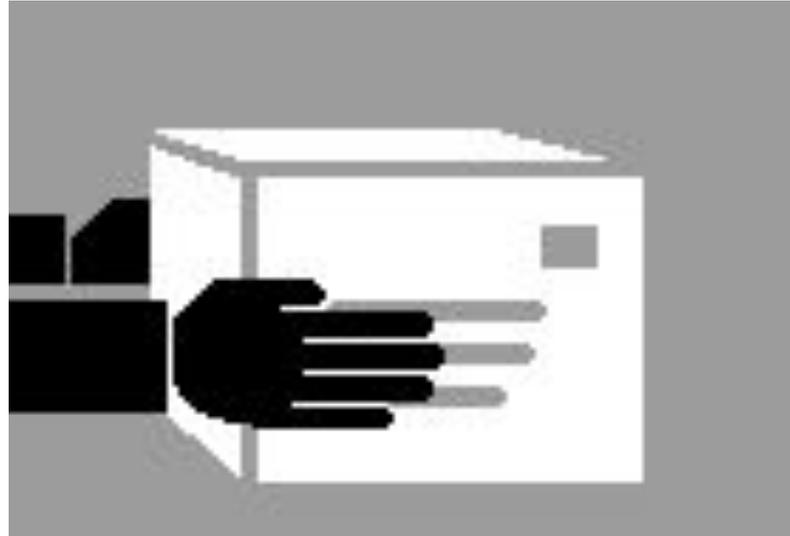
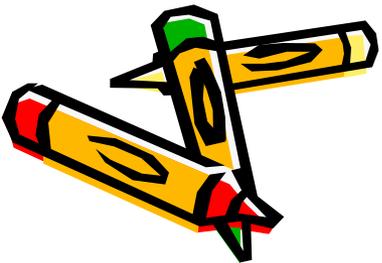


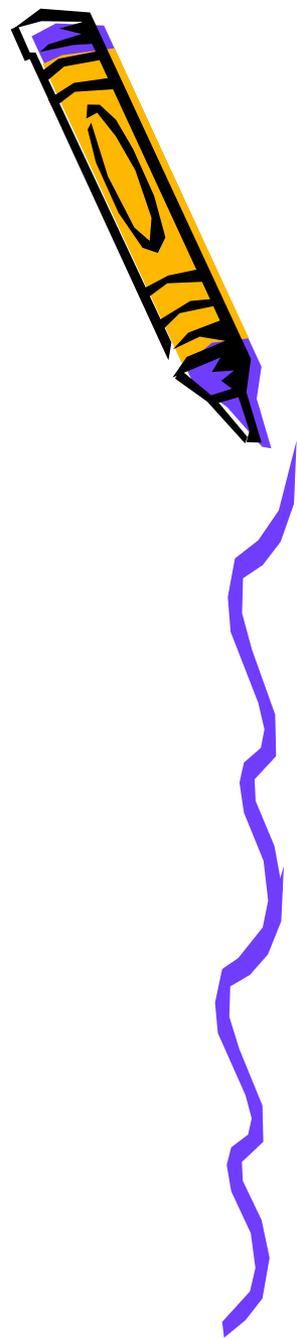
International Marketing



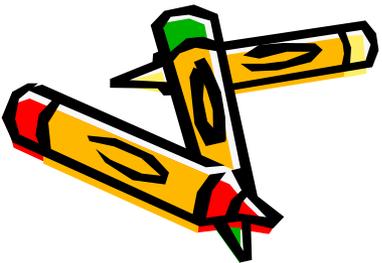
Chapter 10

Global Place Decision

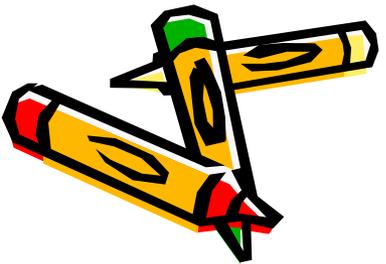




- **Distribution channel**
- **Global place decisions**
- **Physical distribution and logistics**



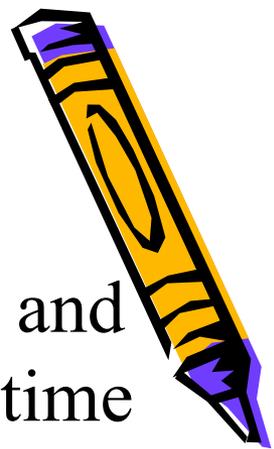
CASE



© 2002 Nike, Inc. All rights reserved.

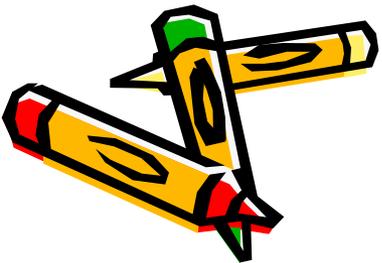
www.nike.com

A .Distribution channel



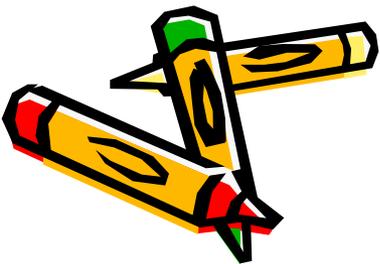
A **channel** is an institution through which goods and services are marketed. Channels give place and time utilities to consumers.

Once you have committed to exporting and have selected the market(s) to enter, it is time to determine who will sell your product, how they will sell it and how it will be distributed.



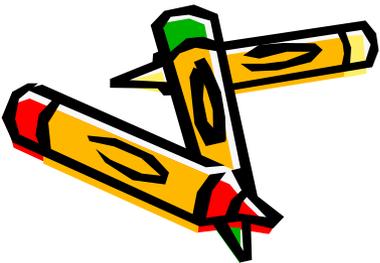
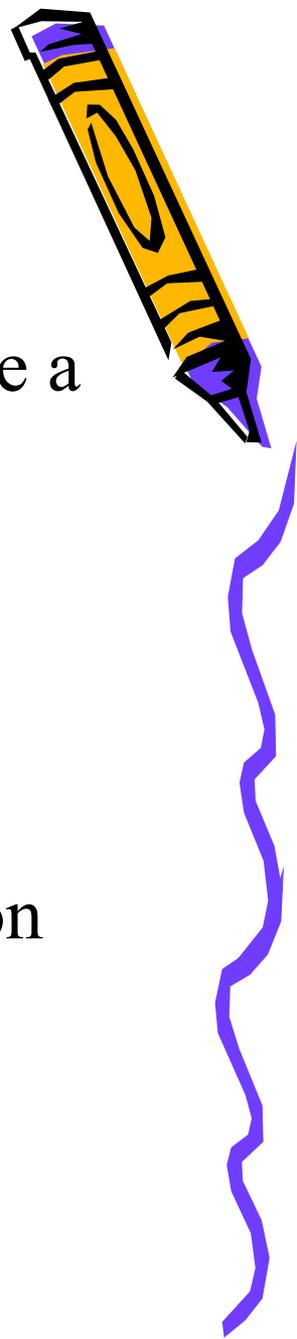
Distribution channel is the systems that link manufacturers to customers. It may be an on-site store, a virtual store, a retailer, a wholesaler, an agent, a telemarketer or direct mail.

Wholesalers and retailers are the distribution channel to get their products to a specific group of people. Wholesalers market items to business owners that will in turn sell the products to consumers. Retailers sell products directly to consumers.



Distribution is **critical** to the overseas operations because:

1. **It has a direct effect on sales.** If you don't have a good distribution network, your products may stack up in a warehouse and won't reach your target customers.
2. **It affects your profits as well.** As distribution costs can make up to 50% of the final selling price of some products, an efficient distribution network can increase your profit margins.



B. Global place decision



Direct Channel

Producer



Consumers or Industrial User

Retailer Channel

Producer



Retailers or Industrial Distributor



Consumers or Industrial User

Indirect Channels

Wholesaler Channel

Producer



Wholesalers



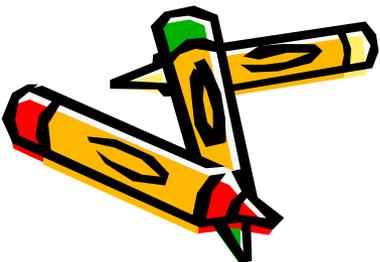
Retailers or Industrial Distributor



Consumers or Industrial User

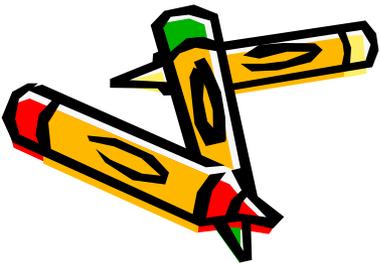
1. Direct Channel

In this method, the company interacts with its customers **directly without any intermediaries**. Mail orders, the Internet and phone calls are some of the ways your potential customers can learn about your products and make purchases.



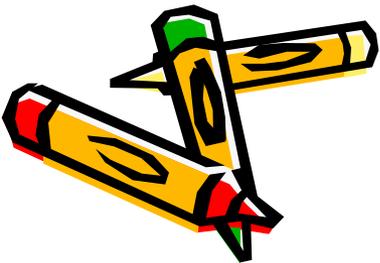
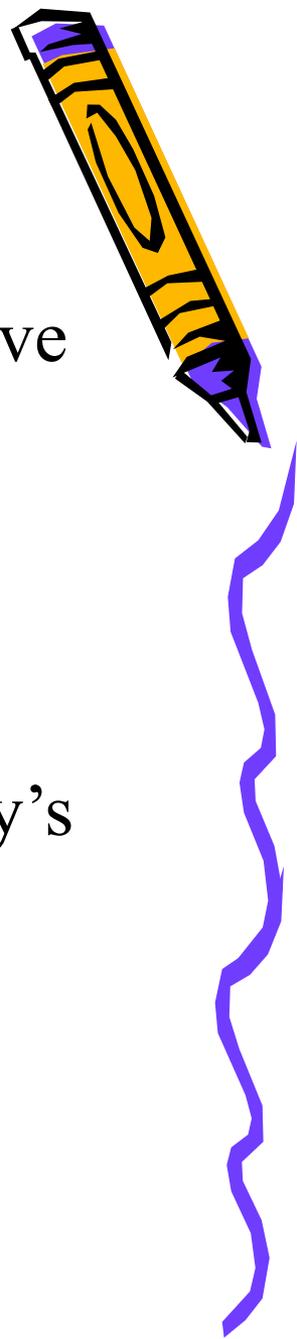
□ Direct marketing

It is a channel-agnostic form of advertising that allows businesses organizations to communicate straight to the customer, with advertising techniques that can include Cell Phone **Text messaging**, **email**, interactive consumer **websites**, online display ads, **fliers**, **catalog** distribution, promotional **letters**, targeted **television** commercials, response-generating **newspaper/magazine** advertisements, and outdoor advertising

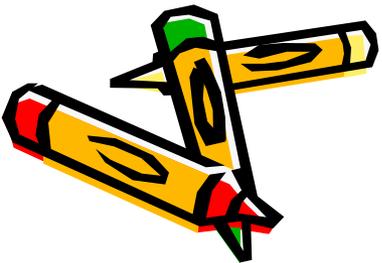


eg. The growth of the **Internet** has increased competition tremendously and opened up the doors to international business. Companies have developed a web presence to keep themselves ahead or in line with their competitors internationally.

