Chapter 14
Managing Retailing, Wholesaling, and Logistics

Chapter Questions
• What are the major types of marketing intermediaries?
• What marketing decisions do these marketing intermediaries make?
• What are the major trends in the retailing, wholesaling, and logistics?

Retailing

Retailing includes all the activities involved in selling goods or services directly to final consumers for personal, nonbusiness use.

Levels of Retail Service
• Self-service
• Self-selection
• Limited service
• Full service

Table 14.1 Major Retailer Types
• Specialty store
• Department store
• Supermarket
• Convenience store
• Discount store
• Off-price retailer
• Superstore
• Catalog showroom

Nonstore Retailing
• Direct selling
• Direct marketing
• Automatic vending
• Buying service
Table 14.2 Major Types of Corporate Retail Organizations

- Corporate chain store
- Voluntary chain
- Retailer cooperative
- Consumer cooperative
- Franchise organization
- Merchandising conglomerate

Retailers’ Marketing Decisions

- Target market
- Product assortment
- Service/store atmosphere
- Price
- Communication
- Location

Location Decision

- General business districts
- Regional shopping centers
- Community shopping centers
- Strip malls
- Location within a larger store

Trends in Retailing

- New retail forms and combinations
- Growth of intertype competition
- Competition between store-based and non-store-based retailing
- Growth of giant retailers
- Decline of middle market retailers
- Growing investment in technology
- Global presence of major retailers

Wholesaling Functions

- Selling and promoting
- Buying and assortment building
- Bulk breaking
- Warehousing
- Transportation
- Financing
- Risk-bearing
- Market information
- Management services and counseling

Major Wholesaler Types

- Merchant
- Full-service
- Limited-service
- Brokers and agents
- Manufacturers’
- Specialized
Wholesalers’ Marketing Decisions

• Target market
• Product assortment
• Price
• Promotion
• Place

Figure 14.1 Market Logistics Planning

• Decide on the company’s value proposition to its customers
• Decide on the best channel design and network strategy
• Develop operational excellence
• Implement the solution

Market Logistics Decisions

• How should orders be handled?
• Where should stocks be located?
• How much stock should be held?
• How should goods be shipped?

Transportation Factors

• Speed
• Frequency
• Dependability
• Capability
• Availability
• Traceability
• Cost