

BMM637 MARKETING CHANNELS AND STRATEGIC SALES FORCE MANAGEMENT

Academic Year 2013/14

Number of Aston Credits: 15

Number of ECTS Credits: 7.5

Staff Members Responsible for the Module:

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Pre-requisites for the Module:

None – but should be comfortable working with PCs

Mode of Attendance:

On campus

Module Objectives and Learning Outcomes:

The primary objective of this module is to develop a practical understanding of marketing channels, the sales force, and the management of these functions. The module is approached from a number of perspectives. Regarding marketing channels, from the theoretical domain students will investigate inter-firm power and how it is wielded, governance and control strategies, and how firms develop long-term partnerships. Regarding sales management, students will learn about the key environmental, organizational, and psychological influences on salesperson performance. From the



practitioner domain students will investigate topics including the performance of channel functions, how to design the distribution channel, international channel considerations, electronic channels, how to motivate channel resellers, and control strategies. In the sales context, students will learn how to design, implement, and evaluate a strategic sales force program.

Student learning objectives are:

- > To develop detailed knowledge of a) the different types of channel intermediaries, the legal domain of marketing channels, different control mechanisms, and the various channel functions and flows, and b) the design, implementation, and evaluation of a strategic sales program.
- > To develop an understanding of how channels of distribution and the sales force are used in conjunction with other marketing domain areas (that is, pricing, advertising and promotions, and product management) as part of a firm's marketing strategy.
- > To encourage critical thinking about distribution channels and sales force management. This generally entails combining theoretic aspects of inter-organizational relationships with practical channel design and management.

Module Content:

Due to the unique mix of module content, textbooks specific to sales management and channels management are required. However, because of the rapid development of new and important theories of both sales management and channels management, the student should note that reading content will also be derived from additional articles found in academic journals. Most of these are contained on Blackboard. Also, cases may be discussed in class.

Week of 13 January

- Session 1:** Introduction to Channels of Distribution
- Session 2:** Channel Governance and Control
- Session 3:** Channel Alliances and Forward Integration
- Session 4:** Special Channel Topics: Vertical Integration, International and Electronic Channels, Legal Issues

The above sessions are accompanied by an additional ½ study-day.

Week of 3 March

- Session 5:** Introduction to Sales Management and Personal Selling
- Session 6:** Organization, Information, and Motivation





Session 7: Selecting and Training

Session 8: Compensation and Evaluation

The above sessions are accompanied by an additional ½ study-day.

Corporate Connections:

Although much of the readings are based on leading edge academic theory (see below), sales and channels management are key topics within the operation of almost all businesses. Both Dr. Gilliland and Prof. Marshall have worked with large companies in a consulting context, and this experience is brought through into the module content. Furthermore, case study work connects the abstract theoretical content to the practical realities of business operations.

International Dimensions:

In today's environment, international and cross-cultural management is de rigueur. As a result, these issues are covered where relevant. While there are specific topics in each section of the module, international dimensions are also brought through in examples used, cases examined, or the lecture content. For example, many firms' are reliant on international opportunities. The various complexities of international sales and channels management will be discussed including: legal ramifications, cultural differences, legal differences, logistical issues, and other topics. It is the belief of the lecturer that the international dimension of sales and channels management cannot be realistically 'shoehorned' into one dedicated lecture and then ignored. Within the context of sales management, essentially all selling today has global connotations and implications. Thus, international aspects are covered holistically throughout the module and introduced where relevant.

Contribution of Research:

Leading-edge academic research contributes to this module throughout the year. Both Dr. Gilliland and Prof. Marshall have made and continue to make significant contributions to channels and sales force management research respectively through publication and academic seminars. In fact, the work of both is directly utilized in reading lists, and many of the concepts covered in the module are directly drawn from their recent work and that of other leading colleagues within the field.

Ethics, Responsibility & Sustainability:

Ethical behaviour, or lack thereof, is a key assumption of rational man models of economics. From a marketing channels perspective, we explore these assumptions of non-ethical behavior through various governance models. From a sales management perspective, the potential for quota and incentive systems to drive unethical behavior by



salespeople is an area of focus. The general notion of sustainability – doing well by doing good – is a theme addressed during this module.