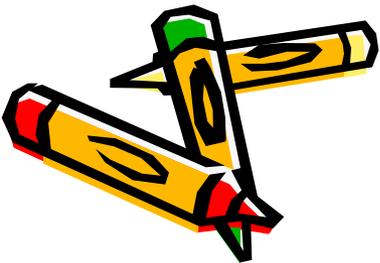
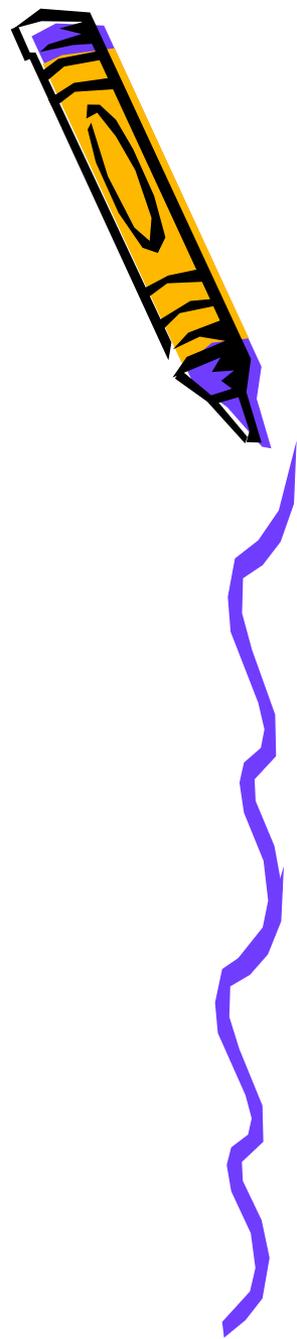
There are a number of **reasons** why a company's web presence is becoming an increasingly important tool to reach global markets.

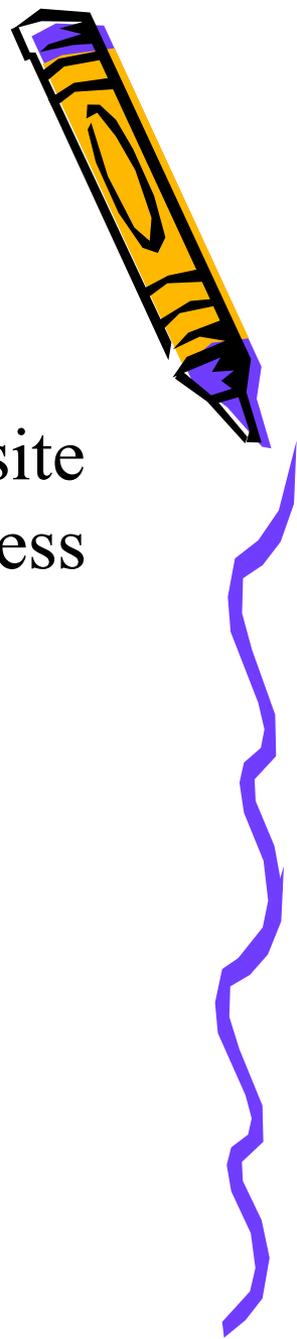


- *Internet Population* - Internet access is increasing in regions throughout the world. 533 million people have access to the Internet.
- *E-commerce Growth* - According to International Data Corporation (IDC), the U.S. accounts for approximately 40% of all money spent online

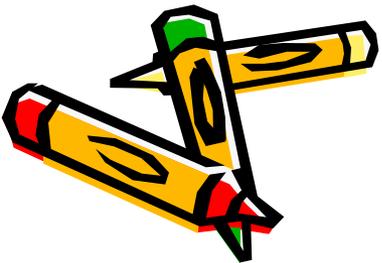


- *Demand for Products and Services* - Regions throughout the world are realizing the enormous information resource the Web is and are interested in content, and products and services that their own regions do not provide.
- *Online Payment* - local currencies can be used



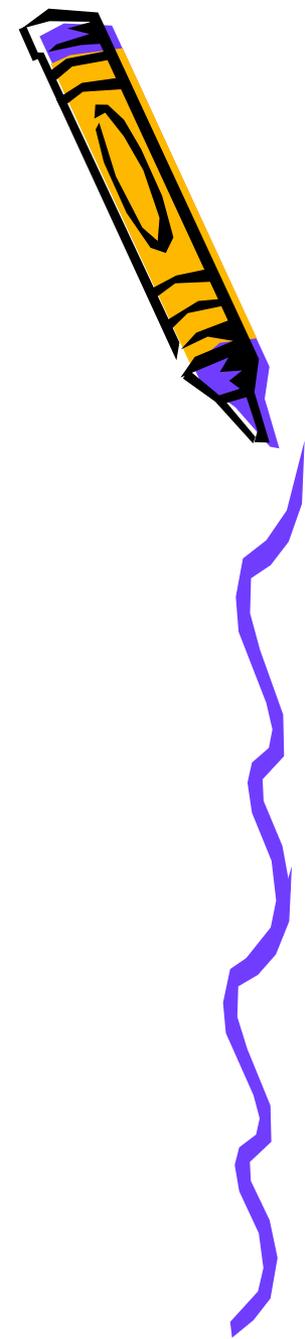
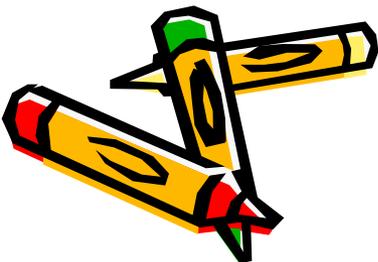


- *Marketing and Advertising* - it can gain international audiences.
- *Increased Sales and Reduced Costs* - A web site provides an avenue through which to gain access to a large audience without spending a lot of money.



CASE 1

How to buy a product from
US through internet?



Shop by Department ▾

Search

All ▾

Go

Hello, [Sign in](#) [Your Account](#) ▾

[Join Prime](#) ▾

[Cart](#) 0



来自中国的顾客? [请访问](#)
Shopping from China? [Visit](#)

亚马逊
amazon.cn

> [立即购买](#)

[Instant Video](#)

[MP3 Store](#)

[Cloud Player](#)

[Kindle](#)

[Cloud Drive](#)

[Appstore for Android](#)

[Digital Games & Software](#)

[Audio](#)

kindle

Available now at Amazon.cn

Kindle Paperwhite

[Shop now](#)

Kindle Fire HD

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Watch movies tonight

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- [Your Account](#) 点击Sign in开始注册
- [Your Orders](#)
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[Manage Your Kindle](#)

[Your Cloud Player](#)
Play from any browser

[Your Cloud Drive](#)
5 GB of free storage

[Prime Instant Videos](#)
Unlimited streaming of thousands of movies and TV shows

[Your Video Library](#)

[Your Games & Software Library](#)

[Your Android Apps & Devices](#)

Adver
new co
en.barduc

Sign In

What is your e-mail address?

My e-mail address is:

← 填上你的邮箱

Do you have an Amazon.com password?

← 新注册选择这里

No, I am a new customer.

Yes, I have a password:

[Forgot your password?](#)

← 如果你有账号了, 选择这里并在后面框里填上密码

← 点击确认

Sign In Help

Forgot your password? [Get password help.](#)

Has your e-mail address changed? [Update it here.](#)

amazon

ye's Amazon.com Today's Deals Gift Cards Sell Help

From K-12 through College
Back-to-School Savings

Shop by
Department ▾

Search All ▾

Go

Hello, ye
Your Account ▾

Join
Prime ▾

Cart ▾

Wish
List ▾

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点击your account进入账号设置

Welcome to Amazon, ye lan bing.

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Amazon Betterizer

Take a minute to improve your shopping experience by telling us which things you like. This helps us provide you with more personalized product recommendations.

[Learn more](#)

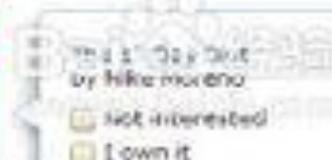
You've liked 0 items

[Refresh and show different items](#)



[Show my new recommendations](#)

Books



Digital
Digitalized Zoom
HD Video

Quantity: 1



Yes, I want **FREE Two-Day Shipping** with [Amazon Prime](#)

放入购物车



Add to Cart

or

[Sign in](#) to turn on 1-Click ordering.

Add Accessories



2-Year Drops & Spills Warranty
\$12.91

p available.

rs 44 mins and
ls

加入收藏清单

Add to Wish List

, 5x Optical Zoom,

utton

s

Sell Us Your Item

For up to a **\$35.65** Gift Card

Trade in

这里填的收货地址就是转运公司提供的地址

Enter a new shipping address

When finished, click the "Continue" button.

Full Name:

Yishao YIDEI 姓名后面是标识码,别忘了填

Address Line1:

2422 LEE AVE. #242588 地址

Address Line2:

Apartment, suite, unit, building, floor, etc.

City:

SOUTH EL MONTE 城市

State/Province/Region:

CALIFORNIA 州

ZIP:

91733 邮编

Country:

United States 国家

Phone Number: (Learn more)

626 760 1345 电话

Optional Delivery Preferences (What's this?)

Address Type:

Select an Address Type 这里两项默认不用选和填

Security Access Code:

For buildings or gated communities

Is this address also your billing address (the address that appears on your credit card or bank statement)?

- Yes
- No (If not, we'll ask you for it in a moment.) 这里选NO

Sending items to more than one address?

- Add Another Address

美西加州洛杉矶(LAX)收货地址 (New)

名 (First Name) : ● 姓 (Last Name) : zhuo YIDEI

地址 (Address) : 2422 LEE AVE. # 242588 城市 (City) : SOUTH EL MONTE

州 (State) : CALIFORNIA 邮编 (Zip Code) : 91733 电话 (Tel) : 626-768-1345

注: 奶粉, 食品类免税, 收件代号不能使用时, 请在LAST NAME后面添加收件标示。

美西OREGON免税州(ORG)收货地址

名 (First Name) : ● 姓 (Last Name) : zhuo YIDEI

地址 (Address) : 18730 SW Henning Ct # 242588 城市 (City) : Beaverton

州 (State) : OR 邮编 (Zip Code) : 97006 电话 (Tel) : 626-768-1345

注: 3个工作日到加州仓库, 每磅加收1美元转运费。原OR收件地址已停用!

美东DELAWARE免税州(DEL)收货地址 (New)

名 (First Name) : ● 姓 (Last Name) : zhuo YIDEI

地址 (Address) : 88 QUIGLEY BLVD. # 242588 城市 (City) : NEW CASTLE

州 (State) : DELAWARE 邮编 (Zip Code) : 19720-9003 电话 (Tel) : 626-768-1345

注: 美东免税州, 直接发货, 无需中转。收件地址邮编更新, 19270后面请加上9003。

Choose your shipping options 选择运输方式

Continue

点击确认

Shipment 1 of 2

Shipping from Amazon.com (Learn more)

Shipping to: yi zhao YIDEI, 2422 LEE AVE # 242588, SOUTH EL MONTE, CALIFORNIA, 91733-1408 United States

- Canon PowerShot A2300 16.0 MP Digital Camera with 5x Digital Image Stabilized Zoom 28mm Wide-Angle Lens with 720p HD Video Recording (Red)
\$79.00 - Quantity: 1
Sold by: Amazon.com LLC

Change quantities or delete

Shipment 2 of 2

Shipping from SquareTrade (Learn more)

Shipping to: yi zhao YIDEI, 2422 LEE AVE # 242588, SOUTH EL MONTE, CALIFORNIA, 91733-1408 United States

- SquareTrade 2-Year Camera Accident Protection Plan (\$75-100)
\$12.91 - Quantity: 1
Sold by: SquareTrade

Change quantities or delete

Choose a shipping speed

FREE Two-Day **FREE Two-Day Shipping on this Order.** Get fast, free shipping on this order by selecting "FREE Two-Day Shipping with a Free Trial of Amazon Prime" below.

- FREE Two-Day Shipping with a free trial of Amazon Prime™ —get it Wednesday, July 31 (Learn more)
- FREE Super Saver Shipping (5-8 business days)
- Standard Shipping (3-5 business days) 普通方式
- Two-Day Shipping —get it Wednesday, July 31
- One-Day Shipping —get it Tuesday, July 30

Choose a shipping speed

- Standard (3-5 business days)

Place your order

确认付款

Order summary

Items:	\$79.00
Shipping & handling:	\$0.00
<hr/>	
Total before tax:	\$79.00
Estimated tax to be collected:	\$7.51

Order total: \$86.51



Search All

Go

Hello, ye
Your Account

Your Prime

Cart

Wish List

Your Account | Your Orders

Orders Listed By Date | Open Orders | Digital Orders

Search Your Orders: Title, Department, Recipient

Search Orders

Orders placed in: past 6 months

1 order placed in the last 6 months

ORDER PLACED

July 27, 2013

Order Details Invoice

ORDER #105-9307691-

903059

RECIPIENT yi zhao YDEI

TOTAL \$96.51

Not yet shipped

DELIVERY ESTIMATE: WEDNESDAY, JULY 31, 2013 BY 8:00PM



Canon PowerShot A2300 16.0 MP Digital Camera with 5x Digital Image Stabilized Zoom 28mm Wide-Angle Lens with 720p HD Video Recording (Red)

Sold by Amazon.com LLC

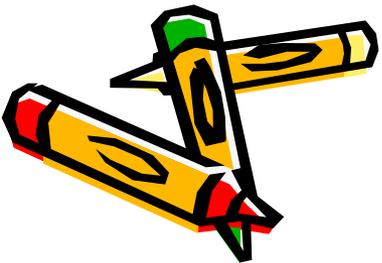
Available Actions

- Your Account
- Your Orders** 查看订单
- Your Wish List
- Your Recommendations
- Your Subscribe & Save Items
- Your Collections
- Manage Your Kindle
- Your Cloud Player
Play from any browser
- Your Cloud Drive
5 GB of free storage
- Prime Instant Videos
Unlimited streaming of thousands of movies and TV shows
- Your Video Library
- Your Games & Software Library
- Your Android Apps & Devices
- Not yet? Sign Out



Any challenge?

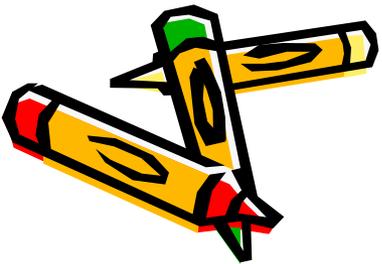
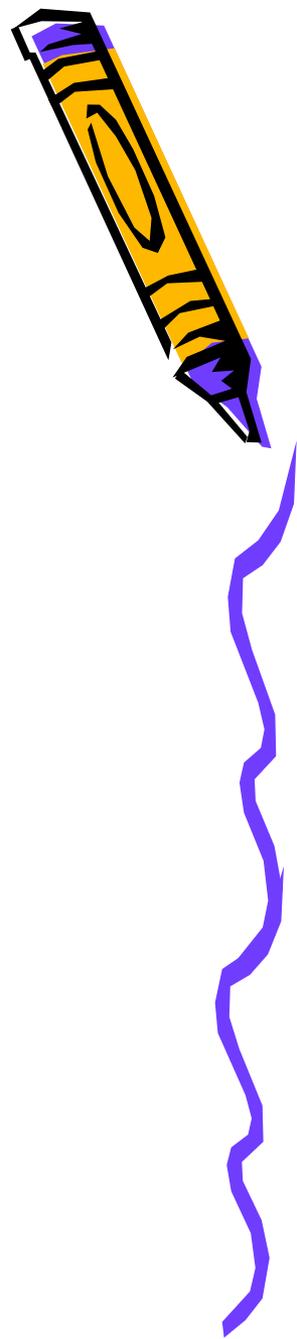
- Language
- Order Fulfillment
- Post Sales Support
 - Time
 - Tariff



粉底及粉底液	盒、支	200	50%	100
睫毛液（膏）	支、瓶	100	50%	50（免税）
指甲油	瓶	20	50%	10（免税）
唇膏	支	150	50%	75
血糖计血压计	个	500	10%	50（免税）
蒸汽仪	台	200	10%	20（免税）
喷雾器	台	400	10%	400
餐具/刀具	个、把	20	10%	2（免税）
炊具/锅	件	100	10%	10（免税）
净水器（含过滤芯）	个	500	10%	50（免税）
净水器过滤芯	个	200	10%	20（免税）
电饭煲	个	500	20%	100
微波炉	台	600	20%	120
家用洗碗机	台	1500	20%	300
电动榨汁机	台	100	20%	20（免税）
咖啡机	台	4000	20%	800
电吹风机	个	200	20%	40（免税）

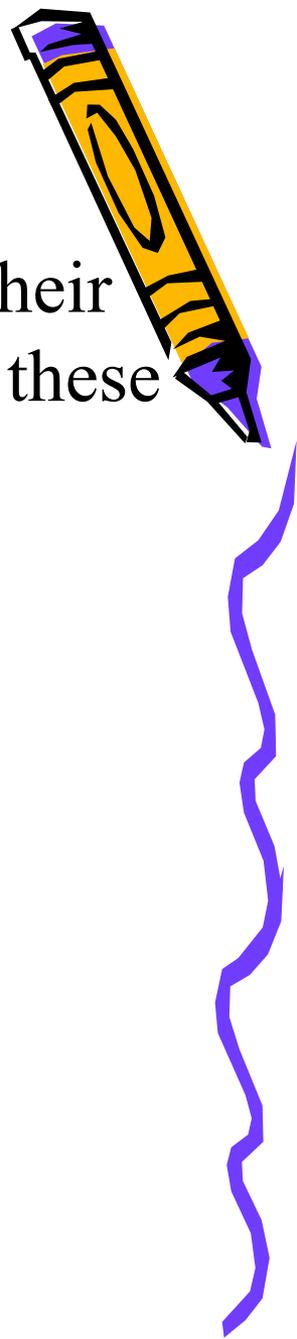
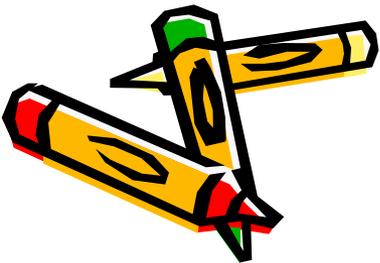
石英表（电子表）	块	200	20%	40（免税）
机械表	块	500	20%	100
座钟、挂钟、台钟	个、台	200	20%	40（免税）
金、银、珠宝及其制品、艺术品、收藏品	件	另行确定	10%	
香水	瓶	300	50%	150
洗面奶/洁面霜	支、瓶	100	50%	50（免税）
眼霜面霜及乳液	支、瓶	200	50%	100
精华液/素	支、瓶	300	50%	150
润唇膏护唇膏	支	20	50%	10（免税）
面膜	张、瓶	20	50%	10（免税）
爽肤水	支、瓶	150	50%	75
护手霜	支、瓶	50	50%	25（免税）
防晒霜（露、乳液）	支	150	50%	75

