



*“Investing in Africa’s future”*

**COLLEGE OF BUSINESS, PEACE, LEADERSHIP AND  
GOVERNANCE (CBPLG)**

**MKT301: LOGISTICS AND DISTRIBUTION**

**END OF SEMESTER FINAL EXAMINATIONS**

**NOVEMBER/ DECEMBER 2019**

**LECTURER: MR T. MASESE**

**DURATION: 3 HRS**

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**INSTRUCTIONS**

Answer ALL Questions in Section A and any 2 Questions  
from Section B.

DO NOT repeat material.

Write legibly.

Credit is given to application of theory and practice



**Section A**

**Question 1- Answer ALL Questions in this Section**

- a. What are cube utilization and accessibility?
- b. A company has 7000 cartons to store on pallets. Each pallet takes 30 cartons, and the cartons are stored four high. How many pallet positions are needed? **(5 marks)**
- c. A company wants to store the following 10 SKUs so there is 100% accessibility. Items are stored on pallets that are stored four

Storage Keeping Unit (SKU)	Number of Pallets	Required
A	15	
B	22	
C	40	
D	37	
E	55	
F	26	
G	35	
Total		

- a. How many pallet positions are needed? **(5 marks)**
  - b. What is the cube utilization? **(3 marks)**
  - c. If the company bought racking for storing the pallets, how many pallet positions are needed to give 100% accessibility? **(2 marks)**
- d. List and explain the four objectives of warehouse operations? **(7 marks)**
- e. Describe the eight warehouse activities, as they would apply to a supermarket. Include in your description where each activity takes place and who performs the activity **(8 marks)**
- f. Why is stock location important in a warehouse? Name and describe four basic systems of stock location and give examples of each system from a retail setting **(7 marks)**
- g. List factors that influence effective use of warehouses **(4 marks)**

**SECTION B- Answer ANY 3 Questions in this SECTION**

**Question 2**

- a. Describe fixed and floating systems for assigning locations to SKUs in a warehouse **(4 marks)**



- b. One of the more fundamental issues of distribution planning is regarding the choice and selection of the distribution channels. Distinguish between a physical distribution channel and a trading or transaction channel ( 4 marks)
- c. Logistics can be classified into three elements. Name and describe the three elements of logistics (6 marks)
- d. Determine which of the following items are within tolerance. What is the percentage accuracy? Item A has a tolerance of  $\pm 3\%$ ; item B,  $\pm 0\%$ ; item C,  $\pm 5\%$ ; item E,  $\pm 2\%$ .and item D,  $\pm 3\%$ . (5 marks)

Inventory Part Number	Shelf Count	Inventory Record	Tolerance Level
A	650	635	$\pm 3\%$ ;
B	1205	1205	$\pm 0\%$ ;
C	1350	1500	$\pm 5\%$ ;
D	77	80	$\pm 2\%$ .
E	38	40	$\pm 3\%$ ;
<b>Total</b>			

### Question 3

- a. Name and explain the various manufacturer to retail and direct B2B/ B2C channel alternatives (12 marks)
- b. Channel structures can differ very markedly from one company to another on three dimensions- types of intermediaries; the number of levels of intermediaries (how many companies handle the product) and the intensity of distribution at each level. Discuss. (12 marks)
- c. Name and describe three order-picking systems (3 marks)
- d. Define logistics from a functional management point of view (3 marks)

### Question 4

- a. The selection of a channel depends on a number of factors, which include channel objectives and channel characteristics elements like market characteristics; product characteristics; competitive characteristics and company resources. Briefly explain



the six channel objectives and discuss how the above mentioned channel characteristics influence channel choice **(15 marks)**

b. List and discuss the five basic modes of transportation? **(15 marks)**

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