

A Study on Sales & Distribution Channel of SU-KAM Power Systems Ltd

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Abstract-- In this research paper we have survey that how distribution channel of SU-KAM POWER SYSTEMS LTD works into the market with their channel partner. During this research we have interacted with dealers those who deal's in inverters and batteries from a long time. After this research we came to know that with what forecast dealers stock the product of different ranges and segment according to the demand of product. In this research we have also surveyed that how dealers move from one brand to another, the reason may be the rates or after sales services. After sales service is the key of success in this trade.

Key words: - After sales service, distribution channel, SU-KAM POWER SYSTEMS LTD.

I. INTRODUCTION

Su-kam Power Systems Limited

India's most admired power solutions provider, with a growing presence across India and over 70 countries worldwide. A truly knowledge driven company, with innovation at its heart, Su-kam develops intelligent power back-up solutions, engineered to be energy efficient and thus reduce the user's carbon footprint. Working further towards a cleaner, greener planet, we are branching out towards eco-friendly inexhaustible energy solutions like solar power. SU-KAM POWER SYSTEMS has described their vision as "To enlighten lives globally". SU-KAM remains committed provide innovative cost effectiveness and reliable power & renewable energy solutions. Su-Kam to deliver products, services and innovative solutions for all their power back-up needs. These are customized and tailored by Su-Kam to the individual requirements of their clients in terms of their particular usages and applications. Synchronous Inverters (sometimes called utility-interactive) can be used to convert the DC output of a photovoltaics module, a wind generator or a fuel cell to AC power to be sold to the utility grid. Multifunction inverters perform both functions. Su-kam has various products range which includes home ups, batteries, high capacity inverters, online ups, diesel- gas gen set, solar panels, solar power conditioning units etc. so, here we have several products which are considered under home ups. Home ups have two types: pure sine wave inverter & square wave inverter.

1. DISTRIBUTION CHANNEL OF SU-KAM

SU-KAM works through several types of supply and distribution in which we include:

1.1 Channel sales (distribution and D.S.O):

In this type company bill the product to the distributor through clearing and forwarding agent (c&f agent) & also to the direct selling outlet (D.S.O). Distributor is the back bone of a company as it supplies the material to his dealer network and company will enjoy the large sale. If the dealer network of a distributor is wide, then it's become very much easy for a company to introduce new product leads to success of it. D.S.O. Works generally in the channel range product but not in high capacity product because of low technical knowledge and budget

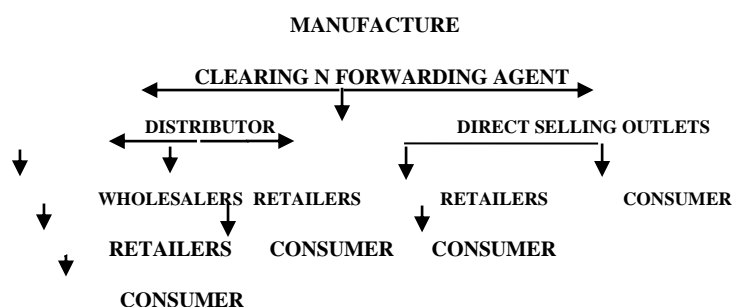
1.2 Direct sales (government supply):

Direct sales include government supply, as the company supply the product to government authority direct from their head office through tenders. But sometimes also through their distributor, if the tender is allotted to him. Company participates in the state government tender such the tender of Madhya Pradesh agro, Energy department of Madhya Pradesh etc. and also in the central government tenders.

1.3 Institutional (corporate supply):

Under this mode of supply, company provide the supply to the corporate offices or to the corporate inquiries. They provide the supply from head office to the corporate premises at all India level and also provide installation to the customer. Generally, the product range supplies to the corporate sector are: online ups for the mechanical automation, diesel generator sets for the self-electricity production, solar for extra backup etc.

1.4 DISTRIBUTION STRUCTURE OF SU-KAM



1.5. PRODUCT RANGE OF SU-KAM Square wave inverter (Shark Series)

1.5.1 A Powerful Friend for Every Appliances

Shark range of systems can run all IT hardware's and major appliances found in homes and offices. Shark is a star performer for home and offices. It is a two-in-one system that eliminates the need to have separate power back-up solutions for computers and other appliances. Designed to be aesthetically pleasing, it does not detract from the décor of your home or office.

