



NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF MARKETING AND LOGISTICS

COURSE CODE: VSM812S	COURSE NAME: VALUE AND SUPPLY CHAIN MANAGEMENT
DATE: NOVEMBER 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100
1ST OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINERS:	Dr S.P Kaupa
MODERATOR:	Mr R. Ritter
INSTRUCTIONS	
<ul style="list-style-type: none">• CLOSED BOOK EXAMINATION• ANSWER ALL QUESTIONS• PLEASE ENSURE THAT YOU WRITE YOUR STUDENT NUMBER/SEAT NUMBER ON THE BOOKLET AND YOU SIGN THE ATTENDANCE EXAMINATION REGISTER• NB: STUDENTS ARE ADVISED THAT IT IS IN THEIR BEST INTEREST TO WRITE LEGIBLY AND IN INK	

THIS QUESTION PAPER CONSISTS OF 4 PAGES (INCLUDING THIS FRONT PAGE)

QUESTION 1**20 MARKS**

Although the relationship between dense markets and channel structure appears to be straightforward, the real world does not always conform to such neat implications. Marketing channel designers have used the *efficient congestion concept* to explain the relationship that exist between dense markets and channel structure.

Using this *congestion efficient concept*, explain how congested (high-density) markets can promote efficiency in the performance of distribution tasks.

QUESTION 2**20 MARKS**

Rosenbloom (2014) points that of all the variables affecting the design of marketing channels, market variables are the most fundamental. This is because the needs and wants of the market being targeted by the channel manager should shape the design of the firm's marketing channel.

Market channel design strategy should be market driven so as to meet, as closely as possible the demands of the firm's target markets. To do this successfully, the channel manager should be familiar with several dimensions of markets as they relate to the design of marketing channels.

As a marketing manager, examine and discuss a framework for analyzing market dimensions in relation to channel design.

QUESTION 3**20 MARKS**

No well-managed firm can operate successfully in the long run without periodically evaluating the performance of its employees. The same holds true for the firm's marketing channel members because the success of the firm in meeting its objectives also depends on how the firm's independent channel members perform. Thus, the evaluation of channel member performance is just as important as the evaluation of employees working within the firm. The only differences are that, in evaluating channel members, the marketing channel manager is dealing with independent business firms rather than employees and the setting of the evaluation process is interorganisational rather than intraorganisational.

With this background critically discuss any **FIVE (5)** criteria that a marketing manager can use to evaluate the performance of the marketing channel members.

QUESTION 4**20 MARKS**

In the distribution system channel conflicts 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 adopt 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. L 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 and explain how that type of conflict can be avoided.

QUESTION 5**20 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 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 analyse the factors or criteria that a firm should take into consideration when selecting a channel member.

END OF QUESTION PAPER