



Croeso | Welcome to ABS Level 3 Business Lecture Series



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Place

- Content to support **Level 3 Business Qualifications**
- Dr Julie Abbott jum1@aber.ac.uk

Learning Outcomes

- Understand what 'Place' is and different channel types
- Explain the different types of intermediaries and their roles in the marketing channel.
- Understand the different marketing channel structures and their core characteristics.
- Describe the main elements that constitute supply chain management.
- Consider the role and function of retailers in the marketing channel.

Place Definition

Available at
amazon

Place (CIM* definition)

- The place where customers buy a product, and the means of distributing your product to that place, must be appropriate and convenient for the customer.



*Chartered Institute of Marketing



Place is therefore:

- A Physical outlet – a shop or store
- A Digital channel – e.g. Netflix, EBay, Amazon
- An Intermediary – an agent, wholesaler etc.
 - Or a number of intermediaries
- A supply/distribution chain
- Any other channel to market
 - Method of getting goods/services to the customers
- Ultimately the customer interface(s)

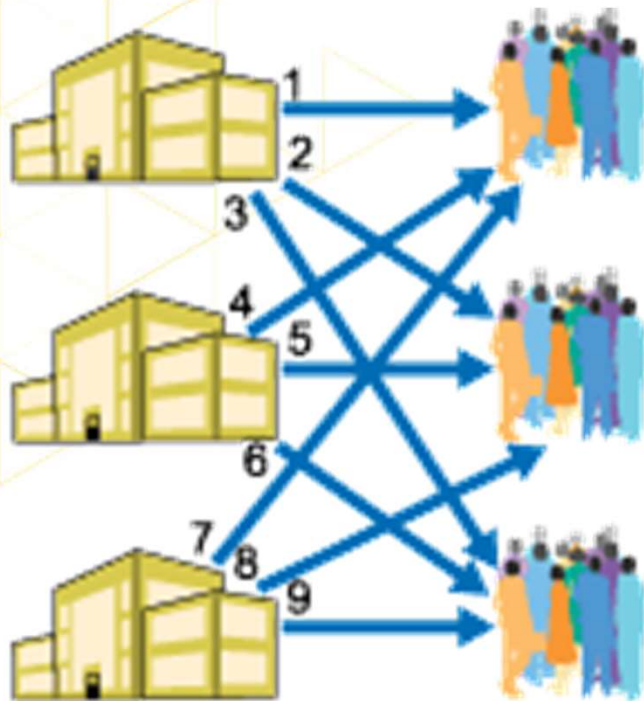


This is content that we test in the...

- *Aberystwyth University Entrance Exam*
- Successfully complete an exam (there are multiple points in the year and you can take it in the subject you are best at) and earn yourself an unconditional or reduced offer for the Business School
 - More details here:
<https://www.aber.ac.uk/en/undergrad/before-you-apply/scholarships/entrance-scholarships-merit-awards/>

Channels reduce uncertainty by:

1. Reducing complexity



.. Number of contacts without a distributor **B. Number of contacts with a distributor**
 $M \times C = 3 \times 3 = 9$ $M + C = 3 + 3 = 6$



= Manufacturer



= Customer



= Distributor

Channels reduce uncertainty by:

2. Increasing Value and Competitive Advantage

- Reduces purchase risk or uncertainty that customers might reject the offering.

3. Routinization

- Transaction efficiency is increased when actions are automated (e.g. order frequency, order size, delivery cycles etc.)

4. Specialization

- Providing specialist training services, maintenance, installation, bespoke deliveries or credit facilities



