

## Test Exam TEK118 Fall 2018

Test Exam in TEK 118 – Marketing and Distribution Management  
Examination: Fall 2018

Information:

Allowed support:

- A standard Calculator (no programmable calculators are allowed)
- Lexicon to/from "Your own language" - English (BUT no marks, comments etc are allowed in the lexicon)

On some of the multiple-choice questions, more than one box can be right, anything from 1 boxes to all boxes can be right. On these questions a correct answer will be awarded with 3 points, for every box that are marked wrong, one (1) minus points are given, i.e. assume a question were four boxes out of 5 are correct. Three boxes are marked correctly but another one that is wrong is marked as well. That means two boxes are marked wrong, one that is not marked at all (but should be) and one wrongly marked (should not be marked) i.e. for a full correct answer 3p, minus 2p for the two boxes that were marked wrong =1p for this answer.

Instructions for the exam and your answers:

- To get full points on an essay question, your answer should be comprehensive, well elaborated and ideally illustrated/exemplified, and fairly well written.

Tips for answering:

- Read and analyze – briefly – all questions before you start answering
- Plan the whole time according to your brief analysis of the exam
- Don't forget to plan for some extra time in the end

If you "get stuck" on one question – go to the next one, it's possible to go back

The exam will have a maximum of 53 points. In order to pass, student must achieve > 50%, i.e > 26,5 points.

The EXAM will be graded according to

26,5 ≤ Grade 3 <34

34 ≤ Grade 4 <42

42 ≤ Grade 5

Good luck!!!

- Settings selected for this exam
- Anonymous exam: Student details are not visible to teachers during grading.
- Spell check allowed: All students are allowed to use spell check.
- Random alternatives order: The order of alternatives in single and multiple choice questions are randomized.

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1 Which of the following is characteristics for products that fits into a Physically Efficient Supply Chain?  
**Select one alternative:**

- High demand uncertainties
- Low stock out cost
- Difficult to forecast
- Short product life

Maximum marks: 1

2 The bullwhip effect is a know phenomena within operations mangment. Select the statement that is true.  
**Select one alternative:**

- The bullwip effect is always affected by the number of stakeholders in the supply chain, regardless if the have inventories or not
- The bullwhip effect is not affected by the number of stock holding points
- Demand variations makes is very difficult to maintain the right service level
- The retailer is always the one that gets mostly hit by the variations in demand

Maximum marks: 1

3 Mapping the supply chain is important to adopt sustainability strategies for the supply chain because:  
**Select one or more alternatives:**

- By doing so the company would know until which end, both upwards and downwards, it should monitor
- By doing so the company would recognize the different risks associated with different actors in the supply chain
- By doing so the company would know the boundaries of its supply chain
- By doing so the company can decide to allocate its scarce resources on different sustainability issues in an effective way
- By doing so the company would be able to mitigate all sustainability risks related with the supply chain

Maximum marks: 3

4 How can the circular economy be differentiated from today's economic system?  
**Select one alternative:**

- It aims to conduct a life cycle assessment to the products with a cradle-to-grave approach
- It goes hand in hand with open loop supply chains with an increased focus on efficiency.
- An industrial system that is restorative by design and has the reuse of technical products as a high target.
- It calculates the ecological footprint of products
- It aims to foster collaboration among supply chain members.

Maximum marks: 1

**5** In the course we have primarily discussed two different approaches to distribution: One 'traditional' channel approach and one more 'contemporary' network approach. Drag and drop the words to the right box

**Select one alternative:**

 Help

	<i>Traditional Channel</i>	<i>Evolving networks</i>
<i>Driving Force</i>		
<i>Gap Bridging</i>		
<i>Relationship Characteristics</i>		
<i>Relationship cost</i>		
<i>Relationship benefits</i>		

  

Low	Customization	Postponement
Arms length	Low	Mass production
High	Speculation	Collaborative
		High

Maximum marks: 10

	<i>Traditional channels</i>	<i>Evolving networks</i>
Driving force	Mass production	Customisation
Gap bridging	Speculation	Postponement
Activity features	Loosely coupled	Interdependent
Resource provision	Ownership control	Access
Relationship char.	Arm's length	Collaborative
Atmosphere	Confrontation	Cooperation
Relationship costs	Low	High
-"- benefits	Low	High

