ARTICLES

ARTICLE 1. Distribution Channels
Written by Samuel Muriithi for Gaebler Ventures, 6 sep. 2012

Distribution and distribution channels fall under the 'placement' or 'place' aspect of the marketing mix. What should the entrepreneur know about these integral aspects that determine how their products and services will get to the final consumers?

Distribution is the most fundamental attribute of placement as an aspect of the marketing mix.

Placement also includes several other aspects including logistics, channel management, channel decisions, purchasing, retailing and customer support.

Distribution is all about the logistics that must be addressed so as to get a product/service to the final customer in a target market. Here the entrepreneur must have a clear understanding of how the product/service will be sold and indeed when and where the product/service will be made available. He/she must determine what the best way to get the product distributed will be in terms of wholesaling or retailing. This is very much linked to the decision concerning whether or not multi-level marketing channels will be employed. The entrepreneur must know what the nature of the distribution will be in terms of being exclusive, extensive or selective. Similarly, he or she must decide whether channel associations will be contract-oriented or informal. The costs to be incurred in distribution e.g. storage of inventory in warehouses must be well tabulated.

Distribution channels are those chains through which products/services pass downward from the producer to the consumer/end-user. These distribution channels don't only apply to physical products; the same concept applies for services. In distribution channels management a product/service supplier - the entrepreneur in this context has to clarify his/her take on three important fundamentals i.e. channel membership, channel motivation and the management and monitoring of the distribution channel.

Channel membership is all about deciding on the organizations that will be incorporated in the distribution chain. There are three types of membership to consider. Intensive distribution is where a product/service is stocked by a high number of resellers. Price-based competition may occur. In selective distribution a number of 'appropriate' resellers are selected to stock the product. Exclusive distribution sees the appointment of specially chosen resellers to stock the product/service.

The entrepreneur can employ a couple of incentives to keep the distribution channel members motivated. These can include them higher margins as compared to the competitors, rewarding members who have achieved designated sales volumes, and offering to train channel members so that they can be at par with the producing firm's internal staff.

Distribution channels need to be monitored through appropriate mechanisms all aimed at gathering feedback from members of the chain and more so from the end-users. This is important for the constant improvement of product/service quality.
ARTICLE 2.
Move Beyond Your Current Distribution Channels
Sep. 21, 2010 Gregory J. Pollack | Chief Marketer

Looking beyond the obvious, discovering new ways of doing things and finding new distribution channels is essential in today’s fluctuating economic climate.

Make no mistake, marketers are always looking at ways to communicate messaging to customers, as well as new product and brand attributes. But we also need to consider where the next frontier is for our brands. Where has no other business, no other brand, and no other product gone before?

This doesn’t necessarily mean a brand new channel or industry. It just means taking a look at the current brand distribution and where you have strong equity in key industries. The next step is to research and identify brand new channels of distribution where the product and brand can not only add value, but truly enhance the consumer experience.

"Channel innovation" is a way of identifying new ownable and sustainable channels of distribution that naturally fit within the consumer’s lifestyle. Far different than simply matching demographics and household incomes, the notion is one of understanding a consumer’s lifestyle choices, from buying preferences to activities. There are only a select number of brands, products and services that fit within the everyday lifestyles of today’s busy consumers. Some would call this brand equity. But what this all boils down to is that as consumers we have come to rely on a host of well-trusted products and services that consistently meet and exceed our needs.

Start to think where your company, business, brand and product attributes sit within the hierarchy of your customer’s needs. Then think about how the customer interacts, and inherently, trusts your brand. Then look at where else your customer shops, visits and frequents. Now, ask yourself how can you extend your brand to reach new customers or users where they may not normally expect to see your product offering.

For example, imagine mainstream health brands and products being distributed at nationwide gyms and fitness centers. It seems simple enough, but imagine bringing well-known CPG brands to a new distribution channel that actually enhances the overall consumer engagement—it only means more value to the consumer, more value to the brands, and increased revenues that are actually sustainable. Now, some may say that licensing and promotions can in fact deliver the same impact. That’s correct, to an extent. But to be truly effective, one needs to look at a multi-dimensional brand expansion strategy. And one of the most cost-effective opportunities is to take existing product, with often the same existing packaging, and bring it to a whole new industry and distribution channel.

Another example would be to look at the sport of golf. Imagine that golfers love to eat and munch on the course between shots. Here would be a good opportunity for snack brands to create and gain distribution within the golf retail channel, perhaps Roger Dunn Golf Stores. It might be a perfect chance for well-known food and snack brands reaching the outdoor fitness and active lifestyle enthusiasts to gain distribution at retail, before golfers ever hit the links.

Yet another approach could be within the home entertainment industry, distributing DVDs at retail channels matched up against consumers’ lifestyles, such as Armani Exchange and
Abercrombie. The concept could also work well at lifestyle automotive brands such as Mini, Audi or Porsche. In fact, several car manufacturers are branching out and placing lifestyle stores within shopping malls to capture consumers’ attention. Companies should also consider trends when looking for new frontiers. For example, a number of companies and brands deliver goods and services to fit into a healthy lifestyle. Our company worked with Dole Packaged Foods to explore new channels for its fruit snacks portfolio and identify new distribution opportunities. After outlining areas of potential growth and sustainability, Dole is now considering test markets. The opportunity to create new markets, tread in uncharted waters, and gain new ground is an essential and much-needed way to look at business growth in today’s times. Not only is it a sound business strategy, but who knows, you might just uncover a whole new sustainable revenue stream that can become the benchmark for future business.

ARTICLE 3.
The main kinds of intermediaries involved in distribution channels
BY JIM RILEY, 3 JAN 2011 BUSINESS BLOG

Whilst many kinds of business get involved in distribution channels, the most common type of intermediaries are retailers, wholesalers, distributors, agents and franchisees. These are described briefly below:

Retailers
The most popular distribution channel for consumer goods, retailers operate outlets that trade directly with household customers. Retailers can be classified in several ways:
- Type of goods being sold (e.g. clothes, grocery, furniture)
- Type of service (e.g. self-service, counter-service)
- Size (e.g. corner shop; superstore)
- Ownership (e.g. privately-owned independent; public-quoted retail group)
- Location (e.g. rural, city-centre, out-of-town)
- Brand (e.g. nationwide retail brands; local one-shop name)
Retailers enable producers to reach a wider audience, particularly if broad coverage by the major retail chains can be obtained. The big downside to using a retailer is the loss of profit margin. A high street retailer will typically look to take at least 40-50% of the final consumer price.

Wholesalers
Wholesalers stock a range of products from several producers. The role of the wholesaler is to sell onto retailers. Wholesalers usually specialise in particular products – for example food products.

Distributors and dealers
Distributors or dealers have a similar role to wholesalers – that of taking products from producers and selling them on. However, they often sell onto the end customer rather than a retailer. They also usually have a much narrower product range. Distributors and dealers are often involved in providing after-sales service.