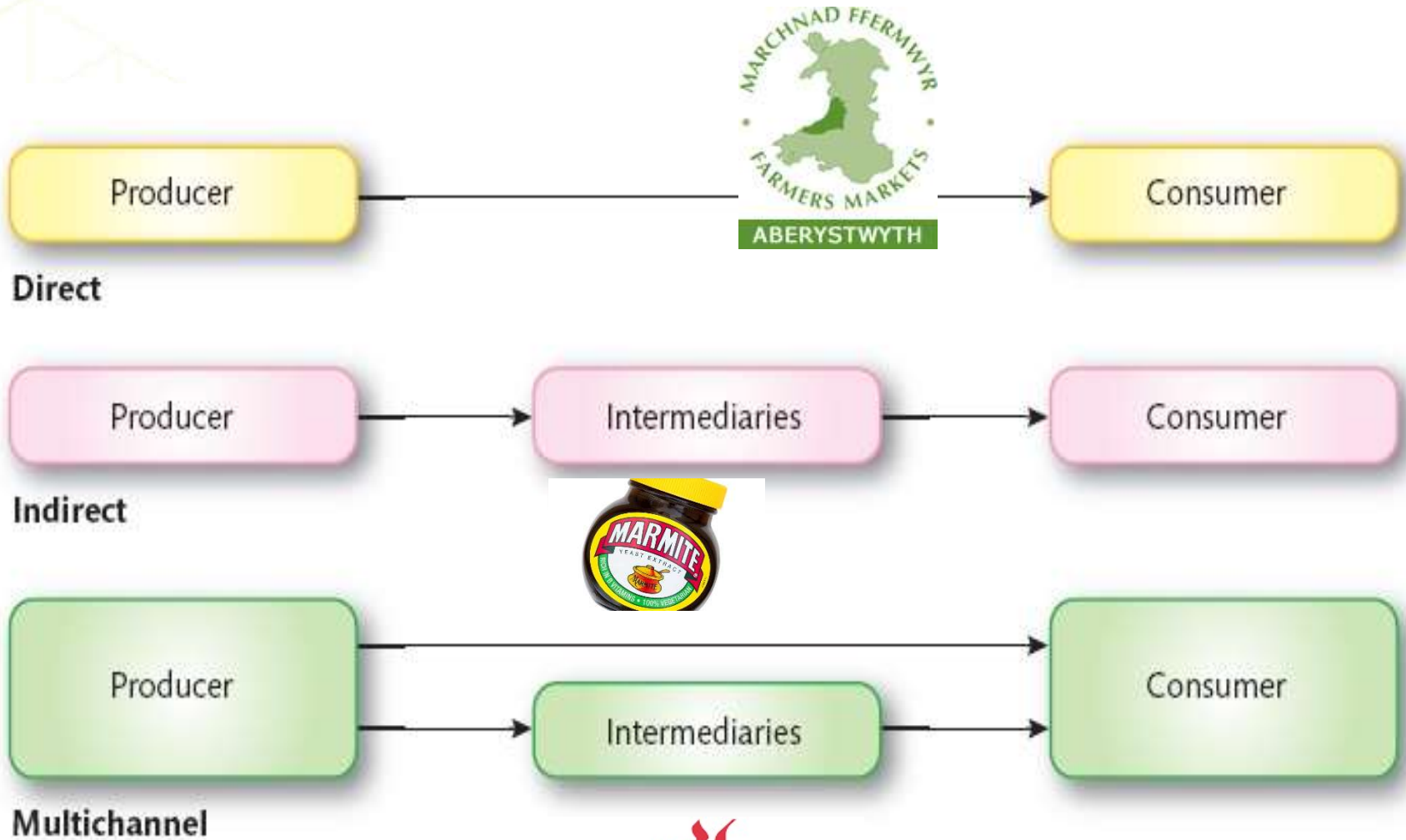
Intermediary Types

- Agents or Brokers/Merchants
- Distributors or Dealers
- Franchises
- Wholesalers
- Retailers



