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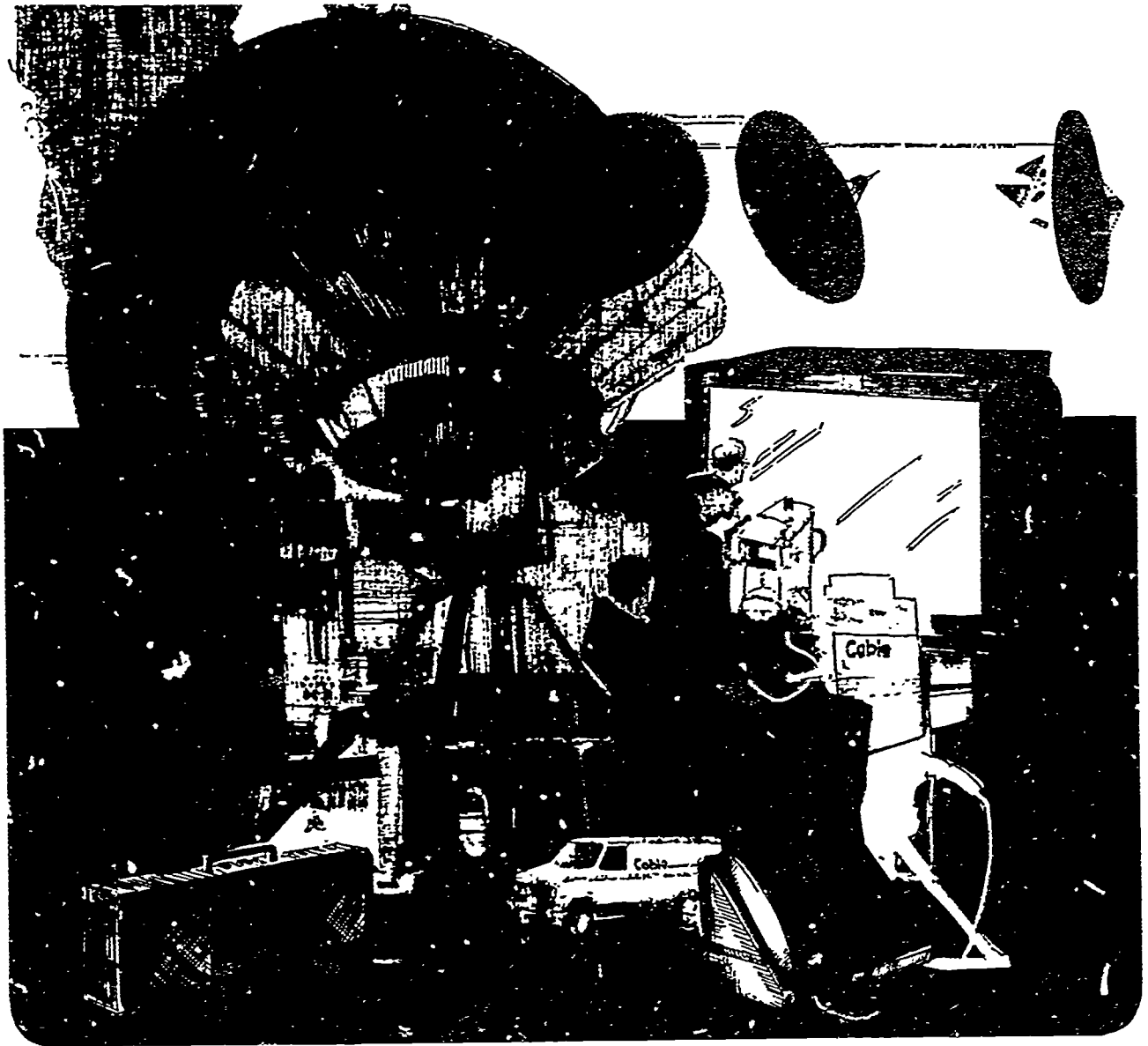
ABSTRACT

These materials for a five-unit course were developed to introduce secondary and postsecondary students to the use of electronic equipment in marketing. The units cover the following topics: electronic marketing as a valid marketing approach; telemarketing; radio electronic media marketing; television electronic media marketing; and cable TV electronic media marketing. The first section of the manual is designed to show teachers how to use the materials and includes an explanation of instructional elements, an instructional task analysis for each unit, a glossary, and a list of 18 references. The instructional elements for the units include objectives, suggested activities, information sheets, handouts, transparency masters, assignment sheets, job sheets, tests, and test answers. Some elements, such as the information sheets, include line drawings. (CML)

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# ● Introduction to Electronic Marketing

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# **INTRODUCTION TO ELECTRONIC MARKETING**

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# INTRODUCTION TO ELECTRONIC MARKETING

## TABLE OF CONTENTS

Unit I:	Electronic Marketing—A Valid Marketing Approach.....	1
Unit II:	Telemarketing .....	41
Unit III:	Radio Electronic Media Marketing .....	91
Unit IV:	Television Electronic Media Marketing .....	123
Unit V:	Cable TV Electronic Media Marketing .....	157

## FOREWORD

*Introduction to Electronic Marketing* covers the various types of electronic marketing, including the use of telephone, radio, television, and cable television. There are many potential electronic marketing applications in business and industry and the use of this technology is rapidly increasing. This publication explores some of the uses and presents information on ways to reach a target market as well as to determine the most efficient and cost effective methods of promotion.

To successfully use this publication, the student should be currently enrolled in a marketing education class or have a basic understanding of marketing principles.

Every effort has been made to make this publication basic, readable, and, by all means, usable. Three vital parts of instruction have been intentionally omitted from this publication: motivation, personalization, and localization. Those areas are left to the individual instructors and instructors should capitalize on them.

Harley Schlichting, Chairman  
Board of Directors  
Mid-America Vocational  
Curriculum Consortium

Greg Pierce  
Executive Director  
Mid-America Vocational  
Curriculum Consortium

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The contents of this publication were planned and reviewed by:

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## USE OF THIS PUBLICATION

### Instructional Units

*Introduction to Electronic Marketing* contains five units of instruction. Each instructional unit includes some or all of the basic components of a unit of instruction; performance objectives, suggested activities for teachers and students, information sheets, assignment sheets, job sheets, visual aids, tests, and answers to the tests. Units are planned for more than one lesson or class period of instruction.

Careful study of each instructional unit by the teacher will help to determine:

- A. The amount of material that can be covered in each class period
- B. The skills which must be demonstrated
  - 1. Supplies needed
  - 2. Equipment needed
  - 3. Amount of practice needed
  - 4. Amount of class time needed for demonstrations
- C. Supplementary materials such as pamphlets or filmstrips that must be ordered
- D. Resource people who must be contacted

### Objectives

Each unit of instruction is based on performance objectives. These objectives state the goals of the course, thus providing a sense of direction and accomplishment for the student.

Performance objectives are stated in two forms: unit objectives, stating the subject matter to be covered in a unit of instruction; and specific objectives, stating the student performance necessary to reach the unit objective.

Since the objectives of the unit provide direction for the teaching-learning process, it is important for the teacher and students to have a common understanding of the intent of the objectives. A limited number of performance terms have been used in the objectives for this curriculum to assist in promoting the effectiveness of the communication among all individuals using the materials.

Reading of the objectives by the student should be followed by a class discussion to answer any questions concerning performance requirements for each instructional unit.

Teachers should feel free to add objectives which will fit the material to the needs of the students and community. When teachers add objectives, they should remember to supply the needed information, assignment and/or job sheets, and criterion tests.

### **Suggested Activities for the Instructor**

Each unit of instruction has a suggested activities sheet outlining steps to follow in accomplishing specific objectives. Duties of instructors will vary according to the particular unit; however, for best use of the material they should include the following: provide students with objective sheet, information sheet, assignment sheets, and job sheets; preview filmstrips, make transparencies, and arrange for resource materials and people; discuss unit and specific objectives and information sheet; give test. Teachers are encouraged to use any additional instructional activities and teaching methods to aid students in accomplishing the objectives.

### **Information Sheets**

Information sheets provide content essential for meeting the cognitive (knowledge) objectives in the unit. The teacher will find that the information sheets serve as an excellent guide for presenting the background knowledge necessary to develop the skill specified in the unit objective.

Students should read the information sheets before the information is discussed in class. Students may take additional notes on the information sheets.

### **Transparency Masters**

Transparency masters provide information in a special way. The students may see as well as hear the material being presented, thus reinforcing the learning process. Transparencies may present new information or they may reinforce information presented in the information sheets. They are particularly effective when identification is necessary.

Transparencies should be made and placed in the notebook where they will be immediately available for use. Transparencies direct the class's attention to the topic of discussion. They should be left on the screen only when topics shown are under discussion.

### **Assignment Sheets**

Assignment sheets give direction to study and furnish practice for paper and pencil activities to develop the knowledge which is a necessary prerequisite to skill development. These may be given to the student for completion in class or used for homework assignments. Answer sheets are provided which may be used by the student and/or teacher for checking student progress.

### **Job Sheets**

Job sheets are an important segment of each unit. The instructor should be able to demonstrate the skills outlined in the job sheets. Procedures outlined in the job sheets give direction to the skill being taught and allow both student and teacher to check student progress toward the accomplishment of the skill. Job sheets provide a ready outline for students to follow if they have missed a demonstration. Job sheets also furnish potential employers with a picture of the skills being taught and the performances which might reasonably be expected from a person who has had this training.

## Test and Evaluation

Paper-pencil and performance tests have been constructed to measure student achievement of each objective listed in the unit of instruction. Individual test items may be pulled out and used as a short test to determine student achievement of a particular objective. This kind of testing may be used as a daily quiz and will help the teacher spot difficulties being encountered by students in their efforts to accomplish the unit objective. Test items for objectives added by the teacher should be constructed and added to the test.

## Test Answers

Test answers are provided for each unit. These may be used by the teacher and/or student for checking student achievement of the objectives.

# INTRODUCTION TO ELECTRONIC MARKETING

## INSTRUCTIONAL/TASK ANALYSIS

**PRACTICAL APPLICATION: What  
The Student Should Be Able to Do  
(Psychomotor)**

**RELATED INFORMATION: What  
the Student Should Know  
(Cognitive)**

### UNIT I: ELECTRONIC MARKETING—A VALID MARKETING APPROACH

1. Terms and definitions
2. Reasons why electronic media marketing is a valid marketing approach
3. Characteristics of electronic media
4. Reasons why the acquisition of information is important
5. Stages of a product life cycle
6. Purposes of place (distribution) management
7. Purposes of promotion management
8. Purposes of price management
9. Purposes of product management
10. Stages of the customer creation process
11. Functions of market penetration strategy
12. Functions of product development strategy
13. Functions of market development strategy
14. Advantages of electronic direct marketing to the consumer
15. Advantages of electronic direct marketing to the marketer
16. Ways business-to-business marketing uses electronic direct marketing

xiii

**PRACTICAL APPLICATION: What  
The Student Should Be Able To Do  
(Psychomotor)**

**RELATED INFORMATION: What  
the Student Should Know  
(Cognitive)**

17. Characteristics of relationship marketing
18. Aspects of support media marketing
19. Reasons to use support media
20. Examples of interactive video being used as a support medium
21. Future of electronic marketing
22. Respond to electronic media marketing
23. Identify the four stages of the product life cycle for a specific product
24. List activities to achieve market penetration, product development, and market development

## **UNIT II: TELEMARKETING**

1. Terms and definitions
2. Advantages of using the telephone as a marketing tool
3. Reasons for telemarketing's rapid growth
4. Purposes of Wide Area Telephone Service (WATS)
5. Power of the telephone
6. Ways to apply telemarketing
7. Types of telemarketing support
8. General skill requirements of a telemarketer
9. Compensation plans for a telemarketer
10. Motivation and incentive plans for a telemarketer

