Abstract

Of the Ph. D. Thesis
on
THE ROLE OF DEALERS AND DISTRIBUTORS IN THE MARKETING OF ELECTRONIC APPLIANCES IN PUNE

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1. Introduction:

Marketing is one of the most important functions of any business unit connected with selling of products or services. Marketing paves the way for selling. This is the function, which tests the skills and caliber of human being. The technique of marketing cannot be fitted into mathematical equations or formulas and therefore analytical study of *Marketing of Electronic Home Appliances* certainly reveals very interesting fact, which needs to be taken into account by those corporate units concerned. No doubt-liberalization and globalization have their impact on the role of marketing and obviously old ideologies and methods will not hold in the context of existing environment. Technology is bound to have great bearing on the marketing channels.

Producers approach the ultimate consumers only through marketing and distribution channels. Home appliances such as; T V with all possible varieties and combination, Refrigerators, Micro-wave oven, Washing Machines, other appliances and such are covered under our research study in the area of marketing channels in the city of Pune. Our study has covered the various distribution channels employed by the manufacturers and wholesalers. In the above circumstances, there is the need to examine the entire system of distribution management, and its role in the marketing of above appliances in Pune. So that its features, strengths, weaknesses, need fulfillment etc., can be assessed and action needed can be identified. The study has made an attempt in this direction. According to this study, distribution system has two subdivisions:
a- Channel of distribution
b- Physical distribution

This study implies the study of the role of dealers and distributors in the marketing of electronic appliances in Pune.

In this study we discuss merchant, middlemen who perform all marketing functions, such middlemen are specialized in one or more marketing functions.

These middlemen facilitate (provide) the process of exchange and create time, place and possession utilizes through matching and sorting process.

As such they are able to transfer the best of information from markets, customers, competitors, goods, situation in the market and suggestion for new brand to manufactures or producers.

The study reveals that there is no such a proper system in the distribution process.

Our study covers two methods, which are normally followed in the distribution process, namely; 1) Survey and 2) Descriptive.

2. Objective of the Study:

The main objective of this study is to evaluate the various aspects of distribution management (marketing channels) in Pune. The following highlight the detailed objectives of the study:

1. The study of work force quality at the level of dealers and distributors in durable electronic appliances.
2. The study of the present marketing operation at the level of dealer and distributors in such appliances.
3. The identification of the competitive methods at the level of dealers and distributors in electronic home appliances.
4. The analysis of policy that has been used by dealers and distributors in electronic home appliances.

5. The measurement of the customers satisfaction or dissatisfaction in dealing with dealers and distributors of electronic home appliances.

3. The Research Questions of the Study:

The research questions driving this study are as follow:

i) How is the condition of work force quality at the level of dealers and distributors.

ii) How is the condition of marketing operation (Mix marketing) at the level of dealers and distributors.

iii) Which kind of competitive methods are used at the level of dealers and distributors.

iv) What kinds of policies are followed at the level of dealers and distributors.

v) What are the sources of the customer’s satisfaction or dissatisfaction with dealers and distributors of consumer electronic appliances.

4. Methodology:

The research methodology used in this study is based on both survey and descriptive method.

The researcher has sought an answer to research questions in order to enable himself to review area of study from a realistic angles and further to gain and access optimum information.

Methodology gives a brief technical account of procedure adopted by Study. The methodology includes sampling design, designing of
questionnaires, administration of the questionnaires, existing variables, the
statistical analysis of the data including the tests of significance employed for
testing the research questions. These are discussed as follows:

4. 1 Sampling Design:

The sample for this study has been selected from two broad
types of areas:
Distribution management (marketing channels) and customers in the
city of Pune.
The sampling design for both the areas involved two stage processes:
Stage-1: Selection of channels of distribution and selection of customers.

Stage-2: Selection of Respondents:
The purpose sampling method and stratified random techniques
have been used in stage one, for the selection of distributors and
customers in Pune.
In stage-2, sample respondents have been selected by using simple
random and stratified random sampling techniques and cluster
sampling.

(a) Selections of Distributors:
Distributors who have chosen the durable consuming home appliances as
business have been classified into three categories:
1- Dealers
2- Wholesalers
3- Retailers

Though several distributors of these three-categories are engaged in
impacting management of distribution in Pune, it was not possible to include
all of them in the study because of the limitation of resources and time. Therefore, fifty (50), covering 25 from dealers 10 from wholesalers and 15 from retailers have been selected.

(b) Selection of Customers of Pune City:

Hundred (100) customers from the city were selected. These customers are using electronic appliances in their houses. These customers have been selected from two sources as follows:

1- According to the Pin-code.
2- Respondents have been selected keep in mind house number in each area.

Stage 2: Selection of sample respondents:

The respondents for this study were the dealers, wholesalers, retailers and customers. For these four groups (denoted as group A, B, C and D respectively, sampling technique have been followed as:

Group A (Dealer): The dealers who have been recognized and listed by syndicate of electronic home appliance (Dass Cooperative) Dealers have been selected randomly from the list. The sample size is 25.

Group B (Wholesalers): The wholesalers who have been identified by researcher and distributors in Pune market have been selected 10 as a sample size at randomly.

Group C (Retailers): The retailers who have been identified by researcher, which are approximately 100 retailers. So sample sizes of retailers have been selected 15 randomly.

Group D (Customers): The customers were all families who have stayed in Pune, stratified random sampling
technique has been applied to include families from all the categories from area houses numbers. The sample size has covered 100 families.

5. Limitations of the Study:

The following limitations have been noticed regarding this research:

1-Although the letter released by University of Pune announced that the information collected only be used for academic purpose, respondents (dealers and distributors) were not so eager to cooperate and some of them refused to be interviewed, even some questioned the validity of the University letter.

