

## Syllabus

### Course Overview

In basic marketing courses, you learn about market segmentation, target markets, product and service positioning, and implementing a marketing plan. This course builds on these concepts and applies them to marketing distribution channel analysis, design, and implementation. A marketing distribution channel can be defined as an exchange relationship that creates customer value in the acquisition, consumption, and acquisition of products and services. Understanding marketing distribution channels and the role of each member in the channel is pivotal in successfully managing the marketing process.

Throughout the course, you will work on weekly assignments, including project-related assignments. Case studies are also used in assignments. Case studies are most effective when they are discussed interactively, so class participation is extremely important in this course. You are encouraged to present opposing viewpoints in your responses, but this must always be done respectfully. You will be required to post assignments and to discuss others' postings. Active participation and interaction with your fellow learners is essential to your success in this course.

### Course Competencies

(Read Only)

To successfully complete this course, you will be expected to:

- 1 Apply the principles and types of marketing distribution channels in a manner that meets the needs of the target market and other channel members.
- 2 Evaluate the distribution channel design and implementation process.
- 3 Formulate an analytical framework for distribution channel design that includes segmentation, positioning, targeting, new channel development, and the improvement of existing channels.
- 4 Evaluate distribution channel implementation issues.
- 5 Reflect upon professional attributes that are relevant to marketing distribution channel management.

### Course Prerequisites

Prerequisite(s): BUS3030.

## Syllabus >> Course Materials

### Required

The materials listed below are required to complete the learning activities in this course.

### Library

The following required readings are provided in the Capella University Library or linked directly in this course. To find specific readings by journal or book title, use [Journal and Book Locator](#). Refer to the [Journal and Book Locator library guide](#) to learn how to use this tool.

- Anand, S., & Cunnane, C. (2010). Cross-channel strategies to improve business. *Dealerscope*, 52(9), 70–72, 74, 76.
- Buhalis, D. (2000). Distribution channels in the changing travel industry. *The International Journal of Tourism Research*, 2(5), 357–359.
- Gaski, J. F. (1986). Interrelations among a channel entity's power sources: Impact of the exercise of reward and coercion on expert, referent, and legitimate power sources. *Journal of Marketing Research*, 23, 62–77.
- Gudonavičienė, S., & Alijosiene, S. (2008). The specific features of marketing channel design. *Engineering Economics*, 56(1), 74–83.
- Jung, T. H., Ineson, E. M., & Green, E. (2013). Online social networking: Relationship marketing in UK hotels. *Journal of Marketing Management*, 29(3/4), 392–420.
- Mangold, W. G., & Faulds, D. J. (2009). Social media: The new hybrid element of the promotion mix. *Business Horizons*, 52(4), 357–365.
- Na, W. S. (2010). Managing channel conflict from a Korean life insurance industry perspective. *LIMRA's MarketFacts Quarterly*, 29(3), 82–90.

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
- Vander Schee, B. A., Aurand, T. W., Iacovelli, J., Jednoroz, J., Bergren, J., Keller, L., & Taylor, M. (2012). *Direct marketing and distribution: The case of Redbox*. *Journal of the Academy of Business Education*, 13, 137–149.

### External Resource

Please note that URLs change frequently. While the URLs were current when this course was designed, some may no longer be valid. If you cannot access a specific link, contact your instructor for an alternative URL. Permissions for the following links have been either granted or deemed appropriate for educational use at the time of course publication.

- [Amazon.com](http://www.amazon.com). (n.d.). Retrieved from <http://www.amazon.com>
- [Barnes & Noble Booksellers, Inc.](http://www.barnesandnoble.com) (n.d.). Retrieved from <http://www.barnesandnoble.com>
- Marketing Teacher. (n.d.). [Ryanair marketing mix](http://www.marketingteacher.com/?s=ryanair). Retrieved from <http://www.marketingteacher.com/?s=ryanair>
- [Mary Kay Inc.](http://www.marykay.com) (n.d.). Retrieved from <http://www.marykay.com>
- Slovak, J. (2018, May 14). [Target experiments with faster supply chain \[Blog post\]](https://www.forbes.com/sites/julianneslovak/2018/05/14/target-experiments-with-faster-supply-chain/#5012d6d02a4f). Retrieved from <https://www.forbes.com/sites/julianneslovak/2018/05/14/target-experiments-with-faster-supply-chain/#5012d6d02a4f>
- [Walgreens](https://www.walgreens.com). (n.d.). Retrieved from <https://www.walgreens.com>

### Suggested

The following materials are recommended to provide you with a better understanding of the topics in this course. These materials are not required to complete the course, but they are aligned to course activities and assessments and are highly recommended for your use.

### Optional

The following optional materials are offered to provide you with a better understanding of the topics in this course. These materials are not required to complete the course.

### Projects

#### Project >> Comparative Channel Design and Analysis

##### Project Overview

The Comparative Channel Design and Analysis brings together all of the concepts you will learn about in this course. In your project, you will select a company, conduct research to develop a current view of the company, formulate an analytical framework for the company's distribution channel design, and make recommendations for improvements.

The course project begins in Unit 6 and ends in Unit 10 when you submit your final paper.

- In Unit 6, you will select the company you would like to research. You must get approval for your choice prior to proceeding with the project.
- In Unit 8, you will submit a draft to your instructor and your peers for feedback.
- In Unit 9, you will integrate feedback from your instructor and peers into your final paper.
- In Unit 10, you will submit your final paper.

