

## **Internet distribution strategies: Dilemmas for the incumbent**

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### **Managerial Article Abstract:**

Like all innovation in distribution the internet can disrupt business as easily as it can transform them. Different industries - and different companies within the same industry - have been affected in different ways. Just as television and later the home video extended the film industry's distribution channels, so the internet looks to be expanding the market for retail investment brokers. Travel agents, on the other hand are suffering as airlines reach out directly to consumers. Manufacturers have four choices: not using the net for sales at all, letting resellers use it exclusively, using it themselves, and opening it to everyone in a market free-for-all. Cannibalisation is a danger - but history suggests that most companies cling to declining distribution networks for too long.

**Complete Reference:** Kumar, N. (1999), "Internet distribution Strategies: Dilemmas for the Incumbent, Financial Times, a special insert entitled Mastering Information Management, March 15, 1999, 6-7.

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