

Ans 8 (a) Channel levels :-

Depending on the product nature, type of customers and degree of intensity of distribution networks, there should be various no. of intermediaries b/w manufacturer & customer.

The no. of intermediaries b/w manufacturer and customer signifies the channel level.

- 0 level channel or Direct Marketing Channel.
- 1-Level channel - This contains one selling ~~to~~ intermediaries b/w manufacturer & customer.
- 2-level channel - This contains one, two or three selling intermediaries b/w manufacturer & final customer.
- 3-level channel - This contains three selling intermediaries.



## (B) Channel Control -

Every firm would like to determine the behaviour of other companies in the same distribution channel. The ability to influence the behaviour of other channel members is termed channel control. Traditionally, manufacturers have been viewed as controlling channels that is, making the decision regarding types & no. of outlets, participants of individual middle men & business practices to be followed by channel. But this is a one sided out-dated point of view.

Thus various methods have contributed to retailer's growing ability to control channels. Electronic scanning devices has given access to retailers to get more accurate information about sales trend of individual product than

## c) Supply chain Management.

Supply chain management is a network of facilities and distribution options that performs the function of procurement of materials, transformation of these materials into intermediates and finished products, and the distribution and finished products to customers. Supply chains exist in both service and manufacturing organizations although the complexity of the chain may vary greatly from industry to industry, firm to firm.

There are four major decision areas in supply chain management.

- 1 Location
- 2 Production
- 3 Inventory
- 4 Transportation.