Franchisees
Franchisees are independent businesses that operate a branded product (usually a service) in exchange for a licence fee and a share of sales. Franchises are commonly used by businesses (franchisors) that wish to expand a service-based product into a much wider geographical area.
Agents
Agents sell the products and services of producers in return for a commission (a percentage of the sales revenues). You will often find agents working in the service sector. Good examples include travel agents, insurance agents and the organisers of party-based selling events (e.g. Tupperware and Pampered Chef).

ARTICLE 4.
Understanding Legal and Structural Issues in Establishing Sales and Distribution channels
Andrew J. Sherman, Partner, Dickstein Shapiro Morin and Oshinsky LLP

Many growing entrepreneurial companies choose to offer their products and services to the marketplace through independent third-party distributors and dealerships. Manufacturers of electronic and stereo equipment, computer hardware and software, sporting goods, medical equipment, and automobile parts and accessories commonly use this type of arrangement.

In developing distributor and dealership agreements, growing companies must be careful to avoid being included within the broad definition of a franchise under FTC Rule 436, which would require the preparation of a disclosure document. To avoid such a classification, the agreement should impose minimal controls over the dealer, and the sale of products must be at bona fide wholesale prices. In addition, the manufacturer must offer no more than minimal assistance in the marketing or management of the dealer’s business.

Distributors Versus Sales Representatives
Distributors are often confused with sales representatives, but there are critical differences. Typically, a distributor buys the product from the manufacturer, at wholesale prices, with title passing to the distributor when payment is received. There is usually no actual fee paid by the distributor for the grant of the distributorship, and the distributor will typically be permitted to carry competitive products. The distributor is expected to maintain some retail location or showroom where the manufacturer’s products are displayed. The distributor must maintain its own inventory storage and warehousing capabilities.

The distributor looks to the manufacturer for technical support, advertising contributions, supportive repair, maintenance, service policies, new product training, volume discounts, favorable payment and return policies, and brand name recognition. The manufacturer looks to the distributor for in-store and local promotion, adequate inventory controls, financial stability, preferred display and stocking, prompt payment, and qualified sales personnel. Although the distributorship network offers a viable alternative to franchising, it is not a panacea. The management and control of the distributorship may be even more difficult than that involved in franchising (especially without the benefit of a comprehensive franchise agreement), and many state anti-termination statutes regulate the termination of these relationships.

By contrast, the sales representative or sales agent is an independent marketing resource for the manufacturer. The sales representative, unlike the distributor, does not typically take title to the merchandise, maintain inventories or retail locations, or engage in any special price promotions unless instigated by the manufacturer. A well-drafted distributorship agreement should address the following issues:
What is the scope of the appointment? Which products is the dealer authorized to distribute and under what conditions? What is the scope, if any, of the exclusive territory to
be granted to the distributor? To what extent are product, vendor, customer, or geographic restrictions applicable?
What activities will the distributor be expected to perform in terms of manufacturing, sales, marketing, display, billing, market research, maintenance of books and records, storage, training, installations, support, and servicing?
What obligations will the distributor have to preserve and protect the intellectual property of the manufacturer?
What right, if any, will the distributor have to modify or enhance the manufacturer’s warranties, terms of sale, credit policies, or refund procedures?
What advertising literature, technical and marketing support, training, seminars, or special promotions will the manufacturer provide to enhance the performance of the distributor?
What sales or performance quotas will be imposed on the dealer as a condition to its right to continue to distribute the manufacturer’s products or services? What are the rights and remedies of the manufacturer if the dealer fails to meet these performance standards?

ARTICLE 5.

16 Ways Your Startup Needs To Be Getting Customers
By the Book “The Ultralight Startup”
Author- JASONLBAPTISTE

There was a post about an entrepreneur losing 4 million dollars in sales due to his reliance upon Google as their primary sales+distribution channel.
The same problem faces Demand Media with their IPO, Zynga with diversifying beyond Facebook, and many other startups that are primarily platform plays dependent upon the mercy of the platform overlords. As an entrepreneur I find it very important to have a large diversified distribution channel for customer acquisition. The goal of this article is to outline the plethora of distribution channels that exist for startups.

Public Relations
Public Relations is a strong distribution channel due to its low cost and repeatable nature. PR certainly has a human capital cost, but can be fairly easy to execute with the right story. It can also be highly segmented i.e.- verticals, industries, and audiences. It can also help bring forth social proof. As seen on CNN, TechCrunch, and the New York Times will always be a seller.

Organic Search Traffic

Organic search traffic is the gift that keeps on giving. It can go away due to an algorithm tweak by Google or a simple drop in rankings. For the most part, the traffic generated by organic search traffic will stay generally the same. It may increase due to a demand for the product you’re offering, seasonality etc. Optimizing for organic search is also a smart move as it can benefit future content that is created. Once you’re “trusted” by Google, it can help with new content you produce. Organic search traffic has a “cost” in terms of time, proper optimization, human capital etc. but the cash outlay is much smaller than paid search traffic.

Content Marketing

I believe content marketing is the future of customer acquisition and a cost effective, scalable and brandable way to acquire customers. One method of content marketing might include educational and analytical blog posts on topics related to your market. Another method might include putting together info graphics and white papers that also educate your prospective customers. Content marketing can be further enhanced with Organic
Search Traffic and Social Media Marketing. Make sure you are capturing as many email addresses as possible when educating your audience for lead prospecting. Here’s why I feel content marketing is important.

The content should be: educational, actionable, and full of utility. A reader should learn something and be prompted to do something they could not before.

Affiliate Programs
Affiliate programs can be major drivers of distribution for certain products. Information products tend to do the best here, but they can be effective for all types of commerce. There are hundreds of affiliate networks to sign-up with as well as running your own. The key to many of these networks for larger scale companies is not the software itself, but the affiliates and affiliate managers. In order to attract top tier affiliates also be prepared to be flexible on your terms. Smaller affiliates will be okay with net30 payouts, but top tier affiliates may want direct wire transfers with weekly payments.

Lead Gen Programs
I can’t find the exact link, but I distinctly remember Tony Wright, Founder of Rescue Time saying, “The internet was made for lead gen”. The lifeblood of any company is generating new leads and new potential customers. Once you’ve experienced it, you will be a fiend for it. Lead Gen programs allow you to pay for each qualified lead brought your way. A lead can usually be in the form of email addresses and names. If the numbers are calculated right, it can be gold.

Events and Conferences
Events and Conferences are great ways to not only generate some auxiliary revenue, but they are a great way to gather + educate your prospective customers. Simple meet ups with refreshments that gather your customers is one way to go about things. Another more grandiose way of going about things is throwing your own conference. Alain from Fair Software did this with Founder’s Conference. Other examples include Fast Company article 3rd Party Social Platforms
I find 3rd party social platforms to be different than a basic Twitter or Facebook implementation. 3rd party social platform usage examples include games from Zynga or Geni.com integrating as an app inside Facebook.com. Another example would be HubSpot with Twitter Grader. Integrating social platforms inside your destination is one thing, but making stand alone apps inside of sites such as Facebook is a whole other form of distribution.

