



# GoBali Course Guide



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# Developing and Managing Channels of Distribution:

**Code:**

CE 4/3

**ECTS:**

5

**Language:**

English

**Lecturer:**

Ni Putu Sri Harta Mimba, Ph.D, SE, M.Si.

## **Description:**

This course explores the multi-faceted nature of channels of distribution. The course provides guidelines for how producers of goods and services should cultivate, execute, and manage their go-to-market strategies. They can achieve success by implementing the notion of channel stewardship, and by applying its three main disciplines: mapping the industry channels, building & updating the channel value chain, and aligning & influencing the channel value chain. Managers are guided on whether to pursue direct and/or indirect channels of distribution. The lecturer presents a seven-step framework for building the channel value chain. In aligning & influencing the channel system, students discover the importance of aligning the network of suppliers and intermediaries to address customer needs, and how participating members should be rewarded commensurate with their efforts. Hard and soft power as key influential levers are discussed, and students are also introduced to a four-step alignment process for programming a high-performance channel system. This discipline also involves managing horizontal channel conflict. The course closes with an eCommerce supplement, which discusses how online channel capabilities have caused varying degrees of disruption among certain product categories.

The course contains two interactive illustrations: "Channel Margins," which provides students with an overview of the effect of markups and margins that are added as the product or service winds its way through the distribution-channel system; and "Channel Profiles," which enables students to apply the seven-step value chain framework to build a sample distribution system, and to explore three different financial scenarios of a hypothetical company case example.

## **Learning Objective:**

By the end of the learning process, students should:

- Underscore the significance of distribution channels
- Introduce the concept of channel stewardship, its three disciplines, and the importance of managing channels comprehensively
- Recognize the four overarching forces affecting channel strategy (4 Cs) in mapping the industry: customer requirements, competitive actions, channel capabilities & costs, and channel power.
- Understand the need for and benefit of multi- channel stewardship
- In the eCommerce supplement, discover how online as a channel has disrupted selected industries

## **Subjects Covered:**

Channel advantage; Channel conflict; Disintermediation; Distribution; Distribution channels; Distribution planning; Hybrid channels; Marketing channel systems; Marketing channels; Multichannel marketing

## Weekly Topics:

1. The value that distribution channels create  
Marketing flows in channels and contact efficiency
2. Typical channel structure  
Service outputs of channels
3. Channel scheme defined  
Obtained differential advantage with channels
4. The characteristics of retailing  
Retail marketing decisions: target markets and retail positioning strategy  
Retail strategic profit model and Mgt Horizons Impact Model
5. Non-store retailing  
Retail store brands & Retail Trends  
Types of wholesaler
6. Mid Term Test
9. Key challenges in channel design
10. Direct or indirect distribution  
Exclusive-, selective-, intensive distribution
11. Why power is used in channels  
The nature of channel conflict and conflict resolution strategies
12. Franchising advantages and disadvantages for the franchisor and for the franchisee  
Types of franchising
13. Franchise sales process  
Key success drivers in franchising
14. The structure of electronic marketing channels  
Disintermediation versus reinter mediation
15. Mobile electronic channels  
Advantages and disadvantages of electronic marketing channels

## Exams:

Written Mid Term Exam

Written Final Exam

## Grading:

Individual participation	10%
Mid Term Exam	30%
Final Exam	60%

## Books and other Sources:

Lewis, Edwin E. (1968), *Marketing Channels: Structure and Strategy*, Perspectives in Marketing Series, Robert D. Buzzell and Frank M. Bass, eds, New York: McGraw-Hill.

McCammon, Bert C. and Robert W. Little (1965), 'Marketing Channels: Analytical Systems and Approaches', an excerpt in *Marketing Channels & Institutions: Readings on Distribution Concepts & Practices*, Bruce J. Walker and Joel B. Haynes, eds, Columbus, OH: Grid, Inc.

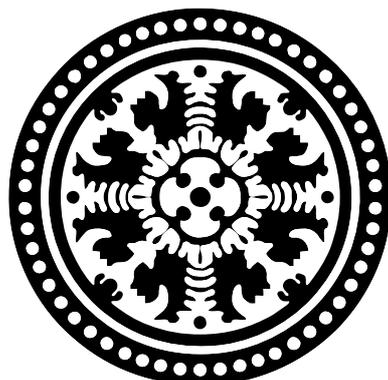
Bagozzi, Richard P. (1979), 'Toward a Formal Theory of Marketing Exchange', Conceptual and Theoretical Developments in Marketing, O. C. Ferrell, Stephen W. Brown, and Charles W. Lamb, Jr, eds, Chicago, IL: American Marketing Association.

Duddy, Edward A. and David A. Revzan (1947), Marketing: An Institutional Approach, New York: McGraw-Hill.

Shaw, Arch (1915), 'Some Problems in Market Distribution', Quarterly Journal of Economics (August), 706-765.

Brion, John M. (1965), Marketing through the Wholesaler-Distributor Channel, Marketing for Executives Series #10, Chicago, IL: American Marketing Association, 53.





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