

A collection of various sizes of cardboard boxes is scattered across a light-colored floor in a room with a window. The scene is overlaid with vibrant, flowing abstract shapes in shades of pink, purple, and blue. The text 'DISTRIBUTION (PLACE)' is centered over the boxes in a bold, black, serif font.

DISTRIBUTION (PLACE)



AGENDA

- Objective
- Definitions
 - Marketing Channel
 - Intermediary
 - Logistics
- Channel Benefits
 - Specialization
 - Overcoming Discrepancies
 - Contact Efficiency
- Distribution Channel Discrepancies
 - Intensive
 - Selective
 - Exclusive
 - Integrated



OBJECTIVE

- To make products available in right place, at the right time, in the right quantity

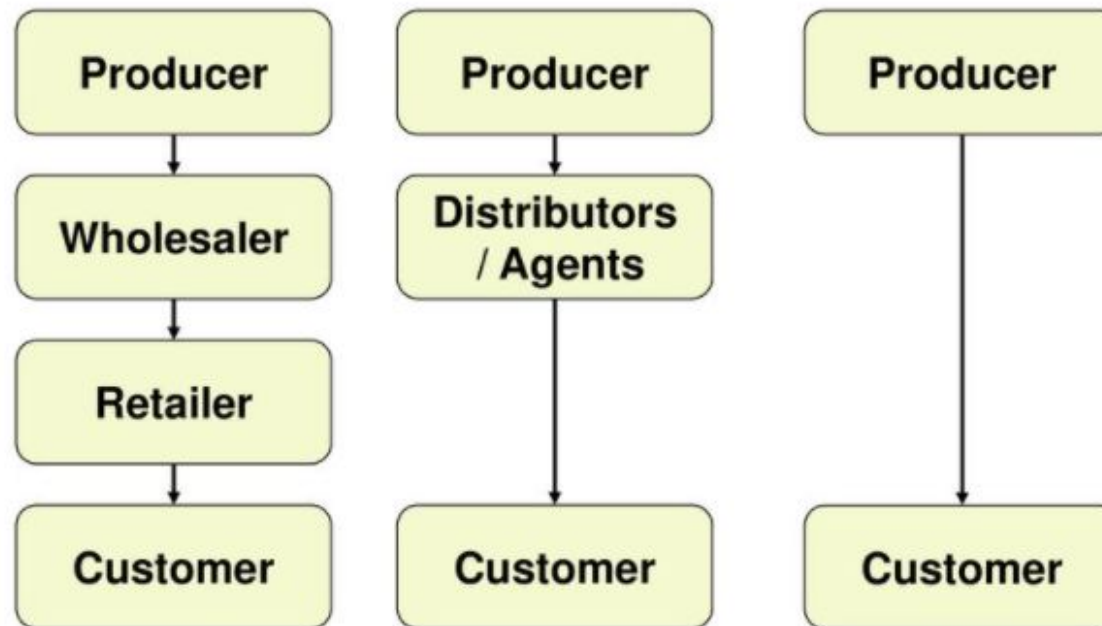


MARKETING CHANNEL

- Marketing channels are the structure of interdependent organizations, that reach from the point of product origin to the customer with the ultimate purpose of product purchase.

CHANNEL INTERMEDIARY

Each party in a distribution channel is called an “intermediary”





MARKET CHANNEL FUNCTIONS

- **Specialization**

- By providing services that are unique to them channel members can allow other entities to focus on their own products and business interests

- **Providing Contact Efficiency**

- By providing a single location with multiple brands, channel members can increase their exposure.

CHANNEL FUNCTIONS OF INTERMEDIARIES

- **Transaction Function:**
 - Connecting promoting
 - Negotiating
 - Risk Taking (**connecting directly with customers**)
- **Logistical Function: Physically distributing**
 - Physical distribution
 - Storing
 - Sorting (Handling logistics)
- **Facilitating Functions:**
 - Researching
 - Financing (Financing & post-sale support)

DISPARITIES WHICH CHANNEL MEMBERS HELP TO OVERCOME

- Quantity
 - Overcoming the disparity in the amount of a product produced and the amount of the product demanded by customers.
- Assortment
 - Overcoming the disparity between the variety of the product produced and the amount desired by customers
- Temporal
 - Overcoming the disparity in the time between when the product is produced and when it is consumer.
- Spatial
 - Overcoming the disparity in the space between when the product is produced and where it is consumed.



TYPES OF CHANNELS

- Intensive
 - All available channels
- Selective
 - Only a few channels
- Exclusive
 - Only one of few channels
- Integrated
 - Own ownership channel



TYPES OF DISTRIBUTION

- Indirect distribution
 - Using a third party to distribute products.
- Direct distribution
 - Using your own company to distribute products.

MARKET FACTORS TO DETERMINE CHANNEL STRATEGY

- Customer Profiles
- Consumer or Industrial Consumer
- Size of market
- Geographic Location
- Technicality of Product
- Gross Margin
- Frequency of purchase
- Quantity demanded



LOGISTICS

- The process of strategically managing the efficient flow and storage of raw materials, in-process inventory, and finished goods from point of origin to point of consumption.