

show. Major shows that regularly occur in the State are listed in Appendix A. Although trade shows may be somewhat time-consuming and costly undertakings, they provide excellent opportunities to observe what the competition is doing and to become acquainted with potential agents and reps. **Alternatively, a software developer new to the New York State market could participate in one of the New Exporters to Border States (NEBS) trade missions.** For example, the Canadian Consulate office in Buffalo recently hosted a NEBS mission that was focused specifically upon computer software. The NEBS program provides information on marketing and distribution strategy, as well as on some of the logistical and legal aspects of conducting business in a U.S. border state.

b. Identifying Appropriate Channels of Distribution

Few aspects of the computer industry are changing more rapidly than the distribution channels used to get hardware and software to end users. Even in less chaotic times, selecting the proper channel for moving software from developer to end user can be a difficult decision, especially when the distribution system extends across international borders. Channel decisions normally involve legal commitments of a long-term nature, which can further complicate the distribution decision if the developer of software is trying to maximize flexibility in the utilization of channels. It may also be prudent to utilize several channels simultaneously.

The important point is that the choice of distribution patterns will dictate the mode of entering the marketplace, which, in turn, will significantly influence specific options regarding pricing, producing, and promoting the software product or application. For instance, if the developer decides to enter the market through the services of a wholesaler or distributor, the general nature of the pricing problem to the end user may be determined by the margins required by the intermediary. Moreover, production decisions and the ability to operate under conditions of production stability may also be dictated by the number and type of distribution channels selected, and the volume level that is generated by each linkage to the market. In addition, if distribution patterns involve direct mail or catalog sales, then the nature of advertising and sales-promotion strategies will be significantly influenced.

The selection of suitable distribution channels, therefore, involves a very careful decision-making process, and will likely be based upon several important considerations. These include the marketing objectives and breadth of experience of the vendor; the availability of and risks associated with alternative channels to