

Written assignment #5

[Business](#), [Marketing](#)



Marketing Written Assignment Q1. Do wholesaling intermediaries provide any ultimate value to us? Or do they just interfere with the process of retailing? Explain the reasons for your answer

Answer:

Wholesaling is the procedure of selling bulk goods and services to a retailer who will resell these to the final consumers. Wholesalers can include the dealers and retailers, businesses who advertise services to customers, and industries that put up for sale the purchased commodities underneath their individual brand name. Usually, wholesaling involves providing that the clientele will get low-priced rate per item in trade for buying the item in big amounts.

Wholesalers are responsible for the flow of action in the distribution channel. Many wholesalers, because of their association with big organization, and their capability to purchase and stock high volume commodities, act as a distributor of the product. Traditionally, wholesalers were believed to be just an intermediary in the channel with no value addition to the customers, because of the common perception that value addition is done by the retailers only, who sell the final goods. But in the context of ever changing marketing scenario, this has been modified. Customers demand more and have higher expectations from their suppliers, especially distributors. Out of stock for a long time after placing order increases the lead time which is not desirable and it may result in customer penalizing both the wholesaler and the retailer for the incomplete order. Today, customer loyalty is based on supplier performance. Performance is both in terms of quality and timely delivery of the specified products. Customers' ever increasing expectation of

the value added services provided with the requirement without any additional cost has been responsible for exerting enormous pressure to the retailers. Thus, in order to handle the requirements, wholesalers must step forward and take proactive actions in terms of close integration with the customers by simplification of the distribution process in a timely and cost effective way and must ensure that the customers are perceiving value added services as unique (udel. edu, n. d.).

Q2. Has the emergence of the Internet played a role in retailing and wholesaling transactions? If so, then how?

Answer:

Potential of the Internet as an efficient and effective communication channel appeared obvious due to the ease of global reach; ease of access; enhanced interactivity; speedy and flexible transaction of large amounts of information in a cost effective way and maintenance easiness (Pyle, 1996; Jones & Visayasarthi, 1998). Modern wholesalers and retailers are dependent on internet in the following ways:

Wholesalers can use internet in the following ways:

Wholesalers can arrange the list of the range of the product offerings in a way that can be easily accessible by any retailer.

By mentioning the availability, stock size and if possible, the price of the product, the wholesaler can provide much needed information to the retailers.

Wholesalers can add information about their background, prospect, size and location of the business so that the retailers become aware of them (Doherty, Ellis-Chadwick, 2010, pp. 943-965).

Retailers can use internet in the following ways:

Adding store name, location and contact information to ensure legitimacy of the retailer.

Providing product or service description with price list in an 'easy to read, easy to navigate' manner.

Providing Details of the ordering process and the list of product lines carried.

Adding company policies with updated information

As people like to shop and buy, links of other interesting items can be included with catalog for customer feedback (Waksman, 2014).

References

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