2-Some of the distributors (esp. retailers) has traditional systems of marketing and distribution. In spite of the fact that all questions were simple, the majority of them felt uneasy to answer. So the researcher had to explain questions one by one. This took a lot of researcher’s time (even a few days just for one questionnaire to be completed).

3-The hierarchical distributing system of the electronic home appliances at Pune market consists of dealers and retailers respectively. So to speak it seemed difficult to find wholesalers. Therefore it is fair to say that the real Wholesalers cannot be easily distinguished from these two groups mentioned above.

4-Another serious problem can be put the insufficient knowledge of the interviewers general English. The researcher then had to speak through an interpreter (Hindi, Marathi, Gujarathi). It took a lot of time again.

5-In the source of the research, researcher was faced with some variables which were out of his control, some of them were included:
A) No resource materials for studying the marketing and distribution management in the case of durable consuming electronic home appliances.

B) Lack of cooperation by some managers’ especially General Manager of the electronic home appliance syndicate. He was not ready and willing to give any information out of his office.

C) Lack of cooperation by some distributors and customers at Pune market. 10 dealers and 4 wholesalers as well as 8 retailers didn’t complete the questionnaires and give them back.

6-The importance and secrecy of market information for distributors specially in the atmosphere of growing competition was a serious problem in the process of research.

7-As far as the novelty of this research and scarcity of the corresponding (related) books are concerned, the researcher had to devote a lot of time to gather the research materials.

6. Scheme of Presentation of the study:

The study has been arranged in six chapters as follow:

Chapter-1: Meaning and a conceptual framework of what the marketing preamble and conceptual issues are and how literature review of the study has been made.

Chapter-2: Meaning and Conceptual frame work of distribution management (marketing channels).

Chapter-3: Profile of dealers and distributors in the Pune market.

Chapter-4: Methodology employed while collecting and compiling the data.

Chapter-5: Evaluation of data collection and analysis.
Chapter-6: Conclusion:

i) Over-viewing specific findings
ii) Generic findings
iii) Suggestions

7. Findings:

In the following section, we have discussed research findings as they relate to four groups and also five research questions guiding our investigation. In our discussion of each question, we have highlighted the marketing and distribution implications of our results.

1- Distributors have used a combination of field sales people, limited corporate advertising, and product catalogues to promote their services.

2- The function of the field sales force was to call on current and potential accounts to push the services and product lines offered by their firm.

3- The sales people are not technically trained and have no formal technical background. They usually had previous sales experience that involved extensive client contact.

4- Cooperative advertising and product catalogues were the primary media used by the electronic appliances’ distributors and producers. Advertising has just recently become an important promotion tool for the large distributors.

5- No distributors has employed a technical staff to answer the technical questions raised by the customers.

6- Distributors have contracted with manufacturers based on commission on sales.

7- New entrants to this line of business do not bring any new ideas of gaining the market share but selling at competitive price as usual.
8-The electronic appliances distribution comprised a few large national firms in addition to hundreds of small and big dealers and distributors, servicing narrowly recognized markets based on personal business contact with the customers. They rely on a strategy of price-cutting to gain sales volume.

9-Distributors and dealers have had no specific sales policy. And the majority of them follow the routine policy.

10-With regard to the marketing and distribution operation, one of the most important thing is the customer’s behavior, which unfortunately has been ignored by the distributors, and the total stress is upon the sale only.

11-The policy and strategy of advertising takes place through the producers, which establishes the push strategy and thus introduces the products to the customer through the mass media.

12-So far condition and the quality of the products and the use of technology is concerned, there is no feedback system between the customer and distributors. Therefore the producer remain unaware of the customers point of view towards the quality and quantity of products. This is the reason behind the loss of business reputation of famous brands in the market.

13-Keeping in view the variety of electronic home appliances in the market, the extreme competition is over the price, technology and then brands name and packaging respectively.

14-Distributors do not provide sufficient services to the customers after and before sale. The majority of them have no organized services and special staff in this area.

15-On the whole, distributors do not adjust their operations according to the customers’ needs.

16-Distributors and dealers have no updated marketing information
which is required. Thus they lack the suitable markets information system.

8. Suggestion:

1-The sales people who have technical background and knowledge in particular field of business should be employed.

2-The sales people should be trained with the help of producer’s professional managers so suitable training programs should be arranged as a part of system.

3- Weekly or monthly meeting of employees should be organized by the Management.

4-In connection with marketing operation instead of only concentration on sale they should concentrate on promotion of sales.

5-The implementation of these can be as follows:
   a- Distributors should create the new understanding that customers are not only to be sold but to be studied for sales.
   b- Participating in trade shows exhibitions in such business is necessary for them. They will be able to know their rivals, new products, brands and new target markets.

6-Dealers and distributors can try use of their marketing knowledge.
   a- The purchase will be easy and fast so that customers can compare the products to one another, before approaching dealers.
   b- The customers can select the dealers for different sales terms and range of brands.
   c- This will give equal opportunity for sales irrespectively of their location.

7-Dealers and distributors should not lean on the manufacturer’s support. They should have specific policy and strategy themselves. One of the
strategies, which are suggested here, is offensive strategy.

8- The basis of the activities of dealers and distributors should be at the primary strategic level then at tactical level.

The primary activities relate to long term marketing operation while the secondary activities put stress on the short term programs in the market (like, advertising methods......).

9- They should concentrate on pre and post sales services than merely selling of products.

10- The consumer and management values should be top most in mind of distributors.

11- Distributors should establish the feedback system for their customers through the interview, questionnaire or checklist to enable them to change their services based on this data. It makes them aware of the needs and wants of customers. Even distributors will be able to transfer the information to the producer so as to change or modify the product line or process of production (colour, design, quality,...etc).

Signature of the Research student     Signature of the Research Guide

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