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MBAS 508

Third Semester M.B.A. Degree Examination, April 2021
BUSINESS ADMINISTRATION
Promotions and Distribution Management

Time : 3 Hours

Max. Marks : 70

Instruction : Answer all Sections.

SECTION – A
(Compulsory)

Note : Answer to the question should **not** exceed **six** pages. **(1×15=15)**

1. As a chief distribution officer of a new entrant for FMCG product for Rural Women, you are given the task to study and recommend appropriate channels of distribution for the Indian market. What factors you will consider before designing the channel strategy ? Explain.

SECTION – B

Note : Answer **any five** of the following questions. **Each** question carries **8** marks.

Answer to the question should **not** exceed **five** pages. **(5×8=40)**

2. Explain outdoor media advertisement. List out the advantages and disadvantages of outdoor media.
3. Explain the role of inventory management in SCM.
4. Write a note on Guerrilla marketing and Kiosk marketing.
5. Describe the role of advertising agency and the factors that govern its selection.
6. Identify some of the factors that have contributed to the growth of direct marketing. Explain.
7. Explain the key activities involved in the Selling Process.

P.T.O.



8. Describe in detail the different test used to measure the effectiveness of advertising after it's seen.

9. Write a note on development of e-commerce and its commercial models.

SECTION - C
(Compulsory)

Note : Answer to the question should not exceed **six pages.** (1×15=15)

10. Case Study :

Mr. Arman Mehra works for a company that sells machine components and spares to different manufacturers catering to the consumer markets. The costs of these machine components are quite high as they constitute strategic components of many of these machines and go as a part of the boiler used in the factory to keep the temperature of the boiler under control. This is a conversation of Mr. Arman Mehra with Mr. Piyush Sinha, who heads the purchasing department of a company and is a long-term customer for Mr. Mehra.

'Mr. Sinha, your company has established itself as a high-quality manufacturer that provides good products at a superior value to the customers. As a result, your salespeople have had to continuously prove the value of your product against the cheaper alternatives available in the market by showing the additional benefits when compared with the higher prices that you charge. Do you not agree with this statement ?'

'I do agree with you. I have heard sales managers discussing this with our salesperson all the time, constantly hitting at benefits that our products deliver in comparison to the cheaper alternatives available in the market,' said Mr. Sinha.

'That is the point. Though quality costs more, it also pays off well for the customer. We all feel the same for the products that we sell you every time. Though they cost more than the product you are considering now from our competitor, the dependability of the performance is certainly something worth comparing while comparing our prices with those of the competitors,' said Mr. Mehra.



'I understand that Mr. Mehra, but our headquarters have instructed us to make savings in the purchases and yours is the largest buying that we/are going to have this year. As the industry conditions are bad due to availability of cheap substitutes from China, we have to make some cost cuttings this year. That forces us to look for better alternatives from cost point of view." said Mr. Sinha.

'OK, that is something I cannot refute, but the quality of service that our company has given you in last few years has provided longer wear, fewer replacements, and less down time in the production process resulting in substantial cost saving in your organization,' said Mr. Mehra.

'I am not so sure that I can agree with your statement Mr. Mehra. You are talking about measuring something that has not happened. These can only be treated as sales claims as there is no substantial benefit observed as you are suggesting,' said Mr. Sinha.

'Mr. Sinha, you know very well that we have worked closely with your production people and had our service engineers stationed for emergency calls at nights and on weekends also. Are you saying that we didn't help your company in saving money and achieving your sales goals ?" said Mr. Mehra.

'I am not saying that. I also don't want you to twist what I am saying. What you are referring must be a production problem and it has nothing to do with the purchase department. I have been asked to reduce costs by 15%. Since you cannot give me a lower price, I have decided to go with the competitor as their specifications almost match to that of yours and is OK to my production people. If their products and services do not live up to their promise, I will get in touch with you. I think I have to go for another meeting and I will see you sometime in future,' said Mr. Sinha. Mr. Mehra thanked Mr. Sinha and left the office with a deserted look.

Question :

- 1) What went wrong ? If you are the sales manager for the company what advise will you give to Mr. Mehra ? What kind of changes Mr. Mehra should have made in his presentation ?
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