

## Distribution



Taste testing is a marketing activity that is useful when distributing through supermarkets.

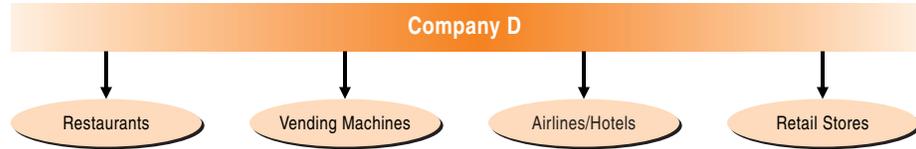


Figure 1.5

**Distribution management** organizes marketing activities around how the product or service will be delivered to the customer. For example, soft-drink companies might divide their marketing activities into supermarket, vending machine, and hotel and restaurant divisions, each creating separate and unique marketing plans. The supermarket division may decide to create store displays or have taste testers offer free samples to customers. The hotel and restaurant divisions, however, would use very different means to promote the product, in part because they are marketing to industrial clients.

Marketing activities can also be based on a combination of organizational structures. An international organizational structure could combine with brand management in foreign markets. Brand management teams might subdivide into distribution departments as well, or create a European foreign office to further subdivide the region.

## ICE Activities for 1.2 and 1.3

Ideas	Connections	Extensions
1. (a) Why do businesses favour the marketing concept? What effect did the Industrial Revolution have on how products are marketed?	(b) Explain how a business or organization in your community uses the marketing concept.	(c) Find an example of a business that does not use the marketing concept. Do you think this business will remain successful? Why or why not?
2. (a) Compare marketing activities before and after the Industrial Revolution.	(b) Describe examples of businesses or products that do not need marketing. Explain why.	(c) In what ways has the Internet changed marketing? What other changes may occur in the future?
3. (a) Identify the four ways that a company's marketing divisions can be organized.	(b) Using a company's annual report and/or Web site, describe the way it organizes its marketing department. Share your answer with several classmates until you have collected an example of each type of organizational structure.	(c) Choose one of the companies you profiled in part (b) and explain why you think it selected the organizational method(s) identified.