The expandable sections below contain the full text of each project assignment.

- **Written communication:** Written communication is free of errors that detract from the overall message.
- **APA formatting:** Resources and citations are formatted according to APA style and formatting.
- **Number of resources:** Use a minimum of 4–5 resources.
- **Length of paper:** Your project should be 10–15 typed, double-spaced pages.
- **Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

### Project Components

Activity	Grade Weight (%)

Activity	Grade Weight (%)
u06a2 - Selecting a Project Company	3
u08a1 - Comparative Channel Design Feedback	5
u10a1 - Comparative Channel Design and Analysis Project	30

## Unit 1 >> The Marketing Mix and the Role of Place

### Introduction

The fundamental building blocks of marketing, known as the marketing mix, are necessary for building an effective channel and optimizing the role of each member. All of the elements of the marketing mix must be carefully assembled to meet channel needs and create customer satisfaction. These building blocks can be described as the Four Ps: Product, Price, Promotion, and Place.

Optimal utilization of these components is necessary for creating an efficient and effective distribution channel. For the purposes of this course, our main focus will be on the "place" or "distribution" of the marketing mix. Place represents all that relates to how a product or service gets to the end consumer and all of the channel members that get involved in that process.

Marketing channels are the chain of organizations that come together to bring products from manufacturer to consumer. Though we might not always realize it, as consumers each of us has daily contacts with organizations that comprise a marketing channel.

### Learning Activities

#### u01s1 - Studies

## Readings

Use the Capella University Library to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 1, "Understanding Channel Strategies." This chapter focuses on understanding marketing channels, why manufacturers chose to intermediaries, the roles of each member in the channel, and how channels are designed.
  - Chapter 2, "End-User Analysis: Segmenting and Targeting." This chapter discusses the role of end-users and how to segment and target your market and evaluate whether your channel design is appropriate for your proposed target market.
- Buhalis, D. (2000). *Distribution channels in the changing travel industry*. *The International Journal of Tourism Research*, 2(5), 357–359.

Use the Internet to read the following. You will use this reading to complete the assignment and discussion in this unit.

- Marketing Teacher. (n.d.). [Ryanair marketing mix](http://www.marketingteacher.com/?s=ryanair). Retrieved from <http://www.marketingteacher.com/?s=ryanair>

## Multimedia

- View [Marketing Mix](#).

#### u01a1 - The Ryanair Marketing Mix

Use the Ryanair Marketing Mix case study, assigned in the Studies for this unit, to write a paper in which you complete the following:

1. Interpret how Ryanair uses the marketing mix. Make sure you touch upon all four components: product, price, promotion, and place.
2. Defend what role place plays in relation to the overall strategy used by Ryanair.
3. Summarize how Ryanair uses social media such as YouTube, Instagram, Facebook, Twitter, et cetera to sell its service.

Refer to the scoring guide for this assignment to ensure that you have met the grading criteria.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 1–3 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 2–3 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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[APA Style and Format](#)

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[Ryanair Marketing Mix](#)

### u01d1 - Changing the Marketing Mix

Assume that you are an employee for Ryanair. As a lead in the marketing department, your manager has asked you to suggest changes to the company's marketing mix, with the intent of preparing the company for potential changes in the marketplace.

1. Describe one change you would consider for each of the four—product/service, price, promotion, and place—that you think is important for the company to consider.
2. Address whether you think Ryanair uses social media effectively. If so, why? If not, what changes would you recommend?

## Response Guidelines

Respond to the posts of two other learners. Compare and contrast your fellow learners' suggested changes with your own suggestions, and discuss why the changes may or may not be effective.

Course Resources

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[Undergraduate Discussion Participation Scoring Guide](#)

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[Ryanair Marketing Mix](#)

## Unit 2 >> The Channel Participants

### Introduction

Your studies examine what a marketing channel is and the components of marketing channels (including the roles of manufacturers, intermediaries, and end users). The framework for channel analysis and the elements of channel design and management processes identified in this unit will be used throughout the course.

It is useful to observe and analyze the channel flows and channel participation of companies in various industries. You must learn the role of each member in the marketing channel to understand the channel as a whole. You must also understand universal or generic marketing channel functions (also referred to as *marketing channel flows*) and elements of work done by members of the marketing channel. The current edition of *Marketing Channel Strategy* refers to nine channel functions that will be discussed: physical possession, ownership, promotion, negotiation, financing, risking, ordering, payment, and information sharing.

Amazon.com, Apple, Walgreens, and Starbucks are household names for most American consumers. All of these companies exist and thrive as part of a marketing channel. Manufacturers, intermediaries, and end users are involved in traditional marketing channels. Additional channels include using such online venues such as YouTube, Facebook, Pinterest, and Instagram. As we discuss and explore marketing channels, questions such as the following will be addressed:

- Who are the specific members in marketing channels?

- What are specific roles of each member in a marketing channel? Why is each member needed?
- How can we optimize marketing channels and the role of each channel member?
- How do marketing channel members work effectively with one another as partners without competing as adversaries?