Social Media Marketing
Social media marketing examples include personal RFPs and using Twitter for permission based promotions. A personal RFP might look something like “I need good Word Press hosting”. From this message a representative from WpEngine might reach out. Companies such as DELL have done millions of dollars in sales via Twitter with deals. Other companies including local businesses and tech startups use social media marketing as another permission based marketing channel.

Mobile Platform Distribution
Pandora increased it’s usage exponentially after the app store appeared. It almost doubled their growth overnight. Don’t just think iPhone either, though that is probably the best place to start. The best companies such as Dropbox or Evernote have mobile applications across all different platforms. Android, blackberry, WinPhone7, iPad, and mobile web are all important. Every user counts and app stores are a chance to reach new users.

APIs
APIs are the new business development for the 21st century. Integrating with other companies used to require a lot of time, negotiations, and often money. Now? It just requires an API key and some imagination. Not all APIs allow for commercial access and some have a limit, but that’s a problem that can be dealt with. Dropbox just introduced their API and I’ve seen it popping up in almost every work related iPad app. I’m not sure what effect this has had on sales, but I’m almost certain it will be a big one. If I wasn’t already a Dropbox user, I would certainly check their service out.

Paid Online Advertising

Online advertising can come in three flavors: CPM, CPC, and CPA. CPM is your traditional pay per 1,000 impressions on a website. I’m not a huge fan of this and usually think it’s quite a spray+pray approach. It can be very useful when applied to the right niches and audience. CPC ads let you pay per click. This is primarily how Google makes money. You search with an intent, they show sponsored ads, and you end up clicking on one of those ads. The problem with CPC ads on Google and other sites comes in the form of click fraud. Lastly, CPA ads are billed on a Cost Per Acquisition basis. You pay the advertiser every time a customer acquisition mechanism takes place. That usually includes a purchase, but it could also be a registration of some sort.

Direct Sales

A direct sales channel can be very important in B2B plays where the cost of having a direct salesperson exceeds the lifetime value of the aggregate customers they can exceed. To many in the startup world, it might seem absurd to have a direct sales team, but in enterprise and b2b sales, it’s a viable channel when done right.

Business Development + Cross Sales Joint Ventures

Business development deals with similar companies that have the same customer base yet are not competitors are insanely lucrative for both sides, especially you. Find a business development partner that has the same customer base as yourself, but larger in size. By working with you they provide their customers new value and make more money as a super affiliate of sorts. Your benefit? Credibility and increased profits.

Referral Programs

Referral Programs are slightly different than affiliate programs. Referral programs are less about traditional affiliate channels and more about using your existing customers to spread word about your product. The reward can be cash, but it often comes in the form of in-app rewards. For example- Dropbox gives you 250MB for every user that signs up from your referrals. They also employ a two sided referral that rewarded the user that signed up with more storage. Gilt also has a referral program, but the reward is in cash when the user you refer makes their first purchase.

Traditional Media

People still subscribe to cable, read newspapers, and listen to radio. If you’re trying to reach normals, not just early adopters, and establish some credibility, then traditional media is still a huge channel. Honest truth it’s bigger when it comes to PR and even ad dollars. Hard to believe, but it’s true. The problem comes down to the large up front spend that traditional media entails and the lack of true analytics that exist. If possible, I would do unique URL tracking and call tracking by building a simple app with Twilio.

New products and add-ons to existing customers
Once you have a large enough customer base, the goal should be about increasing the Lifetime Value of that customer by offering new products that make sense. Look at 37 Signals, their first products such as Base camp and Backpack did really well. They used their existing customer base to expand their profit pools with new relevant products such as High rise and Campfire. Don’t be afraid to look to your own customers as a source of distribution. One distribution channel will most likely outweigh another – that’s fine. What isn’t fine is being able to answer yes to the question of: “If I lost distribution channel x, would my startup fail?” One last thing to make sure you evaluate as an entrepreneur is the customer acquisition costs and their quarterly increase/decrease. A growing, but cost ineffective distribution channel can be equally fatal. The equivalent of startup gold is a distribution channel that grows with a Customer Acquisition Cost (CAC) that is a very low number or zero (think viral). I will investigate these metrics more in depth in my next post “Metrics Every Startup Should Know”.

ARTICLE 6.
FDI in retail: Sharma writes to CMs of Odisha, UP and Punjab
21 June 2012, PTI

Commerce and Industry Minister Anand Sharma has written to chief ministers of Odisha, Punjab and Uttar Pradesh seeking their support for early implementation of the government’s decision to allow 51 per cent FDI in multi-brand retail sector. "FDI in multi-brand retail will bring in investments, technologies and efficiencies to unlock the true potential of the agricultural value chain," he said in his letter.
The government is trying to build consensus on the politically-sensitive issue after putting on hold the decision to open up the multi-brand sector due to opposition from several state governments and UPA ally TMC.
In the letter, Sharma asked the three non-UPA chief ministers -- Naveen Patnaik of Odisha, Prakash Singh Badal of Punjab and Akhilesh Yadav of Uttar Pradesh -- to recognise the intrinsic merit of this policy and support FDI in retail.
The government has renewed its efforts to forge a consensus on opening the doors to global retailers in the sector, estimated to be a about USD 550 billion market.
It will also unfold immense employment opportunities for rural youth and make them stakeholders in the entire agro business chain from farm to fork, he said.
On concerns about the impact of big shops on livelihood concerns of millions of small retailers, Sharma said that several studies have revealed that local retailers have found innovative ways to co-exist along with organized retail.
Meanwhile, in an official statement he said exuded confidence that a "political consensus" will be arrived on the issue in the next few weeks.
Citing a report, Sharma said even in developing economies like China, Brazil, Argentina, Singapore and Thailand, where FDI is permitted up to 100 per cent, local retailers have found innovative ways to co-exist along with organised retail.
"We were also mindful of the imperative of ensuring food security for the poorest of the poor and have therefore retained the first right of procurement of foodgrains to rest with government for the public distribution system," he said.
On the concerns that the multinational companies will resort to predatory pricing techniques to drive away small retail, he said "the Competition Commission has been established by law to ensure that such practices receive great scrutiny".
He added that "the right of those States which find merit in this policy must be respected, while acknowledging the prerogative of those States who have reservation".

The FIPB (Foreign Investment and Promotion Board) approvals can only be there if the state has endorsed a proposal. According to the **Trade License Act**, the license has to be given by the state government. Under the **Shop and Establishment Act**, the state government accepts to do it.

He asked all the chief ministers that the benefits of this policy for the Indian citizens will find resonance "with you".

