



APPLIES TO ACADEMIC YEAR 2011/2012

## MRK 3520 Logistics and Marketing channels

### Programme

Bachelor in Marketing (2. year), Bachelor in Retail Management (2. year)

### Responsible for the course

Eirill Bø

### Department

Department of Strategy and Logistics

### Term

According to study plan

### ECTS Credits

7,5

### Language of instruction

Norwegian

### Introduction

Logistics and Marketing Channels deals with the physical and administrative processes related to purchasing, handling, storage, transport and delivery of manufactured goods, raw materials and equipment, and discusses how goods and services are made available to the end users. To succeed in a market, a company needs to understand how the marketing channel may be improved and streamlined and how the products can efficiently reach the customer. The marketing channel undergoes continual adjustments due to circumstances such as mergers and purchasing, changes in the company's environment, a higher degree of internationalization, new concepts and formats and the use of new technology. It is becoming more and more important for the players in the marketing channel to carry out their tasks in such a way that the customers receive the right degree of service.

Logistical processes relate to many of the traditional functions within a company and comprise suppliers as well as customers. The way these processes are conducted determines competitiveness as well as profitability. As a discipline, logistics has developed from a situation where the main focus was on reducing costs in individual areas, to a consideration of the overall picture that emerges through integration within the company and through cooperation with suppliers and customers.

The subjects of logistics and marketing are closely related, and this course looks at the challenges from the point of view of both disciplines. To put it simply, the logistics part of the course describes the physical flow of the goods, and the marketing part shows how to encourage the demand. The relationship between the two disciplines is also emphasised.

### Please note!

This course overlaps with a group of subjects in the ELE 3715 Logistics and Marketing Channels (7,5 credits) and MAD 1214 Logistics (7,5 credits). Consequently a combination of these courses cannot be approved in a bachelor's degree.

### Learning outcome

#### Acquired Knowledge

By the end of the course the student will have gained a basic insight into the current concept of logistics and how it has developed, plus an understanding of strategic and management challenges for marketing channels in general and retailers in particular. The students will:

- Have an understanding of the concepts of logistics, supply chain management and marketing channels.
- Know models like Du Pont, total cost analysis, ABC analyses and classification models.
- The following are some of the concepts the student should be able to explain:
  - Delivery service
  - Logistics cost
  - Supplier relations
  - Strategic alliances
  - Shop management

#### Acquired Skills

By the end of the course the student will be able to explain how, with a customer focus and a market orientation, one can combine economic, social and political perspectives to analyse marketing channels and the physical flow of goods.

The students will be able to:

- Conduct a distribution analysis to find the most effective channels from the manufacturer to the end user.
- Conduct a supplier analysis and know how one can make a purchase as efficiently as possible and how one can and should establish a close relationship with the individual supplier.
- Conduct a stock analysis and draw up production plans for a manufacturing company.
- Assess what is the right and most cost-efficient delivery service between the different parts of the supply chain.

#### **Reflection**

By the end of the course the students will be aware of the fact that effective channels of distribution may conflict with the aim of protecting the environment. They should also develop an awareness of the ethics involved in buying from suppliers.

#### **Prerequisites**

No special previous knowledge is required for taking this course.

#### **Compulsory reading**

##### **Books:**

Gripsrud, Geir, Arne Nygaard. 2005. Markedsføringskanaler. 4. utg. Cappelen akademisk forlag

Virum, Helge og Persson. 2011. Logistikk og ledelse av forsyningskjeder. 2. utg. Gyldendal Akademisk. 463 sider

#### **Recommended reading**

#### **Course outline**

##### **Marketing channels**

1. Marketing channels as a subject area – Historical perspective, theory and practice
2. The marketing channel's different service levels and market coverage
3. Functions of the marketing channel and the roles of each player
4. Use of intermediaries or direct distribution?
5. Retail activities: Shop-based and E-channels
6. Different functions of the wholesaler, types and strategy
7. Choosing an organizational form for the retailer and the marketing channel
8. Alliances and developing trust, obligations and a culture in the marketing channel
9. Power, influence strategies and conflicts – Effective use of power to influence results
10. Customer to retailer – Customer service
11. Internationalisation of marketing channels
12. Cooperating company and networks
13. International alliances

##### **Logistics**

1. Introduction to the concept of logistics – scope and development of the subject
2. Delivery service – its importance to the customer
3. How does one measure delivery service?
4. Forecasts and stock management
5. Production management
6. Purchasing and cooperation with suppliers
7. The place of distribution and transport in the company and their importance in the value chain.
8. Principles of creating efficient logistics processes
9. Logistics as a competition strategy
10. The significance of logistics for the environment
11. The significance of information technology for logistics
12. What do the leading logistics companies do?

#### **Computer-based tools**

Computer-based tools are not used in this course.

#### **Learning process and workload**

Full time and part time

The course will be conducted through lectures and exercises in class and tests in It's learning, with a total of 45 course hours.

Recommended workload in hours

<b>Activity</b>	<b>Hours</b>
Participation in lectures	45
Preparations for lectures	45
Readings and self study	106
Examination	4
<b>Total recommended use of time</b>	<b>200</b>

**E-learning**

The E-learning Centre uses the platform It's Learning to administrate the mandatory exercises. Module sessions are carried out at the beginning of the semester and before exams. The e-learning students are also offered a study guide, which is an educational guide to the syllabus.

Recommended workload in hours

Activity	Hours
Participation in lectures	10/27
Preparations for lectures	16/27
Readings and self study	171/142
Examination	4
<b>Total recommended use of time</b>	<b>200</b>

Number of hours depends on number of lectures in class

**Use of hours**

Lectures 45 hours

**Examination**

A four hour individual written examination concludes the course.

**Examination code(s)**

MRK 35201 – written examination, counts 100% towards the grade in the course MRK 3520 Logistics and Marketing Channels, 7,5 credits

**Examination support materials**

The BI-approved examination calculator may be used. TEXAS INSTRUMENTS BA II Plus™ The Student Handbook on the web (the chapter on exam information), defines what support materials that may be used during a written examination at the school. Please note particularly what it says about calculators. <http://www.bi.no/studiehandbok/hjelpemidler>

**Re-sit examination**

A re-sit examination is offered every term.

**Additional information**