

Assignment for distribution channel

Business



Assignment for the next class. (P. S. You are required to split yourselves in group of 6 to 8 members each, the details of which shall be collected in class. Students would be called out randomly from each group to present their analysis. In case of a dismal performance of any group member, the marks of the whole group will be at stake!) 1. The marketing channel for Mary Kay Cosmetics is called a “ direct selling” channel. The company uses a sales force of over 1, 000, 000 Independent Beauty Consultants around the world.

These Consultants are not employees of Mary Kay Corporation; they buy cosmetics from the company at a wholesale price and sell at a retail price to end-users. They maintain personal relationships with their end-user consumers, and deliver product to them after it is ordered; it is a high-service purchasing relationship from the consumer’s point of view. Consultants thus act as both distributors and retailers. a. To what extent does an Independent Beauty Consultant participate in the eight universal marketing flows? . How might these flows be shifted, either among the members now in the channel or to different agencies or institutions not presently included? What do you think would be the implications of such shifts? (think about how cosmetics are sold through department stores or through drugstore chains, for example) c. Within each of these distribution systems, specify what the consumer's role is from a flow-absorption perspective.

Contrast this with the consumer’s role when buying cosmetics from a department store, or a drugstore chain. 2. For each of the three scenarios below, categorize the demand for bulk- breaking, spatial convenience, waiting/delivery time, and assortment/variety as " High," " Medium," or "

Low. " In each case, explain your answers. a. A woman in an emerging-market country of Southeast Asia wishes to buy some cosmetics for herself.

She has never done so before, and is not entirely sure of on what occasions she will wear the cosmetics. She does not live near a big city. She is too poor to own a car, but has a bit of extramoneyfor a small luxury. b. A manufacturer uses a particular industrial chemical in one of its large-scale production processes and needs to buy more of this chemical. The rest of the raw materials for its plant operations are delivered in a " just in time" fashion. c.

Before you visit certain parts of the world, you are required to get a yellow fever vaccine. Many travelers let this slip until the last minute, forgetting that it is advisable (or avoiding an unpleasant shot as long as possible). But, they definitely realize they need the shot, and don't want to have to cancel their trip at the last minute because they didn't get it. They often find themselves making a long trip to a regional medical center because they didn't plan ahead.