"Policy initiatives taken in larger national interest demand political leadership to rise above partisan politics to create a healthy bipartisan consensus," he added. He also said that he would discuss the matter with all the three chief ministers in person.

"I look forward to your personal support in the roll out of this policy for the larger public good," he said.

**ARTICLE 7.**

**Vertical relationships in distribution channels: a marketing perspective.**

Article from: Antitrust Bulletin | January 1, 2004 | Weitz, Barton; Wang, Qiong

As Robert Steiner has emphasized, many traditional economic models of vertical relationships have either ignored the role of retailers and other channel members or characterized these channel members as atomistic firms passively following the manufacturer's pricing decisions. (1) These assumptions in economic models may limit the insights that can be drawn about actual behavior in vertical relationships and the social welfare implications of these behaviors.

On the other hand, marketers have long recognized the role of retailers as independent, profit-maximizing businesses. Considerable academic marketing research has focused on the need to coordinate the activities of manufacturers and these independent distribution channel members, retailers and distributors. This research interest has developed because marketers recognize that coordinating manufacturing and distribution activities has the potential for significantly increasing the value of the products to consumers, either by increasing the benefits (quality) offered by the products or by lowering the cost of delivered products.

For example, Best Buy can work with Sony to demonstrate and explain to consumers the unique benefits offered by Sony's HDTV. Best Buy can also increase the value of the Sony HDTV by offering the customer an integrated home entertainment system with surround sound. Finally, Best Buy and Sony can coordinate their supply chain so that the inventory and subsequent cost of supplying an HDTV to Best Buy's stores is reduced. Channel activities increase the value of products to consumers by making them available at convenient locations, times, and quantities; by offering assortments so consumers can engage in one-stop shopping; and by providing services such as personalized information, product displays so consumers can see and try them out prior to purchase, installation and repair of products and services. The cost of providing these benefits is substantial. In many industries, the cost of distribution activities is seven to ten times greater than the cost of advertising undertaken by the manufacturer. (2)

However, coordinating these channel activities is challenging because manufacturers and retailers have different, and potentially conflicting, goals and perspectives. First, they each
want to maximize their own profits and return of assets (ROA). Second, retailers focus on sales of a product category, while manufacturers are concerned about the sale of their specific brands. Typically, retailers don't care which brand of detergent the consumer buys as long as he buys detergent. On the hand, Procter & Gamble is interested in getting the consumer to buy Tide or one of its other detergent brands. Finally, manufacturers typically have a national scope while retailers, even national chains, are more concerned about local competitive conditions. The objective of this article is to review the academic marketing research that develops and tests theories involving the vertical relationships between manufacturers and retailers in a distribution channel. (3) In this review, we have focused on the distribution channel for low-involvement, frequently purchased, consumer products and the vertical relationships between consumer packaged goods (CPG) manufacturers and supermarket retailers. While much of this research applies to the distribution channels for high-involvement, consumer durables and industrial products, these channels differ in terms of customer needs and firm strategies to satisfy those needs. Purchases of CPG are primarily driven by price and convenience. Thus, coordination efforts in the CPG channel focus on reducing costs and CPG manufacturers tend to use an intensive distribution. However, value-added services such as assistance in matching the product to the customer’s application are more important in the purchase of high-involvement products. Thus, channel coordination efforts for high-involvement products are directed toward motivating channel members to provide the desired services and manufacturers tend to use exclusive distribution and other vertical market restraints to protect distributor margins.

ARTICLE 8.
The Seven Myths of Channel Integration
Oct. 1, 2005 Michele Fitzpatrick | Chief Marketer

Many marketers resist integrating their customer communication efforts across online, offline, and retail sales channels. Why? They fail to see the value of integration or fear it muddies their message. Some believe it cannibalizes sales from one channel to another.
Looking at it from the perspective of the consumer, however, choosing which channel to use when communicating with a marketer is entirely situational. An urgent request or need is likely to prompt a phone call. When in research mode, many look to the Web as their preferred source. And when a customer is ready to make a purchase decision, there typically is a need for some sort of physical interaction in the form of literature (such as a direct mail brochure) or contact with the product or service.
How well a marketer integrates its mix of channels for prospects and customers will determine how well it delivers incremental benefit for all parties. To that point, here are current data to debunk common channel integration myths.
Myth #1: Most loyal customers still prefer interacting via one channel. A marketer’s most loyal customer now uses at least two channels. An August 2004 report from Jupiter Research revealed that “consumers are influenced to spend $6 offline for each $1 they spend online,” indicating that loyalty can and does migrate across channels. It is a marketer’s mission, then, to use known information about individual customers (with proper opt-in methods) to meet individual channel preference needs.
Myth #2: Most people shop and buy via the same channel. People use different channels for different reasons. Consider that, again according to Jupiter Research, “43% of Internet
users bought products from a retailer’s offline store after viewing them on the seller’s Website.” Additionally, experience shows that television support for a direct marketing campaign can improve direct marketing response rates significantly. Each channel influences the others.

**Myth #3: Most people do not like direct mail.** While each medium has its own strengths, surveys continue to show that consumers prefer direct mail over other forms of communication, including e-mail, telephone, and personal contact. Mail is considered less intrusive than other media. In a world where consumers are exposed to thousands of marketing messages daily, often it’s the message in the mailbox that has the power to rise above the chatter. The lesson here is not to be afraid to test direct mail to reach out to consumers and prospects alike.

**Myth #4: Online marketing cannibalizes offline efforts.** An individual’s media preference influences receptivity to any given channel. The reality is that multichannel contact can yield better overall results. People now regularly use a combination of media when considering and responding to an offer. Adding a response channel (such as the Web) can dramatically improve results. Remember that direct marketing buyers are more likely to have Internet access. The Internet has changed the face of direct marketing, but not by displacing channels or making them obsolete.

**Myth #5: Becoming a multichannel company does not require internal restructuring.** Many companies are “siloeed” when it comes to their marketing channels, making the sharing of information difficult, if not impossible. When embarking on a multichannel infrastructure, marketers must work to establish a customer-centric point of view and develop common offerings, transaction processing, customer service, messaging, and themes. There must not be conflicted branding and communication elements if a marketer is to drive a singular message home successfully.

**Myth #6: The 55-plus audience is not Web savvy.** The Web can be a viable channel for reaching audiences up to 69 years of age. “Young seniors”--those ages 55 to 59--have a huge online presence, and “retiring seniors” (ages 60-64) experienced the birth of the Internet at their places of employment. These two groups alone accounted for more than 15.5 million Internet users as of 2003, according to an October 2003 Nielsen/NetRatings report. Additionally, “retired seniors,” those 65-69, have good discretionary income, and most own computers; that same Nielsen/NetRatings report indicated that some 9.5 million of them were using the Internet by 2003. Clearly the Internet can be a powerful tool for reaching senior audiences with a wide variety of messages.

