

“Realigning Distribution Strategies For Effective Marketing Operations Of A Business”

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ABSTRACT:

In a competitive market, particularly in consumer goods market like Tropicana product, distribution channels have a distinct role in the successful implementation of marketing plans and strategies. The channel members perform the following marketing functions in the operations of distribution, which are very important. They have:

- (i) To search out for buyers and sellers,
- (ii) To match goods to the requirements of the market,
- (iii) To persuade and influence the prospective buyers.
- (iv) To provide feedback information, marketing intelligence and idles forecasting services for their regions to their suppliers,
- (v) To participate actively in the creation and establishment of market for the products.

Developing a distribution model involves integrating channel members and network coverage. Channel members play an important role in the distribution system in any industry. Therefore, to design an effective distribution system, the understanding of market dynamics and the needs of customers are very much important.

The study on developing the distribution strategies for Tropicana started with the market mapping in Kanchrapara and Kalyani, West Bengal This study also provides insight into the current market offerings in the juice segment and consumer perception regarding the same. This has helped to identify the strong and weak areas with respect to juice segment. Therefore, this study would be helpful to the marketing managers to cover and penetrate in other market areas and also give so me light in developing suitable distribution strategies at the time of marketing their products.

Key Words: Introduction, Objective of the Study, Hypothesis, Image & Emotional Marketing, Suggestions, Conclusion, References

Introduction:

The current Marketing trends such as shortening product life cycles, collaborative e-business and the more to out source business process require organization to establish improve collaboration with their supplier has -Global firm have to lake into account institutional, cultural and psychological differences between parent company host countries to make sensible decisions in the key areas of Marketing Strategies. Companies have tried several paths to growth cost & price cutting, aggressive price increase, international expansion, acquisition & new products each have problems. Price cuts are usually matched & neutralized. Price in crease is difficult to pass on during. Sluggish economic times most international markets Eire now highly competitive or protect. Company acquisitions are expensive & have not proven very profitable. And the number of new products winners arc few. After globalization it is very difficult to survive In the market. If you don't have quality perhaps you may be out.

Objective of the Study :

- 1) To achieve growth requires developing a growth mentality in the company's personnel and partners.
- 2) To watch for needs not begin currently satisfied.
- 3) Instead of starting from the Company's current products & competencies seance growth by sending the untapped needs of existing & new customers.
- 4) To look at the end users needs their you immediate customer's needs & finally decided which needs you can meet profitably.
- 5) To ensure avail ability of the product (Tropicana) at the retailers' point.
- 6) To build channel members' loyalty.
- 7) To stimulate channel members to put greater selling efforts.
- 8) To develop managerial efficiency in channel organisation.
- 9) To develop and design an efficient and effective distribution system so that the product and services will be available readily, regularly and equitably in a fresh form.

Hypothesis :

In view of the objectives set for the study, the following hypotheses have been formulated:

Ho: The consumers are homogenous on fruit juice consumption irrespective of their ages.

Ho: The consumers are homogeneous on fruit juice consumption irrespective of their monthly Income.

Image & Emotional Marketing:

After Globalization more companies are now trying to develop image that more the heart instead of the head. Those who addressed to the head lend to slate the same benefits so companies are trying to sell on attitude like prudential wants people to have a "piece of the rock"¹ These campaigns work more on effect than cognition companies are turning to anthropologists psychologists to develop messages that touch emotions more deeply, fine approach is to build the image of the product round same deep archetype the hero antihero siren wise old man, small kids that reside in the collective unconscious.

Companies are increasingly turning to image and emotions marketing to win customer mind share & heart share. Although this has gone on from the beginning of time to day its is accelerating. The old marketing mantra advised companies to outperform competitors on same benefits to promote this "Maruthi is the safest car"

Tide cleans better than any other detergents, Going under the name of benefits marketing it is assumed that customer was more influenced by rational arguments than by emotional appeals. But in today economy companies rapidly copy any competitors advantage until it no longer remains.

Factors Affecting The Decision Regarding The Channel Design

A marketer has to design the distribution system with utmost care and explore several alternatives before designing a particular system because a system once developed cannot be modified frequently. The choice of a particular distribution system is influenced by the following factors.

