The New Youth Entrepreneur curriculum is a series of 12 youth-oriented educational modules containing instructional materials, learning activities, and checkup exercises designed to teach students key elements of entrepreneurship. This document is the fourth module, which focuses on issues related to marketing, such as market niches and research, methods for creating demand for a product or service, and the use of sales tools. The first section provides a general introduction to marketing, while the second provides activities related to finding a market niche for a product or service. The third section explores strategies for creating demand for products or services, describing three fictitious ventures and asking students to identify how they create demand. The fourth section reviews seven types of sales tools (telemarketing, face-to-face sales calls, paid advertising, free publicity, using contacts, public relations, and sales promotions), while the fifth section provides exercises for determining a venture's target audience. Sections six and seven describe why being young is a sales advantage and provide activities to illustrate the use of the seven sales tools. The eighth section focuses on seven decisions that must be made in planning a sales program, while the ninth describes methods for making or obtaining advertising materials. Finally, a comparison of the advantages and disadvantages of the seven sales tools is made, and a sample venture is described, providing students with questions for developing a marketing plan. (CELCEE, an Adjunct ERIC Clearinghouse on Entrepreneurship Education) (MAB)
The "What's In It For Me" (WIIFM) Factor
Module 4
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THE NEW YOUTH ENTREPRENEUR

How To Sell Your Idea

The "What's In It For Me" (WIIFM) Factor

Module 4

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How To Sell Your Idea

- What is “marketing”?
- How can I find a market niche?
- How can I create a demand?
- What are “sales tools” and what do they do?
- Who are my target customers?
- Why is being young a sales advantage?
- How can I use the different sales tools?
- How can I plan my sales program?
- Can I make some of my advertising materials myself?
How To Market And Sell Your Idea
WIIFM (What's In It For Me?)

At the end of this module you will be able to . . . . .

1. Define and give an example of a market niche.
2. Describe six (6) ways to find out if there is a market niche for your business idea.
3. List three (3) ways to create a demand for your product or service.
4. Give three (3) methods to motivate someone to buy your product or service.
5. List at least five (5) questions to ask about your target customers.
6. List and describe seven (7) different sales tools.
7. Distinguish between types of sales tools effective for a new product and those effective for a new version of a product already on the market.
8. Describe two business advantages of being young.
9. Define the following sales tools, give examples of each, list advantages and disadvantages of each type, and indicate which sales tool is appropriate in different situations:
   - telemarketing
   - paid advertising
   - publicity
   - face-to-face sales calls
   - sales promotion
   - public relations strategy
10. Prepare a phone schedule and a phone script.
11. Describe how and why networking is a selling tool.
12. Describe each of the seven major decisions in planning a sales program.
What Is Marketing?

A Lesson From "Hirestory"

Over one hundred years ago a young man and woman went on their honeymoon to an inn in rural New Jersey. During their stay, they were served a drink which was very tasty and unique. The man inquired about how the drink was developed. The innkeeper's wife indicated that it was a family recipe which was a mix of wild roots and berries including juniper, wintergreen, sarsaparilla, and hops. The family had been making it for years. The young man was an enterprising druggist from Philadelphia who had an eye for new products which would appeal to the public. When he suggested to the innkeeper's wife that he thought the drink would be popular with many people, she offered to give him the recipe so it could be enjoyed by more than just the patrons of the inn. The young man returned home and, with the help of some medical college professors, manufactured the drink.

One of his initial trial markets for selling the drink was in Pennsylvania, especially in the coal mining area. His hope was to sell his "herb tea" as an alternative to the alcohol-based drinks which were popular in that area. A prominent minister indicated that a drink called an "herb tea" would not sell very well in that area. It had to have the word "beer" in the name in order to be attractive to this clientele. So, the name of the drink was changed to root beer.

The drink was introduced to a much larger audience at the 1876 Philadelphia Centennial Exposition. Free samples were given to the people who attended. The public was very enthusiastic about this new drink. In 1877, Mr. Hires started to advertise his root beer in newspapers. His product gained national publicity through his purchase of the first color ad on the back page of a leading ladies' magazine of the day. His advertisements included the ideas that his root beer was a healing tonic as well as a healthy alternative to alcohol-based drinks.

Indeed Mr. Hires of Hires Root Beer was an early leader in the development of the soft drink business. In the 1890's his operation was much larger than Coca-Cola and Dr. Pepper, which had only regional beverage distribution at that time.
What Is Marketing?

Mr. Charles Hires took a family-developed recipe which few people knew about and turned it into a multimillion dollar operation because of his marketing efforts. One of the “musts” for a good entrepreneur is to know the available marketing tools and how to use them, which will be the thrust of this module.

(Material about Charles Hires taken from *Entrepreneurs: The Men and Women Behind Famous Brand Names and How They Made It*, Joseph J. Fucini and Suzy Fucini, G. K. Hall and Company, 1985.)
For Centuries, Entrepreneurs Have Been Finding Ways To Sell Things To People.
What Is Marketing?

It is not enough to have a good product or service!
People have to want to buy it,
so that you can sell it.

Your MARKET is the people who may want to buy your service or product.
Use "SALES TOOLS" to make people (your MARKET) want to buy from you instead of from someone else.

MARKETING is planning which sales tools to use
to reach your MARKET.

Choose the right tool for your marketing and you stand the best chance of selling to the most people.
How Can I Find a Market Niche?

What is Your Market Niche?

A market niche is a very defined part of the marketplace. Many of you are familiar with Pizza Hut or Domino's Pizza. Notice that these two restaurants have gone after the "let's get a quick bite" crowd. They have found their niche in the pizza fast food market. Notice also they are a specialized niche within a niche. Wendy's restaurant chain and Arby's restaurant chain are also in the fast food market niche competition but they don't serve pizza, and sometimes you're really in a mood for that pizza. On the other hand, the California Pizza Kitchen chain also offers pizza, but theirs is a gourmet pizza appealing to the market niche of those who are willing to pay $10 for a slice of pizza in a candlelight atmosphere.

A common mistake made by most entrepreneurs when developing a concept is carefully defining the potential customer. The second mistake is not carefully planning how you are going to make them want your product rather than someone else's.
How Can I Find a Market Niche?

Finding Out If There Is A Market Niche For Your Product or Service

1. **Turn to the Yellow Pages** to find out how many other similar businesses exist. Actually count the number of your potential competitors.

   Even if there are a large number of competitors, this may NOT be bad news. If they are all doing very well, then there may indeed be room for another business.

   If you discover there are no such businesses in your area, this may not necessarily be good news. Perhaps there is not enough demand to support your business idea. On the other hand, it could mean there is an unfulfilled demand for a hot new product, and the community is just ripe for your business.