**Myth #7: Each channel is a separate user experience.** The opposite is in fact true: Multiple channels converge into a unified user experience. That said, if channels fail to offer a unified voice, look, and feel, a marketer is not acting as a multichannel company and may disappoint or frustrate customers. A multichannel user expects an integrated experience across all touch points with a brand or information source, and delivering on this expectation is the challenge for marketers.

**ARTICLE 9.**

**Channel Integration: Achievable, But Not the Way You Think**
by Rod Vesling on March 7, 2012

The following article by Nicole Sturgill, Research Director with TowerGroup’s Retail Banking & Cards Practice, serves as a preamble to her session during SOFTPRO’s E-Signatures in Banking Seminar taking place on March 29th, 2012.
Channel integration has been a topic of conversation for so long that it’s easy to dismiss it as either a) never going to happen, or b) not really necessary. If we take another stab at the definition of channel integration, though, one could argue that it is indeed necessary and is actually achievable.

First, we have to decide that channel integration is a means to an end, not an end in and of itself. What is that end? A positive customer experience. Every FI is focused on the customer experience right now — to rebuild trust between the bank and the customer, to compete with one another, and to try to measure up to those outside of the financial services industry that are considered to have superior customer service.

Channel integration is tied to the experience because it is the more complex interactions such as account opening and problem resolution in which customers interact with the bank through multiple channels. Whenever multiple channels (and often people) are engaged, the chances that the lack of communication between channels will be exposed to the customer are increased. But instead of tackling channel integration as one big, hairy problem to solve, we need to break it down. Identify those elements of the channels that, when integrated, provide a more cohesive message and experience. It can be functional and encompass multiple technologies, such as account origination, or it can be tactical – individual technologies that span the channels, such as document management, electronic signature, and identity verification.

Every FI is engaged in some form of channel integration, yet many would say that they have not achieved channel integration. This is because we’re often looking for a single solution or we’re trying to tackle it from the top down instead of the bottom up. By chipping away at the single channel solutions currently in place and replacing them with technologies that cross channels, we can eventually achieve not channel integration but a positive customer experience.

ARTICLE 10.
Re-thinking your multichannel marketing strategies
4 October 2011 by eCircle Guest Blogger

How do your customers and prospects currently interact with your business? Via email, search, social or print (to name but a few channels)? Customers now have more choices than ever when it comes to communicating with a brand. However, the increase of information across channels makes it much easier for them to switch between vendors, making it vital for businesses to focus on customer retention and lifetime value.

Focus on the customer, not the channel
Simply using multiple channels does not equal a multi-channel strategy. This approach runs the costly and ineffective risk of trying to be “everything to everyone”. A true multi-channel strategy involves each channel playing a core role and offering a defined value for the customer. While they operate within a world containing multiple interaction channels, they are still ONE consumer.

Better understanding customer behavior and preferences is fundamental, and thanks to the digital age, we can now collect more customer data than ever before. The key is acting upon this data in real time to develop a 360° view of your customers and optimizing every touch point.
Bring all customer touch point data together

Tying all this data together is not an easy task. All too often customer interaction data is generated by different, non-integrated systems with varied formats, making it difficult to have a holistic view of your consumers. Critical to success is determining a common key that connects a visitor or customer across the many different systems (like an ID or visitor number). By modifying business processes and technical implementations across systems, you can ensure you are bringing all customer touch point data together – giving you the vital information to understand their behavior.

Understand how customers are interacting with different channels

People have become accustomed to gathering information from multiple sources. Online shoppers visit an average of two to three sites while researching a purchase online, while financial services customers interact with online and call centre channels. It’s therefore vital to develop a knowledge-base of customer behavior and create strategies that ensure customers will stay with your brand while jumping between channels.

Test promotions and understand user behavior

Businesses must be able to respond to each visitor’s intent and guide them to the most relevant information in clear steps. Marketers and merchandisers need ways to easily and automatically promote compelling product or content choices for maximum cross-sell and up-sell impact. They also need to define recommendations that promote relevant choices to visitors and increases cross-sell and up-sell revenues.

Invest in the most effective channels

In order to truly optimize your marketing spend across channels, you need to establish which campaigns, through which channels, provide the highest ROI (e.g. email, mobile, social etc). You also need to determine whether you can most effectively increase revenue and customer engagement with a blend of channels.

In this multi-channel landscape, developing a 360° view of your customers is not simple. However, once you have put in place the necessary processes and systems, the results will speak for themselves.

ARTICLE 11.

Want to Reach Boomer Consumers? Alternative Distribution Channels Are Where the Action Is Today

Lafayette, CA (PRWEB) March 5, 2010

Thanks to the recession and consumers' reluctance to spend on purchases they would not have hesitated to buy even two years ago, companies are finding it harder than ever to motivate their target customers to spend. This is especially true for boomer consumers, who have embraced frugality and are carefully monitoring their spending habits. The good news for businesses targeting boomer consumers, however, is that niche marketing and distribution through alternative channels is opening up a world of new opportunity for reaching boomers and generating more sales.

Mary Furlong & Associates, the nation’s premier consultancy for marketing and business development strategies for the 50+ market, will devote several panel sessions to niche marketing strategies and alternative distribution channels at the 7th annual What’s Next Boomer Business Summit, taking place on Friday, March 19, 2010 at the Hyatt Regency Chicago. The Summit will explore the most important trends that are influencing baby
boomer consumer behavior and showcase the most effective go-to-market strategies for products and services serving baby boomers and seniors today.
"There are lots of ways to be more creative in your approach to reaching boomer and senior customers today," said Mark Willaman, founder of SeniorCareMarketer.com and one of the presenters on the topic of alternative distribution channels at the Summit. "We'll identify some extremely effective niches and channels of distribution that marketers tend to overlook. Ignoring these channels and niches is like leaving money on the table. We'll show you how to avoid doing that by taking advantage of these areas of opportunity."
Whether your company is well established and looking to diversify its marketing strategy or a cash-strapped start up seeking creative ways to generate sales, the Summit will offer ideas on how businesses can leverage non-profit organization alliances, niche chambers of commerce, social networks, direct marketers, members-only loyalty clubs, targeted media, Web 3.0 and more to reach millions of boomer and senior constituents. Consumers buy from market distribution channels they trust, so successful entrepreneurs must hone in on those models, whether traditional or alternative, to meet their needs.
Willaman will lead the "Finding Channels and Alternate Distribution," which will touch on how to market to boomers through the direct to consumer channel in healthcare; reaching purchase influencers such as physicians, nurses and attorneys; association and institutional endorsements; employee assistance programs; worksite marketing and niche newsletters. Additionally, panelists will provide insights on finding channels; who or what touches the boomer, senior and caregiver and alterantet distribution tech targets.
There will also be eight lively panels of "Finding Riches in Niches: Optimal Go to Market Strategies by Sector," where attendees will have the opportunity to interact with expert panelists and learn from their first-hand experience when are the best and worst times to go to market in each space. Industry leaders will share wisdom and advice for how to succeed once you enter the market and how to reach boomer consumers. Stuart Rosenthal, publisher and editor of the Beacon Newspapers, will share insights on how to reach boomers in media. "Targeted publications effectively reach millions of loyal 50+ readers every month," said Rosenthal. "Newspaper ads were cited by older consumers as most helpful in making purchasing decisions by a third more than television ads and by 15 times as many radio ads."
What's Next will also explore Web 3.0 strategies and how to boost online marketing programs to reach boomers. Experts will share how to maximize the effectiveness of e-newsletter campaigns, understand mobile marketing trends and reach customers on smart phones, connect with customers using social media, how to make Google tools work for them and incorporating iPhone apps into overall marketing strategies.
Jeff Hasen, chief marketing officer with Hipcricket, will share mobile marketing strategies to reach and serve the boomer consumer. "Boomers are more tech savvy than some believe. Phones are becoming more intuitive, breaking down barriers," said Hasen. "Communication with family often happens through texting and picture sharing. More than 57 percent of women 45-54 text and nearly 40 percent of women 55-64 do the same. The numbers for males are nearly identical."

