



Business Virtual Learning

Course: Intro to Business

Lesson: Marketing Mix- Place

May 14, 2020



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Objective/Learning Target: Students will be able to:

- (1) Analyze the distribution channels of various products/services.**
- (2) Design a distribution channel for a product/service of their choice.**



Lesson Starter

What is the last thing you purchased? How did you buy it? In a store? Online?



Lesson Starter Continued

In today's lesson, we will be looking at the third P in the marketing mix, **place**. Place entails everything the business does in order to get their product or service to the consumer. So how did you get your last purchase? What distribution did the company use? We will explore that in today's lesson.

Place- Product Distribution

Please watch the video to see how businesses determine how to deliver products/services to customers. This is called distribution and plays a key role in the success of a business.





Types of Distribution Channels

Direct — Producer sells directly to customer.

Direct/Internet — Producer sells directly to customer, online.

Direct/catalog — Producer sells directly to customer, through a catalog.

Wholesaler/distributor — Producer sells to wholesaler, who will sell to a distributor or retailer.

Value-added reseller (VAR) — VAR will customize the product for the buyer.

Dealer — Sells on behalf of company, like a franchise.

Retail — Retailers sell directly to end-users through a store, website or catalog.



Common Distribution Models

Intensive distribution – If the consumer does not get a brand, he/she buys another, so product has to be available everywhere.

Selective distribution – ‘Suitable’ resellers stock the product, customers will search reasonably for your product.

Exclusive distribution – Specially selected resellers (typically only one per geographical area) sell the ‘product’

As you read over the different types of distribution channels and models, I hope you were able to find real world examples of businesses that use those strategies.



Activity: Your Product Distribution

For today's activity, you will be deciding what distribution type and model you would use for the product/service you developed in a previous lesson. Review your options in the previous slides and make sure your strategy fits your product/service and your customers' needs. Please fill out the information below once you have made your decision:

Product Name/Description:

Distribution Channel:

Distribution Model:

Please explain your choices here: