

## Distribution (Placement) Strategy Worksheet

*Investigate how you will make your product available to your overseas customers. Consider such things as warehousing, transportation, inventory control, order processing and what type, if any, intermediaries you will appoint.*

### Distribution Strategy

Type your Distribution Strategy here...

### Developing Your Distribution Action Plan

#### Part 1: Distribution Channels

Question	Answer
What are the levels of distribution your product or service goes through before it is sold to the end consumer?	
What mark-ups apply at each level?	
Is this chain of distribution best for your product or service/ your company?	
Is each level of the distribution chain satisfied with the service received from the previous level?	
Are there any bottle-necks in the chain?	
What controls do you have over each distribution level?	

## Part 2: Market Coverage

Question	Answer
What is the area covered within your target market?	
Does your existing or proposed representation cover this area?	
Are there better options for selling into market niches within the target area?	
Is the arrangement with your representative exclusive?	
Would the appointment of other distributors improve your sales?	
What do your major competitors do regarding coverage?	

## Part 3: Locations

Question	Answer
Are you represented in all strategic locations in the market?	
What are the advantages/disadvantages of having more outlets?	

#### Part 4: Inventory

Question	Answer
Does your existing inventory policy meet the requirements of your overseas customers?	
What contingency plans do you have if, say, there was a four week dock strike in Australia?	
What inventory levels are held by competitors?	
Would retailers hold additional stocks of products?	
Is there any way of reducing inventory holdings?	

## Part 5: Transport

Question	Answer
Can you choose between sea and air freight?	
What are the total costs per kg or unit for each transport option (include indirect costs such as storage, financing, documentation, pilferage, damage, rejections etc?)	
What are your competitors doing?	
What would the market prefer?	
Can the product be assembled / finished in the market?	
Can the product be modified to optimise shipping space?	
Will the internal and external packaging withstand the toughest environmental conditions it will bear?	
Do you have in-house expertise to handle the forwarding program, or do you need to use a freight forwarder?	

## Distribution Action Plan

Aspect	Modifications Required Action Plan	Person Responsible	By When
Distribution Channels			
Market Coverage			
Locations			
Inventory			
Transport			

For assistance call or email the International Competitiveness Team on 1300 776 063 or email [big@aigroup.com.au](mailto:big@aigroup.com.au)