2. **Contact your competitors’ customers.** Ask them what they like about the business and what parts they are not satisfied with. Listen carefully to what makes them happy and what they gripe about, and ask yourself if you really could do better — that is, if you really have a COMPETITIVE EDGE. Would you be able to provide higher quality service, cheaper service, faster service, or even more personal service?

3. **Visit your competitors.** Find out how they are meeting the needs of the market. What exactly are they selling? What are they not offering that you might be able to offer? Is there a particular type of customer they are not serving and are turning away? In a good market the majority of competitors are usually more than willing to talk to you, and even give you good advice — especially because you are young and they don’t consider you a threat. If you find your competitors don’t want to share much about their business, this may mean there is not enough business to go around.
4. **Locate a similar business outside your local area.** You may be able to get more information about the business from someone in another city or state, since they will not think of you as direct competition for their customers. Call or visit the entrepreneur and be sure you locate one who operates a business like the one you want to have, and in an area similar to the one that you would serve. It might be helpful to contact your industry trade association and ask who the industry leaders are, in a similar business in another part of the state or city.

5. **Talk to your competitors’ employees.** Often the employees of competitors have the best ideas about what market is not being served and the real potential for a newcomer in the field.

6. **Visit your local Chamber of Commerce.** Chambers of Commerce and other local government planning agencies will often have valuable information about trends and community developments that will affect your business potential. They will also have information about the size of your market.

**QUESTIONS:** What are three businesses in the yellow pages of the telephone book where there appears to be NO room for more competition?

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Name ONE business in the yellow pages of the telephone book where there appears to be room for competition.

________________________________________________________________________

**WHY?**
How Can I Create a Demand?

How To Create Demand For Your Specific Product or Service

Demand is desire or wants backed by the ability to pay.

You can do at a minimum, one of three things to create a demand for your product or service:

1. Provide something people really want (and are willing to pay for) that they can get somewhere else; but create a reason why they would rather have yours.

   EXAMPLE: “I know that I can buy a dozen franglers from the store on the other side of town. But, I would rather buy them from you because you will deliver them to me when I need them.”

   QUESTION: What is the reason people might rather buy YOUR franglers?
2. Persuade people to want something that you are selling, even though they may already own something similar.

**EXAMPLE:** Do I really need another hengeflex — my old one isn’t worn out yet. But, I have never seen one in such a PRETTY COLOR! You say that this is the MOST POPULAR color this season? EVERYONE HAS ONE? Well, I guess I’ll just have to buy one from you, too.”

**QUESTION:** What might make people buy these hengeflexes even if their old one isn’t worn out?
How Can I Create a Demand?

3. Provide something people want (and at a price they are willing to pay) that they can't get anywhere else, something unique, one-of-a-kind.

EXAMPLE: “I’ve been looking for a real-keen, imported, Joker Enterprises, Digital-Mechanical-Pencil-Calculator-Watch-Periscope-Oatmeal-stirring-Spoon for YEARS. But, this is the first time I’ve been able to find one! I'll take two!!”

QUESTION: Why might people want to buy this product?
Who Are My Target Customers?

For Successful Marketing — Know Who Your Target Customers Are

1. Where do they live?
2. How old are they?
3. Are they male or female?
4. Can they afford your price?
5. Will they actually pay your price?
6. Will your selling tactics attract customers?
7. Who is your competition?
8. What is the sales volume of your competition?
9. What long-term trends will affect your business?
10. How will these long-term trends affect your business?

QUESTION: What three items on the list above are the most difficult to find out?
Who Are My Target Customers?

For Successful Marketing — Know What Motivates Your Customers

What are some reasons people are motivated to buy a product or service?

IT'S FUN! (Fun for the whole family)

EVERYBODY ELSE HAS ONE! (Don't be the only one in your neighborhood without one.)

IT'S PRETTY! (The most beautiful car ever built.)

IT HAS 'STATUS'! (That means “important” people have one; The most popular people use ________.)

IT'S THE BEST BUY. (Two for the price of One.)

IT WILL MAKE YOU LOOK: BETTER, YOUNGER, OLDER, PRETTIER, SEXIER, THINNER, OR RICHER. (Lose 20 lbs. and feel years younger!)

IT'S 'IN' OR THE POPULAR THING TO BUY THIS SEASON. (The newest rage in jewelry is ________.)

IT'S THE BEST QUALITY. (Grade A#1)

IT'S THE MOST EXPENSIVE. (Of course our chocolates are expensive! Aren't you worth it?)

QUESTION: What on this list might motivate you?
What Are Sales Tools?

Good sales tools make good marketing!!

What do SALES TOOLS do?

SALES TOOLS GIVE YOUR CUSTOMERS INFORMATION ABOUT YOUR PRODUCT OR SERVICE

They especially let the customer know:

1. That your product or service exists.
2. Why he/she should choose your product or service instead of someone else's.
3. Where he/she can get the product or service.
4. How much the product or service will cost. (If your sales tool cannot say exactly what the cost will be, it should at least tell the customer where to get the information.)

NOTE: Sales tools should give this information in a way that will make customers want to buy from you.
What Are Sales Tools?

There are 7 major kinds of sales tools.

You can use each kind of sales tool several different ways.

Later we will talk about HOW to use these seven tools to help you "sell" your own products or services. For now, we will just list them:

1. Telephone (Telemarketing)
2. Personal contact (Face-to-Face Sales Calls)
3. Paid advertising
   A. newspaper ads
   B. radio and TV ads or "spots"
   C. posters, signs, and billboards
   D. direct mail
      brochures
      flyers
      letters
      samples
4. Free publicity
5. Using contacts
6. Public relations
7. Sales promotions
What Are Sales Tools?

Let's look at the reasons why people will buy a product:

- Convenience (Easy to get to).
- Decent price (Inexpensive, but not cheaply made).
- Status.
- High quality.
- Perceived need.

No matter how good the idea, or how clever the advertising, successful sales are really assured by:

A good product or service, at a decent price, that's convenient to buy.

EXAMPLE:

Product - Let's say you developed a better sneaker, that lasted longer, was more comfortable, and sold for less money than its best competitor.

Location - One store in Saskatoon, Saskatchewan, Canada.

How will sales be - They may be fine in Saskatoon, but you will have trouble tapping a market anywhere else! People simply won't find it easy to get to you to buy your sneakers.

Possible Solution - A MAIL ORDER SERVICE for the U.S. and Canada.
What Are Sales Tools?

**EXAMPLE:** One car wash costs $6. It is on the busiest highway in town. You can pull right in and get a car wash in about 5 minutes.

