Strategic Marketing - Contemporary Issues
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Lecture - 24

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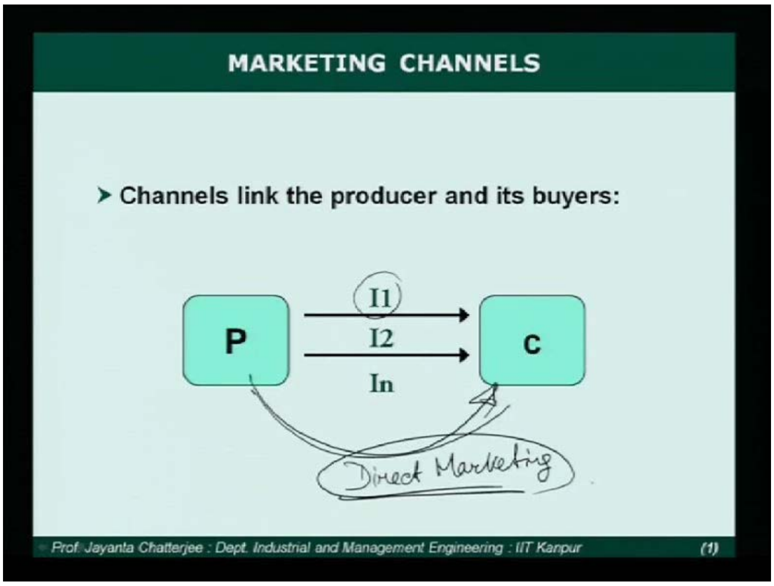

Channel strategies, integrated channel strategies to execute our marketing program. Obviously channels in this context means that when the producer and the customer or the consumer and we use I here as to denote intermediary. So, there are different types of intermediaries and at the same time, a producer can access number of different types as well as number of intermediaries in the same category. And we should not forget that this also includes a direct connection a direct channel from the producer to the consumer which is the domain of direct marketing. It is also an important channel where particularly in the business to business domain, industrial marketing domain where very often the items, the products, the services may be too complex to be handled through channel partners or distributors in the conventional sense.

So, traditionally these relationships have been nurtured in the industrial market through the direct marketing route using the company's own sales force to reach out to the prospective customers, and in industrial marketing it is also feasible to do, so because there are usually fewer customers compared to the B to C domain or direct business to consumer domain. So, there if you are looking at soap or toothpaste or ready to cook noodles or oats or toothpaste, toothbrush, we are dealing with millions and millions of customers. So, this is what we call a classical domain of one-to-many type of marketing and in these cases accessing various types of intermediaries and partnering with them become almost essential, whereas if you are in the business of marketing, road building machinery, then you will have few customers like the national highway authority of India or other large construction entities and in that case you can go through this direct route. Direct marketing also connotes direct reach out through the information or communication technology roots; we will discuss that a little later.

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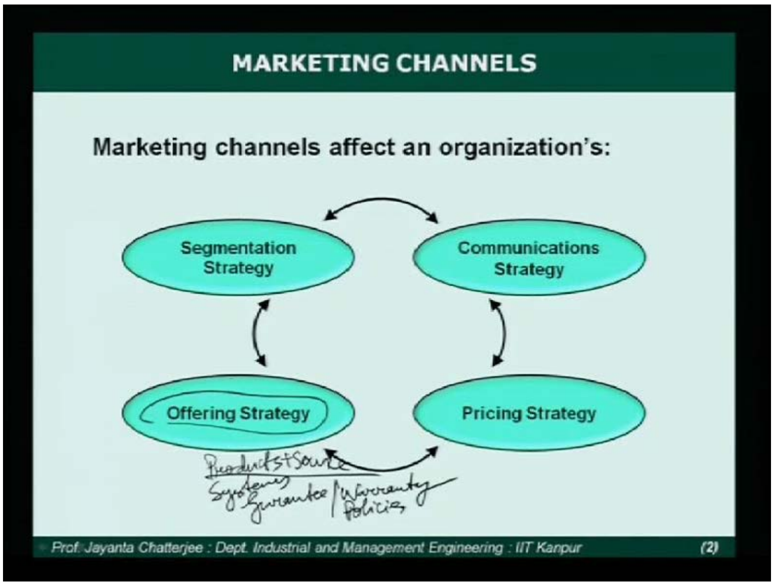

So, what we need to look at therefore is that marketing channel how and why we will decide in favor of option one or option two, what are the different types of options, how do we evaluate those options; that is what we are going to discuss within the next few over the next few slides. The first thing that we must understand that the channel issue as classically captured in the so called 4Ps of marketing mix, the marketing strategy mix. So, one of that p is placed which denotes where the product service will be available and how will you make it available, what are the different access options given to the customer. So, that place is synonym with all the issues that we are discussing today about channel and partner and therefore, it is an integral part of the marketing strategy the channel decision and in each case it is connected with what we have already discussed before segmentation, targeting, positioning your pricing.

So, for example, when it is coming to segmentation then if you have already decided on a segmentation strategy one has to see that whether your channel architecture is right to reach out most conveniently and most efficiently most effectively to those segments. So, if you have actually developed a medical consumable item business, then your channel strategy should be such that you are able to reach out to all the different types of healthcare facilities where such medical consumable will be used. And in many cases such medical consumables while it is institutionally obtained by the healthcare facilities may also be often purchased by customers, patients and their relatives on the recommendation coming from the doctor or the healthcare facility. So, you need to have multiple types of channels as you can see which can supply to the hospital's at an institutional level as well as it is available through various types of retail outlets as well as various types of healthcare outpatient department facilities and so on and so forth.

So, your channel strategy therefore must support your market segmentation strategy; obviously, it depends on offering and we are going to discuss a little about offering. Offering is actually a deep terminology because the offering is not only the product but associated service, different types of auxiliary system building connections that make a product fully usable. So, offering therefore is a wider concept. We will discuss it in greater depth when we discuss about offerings and brandings but surprised to say that offering often includes therefore products, it includes systems, by combining service with products, it includes guarantee/warranty system and guarantee, warranty policies. So, you are offering strategy if you are offering is such that service is an essential part of it, if you are selling some marketing some information appliance, then it often makes sense that you integrate your sales channels with your services channels. So, that the customer can get and one point solution to the procurement of the product or acquisition of the product as well as all the service support that are necessary to make it operational at his or her premises.

