



# GL BAJAJ

Institute of Management & Research  
Approved by A.I.C.T.E., Ministry of HRD, Govt. of India

Roll No.....

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.)–201306

## POST GRADUATE DIPLOMA IN MANAGEMENT (2017-19) END TERM EXAMINATION (TERM-IV)

Subject Name: **Sales and Distribution Management**  
Sub. Code: **PGM02**

Time: **02.00 hrs**  
Max Marks: **50**

### Note:

1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.
2. All questions are compulsory in Section A, B & C. Section A carries 2 Case Studies, 10 marks each. Section B carries 2 questions of 10 marks each and Section C carries 5 questions 2 marks each.

### SECTION - A

10×02 = 20 Marks

#### Q. 1: Case Study:

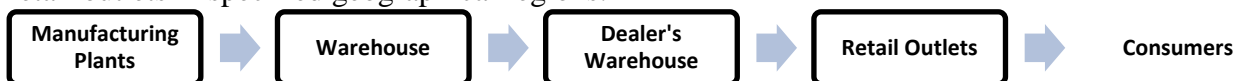
#### PA Ltd.

Mr. Keshav Kumar, Sales executive of PA Ltd was worried as he could not achieve the Sales Target for previous 4 months. What reasons could he give to his boss Mr. Anupam Kaushal, Area sales manager, whom he has to meet in the coming week? He was unable to understand the root cause of decreasing sales and confused? Is it because of decrease in demand of FMCG category or his own efforts are not sufficient?

#### About Company:

PA Ltd. Is 134 year old Indian company with head office in Delhi? The company has range of products like Juices, Honey, health drinks, cold cream, hair oil, tooth paste and shampoo. These products and brand are having good recall value in Indian markets. The company has major manufacturing plant in Ghaziabad, Baddi, Pantnagar, Jammu and Kolkata. The physical distribution of products was carried out as below.

The dealers are selected by the PA Ltd. and are responsible for different regions. They cover all retail outlets in specified geographical regions.



Each dealer has employed a group of sales executives who were responsible to book orders from the retail outlets. The sales executive was assigned number of retail outlets which he require to visit once in week. The retail outlets are such as kirana stores, general stores, and departmental stores and even pan shops. The dealer has an agreement with PA Ltd. to sell exclusively their products.

Products manufactured at various factories of PA Ltd. are dispatched to centrally locate regional warehouse of various dealers, based on the orders obtained by the company's sales executives.

#### Sales Organization:

The sales function headed by the National Sales Head. Regional sales managers handled different states and report to National Sales Head. Area sales managers look after different districts within the states and report to Regional sales managers and finally sales executives who are responsible for different cities report to Area sales managers. The sales target for Sales Head is divided into different states, districts and cities in top-down approach in target setting meeting held in December every year. Each person in the sales structure is responsible for achieving the target.

Sales executives were responsible for field selling and non-selling activities and responsible for sales from dealers in the assigned cities or towns.

#### Role and Responsibilities of Sales Executives:

Sales Target: The task responsibility is to achieve the quarterly and yearly targets which include product wise sales volume and total sales value. The performance evaluation is done based on

yearly targets achievement but incentives were paid on the quarterly target achievement performance. Promotion and increment in salary is decided on yearly performance on quantitative and qualitative goals.

**Product wise assortment and sales promotion:** Mandated assortment means the right product category in the right retail outlets so that retailer's money is not blocked by holding the stock of unsold categories. It's also including taking back damaged or expired goods from retail outlets. Field promotions include the visibility elements like posters, bill boards, hangers at retail outlets for which company paid to retails to support.

**Training and development:** It consists of training dealers salespersons in selling skills, routing plan, and visibility of the company's product in the retailers' shelves. Rajeev Kumar stress on the importance of training of the sales persons always

**05×02 = 10 Marks**

Q. 1(A): What are the challenges in the current selling process PA Ltd? What are the reasons for the unsatisfactory performance of Keshav Kumar?

Q.1(B): If you are the Area sales manager, what would be your plans and proposal to overcome this challenge?

### **Case Study 2:**

Mr. Ramesh has joined Star Industrial Systems Ltd as a sales manager for Industrial Bearing products and services. This company was recently selected as authorized distributor of American Sleeve Bearing (ASB) Ltd for their Cast & Powdered Metal Bearings. ASB has philosophy simply stated: "Give the customers what they want, when they want it, and at a price they can afford." As distributor, Star Industrial Systems Pvt. Ltd. is required to perform various tasks such as prospecting, promoting, preparing technical offers, negotiating and getting orders, executing orders, collecting payments, giving pre and post sales services and maintaining excellent customers relationship. Star Industrial Systems Pvt. Ltd is required to operate in Delhi NCR territory.

**05×02 = 10 Marks**

Q. 2(A): What are your suggestions to Mr. Ramesh on different lead generation methods to increase the order book for Star Industrial Systems Pvt. Ltd. in short period of time?

Q. 2(B): Develop a Sales Incentive plan for Mr. Ramesh's team including financial and non-financial methods?

### **SECTION B**

**10×02 = 20 Marks**

Q. 3: A company wants to evaluate sales performance on selling and non-selling activities like sales volume (in Rupees) and Avg. No. of calls per day and payment collection. Design Sales Target for company owned Retail Outlet of Telecom Company. You may make suitable assumptions.

Q. 4: As competition intensifies in rural markets, building relationships with capable channel partners becomes more important. Explain the key challenges of Rural Distribution Management?

How ITC and HUL (Hindustan Uniliver) implemented innovative rural distribution plans and achieve higher sales in rural market?

### **SECTION C**

**05×02 = 10 Marks**

Q.5 (A): Why is increasing number are companies using Sales Force Automation (SFA) and explain briefly with example?

Q. 5 (B): Assume that you are a Regional Sales Manager of Bajaj Auto Ltd and You have been asked by your GM(Sales) to submit Sales Plan to increase the sales volume by 20% for next year. What would be your response?

Q. 5 (C): How Relationship selling is different from the retail transaction oriented selling? Explain with example of hospitality sector.

Q. 5 (D): Describe briefly the steps involved in designing and executing online distribution channel for grocery company?

Q. 5 (E): What are lead generations methods and lead management processes for financial services products like Mutual Fund, Insurance and Wealth Management?