



INDIAN SCHOOL AL WADI AL KABIR

Class: XII	Department: Commerce
Subject: Marketing	Part I – Subject Specific Skills
Worksheet: 02	Chapter 3: Place and Distribution

1. An intermediary bought goods from the producer with the intention of selling at a profit but Government announced a decision due to which price of product fell down which can lead to loss. All the participants in the distribution channel must assume such risk of loss.

Identify the function of intermediary from the above given case.

Ans: Transactional function

2. Eureka Forbes, the company which markets vacuum cleaners and water purifying equipment. It believes that if the market is in the customer's house, the best way to get there is to knock at the door. The company has clearly demonstrated that door-to-door selling can be effective in Indian conditions. One benefit of this method is that the company has complete control over the product, its image at all stages and the user experience.

Identify the channel of distribution adopted by Eureka Forbes.

Ans: Direct Channel

3. Maruti Udyog selling its cars through its NEXA company owned showrooms is direct channel.

State whether the given statement is True or False

Ans: True

4. Dell Computers was founded by a college freshman Michael Dell. By 1985, the company had developed its unique strategy of offering 'made to order'. Along with a superior supply chain and innovative manufacturing, unique distribution strategy adopted by the company acted as a differentiator. Identifying and capitalizing on an emerging market trend.

Dell became a strong direct seller, by using mail-order systems before the spread of the internet. After the internet became more mainstream, an online sales platform was also established. Early on in manufacturer consumers the internet era, Dell began providing order status reports and technical support to their customers online. Through careful analysis of the target market, a study of available channel options and effective use of a novel idea, Dell computers managed to reach early success in its industry.

Identify the channel of distribution adopted by Dell.

Ans: Direct channel

5. Consumer goods like oils, cloths, sugar, pulses and soaps etc sold through nearby retail outlets also called mom and pop shops.

Identify the level of distribution highlighted in the above case.

Ans: Two level channel of distribution

6. Arun is a manufacturer of premium quality plastic toys and swings on a large scale which can be used by the schools exclusively. What factors should he take into consideration while selecting the channel of distribution suitable for his business?

7. For expensive and exclusive goods, which channel (long / short) is more suitable and why?
2 marks (SQP 2021-22)

Ans: Direct/short channels will be used for expensive and exclusive goods.

This will help in reducing prices to be paid by the consumers. It will also help minimize risk.

8. Name the channel of distribution in which goods are sold directly to the consumers online.

Ans: Direct Channel

9. Who provides necessary information to buyers in addition to after sales service and financial assistance? **(BP 2022-2023)**

Ans: Retailer

10. Which channel of distribution will be selected by the manufacturer if he deals in the following items and why? **(BP 2022-2023)**

a. Perishable goods

b. Diamonds