Another car wash costs only $5. It is two miles from the main road. You have to drop your car there in the morning and pick it up after work.

The more expensive car wash will probably do more business!!

**WHY?**

**ACTIVITY:** Below is a list of products and/or services. Check off the reasons people probably buy these products or services. You may check as many reasons as you think apply for each product.

<table>
<thead>
<tr>
<th>PRODUCT OR SERVICE</th>
<th>CONVENIENT</th>
<th>CHEAP</th>
<th>HIGH STATUS</th>
<th>QUALITY</th>
<th>PERCEIVED NEED</th>
</tr>
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<tbody>
<tr>
<td>Baby-sitter</td>
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<td>Kerosene</td>
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<td>Personal Computer</td>
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<td>Frozen Pizza</td>
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<td>SONY Walkman</td>
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<tr>
<td>Fur coat</td>
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<tr>
<td>Harley-Davidson Motorcycle</td>
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<tr>
<td>Light bulb from door-to-door salesperson</td>
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</tbody>
</table>
What Are Sales Tools?

Basic Approaches or "Pitches"

Before you can decide on which sales tools to use to promote your own business, you will need to know whether you are:

1. Creating a Brand New Product or Service

   Or

2. Selling Something in Competition With Similar Products Which Are Already on the Market

**QUESTION:** Why is this important?

**ANSWER:** You will have different sales problems and need different sales tools depending on whether your product or service is the only one of its kind on the market.
What Are Sales Tools?

Let's look at some of the differences that may influence your choice or use of sales tools:

If you create a brand new product:

There is relatively little competition because you are the only game in town.

**THEREFORE:**
You can decide on the best form of marketing FOR YOU, since you don't have to consider what your competitor is doing.

You can start small.

You can set your own price, without worrying about having to undersell or beat your competitors' price.

**HOWEVER:**
You have to do Market Research to find out if there is really a demand for your product or service.

You have to sell a whole new idea not just a product. You have to sell people on the idea that they want and are willing to pay for what you have to offer.

If you sell a new version of something already on the market:

There IS competition, and you are not the only game in town.

**THEREFORE:**
You must look at the kind of marketing your competitor is using, and pick a type for your product that will pull the customers' attention away from the other similar and competing products.

If your competitors have big, expensive ad campaigns, you may have to start with bigger, bolder, more expensive marketing.

You will have to know what your competitors are charging for their product or service. Then you will have to set your price to either match theirs or be lower than (undersell) theirs.

**HOWEVER:**
Your competitors have done the Market Research so, if the public is buying their product, you know there is a demand for this product or service.

You do not have to sell people on a new idea, but you have to sell them on believing that YOUR product or service is the BEST one for them.
Why Is Being Young a Sales Advantage?

What Advantage Do You Have That Most Other Business People Don't Have?

YOU ARE YOUNG!
That's right.
Being youthful is not a disadvantage.
It's an advantage!!

HOW DO WE KNOW THAT BEING YOUNG IS AN ADVANTAGE IN BUSINESS?

We know because the “experts” use young people in sales in every way. They use them because they are effective. People like young people. They especially like the idea of kids being in business. They like the idea of kids selling a product.
WAYS THAT BUSINESS PEOPLE USE YOUNG PEOPLE TO MAKE MONEY

1. They use them to sell school products door-to-door. People are much more likely to buy a $3.00 box of candy from you than they are from your parents or teachers.

2. They use them in fund-raising/sales campaigns like Girl Scout Cookies. These cookies are not the best on the market, and they are certainly not sold at a low price. People buy them because young girls sell them.

3. They use college kids to sell magazines in order to “put myself through school.”

4. They use cute little kids in commercials to tell the buyer how much they like the product.

5. They use kids in church and temple fund-raisers like car washes, etc. Can you imagine somebody driving his car out of the way to a place where it will take half an hour to get his car washed because he was asked by a 50-year-old man? No. But he’ll do it if YOU ask him!
How To Use The Different Sales Tools

Telephone: Telemarketing

Using the phone to sell things.

The Advantages:

- The telephone can be used as an alternative to an outside sales force.
- The telephone is a low-cost method of screening prospective buyers.
- Many buyers would rather give you an order over the phone than have you bother them in their offices.
- Telemarketers (like direct mail) can make their pitch from a tested script.

Disadvantages:

- A lot of people do not like to be bothered at home. Home is considered family time.
- It is easier to hang up on someone than to walk away from them.
PLANNING YOUR TELEMARKETING:

1. **Identify Your Audience.**
   
   Decide who your likely customers are and put together (or buy) a list of them and their phone numbers.

2. **Decide What Your “Pitch” Is.**

   **YOUR “PITCH” = YOUR MAIN SALES MESSAGE**

   There may be 10 reasons why people might buy your product, but you can’t talk about all the reasons. You have to decide what your STRONGEST SELLING POINT is for the audience (market) you plan to sell to.

   **EXAMPLE:** You are calling a group of parents of young children to sell them light bulbs. The sales profits are going to be used to build playground equipment for young children.

   Because of the interest this audience has in young children, you should stress the USE of the money, not the quality of the light bulb.

   **EXAMPLES OF SALES PITCHES**

   “ON SALE! SPECIAL OFFER!!”

   “A FRIEND BOUGHT ONE”

   “GOOD SERVICE” “GOOD PRICE!” “HIGH QUALITY”

   **NOTICE:** The PITCHES look very much like the REASONS why people will buy various products. Compare the “pitches” on this page with the “reasons” on page 13.
How To Use The Different Sales Tools

3. Prepare a Phone Schedule.

Decide when you will call the people on your telephone list. Plan to make some of your calls when you'd be most likely to reach the greatest number of people, WITHOUT DISTURBING THEM.

EXAMPLE of what NOT to do: You can find almost everyone at home at 2:00 in the morning. But, you wouldn't call them then.

Why Not? ___________________________________________________________________

4. Prepare a Script.

WRITE DOWN what you are going to say when you talk to people on the phone. Make a WRITTEN LIST of all the points you have to make (what you want to tell people about your product or service) so that you don't forget anything.


Why do you have to do FOLLOW-UP? (Hint: Will you always get in touch with a customer on a first call?)

__________________________________________________________________________

NOTE: TELEMARKETING or phone calling is probably THE BEST WAY TO MAKE USE OF YOUR PERSONAL CONTACTS.
How To Use The Different Sales Tools

Personal Contact: Face-To-Face Sales Calls

The Advantage:

People are more likely to buy when you visit them personally. It is harder to turn down somebody who's looking you right in the eye. You have to decide right there on the spot if you want something. It's easier to say “No” to a phone voice, and much easier to throw away a piece of mail or a newspaper ad.