**PRACTICAL APPLICATION: What  
The Student Should Be Able To Do  
(Psychomotor)**

**RELATED INFORMATION: What  
the Student Should Know  
(Cognitive)**

11. Key motivational factors
12. Considerations concerning burnout/  
turnover
13. What a telemarketer should learn in  
training
14. Elements of a telemarketing reference  
guide
15. Conditions under which an in-house  
telemarketing center may be more  
appropriate than a service bureau
16. Conditions under which a service  
bureau may be more appropriate than  
an in-house telemarketing center
17. Equipment, facilities, and environmen-  
tal design considerations for a tele-  
marketing center
18. Collect telemarketing support exam-  
ples
19. Develop a telemarketing script
20. Role play a telemarketing call

**UNIT III: RADIO ELECTRONIC MEDIA MARKETING**

1. Terms and definitions
2. Reasons why the radio is prevalent
3. Advantages of using the radio as an  
advertising medium
4. Factors to consider in buying radio  
time
5. Factors to consider in creating a spot
6. Ways a spot can be produced and aired

**PRACTICAL APPLICATION: What  
The Student Should Be Able To Do  
(Psychomotor)**

**RELATED INFORMATION: What  
the Student Should Know  
(Cognitive)**

7. Conduct an audience survey of radio stations in your market
8. Determine a target market
9. Create and produce an advertising spot

#### **UNIT IV: TELEVISION ELECTRONIC MEDIA MARKETING**

1. Terms and definitions
2. Reasons why television is widely used in marketing
3. Network TV spots and local TV station spots
4. Advantage of a spot purchase to the direct marketer
5. Reasons why the quality of the direct response TV commercials has increased
6. Factors of rating and response
7. Procedure for selecting the appropriate station in your market
8. Motivational elements of a commercial
9. Ways to establish commercial credibility
10. Factors in determining commercial length
11. Trends in commercial lengths
12. Testing and production considerations
13. Film vs. videotape usage in ad production
14. Testing and analyzing results of TV commercials

**PRACTICAL APPLICATION: What  
The Student Should Be Able To Do  
(Psychomotor)**

**RELATED INFORMATION: What  
the Student Should Know  
(Cognitive)**

15. Prepare a TV viewing log
16. Write a TV ad promoting a product or a service
17. Produce a TV ad using film or videotape

**UNIT V: CABLE TV ELECTRONIC MEDIA MARKETING**

1. Terms and definitions
2. Growth of cable TV
3. Advantages/disadvantages of cable TV marketing
4. Ways marketers can overcome uncertainty of message delivery
5. Reasons cable subscriber lists are valuable
6. Ways to purchase time on cable TV
7. Steps in satellite system transmission
8. Trends in the cable industry
9. Reasons cable home shopping attracts the consumer
10. "Electronic mall" concept
11. Interview a cable TV station manager
12. Determine where and when to advertise selected products on cable TV
13. Write a brief report about the "electronic mall" concept



# INTRODUCTION TO ELECTRONIC MARKETING

## GLOSSARY

Action statement — Encouragement to the listener to take action

Boiler room — Telephone selling that lacks professionalism due to concentration on call volume, high pressure, and poor work environment

Brand loyalty — Consumer preference to a particular brand; it is created by promotion, quality control, and guarantees

Breakeven point — Revenues equal expenses

Burnout — Decreased job performance or motivation

Business-to-business marketing — Marketing to businesses, usually segmented by industry, function, or job title

Business-to-business telemarketing — Marketing to businesses, usually segmented by industry, function, or job title

Business-to-consumer telemarketing — Marketing to individuals at the residences

Cablehead-end — The receiving location where all signals received are fed into customer's home cable television

Cable TV — Distribution of audio/visual signals by means of a wire (cable) system as opposed to open air (broadcast) system

Close-ended questions — Used to elicit a specific response, usually yes or no

Coaxial cable — Insulated hollow copper cylinder containing a signal wire conductor to transmit signals

Copy — Explanation of offer

Cost per thousand (CPM) — Cost per minute times 1,000 divided by audience size

Demographics — A form of market segmentation in which the market is divided into groups on the basis of variables such as population, age, sex, households, families, income, occupation, and education

Demographic flexibility — Ability to adjust to variables such as age, sex, income, occupation, and education

Direct lead — Potential customer who has inquired or indicated an interest in the product or service

Direct marketing — Total activity by which a marketer directs efforts to a targeted audience, using one or more media to solicit a response from a prospect or a customer

Direct response — Action taken as a result of receiving an advertising message via any medium

Direct sale — A sale made as a result of direct consumer response to an ad or a sales call

Drive time — Hours when people are most apt to be in their cars driving to and from work

Electronic mall — A shopping place which is accessed through cable carrier and television and telephone

Electronic media — Network television, cable television, radio, telephone, and interactive videos

Electronic media marketing — Method of conducting sales functions and assisting customers using electronic media

Frequency — The number of times an advertising spot is to run

Fulfillment — Completion of an order

Full-account management — A full service operation; it is a total effort which includes sales, service, and follow-up

Headline — Attention getter

Inbound calls — Calls that are received at a telemarketing center

In-house telemarketing — Telemarketing operations being performed by specially trained internal personnel of a company to market that company's own products or services

Interactive video — An electronic medium which allows immediate two-way communications through the use of a screen or touch pad

Inventory — Available time to sell

Lead — Potential customer who has inquired or indicated interest

Market development — Seeks to increase sales through the introduction of current products into new markets

Market penetration — Positioning current products in current markets through more aggressive marketing efforts

Market segmentation — The process of dividing the total market into smaller segments of people who are similar to one another in behavior, life-style, and goals

Market share — The portion of the total market that buys a firm's product, usually expressed as a percentage of that market

Marketing mix — A marketing concept involving the four major parts of marketing—product, price, place, and promotion

Mass market — Large quantity of potential customers

Measurement tool — Technique used to provide enough data to measure audience and prove performance

Media — Methods or outlets used by the advertiser to reach customers

Narrowcasting — Aiming a broadcast at a narrowly defined area or audience

Open-ended question — Not requiring a yes or no answer, but allowing the respondents to reply in greater detail

Outbound calls — Calls made to a prospect or customer from a telemarketing center

Package — A series of spots to be given over a specified period of time

Preemptible — Station has the option to replace your ad

Primary medium — The main medium used to promote a message

Print media — Newspapers, magazines, shoppers' guides, direct mail, and other printed materials and publications

Promotion — Attempt to persuade potential buyers to select a specific product or service

Queue — Sequence of messages or jobs held in auxiliary storage waiting to be sent

Reach — The number of potential listeners

Relationship marketing — Developing continuing customers via personal interaction

Rollout — Phased implementation of an entire promotional program

Run-of-station (ROS) — Spots with lowest rates scheduled by the station and are usually preemptible

Satellite transmission — Beaming and receiving signals via satellites

Script — Prepared text presentation that is closely followed by the telemarketer as a tool to convey a specific message to the customer

Selective audience — Choosing the group of people who would want or have a need for a specific product or service

Spot — A time segment, usually 15, 30, or 60 seconds

Support advertising — Secondary medium to support an effort in the primary medium

Support medium — Secondary medium used to support the primary medium

Target audience — A specific segment of the mass market

Target market — A group of persons for who a marketer creates and maintains a marketing mix that specifically fits the needs and preferences of that group

Telecommunications — Electronic transmission of voice, data, or video

Telemarketer — A person who places or receives calls as part of a telemarketing operation

Telemarketing — Incorporation of telecommunication technology with the latest marketing and management techniques in a planned, controlled, coordinated marketing environment

Telemarketing reference guide — Provides a continual, consistent, and convenient reference for the telemarketer

WATS Service — Long-distance service for outbound calls to specifically service areas, in-state or out-of-state, at a lower cost than long distance for large calling volumes

800 Service — Inbound WATS-like service allowing callers to call without charge or operator intervention; the call recipient pays for the call

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# **ELECTRONIC MARKETING — A VALID MARKETING APPROACH UNIT I**

## **UNIT OBJECTIVE**

After completion of this unit, the student should be able to demonstrate the management of the marketing mix (product, price, place, and promotion) utilizing the electronic media. Competencies will be demonstrated by completing the assignment sheets and the unit test with a minimum score of 85 percent.

## **SPECIFIC OBJECTIVES**

After completion of this unit, the student should be able to:

1. Match terms related to electronic marketing with their correct definitions.
2. Select true statements concerning reasons why electronic media marketing is a valid marketing approach.
3. Complete statements concerning characteristics of electronic media.
4. Select true statements concerning reasons why the acquisition of information is important in electronic media marketing.
5. Match stages of a product life cycle with their correct descriptions.
6. Select true statements concerning the purposes of place (distribution) management.
7. Complete statements concerning the purposes of promotion management.
8. List the two purposes of price management.
9. Complete statements concerning the purposes of product management.

## OBJECTIVE SHEET

10. Distinguish among the stages of the customer creation process.
11. Select true statements concerning functions of market penetration strategy.
12. Complete statements concerning functions of product development strategy.
13. List two functions of market development strategy.
14. Match the advantages of electronic direct marketing to the consumer with their descriptive benefits.
15. Distinguish among advantages of electronic direct marketing to the marketer.
16. Select from a list ways business-to-business marketing uses electronic direct marketing.
17. Complete statements concerning characteristics of relationship marketing in business-to-business marketing.
18. Complete statements concerning aspects of support media marketing.
19. Select from a list reasons to use support media.
20. Match examples of interactive video being used as a support medium with their correct descriptions.
21. Complete statements concerning the future of electronic marketing.
22. Respond to electronic media marketing. (Assignment Sheet #1)
23. Identify the four stages of the product life cycle for a specific product. (Assignment Sheet #2)
24. List activities to achieve market penetration, product development, and market development. (Assignment Sheet #3)



# ELECTRONIC MARKETING — A VALID MARKETING APPROACH UNIT I

## SUGGESTED ACTIVITIES

- A. Obtain additional materials and/or invite resource people to class to supplement/reinforce information provided in this unit of instruction.

(NOTE: This activity should be completed prior to the teaching of this unit.)

- B. Make transparencies from the transparency masters included with this unit.
- C. Provide students with objective sheet.
- D. Discuss unit and specific objectives.
- E. Provide students with information and assignment sheets.
- F. Discuss information and assignment sheets.

(NOTE: Use the transparencies to enhance the information as needed.)

- G. Integrate the following activities throughout the teaching of this unit:

1. Discuss ways fraud is controlled in electronic marketing.
2. Discuss existing and pending legislation on the state and federal level which will affect electronic marketing.
3. Have students research Home Shopping Network or the use of interactive video as a marketing tool.
4. Have students check products at home (canned or packaged items) to see how many have consumer service toll-free numbers listed on them. (Hint: General Mills, Inc., General Foods Corporation, and Proctor & Gamble products have toll-free numbers.)
5. Meet individually with students to evaluate their progress through this unit of instruction, and indicate to them possible areas for improvement.

- H. Give test.
- I. Evaluate test.
- J. Reteach if necessary.

## REFERENCES USED IN WRITING THIS UNIT

- A. Cohen, William A. *Direct Response Marketing*. New York: John Wiley & Sons, 1984.
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- H. Pride, William M. and O. C. Ferrell. *Marketing-Basic Concepts and Decisions*. Fourth Edition. Boston: Houghton Mifflin Co.
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- J. *Telemarketing: Marketing Strategies*: AT&T, 1983.

## SUGGESTED SUPPLEMENTAL MATERIAL

### Media

- A. "Advertising Media". D.E. VISUALS, 3595 N.W. 83rd Avenue, Sunrise, FL 33321. Call (305) 741-6438.
- B. "Classifying Consumer and Industrial Goods". D.E. VISUALS. (See A)
- C. "Promotional Mix Strategy". D.E. VISUALS. (See A)
- D. "Telecommunications/Technology and Devices". MPC Educational Publishers, 3839 White Plains Road, Bronx, New York 10467-5394. Call toll free: 1-800-223-8055. New York and Canada, call collect: 212-881-3000.

### Other

*Sales and Marketing Management*. A Bill Publication, Sales Builders Division, 633 Third Avenue, New York, NY 10017. Call toll-free 1-800-543-3000.

(NOTE: A catalog is issued each year, listing books, films, games, etc.)

