Retailing and Wholesaling

Retailing:
All the activities involved in selling goods or services to final consumers for their personal, nonbusiness use.

Retailer:
Business whose sales come primarily from retailing.
- Store retailers: e.g. Zara, Carrefour, Bauhaus
- Nonstore retailers: e.g. vending machines, Amazon.com

Store Retailing
Retailers can be classified based on:
- **Product line**
  convenience store, specialty store, department store, supermarket, category killer, superstore
- **Pricing strategy**
  regular price, discount stores, factory outlets…
- **Ownership / Organization**
  independently owned, corporate chain, franchise

Retailing Decisions
Retailer Strategy
Target Market and Positioning
Retailer Marketing Mix
- “Product”
- Prices
- Promotion
- Place (Location)

Analysis
includes
- assortment
- atmosphere
- service
**Wholesaling**

- **Wholesaling**: All the activities involved in selling goods and services to those buying for resale or business use.

- **Wholesaler**: Those firms engaged primarily in wholesaling activity.

- There are more retailers than wholesalers—because retailers sell to final consumers (who buy small amounts, dispersed geographically, large in number).

**Functions of Wholesalers**

- Bulk breaking
- Assortment building

![Diagram of wholesaling process]

**Types of Wholesalers**

- Wholesaler
- Broker / Agent
  -- negotiates the sales transaction
- “Manufacturer Wholesaler” or “Retailer (whole)Buying”
  -- “wholesaling” or “buying” themselves rather than via independent companies

**Wholesaler Decisions**

- **Wholesaler Strategy**
  - Target Market and Positioning

- **Wholesaler Marketing Mix**
  - Product (assortment, service)
  - Prices
  - Promotion
  - Place (Location)