The Disadvantage:

Face-to-face selling takes a LOT of time. If you use only face-to-face selling, you will be able to reach fewer customers.

WHEN TO USE PERSONAL CONTACT OR FACE-TO-FACE CALLS:

1. When you can sell a LOT of your product in one sales call

EXAMPLE: John might try getting together a whole group of Senior Citizens or Young Mothers and giving them all his sales talk at one time. Selling to a group could give him a chance to make a number of sales at once and would be worth the time it would take to meet with the group face-to-face.

2. When you can sell your product on a long-term basis.

EXAMPLE: John would find face-to-face selling (even to one person at a time) worthwhile if he could sell that person a contract to use his services for six months or a year.
3. If your product or service is so expensive that it is worthwhile spending a lot of time selling just ONE.

EXAMPLE: A young entrepreneur selling people a paint job for their house (probably costing several hundred dollars) would find it worthwhile to spend some time doing face-to-face selling.

4. When people need to get to know you.

You have the advantage of SELLING YOURSELF AS A KID who is trying to make a living. You may have to use this method until you have established a reputation for excellent work.

EXAMPLE: John had a service business escorting older people on their errands. Since people might be afraid to accept this service from someone they did not know, he might have to give them a chance to meet him face-to-face. This might be done through group meetings, where people would feel safe with each other while meeting a stranger.
How To Use The Different Sales Tools

Paid Advertising (WIIFM)

To advertise is TO PAY TO HAVE A POSITIVE MESSAGE ABOUT YOUR PRODUCT OR SERVICE PRESENTED in some way, to the audience (potential customers) you want to reach.

Advertising can be as complicated or as simple as you choose to make it. You need customers and you need to convince customers that they need you. Advertising is a method of getting attention. In short it answers the question, "What's in it for me?" — Otherwise known as WIIFM.

Businesses may advertise to create customer awareness, stimulate sales, or even establish a strong image. The bottom-line (that’s business talk) is that businesses advertise because they want to increase their profits.

ADVERTISING COMES IN MANY FORMS. All of these forms can be used separately or together. Some support each other. Some work best alone. You can start with one and add others as you need and can afford them. Each is best for certain kinds of needs. No one form of paid advertising is best for everything.

Before you choose a form for your advertising you must consider:

1. Cost.
2. Number of People Reached (in your target audience).
3. How Many Times Customers Will Come in Contact With Your Message.
4. Where Your Target Audience Will Be Most Likely To Come in Contact With Your Message.

Examples: If you are selling tickets to a Shakespeare play you probably won't advertise in a Rock Magazine.

If you are selling green hair dye, you won't want to advertise in a business journal — WRONG AUDIENCE!!


How much do people trust the magazine, TV station, radio announcer or place where you put your advertisement? If people trust the announcer or place presenting your advertising, it makes your advertising more effective.
KINDS OF PAID ADVERTISING

Newspaper/Magazine Ads:

1. You pay a specific amount of money to buy a fixed amount of space in the newspaper or magazine for a fixed length of time. There are two basic kinds of newspaper or magazine ads:

   A. Display Ads
      - more expensive
      - often more effective
      - placed in parts of the paper other than the “classified” section
      - may include pictures of your product and be fancier and more attention-getting than a classified ad

   B. Classified Ads
      - less expensive
      - placed in the part of the Classified section that relates to what you are selling, so your market is already partly targeted for you:
        i.e. “Job Wanted”
            “Auto Sales”
            “Musical Instruments”
      - a clearly-worded Classified Ad often draws more customer attention than a display ad
      - more potential customers browse through the Classified Ads than browse through the rest of the paper looking for a display ad
2. You write what you want the ad to say. In a display ad you can even show a picture or drawing of the product or service. You can lay out the ad or have the newspaper do it for you.

3. The more you advertise in newspapers, the lower the RATE (COST) of advertising space.

**NOTE:** In the newspaper/magazine, usually near the front page, or at the beginning of the “Classified” section, you will find a phone number to call for information about placing an ad.
How To Use The Different Sales Tools

Radio and TV

1. You buy a certain amount of TIME for your message. The normal amounts of time are 30 SECONDS and ONE MINUTE. However, many ads are longer.

2. Radio Advertising:
   a. Two Kinds -
      - Live Spots: You send a written message which will be read by the announcer.
      - Taped Message: You produce a tape with the announcer, music, and sounds you want.

   b. Cost -
      Depends on what time of the day or night the ad is run and on how many people are usually listening at that time.

      Depends on the length of the advertisement.

      Usually can be afforded by small businesses, especially those located in small cities.

ACTIVITIES:

1. Name something you would buy because of a recent ad you have heard on the radio.

2. What kind of station were you listening to when you heard the ad?

3. What radio program was on when you heard the ad?

4. What was the target audience for the ad?
How To Use The Different Sales Tools

3. Television Advertising
   a. You "produce" or have an advertising agency "produce" the commercial.
   b. You choose the person you want to speak or sing your message.
   c. Cost (There are two kinds of costs.)
      Production Costs
      VERY EXPENSIVE to produce.
      You must PAY the advertising agency (or you must rent video equipment and possibly studio time) to produce the commercial.
      You would probably want professional help in putting together a TV commercial since there are many technical factors which must be considered.
      Time Costs
      As with radio, this depends on the time slot the ad is shown in — how popular the program is, and the age and buying power of the viewers. (During the Super Bowl just the TIME for a one-minute spot cost $1,000,000!)
      Most small businesses cannot afford major television advertising.

ACTIVITIES:
1. Name a product you would buy because of an ad you have seen recently on TV.
2. What kind of program were you watching when you saw the ad?
3. Who were the target audience for the ad?
4. Why do you think the company placed their ad on TV instead of on radio?
Direct Mail

Direct Mail refers to PRINTED MATERIAL SENT TO LARGE NUMBERS OF PEOPLE THROUGH THE MAIL, such as:

- Brochures
- Flyers
- Promotions
- Letters
- Samples
- Other Printed Material

Sales can be increased if you follow up the mailer with a telephone call shortly after the customer receives the mailer. Studies have shown that most potential customers are more receptive to mail pieces in the middle of the week and least receptive on Mondays and Fridays. Studies also have shown that January, February, and October are the best months for direct mail.

Why send direct mail to people?

1. To tell them about your product or service
2. To show them your product or service
3. To encourage them to order it

What does Direct Mail Advertising usually include?

