



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MARKETING AND LOGISTICS

QUALIFICATION : BACHELOR OF MARKETING HONOURS	
QUALIFICATION CODE: 08HMAR	LEVEL: 8
COURSE CODE: VSM812S	COURSE NAME: VALUE AND SUPPLY CHAIN MANAGEMENT
SESSION: JANUARY 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

2ND OPPORTUNITY EXAMINATION QUESTION PAPER	
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MODERATOR:	Mr R. Ritter

INSTRUCTIONS
<p>1. Closed book examination!</p> <p>3. Answer all questions</p> <p>4. Start each question on a new page</p> <p>5. Please ensure that you write your student number on the booklet and you sign the attendance examination register.</p> <p>NB: students are advised that it is in their own interest to write legibly and in ink</p>

THIS QUESTION PAPER CONSISTS OF 3 PAGES (Including this front page)

QUESTION ONE**25 Marks**

Rosenbloom (2014) argues that for technical products sold in the industrial market, manufacturers should select distributors who carry a small rather than large array of products. The aforementioned author further argues that with a smaller, rather than a larger, array of products carried more attention will be paid to a manufacturer's products. This author believes that the financial capacity of the potential channel member should not be overemphasized because sometimes less financed firms are "hungrier" and more aggressive.

As a channel design manager, critically discuss the factors or criteria that a firm should take into consideration when selecting a channel member.

QUESTION TWO**25 Marks**

Retailers consist of business firms engaged primarily in selling merchandise for personal or household consumption and rendering services incidental to the sale of goods. Hence the role of the retailer in the distribution channel, regardless of his/her size or type, is to interpret the demands of his customers and to find and stock the goods these customers want, when they want them and in the way, they want them. In order for retailers to accomplish this, they perform a number of tasks.

With this background discuss any **FIVE (5)** distribution tasks that are performed by retailers in the distribution channel.

QUESTION THREE**25 Marks**

In the distribution system channel conflict comes in many forms. Some are mild, merely the necessary friction of a competitive business environment. Some are actually positive for the manufacturer, forcing out-of-date or uneconomic players to adapt or decline. Other conflicts, however, can undermine the manufacturer's business model. This leads to such a deterioration of channel economics that the threatened channel either retaliates against the manufacturer or simply stops selling its product. The result is disintermediation, in which the manufacturer suffers hence a channel manager should possess full knowledge of the causes of conflicts within the channel to avoid the negative impact that these conflicts can have on the business.

With this background critically discuss any **FIVE (5)** causes of conflicts among distribution channel members.

QUESTION FOUR**25 Marks**

French and Ravine (2010) define a power base as the source or root of the power that one party exercises over another. The aforementioned authors delineate five such power bases.

Explain, giving practical examples for each, the **FIVE (5)** bases of power in a marketing channels' context.

END OF PAPER