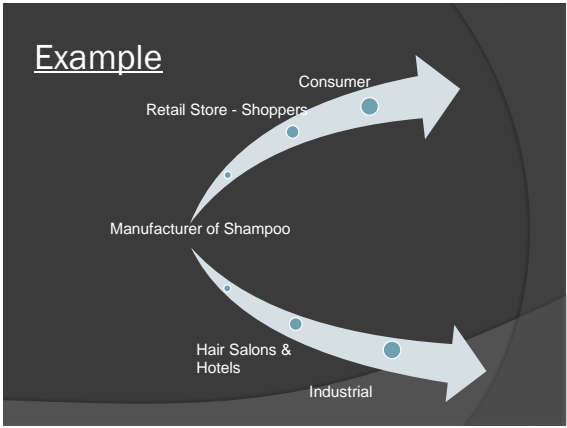


Monday December 14, 2015

UNIT 4 – DISTRIBUTION & PRICING

Distribution

- The path a product takes from producer/manufacturer to the final user.
 - Channel of distribution
- Product is purchased by a business, the final user = industrial user.
- Product purchased for personal use, final user = consumer.



Distribution Channels for Consumer Products

1. Manufacturer directly to consumer.
2. Manufacturer to retailer to consumer.
3. Manufacturer to wholesaler to retailer to consumer.
4. Manufacturer to agents to wholesaler to retailer to consumer.
5. Manufacturer to agents to retailer to consumer.

Distribution Channels for Industrial Products

1. Manufacturer directly to industrial users.
2. Manufacturers to industrial distributors to industrial users.
3. Manufacturers to agents to industrial distributors to industrial users.
4. Manufacturers to agents to industrial users.

Distribution Planning

Research the following types of distribution intensity and provide a description and example of each.

Exclusive distribution

Selective distribution

Intensive distribution

E-commerce

Homework Questions

1. Explain distribution planning in your own words.
2. Explain the effect that you believe the internet has on distribution planning.
3. Describe some challenges that arise in international distribution planning.
4. Identify 3 manufacturers that, in the end, would have both a consumer and industrial final user.
