

TEACHING LOGISTICS AS AN INTEGRAL PART OF A PRINCIPLES OF MARKETING COURSE

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We all know that customers tend to prefer shorter order cycles to long order cycles; in fact, they usually want their desired product immediately, if not sooner. Customers also prefer reliable delivery, which means the right product, in the right quantity, at the right place, at the right time, and in the right condition. Finally, there are considerable costs involved in providing such services to customers, costs which must be controlled. Striking a balance between the often conflicting goals of quick delivery and low cost is the essence of logistics, a concept that has significantly increased its impact on marketing exchanges and business success in the past several years.

Concerns related to getting the product to the market in an orderly fashion have always been a central aspect of the practice of marketing. In fact, when the first collegiate marketing course was offered in the early 1900s, much of the course was built around transportation, shipping and intermediation practices. Although the purview of marketing has expanded dramatically since that time, as evidenced by the broad range and variety of marketing courses offered by collegiate business schools, most business students' only exposure to logistics comes in the venerable "principles of marketing" course.

But there's a problem here. As the field has expanded, doctoral marketing education has tended toward specialization, and consequently, few marketing PhD's have been exposed to the latest thinking in logistics. Consequently, many of us rely on old paradigms for our understanding of logistics and, frankly, don't do a particularly good job of explanation when we cover the topic in our lectures. Invariably, we treat logistics as a subset of Channels or Supply Chain Management, and this treatment misses the big picture. Students end-up with an incomplete understanding of the subject. This is indeed unfortunate, as career opportunities are growing considerably in the logistics field, and many entry-level job opportunities are available for graduates who are properly prepared.

Logistics can be defined as the capability of providing access to products, services, materials and information when and where they are needed. In essence, logistics is all about implementing time and place utility. But notice that logistics applies to all elements of the marketing mix, not just the place element where it has traditionally resided in the marketing classroom. For instance, many firms apply logistics principles to such challenges as getting promotional materials to sales people in advance of a new product launch, or the pricing challenge of getting new price lists into the hands of export agents. A complete and effective coverage of logistics should encompass applications in each of these elements of the marketing mix, not just the "place" element.

The Council of Logistics Management (CLM) has initiated a program to develop materials, cases, examples, exercises and other materials to assist marketing faculty in presenting logistics effectively to their students. This special session at the Fall MMA Educators' Conference will offer an update of the CLM project, and provide examples of some of the materials identified and developed to date. Included in the discussion will be the identification of what principles and concepts should be taught, and how best to teach them. In addition, a series of illustrative mini-cases involving high profile companies will be made available. As a result of the session, you should walk away with an improved understanding about the latest thinking in logistics education, about what to cover and how to cover it effectively in your principles class.

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