

**Kotler  
Keller**

**Designing and  
Managing  
Integrated Marketing  
Channels**



# Chapter Questions

- What is a marketing channel system and value network?
- What work do marketing channels perform?
- How should channels be designed?
- What decisions do companies face in managing their channels?
- How should companies integrate channels and manage channel conflict?



# What is a Marketing Channel?

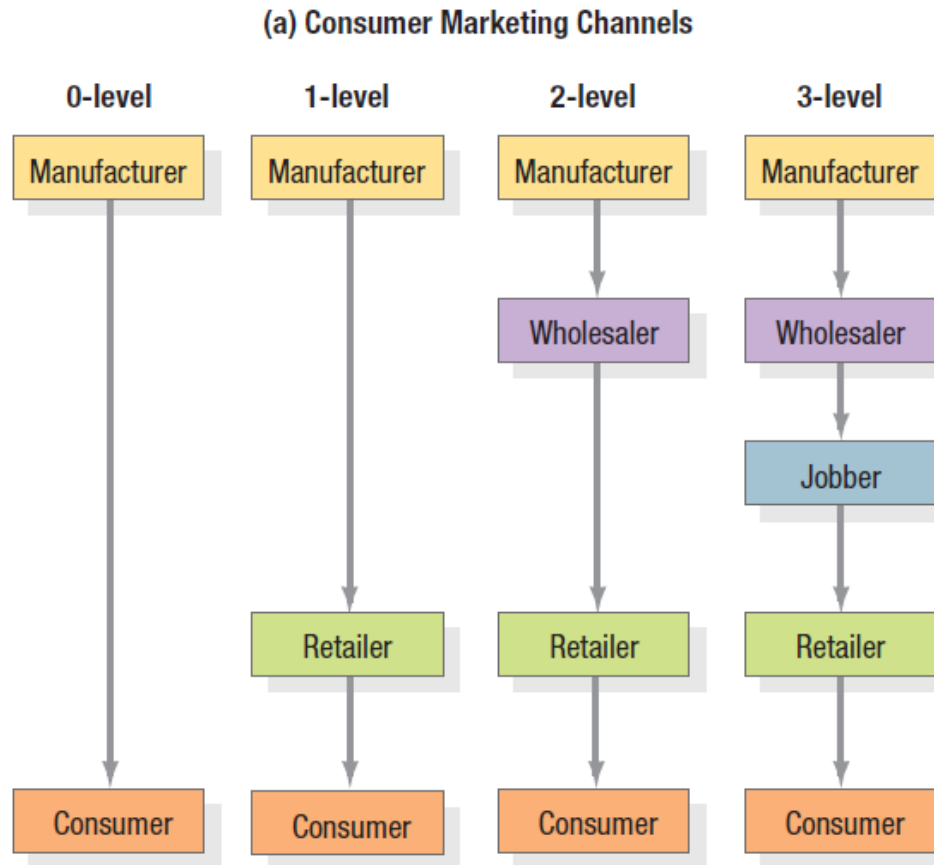
A **marketing channel** system is the particular set of interdependent organizations involved in the process of making a product or service available for use or consumption.



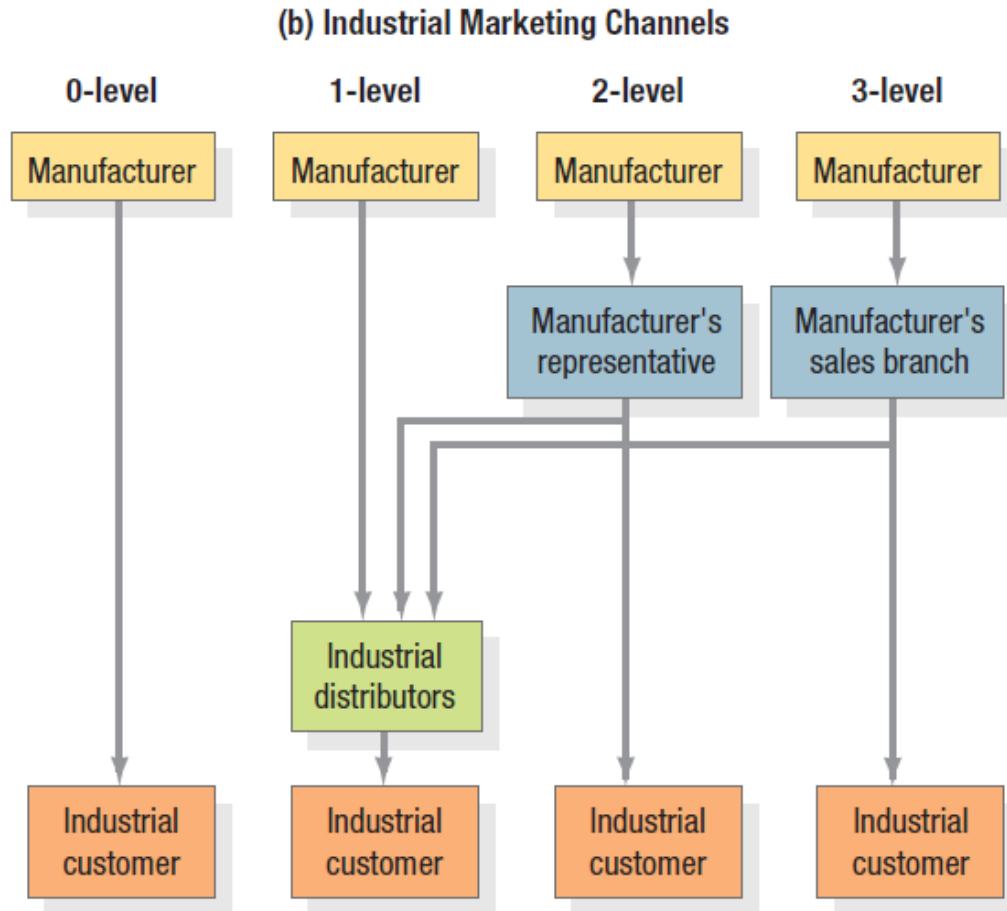
# Channels and Marketing Decisions

- A **push strategy** uses the manufacturer's sales force, trade promotion money, and other means to induce intermediaries to carry, promote, and sell the product to end users
- A **pull strategy** uses advertising, promotion, and other forms of communication to persuade consumers to demand the product from intermediaries

# Figure 15.2 Consumer Markets



# Figure 15.2 Industrial Markets





# Designing a Marketing Channel System

- Analyze customer needs
- Establish channel objectives
- Identify major channel alternatives
- Evaluate major channel alternatives



# Number of Intermediaries

- Exclusive
- Selective
- **Intensive** – AVAILABLE AT ANYWHERE AND ANYTIME MCM BRG  
KEPERLUAN





# Channel-Management Decisions

- Selecting channel members
- Training channel members
- Motivating channel members
- Evaluating channel members
- Modifying channel members



# Channel Power

Coercive

Reward

Legitimate

Expert

Referent



# Channel Conflict

- Vertical Channel Conflict
- Horizontal Channel Conflict
- Multichannel Conflict



# Causes of Channel Conflict

- Goal incompatibility
- Unclear roles and rights
- Differences in perception
- Intermediaries' dependence on manufacturer