So, in that case as you can see the offering because of its nature or product service integration demands that there is integration or the channel site between service partners and sales partners and so on. Similarly a pricing strategy has to support your channel strategy or by vice versa; that means if you have several air soft channel intermediaries in your distribution delivery chain then your pricing structure has to be such that it provides remunerative margin to those partners across your delivery chain. And obviously your communication strategy also is dependent on your channel decision because your communication strategy must support by way of attracting customers to visit your sales partners, marketing partners, channel partners and they will expect you to create a communication, a promotion strategy that will cause footfalls of the customers at their outlets. So, as you can see therefore marketing channel affects and in turn is affected by all the different elements of marketing strategy that we have been discussing.

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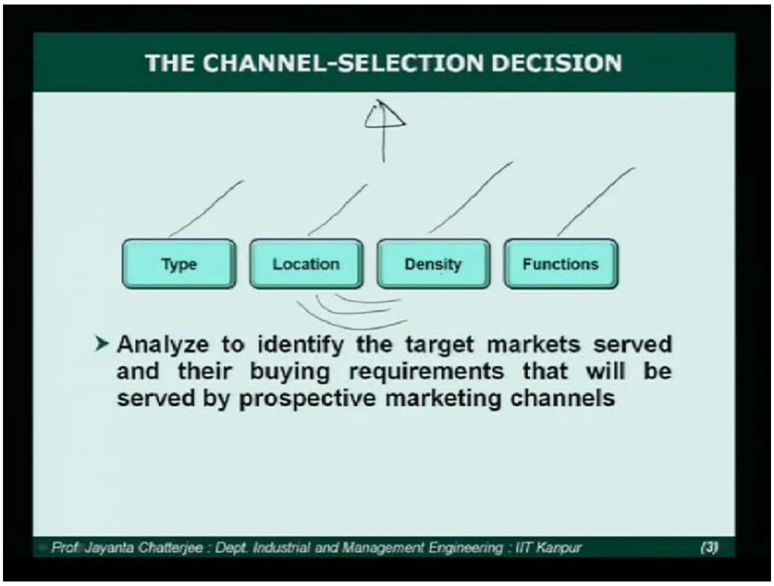

So, the channel selection decision therefore will be by way of type, location, density, function; density means that you know in a particular location how many persons, how many companies, how many channel partners of what type will actually provide the whole package of service to the buyer.

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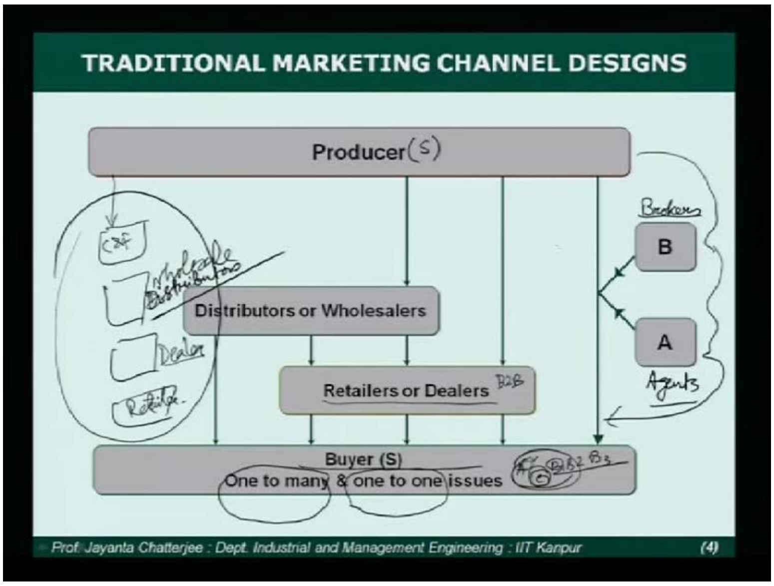

To take an example or rather understand it in greater depth, we can see that there are different ways producer can reach out to the buyer and it may be worthwhile to put a S here also in the bracket just as we have put here on the buyers side, because sometimes it may be necessary to coordinate the supply system of different producers because at the buyers end, they may be buying product A and product B and combining with product C to make it fully functional. So, if you are looking at, say, buying a tablet PC or what we call these days just tablet you need a supplier of the tablet, you need several suppliers B1, B2, B3 who actually provide all the different kinds of app's applications that run on the tablet and you need a communications service provider like a 3G service provider or an internet service provider who make it possible for the tablet owner to access these different types of applications and run them successfully and so on. As therefore, sometimes the same channel may be used by different producers to reach out to the same type of customer or the exactly same customer.

So, one route therefore is of course this direct route from the producer to the buyer, as we were discussing a little while back, and this particular route may be influenced by brokers or agents. So, brokers and agents are people who influence the buying decision, facilitate the buying and therefore facilitate the relationship between the producer and the buyer, but they may not actually possess; there may not be any ownership of the goods or services as they travel from the producer to the buyer. So, they are only influencers and there is no physical transfer of ownership or goods. So this is not a root which is, it does not go through to reach here, they only exert influence and therefore, it is different from the way it happen, say, retailers or dealers who actually get; in a way these people are B to B buyers.

So, they buy from the producer, they stock, they maintain all the other service and other support facilities when it is required and provide the final integrated service or solution to the buyer. These retailers or dealers may also be served in certain cases where the volume and the number of volume of products pushed through the channel and the number of different varieties as well as the number of buyers maybe too high and so to manage this link this particular link efficiently. So, you may need an intermediate stage another stage of distributors. Sometimes it can even be in a large country like ours four stage; that means from the producer to the distributer or what we often call the carry forward C and F agents from there to the wholesalers, from there to the retailer's and the there to the buyers. So, it could be a four step process; it even could be a five step process when you are reaching out to distant locations.

So, there could be even a distinction between a dealer and a retailer; a dealer maybe serving number of retailers. So, these are the various ways we have therefore, distributors, wholesalers, dealers, retailers, four different types of channel partners. Sometimes they are one and the same, sometimes they may be distinctly they could be a four stage process as we discussed; that means it can go to a C and F agent or a stockist or then it can go to a wholesaler and it can go to a dealer and from there it can go to a retailer. It can be a dealer can also be sometimes called distributers or sometimes there may be this wholesale guy is often called distributer. So, there can be these different terminologies and they are often used interchangeably or sometimes distinctively. It depends on the type of product we are looking at. In case of electronic channel and incidentally here there are issues relating to one-to-many and one-to-one.