CASE 2

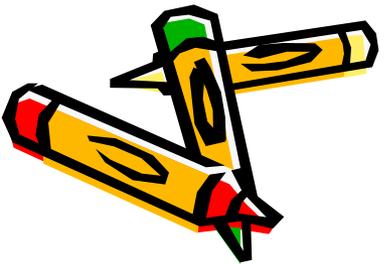


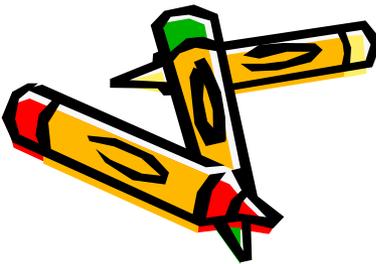
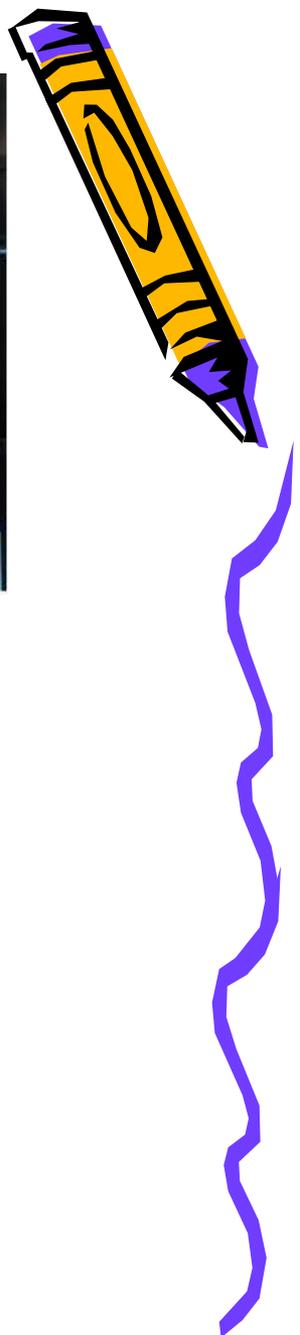
□ Manufacturer-owned store

Also called **Regular Chain**. manufacturers sell their products in their own retail stores, and many of these stores appear to be in direct competition with independent retailers.

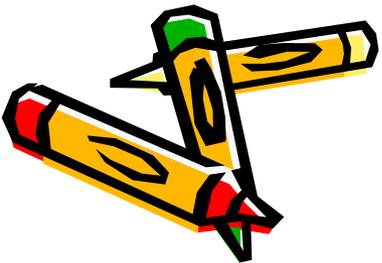


CASE 1



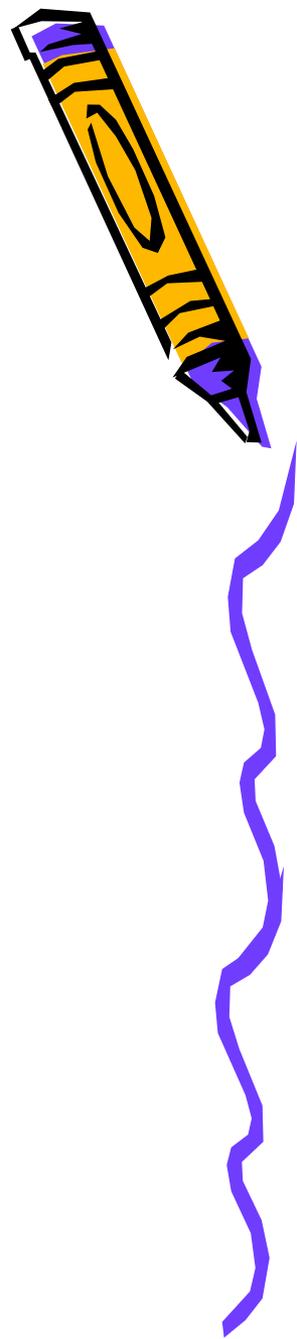
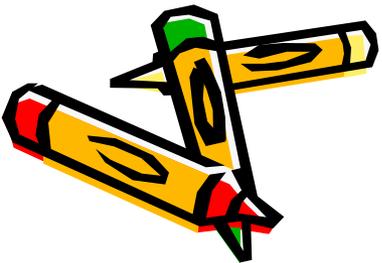


CASE 2



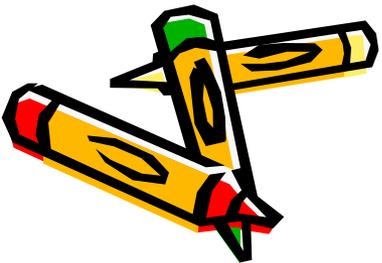
2. Select agent / distributors

Agency selection is a critical area of your Export effort. You need an agent who knows the export market , has influence with the key Buying personnel in the appropriate sectors and knows and is committed to your business.



Commission agent:

The commission agent represents you in the overseas market. He or she sells your product . When the customer pays for the goods, you pay the agent commission on the sale. This varies from 2% to 15% depending on the type of goods being handled. Commission should be included in the price quoted to the customer.



Agents do not accept any legal ownership of the product.

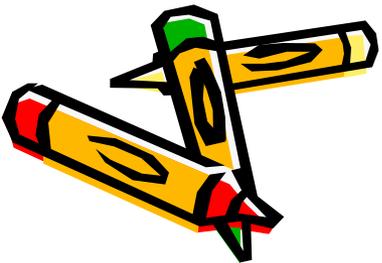
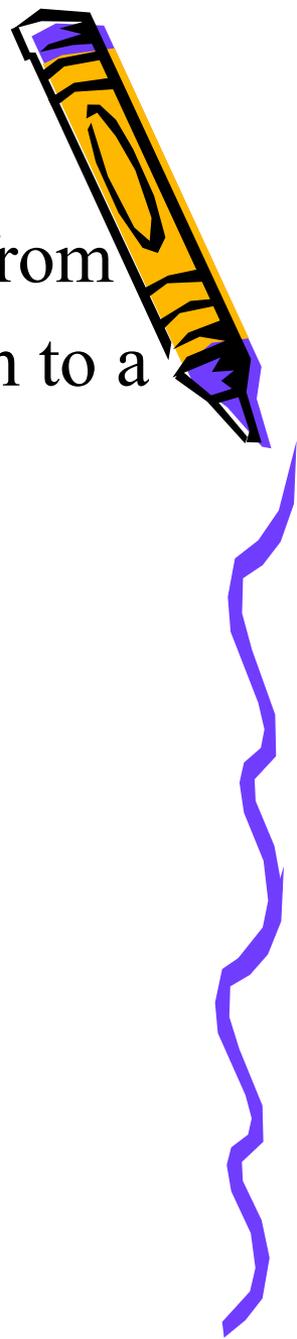
This channel is usually **expensive**, as an agent is expensive to train and the physical distance makes his progress difficult to track.



Importer/distributor:

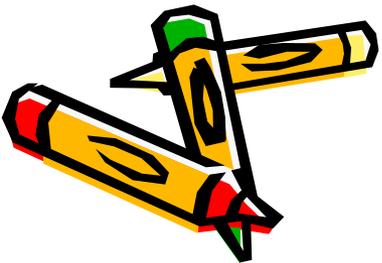
The importer/distributor actually buys the goods from you, stores them in a warehouse and sells them on to a third party. The mark-up is usually around 33%.

Since they take title to the goods, they are free to determine the prices of the goods themselves and develop their own marketing strategies.



Retailers:

Retailers sell to the end customers and are, therefore, able to develop a better bond with them. The retailer takes on the responsibility of promoting the products and often decides the price of the product.



CASE



百丽 >



Callaway >



FOOTJOY >



李宁 >



鳄鱼恤 >



维思诺 >



索菲娅 >



RIZZO >



星期六 >



康威 >



茵奈儿 >



天美意



耐克 >



菲伯丽尔 >

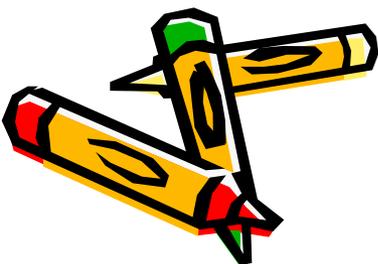


花花公子 >



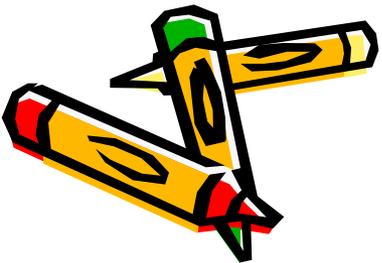
匡威 >

天秀鞋城
天天正品 天天秀
<http://www.tx29.com>

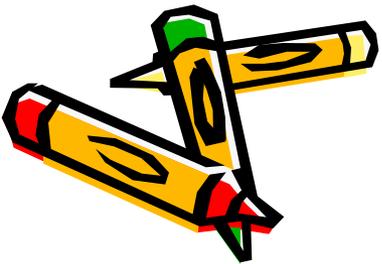
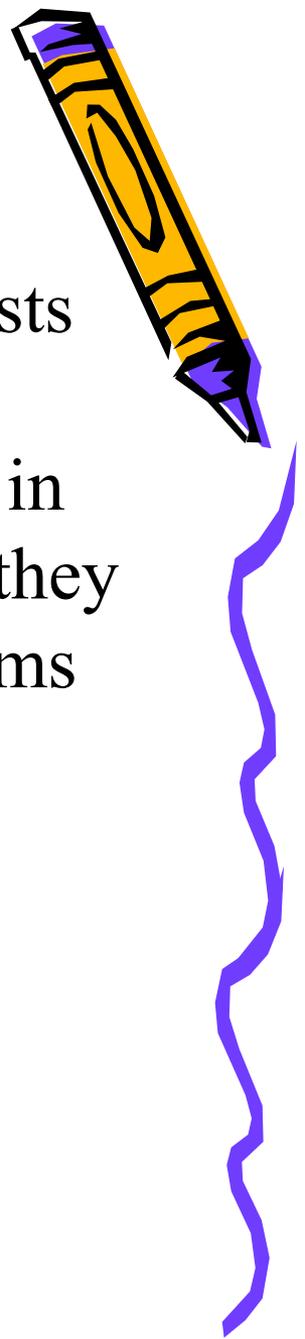


How to choose?