1. One or more of the pieces of printed material listed above
2. An ORDER FORM (usually) - so that the customer can order by mail
   This is often in the form of a POSTAGE PAID REPLY CARD, so that the customer can order from you without having to put any postage on the order card.
   YOU pay the postage for the customer through a permit you buy from the Post Office.
How To Use The Different Sales Tools

The Advantages:

- You can reach large numbers of people at the same time.
- Research has shown that over 90% of Americans bought at least one thing as a result of direct mail.

The Disadvantages:

- Since so many companies do direct mailings, yours will have to be really unique, or people will ignore it and throw it away.
- The mailing piece, mailing lists, and postage are paid for up front without any guarantee that people will send in orders.
- The average response to a direct mailing is about 1% to 3% per mailer. In other words:

OUT OF 200 PIECES OF DIRECT MAIL YOU SEND OUT, EXPECT 2 TO 6 PEOPLE TO RESPOND!!
How To Use The Different Sales Tools

Brochures, Flyers, Business Cards, and Letters

1. These forms of Paid Advertising are all PRINTED MATERIALS.
2. They can be as simple as one color of ink on one piece of paper. (They can even just be done on a copier instead of being sent to a printer.)
3. They can be as complex as 20 or more pages with gorgeous color, pictures, artwork, and lots of charts and graphics.
4. Uses: For quick, onetime use or as your permanent Marketing Tool – Direct Mail; Handouts; Pickups at a retail site; Support material to be left by the in-person salesperson.

   A flyer for example can be placed under a car windshield wiper or stuck in the handle on your front door. They often contain a discounted coupon to attract potential customers.

   A business card emphasizes your professional status. Some people collect them and use them for future reference.

5. Cost: Widely variable, depending on how much you can do for yourself.

   **Advantages:**
   - Can be an effective tool when a business is trying to establish and grow a repeat customer base (car wash, car detailing, pizza)
   - Can be a cost-effective method of reaching a small market area
   - Can be a way for the entrepreneur to trace how many customers are attracted by counting the coupons used in the flyers or attached to the brochure or letter

   **Disadvantages:**
   - Is not an effective method for covering a large geographical area.
   - May not be good for your business image if they get dropped in parking lots.
How To Use The Different Sales Tools

Posters, Signs, Billboards

1. These are all DIFFERENT SIZES OF THE SAME KIND OF ADVERTISING. Each takes care of a certain kind of need.

2. These present a message that is put IN ONE PLACE so viewers see it over and over again.

3. Uses:

   **POSTER** - Small, so it can be put up in places that your customer is likely to visit (such as a grocery store). They are usually in places where people can take as long as they like to read them. Since they don’t cost much to print (if they are kept simple), you can change the message once in a while and put up many of them.

   **SIGNS** - Placed permanently in one spot, as over the entrance to a business place. Customers get used to seeing them in a certain place.

   **BILLBOARDS** - Now called outdoor posters. Have the highest visibility (they can be seen easily by lots of people). Can have only one message. (Why? Because the average amount of time a person has to see a billboard is LESS THAN SIX SECONDS!). BILLBOARDS GIVE A HIGH RATE OF NAME RECOGNITION.
How To Use The Different Sales Tools

ACTIVITIES:

A. On a separate piece of paper, DESIGN A FLYER FOR ONE OF THE FOLLOWING BUSINESSES:

1. John's Escort Service For Senior Citizens
2. House Painting
3. A Dog Walking Service

AFTER you choose one of the businesses above, and BEFORE you design your flyer, answer the following questions:

1. Who will be my target audience?

2. What are they interested in: safety? good job? being on time? my background for doing the job?

3. How many flyers will I need and how will I distribute them?

B. Design a business card for Linda's Car Wash Service:


How To Use The Different Sales Tools

Sales Promotions

1. These include all of the “gimmicks,” “tricks,” or incentives that are used to encourage or make people buy a product at a specific time at a specific price.

2. Types of sales promotions:

FREE GIFTS - (Free 1 lb. box of milk chocolates with purchase of any 5 lb. box of candy between now and Valentine's Day.)

DISCOUNT COUPONS - (This coupon good for 50 cents off the regular price of 13 oz. bottle of New Hair Shampoo. Expiration date 10/31/96.)

SALES - (Clearance Sale! 25% off all T-shirts. Saturday and Sunday only.)

BUY ONE/GET ONE FREE DEALS - (Buy one Super Duper Nintendo Game at the regular price and get a second one FREE!)

SPECIAL SERVICE OFFER - (Buy a pair of pants and we'll hem them FREE!)

MULTI-USE CARDS - (Get your ticket stamped each time you buy a CD, and get the 10th CD FREE!)

REGISTER TAPE SPECIALS - (Save up all your receipts or cash register tapes until you have $400 worth, and get a free turkey.)
How To Use The Different Sales Tools

Publicity

Like advertising, PUBLICITY is a way to get your message to the right audience. It uses the same methods to get your message across (newspapers, magazines, etc.) Publicity makes people notice you. It puts your business in the eyes of the public.

However, publicity and paid advertising are not the same

The main differences are described below:

<table>
<thead>
<tr>
<th>Publicity</th>
<th>Advertising</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free</td>
<td>Costs money</td>
</tr>
<tr>
<td>You initiate or start the message but you don't control it.</td>
<td>You control the entire message, where it goes, who presents the message.</td>
</tr>
<tr>
<td>It has more credibility because it seems like others are saying good things about your product or service.</td>
<td>It has less credibility because the audience knows the company is saying the good things about its own product or service.</td>
</tr>
<tr>
<td>It's uncertain if you will get any or all of your message across.</td>
<td>You can track (count or tally) the results of the expenditure more easily.</td>
</tr>
</tbody>
</table>
How To Use The Different Sales Tools

What is PUBLICITY?

Publicity is all the free writing you get other people to do about your product or service.

Example:

If a newspaper, magazine, TV, or radio station “does a story” on your business, it is wonderful exposure for your product or service.

Since the writers are the ones saying the good things about your business, people are more likely to believe what is said.

Problem: Once they have interviewed you or you have sent them the information they want, YOU HAVE NO CONTROL about how the story actually comes out or when it is used.

Example of the value of free publicity:

A reporter who wouldn’t think of writing a story on a big, famous sales company, might get interested in writing a big story about three kids who got together to form a delivery service.

It would cost those same kids about $1,000 to get a half-page ad in the Sunday Philadelphia Inquirer. A half-page publicity story written about their company would cost 25 cents for a phone call to talk to a reporter!!
How To Use The Different Sales Tools

How can I get publicity? There are several ways:

   Send (to the newspaper, radio station, etc.) a story about a person, product, event or service that might be of interest to the public.

