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Programme Educational Objectives

- *Our program will create graduates who:*
 - *1. Will be recognized as a creative and an enterprising team leader.*
 - *2. Will be a flexible, adaptable and an ethical individual.*
 - *3. Will have a holistic approach to problem solving in the dynamic business environment.*

Sales and Distribution Management Course Outcomes

- CO1- Given a situation of Festival, student manager will be able to identify appropriate Sales Forecasting method to be adopted by a company.
- CO2- Given a situation of opening a new outlet, student manager will be able to draft a sales plan.
- CO3- Given a situation of Selling products / services, student manager should be able to explain Personal Selling Process.

- CO4-Given a criteria of newly launched company, student manager should be able to design an effective Sales Compensation Plan for Sales Executive.
- CO5-Given a criteria of distribution channel of a company, student manager should be able to outline different levels of Marketing channel used by the company.
- CO6-Given a situation, student manager should be able to explain the process of Reverse Logistics.

It is defined as a process where the company develops various marketing techniques as well as sales strategies to reach the widest possible customer base. The **channels** are nothing but ways or outlets to market and sell products.

DISTRIBUTION

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION



What is Distribution?

It is defined as the **management** of all activities which facilitate **movement** and **co-ordination** of supply and demand in creation of time, place utility in goods

DISTRIBUTION

CONCEPT

CHANNELS

TYPES

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FUNCTIONS

SELECTION



What is Distribution?

It is the Art and Science of **determining** requirements, **acquiring** them, **distributing** them and finally **maintaining** them in an operationally ready condition for their entire life

TYPES OF DISTRIBUTION

CONCEPT

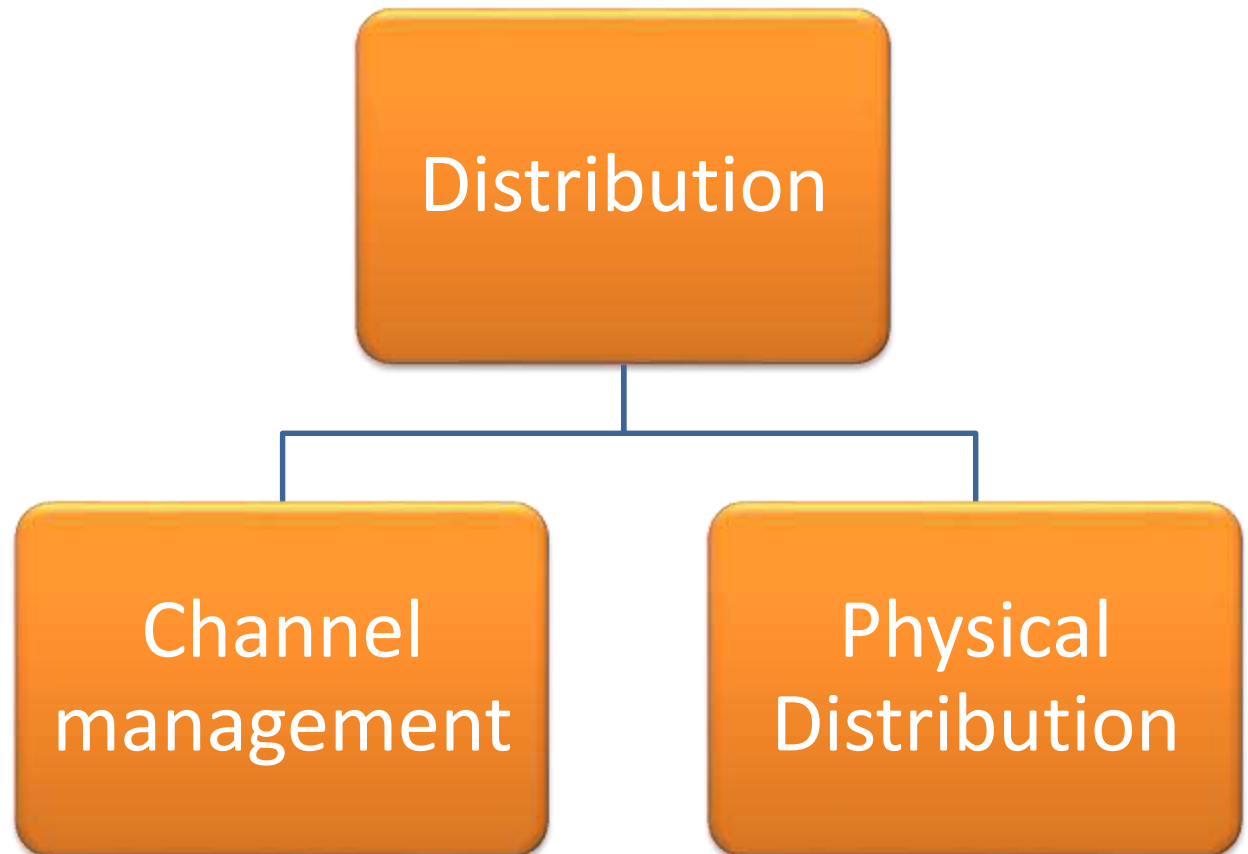
CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION



CHANNELS

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

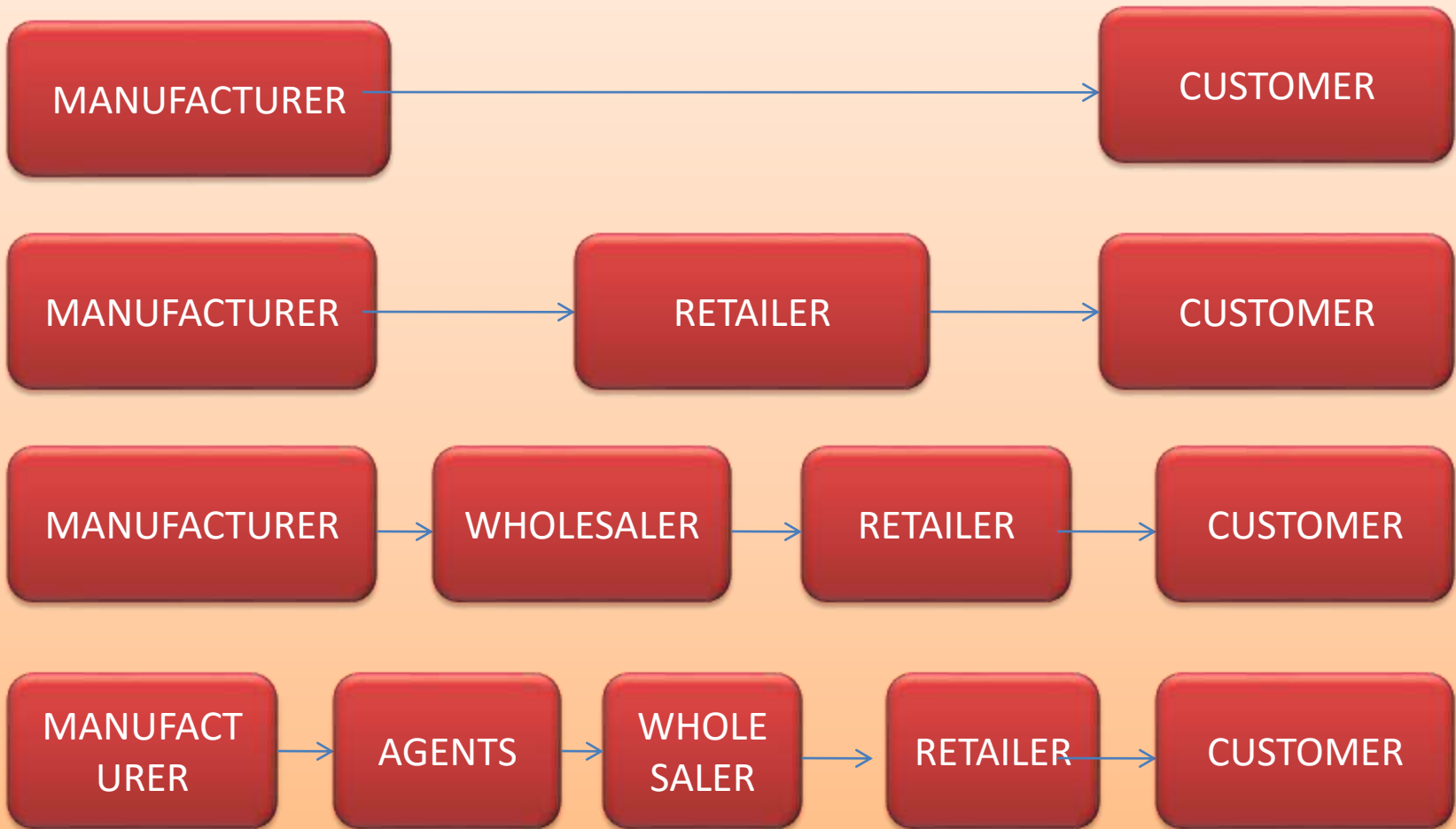
SELECTION



What are Channels?

- The **path** through which goods and services travel from the **vendor to the consumer** or payments for those products travel from the **consumer to the vendor**

CHANNELS