# ELECTRONIC MARKETING — A VALID MARKETING APPROACH UNIT I

## INFORMATION SHEET

### I. Terms and definitions

- A. Brand loyalty — Consumer preference to a particular brand; it is created by promotion, quality control, and guarantees
- B. Business-to-business marketing — Marketing to businesses, usually segmented by industry, function, or job title
- C. Direct lead — Potential customer who has inquired or indicated an interest in the product or service
- D. Direct marketing — Total activity by which a marketer directs efforts to a targeted audience, using one or more media to solicit a response from a prospect or a customer
- E. Direct response — Action taken as a result of receiving an advertising message via any medium
- F. Direct sale — A sale made as a result of direct consumer response to an ad or a sales call
- G. Electronic media — Network television, cable television, radio, telephone, and interactive videos
- H. Electronic media marketing — Method of conducting sales functions and assisting customers using electronic media
- I. Full-account management — A full service operation; it is a total effort which includes sales, service, and follow-up
- J. Interactive video — An electronic medium which allows immediate two-way communications through the use of a screen or touch pad
- K. Market development — Seeks to increase sales through the introduction of current products into new markets
- L. Market penetration — Positioning current products in current markets through more aggressive marketing efforts
- M. Market share — The portion of the total market that buys a firm's product, usually expressed as a percentage of that market
- N. Marketing mix — A marketing concept involving the four major parts of marketing—product, price, place, and promotion
- O. Primary medium — The main medium used to promote a message
- P. Print media — Newspapers, magazines, shoppers' guides, direct mail, and other printed materials and publications

## INFORMATION SHEET

- Q. Relationship marketing — Developing continuing customers via personal interaction
- R. Support medium — Secondary medium used to support the primary medium
- S. Target market — An identified customer segment at which a marketing mix (product, price, place, and promotion) is aimed

### II. Reasons why electronic media marketing is a valid marketing approach

- A. Powerful and fast-growing approach due to the acquisition of information
- B. Integration of the marketing mix (product, place, promotion, and price) and the communication mix
- C. Direct marketing efforts merged with telecommunications
- D. Adaptability to the changing business environment
- E. Support marketing tool used in virtually every type of industry in the world today
- F. Often the first marketing tool used by new industries and by new entries in established industries

### III. Characteristics of electronic media

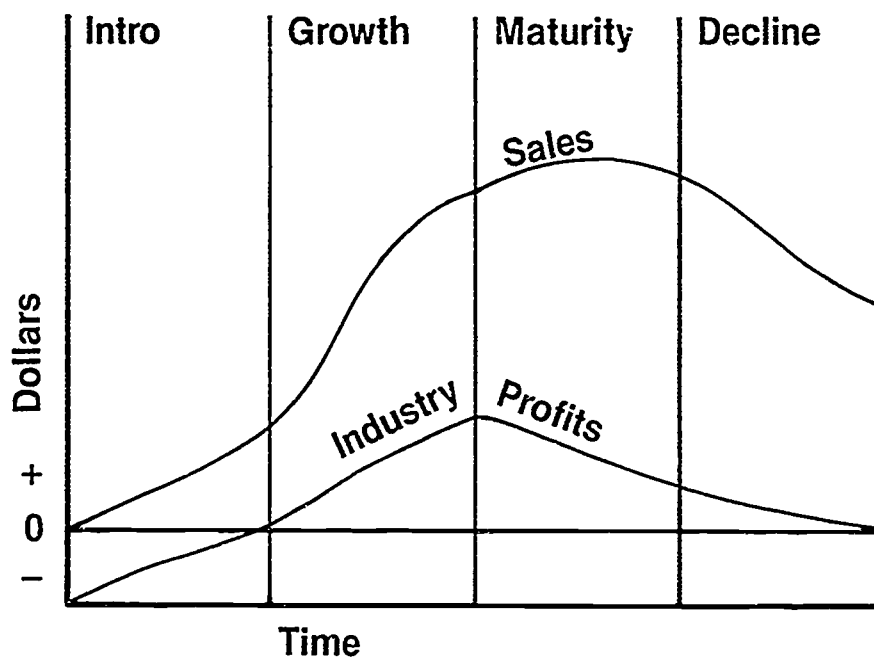
- A. Television, radio, and the telephone each have unique attributes that can be used to generate excitement in a product or idea.
- B. Television allows the consumer to see or hear a product in action.
- C. Radio and telephone presentations can stimulate the imagination and create action.
- D. Television, radio, and telephone messages are presented one at a time allowing the consumer to consider each ad individually.

(NOTE: Print ads in magazines may be placed on a page containing a number of ads. These ads may be unrelated but will, nevertheless, compete for the consumers' attention. This increases the probability that an ad would go unnoticed.)

- E. A relationship exists between levels of consumer attentiveness to a program on TV and the response to a commercial.
- F. Electronic media can be thought of as an envelope already opened. The commercial offering, whether it be via television, radio, or telephone, is at least presented to the consumer.

## INFORMATION SHEET

- IV. Reasons why the acquisition of information is important in electronic media marketing
- A. Information is the key that converts this marketing tool into a science.
  - B. Information is the foundation of knowledge or the data bank which the marketer needs to use in developing business strategies in a scientific method.
  - C. The response from a promotion can be tracked revealing how many people bought it, how much they paid for it, etc.
  - D. Forecasts of return on advertising investment can be made.
  - E. Information could lead to new ads, new client lists, and the creation of new businesses.
- V. Stages of a product life cycle (Transparency 1)
- A. Introductory stage — Promote product making potential customer aware and interested in buying the product
  - B. Growth stage — Capture loyal customers and become the market leader
  - C. Maturity stage — Product must be differentiated and a new promotion must begin
  - D. Decline stage — Sell off the product quickly and reap a profit or minimize a loss



## INFORMATION SHEET

### VI. Purposes of place (distribution) management

- A. Make the product available to customers where they want it
- B. Expedite new product announcements
- C. Handle inventory among distant distribution points
- D. Check on competitive reaction from region to region as a new product is introduced
- E. Qualify sales leads and distribute appropriately
- F. Handle inquiries with greater expertise

### VII. Purposes of promotion management

- A. Provides a communications link between marketer and customer
- B. Tracks which media produces the highest quality sales and/or sales leads; media not contributing should be dropped
- C. Influences each stage of the consumer adoption cycle

(NOTE: Refer to Objective X in this unit for information about the consumer adoption cycle.)

### VIII. Purposes of price management

- A. Be profitable
- B. Create a competitive edge by positively influencing buyer opinion

### IX. Purposes of product management

- A. Design and develop products to meet customer needs
- B. Develop brand identity, recognition, and loyalty
- C. Direct stages of the product life cycle

### X. Stages of the customer creation process (Transparency 2)

(NOTE: The following is reprinted with permission from AT&T.)

- A. Awareness
  - 1. Recognition by a potential customer that a product or service is available.

## INFORMATION SHEET

2. Marketer can accurately target the desired market group.

**EXAMPLE:** If most buyers of Product X are women over 35 who are in management positions and the people found to be the recipients of the promotional message are also described by the above characteristics, then the marketing communication has been accurate.

**B. Interest**

1. Time required for acquisition of the product
2. Convenience in acquisition of the product

**C. Conviction**

1. Objections determined and resolved
2. Buyer convinced of the optimum selection

**D. Trial and repeat purchase**

1. Product is bought
2. Concurrent assessment of the values of the product is made
3. Establishment of attitude toward the product and the company which manufactured and marketed the product
4. Maintenance of customer patronage through a full-account management program resulting in brand loyalty

**XI. Functions of market penetration strategy**

- A. Seek increased sales for current products in current markets through more aggressive marketing efforts.
- B. Persuade present customers to purchase larger amounts.
- C. Entice customers from competitors and enlarge market share.
- D. Convince prospective customers who are similar to present customers to start buying the product.

## INFORMATION SHEET

### XII. Functions of product development strategy

- A. Seek increased sales through development of new or improved products for their current market(s).
- B. Develop an expanded line of products for current customers giving the customers a greater range of options.
- C. Replace or "phase out" products which are becoming obsolete with revised, new, or improved versions.

(NOTE: Use electronic media in new product introduction speeding up the communication flow through the distribution channel.)

### XIII. Functions of market development strategy

- A. Seek increased sales through introduction of current products into new markets.

EXAMPLE: New geographical markets and/or new types of customers

- B. Test new markets reducing some risk.

(NOTE: Use electronic marketing to gain information identifying prospects and selecting media to get advertising message out more quickly. The new market "experience curve" is accelerated.)

### XIV. Advantages of electronic direct marketing to the consumer

- A. Convenience — Fast and easy, front door delivery, 24 hour service, product supported, and questions answered
- B. Economy — Saves gasoline and other transportation costs
- C. Selection — Varied choice of products; may give customers access to products that local outlets may seldom stock or offer

### XV. Advantages of electronic direct marketing to the marketer

- A. Selectivity
  - 1. Can target individuals most likely to purchase the product or service
  - 2. Will ensure a higher probability of a response
- B. Immediacy
  - 1. Immediate response lets a marketer assess his or her performance quickly.



## INFORMATION SHEET

2. The electronic media provide results faster than other forms of direct marketing.
  3. Marketer can attack or regroup in order to increase profits or reduce costs as a result of immediate feedback.
- C. Measurability
1. Can pinpoint precisely which of a number of test promotions are most successful.
  2. Can track progress through feedback or lack thereof.
- D. Cost accountability and cost effectiveness
1. Direct marketing makes it possible for marketers to account for costs and tie these costs very closely to the products or services they sell.
  2. Through control that direct marketing provides, a campaign can be adjusted, modified, or terminated to take advantage of the most profitable marketing approach.
  3. Marketing expenditures are more certain and can be directed into those areas that will provide the highest return, thus increasing the cost-effectiveness of every dollar spent.
- XVI. Ways business-to-business marketing uses electronic direct marketing**
- A. Lead generation
  - B. Sales
  - C. Account maintenance
  - D. Targeting clients' needs
  - E. Customer service
  - F. Stimulation/response
- XVII. Characteristics of relationship marketing in business-to-business marketing**
- A. Customer satisfaction is assured, leading to additional sales.
  - B. Effective communication exists between marketer and customer.
  - C. Long-term relationship is established.
  - D. Results justify cost.
  - E. Steady development is key to growth.

## INFORMATION SHEET

### XVIII. Aspects of support media marketing

- A. Calls attention to a primary medium which carries the direct response offer

EXAMPLE: American Family ad featuring Ed McMahon asking you to watch your mail and quickly return your envelope to be included in the sweepstakes.)

- B. Planning and implementation must always be in terms of its effect on the medium it supports

- C. May not lower cost per order but may increase number of orders obtained from other media

EXAMPLE: If a \$100,000 preprint insertion would ordinarily produce 20,000 responses at \$5 each, the addition of support cannot be counted on to lower the cost to \$4. It can increase the number of \$5 orders. If the preprint in this example is supported by a \$50,000 television campaign, the objective should be to receive 30,000 responses from the insertion.

### XIX. Reasons to use support media

- A. Message perception is enhanced by more than one media exposure.
- B. Audio and visual stimulus helps in understanding and interpreting advertising message.
- C. Awareness increases through added exposure.
- D. Believability may be increased.
- E. Skepticism can be overcome.
- F. The more media used, the greater the potential response.
- G. Marginal returns in off-months can be increased.

### XX. Examples of interactive video being used as a support medium

- A. Buy-video — A video purchase system where customers view merchandise displayed on the video, order the merchandise, and have their selection delivered to them
- B. Video square — Prints out coupons and airs snippets (small parts) from TV spots
- C. Catalina marketing — System that spins out cents-off coupons at check-out

## INFORMATION SHEET

- D. Cuisine machine — Prints out recipes

EXAMPLE: A retailer would place the machine next to the fish department and provide customers with suggested fish recipes.

- E. Floor information center (Armstrong Floor Covering) — Contains a computer-controlled laser videodisc player; shoppers can view demonstrations which help answer questions most frequently asked in purchasing a new vinyl floor

### XXI. The future of electronic marketing

- A. Current trends indicate electronic marketing will increase.

EXAMPLE: Home Shopping Club, J.C. Penney's Telaction, IBM and Sear's Trintex

- B. Electronic marketing can help solve business problems occurring due to changes in the business environment.

EXAMPLES: Shifts in consumer life-styles, workforce demographics (more women working), shortages of capital, recessionary cycles, international trade, and new technologies.

