



MARCH 2016

LOGISTICS & SUPPLY CHAIN MANAGEMENT

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
- b) Answer any FIVE questions
- c) All questions carry equal marks. Marks for each question are shown in []
1. Logistics support the competitiveness of the supply chain as a whole and breaks down into three advantages. They are:
- Quality advantage
 - Time advantage
 - Cost advantage
- Give an explanation of EACH advantage. [20]
2. Segmentation is increasingly deployed by organisations to gain competitive advantage.
- a) What is **segmentation**? [5]
- b) Give FOUR examples of ways to segment a market. [5]
- c) Using a diagram, show the comparison between consumer and industrial markets. [10]
3. Two ratios in use to show Return on Investment (ROI) are:
- %ROI = $100 \times \frac{\text{£Profit}}{\text{£Capital Employed}}$
 - %ROI = $100 \times \frac{\text{Profit}}{\text{Sales}} \times \frac{\text{Sales}}{\text{Capital Employed}}$
- Using a diagram show the detail behind these ratios and how they relate to each other. [20]
4. a) Logistical implications of internationalism have consequences. What are the THREE areas to take into consideration to address these? [12]
- b) Time to market is a critical factor in managing a global logistics pipeline. Describe and explain the TWO main issues concerned. [8]
5. Time-based opportunities are designed to reduce costs. The opportunities fall under FOUR main headings, what are they? [5 each]
6. Using the diagram of the 'pyramid of key factors', explain the detail of the SIX factors underpinning the concept of Just-In-Time (JIT). [20]
7. a) Partnerships or 'cooperative relationships' in the supply chain are based on SEVEN characteristics, what are they? [8]
- b) What are the advantages and disadvantages of partnerships in the supply chain? [12]
8. Using a diagram, describe the purchase supply matrix in segmenting suppliers, with explanations of the FOUR categories. [20]