

Defining 'Place'

Making the product available to the customer in the right location at the right time

Why is 'place' important?

- *If people can't buy our product, then they might go to competitors*
- *Needs to be accessible to the market*
- *Needs to be appropriate for the target market*
- *Transportation (at low cost) needs to be possible*



Distribution Channels

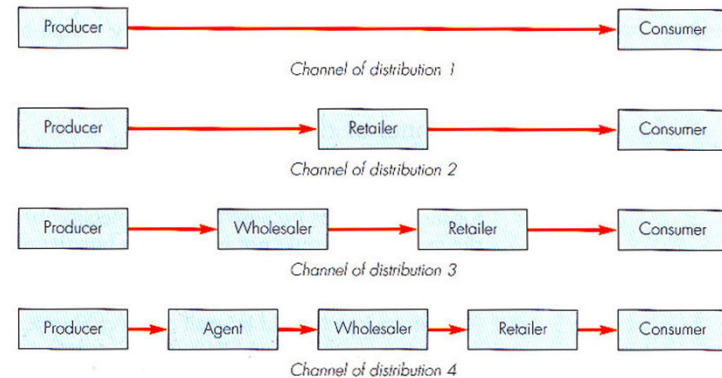
How to get the product to the consumer.

How would you get the following to the consumer?



Distribution Channels *Intermediaries*

- Producer** – the business that manufactures the goods or offers the service.
- Agent** – a business that acts as an intermediary, selling the products on behalf of the producer.
- Wholesaler** – buys products in bulk from the producer, then sells smaller quantities on to the retailer
- Retailer** – sells the product/service to the consumer
- Consumer** – the end user of the product.

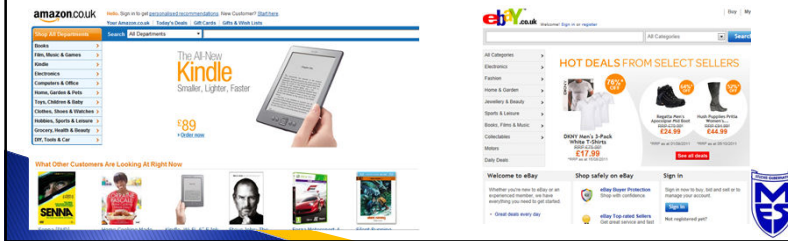


The more intermediaries in the channel, the higher the final price paid by the consumer due to intermediaries adding their profit 'mark up'



E-commerce

The use of the internet and electronic communications to carry out business transactions, such as product ordering and delivery



Main transport methods

- ▶ Road haulage
- ▶ Rail
- ▶ Canal and river
- ▶ Sea freight
- ▶ Air freight
- ▶ Pipelines

*Product (heavy, light, big, small,
urgency/time needed
Weather
SIT
Cost*

