

TABLE OF CONTENTS

	Page
SYNOPSIS . . . . .	iii
LIST OF TABLES . . . . .	vi
LIST OF FIGURES . . . . .	vii
CONTENTS	
I INTRODUCTION . . . . .	1
Objectives of study . . . . .	1
Scope of study . . . . .	2
Research methodology . . . . .	2
Limitations of study . . . . .	3
Acknowledgement . . . . .	4
II THE MALAYAN TOBACCO COMPANY . . . . .	5
E.A.T. Group . . . . .	5
Brief history of the Malayan Tobacco Company . . . . .	5
Objectives of Company . . . . .	6
Staff and Line chart . . . . .	7
III FACTORS INFLUENCING DISTRIBUTION . . . . .	10
Nature of product . . . . .	10
Nature of market competition . . . . .	11
Nature of company . . . . .	12
Market Characteristics . . . . .	12
IV METHODS OF DISTRIBUTION . . . . .	23
Imported tobacco products . . . . .	23
Locally Manufactured Cigarettes . . . . .	23
Nature of distribution . . . . .	27
Criteria for Selection of Distributors and sub-distributor . . . . .	32
Physical distribution . . . . .	34
Achievement of distribution objectives . . . . .	35
V LIST OF DISTRIBUTORS AND SUB-DISTRIBUTORS . . . . .	36
Advantages of Distributors . . . . .	36

	Disadvantages of Distributors . . . . .	37
	Advantages and Disadvantages of Sub-distributors . . . . .	37
	Company and Distributor or Sub-distributor Relationship . . . . .	39
	Distributor and Sub-distributor Relationship . . . . .	40
	Characteristics of the distributors and Sub-distributors . . . . .	41
<b>VI</b>	<b>CLASSIFICATION OF DEALERS . . . . .</b>	<b>42</b>
	Place Objectives . . . . .	42
	"A. S. C. S." Classification . . . . .	42
	Statistics . . . . .	42
	Guides . . . . .	45
	Wholesalers and Stockists . . . . .	46
	Purpose . . . . .	46
<b>VII</b>	<b>SALESFORCE DISTRIBUTION . . . . .</b>	<b>48</b>
	Definition . . . . .	48
	Duties . . . . .	48
	Cash-selling Schedule . . . . .	50
	Remuneration and Allowances . . . . .	54
	The Cigarette Manager . . . . .	55
<b>VIII</b>	<b>DEVELOPMENT DISTRIBUTION . . . . .</b>	<b>56</b>
	Definition . . . . .	56
	Marketing Structure . . . . .	56
	Distributionary Activities . . . . .	57
	Right-point Call . . . . .	57
	Assignment Salesmen . . . . .	61
	Order Formula . . . . .	67
	Task Force . . . . .	69
	Consumer Contact . . . . .	69
	Salesmen's Remunerations and Allowances . . . . .	70
<b>IX</b>	<b>COMPETITORS' DISTRIBUTION SYSTEMS . . . . .</b>	<b>72</b>
	Wholesalers and Agencies . . . . .	74
	Local Manufacturers . . . . .	75
<b>X</b>	<b>PROFITS, COMMISSIONS AND ALLOWANCES . . . . .</b>	<b>76</b>
	Immediate Profits . . . . .	76
	Deferred Discretionary Commission . . . . .	78
	Sub-distributor's Commission . . . . .	80
	Cash-selling Allowances . . . . .	80
	Delivery and on Freight Allowances . . . . .	81
<b>XI</b>	<b>MISCELLANEOUS . . . . .</b>	<b>82</b>
	Smuggled Goods . . . . .	82
	Health Dangers . . . . .	83
	Salesmen's Training Programme . . . . .	84
	Management Evaluation . . . . .	85

XII	APPRAISAL AND SUGGESTIONS . . . . .	88
Appendix		
A	Definitions . . . . .	91
B	Price List . . . . .	95
C	Classification of Brands . . . . .	99
D	Distributors and Sub-Distributors . . . . .	100
E	Agreement . . . . .	105
F	Sales Force Statistics . . . . .	110
G	Salesman's Report . . . . .	111
H	Benson and Hedges Special Filter Selling Story . . . . .	114
I	Cash-Selling Allowances . . . . .	117
J	Deferred Commission Marks Penalties . . . . .	118
	Bibliography . . . . .	119

## LIST OF TABLES

Table		Page
3-1	Malayan Population Statistics .....	16
3-2	Average Monthly Consumption of Tobacco.....	18
3-3	Percentage of Households .....	20
3-4	Commodity Preference of Households .....	20
6-1	Classification of Retailers .....	44
8-1	Issue Weeks Schedule, 1966 .....	62
9-1	Statistics on Company and Competitors' Distributors .....	73
11-1	Immediate Profits .....	77

## LIST OF MAPS

Map		Page
3-1	Communication .....	14
3-2	Population .....	15
4-1	Leaf and Imported Products .....	24
4-2	Distributors and Sub-Distributors .....	29

## LIST OF FIGURES

Figure		Page
2-1	Line and Staff Organisation .....	8
4-1	Unloading Leaf .....	25
4-2	Tobacco Store .....	27
4-3	Gold Leaf Truck .....	28
4-4	Loading Cigarettes .....	30
4-5	Eight-Tonner .....	31
4-6	Channels of Distribution .....	33
6-1	Adjectival Definitions of Outlets .....	43
7-1	Calling at a Retailer .....	49
7-2	Cash-Selling Schedule .....	51
8-1	Marketing Organisation Chart .....	57
8-2	Thong Guan Route Call Plan .....	64
8-3	Symbol Representation .....	65
8-4	Salesman's Retail Call Route List .....	66
8-5	Order Form .....	68
8-6	Fringe Benefits .....	71
9-1	Channels of Distribution - Local Manufacturers	75
11-1	Management Evaluation Graph .....	86