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MANUFACTURER



CUSTOMER



MANUFACTURER

RETAILER

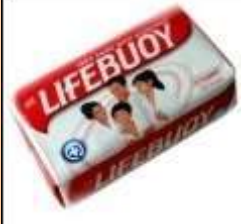
CUSTOMER

MANUFACTURER

WHOLESALER

RETAILER

CUSTOMER



CHANNEL FLOW

CONCEPT

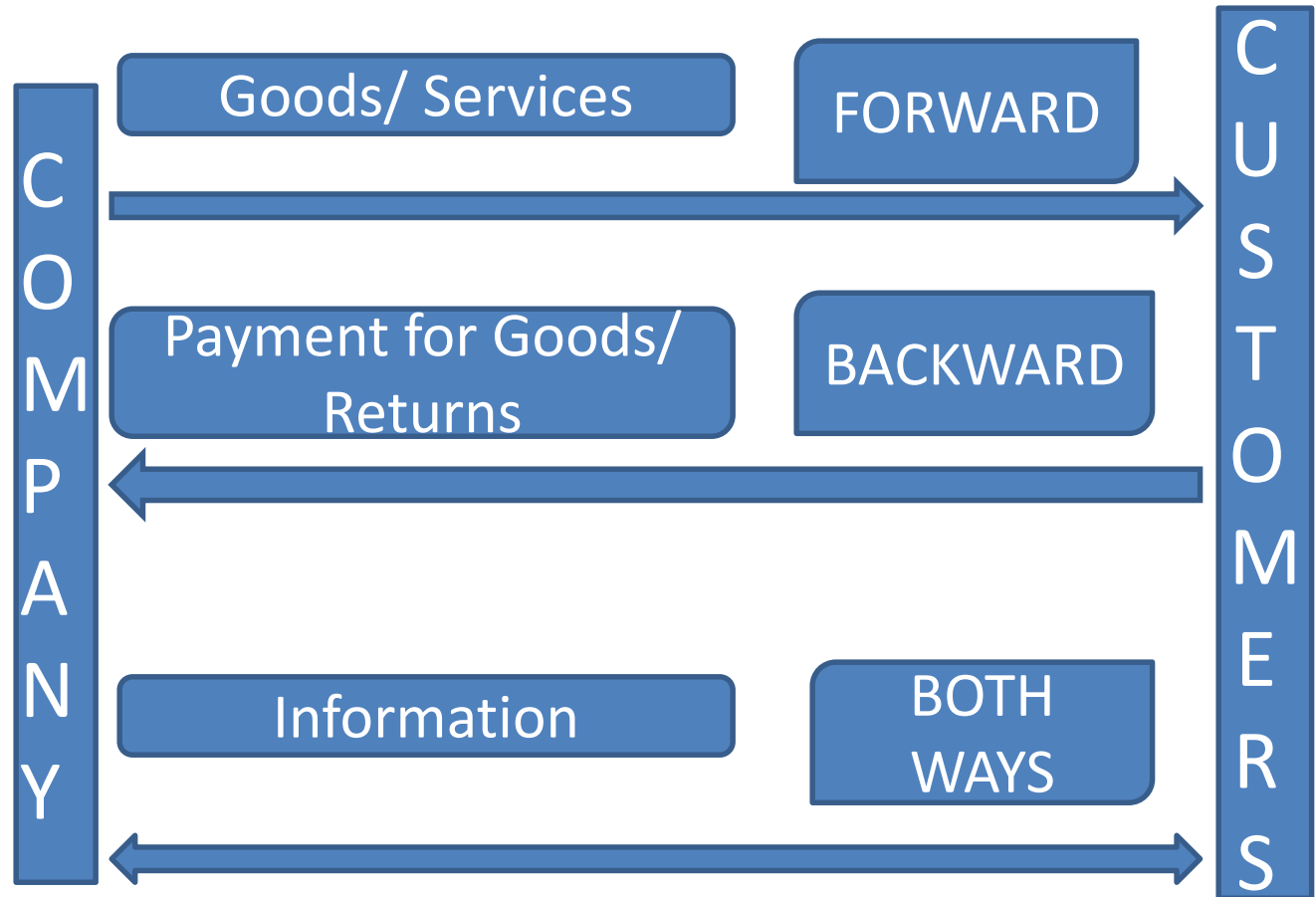
CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION



INTERMEDIARIES

CHANNELS

INTERMEDIARIES

AGENTS

WHOLESALEERS

DISTRIBUTORS

RETAILERS

INTERMEDIARIES

CHANNELS

INTERMEDIARIES

AGENTS

WHOLESALEERS

DISTRIBUTORS

RETAILERS

- **Links producers** to other intermediaries or the ultimate buyer.
- **Promote, sell, and make-available** a good or service through contractual arrangements or purchase and resale of the item.
- Each intermediary **receives the item at one pricing point and moves it to the next higher pricing point** until the item reaches

the final buyer

AGENTS

CHANNELS

INTERMEDIARIES

AGENTS

WHOLESALEERS

DISTRIBUTORS

RETAILERS



- An independent individual or company
- **Primary selling arm** of the producer and represent the producer to users.
- Agents take possession of products but **do not actually own them.**
- **Make profits from commissions** or fees paid for the services they provide to the producer and users.

WHOLESALERS

CHANNELS

INTERMEDIARIES

AGENTS

WHOLESALERS

DISTRIBUTORS

RETAILERS



- **Independently owned firms** that take title to the merchandise they handle.
- In other words, the wholesalers **own the products** they sell.
- Wholesalers purchase product **in bulk and store** it until they can **resell** it.
- Wholesalers generally sell the products they have purchased to other intermediaries, usually retailers, for a profit.

DISTRIBUTORS

CHANNELS

INTERMEDIARIES

AGENTS

WHOLESALE

DISTRIBUTORS

RETAILERS



- Distributors only carry **complementary product** lines, either Pepsi or Coke products.
- Distributors usually maintain **close relationships** with their suppliers and customers. Distributors will take title to products and store them until they are sold

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For Maruti distributor

RETAILERS

CHANNELS

INTERMEDIARIES

AGENTS

WHOLESALEERS

DISTRIBUTORS

RETAILERS



NEXT

- A **retailer takes title** to, or purchases, products from other market intermediaries.
- Retailers **can be independently owned** and operated, like small “mom and pop” stores, or they can be part of a large chain, like Walmart.
- The retailer will sell the products it has purchased directly to the end user for a profit

TYPES

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION



INTENSIVE



SELECTIVE



EXCLUSIVE

INTENSIVE

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION

INTENSIVE

SELECTIVE

EXCLUSIVE



SELECTIVE

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION

INTENSIVE

SELECTIVE

EXCLUSIVE



Mercedes-Benz

EXCLUSIVE

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION

INTENSIVE

SELECTIVE

EXCLUSIVE



ROLES

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL
POSSESSION

TRANSFER
OF TITLE

FINANCING

RISK TAKING

PROMOTION

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL
POSSESSION

TRANSFER
OF TITLE

FINANCING

RISK TAKING

- Marketing intermediaries attract customers and **persuade** them to buy goods and services.
- These intermediaries undertake **sales promotion activities** through media and personal contacts

PROMOTION

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL
POSSESSION

TRANSFER
OF TITLE

FINANCING

RISK TAKING



NEGOTIATION

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL
POSSESSION

TRANSFER
OF TITLE

FINANCING

RISK TAKING

- Intermediaries or middlemen **negotiate prices** and other terms and conditions between buyer and seller.
- No sale can take place without an agreement on prices and other terms and conditions