## Learning Activities

### u02s1 - Studies

## Readings

Use the Capella library to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 3, "Channel Analysis: Auditing Marketing Channels."
    - This chapter defines channel functions, explains how channel function relates to performance, defines service and cost gaps and describes the source of those gaps, and explains how to perform both a service and cost gap analysis.
- Vander Schee, B. A., Aurand, T. W., Iacovelli, J., Jednoroz, J., Bergren, J., Keller, L., & Taylor, M. (2012). *Direct marketing and distribution: The case of Redbox*. *Journal of the Academy of Business Education*, 13, 137–149.
- Jung, T. H., Ineson, E. M., & Green, E. (2013). *Online social networking: Relationship marketing in UK hotels*. *Journal of Marketing Management*, 29(3/4), 392–420.

Use the Internet to review the following website for your assignment in this unit.

- [Mary Kay Inc.](http://www.marykay.com) (n.d.). Retrieved from <http://www.marykay.com>

## Multimedia

- View [Marketing Channel Flows](#).

### u02a1 - Channel Flows

The marketing channel for Mary Kay Cosmetics is called a direct marketing channel. The company uses a sales force of over 1,000,000 Independent Beauty Consultants around the world. These consultants are not employees of Mary Kay Corporation; they buy cosmetics from the company at a wholesale price and sell to end-users at a retail price. They maintain personal relationships with their end-user consumers and deliver a product to them after it is ordered; it is a high-service purchasing relationship from the consumer's point of view. Consultants thus act as distributors and retailers. For this assignment, use the information from the unit readings and Web site research to write a paper in which you address the following:

1. Describe each of the nine channel flows.
2. Describe how each of the channel functions are used by Mary Kay Cosmetics independent consultants. To what extent does an Independent Beauty Consultant participate in the nine channel functions?
3. Explore what you think would happen if Mary Kay Cosmetics were sold in department stores. Do you think that would be a good idea? Why or why not?
4. Explain why you think Mary Kay Cosmetics uses a direct sales model.

Refer to the scoring guide for this assignment to ensure that you have met the grading criteria.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 2–3 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 2–3 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

## u02d1 - Channel Design Analysis

What is a marketing channel? Who participates in marketing channels (manufacturers, intermediaries, end-users)? Explain each participant and their roles.

## Response Guidelines

Respond to the posts of at least two of your peers. Do you agree with their assessment of channel design? Why or why not?

### Course Resources

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Undergraduate Discussion Participation Scoring Guide

## Unit 3 >> The Role of Social Networking in Distribution

### Introduction

The emergence of social media has greatly impacted marketing channels and the roles of each of the members within a channel. YouTube, Twitter, Instagram, Pinterest, Facebook, mobile apps, and many other social media channels have completely changed the landscape of how businesses sell their products to consumers.

With the advent of social media, the way we market products has been changed forever. Or has it? In a world of Internet marketing channels, similar to brick-and-mortar counterparts, we still need to convert browsers into customers who buy products and services. Otherwise, we really have not achieved our goal of selling products or services. In this unit, we will explore the role of social media and how it has impacted the way we do business.

### Learning Activities

#### u03s1 - Studies

## Readings

Use the Capella library to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 9, "Emerging Channel Structures and Strategies."
    - This chapter explains significant trends influencing marketing structures.
- Mangold, W. G., & Faulds, D. J. (2009). *Social media: The new hybrid element of the promotion mix*. *Business Horizons*, 52(4), 357–365.

Use the Internet to browse the following websites. You will use information about these companies to complete your assignment and the first discussion in this unit.

- [Mary Kay Inc.](http://www.marykay.com) (n.d.). Retrieved from <http://www.marykay.com>
- [Barnes & Noble Booksellers, Inc.](http://www.barnesandnoble.com) (n.d.). Retrieved from <http://www.barnesandnoble.com>
- [Amazon.com](http://www.amazon.com). (n.d.). Retrieved from <http://www.amazon.com>

#### u03a1 - Channel Design Comparison

Browse the Mary Kay, Barnes & Noble, and Amazon.com websites. Use these three companies and any additional research to complete the following for your assignment:

1. Map the channel design of each company by creating a flow chart with word processing or presentation software drawing tools. Keep the maps simple: Use boxes and arrows to depict the flow. Be sure to label each channel member. See the Channel Map Sample in the Resources for an example of how your chart could look.
2. Describe the channel design of each company.
3. Identify the members in the channels and their roles (for example, manufacturers, wholesalers, distributors, retailers, end consumers). Be sure to also incorporate how social media is used in the channel design (including Facebook, YouTube, Instagram, Pinterest, et cetera). Think of all the ways the company promotes and sells the product to the consumer
4. Make recommendations on how to improve the marketing channel for each company. Consider both traditional and new marketing channels in your analysis. You will learn more about optimization later in the course, but based on your current knowledge, what changes would you recommend?
5. Compile your flow charts and analysis in a word processing document and submit it to the assignment area.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** Any citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 4–6 double-spaced pages in addition to the flow charts.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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[Channel Map Sample | Transcript](#)

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[Mary Kay Inc](#)

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[Barnes & Noble Booksellers, Inc](#)

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[Amazon.com](#)

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[APA Style and Format](#)

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### u03d1 - Social Networking Channels

Using the three companies you researched for your assignment in this unit, Mary Kay, Barnes & Noble, and Amazon.com, respond to the following:

Which social media channels does each company use, and how do they use those channels to sell their products? Compare and contrast. Which company, in your opinion, uses social media most effectively? Consider YouTube, Instagram, Pinterest, Facebook, Twitter, et cetera.

