



# Libyan International University

## Place Distribution

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# Define Distribution

According to Philip Kotler- **“Every producer seeks to link together the set of marketing intermediaries that best fulfill the firm’s objectives. This set of marketing intermediaries is called the marketing channel, also trade channel or channel of distribution.”**

# Types of Intermediaries

## I: Agents/Brokers

- Agents or brokers are individuals or companies that act as an extension of the manufacturing company. Their main job is to represent the producer to the final user in selling a product. Thus, while they do not own the product directly, they take possession of the product in the distribution process. They make their profits through fees or commissions.



## 2:Wholesalers

- Unlike agents, wholesalers take title to the goods and services that they are intermediaries for. They are independently owned, and they own the products that they sell.



# retailer

A business or person that sells goods to the consumer, as opposed to a wholesaler or supplier, who normally sell their ...



BusinessDictionary



3: Distributors function similarly to wholesalers in that they take ownership of the product, store it, and sell it off at a profit to retailers or other intermediaries.





# Factors Affecting the Choice of Distribution Channel



## 4:Importance of Distribution

- They create exchange efficiency by reducing the number of contacts needed.
- The distribution channels can perform many functions like transportation, storage, selling, scale of operation and advertising better than the manufacturers.
- Large manufacturing companies can reduce their costs and time required to reach their products with the help of distribution channels.
- These can offer promotion and financial support.

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**THE END  
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