   Send a simple outline or a note telling the press when an event is going to take place, and inviting them to “cover” the event or do a story on it.

3. Use The Telephone!!
   Call a reporter who might be interested in what you are doing and selling and tell the reporter about it.

   BEFORE YOU CALL A REPORTER:
   MAKE SURE THAT YOU CAN ANSWER QUESTIONS ABOUT YOUR BUSINESS, AND THINK CAREFULLY ABOUT THE MESSAGE YOU WANT TO GET ACROSS.

4. Setup Display.
   Put up a booth at community fairs and during celebrations such as the Fourth of July.

5. Word of Mouth Praise.
   Remember the best customer is a satisfied customer (and, of course, one who pays). Do not hesitate to tell customers, who express satisfaction, to please recommend your business to their friends and neighbors.
How To Use The Different Sales Tools

ACTIVITY:

Below are listed “sales efforts” - ways in which certain companies have had their name and product brought before the public. You must decide whether these sales efforts were PAID ADVERTISING or FREE PUBLICITY. Put a check mark in the correct column.

<table>
<thead>
<tr>
<th>SALES EFFORT</th>
<th>PAID ADVERTISING</th>
<th>FREE PUBLICITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Story on the 6 o’clock news about COKE going back to the old flavor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Billboard saying “Free Checking at Allen’s Bank”</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radio interview with the president of IBM about new computer that weighs only 2 pounds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A two-minute spot about Subaru’s new look, in between the Bill Cosby Show and Cheers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A poster in the school cafeteria about the rock concert next Friday at a local movie theater</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A coupon in your door that offers 50 cents off if you try No Run Pantyhose</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

QUICK ACTIVITY: List 3 pieces of PAID ADVERTISING that you saw or heard today.

<table>
<thead>
<tr>
<th>NAME OF AD</th>
<th>WHERE YOU SAW OR HEARD IT</th>
</tr>
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<tbody>
<tr>
<td></td>
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</tbody>
</table>
Public Relations

Public Relations means THE WAYS YOU AND YOUR BUSINESS DEVELOP A GOOD RELATIONSHIP WITH THE COMMUNITY, THE NEIGHBORHOOD, AND THE PEOPLE AROUND YOU.

It means being Fair and Reasonable in your business dealings. It includes a Nice Appearance for you and anyone who works with you, and, if you have one, for your office or business area. It is the type of image you want your business to present to the public.

THIS MAY BE THE MOST IMPORTANT OF ALL THE SALE TOOLS! But, it is the hardest sales tool to define, it is the hardest thing to measure, and it is the hardest thing to do. You will be creating an image not only for your customers and clients, but for everyone with whom you deal.

Some parts of a small business Public Relations Program include:

- Exhibits about your product or service.
- Public Speaking - talking to groups about what you do.
- Publicity.
- Advertising.
- Your business brochures, flyers and letters.
- Community Relations - doing or contributing nice things to help the community so that people will connect you with good deeds. This does not have to cost you money.

Example:

Your city is trying to clean up an old, abandoned lot so it can be turned into a ball field and park. You, and anyone who works with you, can donate TIME to help with the cleanup. You do this in the name of your business.
How To Use The Different Sales Tools

USING CONTACTS - “NETWORKING”

Using contacts means SELLING TO PEOPLE YOU KNOW OR WHO ARE FRIENDS OF SOMEONE YOU KNOW. This is probably the MOST EFFECTIVE and LEAST USED selling tool of them all!

To Network or use your contacts:

1. Make a list of EVERY PERSON YOU KNOW who might want or need your service or product.
2. Make another list of the KINDS OF PEOPLE who might want or need your service or product.
3. CALL every person you know. Talk to them about your product or service.
4. After talking to them about your business, ASK THEM FOR THE NAMES of every person they know who might want or need your product or service.
5. CALL all those people.
How To Use The Different Sales Tools

ACTIVITY:

If you were going to start a baby-sitting directory (helping people find baby-sitters), write down all the people who might need or want your service from...

FAMILY  FRIENDS  SCHOOL  CHURCH  OTHERS

You should have 20 - 25 names. If you got just 5 names from each of these people, you would have a starting potential customer list of 125 CUSTOMERS!

5 GROUPS

5 PEOPLE FROM EACH GROUP GIVE YOU FIVE NAMES.

TOTAL: 125 NAMES!!
How Can I Plan My Sales Program?

Planning Your Sales Program

Planning your sales promotions campaign takes 7 MAJOR DECISIONS. You have to make ALL of these decisions BEFORE you sell your product or service.

DECISION 1

WHO IS YOUR "TARGET AUDIENCE"? (WHO and WHERE are your potential customers?)

- What age are they?
- What gender are they?
- How much money do they have? (i.e. rich or poor?)
- Where do they live?
- What are their interests, hobbies - what do they do with their spare time?
- Why do they buy certain things?

ACTIVITY:

List 3 characteristics (age, interests, income) of the target audience for the following products:

<table>
<thead>
<tr>
<th>PRODUCT OR SERVICE</th>
<th>POTENTIAL KINDS OF CUSTOMERS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>DISPOSABLE DIAPERS</td>
<td>1</td>
</tr>
<tr>
<td>COLD MEDICINE</td>
<td>2</td>
</tr>
<tr>
<td>COMPUTER DESK</td>
<td>3</td>
</tr>
<tr>
<td>WINDOW CLEANING</td>
<td>Service</td>
</tr>
</tbody>
</table>

| 1 | 2 | 3 |
DECISION 2

WHAT ARE YOUR MAJOR AND MINOR SALES MESSAGES?

What information will help people make a decision to buy YOUR product?

Is your target audience most concerned with:

- Cost?
- Safety?
- Quality?
- Convenience?
- Good Customer Service?
- Status?

Remember:
People concentrate on one message at a time.

No matter how many good things can be said about your product or service, most of the time you will be selling the MOST IMPORTANT POINT. This is especially true on posters, billboards, radio, TV, and flyers.

Exceptions to the rule of ONE MESSAGE AT A TIME:

- On a product Brochure you can sell many points.
- A cleverly-worded Billboard might combine 2 thoughts.

Example:

New York Designer Fashions
Right Here
At Discount Prices!!

There are two messages rolled into one idea:

1. You don't have to go far to buy great fashions.
2. We sell them at low prices.
DECISION 3

How Much Will Good Promotions Cost?
How Much Can You Afford?

COMPARE THE PROMOTION COSTS WITH THE COST OF YOUR PRODUCT.

You have to fit the cost of the promotion tool with the potential sales return as well as with the response of your target audience.