Obviously, this multistage model is important when one; that means a company like Procter and Gamble is reaching out to many customers, many dealers, many distributers and maybe few warehouse locations are carry forward agents or store and forwarding agents. So, that is the kind of what we call one-to-many type of connection and this is kind of a one-to-one type of and obviously therefore, the marketing strategy in this case and in this case will be different. In this case your marketing strategy not only has to address the benefits cost benefit value for the buyer, but it also must create a value stream for all the intermediaries; whereas here the focus is more on the value maximization for the ultimate buyer because the brokers or the agents are only usually rewarded by the commission and therefore, the marketing strategy differentiation will happen depending on this channel architecture.

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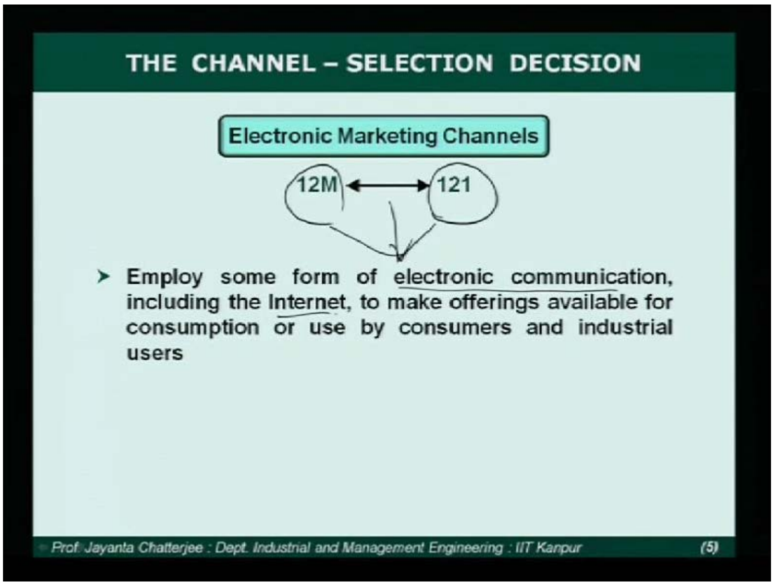

In case of electronic channel over telephone, over the internet, through the ATM machine, in these channels because of advanced facilities available through the ICT information communication technology personalization and mass reach out may be possible at the same time. So, many of these one-to-many and one-to-one type of strategies can be integrated in a e-commerce e-retailing situation and you are all familiar with that because if you are buying something from e-retail site like Flipkart or Jabong or Amazon or India times shopping, you will realize that they also offer lot of opportunities to create where you can share your interest profile with them and therefore, in many ways as soon as you log in they will provide customized solutions, recommendations for you depending on your past shopping pattern and the preferences that you have provided and they can actually give you an alert if you are prebooking some item or if you are interested some item which is not yet released. So, you get regular email or telephone and other contacts. So, a lot of personalization can be delivered at a reasonable cost to the producer through this mechanism. So, important point is that this is not only internet but it will also include telemarketing and some of these other electronic channels.

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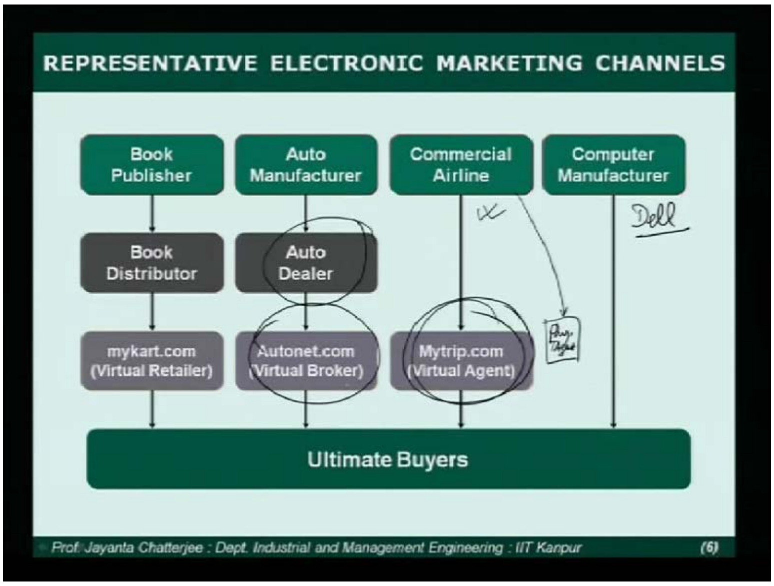

Let us take some examples how it operates. So, when a computer manufacturer like Dell operates through their website and their telephone marketing facility and support facility they are actually reaching out directly to the ultimate buyer whereas a commercial airline like Air India may actually go through a virtual agent not a physical travel agent as we used to see. So, therefore you should not ignore that there can be a physical agent travel agent and today we have this virtual channels and as you have experienced in many of these channels whether MakeMyTrip or Yatra or many of these different types or even Indian railway. So, this site can actually provide you both generalized as well as very personalized range of services.

In case of similarly for auto manufacturers there can be an auto dealer who can be actually also be part of the ecosystem operated by a virtual broker network. So, there can be a virtual agent virtual broker as well as virtual retailer which we see in case of book distribution or music distribution or clothing apparel shoes, all kinds of products which are now sold through the e-commerce websites. So, we can see therefore all the different types of physical agents like the travel agent or like the broker or the retailer, they can have an alternative existence on the electronic media and sometimes they can have both they can be present in both forms to provide you the service.

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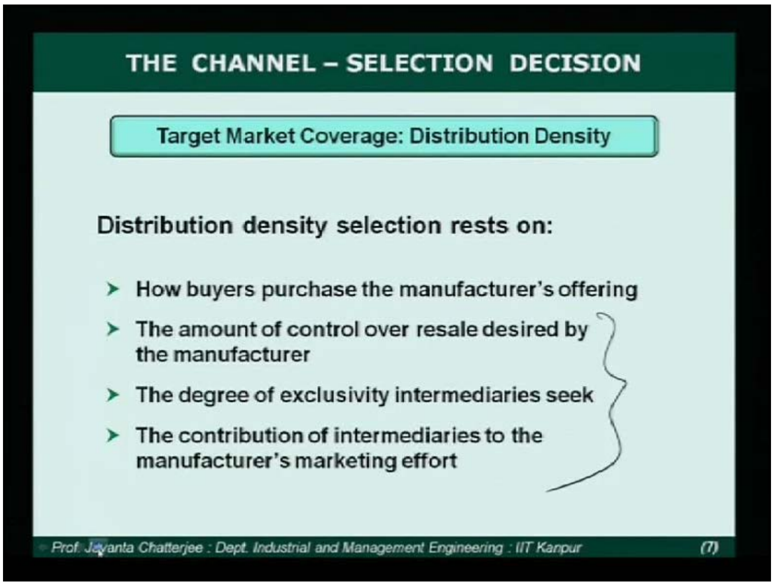