## Response Guidelines

Respond to the posts of two of your peers. Further the discussion by asking a question, raising a different viewpoint, or supporting or disagreeing with an opinion stated.

Course Resources

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[Undergraduate Discussion Participation Scoring Guide](#)

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[Mary Kay Inc](#)

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[Barnes & Noble Booksellers, Inc](#)

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[Amazon.com](#)

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## u03d2 - Benefits of Social Networking

Select a company of your choice that could benefit from the use of social media such as Facebook, Instagram, Pinterest, and/or YouTube. Identify the company you selected and include a link to the Web site. Then, respond to the following:

1. How would you describe the target market for this company?
2. How could this company use social networking to enhance its distribution channel?

## Response Guidelines

Give feedback to at least two peers on their company choice and whether or not you agree with their assessment, and explain why agree or disagree.

Course Resources

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Undergraduate Discussion Participation Scoring Guide

## Unit 4 >> Creating Competitive Advantage in Channel Design

### Introduction

Milk, bread, snack foods, and candy—these items are all in plentiful supply, along with a host of other products and services. Walk into a variety of stores and you can acquire these products immediately.

Compare this experience to trying to find the latest Apple product two days before holiday gift-giving or trying to get tickets to your sports team's playoff game. Consumers will pay astronomical sums for seats to that much coveted playoff game!

These two scenarios introduce the concept of the cycle of competitive rationality, which explains how consumers behave when supply is both plentiful, as in the supply of automobiles, in comparison with how they behave when supply is limited, as in the case of the latest, greatest child's toy during the holiday season.

Unit 4 builds on the concepts for creating an optimal channel design, taking into account the concepts of supply and demand as they relate to the end-consumer. We will examine why channel decisions are so vital to the ultimate success (or failure) of an organization.

### Learning Activities

#### u04s1 - Studies

## Readings

Use the Capella library and the Internet to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 4, "Make-or-Buy Channel Analysis."
    - In this chapter you will learn about vertical integration and the need to outsource.
- Anand, S., & Cunnane, C. (2010). *Cross-channel strategies to improve business*. *Dealerscope*, 52(9), 70–72, 74, 76.
- Gudonaviciene, S., & Alijosiene, S. (2008). *The specific features of marketing channel design*. *Engineering Economics*, 56(1), 74–83.
- Slovak, J. (2018, May 14). *Target experiments with faster supply chain [Blog post]*. Retrieved from <https://www.forbes.com/sites/julianneslovak/2018/05/14/target-experiments-with-faster-supply-chain/#5012d6d02a4f>
  - You will use this reading to complete your Unit 4 assignment.

## u04a1 - Channel Design Map

If you have not done so, read "Target Experiments With Faster Supply Chain" (linked in Resources). Use this reading and other research to complete the following:

- Map out the channel design for Target using a flowchart.
  - This entails creating a visual of the channel flow using boxes and arrows to detail the flow of goods and services.
- Be sure to identify all members in the channel—both traditional channels and social media channels used to get the product/service to the consumer.
  - For instance, in addition to going to Target to purchase goods, can you shop online?

After you have mapped out the visual of the marketing channel, complete the following:

- Explain the design of the company.
- Demonstrate how the distribution channel can be optimized.
- Make recommendations for improvement.

Compile your flowchart and the written portion of your assignment into a Word document for submission.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 2–3 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 3–4 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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[APA Style and Format](#)

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[Target Experiments With Faster Supply Chain \[Blog post\]](#)

## u04d1 - Social Media Discussion

How does Sears use social media? Which social media channels do they use? How would you recommend they improve upon their current use of social media?

## Response Guidelines

Read your peers' posts. Respond to at least two with feedback, suggestions, and recommendations.

Course Resources

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[Undergraduate Discussion Participation Scoring Guide](#)

## u04d2 - Integrating Backwards

On page 119 of *Marketing Channel Strategy* (linked in Resources), refer to Sidebar 4-3, "A Retailer Loses Focus by Integrating Backward." Do you think Intermarche is taking the proper approach by integrating backwards? Why or why not? Explain your answer.

## Response Guidelines

Respond to two of your peers and provide feedback to advance the discussion.

Course Resources

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Undergraduate Discussion Participation Scoring Guide

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*Marketing Channel Strategy*

### Unit 5 >> Gap Analysis

#### Introduction

Channel gaps can occur as a shortfall or oversupply of service outputs. These demands can result in the form of a demand-side or supply-side gap. They can occur for a variety of reasons that are either managerial or environmental in nature. These reasons are referred to as "channel bounds." Consider the scenario of selling golf carts as a mode of transportation for quick trips to the store. While it sounds like a great idea in concept and would eliminate the need for many cars on the road, in many states it is actually illegal to use golf carts as on-road vehicles. This is an example of an environmental bound that creates a channel gap. In this case, the supply of golf carts exceeds the demand for them as a mode of transportation off the golf course.

In this unit, we will consider the sources for channel gaps and explore strategies to close those gaps and optimize channel design.

#### Learning Activities

##### u05s1 - Studies

## Readings

Use the Capella library to complete the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Review Chapter 3, "Channel Analysis: Auditing Marketing Channels."
    - As you will recall, this chapter explores the concept of gap analysis as it relates to channel design.
  - Read Chapter 5, "Designing Channel Structures and Strategies."
    - This chapter focuses on understanding the optimal channel design for a given product or service.