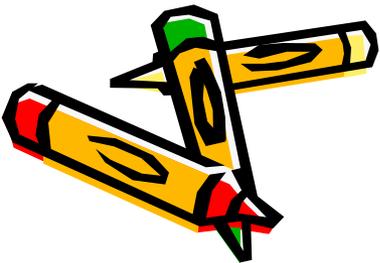
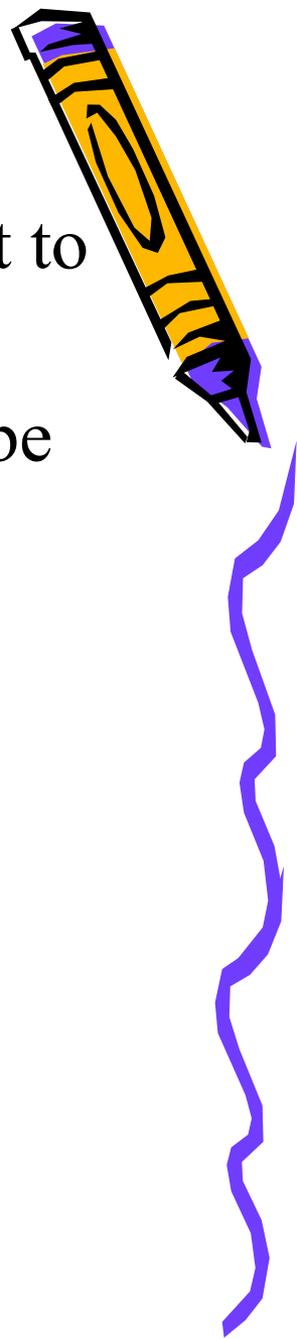
- You should draw up a preliminary list with the assistance of exporters, embassy or export promotion agency offices abroad, or through friends or local Chambers of Commerce and banks. You may also decide to advertise in foreign local press and/or trade journals.



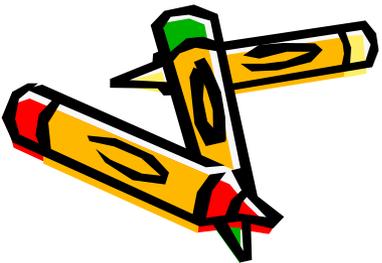
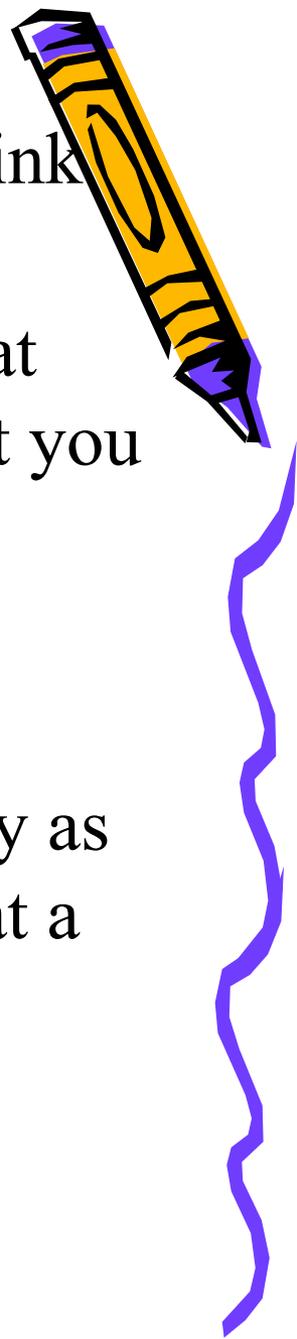
- Then write to the organizations and industrialists on this list, giving your firm's background and export objectives. Check if they are interested in handling your products and services, whether they act for competitors in the market, and their terms of commission.



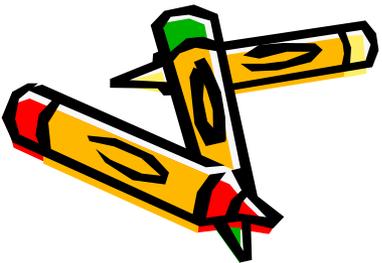
- Their replies should form the basis of a shortlist to be used for interviews when you next visit the market. Trade and bank references should also be sought.



- Agents will only take your product line if they think it will make money for them. They must be convinced that it is a good selling proposition, that your company is efficient and committed and that you can supply sufficient quantities to make handling your account worthwhile.
- Support your agent to make the selling job as easy as possible., keep in close contact and remember that a neglected agent will neglect your product.



Do not rush to sign up with the first distributor or agent who seems interested or has the right contacts and resources. Make sure to build a very clearly defined trial period into the agreement and if possible, incorporate the minimum level of sales you expect from them over a specified period.



6C

Cost

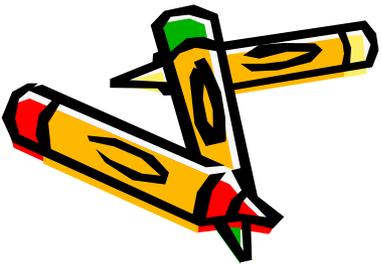
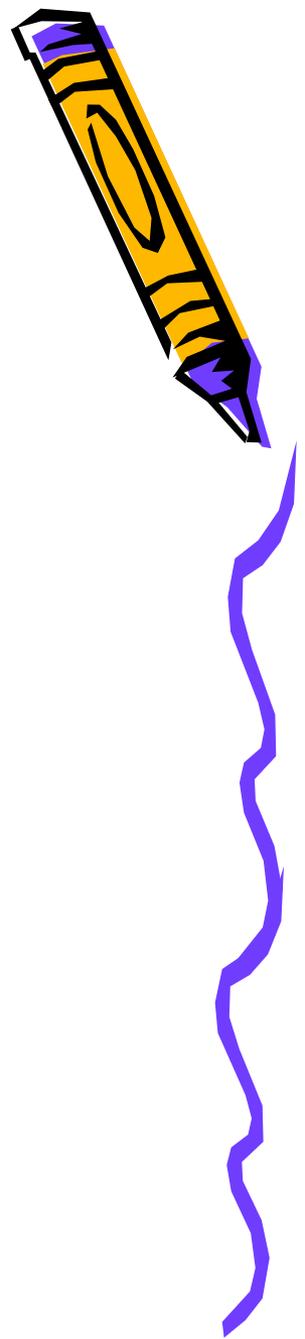
Capital

Control

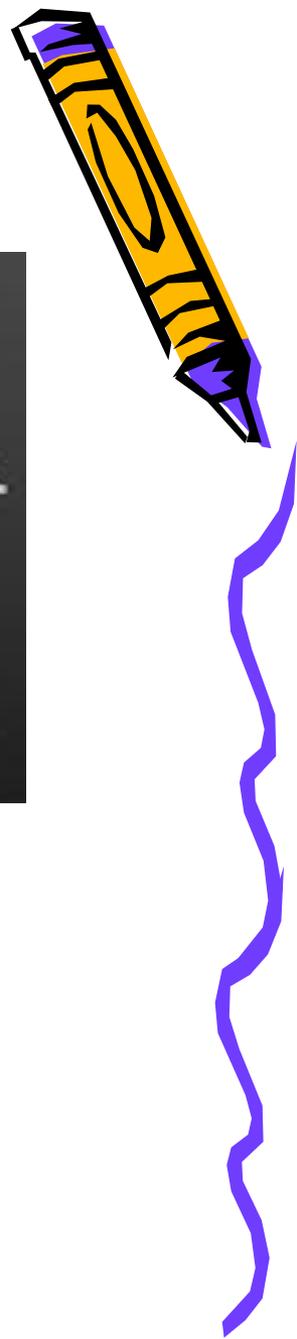
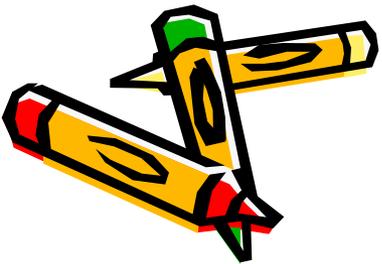
Coverage

Character

Continuity

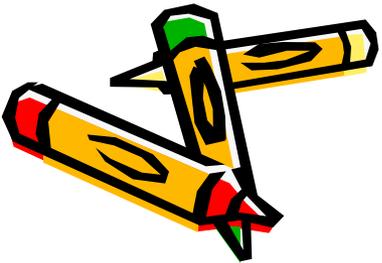
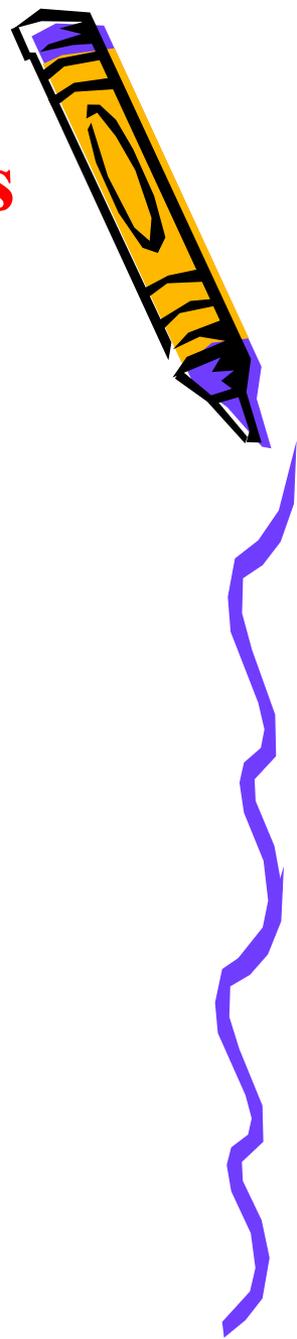


