Business

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Marketing channel decisions

Marketing channel decisions are the most critical decisions made by sales and marketing managers. Marketing channels are very imported for businesses, marketers, and organizations that want to provide their goods and services to consumers who are willing to pay. Today, consumers have become more demanding concerning the prices and the features and the prices of the products and services they consume (Rosenbloom, 2012). The customers always demand to get what they want. If the producers fail to provide the goods and services where they want it, when they want it and how they want it, then they will buy the competitor’s products. Many producers do not have a direct relationship with the potential market for their goods and services. Therefore, they use marketing channels to ensure that their products and services reach the consumers.

The chosen channel of distribution always other marketing decisions that the organization, marketers or producers will make. The price of the goods and services of an organization will depend on whether the organization decides to use high-quality channels or mass merchandisers. When the chosen channel is the high-quality channels, then the price of the goods and services will also be high, and this may affect the sales (Rosenbloom, 2012). If the chosen channel is the mass merchandisers, then the sales may be high being that the mass merchandisers have access to a large market and then they will sell the products at an affordable price. They are thereby attracting high sales.

Organizations and marketers should choose their marketing channels wisely because the marketing channel selected determines whether the goods and services will be made available to consumers or not. Some marketing channels also add value to goods and services. Marketing channels always offer specialization, economies of scale, experience and contacts that producers cannot offer to the goods (Kozlenkova, Hult, Lund, Mena & Kekec, 2015). Marketers and producers should always make sure that they use distribution channels that provide them with the benefits that only larger organizations can get on their own. Marketing channels are also important to consumers because they enable the consumers to get the goods and services that they desire.

Some distribution channels help the producers beat the competition as they know areas where the demands for certain goods is high and the areas where the demand for that particular good is very low. Chanel intermediaries also provide many benefits to the producers and organizations. Some of the benefits include information, negotiation, payment options, risk-taking and physical possession among others.

References

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