NEGOTIATION

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL
POSSESSION

TRANSFER
OF TITLE

FINANCING

RISK TAKING



CATERPILLAR®

INFORMATION

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL
POSSESSION

TRANSFER
OF TITLE

FINANCING

RISK TAKING

- Middlemen collect information about **demand**, **competition**, etc., from consumers and pass on to manufacturers.
- They also provide information to consumers about new products, changes in design, style, prices, etc., of existing products

INFORMATION

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL POSSESSION

TRANSFER OF TITLE

FINANCING

RISK TAKING



ORDERING

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL POSSESSION

TRANSFER OF TITLE

FINANCING

RISK TAKING

- WHOLESALERS

Walmart 

metro

- RETAIL OUTLETS

cromā
The Electronics Megastore

Reliance digital
Electronics • Appliances • Computers • Gaming • Telecom

- Intermediaries collect **small orders from consumers** and on that basis place **large orders with manufacturers**

PHYSICAL POSSESSION

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL POSSESSION

TRANSFER OF TITLE

FINANCING

RISK TAKING



- Middlemen take possession of goods from producers and pass on possession to consumers

TRANSFER OF TITLE

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL POSSESSION

TRANSFER OF TITLE

FINANCING

RISK TAKING



- Middlemen transfer ownership of goods from producers to consumers

FINANCING

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL
POSSESSION

TRANSFER
OF TITLE

FINANCING

RISK TAKING



- Intermediaries provide financial, assistances at different stages of the marketing channel. They buy goods in cash from producers and sell them to consumers on credit

RISK TAKING

ROLES

PROMOTION

NEGOTIATION

INFORMATION

ORDERING

PHYSICAL POSSESSION

TRANSFER OF TITLE

FINANCING

RISK TAKING



- Intermediaries assume most of the risks involved in the distribution of goods. They relieve producers from these risks and enable them to concentrate on production

FUNCTIONS

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION

INFORMATION
FLOW

STIMULATE
PURCHASING

STORAGE AND
MOVEMENT

PRICE FIXING

INFORMATION FLOW

FUNCTIONS

INFORMATION
FLOW

STIMULATE
PURCHASING

STORAGE AND
MOVEMENT

PRICE FIXING



Information flows from

Retailers <-> distributors

Distributors <-> Wholesalers

Wholesalers <-> company

STIMULATE PURCHASING

FUNCTIONS

INFORMATION
FLOW

STIMULATE
PURCHASING

STORAGE AND
MOVEMENT

PRICE FIXING



For its promotion VIP encourages retailers to advertise in the city on its behalf, and shares some cost of it

STORAGE AND MOVEMENT

FUNCTIONS

INFORMATION
FLOW

STIMULATE
PURCHASING

STORAGE AND
MOVEMENT

PRICE FIXING



GAS CYLINDERS ARE STORED IN THE WAREHOUSES AND
THEN MOVED THROUGH RETAILERS T

PRICE FIXING

FUNCTIONS

INFORMATION
FLOW

STIMULATE
PURCHASING

STORAGE AND
MOVEMENT

PRICE FIXING



BIG BAZAAR

Is se *sasta* aur *accha* kahin nahi!