**6** Merge-in-transit requires:

**Select one or more alternatives:**

- Large warehouse capacity
- Modularised products
- High quality of information
- Standardised products
- Reliable supply and production systems

Maximum marks: 3

**7** An omni-channel distribution system will allow you as a retail company to: Välj ett eller flera alternativ:  
**Select one or more alternatives:**

- possibly speed up deliveries
- create a totally virtual distribution system without any stores
- reduce return transports by offering returns free of charge in stores
- obtain additional sales when customers are picking up deliveries in your store
- build new local and regional warehouses

Maximum marks: 3

**8** In the course we have argued for a "network approach to distribution" to more accurately understand contemporary distribution arrangements. The Industrial network approach was suggested as a tool to analyse contemporary distribution networks.  
Take the three core concepts of the Industrial network approach as point of departure to illustrate the characteristics of contemporary distribution networks.  
**Fill in your answer here**

The core concept of The Industrial Network Approach are:

- Activities – higher degree of interdependent activities, TI/BTO 3p
- Resources – Access to others' resources through relationships 3p
- Actors – specialization 3p

Enhanced specialization since actors can not hold all necessary resources inhouse – firms need to rely on relationships to other actors to access resources.

Activities: Increasing interdependence due to for example JIT/BTO leads to a need of activity coordination among specialised actors

**9** One phenomenon that today is quite well-known is “The Bullwhip effect”. Explain four major causes of the bullwhip effect. (1p)  
 In the course we have discussed three major ways to counteract the Bullwhip. Name these three ways. (1p)  
 By combining these four causes and the three major counteracts you make up a 4x3 matrix. Select 10 of the boxes and explain one solution in each these 10 boxes how a company can minimize the Bullwhip effect (10p)  
**Fill in your answer here**

Bullwhip	Sharing	Alignment	Efficiency
<b>Demand Forecast Update</b>	<ul style="list-style-type: none"> <li>Understanding system dynamics</li> <li>Use point-of-sale (POS) data</li> <li>Electronic data interchange (EDI)</li> <li>Internet</li> <li>Computer-assisted ordering (CAO)</li> </ul>	<ul style="list-style-type: none"> <li>Vendor-managed inventory (VMI)</li> <li>Discount for information sharing</li> <li>Consumer direct</li> </ul>	<ul style="list-style-type: none"> <li>Lead-time reduction</li> <li>Echelon-based inventory control</li> </ul>
<b>Order Batching</b>	<ul style="list-style-type: none"> <li>EDI</li> <li>Internet ordering</li> </ul>	<ul style="list-style-type: none"> <li>Discount for truck-load assortment</li> <li>Delivery appointments</li> <li>Consolidation</li> <li>Logistics outsourcing</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in fixed cost of ordering by EDI or electronic commerce</li> <li>CAO</li> </ul>
<b>Price Fluctuations</b>		<ul style="list-style-type: none"> <li>Continuous replenishment program (CRP)</li> <li>Everyday low cost (EDLC)</li> </ul>	<ul style="list-style-type: none"> <li>Everyday low price (EDLP)</li> <li>Activity-based costing (ABC)</li> </ul>
<b>Shortage Gaming</b>	<ul style="list-style-type: none"> <li>Sharing sales, capacity, and inventory data</li> </ul>	<ul style="list-style-type: none"> <li>Allocation based on past sales</li> </ul>	

**10** In the course we have primarily discussed two different approaches to distribution: One ‘traditional’ channel approach and one more ‘contemporary’ network approach.  
 What are the main differences between these two approaches? (10p)  
**Fill in your answer here**

Most students have discussed the differences in relation to table 1 in P3.

	<i>Traditional channels</i>	<i>Evolving networks</i>
Driving force	Mass production	Customisation
Gap bridging	Speculation	Postponement
Activity features	Loosely coupled	Interdependent
Resource provision	Ownership control	Access
Relationship char.	Arm’s length	Collaborative
Atmosphere	Confrontation	Cooperation
Relationship costs	Low	High
“-”- benefits	Low	High

Some has also discussed the differences in terms of the concepts related to the ‘relationship atmosphere’: power, conflict and control