

EVALUATING CHANNEL MEMBER PERFORMANCE

DR SABYASACHI DEY

Scope and Frequency Determined by

- 1. Degree of manufacturer control
- 2. Relative importance of channel member
- 3. Nature of the product
- 4. Number of channel members involved

Day-to-Day vs. Performance Evaluation

- Routine day-to-day
- Channel member performance audit
 - 3 phases
 - 1. Developing criteria
 - 2. Applying performance criteria
 - 3. Recommending corrective action

CRITERIA FOR EVALUATION

- Sales performance
- Inventory maintenance
- Selling capabilities
- How competitive product lines and competitors are handled
- Attitudes
- General growth prospects
- Other

METHODS OF APPLYING CRITERIA

- Separate performance evaluations on one or more criteria
- Multiple criteria combined informally
- Multiple criteria combined formally to arrive at a quantitative index (weighting procedure)

CORRECTIVE ACTIONS

- Terminations should be the last resort
- STEPS
 - 1. Find out needs and problems
 - Must use proactive approach to determine above
 - 2. Program of support that is congruent with needs and problems
 - 3. Leadership
 - 4. Understand constraints