John Lewis

Channel Structures

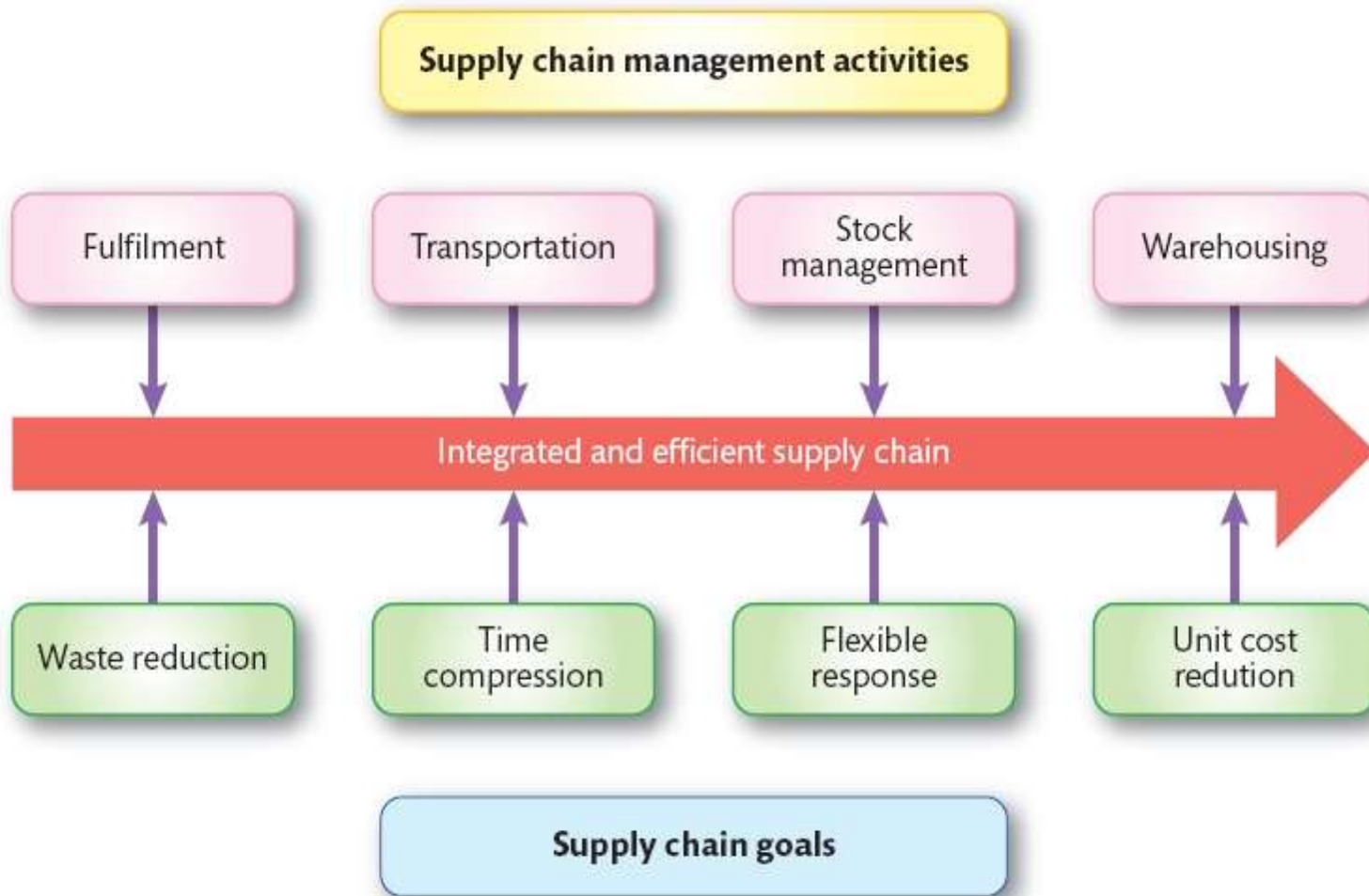


Supply Chains

- The value creation chain of all the activities associated with physical distribution (channels).
- Supply chains aim to improve efficiency and effectiveness with regard to physical movement of the product.
- Cost control is a core Supply Chain Management activity
 - 15% of product price is attributed to supply chain activities!



Supply Chains



Retailing

- Sale of products and services to consumers for personal use.
- Value delivered is convenience, in the form of:
 - Access convenience
 - Search convenience
 - Possession convenience
 - Transaction convenience



Retailer Types

- **Department Stores:** Broad & Deep, presentation critical
- **Discount Retailers:** Broad & shallow, few customer service options
- **Limited Line Retailers:** Narrow & Deep e.g. cycle shops
- **Category Killer Stores:** Narrow & Deep, low prices e.g. Staples
- **Supermarkets:** Broad and deep, little customer service
- **Convenience Stores:** Narrow & shallow, high prices

The B&Q logo is a white square containing the letters 'B&Q' in a bold, white, sans-serif font. The logo is positioned in the bottom right corner of the slide.

B&Q

Summary



- Discussed what 'Place' is and different channel types
- Explained the different types of intermediaries and their roles in the marketing channel.
- Understood the different marketing channel structures and their core characteristics.
- Described the main elements that constitute supply chain management.
- Considered the role and function of retailers in the marketing channel.

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