1.5.2. Product Catalogue Product Enquiry

Shark range is powered by the most advanced micro controller based PWM technology, using MOSFETs, which facilitates optimum power consumption. It safeguards even the most sensitive appliances from unsafe power conditions like high or low voltage, surges, overload, short circuits and others. The switchover between mains and battery is instant. It provides extra-long back-up for computers as compared to ordinary UPS systems and is compatible with all types of batteries.

LOAD CHART

Table 1. SHARK 650VA/12V 850VA/12V

OPTION	A	B	C	D
Computer	-	-	-	1
Printer	-	-	-	1
Television	-	-	1	-
Tube Lights	3	-	2	-
Fans	3	-	2	1
CFL	2	28	5	3

Table.No.3 SHARK 1500VA/24V 2500VA/48V

Table.No.2 SHARK

OPTION	A	B	C	D
Computer	-	-	-	1
Printer	-	-	-	1
Television	-	-	1	-
Tube Lights	4	-	3	1
Fans	4	-	3	1
CFL	2	37	5	5

Table.No.4 SHARK

OPTION	A	B	C	D
Computer	-	-	-	1
Printer	-	-	-	1
Television	-	-	1	-
Tube Lights	8	-	6	4
Fans	8	-	6	4
CFL	4	62	9	-

OPTION	A	B	C	D	E
Computer	-	-	-	8	-
Printer	-	-	-	1	-
Television	-	2	-	-	-
Tube Lights	12	10	8	-	3
Fans	12	10	8	-	3
CFL	12	8	8	4	6
Photocopier	-	-	-	-	1
Refrigerator	-	-	1	-	-

Note: Indicative values only, actual calculations depend on manufacturer's specifications. Tube light of 40W, CFL of 15W, TV 19-21", 48mm ceiling fan (3 blades, 1000-1200 sweep). Refrigerator* (up to 320 ltr.) can be run with 2500VA/48V inverter but external Time Delay Relay (TDR) must be used. Recommended

Battery- 100Ah-200Ah. When PC is running, TV is not recommended.

Cosmic Applications Load Chart

OPTION	A	B	C
Computers	1	-	-
Televisions	-	-	1
Tube Lights	3	4	4
Fans	2	4	3
CFL	-	2	-

Load Chart

150 VA MICRON

OPTION	A	B	C	D
Fan	-	-	1	-
Tube Light	-	1	-	-
CFL*	7	4	2	4
Laptop	-	-	-	1

OPTION	A	B	C	D
Fan	-	-	1	-
Tube Light	-	1	-	-
CFL*	12	5	4	8
Laptop	-	-	-	1

1.5.3 Commercial UPS/Fusion Series

Fusion series of Commercial UPS is the World's most advanced Commercial UPS as it is based on the world's most advanced DSP Sine Wave Technology. It provides steady source of 100% pure sine wave power to all the connected appliances. The power supplied by the Su-Kam's Fusion series of Commercial UPS is actually

pure than the power supplied from the mains, a simple proof to this fact is that your appliances won't make any irritating, humming sound as they do on normal UPS available in the market. Su-Kam's Fusion series of Commercial UPS gives users the amazing advantage of being able to use all their most expensive & sensitive electronic appliances at all times.

Load Chart

150 VA MICRON

OPTION	A	B	C	D	OPTION	A	B	C	D
Fan	-	-	1	-	Fan	-	-	1	-
Tube Light	-	1	-	-	Tube Light	-	1	-	-
CFL*	7	4	2	4	CFL*	12	5	4	8
Laptop	-	-	-	1	Laptop	-	-	-	1

Applications

LOAD CHART: 2.5KVA/48V

LOAD CHART: 3.5KVA/48V

OPTION	A	B
AC	-	0.5/0.75Ton
Computer	1	-
Fane	7	1
Tube Light	1	-
29" Tv	1	-
15w CFL	4	4
Refrigerator	1	-
BAckup Time	10Hrs.	6Hrs.

OPTION	A	B	C
AC	-	1Ton	-
Computer	-	-	1
Fane	2	2	4
Tube Light	-	-	-
29" Tv	1	1	-
15w CFL	6	4	6
Refrigerator	1	-	1
Air Cooler	1	-	-
BAckup Time	5.5Hrs	5.5Hrs.	10Hrs.

Recommended Battery - 100Ah - 200Ah

Recommended Battery - 100Ah - 200A

1.5.4. SU-KAM IN BATTERIES

SU-KAM manufactures the battery of three types i.e. Lead acid battery (flat plate), Tall tubular battery and Flat tubular battery.