CASE



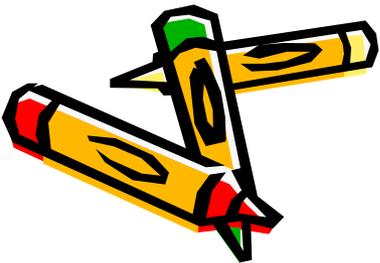
C. Physical distribution and logistics

- Order processing
 - Warehousing
- Inventory Management
 - Transportation

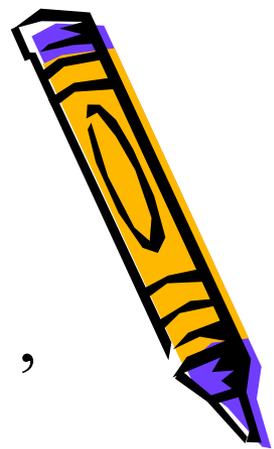


1. Order processing

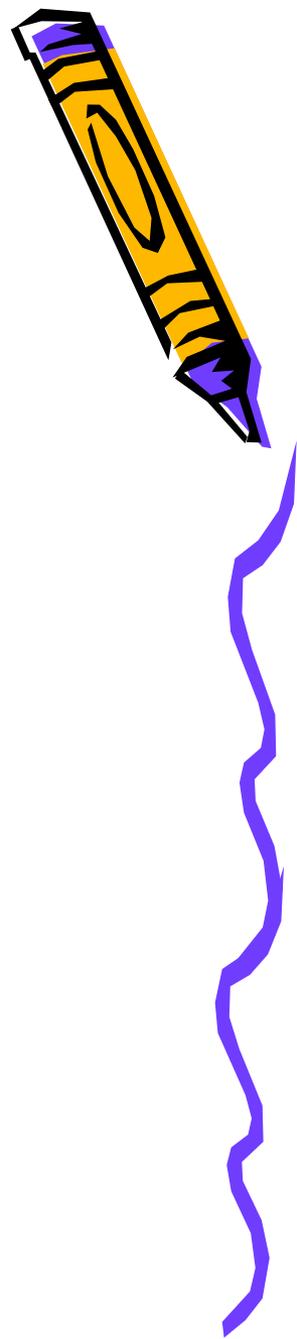
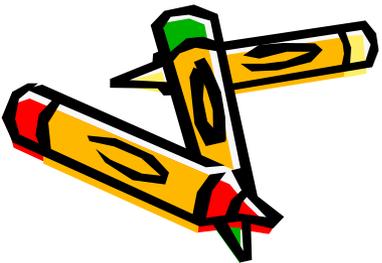
This is the method chosen by the firm to receive orders from the customer. It could be by mail, telephone, through salespeople, or via computer or the Internet. Once received, orders must be processed quickly and accurately then shipped to the customer.



It includes **order entry**, in which the order is actually entered into a company's information system; **order handling**, which involves locating, assembling, and moving products into distribution; and **order delivery**, the process by which products are made available.



CASE 1



CASE 2

预览菜单 Preview Menu

外带全家桶
Bucket



促销
Promotion

全家桶
Bucket

儿童餐
Kids Meal

套餐
Combo

主食
Meal

小食
Snack

配餐
Side Items

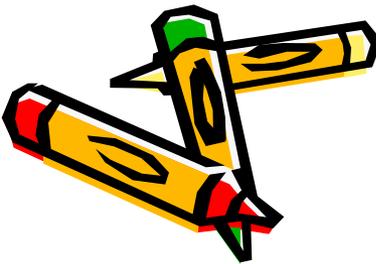
甜点
Dessert

冷饮
Cold Drink

品名Name(点击图片查看图片)	单价Unit Price	份数Quantity	选择Select
蛋挞六只装 Egg Tart 6 pieces			订购 +
> 葡式蛋挞 Egg Tart			
> 蓝莓蛋挞 Purple Potato Egg Tart			
蓝莓蛋挞 Blue Berry Egg Tart			订购 +
香颂嫩牛五方 French style beef wrap			订购 +
香颂嫩牛辣翅A餐 French style beef wrap combo A			订购 +
> 香颂嫩牛五方		1个	
French style beef wrap			
> 二块香辣鸡翅 Hot Wing 2 pieces		1份	
> 九珍果汁 9 Lives Juice		1款	
香颂嫩牛鳕条B餐 French style beef wrap combo B			订购 +
> 香颂嫩牛五方		1个	
French style beef wrap			

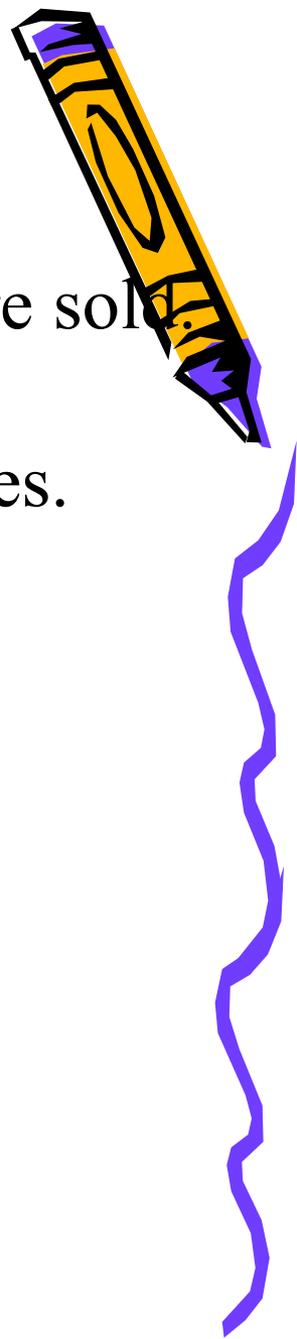
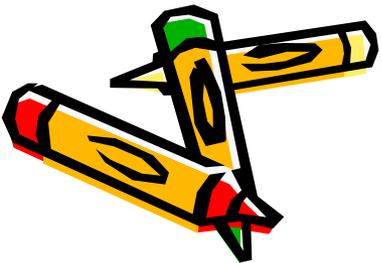
我的订单 My Order

品名	数量	价格	取消
Name	Quantity	Unit Price	Cancel

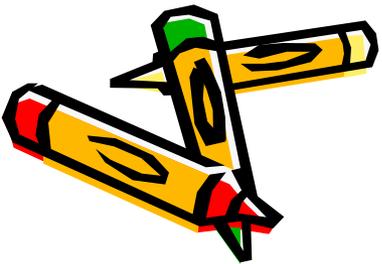
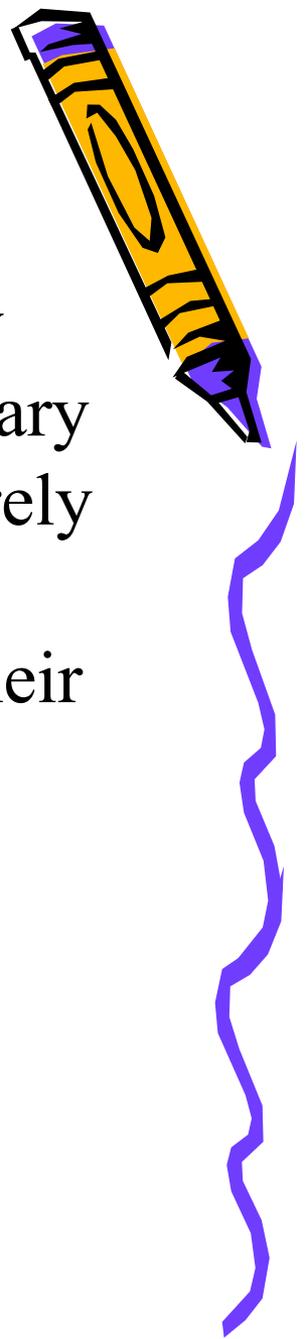


2. Warehousing

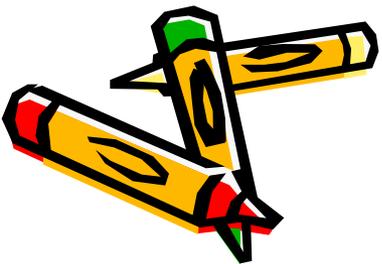
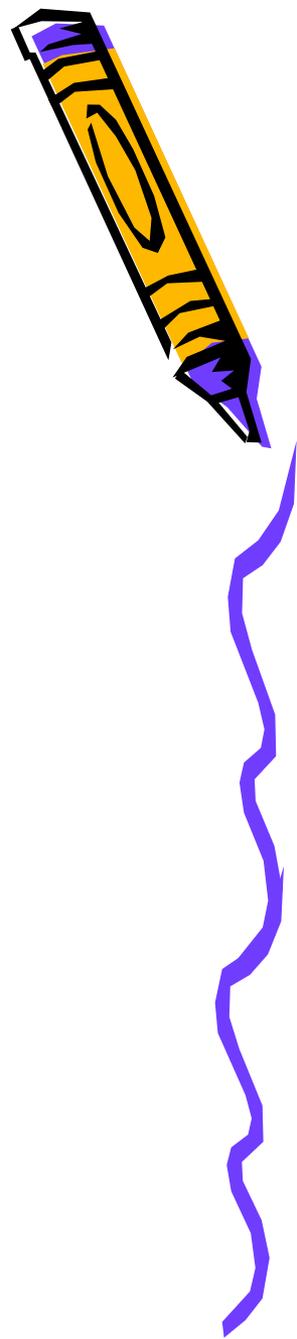
Warehouses are used to store goods until they are sold.
It is designed to efficiently receive goods from suppliers and then fill orders for individual stores.



Every company must store its goods while they wait to be sold. This storage function is necessary because production and consumption cycles rarely match. Companies can use either storage warehouses or distribution centers to process their goods.

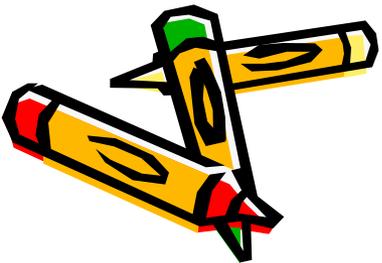


CASE

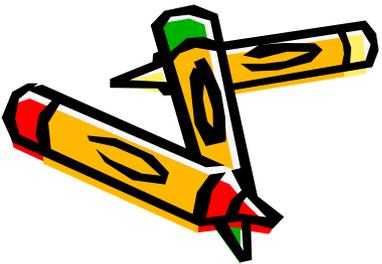


CASE 2

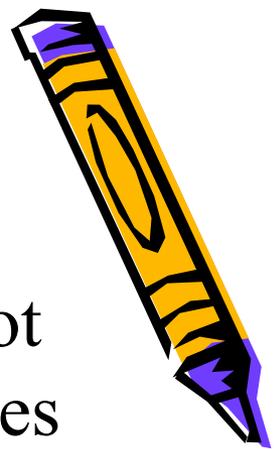
亚马逊
amazon.cn



- **Amazon.com (Amazon)** was one of the first online shopping sites launched in 1995. Since its inception, it has been consistently ranked as one of the **best retail sites** on the Internet and is regarded as the universal model for successful Internet retailing. Amazon was ranked among the top 10 Internet sites in almost all the major market surveys.



