



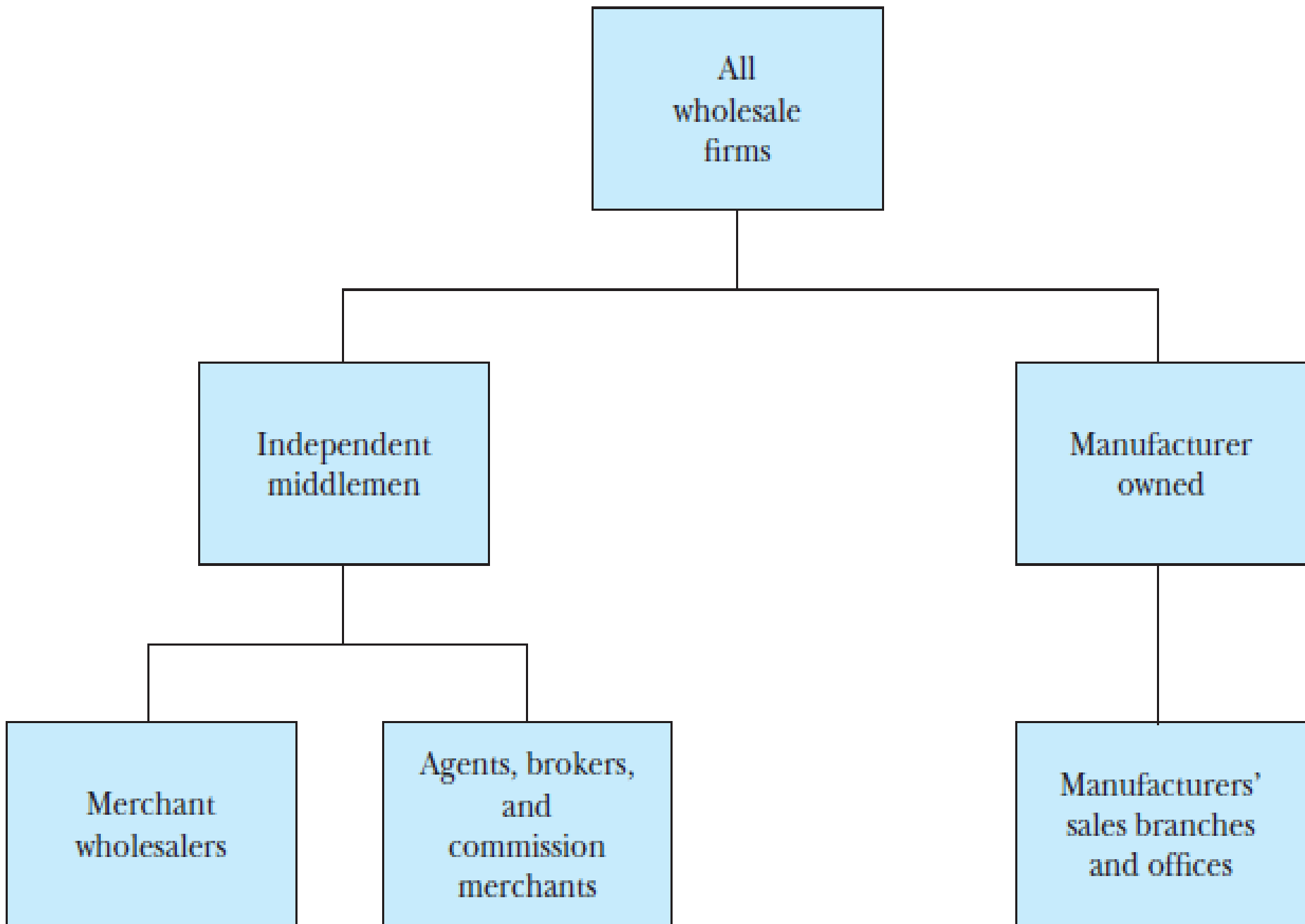
Wholesaling

Wholesaling

Wholesalers consist of businesses that are engaged in selling goods for resale or business use to retail, industrial, commercial, institutional, professional, or agricultural firms, as well as to other wholesalers.