Example:

If you spent $100,000 on a local radio campaign, you most likely would get lots of customers. BUT, would the cost of the advertising wipe out any profit you might make from sales?

- If you are selling cars, maybe not.
- If you are selling light bulbs, almost certainly!
ACTIVITY:

Answer “yes” or “no” to the question, “Is this promotional campaign cost-effective for the product or service?” Explain your answer.

A. A national TV campaign for the opening of a new neighborhood grocery store?

B. 300 hand-distributed flyers to announce a dog walking service?

C. Hiring a salesman to sell disposable diapers door to door?

D. A telephone marketing campaign to sell 50-cent candy bars?

E. A full-page ad in a daily newspaper every week to advertise a weekend bake sale?
DECISION 4

What is the most effective way of selling YOUR product or service and YOUR message to YOUR audience? (Take cost into consideration.)

a. Where does your audience most likely get its information?

   Example:

   If your audience listens to rock music, and IF radio in your area is a good, cost-effective way to advertise, then put your ads on a radio rock station.

b. Will it help if someone else says to use your product or service? (PUBLICLY)

c. Do you have to reach a lot of people with a small message, or a few people with a personal message?

   Example:

   If your product is one which a customer has to see and use (a $5,000 computer, for example); or if the product is technical and customers will need to have lots of questions answered, PERSONAL SALES CALLS are a good tool.
DECISION 5

WHO IS YOUR COMPETITION?
WHERE DO THEY HAVE THEIR ADVERTISING?

If you have competition, you need to have your sales message in the same place as theirs.

Example: If your competition advertises in THE YELLOW PAGES, you should advertise there, also.

If you have no competition, then choose whichever sales tools best fit your needs and pocketbook. But . . . make sure you are not too visible before you are ready to deal with competition.

Example: If you are John opening an escort service, you don't want all the other kids to steal your idea and go into business before you have enough business for yourself.

A local newspaper ad might be effective, but, you would be better off with a few personal visits and phone calls until you are well established. THEN you can use more public tools.
DECISION 6

HOW LONG DOES IT TAKE TO GET RESULTS FROM A PROMOTIONAL TOOL?

You have to THINK AHEAD and ALLOW TIME for your advertising tool to work. If you need to generate sales right away, think about "lag time" in your planning.

Examples:

Billboards - People learn to recognize your name quickly when they see it on a billboard, but it TAKES A LONG TIME to translate that name into actual sales.

TV Ads - It TAKES A LONG TIME to buy ad time, produce a commercial, air the commercial, and get sales results.

Personal Visits - Get QUICKER RESULTS

Telephone Calls - Get QUICKER RESULTS
DECISION 7

WHAT WILL YOU DO IF YOU ARE REALLY SUCCESSFUL?

People frequently don't plan for business successes. Consequently, when success catches a new business by surprise it often translates into an opportunity for competitors to fill the vacuum left by the flatfooted business.

In your planning, don't forget . . . .
You have the advantage of being young!

Whether you are selling door-to-door, or on the telephone, or by direct mail, or through publicity: make sure it is clear (when it is to your advantage) that the potential customer knows you are a teenager.
How Can I Plan My Sales Program?

**ACTIVITY:** PRACTICE IN PLANNING A MARKETING PROGRAM

Fill in the following chart. For each business, write down:

1. A description of the TARGET AUDIENCE (tell 3 things that describe them)
2. A list of MARKETING TOOLS to be used to get customers
3. The reason for using each tool

**JOHN'S SHOPPING SERVICE:**

<table>
<thead>
<tr>
<th>Target Audience:</th>
<th>1.</th>
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<th>Marketing Tool</th>
<th>Reason to Use</th>
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**HOMEMADE PIES DELIVERED TO YOUR DOOR:**

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How Can I Plan My Sales Program?

MAIL SERVICE (ADDRESS, STUFF, LABEL OFFICE MAIL):

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Marketing Tool

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CAR WASHING SERVICE DONE AT A COMPANY PARKING LOT WHILE PEOPLE ARE WORKING:

<table>
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<tr>
<th>Target Audience</th>
<th>Reason to Use</th>
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Marketing Tool

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Can I Make Some Of My Advertising Materials Myself?

Producing Inexpensive Promotional Materials Helpful Hints

In making brochures, ads, flyers, posters and other "graphic" items, you can design and produce your own materials without paying for a professional illustrator, advertising person, or typesetter/printer.

However, you don't want your promotional materials to look cheap and unprofessional.

SOLUTION

There are many kinds of inexpensive "Graphic Aids" ready made for your use, especially if you can use a copy machine.

Useful Kinds of Graphic Aids

1. PRESS TYPE: Transfer sheets of letters, numbers and symbols in many sizes and styles.

   How To Use Press Type:
   
   • Place the sheet of letters over your paper, lined up so that the letters that you want are placed where you want them to be on your paper (one at a time).
   
   • Rub over the letter you want with something hard like a pencil lead (not too sharp).
   
   • Lift off the transfer sheet leaving the letter on your paper.
Can I Make Some Of My Advertising Materials Myself?

2. BORDERS, DRAWINGS, PICTURES & DESIGNS: as transfer sheets like press-type or in Stock Art Books

How To Use:

- Use those in press-type format as you would the letters discussed above.
- Copy from the Stock Art Books which are not copyrighted.

These materials can be purchased, or you can borrow art work from a local printer, a place with a large art department, or even your local library.

LEARNING HOW TO DESIGN PRINTED MATERIAL

Invest in a book on how to prepare camera-ready art and printed materials (you can find one in a bookstore) or borrow one from the library.

LOOK, LOOK, LOOK at all kinds of brochures, headlines, flyers, posters, advertisements. Pick out the ones that give a message you can remember clearly. These are well-designed.

REMEMBER:
SIMPLE AND EASY TO READ are the most important keys to well-designed printed material.
Can I Make Some Of My Advertising Materials Myself?

Where to Buy or Find Graphic Art Aids

Press-type or transfer letters and pictures are available at art supply stores, stationery stores, some variety stores, places where they sell school supplies, some department stores, and print shops.

Stock art materials for borders, graphics and illustrations are available at art supply stores, printers, college book stores and in books at your library.

On the pages that follow are some comparisons of the major selling tools that we have discussed in this module, as well as some examples of telephone scripts and other useful materials for planning your marketing program.

GOOD LUCK WITH YOUR MARKETING!!

