Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Period \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_

Marketing Internship Module 3– Distribution channels and physical distribution p.578

Essential Question – What channels of distribution and physical distribution methods can help grow a small business?

Internship Goal – to develop new channels of distribution and corresponding logistics (inventory management/control) and physical distribution methods for a developing small business

To Begin: 1. Think/recall the channels of distribution for art

2. Consider how inventory management may change as the business grows.

3. Think/research about other businesses that you are aware of that handle logistics for their specific type of product or service.

Scenario: For several years an artist who designs small wooden sculptures has been selling art items at local arts and crafts fairs as well as through mail order. The orders are easily packaged and shipped within the U.S. via the US postal service. However after participating in a trade show the artist has been commissioned to mass produce replicas of a specific sculpture for a retail chain that has many locations in the U.S. but also a few located worldwide. This expansion will require the artist to mass produce the item using wooden materials, develop an inventory management system, and review current distribution channels and physical distribution options.

Your Job: This artist has hired your marketing firm to handle the development of these plans for their business. You are to develop and set up the best distribution method for these items, develop the best multinational delivery methods, and discuss/make recommendations for this business to manage their inventory.

1. First discuss who is the target market(s) for this art item?

Target audience general description:

Demographics:

Psychographics:

Geographic:

1. What channels of distribution will effectively reach those markets? Think locally and internationally. Is there more than one that will work? Which one will be most efficient and why? (make a recommendation)
2. How/where will the product be stored and why is this the best option?
3. How will the products be inventoried? Is there are new software/technology that needs to be purchased? Justify your recommendation (hint: pick an inventory method that will protect the artist’s profit)
4. Discuss options for the shipping of these items locally and internationally. What are the best (and most cost effective) physical distribution methods for this product and why?
5. Should the company consider a third party to handle all of the logistics for inventory and distribution? Why or why not?
6. Choose a company that you feel is similar to this scenario. Do a little bit of research and report on how that company is handling logistics. Distribution channels? Physical distribution? Inventory control/management?

Company: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Distribution channel(s): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Physical Distribution methods: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Inventory Control Methods: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_