Types of Wholesalers

1. Merchant wholesalers
2. Agents, brokers, and commission merchants
3. Manufacturers' sales branches and offices.



Merchant wholesalers

Merchant wholesalers are independent firms engaged primarily in buying, taking title to, usually storing, and physically handling products in relatively large quantities and then reselling the products in smaller quantities to retailers; to industrial, commercial, or institutional concerns; and to other wholesalers.

They go under many different names, such as; **wholesaler, jobber, distributor, industrial distributor, supply house, assembler, importer, exporter** etc. Depending on the services they offer and can be categorized as full or limited service.

Full-Service Wholesalers:

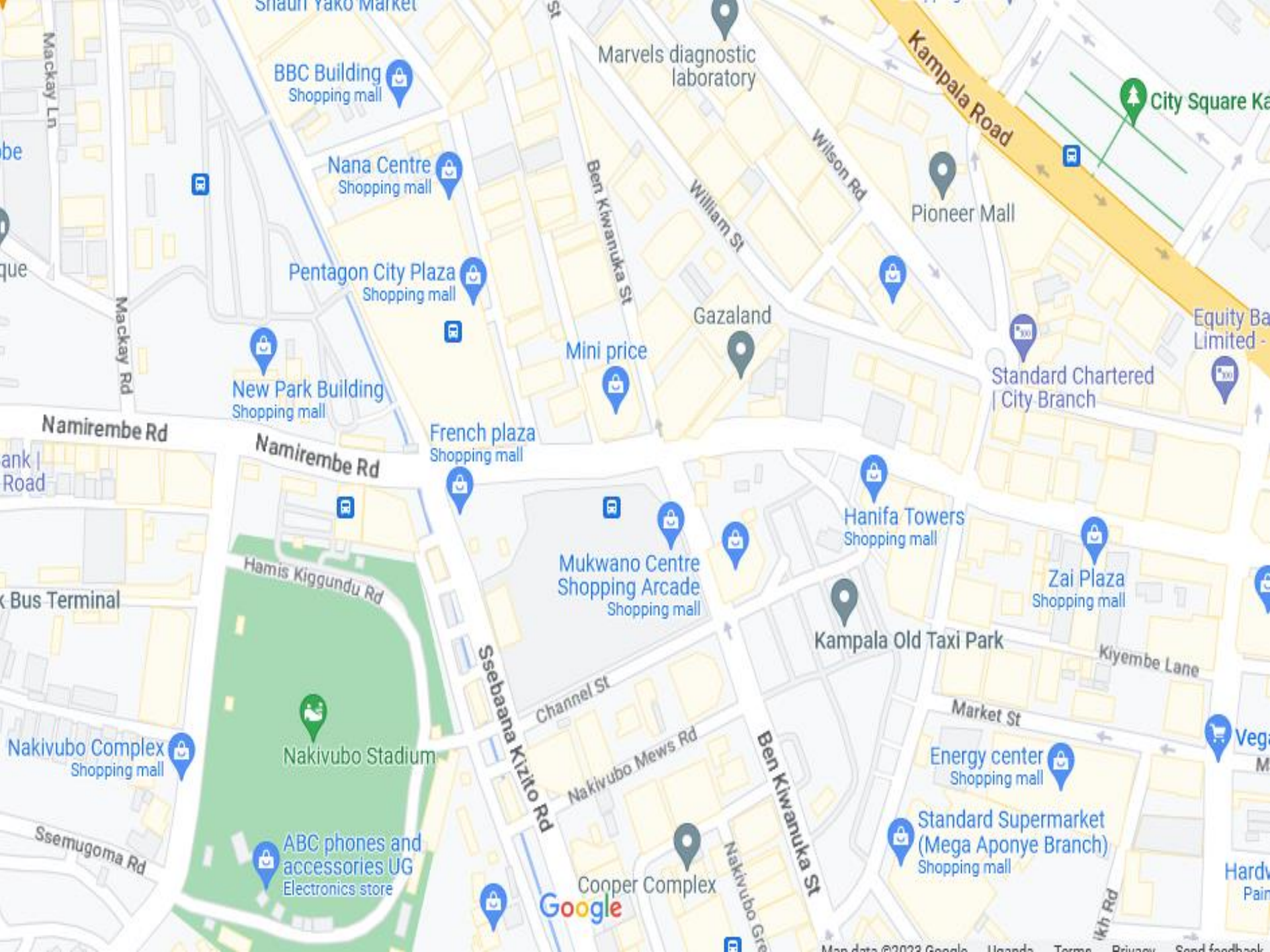
These wholesalers offer a complete range of services, including storage, sales, order processing, delivery, and even financing. Full-service wholesalers can be further categorized into:

