

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA– SEMESTER –III-EXAMINATION – WINTER-2023

Subject Code:4539213**Date: 07-12-2023****Subject Name: Sales and Distribution Management****Time:10:30 AM TO 01:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

- Q.1** Definitions / terms / explanations / short questions based on concepts of theory/practical **14**
(a) FAB Approach
(b) Intensive Distribution
(c) Coercive Power
(d) Vertical Conflict
(e) Retailer
(f) CIS
(g) Sales Contests
- Q.2** (a) List down various sales presentation methods and explain any two methods in detail. **07**
(b) What is sales territory? Explain Build-up method for designing sales territory. **07**
- OR**
- (b) Describe briefly the common types of quotas set by companies for salespeople ? **07**
- Q.3** (a) Enumerate the functions performed by intermediaries. **07**
(b) Explain various elements of channel information system. **07**
- OR**
- Q.3** (a) Explain different types of retailers with examples. **07**
(b) Describe any three qualitative methods of sales forecasting and indicate its advantages and disadvantages. **07**
- Q.4** (a) What is channel conflict? Discuss some of the major reasons for channel conflict. **07**
(b) Write a Short Note on: Technologies used in Logistics & SCM. **07**
- OR**
- Q.4** (a) What are the various motivational tools or methods are available to the sales manager to motivate their salesperson ? **07**
(b) A car manufacturer of India is planning to sell its products in foreign countries. Discuss different modes of entry in international market for the manufacturer. **07**

Ashwin Healthcare Ltd (AHL) is a pharmaceutical company which has been in business over one decade. It has a combination of prescription drugs, OTC products and some diagnostic reagents for laboratories. Many of its products are market leaders in their respective categories. AHL has grown exponentially in the last three years.

AHL has over 600 distributors all India and these are managed by a sales team of a GSM, 4 regional managers, 15 ASMs and over 150 professional service representatives (PSRs). All the PSRs have a combination of hospitals, nursing homes, chemists, laboratories and general stores as their customers. The distributors are common for all the products of the company.

The distributors have a clear, well laid out beat plan which they and their own salesmen are to follow strictly. The PSRs also have a permanent journey plan approved every month giving the details of the daily coverage of different customers expected of them.

In a recent review of the performance of the salesforce done by the CEO, it was noticed that the productivity of PSRs was falling and this was of serious concern to the top management. The number of calls made by the PSRs was falling short of the targets and so was the productivity of the calls. A detailed analysis revealed the obvious fact that the pattern of calling and converting different kinds of customers was different.

Hospitals and nursing homes took a lot of time to complete the calls. There was a lot of waiting time and procedure to meet the purchase people and on their advice, to meet some of the doctors. The amount of time had to be spent at the outlet as these customers were critical and big.

Diagnostic laboratories were similar to hospitals but were easier to call on in terms of time spent.

Calling on doctors who had their own private practice could only be done in the evening after the clinic is opened. Most of these doctors also used to be on duty with different hospitals and nursing homes during the day and could not be met during the day. The appointment and meeting time in the evening many time stretched to even 10 pm. Even when a busy doctor gave a fixed time, he could not be met at that time as he would have lot of patients who would get priority and there would also be a lot of other company PSRs waiting to see him.

Chemists followed the timings dictated by the markets in which they were located. Chemists would not want PSRs to call on them the first thing in the morning before they had done some business. Any time after 11 am was convenient to meet them. Some of them were not available between 2 and 4 pm.

The PSRs had to call on general stores for some of their OTC products. These were similar to chemists and had similar habits and working hours.

Common tasks to be performed in all kinds of customer outlets:

- Checking physical stocks of medicines carried
- Collection of outstanding payments
- Obtaining fresh orders
- Getting prescriptions recommendation AHL products

- Cross-checking with chemists of doctors are prescribing AHL products
- Arranging with distributors, to take back expired stocks from all types of customers.

Out of the 150 PSRs of AHL, 100 of them were operating in the cities. The rest of the PSRs were scattered in the various important towns of the country.

The CEO and the General Manager Sales decided to change the customer mix of the 100 PSRs in the major cities. The PSRs were split into three groups :

1. One set of PSRs to call on hospitals, nursing homes and laboratories only.
2. The second set of PSRs to call on doctors only.
3. The third set of PSRs to call on chemists and general stores only.

It was believed that this action would result in better call productivity and each customer would get adequate time from the company front-line salesperson and business would improve.

Questions :

- (a) Is this a good proposal for improving distribution effectiveness? What do you think ? **07**
- (b) Explain possible distribution network for AHL company. **07**
- OR**
- (a) What are the time management tools available to PSRs for managing their time more efficiently and productivity? **07**
- (b) You are required to design sales territory to cover the cities as well as towns. Describe how would you go about your task. **07**
