



MARKETING MIX - PLACE

Through their contacts, experience, specialization, and scale of operation, intermediaries usually offer the firm more than it can achieve on its own

Retailing is the activities involved in selling goods or services directly to final consumers for their personal, non-business use



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I. Store Retailing:

1) Amount of Service

- a) **Self-service** *e.g.* supermarket
- b) **Limited-service retailers** *e.g.* sales assistance as the result of higher prices
- c) **Full-service retailers** *e.g.* Specialty stores and first-class department stores



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2) Product Line

- a) Specialty Store** *is a narrow product line with a deep assortment within that line e.g. sporting goods, furniture, books, flowers, or toys stores;*
- **single-line store** *is a clothing store*
 - **limited-line store** *is a men's clothing store*
 - **super-specialty store** *is a men's custom shirt store*
- b) Department Store** *carries a wide variety of product lines e.g. clothing, home furnishings, and household goods*



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- c) ***Supermarket*** is large, low-cost, low-margin, high-volume, self-service store that carry a wide variety of food, laundry, and household products
- d) ***Convenience Store*** is small, limited line of high-turnover convenience goods, near residential areas and remain open long hours, charge high prices because of lower sales volume **e.g.** kiosks
- e) ***Superstore, Combination Store, and Hypermarket***
e.g. Ramstor, Mega etc
- f) ***Service Business*** hotels and motels, banks, airlines, colleges, hospitals, movie theaters, tennis clubs, bowling alleys, restaurants, repair services, hair-care shops, and dry cleaners



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3) Relative Prices

a) ***Discount Store:*** lower margins and selling higher volume offering mostly national brands, not inferior goods

b) ***Off-Price Retailers:*** buy at less than regular wholesale prices and charge consumers less than retail

- ✓ Factory outlets
- ✓ Independent off-price retailers
- ✓ Warehouse clubs



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c) *Catalog Showroom* sells:

- high-markup
 - fast-moving
 - brand-name goods
- } at reduced prices



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II. Control of Outlets

Corporate Chain

- two or more outlets
- owned and controlled
- employ central buying and merchandising
- sell similar lines of merchandise

Franchise Organization

e.g. you produce a type of juice and ask for brand from Cola to sell under its brand, quality control and other staff rights Cola.



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Merchandising Conglomerate

Merchandising conglomerates are corporations that combine several different retailing forms under central ownership and share some distribution and management functions

III. Non-store Retailing

1) **Direct Marketing** uses telemarketing and on-line computer shopping

2) **Direct Selling**

- door to door
- office to office, or
- at home-sales parties



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- 3) **Vending Machines** wide variety of convenience and impulse goods - cigarettes, beverages, candy, newspapers, foods and snacks, cosmetics, paperback books, T-shirts, insurance policies, pizza and bla-bla-bla



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WHOLESALE

- buy mostly from producers and sell mostly to retailers
- Selling and promoting
- Buying and assortment building
- Bulk-breaking
- Warehousing
- Transportation
- Financing
- Risk bearing
- Market information
- Management services and advice



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Types of Wholesaler:

1) Merchant Wholesalers

a) *Full-Service Wholesalers*

- carrying stock
- offering credit
- making deliveries

b) *Limited-Service Wholesalers*



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2) Brokers and Agents

They earn commissions for the aid in buying and selling specialized by product line or customer type

3) Manufacturers' Sales Branches and Offices

Sell themselves in offices rather than through independent wholesalers