

PGDM (RM), 2015-17
Sales & Distribution Management
RM-302

Trimester – III, End-Term Examination: March 2016

Time allowed: 2 Hrs 30 Min

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	$3 \times 5 = 15$
B	2 out of 3 (Long Questions)	10 Marks each	$2 \times 10 = 20$
C	Compulsory Case Study	15 Marks	$10 + 5$
		Total Marks	50

Section A: Please answer three out of five questions. Word limit for each of these questions is 250 words.

- 1) What is the difference between Sales and Marketing? Explain it using an industry example.
- 2) What are the various types of Distribution Channel structures? Explain the advantages and disadvantages of each one.
- 3) What are the major considerations while designing a Sales team? Explain using an industry example.
- 4) Technology is changing the way Sales is done today, do you agree or disagree? Explain using industry examples.
- 5) What are the Channel conflicts and how they should be resolved?

Section B: Please answer two out of three questions. Word limit for each of these questions is 500 words.

- 1) A B2B company in the field of heavy industry equipment, headquartered in China wants to enter into India. What sort of distribution structure you would advise them to go for?
- 2) What are the key considerations to be kept in mind by the leadership team while recruiting and selecting the Sales team?
- 3) What are the various theories of selling? Explain it using industry examples.

Section C: Please answer the question at the end of the Case-Study on the basis of the Case-Study and the concepts of Sales and Distribution. The word limit for the same is 1250 words.

Haldiram's: The No 1 Choice of Consumers

Haldiram's, a household name in ready-to-eat snack foods in India, offered a wide range of products to its customers. The product range included namkeens (savories), sweets, sharbats, bakery items, dairy products, papads, and ice-creams. Namkeens remained the main focus area for the group. By specializing in the manufacture of namkeens, the company created a niche market.

Haldiram's sought to customize its products to suit the tastes and preferences of customers from different parts of India. For example, it launched '*Murukku*,' a South Indian snack, and '*Chennai Mixture*' for south Indian customers. Similarly, Haldiram's launched '*Bhelpuri*,' keeping in mind customers residing in western India. The company offered its products in gift packs during the festival season. These measures helped Haldiram's compete effectively in a market that was flooded with a variety of snack items in different shapes, sizes, and flavors.

Haldiram's offered its products at competitive prices. The company's pricing strategy took into consideration the price conscious nature of consumers in India. Haldiram's launched namkeens in small packets of 30 grams, priced as low as Rs 5. The company also launched namkeens in five different packs with prices varying according to their weights.

Apart from the exclusive showrooms owned by Haldiram's, the company offered its products through retail outlets such as supermarkets, sweet shops, provision stores, bakeries, and ice cream parlors. The products were also available in public places such as railway stations and bus stations that accounted for a sizeable amount of its sales.

Haldiram's products enjoyed phenomenal goodwill and stockists competed with each other to stock them. Moreover, sweet shops and bakeries stocked Haldiram's products despite the fact that the company's products were competing with their own products.

Haldiram also used attractive posters, brochures, and mailers to enhance the visibility of its brand. Different varieties of posters were designed to appeal to the masses. The punch line for Haldiram's products was, 'Always in good taste.' Advertisements depicting the entire range of Haldiram's sweets and namkeens were published in the print media (magazines and newspapers). These advertisements had captions such as 'millions of tongues can't go wrong,' 'What are you waiting for, Diwali?' and 'Keeping your taste buds on their toes.'

To increase the visibility of the Haldiram's brand, the company placed its hoardings in high traffic areas such as train stations and bus stations. Posters were designed for display on public transport vehicles such as buses, and hoardings. Captions such as '*yeh corn hain*' (this is corn), '*chota samosa – big mazaa*' (small samosa – big entertainment), '*yeh Kashmiri mix khoob jamega*' (this namkeen item will gel well) and 'oozing with taste' (for Rasgollas) promoted individual products. For those customers who wanted to know more about Haldiram's products, special brochures were designed which described the products and gave information about the ingredients used to make them. Mailers were also sent to loyal customers and important corporate clients as a token of appreciation for their patronage.

Packaging was an important aspect of Haldiram's product promotion. Since namkeens were impulse purchase items, attractive packaging in different colors was used to influence purchases. Haldiram's used the latest technology (food items were packed in nitrogen filled pouches) to increase the shelf life of its products. While the normal shelf life of similar products was under a week, the shelf life of Haldiram's products was about six months. The

company projected the shelf life of its products as its unique selling proposition. Posters highlighting the shelf life of its products carried the caption 'six months on the shelf and six seconds in your mouth.' During the festival season, Haldiram's products were sold in attractive looking special gift packs.

Now, Haldiram's is planning to venture into home delivery space in a big way.

- 1) What form of distribution channel would you advise Haldiram's to go for? (10 marks)
- 2) What would be the new skills you would suggest the Sales team of Haldiram's needs to learn in order to excel in new business vertical? (5 marks)