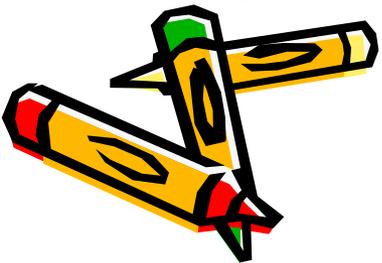
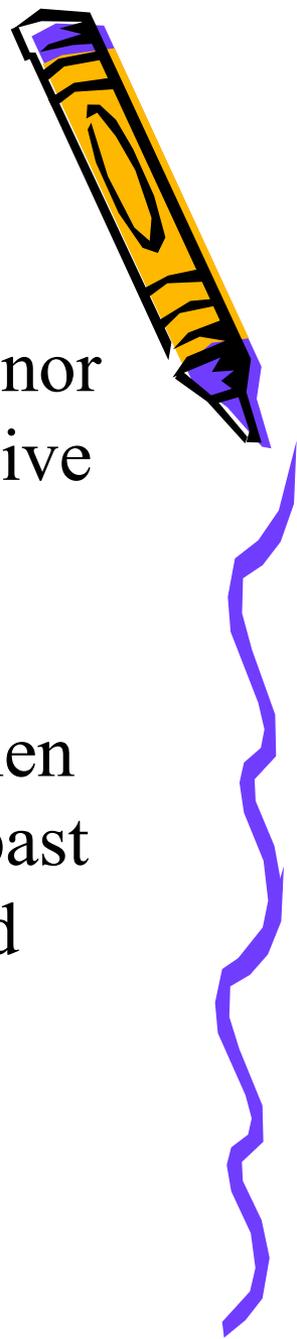
- When Bezos started his venture, he aimed at hassle-free operations. He wanted to offer his customers a wide selection of books, but did not want to spend time and money on opening stores and warehouses and in dealing with the inventory.
- He however realized that the only way to satisfy customers and at the same time make sure that Amazon enjoyed the benefits of time and cost efficiency was to maintain its own warehouse.



3. Inventory Management

It ensures that a company neither runs out of manufacturing components or finished goods nor incurs the expense and risk of carrying excessive stocks of these items.

Inventory decisions involve knowing both when to order and how much to order. During the past decade, many companies have greatly reduced their inventories and related costs through just-in-time logistics systems.



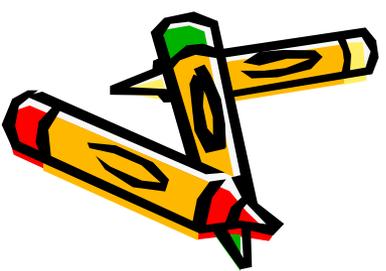
CASE



SHANGHAI GM

www.shgm.com.cn 400-818-8666

10-201011180354902100

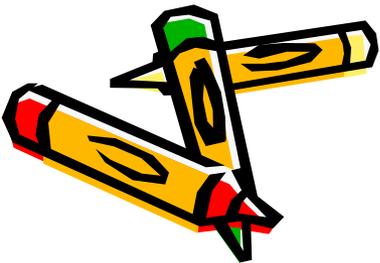


4. Transportation

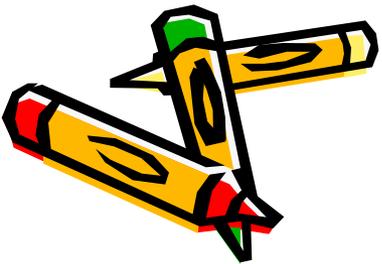
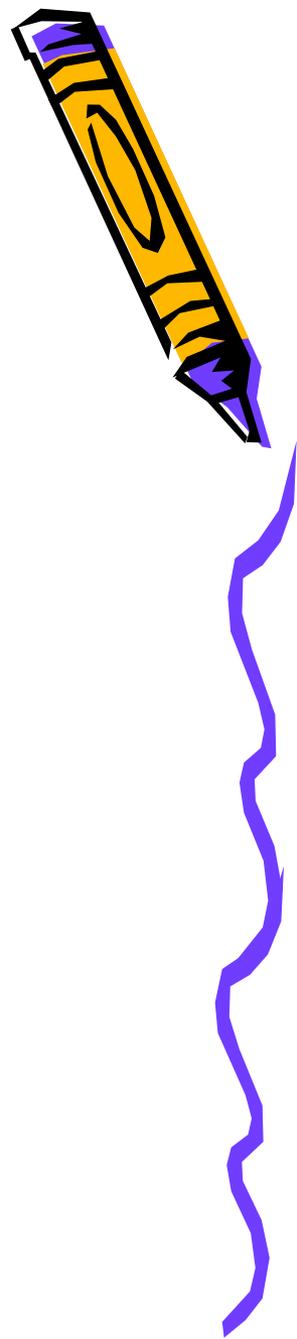
transportation is the movement of people and goods from one location to another



- Rail
- Truck
- Air
- Water

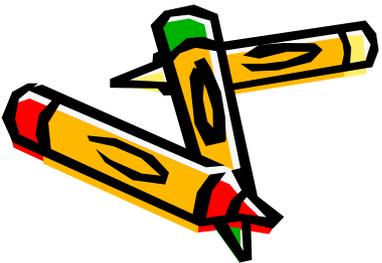
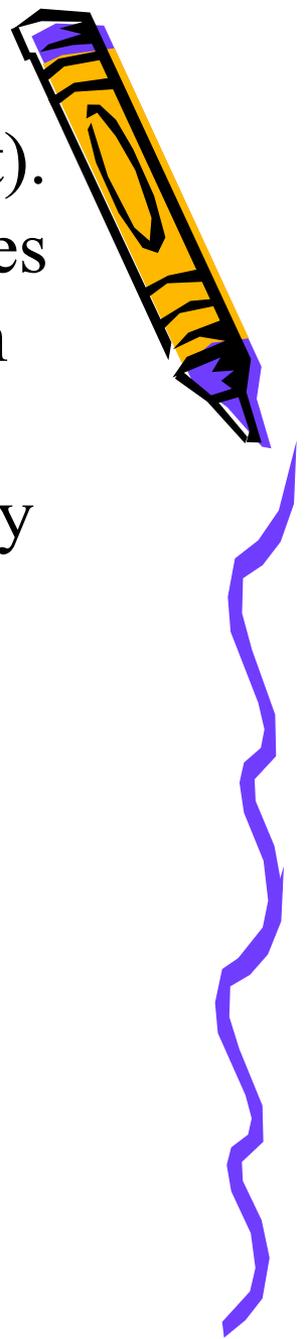


The choice of transportation carriers affects the pricing of products, delivery performance, and condition of the goods when they arrive--all of which affect customer satisfaction. The major forms that are available are rail, truck, water, pipeline, and air.



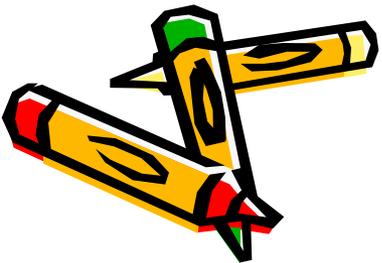
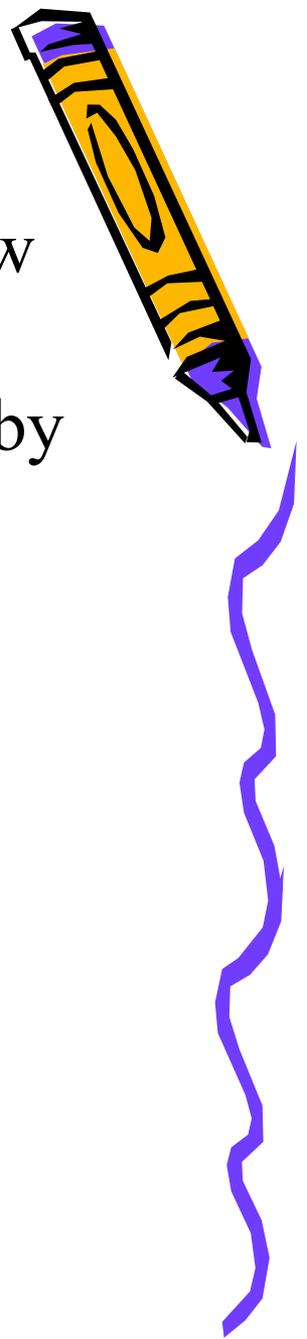
(a) **Truck:** 39 % of total cargo ton-miles (the most). the largest portion of transportation within cities as opposed to between cities. highly flexible in their routing and time schedules, and they can usually offer faster service than railroads. They are efficient for short hauls of high-value merchandise.

b). **Rail:** Second in cargo ton-miles with 38%. They are one of the most cost-effective for shipping large amounts of bulk products over long distances.



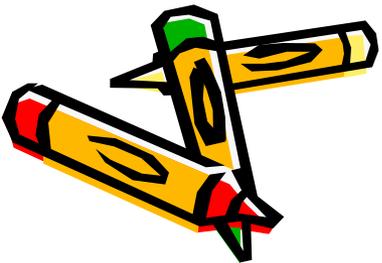
c). *Water* : about 10% of ton-miles .The cost is low for shipping bulky products, however, water is a slow form of transportation and can be affected by the weather.

d). *Air*: Transport less than 1 % of the nation's goods. Air freight rates are the highest forms of transportation but air freight excels in speed.



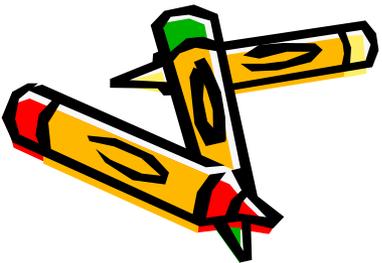
CASE 1

Jerry Jones, president of Flowers-R-Us, wants to order some unique orchids from Hawaii for the upcoming prom season in his local community in Newyork. He has one month before the big dances begin. He plans to use brochures to sell the flowers to his young customers in local high schools. What would be Mr. Jones's best transportation alternative?