LATEST FAD!!
HULA-HOOPING WITH A GOOD-LUCK HORSESHOE.
## Comparing the Major Selling Tools

### Tool: TELEPHONE

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
<th>EXAMPLES OF GOOD USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>More personal than printed ads</td>
<td>Takes more time and people power than mass media</td>
<td>Newspaper subscriptions</td>
</tr>
<tr>
<td>Harder to say &quot;no&quot; than to direct mail or mass media</td>
<td>Wasted time in &quot;no&quot; answers and wrong numbers</td>
<td>Large quantity light bulbs</td>
</tr>
<tr>
<td>Direct and immediate sales</td>
<td>Too expensive for VERY cheap products or services</td>
<td>To set up appointments for in-person sales for major products</td>
</tr>
<tr>
<td>Faster than in-person visits</td>
<td></td>
<td>PTA list to sell school T-shirts</td>
</tr>
<tr>
<td>Can answer questions</td>
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</tbody>
</table>
## Comparing the Major Selling Tools

**Tool: FACE-TO-FACE, IN-PERSON SALES**

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
<th>EXAMPLES OF GOOD USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harder for people to say “No”</td>
<td>Takes a LONG time</td>
<td>When the service provider is the salesperson</td>
</tr>
<tr>
<td>Take advantage of your own likability</td>
<td>High cost per unit sold</td>
<td>When you use “contacts”</td>
</tr>
<tr>
<td>Immediate decision to buy</td>
<td>Reach fewer people</td>
<td>Insurance</td>
</tr>
<tr>
<td>Can show samples of product</td>
<td>Need highly-trained and knowledgeable sales people</td>
<td>Home decorating service</td>
</tr>
<tr>
<td>Ability to answer questions.</td>
<td></td>
<td>Computer systems</td>
</tr>
</tbody>
</table>
## Comparing the Major Selling Tools

**Tool: ADVERTISING / DIRECT MAIL**

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
<th>EXAMPLES OF GOOD USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reach huge numbers of people</td>
<td>Impersonal</td>
<td>Food products that are available at retail stores</td>
</tr>
<tr>
<td>Can tailor message to very specific audiences depending on placement</td>
<td>Credibility problem because the message comes from the seller</td>
<td>Clothing and household products with wide audiences (Reebok sneakers)</td>
</tr>
<tr>
<td>Variety of media available</td>
<td>People tend to block out advertisements because there are so many</td>
<td>A narrow audience (direct mail) where you have to give a lot of information</td>
</tr>
<tr>
<td>If you select carefully, very cost effective per capita reached</td>
<td>Can be expensive because costs are front-loaded — paid up front</td>
<td>As a regular, steady form to get name-recognition (billboards and posters)</td>
</tr>
</tbody>
</table>
# Comparing the Major Selling Tools

## Tool: PUBLICITY

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
<th>EXAMPLES OF GOOD USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inexpensive</td>
<td>Can't control message location or format of presentation</td>
<td>Announcing a new business</td>
</tr>
<tr>
<td>Credibility</td>
<td>Can occasionally be used against you</td>
<td>Announcing changes in products or services</td>
</tr>
<tr>
<td></td>
<td>Unpredictable</td>
<td>Telling when you achieved something special like an award</td>
</tr>
<tr>
<td></td>
<td>People tend to remember it better than advertising</td>
<td></td>
</tr>
</tbody>
</table>

- **Advantages:**
  - Inexpensive
  - Credibility because the message comes from an outside party
  - Can get you into markets that you can't otherwise afford
  - People tend to remember it better than advertising

- **Disadvantages:**
  - Can't control message location or format of presentation
  - Can occasionally be used against you
  - Unpredictable
    - You may get lots of it or you may get none
    - You can't depend on it as your only message

- **Examples of Good Use:**
  - Announcing a new business
  - Announcing changes in products or services
  - Telling when you achieved something special like an award
Comparing the Major Selling Tools

**Tool: PUBLIC RELATIONS**

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
<th>EXAMPLES OF GOOD USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can be used for many kinds of messages</td>
<td>No control over receipt of your message</td>
<td>For giving a stable image to your business</td>
</tr>
<tr>
<td>Is regular, steady and stable</td>
<td></td>
<td>To highlight an event such as the opening of a new store</td>
</tr>
<tr>
<td>Cost effective</td>
<td></td>
<td>To change your image, if you have an image as selling a teen product and you want to appeal to family buyers (for example)</td>
</tr>
<tr>
<td>Can be done by anyone in the company or by outsiders</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Comparing the Major Selling Tools

### Tool: SALES PROMOTIONS

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
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<th>EXAMPLES OF GOOD USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immediate results</td>
<td>May have to give up part of your profit for the promotion</td>
<td>One-time sales</td>
</tr>
<tr>
<td>Wide coverage</td>
<td></td>
<td>Introduce changed service or product</td>
</tr>
<tr>
<td>People like “deals”</td>
<td>People may get used to a lower or discounted price and resist the regular price</td>
<td>To test a new market or geographic area</td>
</tr>
<tr>
<td>A new message</td>
<td>Limited time period</td>
<td>To get rid of excess stock</td>
</tr>
<tr>
<td>Can target promotions to new customer markets</td>
<td></td>
<td>To distract customers prior to a price increase</td>
</tr>
</tbody>
</table>
Developing A Marketing Plan

This Garden Is All Wet

There are various types of seaweed which grow in the ocean and in lakes. The texture of many of these plants is quite beautiful. Suppose that you develop a package whereby the consumer can grow various types of seaweed in their own aquariums in their own homes. The concept behind your product is the same as planting seeds in your garden but in this case it would be in your aquarium. The water plants that you have in your package are quite exotic. They are only found off some small islands in the Pacific. The package is expensive since it contains a lot of items including the seeds, the plant food, the soil/substance that you put on the bottom of the aquarium in which to put the seeds, and the water tester to determine whether it is a healthy environment for the plants. You plan to sell the package for $500. Your profit on each package is $100.

Your responsibility as an individual or as a group is to develop a successful marketing plan. Answer the questions which follow:

1. Identify your target audience for this product. Indicate characteristics of the probable target audience, such as age, sex, income level, geographical location, interests, etc.

2. Develop a name for your product which would help in selling it to the public.
3. Describe how you would determine who your competitors would be and indicate who they might be.

4. If you had some direct competitors, how would you create demand for your product over theirs? If this is an entirely new product, how do you create demand for it?

5. Where and how would you test market your product?
6. What are some appeals that you could use in your advertisement in order to sell this item? (such as prestige, adventure, quality, "in" thing, etc.)

7. Indicate the sales tools that you would use in order to target customers to buy your product. Explain how you would use each tool. Develop some sample sales pieces which you would use, if you decide to use an advertisement, a jingle, or a trademark.

8. Considering cost limitations, rank the sales tools you would use, listing them first to last, with an explanation as to why you ranked them the way that you did.