- C. Data bases will increase, and information management will be very important.

- D. Electronic marketing as a cost-efficient tool will be able to increase profits.

- E. Telecommunications technology updating will be critical to compete.

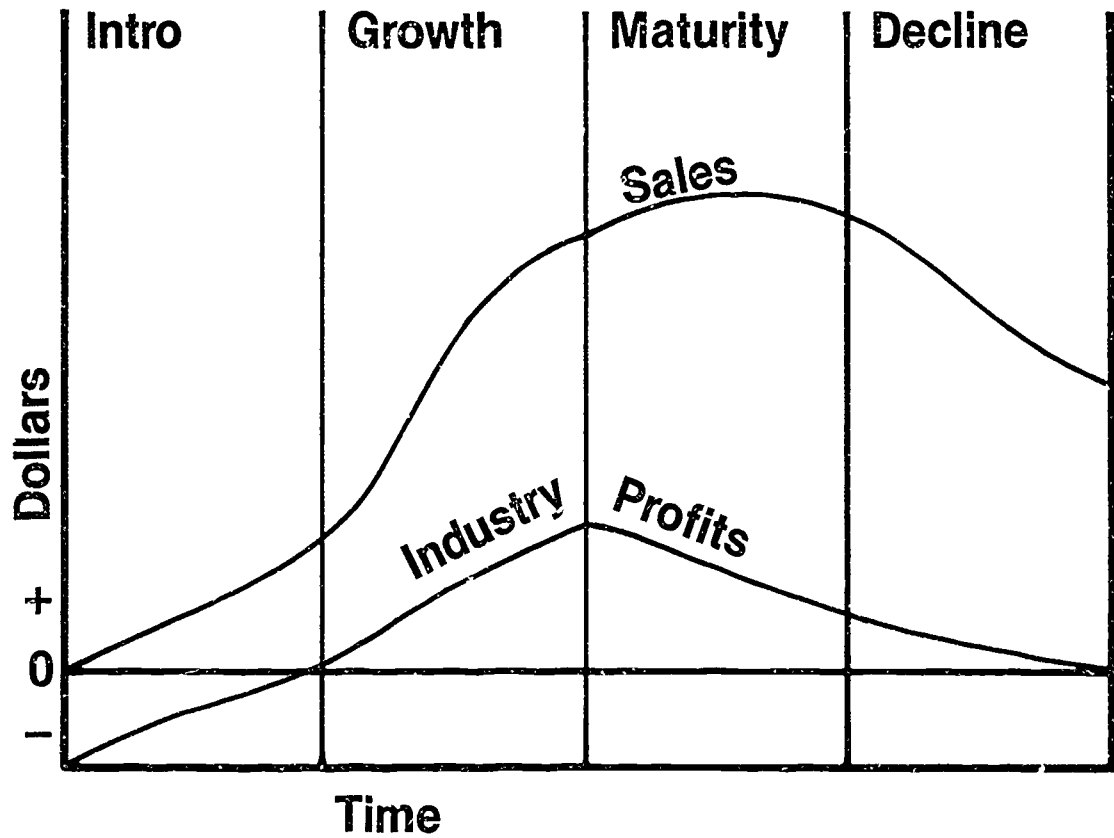
- F. International trade using electronic marketing will continue to provide a competitive edge.

- G. Legislation at the state and federal levels will increase.

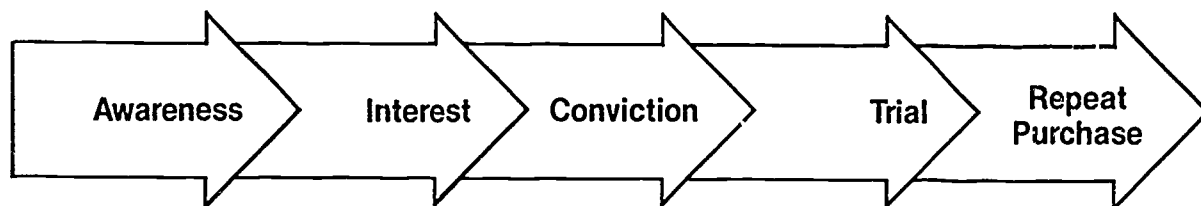
- H. New jobs will be created.

- I. Electronic marketing will continue to be the fastest growing marketing technique.

# Stages of a Product Life Cycle



# Stages of the Customer Creation Process



Courtesy of AT&T

**ELECTRONIC MARKETING —  
A VALID MARKETING APPROACH  
UNIT I**

**ASSIGNMENT SHEET #1 — RESPOND TO ELECTRONIC  
MEDIA MARKETING**

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

**PART I**

Directions. The American family is exposed to various electronic media every day. In the space below, list the electronic media you are exposed to.

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**PART II**

Directions. Select one of the above electronic media. Watch or listen to an advertisement and/or a request for a sale. Describe the advertisement and/or request for a sale here .

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Place a check mark (✓) in the box(es) that best describe(s) your reaction to the advertisement and/or request for a sale:

Became aware of the product and/or service	<input type="checkbox"/>
Became interested in the product and/or service	<input type="checkbox"/>
Convinced to buy the product and/or service	<input type="checkbox"/>
Purchased the product and/or service	<input type="checkbox"/>
Repeat purchase of the product and/or service	<input type="checkbox"/>

**ELECTRONIC MARKETING —  
A VALID MARKETING APPROACH  
UNIT I**

**ASSIGNMENT SHEET #2 — IDENTIFY THE FOUR STAGES  
OF THE PRODUCT LIFE CYCLE FOR A SPECIFIC PRODUCT**

NAME \_\_\_\_\_ SCORE \_\_\_\_\_

- A. List one of your favorite products. \_\_\_\_\_
- B. List the medium and/or media in which you see and/or hear the product advertised.  
\_\_\_\_\_
- C. Identify the stage of the product life cycle your product is now in. Position your product in its present stage of the product life cycle in the chart below.

INTRO	GROWTH	MATURITY	DECLINE

- D. Explain what has happened or might happen to your product during the four stages of the product life cycle:

Introduction Stage — \_\_\_\_\_

Growth Stage — \_\_\_\_\_

Maturity Stage — \_\_\_\_\_

Decline Stage — \_\_\_\_\_

**ELECTRONIC MARKETING —  
A VALID MARKETING APPROACH  
UNIT I**

**ASSIGNMENT SHEET #3 — LIST ACTIVITIES TO ACHIEVE  
MARKET PENETRATION, PRODUCT DEVELOPMENT, AND  
MARKET DEVELOPMENT**

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions. Different business strategies must be used to attain specific goals of a company or firm. Using the same product you selected in Assignment #2, list an activity you would perform to achieve the goals for the following business strategies:

A. Market Penetration Strategy — \_\_\_\_\_

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B. Product Development Strategy — \_\_\_\_\_

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C. Market Development Strategy — \_\_\_\_\_

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# ELECTRONIC MARKETING — A VALID MARKETING APPROACH UNIT I

## ANSWERS TO ASSIGNMENT SHEETS

Assignment Sheet #1 — Evaluated to the satisfaction of the instructor.

Assignment Sheet #2 — Evaluated to the satisfaction of the instructor.

Assignment Sheet #3 — Answers will vary, but should include an activity to attain the following in each strategy.

### A. Market Penetration Strategy

1. Seek increased sales for current products in current markets through more aggressive marketing efforts.
2. Persuade present customers to purchase larger amounts.
3. Entice customers from competitors and enlarge market share.
4. Convince prospective customers who are similar to present customers to start buying the product.

### B. Product Development Strategy

1. Seek increased sales through development of new or improved products for their current market(s).
2. Develop an expanded line of products for current customers giving the customers a greater range of options.
3. Replace or "phase out" products which are becoming obsolete with revised, new, or improved versions.

### C. Market Development Strategy

1. Seek increased sales through introduction of current products into new markets.
2. Test new markets reducing some risk.

# ELECTRONIC MARKETING — A VALID MARKETING APPROACH UNIT I

## TEST

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

1. Match the terms on the right with their correct definitions.

- |         |  |                                   |
|---------|--|-----------------------------------|
| _____a. | An identified customer segment at which a marketing mix (product, price, place, and promotion) is aimed  | 1. Brand loyalty                  |
| _____b. | Method of conducting sales functions and assisting customers using electronic media  | 2. Business-to-business marketing |
| _____c. | Consumer preference to a particular brand; it is created by promotion, quality control, and guarantees   | 3. Direct lead                    |
| _____d. | Potential customer who has inquired or indicated an interest in the product or service   | 4. Direct marketing               |
| _____e. | Seeks to increase sales through the introduction of current products into new markets  | 5. Direct response                |
| _____f. | Action taken as a result of receiving an advertising message via any medium  | 6. Direct sale                    |
| _____g. | Developing continuing customers via personal interaction   | 7. Electronic media               |
| _____h. | Total activity by which a marketer directs efforts to a targeted audience, using one or more media to solicit a response from a prospect or a customer | 8. Electronic media marketing     |
| _____i. | A full service operation; it is a total effort which includes sales, service, and follow-up  | 9. Full-account management        |
| _____j. | Marketing to businesses, usually segmented by industry, function, or job title   | 10. Interactive video             |
| _____k. | The main medium used to promote a message  | 11. Market development            |
| _____l. | A sale made as a result of direct consumer response to an ad or a sales call   | 12. Market penetration            |
|         |  | 13. Market share                  |
|         |  | 14. Marketing mix                 |
|         |  | 15. Primary medium                |
|         |  | 16. Print media                   |
|         |  | 17. Relationship marketing        |
|         |  | 18. Support medium                |
|         |  | 19. Target market                 |

## TEST

- \_\_\_\_\_m. Positioning current products in current markets through more aggressive marketing efforts
- \_\_\_\_\_n. A marketing concept involving the four major parts of marketing—product, price, place, and promotion
- \_\_\_\_\_o. Secondary medium used to support the primary medium
- \_\_\_\_\_p. Network television, cable television, radio, telephone, and interactive videos
- \_\_\_\_\_q. Newspapers, magazines, shoppers' guides, direct mail, and other printed materials and publications
- \_\_\_\_\_r. An electronic medium which allows immediate two-way communications through the use of a screen or touch pad
- \_\_\_\_\_s. The portion of the total market that buys a firm's product, usually expressed as a percentage of that market
2. Select true statements concerning reasons why electronic media marketing is a valid marketing approach by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_\_a. It is often the first marketing tool used by new industries and by new entries in established industries.
- \_\_\_\_\_b. Support marketing tools are successfully used in limited types of industry in the world today.
- \_\_\_\_\_c. It is a powerful and fast-growing approach due to the acquisition of information.
- \_\_\_\_\_d. It provides adaptability to the changing business environment.
- \_\_\_\_\_e. It merges direct marketing efforts with telecommunication.
3. Complete the following list of statements concerning characteristics of electronic media by inserting the word(s) which best complete the statements.
- a. Television, radio, and the telephone each have unique attributes that can be used to generate \_\_\_\_\_ in a product or idea.
- b. Television allows the consumer to \_\_\_\_\_ or \_\_\_\_\_ a product in action.