Factors Influencing the Selection of Channel Members

CONCEPT

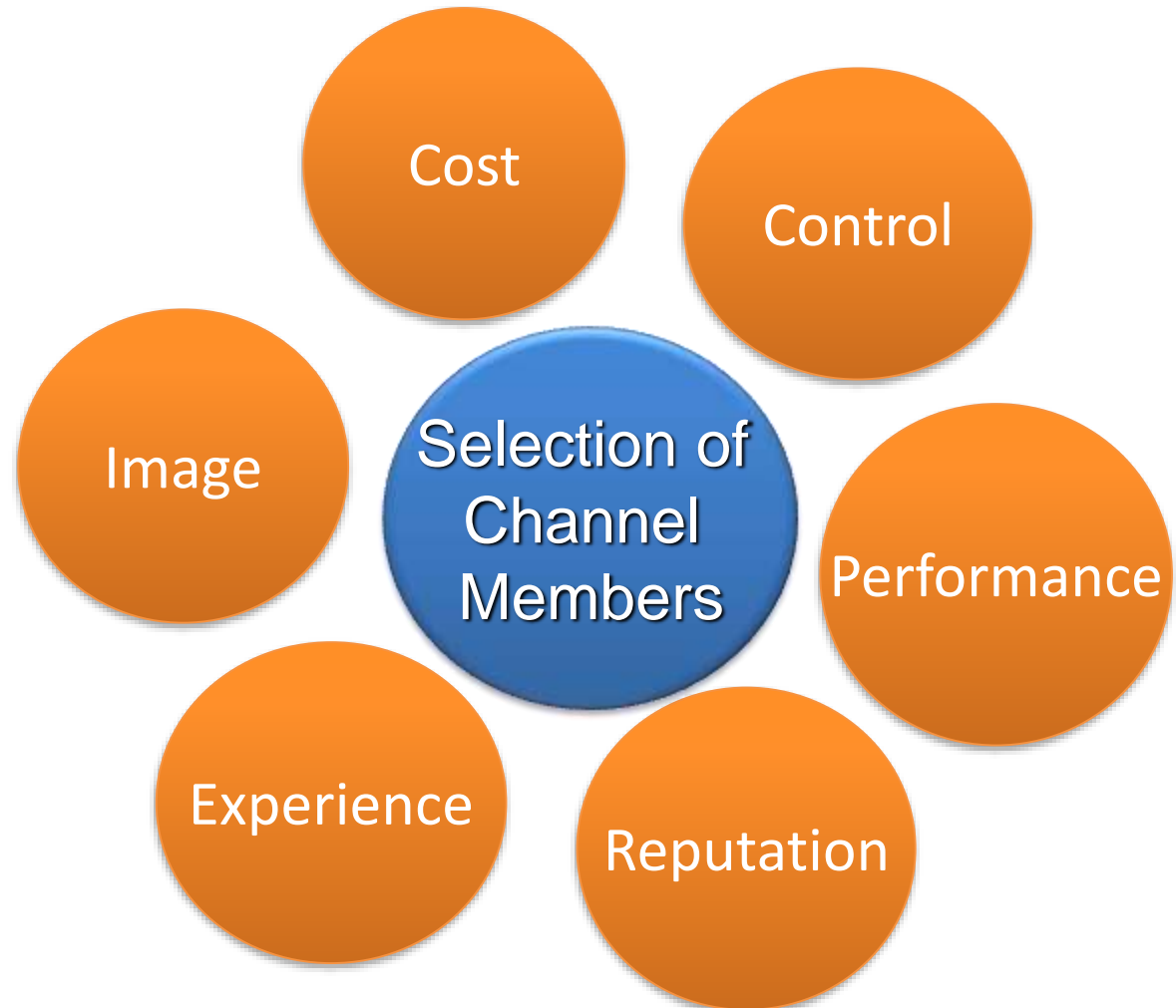
CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION



SELECTION

CONCEPT

CHANNELS

TYPES

ROLES

FUNCTIONS

SELECTION

MARKET
FACTORS

PRODUCT
FACTORS

PRODUCER
FACTORS

MARKET FACTORS

MARKET
FACTORS

PRODUCT
FACTORS

PRODUCER
FACTORS

CONCEPT

CHANNELS

TYPES

ROLE

FUNCTIONS

SELECTION



- Customer Profiles
- Consumer or Industrial Consumer
- Size of Market
- Geographic Location

PRODUCT FACTORS

MARKET
FACTORS

PRODUCT
FACTORS

PRODUCER
FACTORS

CONCEPT

CHANNELS

TYPES

ROLE

FUNCTIONS

SELECTION



- Product Complexity
- Product Price
- Product Life Cycle
- Product Delicacy

PRODUCER FACTORS

MARKET
FACTORS

PRODUCT
FACTORS

PRODUCER
FACTORS

CONCEPT

CHANNELS

TYPES

ROLE

FUNCTIONS

SELECTION



Hindustan Unilever Limited

- Producer Resources
- Number of Product Lines
- Desire for Channel Control



PROJECT SHAKTHI



E CHOUPAL

THANK YOU