

Introduction

Unless customers are buying a product directly from the company that makes it, sales are always facilitated by one or more marketing intermediaries, also known as middlemen. Marketing intermediaries do much more than simply take a slice of the pie with each transaction. Not only do they give customers easier access to products, they can also streamline a manufacturer's processes.

Four types of traditional intermediaries include agents and brokers, wholesalers, distributors and retailers.

Source: <https://smallbusiness.chron.com/4-types-marketing-intermediaries-24330.html>

1. Agents and Brokers

Agents and brokers are nearly synonymous in their roles as intermediaries. In fact, when it comes to real estate transactions, they are synonymous to any client, despite the differences in their roles in the industry. In most cases, however, agents serve as an intermediary on a permanent basis between buyers and sellers, while brokers do this on a temporary basis only. Both are paid in commission for each sale and do not take ownership of the goods being sold.

In addition to real estate, agents and brokers are also common in the travel agency. Companies routinely use agents and brokers when importing or exporting products across the border.

2. Merchant Wholesalers

Merchant wholesalers, which are also simply called wholesalers, buy products from manufacturers in bulk and then resell them, usually to retailers or other businesses. Some carry an extensive range of different products, while others specialize in a few products but carry a large assortment. They may operate cash-and-carry outlets, warehouses, mail order businesses or online sales, or they may simply keep their inventories in trucks, and travel to their customers

3. Distributors

Also called functional wholesalers, distributors do not buy products from the producers. Instead, they expedite sales between the manufacturer and retailers or other businesses. Like agents and brokers, they can be paid by commission, or they can be paid in fees from the manufacturer.

Intermediary Marketers



4. Retailers

Whenever a consumer buys a product from anyone other than the company that makes it, the consumer is dealing with a retailer. This includes corner stores, shopping malls and e-commerce website. Retailers may buy directly from the producers or from another intermediary. In some markets, they may stock items and pay for them only after they make a sale, which is common for most bookstores today.

Blurring Line Between Producer & Retailer

Any e-commerce website that's not owned by the company that makes a product, which it then sells to a consumer, can also be called a retailer. However -- with companies such as Amazon, which make their own products and sell them directly to customers in addition to products made by other companies -- the line between producers and retailers is becoming increasingly blurry