So, the distribution density that we were discussing; that means it applies more in case of physical retailing. So, therefore in one particular geographical location or to serve one particular industry segment or to serve one particular type of buyer segment, how many channel partners we will have is your decision that generates the density. So, if you want to have obviously control, if you have the power, then you have the option to have many retailers, but some retailers like Walmart and even in India some of the very big ones or powerful enough that they can actually demand that if you want to access their channel, then you have to provide them reasonable amount of exclusivity in a particular area. In industrial marketing in a business to business marketing, say, electrical starters or motors or cable depending on the value of the item or complexity of the item, manufacturers or producers use both exclusive distribution as well as multiple high density distribution channel.

So, if you are actually selling fuse or if you are selling small circuit breakers you may have a high channel density in a designated market area of, say, the Bhagirath place in Delhi. So, your products the miniature circuit breakers may be available with almost all the retailer there. On the other hand if you are selling programmable controllers for example, if you marketing programmable controller maybe you will have in that Bhagirath place market one or two exclusive distributors who will be your channel partner in that particular. So, density will be dependent on the type of product and service complexity service level and so on and also it is sometimes difficult for a manufacturer to provide all the different service elements to make it finally successful at the customer's side.

So, there actually you may need marketing or sales channel partners, service channel partner, they can be one and the same, they can be different, they may be working together under the guidance from the main manufacture; all these different possibilities exist and it will be a good idea for you to visit and this is most evident if you go to the marketplace where, say, building materials or household, say, consumer durables or industrial goods are sold. So, every city in India will have certain designated market places where you can go and buy and there you can observe that how manufacturers like, say, Siemens or Larsen & Toubro or Havells or Schneider, how they have rolled out their distribution strategy and you can compare that with the distribution strategy of, say, the white goods manufacturers like LG or Samsung or Whirlpool or Kelvinator or Godrej and so on and you can compare that how the distribution density has been decided and you will see that it is dependent on actually these three factors.

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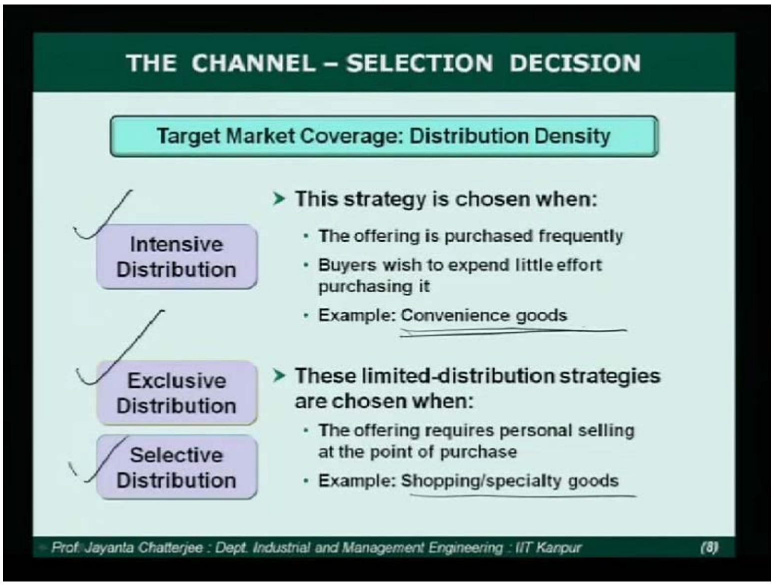

So, therefore there can be intensive distribution, exclusive distribution, selective distribution, the kind of different options that we just discussed. Intensive distribution is obviously wherever it is a convenient goods or commodity item you would most often see intensive distribution; that means number of retailers in the same geography will be providing partner service to almost all the different types of toothpaste manufacturers.

So, it is quite unlikely that you will have an exclusive distribution outlet for one type of toothpaste or for one particular toothpaste company. If you want that sort of exclusivity then like many of the direct marketing companies you have to go like Amway or Oriflame or Avon, you will have to your own network of direct sales partners who will be exclusively bedded to your toothpaste or your soap or your detergent and so on.

But as I discussed that exclusive distribution is often the right approach if your product is too complex, if there are few buyers but high value buyers and if there is a range of after sales support that become necessary, if there is a continuous need of upgradation and complimentary services, complementary products; in all of those cases exclusive distribution is a good approach. When it comes to shopping or specialty goods, therefore, we will use exclusive distribution or selective distribution; when it is convenience goods or staple items we will most often go for intensive distribution.

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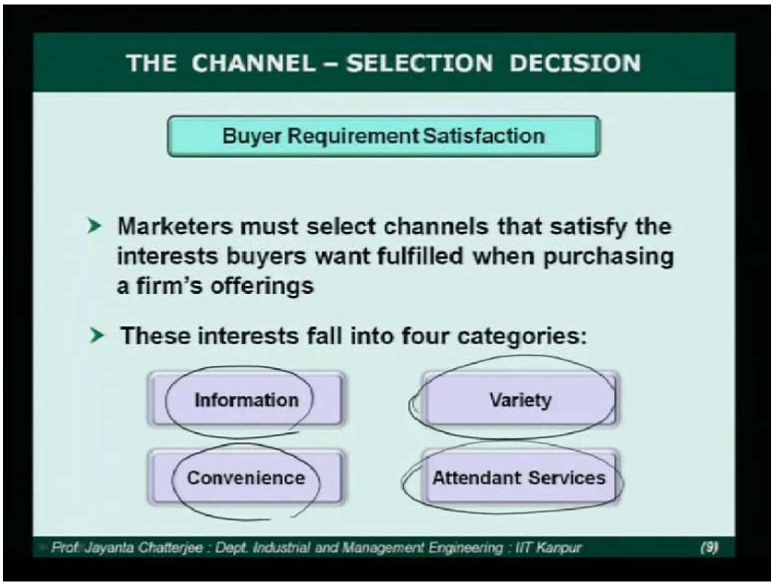

So marketer, producer they have to decide about the channel structure in terms of the best combination for satisfying the buyer's requirement. So, if there is the product and services that you are marketing are very information intensive and have lot of attendant services and the customer must have on demand convenient service, then it may be a case for selective or exclusive distribution channel. On the other hand if the information can be well disseminated through media and the customer is looking for variety of choices, then it may be good to go for intensive distribution where you may be sharing the same channel with your competitors.

