

CHART 6. The Landscape of Channel Options:

Your Products	Direct Sales	Aerospace
	Joint Marketing Programs	Defense
	Agents & Reps	Manufacturing
	Office Products Dealers	Health Care
	Computer Retail Chains	Education
	Mass Merchants	Other
	Mail Order Firms	
	Major VARs	
	Distributors to VARs	
	OEMs	
	Systems Integrators	
	Strategic Alliances	
	And More ...	

(SOURCE: ART MONK ADVANCED TECHNOLOGY MARKETING GROUP)

5. HOW TO CHOOSE A DISTRIBUTION CHANNEL:

Each of the different channels enumerated above ministers to a different market need. For example, the value added reseller (VAR) channel is well suited to high priced software that commands a lot of service and customization. Mail order is suited to well known products which are competitively priced. If you have a very low cost clone of existing software, such as Sales Management Software, then an independent chain or bundling with a clone manufacturer may facilitate a joint marketing agreement. The Post recommends you hire an outside retailing expert to objectively advise you on your strategy and channel selection. The consultant's objectivity will save you from pursuing channels that reflect your hopes for product sales rather than the likely reality.

If your product is well suited to a particular hardware platform (e.g., Apple II has 67% of the educational market), you should also consider marketing through the major computer manufacturer. Most people such as Sun, Apple, and IBM run extensive third party software catalogs and offer other assistance that may help you to distribute products in the United States through their sales force or their VARs.

If your product is aimed at the large corporate accounts, such as the oil and gas industry, then working with large computer manufacturers that own this market, such as IBM, Prime, and NCR, or a Value Added Reseller (VAR) who specializes in this market, may be the appropriate tactic. Elsewhere in this report we will also describe Corporate Software, a firm that specializes in selling software to the Fortune 500. Corporate Software and Businessland are two options to use to sell packages of special interest to Fortune 500 firms.