Method of Teaching:

BMM637 will be taught in four separate day-long blocks. The schedule will be split between two different weeks – the first week focused on marketing channels (week of 13 January) and the second week focused on strategic sales force management (week of 3 March). Students will have a total of four full days of contact teaching and two ½ study days (one for each of the two parts of the module). The design of BMM638 is heavily based around guided discussion rather than formal lectures for the purposes of knowledge transfer. Students are expected to read all material in preparation for each session. In turn each student or team of students will be responsible for leading a discussion on one of the readings per session. A detailed session schedule is provided in Appendix 1, showing the general discussion topics and articles. Each discussion is guided by the questions, and will be led by a student or student team.

Method of Assessment and Feedback:

In order to best achieve the pedagogical objectives of the module, the module will be assessed in the form of a single exam, worth 100% of the marks. Feedback will be available on request.

Learning Hours:

Over the ten study weeks of this module, students are expected to spend 150 hours in classes, tutorial sessions, reading, class preparation and preparation of coursework. An indicative balance of student workload is as follows:

Pre-reading	10
Lectures	14
Tutorials	10
Directed Reading/ Class Preparation.	74
Exam Preparation	<u>42</u>
Total	150

Pre-reading:

For Channels Portion:

Gilliland, David I. (2013), "Interorganizational Business Background," author's monograph.



For Sales Management Portion:

Moncrief, William C., Greg W. Marshall, and Felicia G. Lask (2006), "A Contemporary Taxonomy of Sales Positions," *Journal of Personal Selling & Sales Management* 26 (Winter), 55-65.

Moncrief, William C. and Greg W. Marshall (2005), "The Evolution of the Seven Steps of Selling," *Industrial Marketing Management* 34 (January), 13-22.

Robinson, Leroy, Jr., Greg W. Marshall, and Miriam B. Stamps (2005), "An Empirical Investigation of Technology Acceptance in a Field Sales Force Setting," *Industrial Marketing Management* 34 (May), 407-415.

Walker, Orville C., Jr., Gilbert A. Churchill, Jr., and Neil M. Ford (1977), "Motivation and Performance in Industrial Selling: Present Knowledge and Needed Research," *Journal of Marketing Research*, 14 (May), 156-168

The following readings are subject to change. Students should not therefore purchase textbooks prior to commencing their module. If students wish to undertake background reading before starting the module, many of the chapters/readings are available in electronic form via on-line library catalogues and other resources.

Essential Reading:

The module texts are:

For Channels Portion: Coughlan, Anderson, Stern, and El-Ansary (2006), "Marketing Channels," 7th ed., Pearson Education, Upper Saddle River, NJ

For Sales Management Portion: Johnston, Mark W. and Greg W. Marshall (2011) *Churchill/Ford/Walker's Sales Force Management*, 10th ed, McGraw-Hill, Boston.

Reference List for Channels Portion:

Alessi: Evolution of an Italian Design Factory (A) (2004), Harvard Business School Case.
Coughlan, Anne T., Erin Anderson, Louis W. Stern, and Adel I. El-Ansary (2006) *Marketing Channels*, 7th ed., Pearson-Prentice Hall, Upper Saddle River, NJ.

> Ch. 6 (p. 196-212; 214-216; 218-227)

> Ch. 7 (p. 244-257; 259; 261-279)

Dolan, Robert J. (2000), "Going to Market," Harvard Business Press.



- Fites, Donald V. (1996), "Make Your Dealers Your Partners," Harvard Business Review, 74 (March-April) 84-95.
- Rangan, V. Kasturi (2006), *Transforming Your Go-To-Market Strategy: The Three Disciplines of Channel Management*, Harvard Business Press. Chapters 3 and 5.
- Thomas, Andrew R. and Timothy J. Wilkinson (2005), "It's the distribution, stupid!" Business Horizons, 48, 125-134.
- Vachani, Sushil and N. Craig Smith (2008), "Socially Responsible Distribution: Distribution Strategies for Reaching the Bottom of the Pyramid," California Management Review, 50 (Winter), 52-84.