## TEST

- c. Radio and telephone presentations can stimulate the imagination and create \_\_\_\_\_ .
- d. Television, radio, and telephone messages are presented one at a time allowing the consumer to consider each ad \_\_\_\_\_ .
- e. A relationship exists between levels of consumer attentiveness to a program on TV and the response to a \_\_\_\_\_ .
- f. Electronic media can be thought of as an \_\_\_\_\_ already opened. The commercial offering, whether it be via television, radio, or telephone, is at least presented to the consumer.
4. Select true statements concerning reasons why the acquisition of information is important in electronic marketing by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. Forecasts of return on advertising investment can be made.
- \_\_\_\_b. Information could lead to new ads, new client lists, and the creation of new businesses.
- \_\_\_\_c. It is necessary before any business can be transacted.
- \_\_\_\_d. Information is the key that converts this marketing tool into a science.
- \_\_\_\_e. Information is the foundation of knowledge or the data bank which the marketer needs to use in developing business strategies in a scientific method.
- \_\_\_\_f. The response from a promotion can be tracked revealing how many people bought it, how much they paid for it, etc.
5. Match stages of a product life cycle on the right with their correct descriptions.
- |   |                       |
|---|-----------------------|
| ____a. Product must be differentiated and a new promotion must begin                        | 1. Introductory stage |
| ____b. Capture loyal customers and become the market leader                                 | 2. Growth stage       |
| ____c. Sell off the product quickly and reap a profit or minimize a loss                    | 3. Maturity stage     |
| ____d. Promote product making potential customer aware and interested in buying the product | 4. Decline stage      |

## TEST

6. Select true statements concerning the purposes of place (distribution) management by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. Make the product available to customers where they want it
  - \_\_\_\_b. Handle inquiries with greater expertise
  - \_\_\_\_c. Handle inventory among distant distribution points
  - \_\_\_\_d. Check on competitive reaction from region to region as a new product is introduced
  - \_\_\_\_e. Create a competitive edge by placing product in limited distribution points
  - \_\_\_\_f. Qualify sales leads and distribute appropriately
7. Complete the following statements concerning the purposes of promotion management by inserting the word(s) which best complete(s) each statement.
- a. Provides a \_\_\_\_\_ between marketer and customer
  - b. Tracks which media produces the highest quality sales and/or \_\_\_\_\_; media not contributing should be dropped
  - c. \_\_\_\_\_ each stage of the consumer adoption cycle
8. List the two purposes of price management.
- a. \_\_\_\_\_
  - b. \_\_\_\_\_
9. Complete the following statements concerning the purposes of product management by inserting the word(s) which best complete(s) each statement.
- a. \_\_\_\_\_ and \_\_\_\_\_ products to meet customer needs.
  - b. Develop brand identity, recognition, and \_\_\_\_\_.
  - c. Direct stages of the product \_\_\_\_\_.
10. Distinguish among the stages of the customer creation process by placing an "A" for awareness, an "I" for interest, a "C" for conviction, and a "T" for trial and repeat purchase next to their descriptions.
- \_\_\_\_a.
    1. Product is bought
    2. Concurrent assessment of the values of the product is made
    3. Establishment of attitude toward the product and the company which manufactured and marketed the product
    4. Maintenance of customer patronage through a full-account management program resulting in brand loyalty

## TEST

- \_\_\_\_b. 1. Recognition by a potential customer that a product or service is available.  
2. Marketer can accurately target the desired market group.
- \_\_\_\_c. 1. Time required for acquisition of the product  
2. Convenience in acquisition of the product
- \_\_\_\_d. 1. Objections determined and resolved  
2. Buyer convinced of the optimum selection
11. Select true statements concerning functions of market penetration strategy by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. Seek increased sales for current products in current markets through more aggressive marketing efforts.
- \_\_\_\_b. Persuade present customers to purchase smaller amounts.
- \_\_\_\_c. Entice customers from competitors and enlarge market share.
- \_\_\_\_d. Convince prospective customers who are similar to present customers to start buying the product.
12. Complete the following statements concerning functions of product development strategy by inserting the words which best complete each statement.
- a. Seek increased sales through development of \_\_\_\_\_ or \_\_\_\_\_ products for their current market(s).
- b. Develop an \_\_\_\_\_ of products for current customers giving the customers a greater range of options.
- c. Replace or "\_\_\_\_\_ " products which are becoming obsolete with revised, new, or improved versions.
13. List two functions of market development strategy.
- a. \_\_\_\_\_  
\_\_\_\_\_
- b. \_\_\_\_\_  
\_\_\_\_\_

## TEST

14. Match the advantage of electronic direct marketing to the consumer with its descriptive benefit. Write the correct numbers in the blanks.

- |         |  |                |
|---------|--|----------------|
| _____a. | Saves gasoline and other transportation costs  | 1. Convenience |
| _____b. | Varied choice of products may give customers access to products that local outlets may seldom stock or offer | 2. Economy     |
| _____c. | Fast and easy, front door delivery, 24-hour service, product supported, and questions answered               | 3. Selection   |

15. Distinguish among advantages of electronic direct marketing to the marketer by placing an "S" before a selectivity benefit, and "I" before an immediacy benefit, an "M" before a measurability benefit, and a "C" before a cost accountability and cost effectiveness benefit.

- \_\_\_\_\_a. Immediate response lets a marketer assess his or her performance quickly.
- \_\_\_\_\_b. Through control that direct marketing provides, a campaign can be adjusted, modified, or deleted to take advantage of the most profitable marketing approach.
- \_\_\_\_\_c. Can pinpoint precisely which of a number of test promotions are most successful.
- \_\_\_\_\_d. Will ensure a higher probability of a response
- \_\_\_\_\_e. Can target individuals most likely to purchase the product or service
- \_\_\_\_\_f. The electronic media provide results faster than other forms of direct marketing
- \_\_\_\_\_g. Can track progress through feedback or lack thereof.
- \_\_\_\_\_h. Direct marketing makes it possible for marketers to account for costs and tie these costs very closely to the products or services they sell.
- \_\_\_\_\_i. Marketing expenditures and efforts can be directed into those areas that will provide the highest return, thus increasing the cost-effectiveness of every dollar spent.
- \_\_\_\_\_j. Marketer can attack or regroup in order to increase profits or reduce costs as a result of immediate feedback.

## TEST

16. Select from the following list ways business-to-business marketing uses electronic direct marketing by placing an "X" in the blanks preceding the correct ways.
- \_\_\_\_a. Seasonal changes
  - \_\_\_\_b. Lead generation
  - \_\_\_\_c. Sales
  - \_\_\_\_d. Stimulation/response
  - \_\_\_\_e. Receiving facilities
  - \_\_\_\_f. Customer service
  - \_\_\_\_g. Targeting clients' needs
  - \_\_\_\_h. Account maintenance
17. Complete the following list of statements concerning characteristics of relationship marketing in business-to-business marketing by inserting the word(s) that best complete(s) each statement.
- a. Customer satisfaction is assured, leading to \_\_\_\_\_ sales.
  - b. \_\_\_\_\_ - \_\_\_\_\_ relationship is established.
  - c. \_\_\_\_\_ justify cost.
  - d. Effective \_\_\_\_\_ exists between marketer and customer.
  - e. Steady development is the \_\_\_\_\_ to growth.
18. Complete the following statements concerning aspects of support media by inserting the word(s) which best complete each statement.
- a. Calls attention to a \_\_\_\_\_ which carries the direct response offer
  - b. \_\_\_\_\_ and \_\_\_\_\_ must always be in terms of its effect on the medium it supports
  - c. May not lower cost per order but may \_\_\_\_\_ number of orders obtained from other media



## TEST

19. Select from the following list reasons to use support media by placing an "X" in the blanks preceding the correct reasons.

- \_\_\_\_a. Message perception is enhanced by more than one media exposure.
- \_\_\_\_b. Audio and visual stimulus helps in understanding and interpreting advertising message.
- \_\_\_\_c. Competitors will need to increase their use of support media to compete.
- \_\_\_\_d. Awareness increases through added exposure.
- \_\_\_\_e. Believability may be increased.
- \_\_\_\_f. Skepticism can be overcome.
- \_\_\_\_g. The more media used, the greater the potential response.
- \_\_\_\_h. More people can be employed due to increase in sales.
- \_\_\_\_i. Marginal returns in off-months can be increased.

20. Match examples of interactive video being used on the right with their correct descriptions.

- |  |                             |
|--|-----------------------------|
| ____a. Prints out recipes  | 1. Buy-video                |
| ____b. Prints out coupons and airs snippets (small parts) from TV spots  | 2. Video square             |
| ____c. A video purchase system where customers view merchandise displayed on the video, order the merchandise and have their selection delivered to them                         | 3. Catalina marketing       |
| ____d. System that spins out cents-off coupons at check-out  | 4. Cuisine machine          |
| ____e. Contains a computer-controlled laser videodisc player; shoppers can view demonstrations which help answer questions most frequently asked in purchasing a new vinyl floor | 5. Floor information center |

## TEST

21. Complete the following statements concerning the future of electronic marketing by inserting the word(s) which best complete(s) each statement.
- a. Current trends indicate electronic marketing will \_\_\_\_\_ .
  - b. Electronic marketing as a cost-efficient tool will be able to \_\_\_\_\_ profits.
  - c. \_\_\_\_\_ \_\_\_\_\_ will increase, and information management will be very important.
  - d. Electronic marketing can help solve business problems occurring due to changes in the \_\_\_\_\_ .
  - e. \_\_\_\_\_ technology updating will be critical to compete.
  - f. \_\_\_\_\_ trade using electronic marketing will continue to provide a competitive edge.
  - g. \_\_\_\_\_ at the state and federal levels will increase.
  - h. New \_\_\_\_\_ will be created.
  - i. Electronic marketing will continue to be the fastest growing \_\_\_\_\_ technique.

(NOTE: If the following activities have not been accomplished prior to the test, ask your instructor when they should be completed.)

22. Respond to electronic media marketing. (Assignment Sheet #1)
23. Identify the four stages of the product life cycle for a specific product. (Assignment Sheet #2)
24. List activities to achieve market penetration, product development, and market development. (Assignment Sheet #3)

# ELECTRONIC MARKETING — A VALID MARKETING APPROACH UNIT I

## ANSWERS TO TEST

- |    |       |       |       |       |
|----|-------|-------|-------|-------|
| 1. | a. 19 | f. 5  | k. 15 | p. 7  |
|    | b. 8  | g. 17 | l. 6  | q. 16 |
|    | c. 1  | h. 4  | m. 12 | r. 10 |
|    | d. 3  | i. 9  | n. 14 | s. 13 |
|    | e. 11 | j. 2  | o. 18 |       |
2. a, c, d, e
- 3.
- a. Excitement
  - b. See, hear
  - c. Action
  - d. Individually
  - e. Commercial
  - f. Envelope
4. a, b, d, e, f
- 5.
- a. 3
  - b. 2
  - c. 4
  - d. 1
6. a, b, c, d, f
- 7.
- a. Communications link
  - b. Sales leads
  - c. Influences
- 8.
- a. Be profitable
  - b. Create a competitive edge by positively influencing buyer opinion
- 9.
- a. Design, develop
  - b. Loyalty
  - c. Life cycle

## ANSWERS TO TEST

10. a. T  
b. A  
c. I  
d. C
11. a, c, d
12. a. New, improved  
b. Expanded line  
c. Phase out
13. a. Seek increased sales through introduction of current products into new markets.  
b. Test new markets reducing some risk.
14. a. 2  
b. 3  
c. 1
15. a. I                    g. M  
b. C                    h. C  
c. M                    i. C  
d. S                    j. I  
e. S                    k. I  
f. I
16. b, c, d, f, g, h
17. a. Additional  
b. Long-term  
c. Results  
d. Communication  
e. Key
18. a. Primary medium  
b. Planning, implementation  
c. Increase
19. a, b, d, e, f, g, i

## ANSWERS TO TEST

20. a. 4  
b. 2  
c. 1  
d. 3  
e. 5
21. a. Increase  
b. Increase  
c. Data bases  
d. Business environment  
e. Telecommunications  
f. International  
g. Legislation  
h. Jobs  
i. Marketing
- 22-24. Evaluated to the satisfaction of the instructor

# TELEMARKETING

## UNIT II

### UNIT OBJECTIVE

After completion of this unit, the student should be able to discuss the advantages of telemarketing as a marketing tool and apply telemarketer skills in a role play situation. Competencies will be demonstrated by completing the assignment sheets and the unit test with a minimum score of 85 percent.

### SPECIFIC OBJECTIVES

After completion of this unit, the student should be able to:

1. Match terms related to telemarketing with their correct definitions.
2. Select true statements concerning advantages of using the telephone as a marketing tool.
3. Select from a list the reasons for telemarketing's rapid growth.
4. Match the purposes of Wide Area Telephone Service (WATS) with their correct descriptions.
5. Complete statements concerning the power of the telephone.
6. Match ways to apply telemarketing with their correct descriptions.
7. Select from a list types of telemarketing support necessary for effective telemarketing.
8. Select from a list general skill requirements of a telemarketer.
9. List four compensation plans for a telemarketer.

