



# Place

Distribution channels  
Supply chain management  
International marketing  
E-commerce





# Distribution channels



- Direct selling - low cost but low customer awareness
- Retail outlets - “goods back”, brand awareness but expensive staff and run
- Wholesalers - access to small retailers but further mark-up
- Agents - knowledge of customer but selling rival products



# Supply chain management (logistics)

- Maximize efficiency - from raw materials to point of sale
- JIT - less stock
- IT systems ensure no stock-out
- Production facilities close to consumer
- Software packages for real time monitoring of stock and raw materials





# Supply chain management (logistics)



- Barcoding - going through checkout notes the product is down by one, then ordering straight from the supplier
- In practice it is a combination of software and human oversight
- If company is out of stock, customer buys from rival and might never come back



# International marketing

## International expansion - advantages

- Might have a huge potential new market
- Successful business model can be replicated in another country
- Reduces risk of recession in one country, compensated by another



# International marketing

## International expansion - disadvantages

- Different markets may require significant product modification
- Strong local competition might exist
- Cultural and language barriers makes company less efficient

# How it affects the 4 P's

- Product - cannot be the same throughout - Big Mac - Maharaja Mac
- Place - Diff channels, maybe sell through a partner first
- Promotion - Use different angles. Persil in UK, Skip in France
- Price - different buying power





# E-commerce



Electronic network used in buying products

- B2B and B2C
- Product - can be individual, e.g. Dell. Can offer a very wide range, e.g. Amazon unlike local
- Price - Comparing prices easier, shopping around is common





# E-commerce



- Promotion - easy and cheap - pop-up adverts or come up first in the search engines, also creating consumer profiles for targeting
- Place - Easy to use, but need impressive offices, reputation. Customers might like to touch the product first