Use the Internet to browse the following website in preparation for the assignment in this unit.

- Walgreens. (n.d.). Retrieved from <https://www.walgreens.com>

##### u05s2 - Project Preparation

In Unit 6 you will select company on which to base your course project. If you have not yet done so, read the course project description and its related assignments. In addition, begin thinking about and researching a company to use for your course project, based on the criteria presented in the Unit 6 Selecting a Project Company assignment.

##### u05a1 - Gap Analysis for Walgreens

For this assignment, use the Walgreens website (linked in Resources) and other research to write a paper that includes the following:

- Complete a gap analysis for Walgreens. You may use the Gap Analysis Framework document (linked in Resources) as a template.
  - Identify the source of potential channel gaps, assess the types of channel gaps, and recommend ways to close the gaps.
  - Provide relevant examples to support your assertions.
- Describe justifications for managerial bounds on channel design and provide relevant examples for support.
- Identify the impact of a demand gap on the decision to purchase from a vendor.
- Explain why it is inappropriate to transplant a channel design from one country to another without modifications.
- Determine whether payment terms to a distributor closes a gap and identify the type of gap it might close.
- Assess the types of gaps and recommend ways to close the gaps.

Compile your gap analysis and the rest of your paper into a Word document for submission.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 1–3 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 4–5 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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Gap Analysis Framework

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[APA Style and Format](#)

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[Walgreens](#)

### u05d1 - Managerial Bounds and Gap Analysis

Reflect on your course readings, discussions, and assignments up to this point, and respond to **two or three** of the following questions and scenarios:

1. Give an example of a purchase occasion where you chose **not** to buy a product or service because the service output levels were not appropriate. Identify whether the demand gap was in provision of too low a level or too high a level of service outputs. What did you do instead? Buy at another outlet with better service output provision? Do you know people who would be happy to buy from the outlet that you rejected? Why would they be happy to do so?
2. Use the concept of demand-side gaps to explain why it is frequently a bad idea to transplant a channel design from one country directly to another without any modification.
3. A manufacturer is in the habit of offering liberal payment terms to distributors. They can pay anytime within 45 days of receipt of the merchandise. The manufacturer currently has a bank line of credit to cover accounts receivable and pays an interest rate (prime + 1%) on the balance on loan from the bank. One of the manufacturer's key distributors offers to pay for shipments by immediate bank funds transfer upon receipt of merchandise if the manufacturer will reduce the price by 1%. Does this offer close a gap? If so, what sort (demand side, supply side, what flow)?
4. A retailer forms long-term supply relationships with several of its key manufacturers who supply it with product to sell in its stores. Part of the long-term agreement involves setting prices annually instead of a transaction-by- transaction basis. Has a supply-side gap been closed here? What flow or flows have been involved in the change? Are there instances where this can increase (rather than decrease) the cost of running the channel?

Consider the following as you respond to the above questions and scenarios:

1. Identify the source of potential channel gaps.
2. Assess the type of gaps—demand-side gaps or supply-side gaps.
3. Make recommendations for closing gaps based on your analysis.
4. Discuss whether managerial bounds are always inappropriate. Under what grounds can a managerial bound on a channel design be justified?

## Response Guidelines

Read the posts of your fellow learners, and respond with feedback to at least two of your peers.

## Undergraduate Discussion Participation Scoring Guide

### Unit 6 >> Channel Power: Getting It, Using It, and Keeping It

#### Introduction

What is channel power? Who has it and how do they use it? Is it good or bad?

Channel power is the ability to change another organization's behavior. The five sources of power are:

- Reward.
- Coercive.
- Expert.
- Legitimate.
- Referent.

Each source is based on certain beliefs about how channel members might behave in relation to each other. The effectiveness of each source relies on the different types of information, assumed or real positions, and other factors in order for a channel member to achieve a position of power within the channel.

In this unit, we will explore the concept of channel power, the types of power, the relationship between the various types of power, and how best to use them.

#### Learning Activities

##### u06s1 - Studies

### Readings

Use the Capella library to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 10, "Managing Channel Power."
    - This chapter explores the concept of channel power, what it means, and how to use it effectively.
- Gaski, J. F. (1986). Interrelations among a channel entity's power sources: Impact of the exercise of reward and coercion on expert, referent, and legitimate power sources. *Journal of Marketing Research*, 23, 62–77.
  - **Note:** Although this article is dated 1986, it was purposefully included in your course, as it continues to provide relevant information for marketing professionals.

##### u06a1 - Channel Power

Use the unit's readings and additional research to write a paper in which you address the following:

1. Define the five types of channel power and provide relevant examples.
  - For each example of channel power, analyze the elements of power demonstrated.
2. Summarize a situation in which each type of power is used, providing specific examples from relevant resources.
3. Explain the relationship between coercive and reward power, and provide supporting examples.
4. Interpret the relationship between reward power and referent, expert and legitimate power, supported by relevant examples.

Refer to the scoring guide for this assignment to ensure that you have met the grading criteria.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 1–3 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 2–3 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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[APA Style and Format](#)

### u06a2 - Selecting a Project Company

Your Comparative Channel Design and Analysis project is due in Unit 10. If you have not yet read the course project description, do so at this time.

