

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA

PGDM / PGDM (M) / PGDM (SM)

5th TRIMESTER (Batch 2016-18)

Re - End Term Examinations, January 2018

Course Name	Distribution & Channel Management	Course Code	MKT 510
Max. Time	2 Hrs	Max. Marks	40

Instructions: Attempt All Questions

1. A multi-product company is selling in a highly competitive Machine Tools market. It has 56 multi-brand distributors who are allocated territories on geographical basis. The company has to select the 3 best distributors from these 56. Suggest a suitable performance evaluation system to do this job.(9)
2. You are a Marketing Consultant to a large FMCG company having multi-brand distributors. In the face of stiff competition from national and international players, the company wants to keep motivating them so that it's brand gets more effort and sales from them. Outline the complete plan for this objective to be achieved. (9)
3. You are a RSM in a FMCG company and taking care of North India. You have appointed a distributor in Haryana who is very influential and have many other brands also in his profile but non competitive. You have entered an agreement with them that they will not take any distribution of competitive products. But after a year you find that they have taken another company's products for distribution which are very similar to your products. You are dependent on the distributor as he has great infrastructure and network as well as financially strong, so you don't want to lose him. As RSM How will you resolve the issues like:-
 - a) Relationship continues with distributor (3)
 - b) You save your face with your superiors that Dist has not gone against contract (3)
 - c) Resolve conflict between you and distributor by finding an out of box solution.(3)

Total-9

4. Please answer the questions given at the end of the case study

Snap-on, Inc.: A Unique Go-To-Market Strategy

Snap-on, Inc., a member company of the S&P 500, is a leading manufacturer and distributor of premium tools, equipment, and diagnostic systems primarily for independent auto repair centers but also for new vehicle dealerships. Through its innovative products, strong brand, and services-focused distribution strategy, Snap-on captures a leading share of the automotive professional tool market against rivals such as Stanley Black & Decker and Danaher. Snap-on also serves technicians in the marine and aviation industries (i.e., aircraft repair) as well as government and industrial organizations. Among Snap-on's extensive product line are diagnostic tools that provide trouble-shooting information, including step-by-step instructions that technicians can follow in repairing a particular problem. Such solutions have made Snap-on particularly popular among independent repair shops-Snap-on's bread-and-butter market.

From its founding in 1920, the cornerstone of Snap-on's marketing strategy has been to take their tools directly to the customer's business and demonstrate their performance advantages. Building on this concept, Snap-on has developed a national network of franchised dealers who make weekly visits to customers' workplaces in a tool-stocked walk-in van. "The company's United States van fleet consists of approximately 3,200 vans, more than twice that of its next largest competitor, allowing Snap-on dealers to serve smaller territories and focus on customer service."

The franchised dealers receive extensive training and responsive service support in the field. For new dealers, after an introductory course, a trainer will accompany them on customer visits for 4 to 6 weeks to provide a smooth transition for the franchisee and for customers in the territory.

To capitalize on its strong product development capabilities and to spur future growth, Snap-on is working to expand its product offerings outside the vehicle service market to industries such as aerospace and power generation. Management believes the firm could garner strong margins from customers in these industries due to Snap-on's emphasis on high-performance, quality tools.

Questions:

- 1. Channel design begins with an assessment of end-user customer needs. Assess the strength of Snap-on's dealer van channel in serving customer needs in the vehicle service market (for example, auto repair shops). Next, consider possible adjustments that might be required to serve customer needs in adjacent markets that the firm is exploring, such as aerospace companies and utilities?**
- 2. Outline strategies that Snap-on might follow to capitalize on its strong brand in the vehicle service market and extend its reach into other industry sectors?**

Best of luck!!! ☺