**Distribution Channels**

**Distribution channels** in marketing are one of the classic “4 Ps” (product, promotion, price, placement a.k.a. “distribution”). They’re a key element in your entire marketing strategy — they help you expand your reach and grow revenue.

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| **DIRECT TO END USERS** | **SELL THROUGH A DEALER NETWORK** | **SELL THROUGH A VAR (VALUE-ADDED RESELLER)** |
| We have a sales team that sells directly to Various GYMs which then again provide service to their customers.  We have a secondary subscription plan for budget customers. Instead of using our sales team, we sell this line directly to end-users through our website and marketing campaigns. | We sell a product through a geographical network of dealers who sell to end-users in their areas. The dealers may service the product as well.  Our dealers are essentially our customers, and we have a strong program to train and support them with marketing campaigns and materials. | We sell a product to a company who bundles it with services or other products and resells it.  That company is called a Value Added Reseller (VAR) because it adds value to our product (like AMAZON, FLIPKART)  A VAR may work with an end-user to determine the right products and configurations, and then implement a system that includes our product. |

### **Minimize pricing conflicts**

When using multiple channels, carefully map out the price for each step in your channel and include a fair profit for each type of partner. Then compare the price that the end-user will pay; if a customer can buy from one channel at a lower price than from another, your partners will rightfully have concerns. Pricing conflict is common, and it can jeopardize our entire strategy, so do our best to map out the price at each step and develop the best solution possible.

### **Drive revenue through the channel**

Service our channel partners as we would service your best customers and work with them to drive revenue. For example, provide them with marketing funds or materials to promote your products; run campaigns to generate leads and forward them to your partners.