**Distribution Channels**

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The direct channel that we are going to use is the direct sale to the customers. The customers will come to our store to buy the product. The store will be set up in such a place that is easily accessible to all the customers. Further the place that is chosen will be in a market where there are stores nearby. This will benefit us in a way that the customers who will come to purchase other items will also come and look to the products that we are offering. The consumers will benefit from the direct selling as they will have a closer look at the products and services on offer. For the sellers it is beneficial as the people who want to earn a little extra will try and sell the product directly. However the seller must have all the possible knowledge about the product. The direct selling option helps to maintain a relatively lower price on the part of the company. This is because the company does not have to pay the margin charged by the retailers or wholesalers. In case of some technical product this method is better because the sales person from the company will have the best knowledge regarding the product. They can help the customer know each and everything associated with the functioning of the product. The direct selling option is expensive as the company has to hire various sales representatives. The area covered by these sales representatives will be limited. Thus the product of the company could be introduced to a limited audience only. The direct sale option is time consuming as the customer may or may not be available for meeting. In case of direct selling to the business customers, it can happen that they are not able to spare time from their busy schedules.

The company can also opt for indirect distribution channels. These may be the retailers, wholesalers etc. The company can choose a specific number of retailers to keep its products. The major advantage of this option is that the product can reach a larger number of customers. The expenses that the company has to make on the sales representatives are saved. Additional costs of targeting a new area are higher in case of the direct selling option. Further the direct sellers know a very restricted area of a city. Thus in order to successfully operate in an unknown area, the business needs local people. This option is provided by the indirect distribution channels. The stores selling your product will also have certain other products. Thus a combined advertising campaign can be launched with some other companies to attract more traffic to the stores. The company will not have to bear the whole costs of the marketing this way. The downside of these channels is that they are least bothered to sell the product efficiently. The skill required to efficiently manage the sales is generally missing.

After studying both direct and indirect channels, in our opinion the company should use a mix of both. The company can use the direct channels in the areas that have heavy snowfalls. The other most important factor is the availability of good sales representatives. The company can go for retail sales in the areas where the snowfall is a bit less. These areas can include those which are near to the stores. The choice of the retailers is another important aspect as not all the retailers are able to generate the required quantity and quality of the traffic for the sales to be higher. After assessing the feasibility over a period of time, the company can bring changes as suited.