For ease of implementation the plan may be confined to be implemented in the state of Odisha, but the same should be capable of a national roll out subsequently. **The plan must also cover the rural markets, for which a visit to any rural village/small town within 25 kms of Bhubaneswar, is mandatory.**
 - The plan should also cover the sales management function.

Submissions:

1. **In session 8**, all the groups will make a 5 min presentation outlining their plan of action for the project along with timelines and activities to be completed. **In session 14-15**, all groups will be required to present their preliminary findings in the class. **Non readiness or inadequate work done will attract 1 sub-grade as penalty or any other action as deemed appropriate.** Any group member may be asked to present part or whole of the findings.
2. A written report, not exceeding 20-25 A4 pages, Arial, 12 font, excluding annexures & questionnaire, must be submitted in the 20th session. ***Failure to meet this deadline will result in a "F" grade in the complete component.***
3. **Viva will be held after completion of the course; schedule will be notified later.**