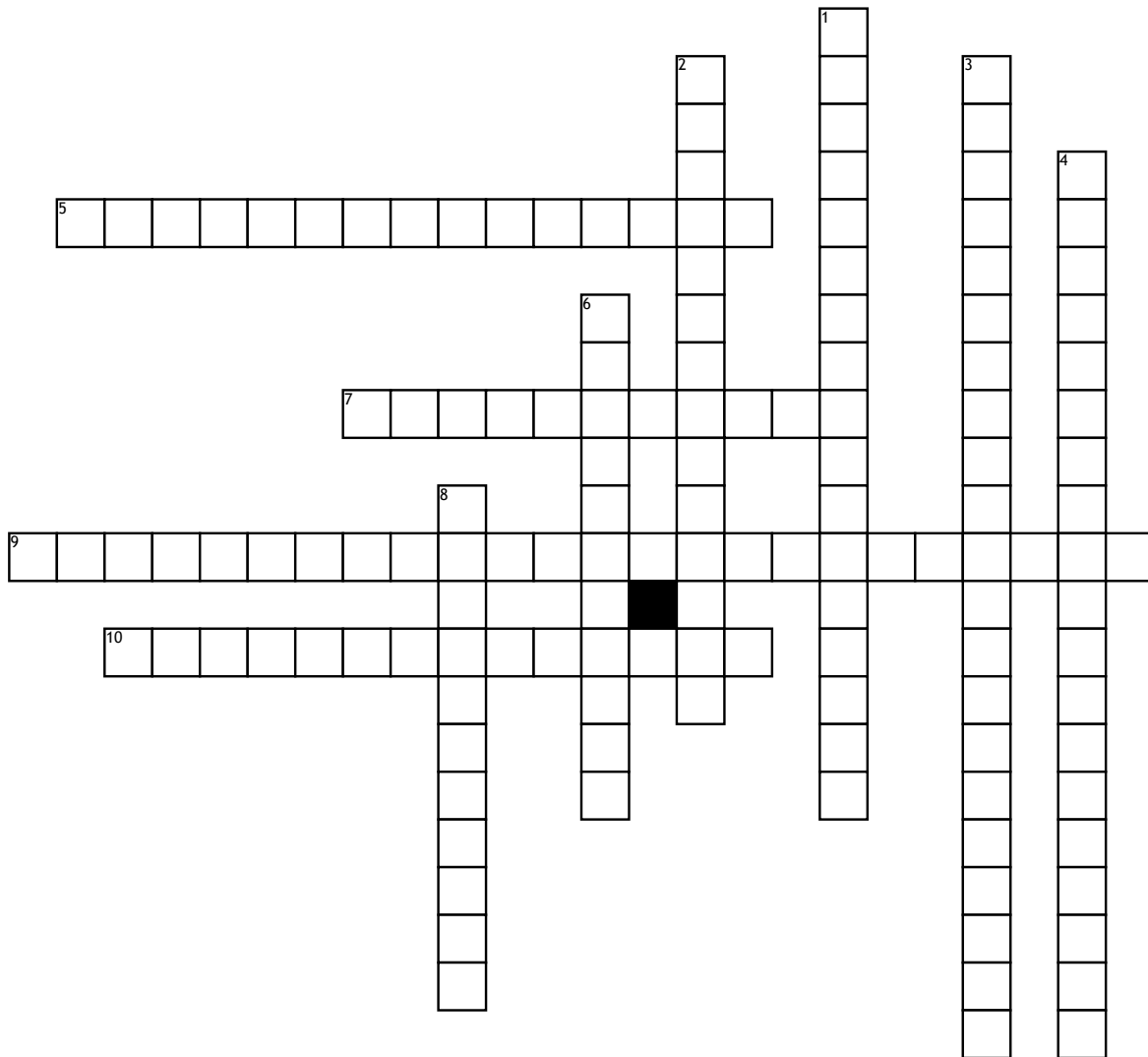


# Pros and Cons of Distribution Channels



**Across**

5. Intermediaries allow the cost of transportation to be divided and this in turn allows consumers to buy small quantities of a product rather than having to make bulk purchases

7. Happens because intermediaries need to be either paid for their services or allowed to resell at a higher price

9. There is a danger of wrong information being communicated to the customer regarding product features and benefits which can lead to dissatisfaction

10. Retailers may create payment plans and options for customers allowing easier purchases

**Down**

1. Being specialists and using established processes, intermediaries are able to ensure deliveries faster and on time

2. Since retailers and wholesalers have their own stakes in the product, they may have their own advertising or promotions efforts that help generate sales

3. When a product is handed over to an intermediary, how much importance it gets is now out of the company's hand. The intermediary may have incentives to promote another product more

4. By selling through retailers, consumers are able to choose between a varieties of products from multiple stores owned by multiple producers

6. Since intermediaries are experts at what they do, they can perform the task better and more cost effectively than a company

8. The distribution channel can provide valuable information on the product and its acceptability by the public