ARTICLE 12.
Contemporary Channels scenario in India
By V S Rama Rao on May 21, 2008
Conventional Wholesale Retail Trade Continues to Dominate the Scene: In total contrast with the Western countries, where formats supermarkets/retail chains dominate the distribution system. Conventional wholesale retail trade dominates the scene in India. Again, unlike, the West where a handful of apex distribution chains service the millions of retail shops, in India stand alone wholesalers/retailers dominate the scene. Some experts believe that before long we will see the massive growth of distributing companies/retail chains. Many others, however, feel that in India, large distribution outfits will not replace traditional distributors in the future.

Image of the Trade is changing: Till recently, the image of a stockist/distributor in India was one of a cash rich trader interested in quick profits. Such an image was related to the prevailing marketing environment. Many products enjoyed a premium. Often in black, in view of the all round shortages and the system of price controls. The distributive trade was making merry at the cost of the consumers. The situation has changed considerably in recent years. With the increased availability of products, removal of price controls, increased competition and increased choices to consumers, the environment in which the distributive trade was operating has changed significantly. The distributor of today has to put in harder effort to sell the products and has to service the customer properly. Naturally his image has undergone a change. Companies too are now keen to present to the public/consumers a cleaner image of their distributors.

Conventional wholesale retail trade continues to dominate the scene, though formats like supermarkets, retail chains and shopping malls are making a mark.
* Image of channels/distributive are undergoing a change;
* Profiles of distributors to undergo a change;
* Trade margins escalate as costs of distribution keep growing;
* Expectations of distributors in the matter of profits also change;
* The power equation among the distribution triumvirate – principals, distributors and retailers – shifts in favor of the lower levels;
* Distributors are becoming choosy;

It greatly influences the way marketing channels operate.
* Firms go in different kinds of non-traditional channel arrangements;

Outsourcing of Channel task/marketing logistics:
Exclusive retailing
Exclusive dealers without franchising arrangements
Exclusive retailing through showrooms
Exclusive retailing though shop-in-shop franchising
Firms go in for non store retailing methods:
Shopping (Home shopping)
Online marketing /Marketing on the web.
Equally radical Direct selling/home selling
Multilevel marketing/network marketing
Marketing by vending machines
Consumer fairs
Firms go in direct marketing methods:
Mail order marketing/catalogue
Direct mail marketing
Direct response marketing
Database marketing
Tele marketing
Tele changes are taking place on the retailing side:

ARTICLE 13.
Marketing strategies: How to engage a customer
Jun 2, 2010 PTI

Tags:
marketing
customers
brands
Consumers, more now than ever, are inundated with marketing messages nearly every moment of their waking day. Therefore they are becoming more selective and demanding of the messaging with which they choose to engage. Their attention span and willingness to interact with marketing continues to decrease. The result is the constant increase of complexity of marketing, since any marketer is tremendously challenged by the increasing number of marketing moments and the decreasing ability to truly engage a customer.
Many marketing agencies try to meet this "Modern Marketing Conundrum" by either solely focusing on satisfying the ever-changing demands of their clients or by building the most outrageous and disruptive marketing ideas without data and an insight-driven foundation. What is common is the lack of a consumer-centric operating system that any great marketing services company needs to solve this conundrum.
The foundation of our operating principle was proprietary research to understand how consumers engage with any marketing message, independent of the communication channel. We wanted to determine the duration of the particular moment of opportunity to capture the average consumer's attention in today's environment, broken down by different media channels, industry categories, and segment attributes. Our goal was to build a global norm database to help us better evaluate and understand our work across all key channels.
From a research perspective we needed to answer a few critical questions: How much time does a consumer allow a marketing element before he/she decides whether or not it matters to them? What are the differences in the decision times across all media and marketing channels? Across all categories? Across all consumer attributes (e.g., age, income)? How are they making their decisions on what matters and what doesn't matter to them, and what are the implications for brands?
Experience has taught us that every one of our ads faces two critical moments when exposed to a consumer. 1) The Lean Moment: the point at which the consumer decides either to engage (lean in) or disengage (lean out) with the ad. 2) The Decision Moment: the point at which the consumer makes a personal assessment of whether the ad's message resonates with them (matters) or whether it rings hollow (does not matter).
The time lapse in between the Lean Moment and the Decision Moment is the window of opportunity where we can influence the decision — the time period we call the "6.5 Seconds That Matter."
It is the "6.5 Seconds That Matter." It is the foundation of the inseparable union of accountability and creativity enabling us to do breakthrough and profitable work for our clients.
ARTICLE 14.
Change in Distribution Channels – Water Purifiers
Monday, August 20, 2007, MARKETING IN INDIA BLOG

Water Purifiers as a segment has seen a lot of activity in the last few years. It has seen the entry of many new players like HUL with its Pureit brand, Kent RO and even Philips has entered into this business, apart from the old horse Eureka Forbes. The reason why the segment has attracted so many new players is the growth potential that the segment has shown with increasing awareness among the consumers about waterborne diseases and increasing health and hygiene consciousness.
Traditionally the water purifiers were sold through the direct sales route, where the salesman would make direct sales calls to the consumers and sell the product. In fact at one point in time Eureka Forbes used to be seen as a training ground for budding sales professionals, but now it is said that companies might move out of the direct sales model. Direct selling is a time tested way of selling and one wonders why should that be changed, I could think of a few reasons,
First, could be the increased awareness on the part of the consumers in terms of water purifier as a category. In the initial days the selling process also required educating the consumer in terms of waterborne diseases and product benefits, which may not be that essential part of the sales process today. The consumers might find it far more easier and convenient to go and purchase from a retailer than a direct sales person coming to his/her home.
Second, the emergence of competition has also lead to change in the dynamics of the industry. Both HUL and Philips have strong distribution networks for their products and thus for them the direct sales model would actually mean adding an additional channel of distribution. And last but not least would the emergence and growth of organized retail in the country, which provides the water purifiers with a right contact point to reach its consumers.
It remains to be seen if Eureka Forbes would stick to its direct sales model or change in response to the changing preferences of its consumer and competition.

