

## **Chapter 21 Channels of Distribution**

### **Section 21.1 Distribution**

#### **Review Key Concepts**

1. The path a product takes from producer to final user is the channel of distribution.
2. The function of intermediaries is to reduce the number of contacts required to reach the final user of the product.
3. Channels of distribution are either direct or indirect.

#### **Practice Academics**

##### **English Language Arts**

4. Letters should be catchy, persuasive, and formatted for sending via e-mail. Accept all reasonable answers; letters should use proper grammar, spelling, and punctuation.

##### **Mathematics**

5. The cost to the distributor is \$15.00 ( $\$12.50 \times 1.2 = \$15.00$ ). The cost to the retailer is \$21.00 ( $\$15.00 \times 1.4 = \$21.00$ ).