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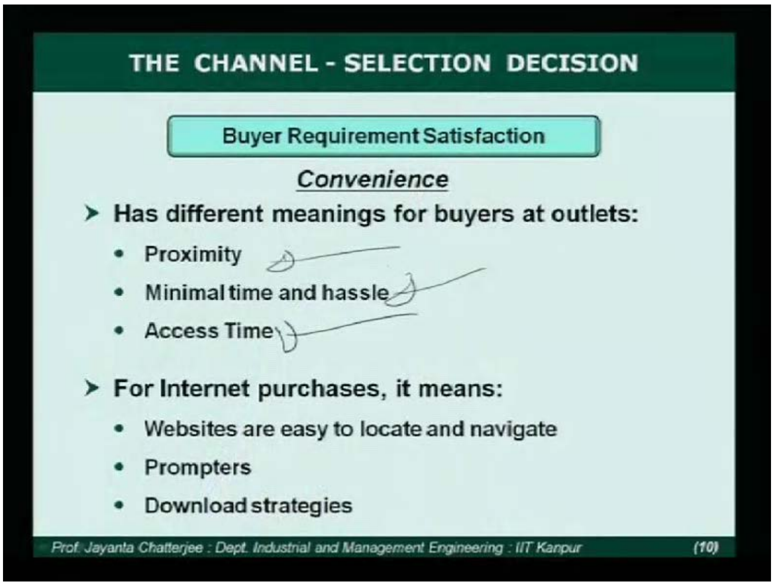

Convenience goods are you know where people will be looking for proximity of access, access time should be minimized, there should be minimal time and hassle and so for this kinds of goods and services, it is important to have as many outlets as possible. That same facility which in real world needs number of channel partners can actually be provided by one single site.

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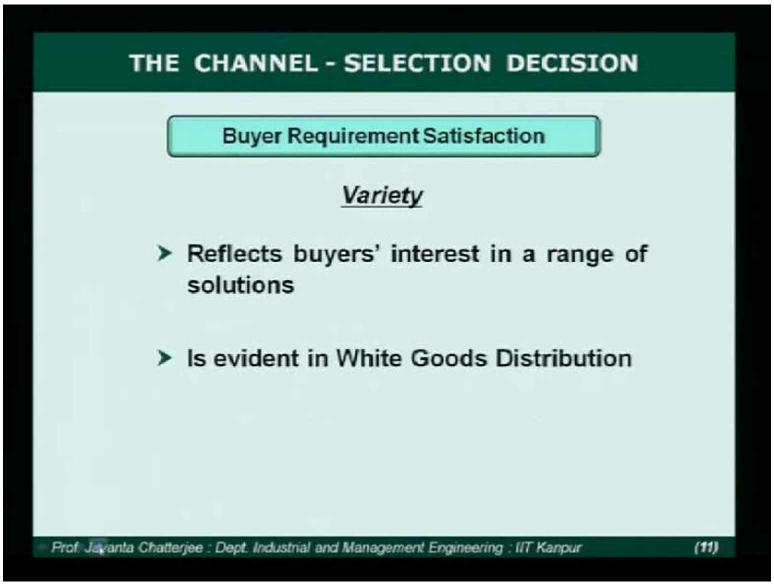

This is what we were discussing about how in case of electronic channel it is possible to combine both one-to many-type of channel architecture as well as one-to-one type of channel architecture. So, the power of exclusive distribution as well as intense distribution can be combined if you use either exclusive electronic or hybrid channel strategies. Similarly when the customer is looking for a number of variety at the time of purchase that is why we will see that in case of white goods usually the channel partners would be carrying many products.

There are exclusive what we call showrooms where you will get products only from one manufacturer but that most of the time the channel partners will be carrying multiple products in the same category; at least they will definitely carry they may carry one brand of refrigerator, another brand of air conditioner, another brand of washing machine, another brand of microwave and multiple brands may also be carried because in some cases the customer may be looking for at the point of sale different varieties to make the final choice and therefore you cannot grudge if you are channel partner is carrying your competitor's products.

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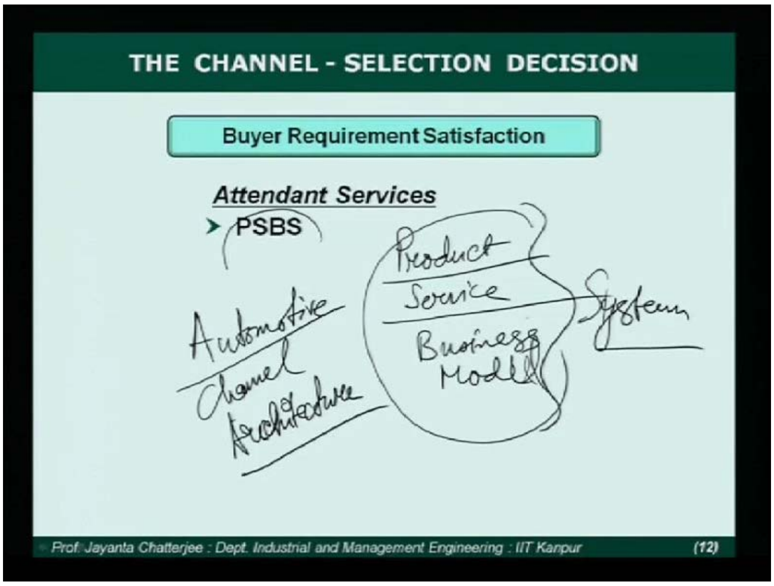

In fact in some cases if your product has the distinctiveness it may be an advantage to you and also as I was discussing that in some cases you need a what we call it PSBS; that means product service and business model as an integrated system. So, therefore when we look at automotive channel architecture because an high value item like a car the buyer will be looking for the product, the service and maybe financing, maybe continuing upgrade facility and so on. So, that business model are providing the finance facility along with the product, along with the service, all of that has to come together at therefore, in such cases we most often see exclusive outlets and we therefore see exclusive distribution.

