

INDIAN INSTITUTE OF MANAGEMENT UDAIPUR
SALES AND DISTRIBUTION MANAGEMENT
Course Code: 4-credit course
PGDM Term IV (2016-17)

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Course Objectives

This elective course will offer in-depth exploration of concepts and practices in the fields of Sales Management and Distribution Management to equip the participants with specialized insights and skills.

Course Pedagogy

There will be 20 sessions in all and will include 6 cases.

Students are advised to come well prepared with their analyses of the case to the class as this will enhance the learning.

Data discipline is a key operating variables in this course. Candidates will be always asked to back their statements with facts and inferences from data.

Course Evaluation

1. Group Project = 40% (field work based projects) – described below,
2. Quizzes=20%
3. End-Term Exam =40%

The Group Project

Each group of 5 students is required to choose a company and complete a “Distribution Dossier” for the Company.

The Dossier is to have the following elements:

CHANNEL DESIGN

This is to cover the following elements:

- The channel design used by the company for the physical flow of goods. This should also include a brief description of the role and key deliverables of each channel member.
- The documents recording the flow of information.
- Usage of e-commerce.
- Methods of managing key accounts and modern trade.

CHANNEL MEMBER MANAGEMENT

This is to cover the following elements:

- The monetary methods used by the company to reward each of the channel members.
- The non-monetary methods used by the company to reward each of the channel members.
- Target setting mechanism.
- The monitoring mechanisms used to keep track of channel members.
- Training and HR inputs provided to Channel Members.

FIELD FORCE MANAGEMENT

This is to cover the same elements listed above for Channel Member Management.

TRANSPORTATION AND LOGISTICS

This is to cover the following elements:

- The modes of transportation used from company factory till it reaches the dealer / distributor.
- The modes of transportation used from the dealer / distributor till it reaches the retailer.

At each of the above stages, please outline the deployment of Information Technology.

THE ANALYTICAL FRAMEWORK

The initial Sessions of the course covered a Framework describing variables affecting distribution. Please revisit these variables for the company chosen by you – and analyse the impact of each of these variables.

THE FINANCIAL ASPECT

Please refer to the Balance Sheet of the Company and carry out the following exercise:

- Compute the Market Spend of the Company and break this up into two components – Advertising Spend and Sales & Distribution Spend.
- Pie chart the Sales & Distribution Spend into the different components.

Repeat this exercise for any competitor of the company chosen by you. Compare the Pie Charts of the Sales & Distribution Spends – and give your analysis of the same. The analysis should explain differences (if any). If there is no difference, what are the possible reasons?

Session Plan

| No | Session Topic | Pedagogy |
|-----------|--|--|
| 1 | Introduction to the Sales & Distribution System | Lecture / discussion |
| 2 | Understanding the Key Variables to be managed | Lecture / discussion |
| 3 | Best practices in FMCG Distribution | Lecture/ PPT / discussion |
| 4 | Channel definition, Alignment of Brand & Sales Strategy | Lecture / discussion |
| 5 | Channel Strategies - Direct vs. Indirect trade off | Case: Ingersoll Rand (A) - Managing Multiple Channels |
| 6 | Key issues in Channel Design & Management- I | Lecture / discussion |
| 7 | Channel Strategies - Decisions & Conflicts | Case: Uni Globe |
| 8 | Key issues in Channel Design & Management- II | Lecture / discussion |
| 9 | Market, Channel and Outlet Focus | Case: Chai Tea bags |
| 10 | Channel Roles and Managing Conflict | Case: Evergreen Products |
| 11 | Rural markets - Reach + servicing + super stockists | Case: Coca Cola in India - Innovative Distribution with RED Approach |
| 12 | Channel Buying Behaviour | Case: Lightwel Match Co |
| 13 | Market Servicing & Inventory Management | Lecture / discussion |
| 14 | Using e-Commerce as a Channel | Lecture / discussion |
| 15 | Inventory Management | Lecture / discussion |
| 16 | Alternate distribution models and channels for BOP Markets | Lecture / discussion |

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| 17 | Outlet Mapping - defining outlets and capturing data | Lecture / discussion |
| 18 | Outlet Classification and Segmentation | Lecture / discussion |
| 19 | Route to Market:building the best way to serve the market | Lecture / discussion |
| 20 | Profiling, staffing, training and retaining Field Force | Lecture / discussion |

Reference Books

- **Sales Management- Analysis & Decision Making** -Ingram, Laforge, Avila, Schewpker & Williams. (Cengage Learning 6th Edition, India Edition).[ILASW]
- **Marketing Channels**- Louis Stern, Adel El Ansary, Coughlan, Anderson & Natarajan (Pearson-7th Edition) [SAAN]

Instructor Availability:

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