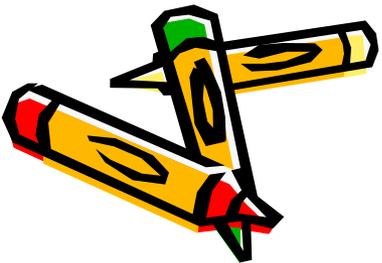
CASE 2

Byrd Lumber Company has received a large order of lumber to build three new 200-unit apartment complexes. It is essential that the lumber arrive on time which means three weeks left. Byrd Lumber is located in Texas, and must order its goods from mills in Oregon. What would be Byrd's best transportation alternative?



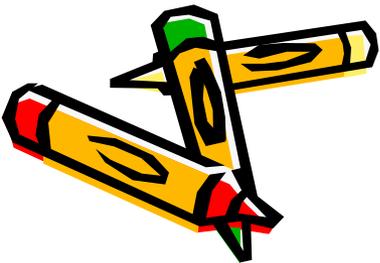
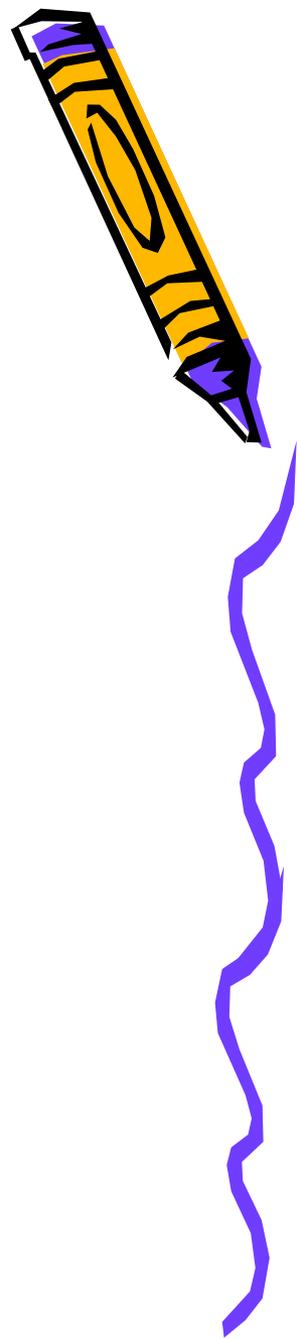
CASE 3

Phillips of Houston, needs to order a new technical precision surveying instrument from a supplier in Toronto, Canada. The instrument is highly sensitive and must be packed with great care. The instrument is about the size of a microwave oven and weights about 80 pounds. Its total value is \$30,000. The company needs the instrument as soon as possible. What would be Phillips' best transportation alternative?



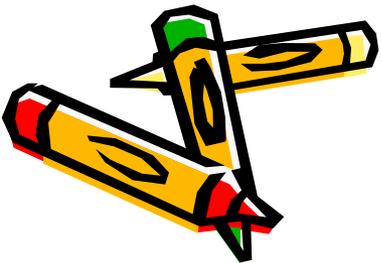
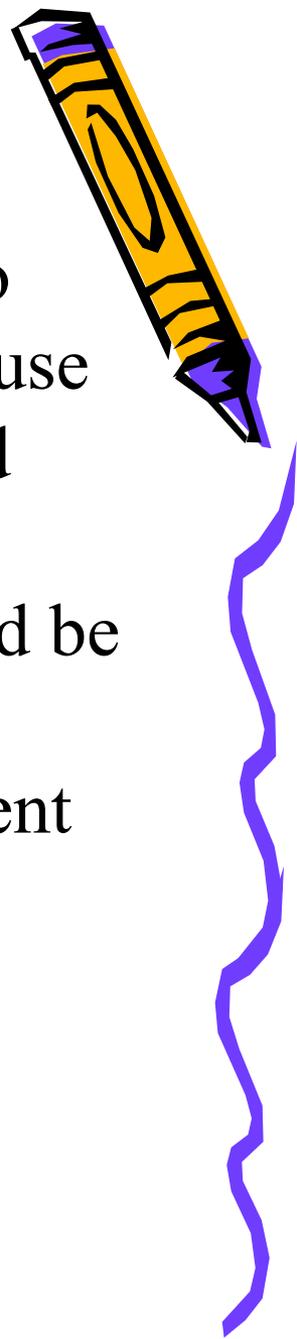
For case 1

The best alternative for Mr. Jones is to have the orchids shipped via **air-freight**. among the most frequently air-freighted products are cut flowers because of their perishability (a truck would delivery them from the airport or they could be picked up by the firm itself).



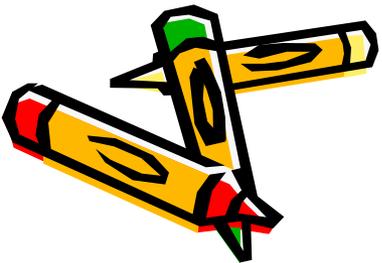
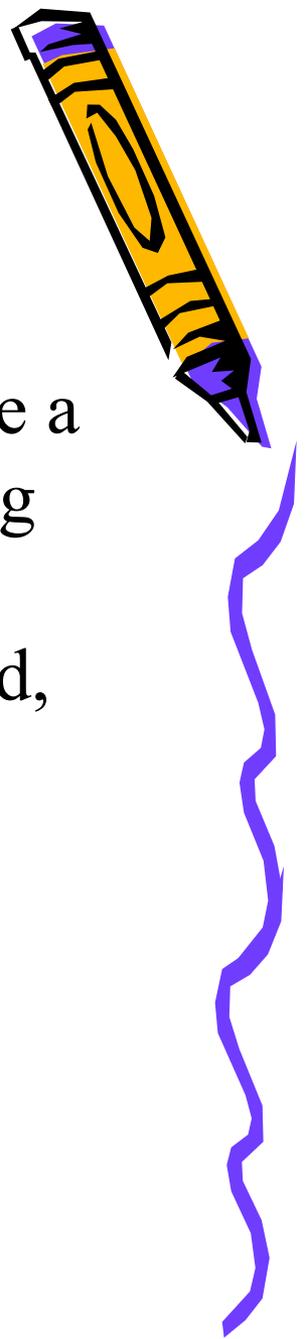
For case 2

Byrd Lumber would most likely choose **rail** to bring in the lumber. Water would be out because of the time frame and location of the mills and final destination. one of the chief products shipped by rail is forestry products. Rail would be chosen over trucks because of the amount of lumber needed to build three 200-unit apartment complexes.



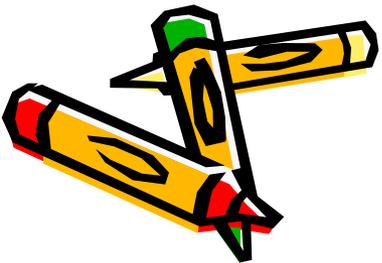
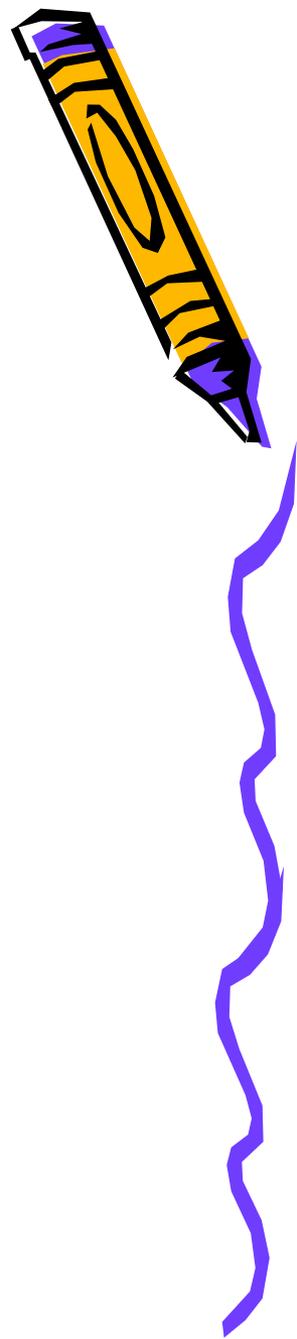
For case 3

Phillips would choose **air** for its method of transportation. Even though trucking would be a possibility, air-freight is known for transporting high-value, low-bulk products (for example, technical instruments). Trucking could be used, however, the likelihood of damage would probably not be worth the risk.



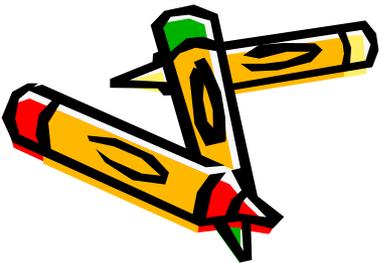
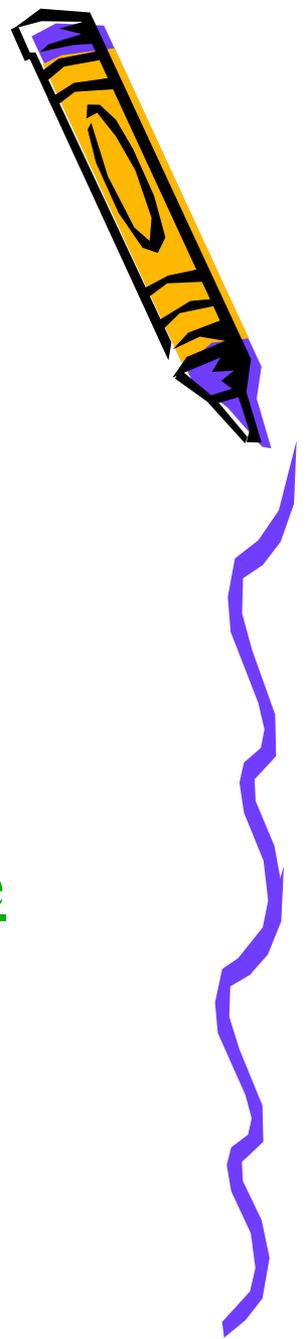
Summary

- **Distribution channel**
 - **Place decisions**
- **Physical distribution and logistics**



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bingo

谢谢