- a) **Product Characteristics:** Products' nature and characteristics influence the choice of a particular distribution channel. Products, which do not have much technical complexity, can be moved through channel members. Products which are bought frequently for consumption can be distributed widely through retail outlets. Certain products, which are perishable in nature, require storage and safety facilities.
- b) **Customer Characteristics:** Consumer's buying habits and their geographical location also influence the distribution channel decision. It also implies the attitude towards waiting time, expectations with regard to special conveniences and preference for buying in comfortable and more relaxed environments.
- c) **The Company's own Characteristics:** A Company's characteristics such as the size and financial ability also influence channel choice. The channel design is influenced by the company's long-term objectives, financial resources manufacturing capacity, marketing mix and even its philosophy.
- d) **Intensity of Competition:** Whether a competitor seeks exclusive distribution or intensive distribution is an important point, which will be considered while making channel choice. In the case of exclusive distribution, a competitor may choose a limited dealer network with exclusive rights to distribute the company's products, whereas, an intensive distribution involves stocking its products in as many as possible outlets along with a rival's products. Therefore, the nature and intensity of competition in the industry will determine the distribution pattern of a firm.
- e) **Intermediaries' Characteristics:** This refers to the middlemen's aptitude for service, promotion and handling negotiations, storage, contract and credit. Another important aspect is that the channel members should provide information for product improvement, market research and arrange for advertising campaign.
- f) **Environmental Characteristics:** Environmental characteristics like government policy, statutory provisions, state of the economy and technological and infrastructure developments also affect distribution decisions of the firm. The global economic changes have brought new types of distribution channel outlets in many product networks.

Suggestions:

Based on the findings and keen insight of the study, a number of well-thought suggestions have been made with the aim to improve its sales, operations, growth and profitability of Tropicana brand. They are as:

- (a) The company should segment its market and ensure the product availability to its entire outlet by revamping its distribution operations. As it has been seen that the distribution operations of Tropicana brand is on average in Kalyani and Kancharapara so the company must look after this area because in a globalized economy like India, distribution is one of the main part of marketing functions and without distribution strategy, no strategies will hope to succeed.
- (b) As the channel intermediaries hold vital positions in the distribution operations¹, so the company must adopt motivational activities for its channel members by understanding (the needs and wants of the markets. The company may focus on the motivational programmes on financial and non-financial rewards. Financial rewards include higher margins, extended credit facilities, bonuses and allowances and sharing intermediaries' promotional expenses. Non-financial rewards include sales and display contests, recognition for outstanding performance etc.
- (c) The company must carefully outline training programmes for its channel intermediaries. The purpose of imparting training is to sharpen the channel members' product knowledge and finally, this will enhance selling skills to offer better service, which will satisfy customers,

(d) The company should use all the available distribution outlets for making its product (Tropicana) available to consumers. As the product is low cost convenience product and is used routinely and also, the consumers want to purchase it immediately from the nearest location where they live and do not wish to devote much time to search for the product. Therefore, product availability in the retail outlets is important. Hence, to meet consumer demand efficiently, intensive distribution is necessary. The company may also use selective and exclusive distribution by making their product available in shopping malls, restaurants, cinema halls etc.

In a competitive environment where product offer or prices alone may not constitute differentiation, distribution constitutes a major source of competitive strength. In developing and designing distribution strategies, companies should consider factors related to customer, demographic criteria, competition, PLC (product life cycle) stages, objectives and desired market coverage intensity. Motivation of channel members focuses mainly on financial and non-financial rewards. Dealers' performance criteria include sales target, inventory maintained, promotional activities, customer service, and attending training etc. Hence, distribution helps to satisfy the customer needs more directly than other marketing mix variables. It is more important than symbolic product offer, its pricing or communication. The ultimate user will not remain satiated unless the product flows to satisfy their needs.

Conclusion :

Marketing is becoming more based on information than on brute sales power. Thanks to the computer & the Internet no sales person can say to the boss that he / she did not know the prospect's industry. Company, problems or potentials.

A Company that masters only its domestic market will eventually lose it. Strange foreign competitors will inevitably come in & challenge your company. It is now business without the borders. Global countries must team to use counter trading. Many countries are poor but they will barter. It will be better to take sonic goods in exchange or forget selling to that country- Pepsi cola has to promote Russia that it would help sell. Russian vodka abroad in exchange for selling Pepsi cola in Russia-when companies trade abroad the most common factors are

- 1) Failure to define the target users
- 2) Failure to adapt the product
- 3) Failure to offer adequate service
- 4) Failure to find goods strategic partners

As a student & personally think the marketing strategy should be used which are suitable to our situation. We must think about the lower class & medium class where the product will be popular & get market easily in our country as well as abroad. I don't think anybody ought to be making marketing strategic decisions without some form of research, because you can waste a lot of time & money.

References:

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