

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA

PGDM / PGDM (M) / PGDM (SM)

FOURTH TRIMESTER (Batch 2022-24)

END TERM EXAMINATION, OCTOBER 2023

Course Name	Distribution and Channel Management	Course Code	20122
Max. Time	2 Hours	Max. Marks	40 MM

INSTRUCTIONS: Attempt all of the following questions.

1. Private-label products sell in supermarkets typically for about 10 to 20 percent less than national brands, yet the profit margins realized by supermarkets are usually about 10 to 15 percent higher than for national brands—so, supermarkets like private-label brands. But in recent years, there has been a tendency for supermarkets to upgrade their private brands to compete more directly with high-price premium national brands on quality. Several supermarkets, for example, have developed their own version of the Dove super premium ice cream bar. Some observers believe that such trading-up of private-label products will undermine their appeal. Do you agree or disagree? **Justify.** (10 marks)
2. C.F. Martin & Company, located in Nazareth, Pennsylvania, is recognized by guitar enthusiasts as the manufacturer of the finest steel string acoustic guitars in the world. Martin is to guitars what Mercedes or even Rolls Royce is to automobiles in the minds of the target market at which the guitars are aimed—top-notch professional musicians and highly accomplished amateurs. C.F. Martin & Company is an American guitar manufacturer established in 1833 by Christian Frederick Martin. After 150 years in the guitar business, Martin has decided to examine its approach to marketing comprehensively. As part of that process, the company has asked you, in your role as an independent marketing consultant, to set new distribution objectives. **Discuss** in detail, and **propose** your views on some of the key issues you will need to address in carrying out your assignment? (10 marks)
3. In the summer of 2009, Walmart, the world's largest retailer, left no doubt about its enormous power in the marketing channel. Walmart announced to all manufacturers whose products it sells that they must adhere to Walmart's new "green" environmental initiative. The manufacturers must estimate and disclose the environmental costs of producing their products and then allow Walmart to use that information to develop a "green" rating system that will be disclosed to consumers on product labels. The cost of the "green" program will be borne entirely by the 100,000 Walmart suppliers. Although the program will take a number of years to fully implement, some parts of it may be in place by as early as mid-2011. Suppliers will not be able to opt out of this program. So all of them, from the largest to the smallest, will have to participate. If they do not, Walmart has made it clear that those suppliers will likely be dropped by the giant retailer. **List** power base(s) appear to be in play in this situation? **What** do you think Walmart is trying to accomplish here by exercising its great power in the marketing channel? (10 marks)
4. **Discuss** the pros and cons of following promotional strategies from the manufacturers and channel member's viewpoints: (a) cooperative advertising, (b) Free riders, (c) slotting fees, (d) in-store promotions, (e) contests and incentives. (2*5=10 marks)