



**College of Commerce**  
**Division of Economic and Financial Studies**  
**Business Department**

**BBA213:**  
**Distribution Decisions**

**Unit Outline**  
**2004**

STUDENT RESOURCE CENTRE  
Division of Economic and Financial Studies  
MACQUARIE UNIVERSITY

## 1. About this Unit

Distribution Decisions introduces a number of topics, which form part of the broad range of interdependent areas of concern to those working within or managing modern commercial enterprises. It is not intended to make participants subject matter experts in what is a complex and dynamic area of modern business. Rather, it is intended to provide participants with sufficient requisite information to understand the principles involved and their interrelationships, together with some guidelines as to how one might better learn 'how to learn effectively'.

Participants are expected to take full responsibility for managing their own learning, just as they must take responsibility for managing their own careers. This means that your results for this course will in all likelihood reflect the quality of your efforts to come to grips with the principles involved and your understanding of how they might be applied in real-world situations.

As most of the situations covered by this subject are problematic (that is, involving both quantitative and qualitative analysis), there will be few if any precise answers. Every option will have advantages and disadvantages with implications and strategic ramifications for both action and inaction. Understanding the underlying principles, their theoretical basis and, more importantly, how they may be applied in practice so as to achieve sustainable improvements on the present situation, should be a key objective for participants in this course.

BBA213 has a credit-point value of 3, so you should spend on average 12 hours per week (lectures, tutorials, study, etc.) on this unit.

## 2. Teaching Staff

Gareth Jude

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(by appointment)

Leanne Carter (Lecturer in charge)

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(by appointment)

## 3. Classes

This unit will have 12 x 2 hour lectures and 5 x 1 hour application lectures. Lectures will take place between 6pm and 9pm each Thursday on the following schedule. Where an application lecture is scheduled that application lecture will follow immediately after the main lecture.

Date	Session	Topic	Comments
5 <sup>th</sup> Aug. 2004	1	Course Introduction Marketing Channels: Structure, functions and relationship	Coughlan et al, Chapter 1+2
12 <sup>th</sup> Aug 2004	2	Segmentation for Marketing Channel Design	Coughlan et al, Chapter 3
		Application Lecture	SC Johnson
19th Aug 2004	3	Supply side channel analysis	Coughlan et al, Chapter 4 &5

26th Aug 2004	4	Gap Analysis, Vertical Integration	Coughlan et al. Chapters 6 & 7
		Application Lecture	J W Thornton
2 <sup>nd</sup> Sep 2004	5	Channel Power and Managing Conflict	Coughlan et al, Chapters 8 & 9
9 <sup>th</sup> Sep 2004	6	Distribution Intensity Guest Lecture	Coughlan et al, Chapter 10
16 <sup>th</sup> Sep 2004	7	Class test	
Mid- Semester Break			
7 Oct 2004	8	Class Test Review Strategic Alliances	Coughlan et al. Chapter 11
14 Oct 2004	9	Retailing	Coughlan et al, Chapter 13
		Application Lecture	Wal Mart
21 Oct 2004	10	Non Store Retailing and Electronic channels	Coughlan et al. Chapter 14
		Application Lecture	Hewlett Packard
28 Oct 2004	11	Wholesaling	Coughlan et al, Chapter 15
4 Nov 2004	12	Logistics and Supply Chain Guest Lecture	Coughlan et al. Chapter 16
11 Nov 2004	13	Franchising Guest Lecture	Coughlan et al, Chapter 17
		Application Lecture	Pizza Hut

#### 4. Required and Recommended Texts and/or Materials

##### a. Required Texts

The required textbook for this unit is:

Coughlan, A. T.; Anderson, E.; Stem, L. W.; and, El-Ansary, A. I. (2001) *Marketing Channels* 6<sup>th</sup> ed. New Jersey, Prentice-Hall.

##### b. Recommended Text

Lou Pelton, David Strutton & James Lumpkin, (2002), Marketing Channels: A relationship approach, (Irwin, Chicago)

##### c. Relevant Journals and Business Periodicals

These publications contain extra information on the subject and may be of use to students

Journal of Marketing Channels

International Journal of Retailing

International Journal of Retail and Distribution Management

Journal of Marketing

Journal of Marketing Research

Forbes Magazine

BRW

## 5. Unit Web Page

The unit will not have a web page but lecturer's notes will be posted on the library reserve site after each lecture.