ARTICLE 15.
How Naresh Khattar's 'Me n Moms' has grown to a Rs 80 crore pan-India network
27 Aug, 2012, ET Bureau

Clichéd as it may sound, I never planned to be an entrepreneur. Yet, today I am the CEO of Me n Moms, a company that has grown 40% year-on-year for the past five years, posting a turnover of Rs 50 crore in 2010-11.
As a child, I wanted to join the armed forces, but despite having cleared the entrance exam, I could not live my dream because of poor eyesight. Then my father suffered a stroke just as I completed my graduation in 1982, and I found myself taking over the family business. I continued to sell sari and fancy clothes for the next five years, and though it wasn’t the most glamorous of jobs, it was a source of income.
I also got married during this period, and in 1987, my first daughter, Mamta, was born. With her sprang the idea of a brand new business. Like any other father, I wanted to buy a whole lot of goodies for her, but even though I lived in a metro city, I had to visit several shops before I could get all I wanted. This got me thinking and I decided to open a shop that
would house all the things related to toddlers under one roof. *Me n Moms* had just been born, but only in my mind.

However, during the late eighties, setting up a shop was much tougher than it is today. To begin with, one could only get a lease if one happened to know the owner. Since I had never been an aggressive entrepreneur, I sat on the idea for two years, taking time to muster courage to launch the venture. Finally, in May 1989, Mamta Collections, a 50-sq-ft shop, opened for business at Santa Cruz, Mumbai, with a seed capital of Rs 5 lakh. As envisioned, the store, which was manned by four employees, catered to all the needs of a newborn.

Over the next five years, the shop grew in popularity, attracting customers from across the city and our turnover shot up to Rs 60 lakh. Despite the steadily increasing sales, the small size of the shop proved to be a big deterrent. My customers wanted me to shift to a bigger space, and I obliged in May 1994. I bought a 350-sq-mt shop at Juhu and renamed it *Me n Moms*. It was located in a relatively posh area and was air conditioned, not common in those days. This helped increase the flow of customers, especially the well-heeled, which resulted in a higher turnover. However, a few things remained unchanged: I ensured that I carried my original team with me since they had a very good understanding of the market, products and customers. More importantly, they shared my passion for the brand and wanted to see it grow. I increased the employee count to six to cater to the increased footfalls at the new shop. Prior to the advent of malls, a shop's brand name was its lifeline and to make fresh inroads into a market, one had to constantly generate new ideas. This is why customer feedback was so important. I realised that a lot of customers, especially working couples, did not get enough time to shop since almost all shops remained closed on Sundays. So I decided to rotate the staff and kept *Me n Moms* open all week, a rare option in those days. This proved to be a masterstroke and increased our sales substantially.

**ARTICLE 16.**

**Kirana stores throng big retailers like Future Group, Reliance Retail and others for better margins**

28 Aug, 2012, Sagar Malviya, ET Bureau

MUMBAI: At a recent store launch in Aurangabad in Maharashtra, Rob Cissell, CEO of the value retail format at Reliance Retail, chanced upon two customers pushing down overflowing trolleys.

A quick chat with them revealed something that Cissell hadn't seen even in China where he had spent three years with Walmart as chief operating officer. "They were kirana shop owners who usually drive over 100 km to buy a wholesale store. (On this occasion) they decided to try out our hypermarket (Reliance Mart). And they said we have better prices and a better range," says an astonished Cissell.

Cissell is not the only modern retailer in India who has picked up the trend of kiranauallahs lining up outside hypermarkets for deals on days of discount and bargain offers that are more than what fast-moving consumer goods (FMCG) companies offer them. Future Group's *Big Bazaar* has noticed it ever since it began its 'Sabse Sasta Din' scheme on Republic Day in 2006.

However, old kirana owners have found many more opportunities to procure consumer products as retailers offer yearly, monthly and even weekly discounts to beat the slowdown blues, literally turning air-conditioned aisles of their stores into a flea market.
What gets the average kiranawallah excited is the huge margin on offer. Take, for instance, Ganesh Patil who runs a small grocery store in Mumbai's western suburb of Borivali. At his store, a two litre bottle of Coca-Cola sports a price tag of Rs 65; the thrifty Patil was able to purchase it for just Rs 39 from one of the modern retailers recently during an Independence Week sale. That makes his margin a whopping 40%

The same product sourced from company's distributor would have earned him just 9%.

Another example: Patil purchased a 2 kilo pack of Surf Excel Quick Wash, which bears a price-tag of Rs 320, for Rs 260 during the same period from the same hypermarket.

Our margin for these products is more than double what we get from company's distributors," contends Patil, who spent over Rs 80,000 at the recent shopping spree at a larger rival's store.

Retailers including Future Group, Reliance Retail, HyperCity and Aditya Birla Retail aren't too chuffed with this new breed of consumers. "We offer discounts for consumers and not for resellers. We don't encourage such buying trends as our suppliers are affected," says Damodar Mall, director, strategy, at Future Group.

ARTICLE 17.
Future of consumer product distribution
Saurine Doshi and Kaushika Madhavan, ET Bureau Jun 12, 2009, IST

Consumer product distribution in India, as we know it today, is multi layered and goes through multiple (at least 2-3 ) intermediaries before the product reaches the consumer. The distributor and retail base is large; it is common for consumer product companies to have 2000 - 3000 distributors serving the retail shelf, resulting in massive channel inventory (30-50 days of inventory is common).

In order to develop the deep penetration required to succeed in the Indian market, companies have designed complex and expensive outbound supply chains that still struggle to deliver world class services levels throughout the distribution chain and at the retail shelf. Going forward, in order to successfully contend with the changing requirements of the consumers and retailers, companies will need to fundamentally transform their distribution footprint and operations.

Increasing competition and the proliferation of self-service formats (offered to consumers by modern retailers as well as the fast transforming traditional retailer), ensures that product availability is no longer the only goal – it is just the starting point. Product placement, merchandising and instore promotions are increasingly important. In addition, companies are also witnessing product proliferation with an increasing number of variants to serve consumer needs.

Equipping the field force to sell in this environment requires, among other things, superior talent, better training , and better tools in the form of automation . This results in an increase in the channel fixed costs which cannot be provided for by increasing channel margins and has to come from scale economics, thereby necessitating an increase in the size and reach of the channel partners.

Product freshness awareness has increased significantly among consumers and this is not just for food products. Take the example of a consumer who did not pick up a particular brand of shoe polish because it was six months old.