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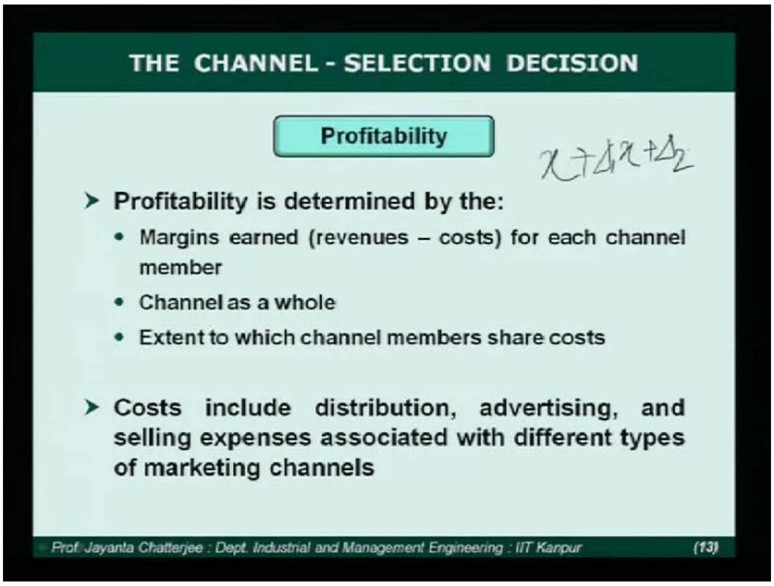

Profitability in case of a multilayer channel structure has to be very carefully calibrated because on one hand one would like to minimize the channel cost, so that the ultimate buyer has the maximum advantage. So, therefore people are often tempted to say let us this intermediate; let us remove the intermediate layers. We only look at when we talk in such terms we are thinking only in terms of the margin that is shared. So, it maybe that a computer leaves the manufacturers doorstep at x and it can have a delta 1 x for the next level; that means the person who is the whole seller and it may have another level of margin for the next layer who may be the distributor another margin at the retailer level.

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So, one can think why not go direct and therefore not share this margin in between, particularly when the margins are under pressure in items like mobile phones or computers because it is paradoxical that more complex the product usually the margins are squeezed very fast. So, in this case you may be tempted to this intermediate but that may not be the right decision. It may not be the right decision because as we just discussed if your product needs different kinds of service support, if it needs financing and other auxiliary services, then not having channel partner who shares your risks, who helps you by carrying your inventory, who shares in your promotion strategy may be detrimental to your final revenue.

So, it is important that to understand that your pricing structure must have a stream, so that revenues are minus costs the margin is available at every stage of the channel. So, it may mean that something that leaves your factory door at 100 maybe available only at 145 in the hands of the customer and you maybe only having a ten percent margin on that balance 35 may be shared among your channel partners, but you will always have to weigh cost and benefit together to decide that how many layers you will have and what kind of profitability you will share with your channel layers or the channel structure.

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Now obviously because it involves sharing of the profit stream there are number of cases where conflicts arise, these conflicts may arise due to various reasons. One reason can be when a channel member bypasses another member and sell stock; that means there can be territorial conflict or there can be what we call account assignment conflict; that means the one account which is assigned to one channel partner or one geography or one territorial which is assigned to one channel partner may be encroached upon by another. If it is an intense distribution model then that is accepted that therefore every retailer in a particular Mahalla will be or in a particular area will be carrying competing goods or the same goods. So, you may be having your toothpaste available in adjoining shops nearby shops in the same marketplace that is normal that is accepted, but in case of more exclusive products or industrial products the channel conflicts arise more often, it also happens in case of white goods, etc. So, it basically demands that the hire the specialty nature of the goods and service package there are greater occasions more occasions for channel conflict to arise.

It also happens that within your channel structure as the market as the product life cycle changes because in the initial phase you may have some exclusivity but as the dominant design emerges, as the maturity phase starts emerging, usually this is the place where many competitors will also be coming in and this is the stage where the distributers though they might have been initially nurtured by you now develop their own power and therefore, they may be looking to better their business to more and more margin and therefore, they may actually give preference to your competitor by also carrying their products and therefore, often the channel conflicts arise that how profit margins are shared among the channel members. So, it may be a conflict between the distributor and the retailer or the stockist or the whole seller and the distributor or all three of them.

So, this is a normal conflict management which is part of a distributor marketing professional and they have to manage this dynamics because the more intense the competition in the marketplace as the margins get squeezed, then this type of tension will come up and as a marketing manager has a strategist you will have to manage that dynamically; there cannot be a single one-stroke solution. This has to be case by case, territory by territory, channel partner by channel partner and there may be different combinations of management that technique that will be needed. And the reverse also happens because as more competitors come in, then the power of the distribution chain rises because they have more options now and the customers may also be ambivalent at that stage that whether they will buy air conditioner A or conditioner B, they may give equal weight age to both and therefore at that stage often as a manufacturer you may be feeling that the distributor is not paying enough attention to your product line; that is another kind of dynamics that needs to be continuously managed by the distributor marketing people or that part of the marketing management team who look after the distributors and the relationship with the channel partners.

And this is one dynamics that is to ensure that the channel partners are paying adequate attention, getting their people adequately trained on your product line, they are getting enough knowledge inflow from you about the distinctiveness of your products or how it should be presented to the ultimate buyer and that they are absorbing that and that implementing that; all that attention oriented issues are important to be managed and because otherwise it will lead to breakdown. And of course as we discussed that sometimes ultimately for the business benefit, the manufacturers do appoint number of distributors and obviously the more distributors you have, the more density you have these types of conflicts will arise. Sometimes the retailers to get a better share may actually sacrifice part of their margin and therefore, they may be selling a particular toothpaste item or some other grocery item at a price lower than their neighborhood stores the other people there. And sometimes people will complain your other channel partners might complain that they are undercutting and all these cannot have one stroke solution. They will have to be managed case by case and this is where lot of a art is involved in marketing and not only science.

