

Session 15.

Distribution (Place, Collaborators) – (M, March 7).

Discussion Questions

1. It is a popular belief that if we could just cut out the “middle man” we could reduce dramatically the price of a product to the end user. Please comment?
2. Why do wholesalers and retailers often carry products from more than one manufacturer?
3. How do channels serve the customers? How do they serve suppliers?
4. WalMart and Procter and Gamble cooperate on “everyday low prices (EDLP).” That is, rather than running frequent consumer promotions, they offer the same (low) price everyday. Why?
5. Why are manufacturers often in conflict with their wholesalers and/or retailers? Is such conflict inevitable? How might you mitigate this conflict?

Reading

Distribution Policy (9-585-045)

Note on Incentives in the Channels of Distribution (Appendix optional)