**OBJECTIVE SHEET**

10. Match the motivation and incentive plans for a telemarketer with their correct descriptions.
11. Select from a list key motivational factors.
12. List three considerations concerning burnout/turnover.
13. Select true statements concerning what a telemarketer should learn in training.
14. Match elements of a telemarketing reference guide with their correct descriptions.
15. Complete a list of statements concerning conditions under which an in-house telemarketing center may be more appropriate than a service bureau.
16. Complete a list of statements concerning conditions under which a service bureau may be more appropriate than an in-house telemarketing center.
17. Complete a list of equipment, facilities, and environmental design considerations for a telemarketing center.
18. Collect telemarketing support examples. (Assignment Sheet #1)
19. Develop a telemarketing script. (Assignment Sheet #2)
20. Role play a telemarketing call. (Assignment Sheet #3)

## TELEMARKETING UNIT II

### SUGGESTED ACTIVITIES

- A. Obtain additional materials and/or invite resource people to class to supplement/reinforce information provided in this unit of instruction.

(NOTE: This activity should be completed prior to the teaching of this unit.)

- B. Make transparencies from the transparency masters included with this unit.
- C. Provide students with objective sheet.
- D. Discuss unit and specific objectives.
- E. Provide students with information and assignment sheets.
- F. Discuss information and assignment sheets.

(NOTE: Use the transparencies to enhance the information as needed.)

- G. Integrate the following activities throughout the teaching of this unit:
1. Use situation cards to role play customer objections. Each card should have a situation and hurdles that are typical for telemarketers, providing opportunities to address both general and specific objections.
  2. Use flash cards with common objections like "it costs too much." Keep them face down and have one student draw a card, another one answer. This stimulates the way objections actually arise—quickly, without time to think.
  3. Have students do a research paper on "Retailing Without Stores".
  4. Find "Help Wanted" ads relating to telemarketing. Identify the variety of positions, hours, work location, compensation, qualifications, etc.
  5. Invite a telemarketing professional to be a guest speaker.
  6. Have students write letters to their state legislators for information concerning proposals to regulate telemarketing activities.
  7. Seek out a local business which would like for the class to complete a telemarketing project.

(NOTE: A project involving a national promotional campaign for McDonalds was conducted by the DECA Chapter at Central High School, Omaha, Nebraska. The project, "Pepsi Learn and Earn", won the national DECA contest in the competitive event series. See *Vocational Education Journal*, January/February 1988, page 41-42, excerpt from "Insider-Marketing Education".)



## SUGGESTED ACTIVITIES

8. Provide students with examples of a telemarketing script outline and script. This should be done prior to completion of Assignment Sheet #2.

Example of a script outline:

- I. Introduce yourself and the company
- II. Ask for the name on the list, and check to be sure that is the decision maker
- III. Ask some fact-finding questions
- IV. Present the sales message or offer (Features and benefits)
- V. Trial close
- VI. Overcome objections
- VII. Close
- VIII. Reinforce the buying decision

Example of a script:

Hello, I'm Mary Smith of American Paper Recycling Company. Our company takes the old and makes it new again.

Are you Jane Green? Are you in charge of buying paper?  
(NOTE: If not, then, who should I talk to about purchasing paper?)

Does your manufacturing process require heavy-weight paper? Do you need bleached or unbleached?

We have 100% guaranteed heavy-weight bleached paper which is excellent for your manufacturing process at \$400/ton.

How much do you need in the first shipment?

You're absolutely right. Costs are increasing daily. The quality of this paper will prevent your machines clogging up. I believe the cost is justified and I'm sure you will find our paper to be cost-effective.

Ten tons will get you through July.

Okay, we'll make it 15 tons.

Thanks for the order and remember our paper is 100% guaranteed. If you have problems, we're as close as your telephone. I'll call you again in September.

## SUGGESTED ACTIVITIES

9. Use the sales call worksheet included in this section to support Assignment Sheet #2 and #3, or develop a separate activity for students to complete.
  10. Contact the business and technology division of your city library for current data on rates for print and television.
  11. Meet individually with students to evaluate their progress through this unit of instruction, and indicate to them possible areas for improvement.
- H. Give test.
- I. Evaluate test.
- J. Reteach if necessary.

**SUGGESTED ACTIVITIES****SALES CALL WORKSHEET****1. Opening Statement**

Identify self, establish rapport, interest creating remark.

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**2. Ask Probing Questions**

Bridging statement—benefit to customer of giving information.

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Questions:

A. \_\_\_\_\_

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B. \_\_\_\_\_

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C. \_\_\_\_\_

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D. \_\_\_\_\_

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E. \_\_\_\_\_

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**SUGGESTED ACTIVITIES****3. Make Sales Presentation**

- \* Use information gathered in probing
- \* Use benefits over features
- \* Use a sales vocabulary

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4. (Person's name), from what you've heard so far, what sounds the best to you about this program? (If they are hesitant, you need to determine what is holding them back.)  
Ask! What concerns you most about this program?

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**5. Overcome Objections**

- \* Confirm objection
- \* Use feel, felt, found

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**6. Closes**

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**7. Wrap Up**

- \* Summarize agreement
- \* Arrange next call
- \* Express thanks
- \* Say good-bye; use prospects name

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## REFERENCES USED IN WRITING THIS UNIT

- A. Cohen, William A. *Direct Response Marketing*. New York: John Wiley & Sons, 1984.
- B. McCafferty, Thomas. *In-House Telemarketing*. Chicago, IL: Probus Publishing, 1987.
- C. Nash, Edward. *Direct Marketing-Strategy, Planning, Execution*. New York: McGraw-Hill, 1982.
- D. Osborne, G. Scott. *Electronic Direct Marketing*. Englewood Cliffs, NJ: Prentice-Hall, Inc., 1984.
- E. Stone, Bob and John Wyman. *Successful Telemarketing*. Lincolnwood, IL: NTC Business Books, 1986.
- F. *The 1987 Portfolio of Sales and Marketing Plans*. New York: A Bill Publication, 1987.

## SUGGESTED SUPPLEMENTAL RESOURCES

The following resources were identified to provide a base for program and curriculum planning. No specific endorsement of individual items is implied.

### Journals/Newsletters/Books

- A. *The Complete Guide to Telemarketing*  
  
American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50265
- B. "TeleProfessional," *the Quarterly Forum for Professionals Doing Business by Phone*  
  
Del Mar Associates  
1049 Camino Del Mar  
P.O. Box 123  
Del Mar, CA 92014
- C. *Telemarketing — The Magazine of Business Communications*  
  
Technology Marketing Corporation  
1 Technology Plaza  
Norwalk, CT 06854
- D. *Direct Marketing News — The Newspaper of Direct Marketing*  
  
DM News  
10 Olympia Lane  
Stony Brook, NY 11790

**SUGGESTED SUPPLEMENTAL RESOURCES**

- E. *Telemarketing Insider's Report*
- Linbar Publishing, Incorporated  
P.O. Box 572  
Englishtown, NJ 07726
- F. *Telephone Marketing*
- American Sales and Marketing Institute  
98 Cutter Mill Road  
Great Neck, NY 11021
- G. *The Sales Script Book*
- American Media, Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50265
- H. *Secrets of Selling*
- American Media, Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50265
- I. *How to Market by Telephone*
- AMACOM  
A Division of American Management Association  
135 West 50th Street  
New York, NY 10020
- J. *In-House Telemarketing* (Book by Thomas McCafferty)
- Glen T. Presley Assoc., Inc.  
Human Resource Development  
21 West 701 Marston  
Glen Ellyn, IL 60137
- K. *Communication News Journal*
- Communications News  
Box 610  
Duluth, MN 55806-9876
- L. *Non-Manipulative Selling* (Book by Anthony Alessandra and Phillip Wexler)
- Reston Publishing Company  
Prentice-Hall Company  
Englewood Cliff, NJ 07632

**SUGGESTED SUPPLEMENTAL RESOURCES**

- M. *How to Be a Successful Telephone Sales Representative*

AMACOM  
A Division of American Management Association  
135 West 50th Street  
New York, NY 10020

- N. *Telecommunications, Management for Business and Government* (Larry Arrendondo)

Telecom Library Inc.  
205 West 19th Street  
New York, NY 10011

- O. *Telephone Marketing*

DMMA Telephone Marketing Council  
6 East 43rd Street  
New York, NY 10017

- P. *Telephone Marketing* (Reuben Donnelley)

Reuben H. Donnelley Corporation  
825 3rd Avenue  
New York, NY 10022

- Q. *Voice Communication in Business* (L. F. Goeller)

ABE of the Telephone  
Box 537  
Geneva, IL 60134

- R. *Telecommunications Primer* (G. Langley)

Pitman Books Limited  
128 Long Acre  
London

- S. *Telephone Marketing and Territory Management*

KBL Marketing System, Inc.  
Ventura Boulevard, Suite 206  
Woodland Hills, CA 91364

- T. *Telemarketing Campaigns That Work* (Murray Roman)

McGraw-Hill Book Company  
1221 Avenue of the Americas  
New York, NY 10020

**SUGGESTED SUPPLEMENTAL RESOURCES**

- U. *Telecommunications in the Information Age* (Loy A. Singleton)

Ballinger Publishing Company  
Cambridge, MS

- V. *AT&T Toll-Free 800 Directory-Consumer Edition*

55 Corporate Drive  
Bridgewater, NJ 08807

(NOTE: Call toll-free, 1-800-555-1212 for specific toll-free numbers or refer to directory.)

**Media**

- A. *American Media Catalog of Training Films*

American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50265

- B. *Eye on Telemarketing* (Media Catalog)

13650 Gramercy Place  
Gardena, CA 90249

- C. *NLSP: The Hidden Advantage* (Film)

American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50265

- D. *Dealing with People on the Telephone* (Film)

American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50265

- E. *Telephone Courtesy Pays Off* (Videotape)

American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50365

- F. *Handling Incoming Calls* (Film)

American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50365



**SUGGESTED SUPPLEMENTAL RESOURCES**G. *Selling on the Phone* (Film)

American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50365

H. *90 Telemarketing Skills in 90 Minutes* (Videotape)

American Media Incorporated  
1454 30th Street, Suite 105  
West Des Moines, IA 50365

I. *The Process of Professional Telemarketing* (Videodisc)

Glen T. Presley Associates, Inc.  
Human Resource Development  
21 West 701 Marston  
Glen Ellyn, IL 60137

**Game — *Telemarketing in the Field. Sales and Marketing Management 1986***

Sales Builders  
633 Third Avenue  
New York, NY 10017

## TELEMARKETING UNIT II

### INFORMATION SHEET

#### I. Terms and definitions

- A. 800 Service — Inbound WATS-like service allowing callers to call without charge or operator intervention; the call recipient pays for the call
- B. WATS Service — Long-distance service for outbound calls to specific service areas, in-state or out-of-state, at a lower cost than long distance for large calling volumes
- C. Boiler room — Telephone selling that lacks professionalism due to concentration on call volume, high pressure, and poor work environment
- D. Burnout — Decreased job performance or motivation
- E. Business-to-business telemarketing — Marketing to businesses, usually segmented by industry, function, or job title
- F. Business-to-consumer telemarketing — Marketing to individuals at their residences
- G. Close-ended questions — Used to elicit a specific response, usually yes or no
- H. Inbound calls — Calls that are received at a telemarketing center
- I. In-house telemarketing — Telemarketing operations being performed by specially trained internal personnel of a company to market that company's own products or services
- J. Lead — Potential customer who has inquired or indicated interest
- K. Open-ended question — Not requiring a yes or no answer, but allowing the respondents to reply in greater detail
- L. Outbound calls — Calls made to a prospect or customer from a telemarketing center
- M. Script — Prepared text presentation that is closely followed by the telemarketer as a tool to convey a specific message to the customer
- N. Telecommunications — Electronic transmission of voice, data, or video
- O. Telemarketer — A person who places or receives calls as part of a telemarketing operation

(NOTE: This is also known as a telephone sales representative [TSR] or customer service representative [CSR].)