BATTERY SPECIFICATIONS (Lead acid battery (flat plate).)

SR NO.	BATTERY TYPE	CAPACITY	CHARGING CURRENT (AMPS)	LENGTH (MM)	WIDTH (MM)	HEIGHT (MM)
1	SIG 135C	135AH	6.5	515	215	
2	SIG 150C	150AH	7	515	215	
3	SIG 165C	165AH	8	520	275	
4	SIG 190C	190AH	9.5	520	275	

BATTERY SPECIFICATIONS (Tall tubular battery)

SR NO.	BATTERY TYPE	CAPACITY	CHARGING CURRENT (AMPS)	LENGT H (MM)	WIDTH (MM)	HEIGHT (MM)
1	SIG 135C	135AH	6.5	515	215	
2	SIG 150C	150AH	7	515	215	
3	SIG 165C	165AH	8	520	275	
4	SIG 190C	190AH	9.5	520	275	

1.5.5 LIGHT YOUR HOMES WITH THE BEST ALTERNATE SOURCE OF ENERGY:

Introducing Su-Kam's Solar Home Lighting System (SHLS) that harnesses the sun's energy to light up your home and power small applications. With benefits that extend both to your wallet and to the environment it includes solar panel, LED Lamps and External Charger etc.

1.5.6. SU-KAM - Kohler Gensets

Su-Kam | Kohler Gas Gensets (7.5kVA – 400kVA) Kohler, the global leader in power solutions has entered into a strategic collaboration with Su-Kam, India's leading manufacturer of power inverters. Understanding the power demand & deficit situation in India, the two companies have joined hands to cater the low & high end markets through Kohler most advanced engineered Diesel & Gas Generating sets. **Su-Kam | Kohler Generators (3.5kVA - 630kVA)** on which you can depend on for a steady supply of clean power. With Kohler's reliable technology and Su-Kam's always-on support Service; the Generators are one of the safest and most affordable solutions for seamless engagement of standby power. **SU-KAM | Kohler Diesel Gensets Diesel Generators**, these generators stand for no compromise. Su-Kam Kohler Diesel Gensets can provide backup for cooling electronics such as refrigerator and air conditioner, kitchen electrical appliances like ovens, and other sensitive appliances. Other features include double blower ventilation and internal engine-protection system.

II. LITERATURE REVIEWE

The frameworks for channel design or channel selection developed over the last 30 years have not been standardized. Most of these frameworks include multiple variables or dimensions that have been tailored to the specific needs of a particular industry, company, and geography. Certainly, there are a wide variety of factors affecting the length of the channels and types of distribution. Contemporary research suggests that the design of a sales and distribution channel should be aligned to the specific requirements of customers and end-consumers. Rangan (2006) suggested that channel should be constructed from the customer in rather than from the supplier out. Unquestionably, channel configurations must rely on a deep understanding of customer's needs, overall competitive strategy and performance objectives (Alderson et al, 1997).Rangan et al (1992) defined channel choice functions and identified eight customer requirements that determine the type of distribution that a company should employ These customer requirements include: product information, product customization, product quality assurance, lot size, assortment, availability, after-sales service, and logistics. Alderson et al (1997) described the channel design process as being similar to the steps followed in developing a competitive strategy. Alderson et al (1997) emphasized that a channel should support the overall strategy of a company and that it must meet the following requirements: effectiveness, coverage, cost-efficiency, and long run adaptability.

Vinhas and Anderson (2005) argued that channel types collide when they sell standardized products. This is derived from the lack of opportunities for competing

channels to differentiate in ways other than price and service. Neslin et al (2006) introduced the concept of multichannel customer management, which refers to the design, deployment, coordination, and evaluation of the channel through which customers and suppliers interact. Neslin et al (2006) suggested a framework for understanding key challenges experienced by managers when designing a multichannel strategy. The framework provides a set of questions for guiding managers through the channel design process. These questions include: what determines channel choice? Is a multi-channel approach a means to segment customers? Should the channels be independent or integrated? What aspects of the channel design should be integrated?

Recently, Manicoba Da Silva (2008) presented a comprehensive summary of past research for 27 individual factors that affect the length of distribution channels. These factors were classified into four categories: consumer habits, product characteristics, market factors, and company factors. Some of the factors include: the frequency of purchase from customers, product complexity, volatility of demand, intensity of competition, geographic concentration, market share, and order size. Miracle (1965) explored the behaviour of unit value and frequency of purchase and their relationship to the marketing mix. Mallen (1996) noted that the recent explosive expansion of mass merchandising and retailers initiated a trend towards shorter (or more direct) channels. He suggested that the greater the total size of the market, the more direct, intensive and multiple can the channel system be.