Reference List for Sales Management Portion:

- (1) Gilbert A. Churchill, Jr., Neil M. Ford, Steven W. Hartley, and Orville C. Walker, Jr., "The Determinants of Salesperson Performance: A Meta-Analysis," *Journal of Marketing Research* (May 1985), pp. 103–18.
- (2) Cron, William L., Greg W. Marshall, Jagdip Singh, Roseanne L. Spiro, and Harish Sujana (2005). Salesperson Selection, Training, and Development: Trends, implications, and Research Opportunities, *Journal of Personal Selling & Sales Management* 25 (Spring), 123-136.
- (3) Marshall, Greg W., Daniel J. Goebel, and William C. Moncrief (2003), "Hiring for Success at the Buyer-Seller Interface," *Journal of Business Research* 56 (April) 247-255.
- (4) Marshall, Greg W. and John C. Mowen (1993), "An Experimental Investigation of the Outcome Bias in Salesperson Performance Evaluations," *Journal of Personal Selling & Sales Management*, 13 (Summer), 31-47.
- (5) Marshall, Greg W., John C. Mowen, and Keith J. Fabes (1992), "The Impact of Territory Difficulty and Self Versus Other Ratings on Managerial Evaluations of Sales Personnel," *Journal of Personal Selling & Sales Management*, 12 (Fall), 35-47.
- (6) Moncrief, William C., Greg W. Marshall, and Felicia G. Lassk (2006), "A Contemporary Taxonomy of Sales Positions," *Journal of Personal Selling & Sales Management* 26 (Winter), 55-65.
- (7) Moncrief, William C. and Greg W. Marshall (2005), "The Evolution of the Seven Steps of Selling," *Industrial Marketing Management* 34 (January), 13-22.



- (8) Robinson, Leroy, Jr., Greg W. Marshall, and Miriam B. Stamps (2005), "An Empirical Investigation of Technology Acceptance in a Field Sales Force Setting," *Industrial Marketing Management* 34 (May), 407-415.
- (9) Walker, Orville C., Jr., Gilbert A. Churchill, Jr., and Neil M. Ford (1977), "Motivation and Performance in Industrial Selling: Present Knowledge and Needed Research," *Journal of Marketing Research*, 14 (May), 156-168

APPENDIX: Detailed Sessions Guide

Channels Portion:

Hour	Topic	Preparation
9-12.30	Inter-organizational business background	Gilliland (2010)
	Channels of distribution – introduction and basics	Dolan (2000)
	Exercises will be assigned	
3-5	Channel structure and design	Rangan (2006), chapter 3 Thomas and Wilkerson (2005)
	Channel polity: Power, dependence, opportunism, and conflict (Part 1)	Coughlan, et al (2006), ch. 6
Hour	Topic	Preparation
9-12.30	Channel polity (Part 2)	Coughlan, et al (2006), ch. 6, 7
	Perspectives on governance and control	Discuss Alessi case
	Perspectives on interorganizational relationships	Rangan (2006), ch. 5 Fites (1996)
3-5	Special topics: <ol style="list-style-type: none"> 1) Channel ethics and channel's contribution to social marketing and development 2) International channel issues 3) Electronic channels 	Vachani and Smith (2008)



Hour	Topic	Preparation
10-12	Surgery Sessions: Dr Gilliland available for consultation	
2-5	Study time	

Sales Management Portion:

JOHNSTON/MARSHALL CHAPTER ASSIGNMENTS OTHER ASSIGNMENTS

Note: Article numbers refer to the numbered list above under “Reference List for Sales Management Portion.”

Session One

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| 1 – Introduction to Sales Management in the 21 st Century | Articles: 6 and 7
Minicase: Fondren Publishing |
| 2 – The Process of Buying and Selling | |
| 3 – Linking Strategies and the Sales Role in the Era of Customer Relationship Management | |

Session Two

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| 4 – Organizing the Sales Effort | Articles: 8 and 9
Minicase: Lasting Impressions |
| 5 – The Strategic Role of Information in Sales Management | |
| 6- Salesperson Performance: Behavior, Role Perceptions, and Satisfaction | |
| 7 – Salesperson Performance: Motivating the Sales Force | |

Session Three

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| 8 – Personal Characteristics and Sales Aptitude: Criteria for Selecting Salespeople | Articles: 1, 2, and 3
Minicase: J.P. Reynolds |
| 9 – Sales Force Recruitment and Selection | |
| 10 – Sales Training: Objectives, Techniques, and Evaluation | |

Session Four

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| 11 – Salesperson Compensation and Incentives | Articles: 4 and 5
Minicase: Digital Age Games |
| 12 – Cost Analysis | |
| 13 – Evaluating Salesperson Performance | |