

IDI CONFERENCE 2017
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INTRODUCTION

**New trends and opportunities in organizing distribution
in the Internet era**

Fabio Bortolotti

A general overview of the issues which will be discussed today

Why repeating the issue of Internet distribution?

New developments and new aspects to be considered

The line followed in construing the contents of the conference of today.

Internet is changing the attitude of consumers/ purchasers

- Consumers can access sellers quickly through computers, tablets, smartphones.
- Consumers want immediate satisfaction of their desires at the lowest possible price.
- Consumers want to search products, purchase them and have them delivered with zero effort.

In the next presentation Luca Pellegrini will give a general overview about the way new distribution strategies are answering the expectations of “Internet consumers”.

Promoting products and services through Internet

Products (and services) can be easily found and evaluated by consumers on the Internet from home through computer, tablet, smartphone, etc.

- Social media are becoming an important channel for promotion and, eventually, sale of products and services;
- Manufacturers and distributors can establish direct links with consumers:
 - by keeping contract through e-mails, messages, etc.
 - through the products sold (automotive)
 - through post-sale services (update through Internet).
- We will see later how sellers can attract consumers through social media (Wechat).

Selling through Internet

- Manufacturers and distributors are accepting the idea that they cannot avoid selling through Internet. The possible solutions are:
 - Own website (managed directly or through a third party).
 - Marketplaces acting as intermediaries
 - Internet resellers (e-tailers)
 - Consumers acting as resellers (uberization)
 - Social media (WeChat)
 - Internet+Brick & Mortar (e.g. click-n-collect)
- We will discuss how products can be sold through a social network such a WeChat, the new role of consumers (“uberization” – Didier Ferrier), how to deal with on-line platforms (panel on distributing through on-line platforms) and how to approach the goal of an **omni-channel strategy** by integrating on-line and off-line sales (panel on multi-channel strategies).

Coordinating with distributors/resellers

- Manufacturers who need to **preserve their brand image and reputation** must make sure that it is respected by all players on the Internet.
- A first option is to establish **criteria for on-line sales that buyers-resellers must follow**. A panel will deal with the issue of drafting digital guidelines, which may be used within a selective distribution system, but also as general conditions of sale to all resellers.
- Manufacturers are beginning to approach the issue in more general terms by developing **omni-channel (cross-channel)** strategies with a close integration between the different players: manufacturer, on-line distributors, brick&mortar shops, etc. A panel chaired by Silvia Bortolotti will examine possible strategies and solutions from the perspective of business.

Delivering products sold through Internet

- Selling through Internet implies the need to deliver the products to the consumer quickly and efficiently. Possible solutions are:
 - The manufacturer manages deliveries on his own or through his distributors.
 - Products are sold through Internet resellers (e-tailers) who manage logistics.
 - Outsourcing delivery by involving a third party specialized in logistics.
 - **Pick-up at point of sale** of the seller (or distributor of the seller).
 - **Advanced solutions** with direct control by the purchaser: delivery at the car of the consumer, UberRush, etc.

Edward Miller and Steve Sidkin will discuss the issues of contracting with logistic services providers and the management of returned goods, which is a crucial issue for certain products.

I trust that we will will have a fruitful confrontation on
the above issues through the discussion between
speakers and participants

Thank you

Fabio Bortolotti