

01 2018

## Distribution, in terms of marketing mix

### Marketing Distribution

As I wrote earlier in the article "Marketing channel. Definition": distribution is no longer just a commodity and logistics distribution resource, it is already a powerful marketing tool with accessible mechanisms for analyzing and taking into account the needs of intermediaries, ways and preferences of consumption, and hence the tool to influence of them.

Distribution for marketing is a complex marketing activity, which consists in promoting products from manufacturers to final consumers, organizing product distribution in the segment, in the territory, organizing sustainable sales, pre-sales and after-sales services. Logical activity includes:

- expeditious transportation;
- proper storage;
- good inventory management;
- fast cargo handling;
- operational management of orders;
- timely analysis of the necessary logistics costs;
- placement, management and maintenance of distribution infrastructure units;
- collection and processing of necessary information;
- building an honest, operational communication network;
- necessary for the effective management of material flows.

Distribution (or place, place) - one of the four elements of marketing that are included in the marketing mix "4R". The consumer must have the physical ability to purchase the product, otherwise the transaction simply does not take place. Ensuring such accessibility is one of the most important tasks of marketing. To solve this problem, it is necessary to provide the potential consumer with the opportunity to:

- get product information;
- choose a product;
- pay for the product;
- get the product;
- get after sales service
- get a warranty service;

At the same time, marketing experts clearly indicate the tendency to use the term "distribution" in an expansive interpretation, assuming in addition to physical distribution operations:

- product sales support functions (trade events);
- service functions.

A few views on distribution.

For a distributor, organizing the movement of goods from producer to buyer and distributing goods in a certain territory, distribution is the ability to credit the distributor by the supplier, the motivation of the distributor by the supplier: bonuses, loyalty programs that can be directed not only to the

distribution system, but also to development of the distributor itself.

Distribution for a product supplier is the creation of a sales management system that is based on managing and planning sales in various sales channels (sales). Distribution allows the supplier to get to the end user, allows you to solve a number of tasks efficiently. For example, design the regional sales scheme that will be most effective for the existing conditions of the company, taking into account its resources (capabilities).

In this case, the distribution will change over time. The distribution scheme will change in the light of a clearer understanding of the "place" in the marketing mix (4P), as well as the tasks that it must solve. The company's development strategy for quality distribution consists of several consecutive steps. At some point, the regional sales scheme through a network of wholesale trading companies, through branches with warehouses, taking into account its representative offices and sales representatives, or some mixed form will be effective - will depend on a number of conditions and factors that should be taken into account (level development and market conditions, brand awareness, development / sales stage, clear understanding of relations and agreements with dealers (again about the "place" of sales from the 4P marketing complex, etc.).

Qualitative and quantitative indicators of the "place" in 4P

The development of distribution, how well distributors work is determined by qualitative and quantitative indicators. The definition of these indicators is crucial when we talk about the tactically correct construction of the marketing channel management. Qualitative indicators of distribution (indicators of quality distribution) - indicators of the availability of goods at the point of sale. Quantitative indicators of distribution - the intensity of development of distribution, a system of quantitative indicators to analyze the degree of development of distribution of a particular brand.

Link to article:: [Distribution, in terms of marketing mix](#)