For this assignment, submit a description of the company you plan to research for your project analysis. In your description, evaluate the company based on its distribution channel design and implementation process. You may wish to consider your employer, a company you enjoy doing business with, or a company you would like to learn more about. Your company selection should meet the following criteria:

- Uses traditional distribution channels.
- Uses at least three social media as distribution channels, such as Facebook, Pinterest, Twitter, Instagram, YouTube.
- Has a singular product line focus.
- Is a product-oriented company. (You may not use a service-oriented company.)
- Has not been used in previous assignments in this course.

Once you submit your company description, your instructor will need to approve your selection before you can proceed with your course project.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 1–2 references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 1–2 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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[APA Style and Format](#)

### u06d1 - Channel Power

Read Sidebar 10-1 on page 297 of *Marketing Channel Strategy* (linked in Resources). It illustrates a huge challenge in the pharmaceutical industry. In Mexico, a laboratory owned by Victor Gonzalez produces generic, less expensive, legal copies of branded pharmaceuticals. Pharmacies choose not to stock the products due to the lesser margins versus their patented, more expensive competitor. Pharmaceutical companies spend millions, sometimes even billions, bringing a drug to market, which is often reflected in the prices to the consumer, along with huge profit margins for pharmaceutical companies. Oftentimes, those who are economically disadvantaged pay the price due to lack of availability to some degree, illustrating the law of supply and demand as well.

What are your thoughts on this situation? Who has the channel power in this case?

## Response Guidelines

Read the posts of two other learners and respond to them. Suggest an unbiased opposing viewpoint supported by literature and/or statistical data. Cite any sources using current APA guidelines.

Course Resources

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Undergraduate Discussion Participation Scoring Guide

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[APA Style and Format](#)

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[Marketing Channel Strategy](#)

### u06d2 - Mystery Shoppers

On page 298 in *Marketing Channel Strategy* (linked in Resources), read Sidebar 10-2. It discusses the controversial practice of using mystery shoppers, whose job it is to go into a store and gather information about how well the store is adhering to corporate policies.

Why do you think stores might be frustrated with mystery shoppers who work for a producer? What qualities and skills do you think it would take to be a successful mystery shopper? Have you ever been a mystery shopper? If so, describe your experience.

## Response Guidelines

Read the posts of your peers and respond to at least two. Compare your responses and suggest additional information others may want to consider on the use of mystery shoppers.

Course Resources

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Undergraduate Discussion Participation Scoring Guide

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[Marketing Channel Strategy](#)

## Unit 7 >> Managing Conflict and Resolution Strategies

### Introduction

How well do channel members work within the channel design? What happens when channel members no longer work together as strategic partners? How does conflict arise among channel members? What is the best method for understanding and managing channel uncertainty?

Conflict often is conventionally considered a negative factor in channel management; however, the lack of conflict in a channel can also indicate a problem. Channel conflict must be assessed to understand its causes and potential positive or negative impact on channel performance. It is important to learn methods, tools, and guidelines for analyzing channel power and conflict in ways that do not damage channel performance but improve service and efficiency. It is also useful to investigate channel entropy, or the disorder, uncertainty, and wasted effort present in any physical environment in which channel members operate.

Keep in mind the essential steps to resolving conflict:

1. Evaluate you and your channel partner's conflict resolution styles.
2. Give positive responses and feedback to avoid a negative tone.
3. Review the value of the channel relationship.
4. Check your ego at the door.
5. Keep the consequences of your decisions in mind.

## Learning Activities

### u07s1 - Studies

## Readings

Use the Capella library to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 11, "Managing Channel Conflict."
    - This chapter describes the concept of channel conflict, what it means, when it is negative (or positive), and how to resolve it to create coordination among channel members.
- Na, W. S. (2010). *Managing channel conflict from a Korean life insurance industry perspective*. *LIMRA's MarketFacts Quarterly*, 29(3), 82–90.

### u07s2 - Project Preparation

In Unit 8 you will post a draft of your course project to a discussion in order to receive feedback from your peers. You will also submit your draft as part of your assignment; it will not be graded, but you will receive feedback from your instructor. Set aside time in this unit to work on your draft, using the project company you chose in Unit 6.

### u07a1 - Channel Conflict

Read Sidebar 11-2 on page 337 in *Marketing Channel Strategy* (linked in Resources). Based on this reading regarding Oakley high-end sunglasses, write a paper in which you respond to the following:

1. Explain the types of channel conflict and the major sources of conflict, including relevant examples and scenarios:
  - Channel member goals.
  - Perceptions of reality.
  - Perceived domains.
2. Justify how conflict between channel members might be positively or negatively impacted by the quality of the relationship between them.
3. Describe strategies to minimize the effects of negative channel conflict and identify areas of uncertainty within the literature.
4. Summarize techniques that could be used to resolve the channel conflict (such as incentives) and provide examples of workplace solutions.
5. Provide a scenario when channel conflict can lead to increased value for a channel or a channel member and support with scholarly references.
6. Assess when and why legal means (such as a lawsuit) might best be used in resolving channel conflict and discuss the implications of taking legal action.
7. Assess professional attributes and potential to successfully resolve channel conflict and improve coordination among channel members.
  - Consider the experiences that may have prepared you for marketing distribution channel management.
  - Consider new practices you have become aware of throughout this course.
  - Articulate your perceived strengths and opportunities for growth within this area.

Refer to the scoring guide for this assignment to ensure that you have met the grading criteria.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 1–2 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 2–3 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

[APA Style and Format](#)

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[Marketing Channel Strategy](#)

**u07d1 - Course Project Discussion**

Use this discussion as an opportunity to ask for insights or guidance from your peers as you work on your course project. Post any questions or issues you have at this stage in your project.

## Response Guidelines

Read your peers' posts, and respond to at least two with feedback, suggestions, and recommendations.

[Undergraduate Discussion Participation Scoring Guide](#)

## Unit 8 >> Building Strategic Alliances

### Introduction

Strategic alliances occur when two or more organizations have connections that cause them to function according to the perception that they both share a common interest. An alliance is strategic when the connections that bring the organizations together are enduring and substantial. Increasingly, channel members are realizing the importance and value of collaborating as partners. This collaboration allows channel members to share the use of resources and efforts, while enhancing their individual market strength.

Strategic alliances are often structured on licensing arrangements and joint ventures. In this unit, we will study the steps necessary to build successful strategic alliances. We will look at reasons why strategic alliances may fail and what we can do to prevent failure.

### Learning Activities

#### u08s1 - Studies

## Readings

Use the Capella library to complete the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Read Chapter 12, "Managing Channel Relationships."
    - This chapter focuses on how to manage and build channel relationships.
  - Read Chapter 13, "Managing Channel Policies and Legalities."
    - Marketing channels often are composed of companies each pursuing their own interests. Strategic alliances are forged to solve the problem of competing interests.

## Capella Resources

In your assignment for this unit, you may seek feedback on your project draft from Capella resources. Review pages below for more information on these resources:

- [Smarthinking](#).

- Capella partners with Smarthinking, a Web-based tutoring service, to offer you 168 minutes of free online tutoring and custom critique of your papers to build on your current writing strengths and critical thinking. Information on accessing and using Smarthinking is provided on this page.
- [The Writing Center](#).

## u08a1 - Comparative Channel Design Feedback

The processes of professional self-reflection, seeking feedback and continuously improving, are practices that will benefit you in the field of marketing. In this assignment you will reflect upon feedback from your peers related to the quality and completeness of your project draft.

### Instructions

1. Write a draft of your course project paper. Refer to the course project description and project scoring guide for information on the project requirements.
2. Seek feedback on your draft from several sources. Be sure to allow sufficient time to complete this step.
  - You are required to submit the draft of your paper to your course colleagues in the second discussion in this unit. **Because peer reviews must be completed by midnight on Wednesday of this week, please post your paper to the discussion as early in the week as possible.**
  - You may also utilize at least one of Capella's writing resources, such as Smarthinking, for input.
3. Submit a 1–2 page summary of the feedback you receive on your draft from your colleagues, as well as relevant input from writing resource(s) such as Smarthinking or the Capella Writing Center. Your summary may be a bulleted list of revisions that you have identified.
  - As you review the peer feedback, reflect upon professional attributes in the field of marketing. Include your input regarding professional attributes in your summary.
4. Submit your project draft in the assignment area. Your instructor will review your draft and provide feedback based on the course project scoring guide. The project draft is **not** graded, but the summary of feedback will be graded.

### Assignment Requirements

- **Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.
- **Resources:** Resources for this assignment are not required; however, you may choose to cite the writing sources that you utilized. Reference lists and citations are to be formatted according to APA style and formatting.
- **Length of paper:** Your summary of feedback should be 1–2 double-spaced pages.
- **Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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[APA Style and Format](#)

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[Capella Writing Center](#)

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[Smarthinking Tutoring](#)

## u08d1 - Channel Policies and Legalities

After doing the reading for this unit, review Sidebar 13-10 on pages 406–407 of *Marketing Channel Strategy* (linked in Resources). In this case, Toys"R"Us was accused of limiting competing retailers' access to various manufacturers' products, thus hampering competition.

- Do you think Toys"R"Us was guilty of the alleged offense? If so, why? If not, why not?
- How could Toys"R"Us have avoided bringing this situation to this level?

## Response Guidelines

Read the posts of your peers and respond to at least two. Compare your responses and suggest additional information for consideration.

Course Resources

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Undergraduate Discussion Participation Scoring Guide

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[Marketing Channel Strategy](#)

### u08d2 - Peer Review of Draft

In this discussion you will post your project draft for peer review. You will also conduct a peer review of the project draft for two peers of your choice. Peer review guidelines are outlined below. This discussion supports the Unit 8 assignment.

Complete the following:

1. Submit your course project draft in the discussion area early in the week.
2. Provide constructive peer-review feedback to two peers **no later than Wednesday at midnight**. Try to choose peers who have not yet had their draft reviewed, so everyone is able to get feedback on their work.
3. In your peer review, focus your feedback on one or two of the following categories:
  - Comment on how well the draft compares to the stated requirements of the project. Refer to course project scoring guide.
  - Suggest additional sources that might be of use when making analyses and recommendations.
  - Comment on the overall structure of the project or the structure of one project component.
  - Comment on professional attributes that are needed to be successful at marketing distribution channel management.

Course Resources

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Undergraduate Discussion Participation Scoring Guide

## Unit 9 >> Franchising, Wholesaling, and Retailing

### Introduction

Franchising is a system of marketing and distribution wherein an independent business person, or a franchisee, is allowed to market the goods and services of the franchiser, in accordance with established standards and practices. The franchisee contracts with the franchiser to do business in a specified area. The franchiser provides organizing, training, merchandising, and management in return for a consideration, or fees, from the franchisee. Companies such as McDonalds, Krispy Kreme, and Subway are examples of highly successful franchises.

### Learning Activities

#### u09s1 - Studies

## Readings

Use the Capella library to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 6, "Retailing Structures and Strategies."
    - This chapter focuses on the types of retail structures that exist, the challenges with retailing, and the increasing globalization of retailing.
  - Chapter 7, "Wholesaling Structures and Strategies."

- Chapter 7 discusses the three industries that constitute wholesaling, why consolidation is common in wholesaling, and how e-commerce is changing the landscape of wholesaling.
- Chapter 8, "Franchising Structures and Strategies."
  - This chapter defines franchising and describes the pros and cons of becoming a viable franchiser.

## u09s2 - Project Preparation

Your course project is due in Unit 10. At this time, continue working on your final paper by incorporating the feedback you received on your draft from your instructor and your peers in Unit 8.

## u09a1 - Franchising, Wholesaling, and Retailing

Consider the course readings about franchising, wholesaling, and retailing. Write a paper in which you address the following:

1. Determine the various types of franchises and provide an example of each to further illustrate distinctions.
2. Discuss the benefits likely to be sought by franchisees and franchisers as a result of their involvement in a franchise and explain how the evidence supports conclusions.
3. Describe the issues or problems likely of concern for franchisees and franchisers as a result of their involvement in a franchise.
4. Classify the types of retail structures that exist worldwide and explain how a retailer's positioning strategy differentiates it from its competitors—even if selling identical products—and support with scholarly resources and examples.
5. Identify the three broad categories of institutions that constitute the wholesaling sector by impartially considering evidence and various perspectives.
6. Demonstrate how wholesaling is being altered by electronic commerce and support claims with relevant examples from scholarly sources.
7. Summarize the power and coordination issues facing retailers and their suppliers, as well as how suppliers respond to retailers' use of power to influence channel behavior.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 1–3 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 2–3 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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[APA Style and Format](#)

## u09d1 - Wholesaling and Retailing Discussion

Provide an example of wholesaling and retailing that you have dealt with personally. For instance, if you work for a retail store, that company may make bulk wholesale purchases and then sell the product retail. Describe how wholesaling is being altered by electronic commerce.

## Response Guidelines

Comment on the posts of at least two of your peers. How do their responses differ from your own?

## Undergraduate Discussion Participation Scoring Guide

### Unit 10 >> Channels in Review

#### Introduction

We have explored the role of "place" or distribution throughout the course. We have also covered how channels are structured, members of the channel, how to optimize channel structure by identifying gaps, managing power, and understanding the various types of channel structures—among them strategic alliances and franchises.

In Unit 10, you will complete your final course project, being sure to incorporate the feedback from your instructor and peers where appropriate. The completed course project should represent a synopsis of all that you have learned in the class as relates to distribution channels.

As with every course, take some time to contemplate what you have learned and consider how you can apply it to your professional and personal life.

#### Learning Activities

##### u10s1 - Studies

### Readings

Use the Capella library to read the following:

- Palmatier, R. W., Stern, L. W., El-Ansary, A. I., & Anderson, E. (2015). *Marketing channel strategy (8th ed.)*. New York, NY: Routledge.
  - Chapter 14, "Managing Channel Logistics."
    - This chapter explores supply-chain management and explains how it relates to marketing channel strategy.

### Multimedia

Think you know your channel marketing terms? Complete [Channel Management Terms](#) to find out.

##### u10a1 - Comparative Channel Design and Analysis Project

Complete the following:

1. Revise your Comparative Channel Design and Analysis course project based on feedback from your peers and instructor, as appropriate.
2. Submit your final version in the assignment area.

### Instructions

Using the company you selected in Unit 6 and that was approved by your instructor, conduct research in order to formulate an analytical framework for distribution channel design that includes segmentation, positioning, targeting, new channel development, and the improvement of existing channels.

Include the following in your analysis:

- Provide the target market, positioning, and branding of the product or products within the company.
- Assess the types and sources of potential gaps in the channel design and use professionally validated criteria to support the assessment.
- Evaluate the channel flows of a company using a map and identify areas of uncertainty and/or additional information that could be used to improve the overall channel flow.
- Propose possible channel conflict resolutions for a company and impartially consider conflicting evidence and/or alternative perspectives.
- Evaluate channel power in a company and support with examples from course readings and other relevant sources.
- Summarize distribution channel design and implementation issues in a company and use professionally validated criteria to evaluate these.

- Recommend strategies to improve upon marketing channel flows in a company that are based on best practices and supported by current literature.

## Assignment Requirements

**Written communication:** Write in a professional manner using APA style and formatting with correct grammar, usage, and mechanics.

**Resources:** At least 4–5 scholarly references should be provided. A reference list and citations are to be formatted according to APA style and formatting.

**Length of paper:** Write 10–15 double-spaced pages.

**Font and font size:** Use Times New Roman, 12-point or Arial, 10-point font.

Course Resources

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APA Style and Format

### u10d1 - Reflection

Comment on what you have learned in the course and how it can be applied to your career or potential career. Include the professional attributes you think would make you most effective when dealing with marketing, sales, and channel management.

## Response Guidelines

No official response is required, but you should read your peers' posts and gather any ideas about ways you could use what you have learned in this course in your professional life.

Course Resources

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Undergraduate Discussion Participation Scoring Guide