## 6. Learning Outcomes

The learning outcomes of the unit are

- To gain an understanding of Marketing Channels structure and functions
- To Understand Demand, Supply and Competitive influences on Channel design
- To be able to critically asses Channel design
- To understand key Channel implementation issues like Channel Power, Channel Conflict, Distribution Intensity and Strategic Alliances
- To understand the role of key Channel Institutions such as Retailers, Wholesalers, Franchising and Logistics
- To be able to apply distribution theory to real life examples both in case form and through company research
- To work effectively in groups to analyse and prepare reports on a distribution issues.

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop students' generic skills in a range of areas. One of the aims of this unit is that students develop their skills in the following:

- Foundation skills of literacy, numeracy and information technology;
- Self-awareness and interpersonal skills;
- Communication skills;
- Critical analysis skills;
- Problem-solving skills;
- Creative thinking skills.

## 7. Teaching and Learning Strategy

### a. Lectures

Students should prepare for each lecture by, as a minimum, reading the nominated chapters from the required text as well as reading relevant material from the recommended reading lists. Lectures are your opportunity to assess whether or not you fully understand the topic of the week and to debate your opinions with the class.

### b. Application lectures

Analysis of business problems then preparing concise reports and recommendations for action to management will be a regular feature of your business career. Case study analysis simulates

this business activity.

The following distribution case studies will be discussed during the application lecture sessions of the subject

1. S.C. Johnson
2. JW Thornton
3. Hewlett Packard
4. Wal Mart
5. Pizza Hut

The cases will be available in advance of each application lecture and in ERIC.

### **c. Group Work**

Distribution problems are by their nature multi-disciplinary therefore in the business world you can expect to have to work with groups of other managers to resolve distribution issues.

Working in groups during this course will be valuable experience for your working life ahead.

Students have two options for joining a group.

#### Option 1 – Organise your own group

Students can organise themselves into groups of five. This option has the benefit of enabling students to select whom they will work with. Students taking this option must submit a completed Group Contact Sheet (one per group, with the contact details of all group members) in the designated box at ERIC (Economics Resource and Information Centre) located at C5C 244 before the lecture on Thursday August 19<sup>th</sup>. A blank Group Contact Sheet is included at the end of this unit outline.

#### Option 2 – Be placed in a group by the lecturers.

Students who have not organised themselves into a group, or have organised a group of less than five, will be formed into groups of five by the lecturers. In this case students must place a group contact sheet containing their name(s), contact details etc in the designated box at ERIC (C5C 244) before the lectures on Thursday August 19<sup>th</sup>. Contact details for the groups allocated by the lecturers will be available for collection from ERIC (C5C244) from Monday August 23<sup>rd</sup>.

As you will have to be in regular contact with your group it is recommended that you get the contact details of all of the members in your group. A blank Group Contact Sheet is included at the end of this unit outline for that purpose. Not being in contact with your group is not an excuse for having little input into the group work.

If you do not pursue either option 1 or option 2 it will be assumed that you are not continuing with the unit.

Group work submitted by individuals will not be marked.

There are two tasks to be completed by the groups.

**i Case Studies** Groups should prepare for each application lecture by both reading the designated case and either answering the questions associated with the case given by the lecturer or by making a one to two page critical summary of it. Your group's written work should be submitted before the commencement of each application lecture. No submission is required before the lecture on SC Johnson in which a model case submission will be presented.

Your case submissions will not be returned so please ensure that all members of the group have a copy prior to handing in.

Where no specific questions are asked you should use the following structure for each case summary:

#### Situation Analysis

Perform a SWOT analysis i.e. Strengths and weaknesses of the company; opportunities and threats in its external environment. Substantiate any assertions being made with evidence from the case i.e. if sales are going up say by how much, if there is conflict in the channel say who is it between.

#### Problem Definition

Define the main issues or real problems facing the company and lay these out, where relevant, as one or more principal distribution problems.

#### Analysis and Evaluation of Options

Analyse the problems facing the company by extrapolating the facts and figures from the case. It is important in this section to take the numbers given in the case a little further than they are presented.

After completing this analysis evaluate the pros and cons of the most feasible alternatives considering costs and benefits of each.

#### Other Information that should be Obtained

Specify the further data you think should be obtained and the analysis required give a better solution to the case problem.

#### Recommended Courses of Action

Make recommendations giving reasons.