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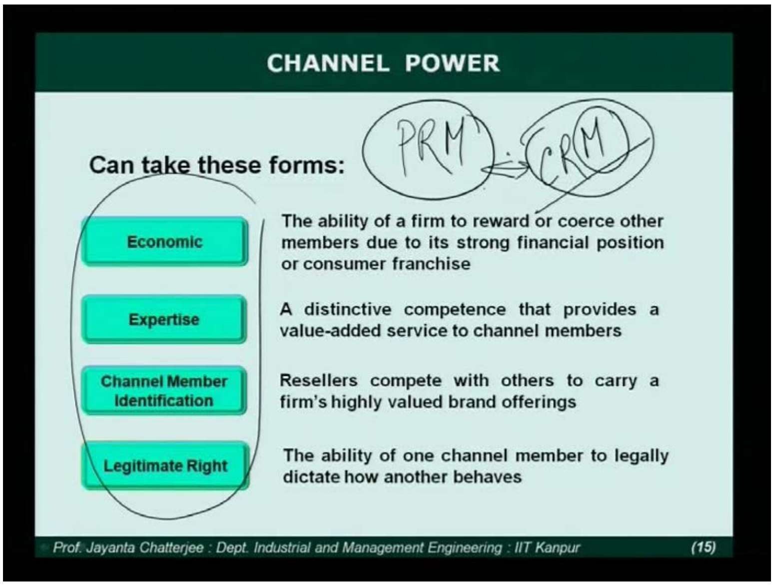

And channel power which is what causes channel conflict to arise as we were just now discussing that in the later part of the product lifecycle as more competitors come in, the effective channel partners in a way then also pose the better they are the more they have understood the techniques of selling, supporting refrigerators and more they become known to the ultimate buyers as a trusted source. There will be a higher cause of worry as well because that same channel partner whom you have nurtured, whom you have empowered, whom you have trained might now become an asset for your competitor and therefore, you have to continuously manage these forms through which the channel power arises. In one way you have to enable your channel partners to become economically or in terms of expertise or in terms of getting identified and more powerful, but at the same time you have to manage that they remain with you.

So, again therefore just as we have seen in case of customers because customer has choices and therefore, relationship with the customer becomes a key part of your marketing strategy. In the same way as the partners start in a way a proxy for your customers and in some cases they actually represent your major customer. So, the retailers in some way are actually they represent a cluster of customers. So, that is why today we often actually look at PRM and CRM; that means partner relationship marketing and customer relationship based marketing; we need to integrate these two strategies. They have to be seen and worked out together but however, there will be cases where just like any other human relation there may be a breakdown. So, there may be a channel modification selecting a new channel partner moving from an exclusive distribution to intensive distribution.

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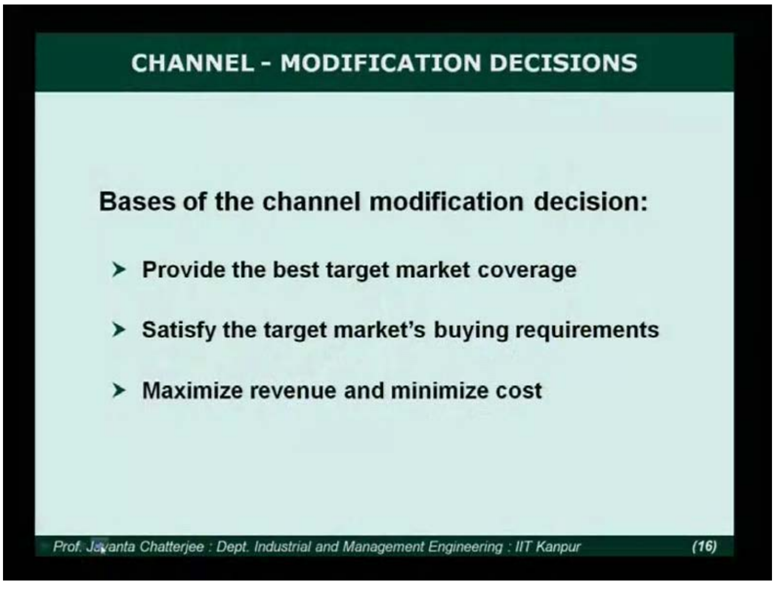

Decisions such as these may have to be taken. There will be emotions involved in such decisions and but you have to finally care for the way in for channel modification that how you are going to provide the best target market coverage and their buying equipment and how to maximize revenue and minimize cost. So, ultimately you have to look at your top line and bottom line decisions, continuous need of improving your bottom line while pushing up your revenue line your top line and to manage that you have to take channel and you also have to understand that channel decision across the product life cycle, across the business life cycle, across the industry life cycle will keep on changing. So, there may be exclusive distribution at this stage, but there will most probably be intensive distribution at this stage. So, one has to understand that this transition is natural and therefore is quite likely to happen.

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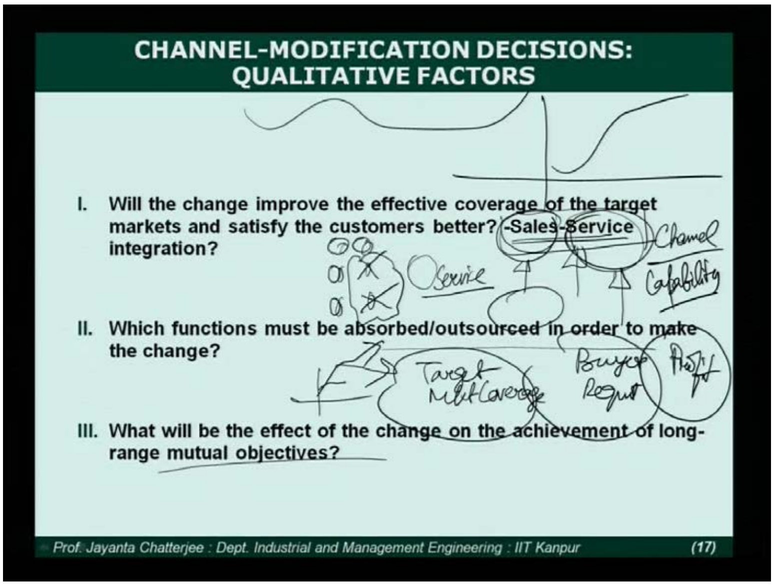

So, channel modification questions will have number of qualitative factors which you will have to weigh that will the change improve the effective coverage. So, sometimes for example, you may have to insist on your sales partners because it might have been like even today there are number of mobile phone vendors who have multiple sales channel partners, but they have centralized service. But as their market coverage expands, they may be looking for just like automotive manufacturers, they may be looking for channel partners who can integrate sales and service; obviously, it means that the channel partner has to now develop not only sales expertise where they might have excelled, but they have to now deploy engineers, they have to have a workshop, they have to have technical capabilities which are built up to provide these integrated sales and service channel service.

