



“How to Handle the Distribution Channel Section of Your Marketing Plan”

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If you are planning to recover a distressed business, you need to develop a Turnaround Plan. This plan will contain a Marketing Plan that should be a standalone component and distinct from the overall Turnaround Plan. A critical component of the Marketing Plan is the Distribution Channel section.

The Distribution Channel section of the Marketing Plan should describe the methods used to distribute products and services in the current company and what, if any, changes will occur in this channel after the business turnaround occurs. It should emphasize any key aspects of the new distribution channel that will improve the chances for success of the overall Turnaround Plan.

To illustrate what to include in the Distribution Channel section of the Marketing Plan, we will use a fictitious company called XYZ Medical Equipment (XME). XME sells high-end medical lasers used in surgery.

Distribution Channel

In the current company, all educational materials are delivered via printed books and physical classes at our onsite educational facility.

In the transformed company, all educational products and services will be delivered over the Internet or at the customer location. We will provide service and support coverage remotely with a 24-hour support line. Overnight Federal Express will handle any required equipment repairs or exchanges.

The inventory will consist of online products stored in files and backed up in database repositories online. The Internet service provider will maintain these databases. Therefore there will be no physical inventory.



This will result in a significant reduction in facility costs.

All products will be distributed using online methods. A typical transaction for an educational product will take place as follows:

Customer arrives at the XMET website and clicks on Products. From the product menu, customer selects XYZ2590 Expert Training module, On-line live session.

If the Customer has an account with XMET, then they go into the Order Entry system; if they do not have an account, they are sent to the New Account menu, their email address is added to the main Customer List in the XMET database, and the customer is sent to the Order Entry system.

- Customer specifies the dates for the online class
- Other add-on products are offered.
- Customer is moved to the checkout screen.
- Customer enters payment information.

Payment information is verified and a confirmation message is displayed. Customer receives a printable receipt and class information in their email box.

If the order included any downloadable products, the links for these products are sent to the customer email box.