Vinhas et al (2010) reviewed current literature on channel design and identified some opportunities in the channel design and management domain; specifically, highlighted that channels of distribution should be seen as value constellations or value networks, and that customers are important actors in this network, both as value creators and as value appropriators. In addition, Vinhas et al (2010) elaborated on how the design and management of multiple distribution channels impact value creation at different levels in the channel system, and described several factors that must be considered when designing a channel. These factors include: channel ownership (direct, indirect, and multiple independent channel entities), channel types, multiple channels, and customer management (acquisition, retention, pre- and post-sales services). Coelho and Easingwold (2008) presented a model that suggests that channel service outputs (product sophistication, market target sophistication, and channel conflict), market resources and maturity, and resource-based issues (competitive strength, scope economies, and company size) are main drivers for influencing the development of

multiple channel structures. Further studies have concluded that distribution systems in developed countries are much more manageable than in developing countries.

Chow Yei Ching School of Graduate Studies (February 2013) - This report summarizes the Research outputs of our research degree and professional doctorate students, and serves recognize their hard work a perseverance. It also acts as a link between the University and the community, as it demonstrates the excellent research results that can benefit the development of the region.

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III. OBJECTIVES

- To study the effectiveness of sales and distribution channel of SU-KAM.
- To know which distribution tool is mostly preferred by distributor's.
- To evaluate the value of supply chain of SU-KAM.
- To identify the factors affecting distribution channel.
- To evaluate the coordinating channel strategy with channel members.

IV. RESEARCH METHODOLOGY

4.1 *The Design:* The study is descriptive and graphical, to explain the study on sales and distribution channel of SU-KAM Power Systems LTD.

4.2 *Type of Data:* The type of data which is referred to accomplish the study is primary and secondary

both data. Primary - Through Distributer and Dealers by filling questioner. Secondary - By Website if SU-KAM.

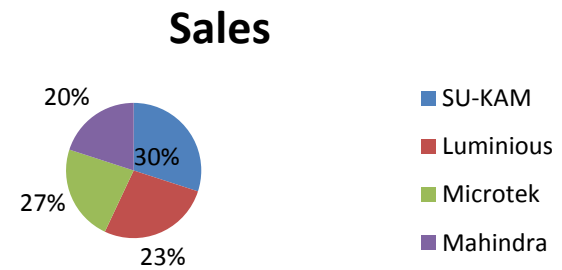
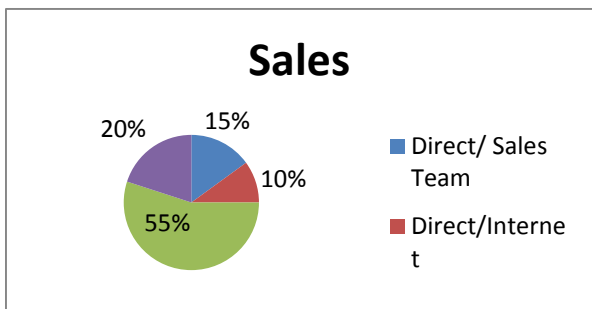
4.3 *Sample and Its Size:* The sample is One and the size of sample is 150. Indore Region is taken as sample. And the size of sample includes 150 dealers in Indore region.

4.4 *Analysis of Data:* Market of SU-KAM has grown tremendously during the last decade and has become a significant part of the Electronic market. Hence, regulator keeping a close watch on any potential impact of these products on financial stability and mar

V. DATA ANALYSIS & INTREPRETATION

5.1 *Chart showing the distribution channel Efficiency.* According to respondents the sales and distribution channel of SU-KAM and Microtech is most effective.