## INFORMATION SHEET

- P. Telemarketing — Incorporation of telecommunication technology with the latest marketing and management techniques in a planned, controlled, coordinated marketing environment
- Q. Telemarketing reference guide — Provides a continual, consistent, and convenient reference for the telemarketer

### II. Advantages of using the telephone as a marketing tool

(NOTE: The telephone was the first electronic device to be used in a successful marketing campaign. In 1960, Ford Motor Company launched a massive telephone campaign in an attempt to reverse a major slump in sales. This campaign involved more than 20 million telephone calls which resulted in enough leads that 34,000 salespeople were given two leads a day for thirty days. As a result of this campaign, the slump was reversed.)

- A. The telephone provides the ability to capture and hold the attention of the listener. (Transparency 1)
- B. Many individuals feel obligated to answer the phone. (Transparency 2)
- C. The opportunity for one-to-one selling exists.
- D. The sales message can be presented, and objections can be met and overcome with minimal distractions.
- E. Telephone calls are less expensive than personal visits.

(NOTE: The average industrial sales visit costs over \$200 and several visits are usually required to generate a sale.)

- F. A telephone call is more effective in generating a response than direct mail and print media.
- G. The telemarketer's productivity is easily tracked.

**EXAMPLE:** A telemarketer can contact twenty-five or thirty customers in the time it takes to visit five or six customers personally.

(NOTE: Studies have shown that the average salesperson wastes up to 40 percent of a sales day in travel time and waiting in customer's offices.)

### III. Reasons for telemarketing's rapid growth

- A. External business environment changes

**EXAMPLES:** An increase of women in the workforce, single person households, two-income families, credit cards, availability of toll-free numbers, direct response marketing using catalog selling, direct mail, TV offerings, media advertising and bill-enclosure merchandise sales.

## INFORMATION SHEET

## B. Internal business environment changes

EXAMPLE: Telemarketing today can be a complicated job that requires well-paid, well-informed people. In business-to-business marketing, the customer expects the telemarketer to be a highly skilled specialist knowledgeable of product details, specifications, applications and understanding the customer's needs and problems.

## C. Buyer behavior changes

EXAMPLE: Product accessibility, 24-hour service, growing acceptance of non-personal intervention, and convenience

## D. High cost of advertising

EXAMPLE: Network TV spots have increased dramatically. Costs vary according to a program's rating points and the geographic location of the viewing audience. A TIME magazine ad in black and white plus one color goes for \$96,000 and a 4-color ad costs \$120,000. (Standard Rate and Data Service). Direct mail costs have also risen due to the increases in postal rates.

## E. Foreign competition

EXAMPLE: The oil, automotive, steel, clothing, and shoe industries are being challenged by the foreign markets; however, service to the customer is usually an advantage a U.S. manufacturer has over the foreign competitor.

## F. Retailing without stores

(NOTE: The trend is toward marketing directly to the consumer who can easily order by telephone or mail and never go near the store.)

## G. The electronic office

(NOTE: The electronic office with optical scanners, high-speed printers, computer terminals, word processors, and integrated typesetters is able to manage the paperwork which threatens to bottleneck the workflow in a non-electronic environment. This technology is needed to market more goods with fewer people, at less cost, in less time, and with greater efficiency.)

## H. Telecommunications technology

EXAMPLE: Dedicated telemarketing centers within a company support, supplement and sometimes replace the outside selling force. A customer can place an order, determine stock availability, check on order status, get shipping information, secure billing information and check status of credit or billing corrections electronically.

## INFORMATION SHEET

### IV. Purposes of Wide Area Telephone Service (WATS)

(NOTE: WATS was introduced by AT&T in 1968. Since then telemarketing has evolved into a multibillion-dollar industry and is still growing rapidly.)

- A. 800 service (Inbound) utilizes the toll-free "800" number for customer convenience

EXAMPLES: Customer inquiries, receiving orders from direct mail, catalogs, space ads, and television and radio marketing promotions

- B. WATS (Outbound) usage includes calls to consumers and businesses

EXAMPLES: Sell products, develop leads, service accounts, and conduct market research

- C. 800 service and WATS are very cost effective compared to field sales visits and regularly priced long distance calls

### V. The power of the telephone

- A. It can dramatically increase response.
- B. It is more powerful than mail in average number of sales closed or leads generated per thousand attempts.
- C. It can dramatically increase revenues.

### VI. Ways to apply telemarketing

- A. After market sales — Selling item or items to supplement the initial purchase
- B. Appointment securing — Asking for an appointment
- C. Catalog sales — Means of receiving orders from the marketplace
- D. Collections — Opening a line of communications with customers who have past due accounts and arranging quicker repayment from the customer
- E. Consumer response — Involves allowing the customer to communicate with the firm and, in so doing, creates or maintains consumer loyalty
- F. Customer service — Involves resolution of customer problem, inquiry, delivery, installation of product, and training
- G. Field sales support — Inside and outside (a team) representatives have responsibility for selling and servicing a group of accounts
- H. Full account management — Inside telemarketer has total responsibility for selling and servicing an assigned group of accounts

## INFORMATION SHEET

- I. Fund raising — Seeking donations
  - J. Lead generation and qualification — Involves acquiring and/or pre-qualifying sales leads
  - K. Maintenance agreement sales — Selling a maintenance agreement protecting customer against product failure
  - L. Marginal account management — Involves selling and servicing the smaller lower end accounts
- (NOTE: The 80/20 rule applies here in that 80% of a firm's business comes from 20% of a firm's customers. Face-to-face selling to the remaining 80% is not cost effective; therefore, telemarketing is used to reach the 80%.)
- M. Market research — Conducting surveys of a marketplace to gather data
  - N. New product or service introduction — Involves informing new and repeat customers of a new product or service
  - O. Product information — Customers can call to get product questions answered
  - P. Promotions management — Encouraging the marketplace to participate in a telemarketing promotion
  - Q. Reactivating accounts — Asking inactive accounts for a sale
  - R. Recruiting — Prescreening prospects for employment, membership, enrollment, etc.
  - S. Shareowner/stockholder relations — Easy access for shareowners/stockholders to communicate with the shareowner/stockholder department of a firm

### VII. Types of telemarketing support

(NOTE: These are methods of advertising and promotion used to create stimulation and action necessary for effective telemarketing.)

- A. Yellow pages
- B. Direct mail
- C. Direct response TV commercials
- D. Radio advertising and promotions

## INFORMATION SHEET

- E. Print advertising
- F. Multimedia advertising
- G. Catalogs
- H. Packaging

### VIII. General skill requirements of a telemarketer

- A. Excellent verbal communications skills  
(NOTE: Voice quality must be clear and pleasant with good articulation, and appropriate English should be used.)
- B. Ability to project enthusiasm, sincerity, and friendliness over the telephone  
(NOTE: Even a smile can be projected over the telephone.)
- C. Patience in handling repetitive tasks
- D. Persistent and able to bounce back from rejection
- E. Ability to think quickly
- F. Good listening skills
- G. Enjoy telephone work
- H. Flexibility in handling different types of clients and new situations
- I. Good organization and time management skills
- J. Self-motivated
- K. Self-disciplined
- L. Sales skills
- M. Keyboarding skills
- N. Professionalism

### IX. Compensation plans for a telemarketer

- A. Hourly wage plan
- B. Commission only plan
- C. Salary plus commission plan
- D. Bonus plan

72

## INFORMATION SHEET

### X. Motivation and incentive plans for a telemarketer

- A. Periodic appraisals — Informal/formal weekly, monthly, or quarterly
- B. Accountability — Measurement and tracking of results for assigned activities
- C. Reinforcement — Support through regular meetings, performance reports, encouragement, and recognition

### XI. Key motivational factors

- A. Increasing challenge and flexibility of the job to promote personal growth
- B. Working conditions
- C. Team spirit
- D. Financial incentives
- E. Recognition of individual and group achievements
- F. Contribution to the company's success
- G. Individual reinforcement
- H. The opportunity for promotion

### XII. Burnout/turnover considerations

- A. Rotate repetitive tasks.
- B. Consider the key motivational factors in dealing with burnout and turnover.
- C. Identify stress factors on the job.

### XIII. What a telemarketer should learn in training

(NOTE: Role playing is a very effective teaching technique in the training of a telemarketer.)

- A. Overall structure and goals of the company or organization as well as general business functions
- B. Basic knowledge about the product or service
- C. Sales skills emphasizing questioning and probing techniques and usage of a script checklist (Transparency 3)



## INFORMATION SHEET

- D. How to identify customer needs
- E. How to prioritize accounts by revenue potential and cycle accounts
- F. How to manage time

### XIV. Elements of a telemarketing reference guide

- A. Overview — Basic information about the company
- B. Selling procedures — How the company sells its products or services
- C. Telemarketing objectives — Description of tasks

EXAMPLE: Prospecting for and qualifying new customers, setting up appointments for representatives, and managing existing small accounts

- D. Customer needs — Lists those needs and how the product or service addresses them
- E. Script — Prepared text presentation (Transparency 3)

(NOTE: The type of script or script outline will be determined by the complexity of the product or the skill level of the telemarketer.)

- F. Questions/probes — Used for control of the conversation and to hold the prospect's attention

(NOTE: The guide should give examples of open-ended questions that will get the prospect talking, such as "Tell me about. . . .". Close-ended probes call for direct answers such as "How many. . . . ?")

- G. Features and benefits of the product or service — Reasons why customer needs product or service
- H. Objections and responses — How to overcome customer doubts or indecision
- I. Close — How to ask for the order

### XV. Conditions under which an in-house telemarketing center may be more appropriate than a service bureau

- A. Order taking and customer service involving a relatively small number of customers
- B. Salespeople know a great deal of technical knowledge
- C. Necessary integration with internal support departments and personnel

**INFORMATION SHEET****XVI. Conditions under which a service bureau may be more appropriate to use than an in-house telemarketing center**

- A. Short-term programs with high volume 800 number response
- B. Inadequate in-house resources and equipment needed to perform activities
- C. Lead generation, prospect qualification, and new business campaigns

(NOTE: Service bureaus already have in place the equipment, personnel, and necessary facilities.)

**XVII. Equipment, facilities, and design considerations for a telemarketing center (Transparencies 4, 5, and 6)**

- A. Telecommunications equipment
  - 1. Telephone
  - 2. Headsets
  - 3. Terminals
  - 4. Facsimile
- B. Manual equipment
  - 1. Records or files
  - 2. Information on desk such as catalogs, inventory status, shipping details
  - 3. Price sheets
  - 4. Reference guides
- C. Work stations
  - 1. Ergonomically correct modular furniture
  - 2. Equipment
  - 3. Reference guides
- D. Work environment
  - 1. Lighting
  - 2. Acoustics
  - 3. Privacy
  - 4. Partitioning
  - 5. Color
  - 6. Heating, ventilation, and air conditioning