#### **General notes**

- For those unfamiliar with Case Study methodology a Case Study guide will be made available in the first application lecture. The first application lecture will be a model of how to prepare your answer
- At all times limit your analysis to the facts available in the case. No external data is to be introduced. Occasionally you will, like any manager, need to make assumptions. Please note any assumptions you have made.
- All case study material will be included in the class test and final exam  
Lecturer's notes will be available in ERIC after each application lecture but do not

rely on them alone for your exam preparation. You will need to have your own thorough understanding of each case to achieve a satisfactory mark in the exam

## ii Group Project

The project is to be completed in groups of five students.

**The group project is to be submitted on or before 5:00pm Thursday October 14<sup>th</sup>, 2004 in the designated box at ERIC (C5C 244).**

The topic for the group project is a CHANNEL AUDIT

### CHANNEL AUDIT ASSIGNMENT:

You will be required to perform an audit of a specific firm's existing distribution channel. Your report should be presented in three parts

1. Describing the **current state** of the channel (its structure, members, allocation of channel functions and flows, ability to meet target customer segments' demands for service outputs, gap analysis, and power and conflict characteristics)
2. **Suggestions for improvement** of the channel design and management.
3. An **annotated bibliography** to any secondary sources you use (business press articles, journals, books, etc.) Each reference in the bibliography should be accompanied by several sentences explaining the major points of the reference and their relevance to your group's research. Under **no** circumstances simply copy the abstract of the article. You must use your own words. There is no page limit for the annotated bibliography, however, it should only include **relevant** articles and texts. In addition you should mention the names, titles, and companies of any people you interview for the audit

You are responsible for finding a firm whose distribution channel you wish to study. You should do your best to use both primary (e.g., personal interview) and secondary (e.g., library research) data to perform your analyses although it is not compulsory to do primary research.

You will be introduced to templates and analytic tools over the first half of the course that will equip you to do this real-world analysis.

## 8. Relationship between Assessment and Learning objectives

### a. Class Test 20%

This exam will be held in the lecture of Week 7, covering material presented in the first six weeks of lectures. The exam will consist of multiple choice and written short answer questions, will be "closed book" and of one and one half hours duration. All case studies covered in the first six weeks will be included in the class test. This test is designed to give students feedback on how well they have understood and can express their understanding of the course material presented so far.

### b. Group Case Studies 10%

Your group will be assessed on the quality of the written submission as well as your contribution to

the discussion of the case in the lecture

**c. Group Project**                      **20%**

You will be graded on the quality of your analysis and recommendations and on your ability to apply the analytic concepts from class to your chosen distribution channel situation. It is best to study a pre-existing channel rather than a firm's plans to enter a new market and build up a new channel. However, if you wish to look at a case of new market entry, you may do so, but please include an analysis of the firm's pre-existing channel (if it exists) for other products and suggestions for altering it for the new product or market.

The report itself (excluding the annotated bibliography and exhibits) should be no more than 2000 words long. Submissions that go beyond the word limit will not be marked as to do so would give non-complying groups an unfair advantage.

It is our experience that students find it no challenge to fill up the word limit. Do not waste it on irrelevant information and verbosity. If history repeats then what will separate the better assignments from the others will be the level of understanding of the theory and competence in applying it to the issues.

**General points to observe are:**

- All work is to be in 12-point pitch/font size.
- Where page limits are set, they refer to A4 size pages.
- While presentation is important, content is much more important. It is not necessary to purchase binders for this assignment. It is sufficient to hand in your work securely stapled in the top left-hand corner.
- If you do choose to use a binder, please choose one that lies flat when open. Under no circumstance use a folder which is a collection of plastic sleeves.
- Please use recyclable materials where possible.
- It is the responsibility of the group to make and keep a photocopy of the project.

**Marking and Peer Assessment**

Working in groups is a valuable experience for students in that it reflects working life, however, it presents some difficulties for markers. In particular, the marker is not present at any of the group meetings, and so does not see the contributions of the individual members. The marker will mark the project, but will rely on information from each group to generate individual marks.

To provide an assessment of each group member's contribution to the project two things are to be handed in as part of your project.

1. Each student is to write up to one page outlining their own contribution to the project and include it in an appendix to the project
2. The group members are to agree on the contribution made by each member and sign off on their decision. This information is to be included on the assignment cover sheet. An assignment cover sheet is provided at the end of this outline.



If the group considers that all members have contributed equally, then each member will put 100% as their contribution and all members will be given the same grade as the marker gives the written assignment. If, for example, the group considers that one person has contributed significantly more than the others then that person will put down 100% as their contribution, and the others will put down something less than 100%. Another example would be where the group agrees that one member has done significantly less than the others, in this case that person would put down something less than 100% as their contribution.