Upon being quizzed, he indicated that while this was not a food product, he had a costly pair of shoes and wanted a fresh polish. Gone are the days when organisations could pump up
channel inventory to assure supplies – the need for product freshness and the high cost inventory dictate otherwise.

The likely reduction of central sales tax (CST) to zero percent by 2010 will open up more optimal warehouse configurations for companies because interstate movement of goods becomes easier. We see a consolidation of depot networks towards fewer, larger depots post the CST transition in 2010 – a typical example being consolidation of three depots in Delhi, Gurgaon and Noida to one.

And of course, this will require organisations to break out of the traditional functional (potentially siloed) approach and migrate to a value-chain based approach that translates into increased collaboration across teams (such as sales and supply chain) and an integrated route to market strategy. This transformation will lead to innovative solutions changing the distribution landscape in the country.

So what does the future of consumer product distribution landscape in India look like? There will be fewer, larger and more sophisticated distributors. Some consumer product companies are already implementing aggressive distributor consolidation and others are actively contemplating the same.

Distributor's role will get unbundled: Today the distributor sells and delivers last mile logistics. Increased selling sophistication requirements and the gradual emergence of a robust third party logistics industry in the country is driving specialization leading to the segregation of the selling and logistics roles. Already the industry is witnessing experiments in this direction.

ARTICLE 18.

Changing Channels: The Impact of the Internet on Distribution Strategy
by Leyland Pitt, Pierre R. Berthon, Jean-Paul Berthon
Source: Business Horizons
Published on February 21, 2013
by Brafton Editorial

A new medium—the Internet and World Wide Web—is changing distribution channels like no other force since the Industrial Revolution. It is modifying many of the assumptions on which channel structure is based, and in some cases it is transforming and even obliterating channels themselves. As a result, many intermediaries will die out, while new channels and intermediaries will take their place. There are three essential purposes of distribution channels: to support economies of scope, to routinize transactions, and to search for information essential to both producer and consumer. However, the Internet and Web have brought about the death of distance, the homogenization of time, and the irrelevance of location. A matrix model of these developments, arrayed versus distribution channel functions, provides a guide to identifying which traditional channels will either undergo transformation or perish and where new channels will emerge. The matrix model suggests how existing firms and entrepreneurs can perform their distribution functions more efficiently. It enables identification of competitors poised to use the media to change the rules of the marketplace. Finally, it helps managers brainstorm ways in which an existing industry can be vulnerable and a totally new one defined.
For several months, marketing experts have shouted at the top of their lungs that 2013 is the year of mobile. However, businesses shouldn’t transition their marketing budgets toward the practice just yet. According to a Forrester Consulting poll of 155 enterprise executives, commissioned by Aquent, lack of mobile marketing ROI **prevents the practice** from earning the spotlight. But that doesn’t stop mobile from serving as a content distribution tool ... nor does it predict the channel’s future.

Similar to **content marketing**, which struggled to earn the trust of executives from the start, mobile marketing has the potential to change how businesses distribute digital media to consumers. It’s also clearly a new avenue on which content marketers can leverage their creative efforts.

Of the marketing professionals surveyed by Forrester, approximately 68 percent say they continuously need to prove that mobile marketing can generate returns before they hire additional talent to support growth. Businesses expanding their internet marketing efforts take caution over mobile technology, and some key executives remain critical of the channel’s ability to turn a profit. Thirty percent of survey respondents say they must earn executive support for mobile before they can proceed with future campaigns.

The struggle to convince executives to experiment with mobile technology is reminiscent of content marketing’s rise to fame.

Mobile marketing spend has hit a stalling point – 45 percent said they expected that their budgets increased slightly last year. Fifteen percent of respondents predicted a significant increase. The struggle to convince executives to experiment with mobile technology is reminiscent of content marketing’s rise to fame. Before content creation became standard practice for brands online, marketers struggled to encourage decision makers to jump on board, but studies from the Content Marketing Institute show the leaps of faith paid off.

In 2012, 55 percent of B2Cs and **54 percent of B2Bs** increased their content marketing budgets. How did these investments pan out? **Fifty-seven percent of B2Cs** and 59 percent of B2Bs say the efforts effectively engaged audiences and helped achieve set goals. In some cases, content marketing led brands to establish themselves within their niche fields and allowed marketers to create online narratives to support their products and services.

While businesses shouldn’t break the bank on full-fledged mobile marketing campaign without any indication it will work, early adopters gain insights that help them achieve greater success down the line. Perhaps starting off small could help – begin using mobile as a channel to deliver email content to prospects, and see if the ROI meets expectations. In some cases, mobile marketing may work best as part of an overlapping strategy, distributing deals, promotions and branded content to new and existing customers.
The Journal of Marketing Channels is the first and only professional marketing journal to focus exclusively on distribution systems, strategy, and management. The journal recognizes the growing importance of distribution as a key strategic variable in marketing management. Indeed, if one looks realistically at the major strategy variables of the marketing mix--product, price, promotion, and distribution--the greatest potential for achieving a competitive advantage now lies in distribution. The reason? Rapid technology transfer has made product advantages increasingly difficult to maintain. International operations seeking lower costs have made price advantages much harder to sustain because everybody seems to be "playing the same game." Even promotion, which relies so heavily on mass media advertising, has become a battle of who can spend the most money. But distribution still offers a new frontier for competing successfully especially if the emphasis is placed on the design and management of superior marketing channel systems to provide excellent customer service. A competitive advantage gained through better distribution is not easily copied by the competition and hence becomes a long-term sustainable competitive advantage. Yet designing optimal marketing channel systems, formulating innovative distribution strategies, and managing marketing channel systems effectively is no simple task. In fact, professional marketing expertise of a very high order is required to meet these challenges. The Journal of Marketing Channels helps provide the knowledge and tools needed to develop superior distribution systems, strategies, and management. Leading authorities from around the world present the most up-to-date and in-depth thought, analysis, and research on these topics in this refereed international quarterly journal. Marketers interested in doing a better job of making products and services available to customers through more effective and efficient marketing channels will find the Journal of Marketing Channels to be exactly what they are looking for. Marketing professionals in manufacturing firms, wholesalers, retailers, sales agents, manufacturers representatives, brokers, franchises, service organizations, and any other participants in marketing channels are sure to find much of value in every issue. Each article provides solid information, insights, or tools of analysis for dealing with such crucial marketing channel issues as: How will changing economic, competitive, and technological developments affect marketing channels? How can marketing channels be designed to provide superior customer service while enhancing profitability? How can effective channel partnerships be created through the selection of channel members? How can distributors, dealers, and other channel members be motivated to do a more effective selling job? * How can the performance of marketing channels be evaluated more accurately and effectively? How can cooperation in marketing channels be fostered and conflict reduced? How can marketing channel strategy be used to gain a competitive advantage? How can marketing channels be used to gain access to international markets?