



## Type of Intermediary

- We will use retailers for our intermediary.
- Retailers are intermediaries that sell directly to consumers (Kerin & Hartley, 2016, p. 300).

#### Why a retailer?

- We want to use an indirect channel to get our backpacks to consumers. This will allow us to keep fixed cost low.
- These channels will include college bookstores and Amazon.
- We will not use a 'wholesaler *and* a retailer' because our product is not purchased frequently by consumers, which is typical for products using both types of intermediaries in their channel.

### Marketing Channel

ationale:

- **Does the channel fit the target consumer?** College Book stores and Amazon platform are both perfect fit to our target customers who are college students.
- Fit the brand postioning? ????
- Good fit for our organization? Since we are newly established company we start small. Possibility of individual negotiation in small quantities would be very important for us.
- Can we make a profit through this channel? Amazon's individual selling plan costs \$0.99 per item and for those sellers who sell more than 40 items per month, there is professional selling plan that costs \$39.99 per month. It is efficient and effective channel for us, considering the exposur to millions of Amazon customers.

How will channel activities be coordinated?

- Require alternative channel systems?
  - If so, which ones & why?

# Channel Design Decisions

- Channel design decisions:
- Rationale for market exposure



We (will) have UPS and USPS business account and it will be our main logistics system.

