

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA PGDM / PGDM (M) / PGDM (SM) FIFTH TRIMESTER (Batch 2017-19)

END TERM EXAMINATIONS, DECEMBER 2018

Course Name	Distribution Channel Management	Course Code	510
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- It is not an open book exam
- Be precise and clear in your response.
- Attempt any four questions which carry 10 marks each.
- The question attempted may be put a cross(x) and the question paper attached with the answer book.
- Q No 6 has to be done on the extra sheet attached with the question paper. Rough calculation, if any, may be done on Answer Book.
- 1. You have been called to deliver a lecture by your Institute on Mulit-Channel Retailing in India. Describe the lecture plan mentioning the following:
- a) Main contents you would cover
- b) The sub-heading under each content
- c) The order in which contents would be covered
- d) The time allotted to each heading
- 2. Channel managers can learn about the needs and problems of channel members using various approaches. Adopt one of the approaches and summarise your conclusion regarding the needs and problems of channel members engaged in FMCG sector in India.
- 3. Write a plan for starting your own Flower (Gifts) franchising operation. What would be the essential elements of the plan? What specific points would you include in the contractual arrangement you establish with your franchisees?
- 4. For the scenario given below, categorize the <u>demand</u> for bulk-breaking, spatial convenience, waiting/delivery time, and assortment/variety as "High," "Medium," or "Low". Explain your answer. "A woman in India wishes to buy some cosmetics for herself. She has never done so before, and is not entirely sure of on what occasions she will wear the cosmetics. She does not live near a big city. She is too poor to own any conveyance, but has a bit of extra money for a small luxury." How can understanding of demand be used to design the channel structure?
- 5. What are the principal issues for Channel Manager in Trade Promotion? Describe some of the practices found in two product-markets in India?

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6. Calculate ROI for the below mentioned Scenario. Separately also identify – Investment, Operating Cost or Expenses

McDonald's franchise -

Name of Fee	Cost - \$	
Franchise Fee	\$25,000	
Monthly Rental	\$250	
(Security deposit for site is 3 months rental)		
Signs, Seating, Equipment, and Décor	\$300,000	
Opening Inventory	\$10,000	
Miscellaneous Opening Expenses	\$40,000	
Microsoft Subscription License (One time)	\$449	
Restaurant System Management (One time)	\$250	
Service Fee	4% of Gross Sales.	
Advertising and Promotion	4% of Gross Sales.	
New POS Integration Fee	\$1,000 integration fee (one-time fee); \$200 annual integration fee	
Software Maintenance Fee (monthly)	\$125	
e*Restaurant Fee(monthly)	\$54	
Identity Management Fee(monthly)	\$75	

Monthly Average sales (Over past one year)	\$15,000	
Raw Material Cost	purchased at 40% of Net Sale	
Manpower Cost (Monthly)	\$150	
Miscellaneous Costs		
Electricity	\$200	
Stationary	- \$200	
Staff Welfare Cost		