

## **ABSTRACT**

This research analyze factors influencing distribution channel performance the bureaucracy and supplier power and its impact to performance sales. The research problem identified from data about condition of PT. Wisma Sehati Semarang related to sales target and its realization of product that ca not realized. This research problem proposes model which analyze distribution channel performance of PT. Wisma Sehati Semarang with testing factors suspected, i.e. : bureaucracy, supplier power.

This research uses 68 outlet of PT. Wisma Sehati Semarang as research samples. Data analysis tools used in this research is Simple Regression under SPSS.

The result of the data shows that research model has good fit and all the hypotheses can be proved. The conclusions are : bureaucracy has positive influence to distribution channel performance, supplier power has positive influence to distribution channel performance.

Based on the result of the research could be taken theoretical implications that bureaucracy and supplier power has positive influence to distribution shannel performance. Managerial implications of this research are suggestions to managers to pay more attention to supplier power because this factor is the most dominant factor to distribution channel performance. Limitations of this research are shows ability all independen variabel to explain dependent variabel is 68,9 percent, and 30,2 percent explained by others variabel that not use in this research. Keywords : bureaucracy, supplier power, and distribution channel performance