- **General Merchandise Wholesalers:** Handle a wide variety of goods, often non-perishable items like hardware, electronics, or household products.
- **Specialty Wholesalers:** Focus on a specific line of goods, such as electronics, clothing, or pharmaceuticals.
- **Industrial Distributors:** Specialize in selling products like machinery, equipment, and supplies to industrial and commercial users rather than retailers.

Limited-Service Wholesalers

These wholesalers offer fewer services compared to full-service wholesalers. They may specialize in bulk sales without providing additional services like transportation or financing. Types of limited-service wholesalers include:

- **Cash-and-Carry Wholesalers:** Operate on a cash-only basis, where customers, typically small retailers, pay cash and transport the goods themselves.
- **Drop Shippers:** Also known as desk jobbers, drop shippers take orders and arrange for the delivery of goods directly from the manufacturer to the customer without physically handling the goods themselves.
- **Truck Wholesalers:** Use trucks to deliver goods directly to retailers, typically perishables such as milk or bread. They act as both the transporter and the wholesaler.
- **Mail-Order Wholesalers:** Sell products through catalogs, websites, or other mail-order systems, typically focusing on niche markets or hard-to-find items.



BBC Building Shopping mall

Nana Centre Shopping mall

Pentagon City Plaza Shopping mall

New Park Building Shopping mall

French plaza Shopping mall

Mukwano Centre Shopping Arcade Shopping mall

Hanifa Towers Shopping mall

Zai Plaza Shopping mall

Energy center Shopping mall

Standard Supermarket (Mega Aponye Branch) Shopping mall

Nakivubo Stadium

ABC phones and accessories UG Electronics store

Cooper Complex

Mini price

Gazaland

Kampala Old Taxi Park

Pioneer Mall

Standard Chartered City Branch

Equity Bank Limited

City Square Ka

Google

Map data ©2023 Google Uganda Terms Privacy Send feedback

Distribution Tasks Performed by Merchant Wholesalers

Functions for manufacturers:

1. Providing market coverage
2. Making sales contacts
3. Holding inventory
4. Processing orders
5. Gathering market information
6. Offering customer support

Distribution Tasks Performed by Merchant Wholesalers

Functions for their customers

1. Assuring product availability
2. Providing customer service
3. Extending credit and financial assistance
4. Offering assortment convenience
5. Breaking bulk
6. Helping customers with advice and technical support

Agents, brokers, and commission merchants

Agents, brokers, and commission merchants are independent middlemen **who do not, for all or most of their business, take title to the goods in which they deal**, but who are actively involved in negotiatory functions of buying and selling while acting on behalf of their clients.

They are usually compensated in the form of commissions on sales or purchases. Some of the more common types are known in their industries as **manufacturers' agents, commission merchants, brokers, selling agents, and import and export agents.**

- In the marketing literature a **broker** is usually defined as a go-between, or a party who brings buyers and sellers together so that a transaction can be consummated. *Brokers typically are engaged in one or more of the following functions:*
- Introducing their principals' new products to local market buyers.
- Regularly contacting retailers to ensure that a principal's products are well stocked and placed properly on the retail shelf.
- In conjunction with their principals' marketing departments, they coordinate with retailers to develop and implement promotional programs such as , advertising campaigns, and couponing programs; to arrange in-store displays; and to conduct product demonstrations.
- Ensuring that a principal's products are ordered correctly, that shipments are received and priced correctly, and that unsalable items are credited and disposed of properly.
- Through the use of advanced technologies, furnishing their principals with demographic data about consumer trends, product placement, marketing, and other information.

Manufacturers' sales branches and offices

Manufacturers' sales branches and offices are owned and operated by manufacturers but are physically separated from manufacturing plants.

They are used primarily for the purpose of distributing the manufacturer's own products at wholesale.

Some have warehousing facilities where inventories are maintained, while others are merely sales offices.

Some of them also sell wholesale allied and supplementary products purchased from other manufacturers.