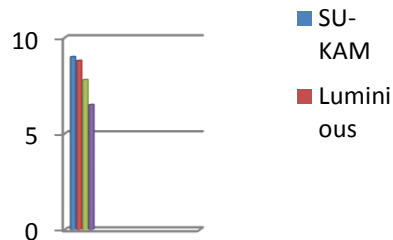
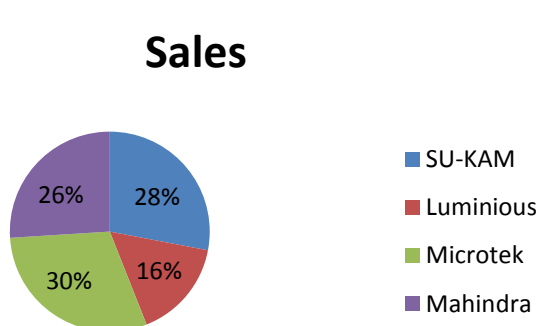
5.2. Diagrams showing the preference of distribution tools and brand preference by distributors



Interpretation:

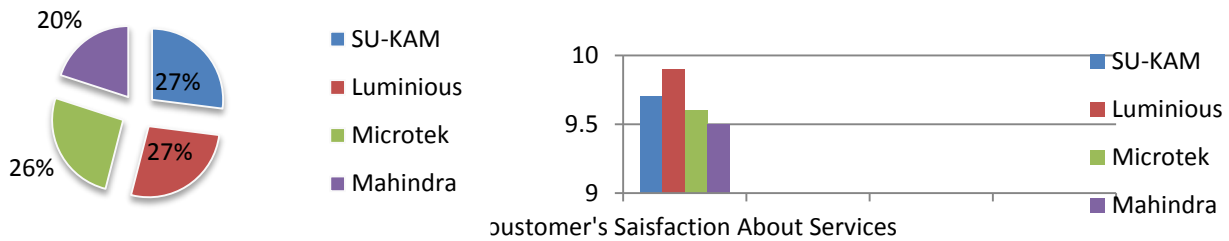
As respondent's response that 30% people look brand name and price in a product other than customer's service and verity available during the purchase.

5.3. Diagram showing customer brand perception



All brands are profitable; the profit margins depend upon the sales quantity. 90% SU-KAM, 88% Luminious, 78% Microtek and 65% Mahindra. Both SU-KAM and Microtech are much in demand by 58% customers because of their good service and reasonable price.

5.4. Diagrams showing ratio of SU-KAM Invertors in market today and service satisfactory



SU-KAM have 27% of investors in market and 97% SU-KAM's customers are satisfied by services.

VI. FINDINGS

Overall study of the data shows that Investors are frequently used by the people for their comfort n luxury needs. People prefer to buy invertors of brand as compared to local brands. People feels branded products are more comfortable, convenient and reliable and it also facilitates the consumers and makes feel comfortable to the customer and satisfaction. The Sales and Distribution Channel of SU-KAM, enables the company to understand the need and demand of market as-well-as also enables company and consumer interaction. Due to presence of good distributors, SU-KAM products are available at n numbers of dealer counters. Nick Vasileff describes about the types of distribution channels. In Research and Brochure, Market, the future market of India about electronics and the invertors. This research service titled Indian Power Inverter Market highlights opportunities and industry challenges present in the Indian power inverter market. The study assesses the competitive landscape and analyses market shares of major suppliers at an overall level.

VII. CONCLUSION

The past 4-5 years have seen increasing activity in retailing of SU-KAM Invertors. The country is witnessing a period of boom in retail electronic trade, mainly on account of a gradual increase in the disposal income of the middle and upper middle class households. More and more corporate house including real estate companies are coming into the retail business directly or indirectly, in the form of malls and shopping centres. New Technologies have started influencing the people. The retail revolution of electronic products, apart from bringing in sweeping, positive changes in the quality life in the metros and bigger towns, is also bringing in slow changes in lifestyles in smaller towns of India. Increase in literacy, exposure to media, greater availability and penetration of variety of consumer goods into the interiors of the country have all resulted in narrowing down the spending differences between the customers of large metros and those of smaller towns. The customers are attracting towards New Technologies. The Invertors companies are targeting to middle class customers because the purchasing power of this class is also growing. The young generation is

attracted towards comfort and luxury. Most of the families want to buy invertors which give more power supply for long time. In Coming Years Invertors is the major source of electricity.

LIMITATIONS

In attempt to make this project authentic and reliable, every possible aspect of the topic was kept in mind. Nevertheless, despite of fact constraints was at play during the formulation of this project. The main limitations are as follows: First, primary market offering (product vs. service) was not controlled in this study. Because marketing channels for services tend to be relatively short, channel management practices may be significantly different from industrial and consumer products manufacturing firms. So, research is needed to determine if channel management activities are influenced by type of offering marketed. Second, the span of control over the sales and distribution channel was not considered in this study. Therefore, empirical efforts should seek to ascertain if there is a difference in channel management of any sales and distribution channel of SU-KAM.

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