The markers will give a mark for the project. This mark will then be multiplied by the contribution % for each member of the group to arrive at an individual mark for each student. So, if a student has a contribution of 100%, and a group project mark of 75, then the student will be given an individual mark of 75 ( $75 \times 100\%$ ). If, however, a student has a contribution of 90%, and a group project mark of 75, then the student will be given an individual mark of 67.5 ( $75 \times 90\%$ ). 100% is the highest that can be given.

When assessing each member's contribution it is important to take a balanced view, recognising that there are various roles, skills and stages involved in the project. The project will involve information gathering, familiarisation with theory, synthesis of ideas, analysis of information, writing of the project report and finally word processing the project report. When working in groups it is usual for people to take on various roles (leader, scribe, idea generator, etc). While some roles are more visible than others none is any more important than the others. Unless all are done well, the result will be flawed. It is up to the group to negotiate amongst itself how the work will be allocated in an equitable manner, making the best use of people's strengths. There are three things that we would give weight to when assessing group members contributions, firstly their attendance at group meetings, secondly their punctual delivery of the work that the group has assigned them, and thirdly whether or not their contribution to discussions are based on the theory.

### **c. Final Exam 50%**

The final exam will be held in the formal exam period. The examination will be "closed book". The exam will consist of multiple choice, short answer and long answer questions and be designed to fully test your understanding and ability to express your understanding of all of the course material. Further details will be given later in the semester regarding format and content.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at <http://www.reg.mq.edu.au/Forms/APSCon.pdf>

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period. (Individual Divisions may wish to signal when the Division's Supplementaries are normally scheduled.)

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is the final day of the official examination period.

## **9. Plagiarism**

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

## **10. University Policy on Grading**

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit.

The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

For an explanation of the policy see

<http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc> or

<http://www.mq.edu.au/senate/MQUonly/Issues/detailedguidelines.doc>.

## **11. Student Support Services**

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

MACQUARIE UNIVERSITY  
BBA213

DISTRIBUTION DECISIONS

GROUP PROJECT COVER SHEET

LECTURER IN CHARGE: Gareth Jude

Student Name	ID number	Participation %	Signature

# MACQUARIE UNIVERSITY

BBA213

## DISTRIBUTION DECISIONS

LECTURER IN CHARGE: Gareth Jude

### GROUP CONTACT SHEET

Student Name	ID number	Phone	email

MACQUARIE UNIVERSITY

Professional Authority Form

This form must be completed by a professional authority.

Students at Macquarie University are able to apply for special consideration if they are unable to attend an examination or if they consider that their examination preparation or overall performance in a unit of study has been affected by unavoidable disruption or misadventure. Special consideration may also be granted if a student is forced to leave the examination room early due to illness or unavoidable disruption and believes that his/her examination performance has been affected. In most circumstances documentary evidence is required before special consideration will be granted and your assistance in providing information on the student's illness or misadventure would be appreciated. The information you provide will allow the University to make a fair decision about the student's academic performance and will only be used to assess the student's request for special consideration. If special consideration is requested on non-medical grounds, appropriate supporting documentation must be provided, e.g. statutory declarations by independent witnesses, police reports, or statements from sufficiently senior officials in the place of employment. **Photocopies of documents will not be accepted unless they have been certified by a member of the Registrar's staff.**

Professional Use Only

Student's Name: \_\_\_\_\_

ID Number: \_\_\_\_\_

Date of Consultation: \_\_\_\_\_

Date/s of illness or misadventure: From: \_\_\_\_\_ To: \_\_\_\_\_

Please tick the box which best describes the student's illness or misadventure

In my opinion the effect of the illness or misadventure on the above day/s was (or will be):

Negligible ( )      mild ( )      moderate ( )      severe ( )

Was the student suffering from symptoms of the illness or misadventure on the date of the consultation? Yes/No

Please provide details of misadventure or illness including symptoms and the way in which the circumstances are likely to affect exam performance. Is the illness or misadventure related to or as a result of a pre-existing condition? Give details below.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name and Title: \_\_\_\_\_

Profession: \_\_\_\_\_

Provider Number: \_\_\_\_\_

Signature: \_\_\_\_\_

Phone number/s: \_\_\_\_\_



Stamp or seal of Professional Authority  
(or attach letterhead)