Now if you want to insist then it is possible that out of these six partners you had, two may dropout, and then you will have to decide how to empower these four, so that they actually provide the coverage that was available from these two who may not be interested to make that sort of investment in the capacity build up for service. So, as you can see therefore there are a number of case by case qualitative factors which will have to be analyzed for you to make that decision and therefore, these are normal questions that how much sharing is happening and who is doing what. So finally therefore, this choice will have to be made on target market, buyer requirement and profitability issues, these are the three main; that means target market coverage and buyer requirement and profitability and understand that all these three things are dynamically influenced by the life cycle and so therefore, they are not actually a constant vector, but they actually have different trajectories and depending on that therefore, one has to carefully analyze the situation the context. So, your strategy of channel modification may be different in Delhi compared to, say, Kanpur or compared to, say, Allahabad or compared to pane or Bombay. So, each case will have to be treated in depth through detail analysis.

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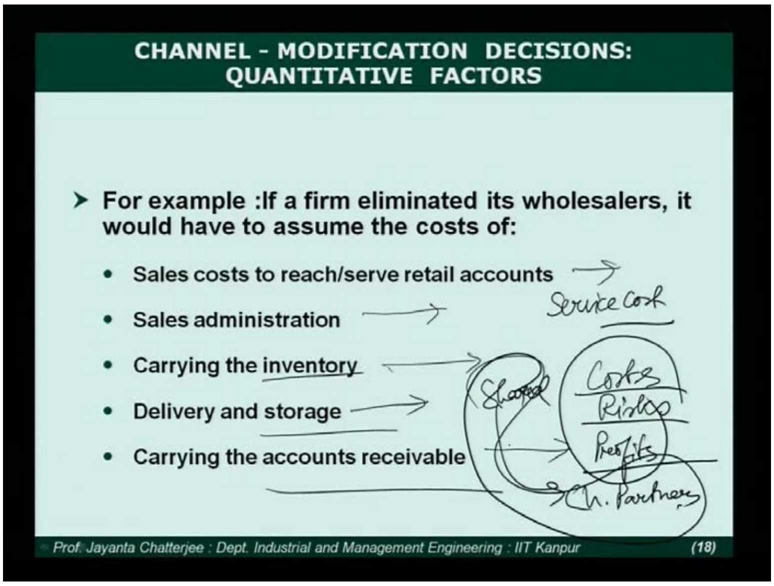

And you have to look at usually quantitative factors at the same time like delivery and storage cost because these are the costs that are shared between the manufacturers and their channel partners, the sales administration cost, the sales cost, the service cost, the inventory cost, the storage costs, the account receivable. So, costs, risks and therefore profits are to be shared with your channel partners and because these are not static factors; these are dynamic factors, so this sharing strategy will need to be dynamically managed.

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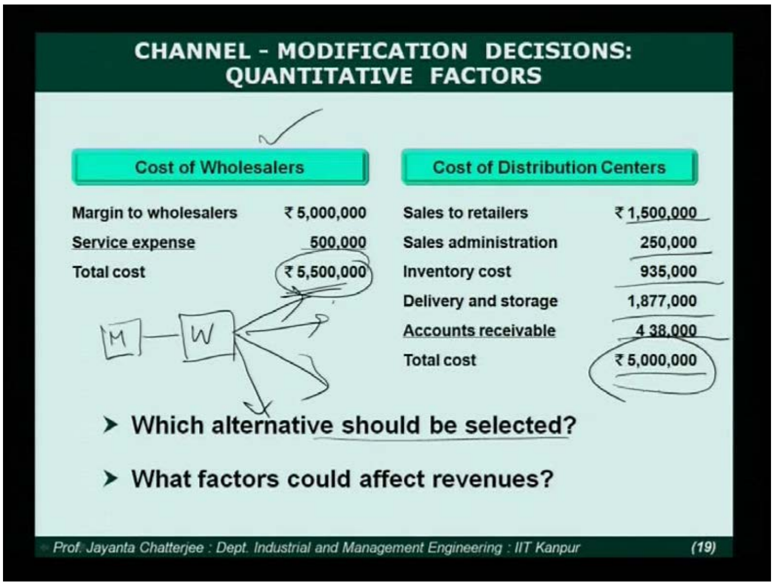

So, I leave you with a particular decision that you should take, we present two cases. So, in this case on the first case the margin to whole sellers is, say, 5 million and the service expense is 5, 00,000. So, 5.5 million is your total cost. It appears therefore in this case we are looking at a model where we have manufacturer and we have some kind of an intermediary, we will call it whole seller who is actually reaching out to everybody. In this case we have sales to retailer, sales administration cost, inventory cost, delivery and storage cost, account receivable cost and we are still at the same 5 million and the question is that in this case 5.5 million versus 5 million cost-wise this is a better option, but what you have to evaluate that is this option better or this option is better. So, whether we should make the decision as I was telling you that whenever we often we are tempted to look at channels and intermediaries in terms of cost and the benefits are not always fully evident.

So, you need to do careful analysis of the benefits in terms of these costs and risks, about accounts receivable, about delivery and storage costs, about inventory carrying costs, sales administration costs, and each one of these represent the cost and in some way it represents a benefit, it also represents certain kind of knowledge flow and knowledge store. So, if your channel partners have knowledge which makes them efficient on these different activities, then they represent an asset which you should not vitiate too quickly because you are looking at a improvement in your bottom line and that is why whenever companies are restructuring, even when they are under tremendous pressure for quarterly profit or annual profit improving their net profit, you will see that factories are closed down, manufacturing activities are outsourced but very seldom one disturbs the channel structure. Because the channel structure does represent layers of cost, layers of margin sharing profit-sharing, but it also represent layers of expertise, layers of knowledge and layers of risk sharing.

So, profit sharing goes hand-in-hand with risk sharing and the knowledge and expertise that have developed at the front line where the rubber hits the road the distributer's sales desk that expertise can be very valuable in managing your accounts receivable, in managing your inventory floor. They provide valuable inputs with respect to what is to be stopped which items are moving at what velocity. So, if your system can develop the relationship where this knowledge flow and knowledge sharing is intense and real time and your relationship is based on that then that is an asset which you should very carefully nurture rather than thinking it in terms of cost. So, think of your channel strategy in terms of risk sharing, in terms of knowledge sharing, in terms of expertise building and not only in terms of costs and not only in terms of profit sharing.

And if you go to the marketplace in your city or town as I discussed and observe that what kind of product, what class of product is being distributed in what manner then you will get a much deeper understanding of what we discussed today. So, this field trip in your neighborhood, this field trip to your local mall, to your local building material or white goods market place will be essential for you to understand the roles played by channels and how channels are nurtured better by some companies, and how some channel partners become more valuable to you as a buyer. And what role the manufacturer played in making that channel partner a dear one to you and that will give you an insight into how you should tomorrow structure your marketing strategy to get the best advantage from your channel architecture.

Thank you.