107  
8 2

# The Telephone Can Capture and Hold the Attention of the Listener



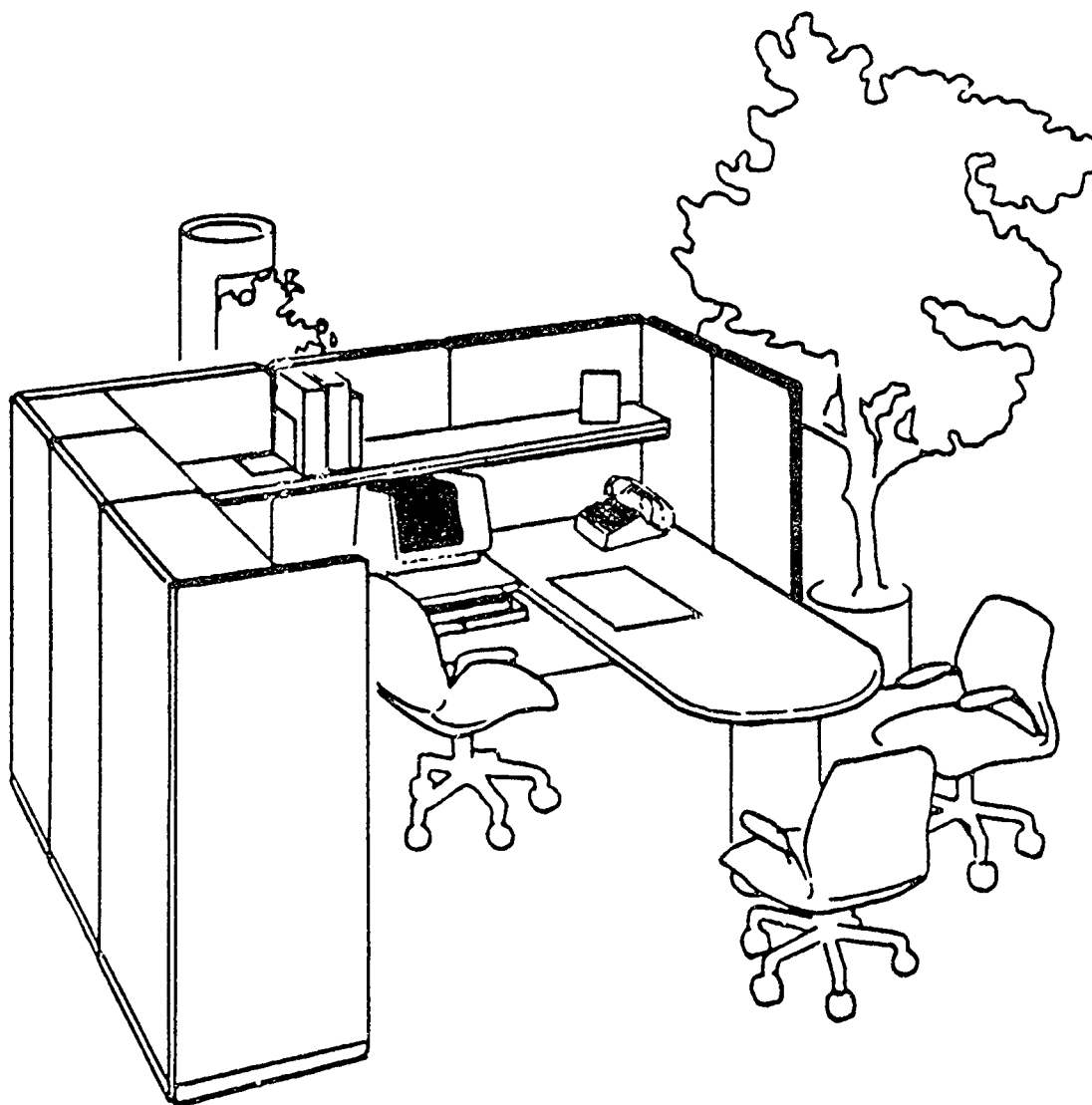
# Many People Feel Obligated to Answer the Phone and Interrupt Busy Schedules to Respond to a Call



# Script Checklist

- \_\_\_1. Introduction of telemarketer and the company
- \_\_\_2. Talk to the decision maker
- \_\_\_3. Create interest
- \_\_\_4. Establish need
- \_\_\_5. Match need with product benefits
- \_\_\_6. Overcome objections
- \_\_\_7. Close
- \_\_\_8. Thank customer and reinforce the buying decision

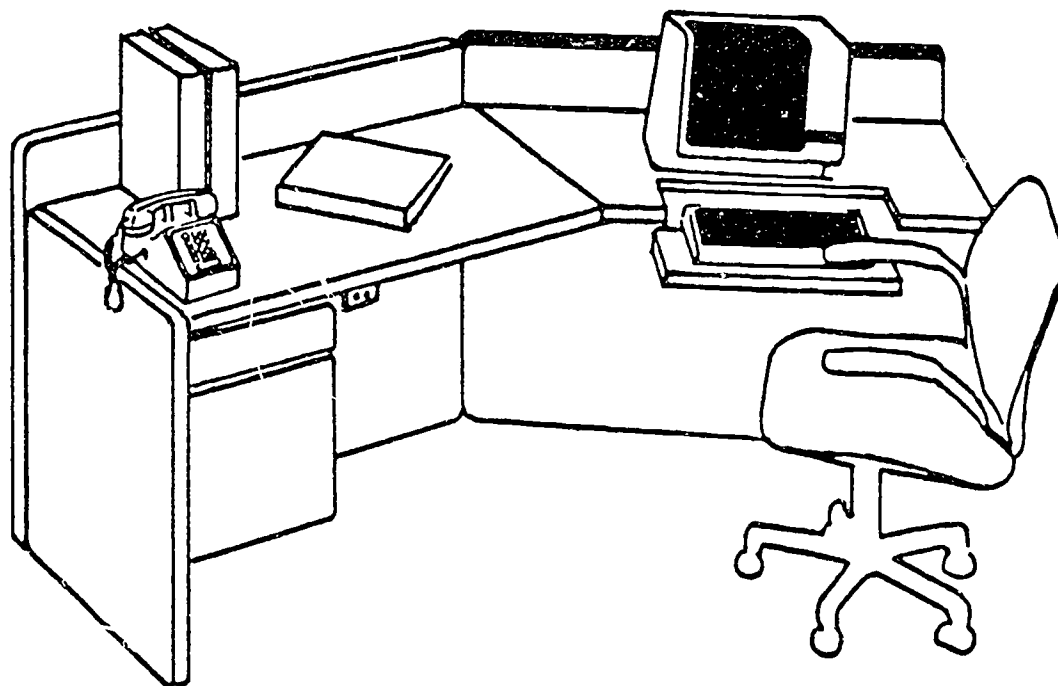
# Environmental Design Considerations



Where the specialist will need to confer with others in the organization, or as a supervisor's work station, this arrangement permits small conferences and provides additional storage space.

Courtesy of AT&T

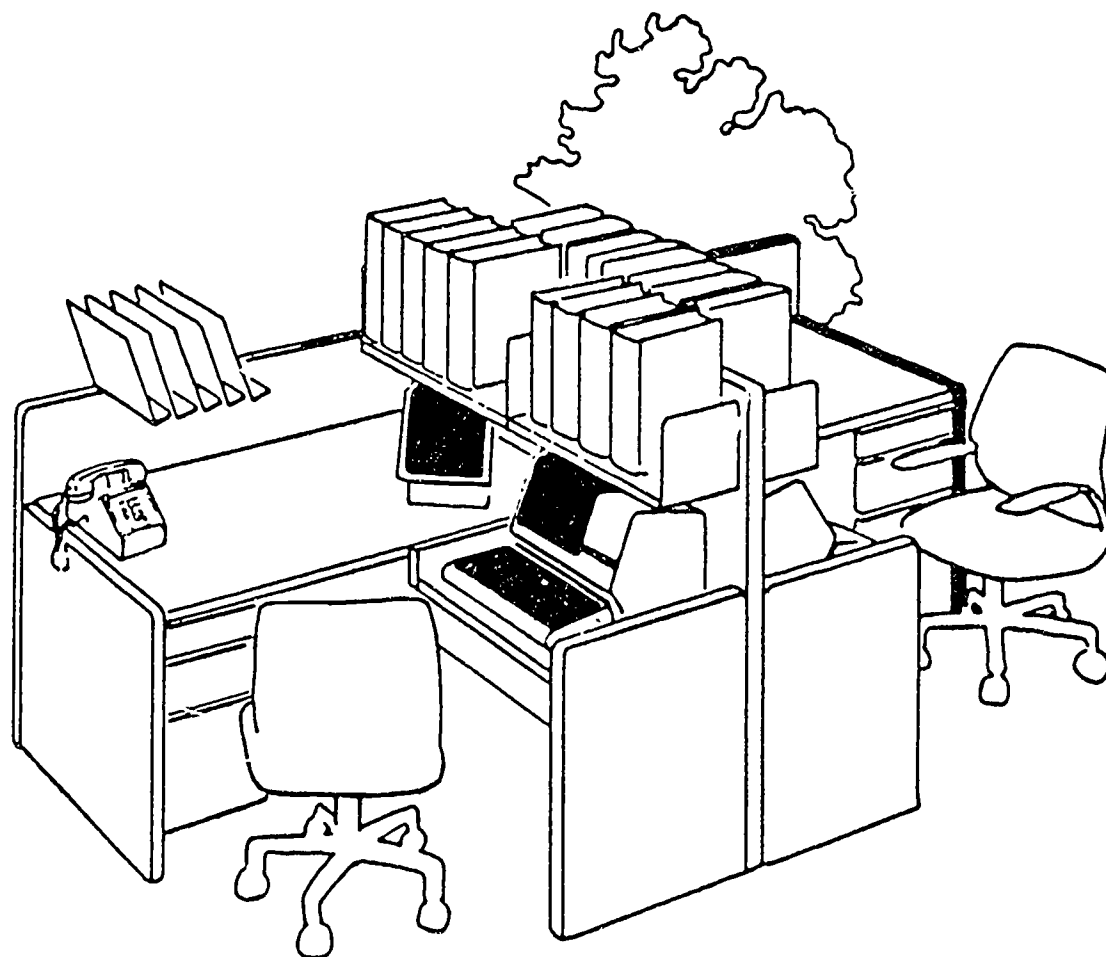
# Environmental Design Considerations (Continued)



Where manual reference, filing and storage needs are minimal, an arrangement such as this can be used. Note the telephone headset jack for comfortable hands-free operation.

Courtesy of AT&T

# Environmental Design Considerations (Continued)



**In applications where minimal paperwork is involved and most reference and actionable data is automated, a work station arrangement such as this is appropriate.**

Courtesy of AT&T



## TELEMARKETING UNIT II

### ASSIGNMENT SHEET #1 — COLLECT TELEMARKETING SUPPORT EXAMPLES

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions. Find examples of the following telemarketing support methods. These methods are used to create stimulation and response which are necessary for effective telemarketing.

- A. Yellow pages
- B. Direct mail
- C. Direct response TV commercials (Draw and/or write a description.)
- D. Radio advertising and promotions (Write a description.)
- E. Print advertising
- F. Multimedia advertising (Draw and/or write description, if needed.)
- G. Catalogs
- H. Packaging

# TELEMARKETING UNIT II

## ASSIGNMENT SHEET #2 — DEVELOP A TELEMARKETING SCRIPT

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions. Develop a script for a specific product or service which you plan to offer using the telemarketing technique. Use the space below. (Refer to Transparency 3.)

SCRIPT FOR \_\_\_\_\_

(Product or Service)

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## TELEMARKETING UNIT II

### ASSIGNMENT SHEET #3 — ROLE PLAY A TELEMARKETING CALL

NAME \_\_\_\_\_ SCORE \_\_\_\_\_

Directions: Assume the role of a telemarketer. Using a telephone and the script you developed in Assignment #2, market your product/service to your customer. (Another student can be your customer.) You will use questioning techniques to control the conversation. When the customer is silent, you are out of touch. Questioning maintains contact and keeps the presentation on track. It is the best way for a telemarketer to find out specific information from the customer. Do not let your questions become argumentative, boring, or too much like a cross-examination. Alternate playing salesperson and customer. Follow each role play with a discussion of what transpired.

As a sales person:

Did you consciously use telemarketing skills? \_\_\_\_\_

Did you feel comfortable using them? \_\_\_\_\_

Which skills were used the best? \_\_\_\_\_

Which skills could have been used more effectively? \_\_\_\_\_

As a customer:

Which skills were used most effectively? \_\_\_\_\_

Did you feel manipulated at any point? \_\_\_\_\_

Which parts of the presentation were most and least persuasive?

MOST \_\_\_\_\_

LEAST \_\_\_\_\_

Did salesperson miss any important clues? \_\_\_\_\_

As the customer, would you make the purchase? \_\_\_\_\_

# TELEMARKETING UNIT II

## TEST

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

1. Match the terms on the right with their correct definitions.

- |         |   |                                       |
|---------|---|---------------------------------------|
| _____a. | Telephone selling that lacks professionalism due to concentration on call volume, high pressure, and poor work environment                                    | 1. 800 Service                        |
| _____b. | Calls that are received at a telemarketing center   | 2. WATS Service                       |
| _____c. | Calls made to a prospect or customer from a telemarketing center  | 3. Boiler room                        |
| _____d. | Telemarketing operations being performed by specially trained internal personnel of a company to market that company's own products or services               | 4. Burnout                            |
| _____e. | Inbound WATS-like service allowing callers to call without charge or operator intervention; the call recipient pays for the call                              | 5. Business-to-business telemarketing |
| _____f. | Decreased job performance or motivation   | 6. Business-to-consumer               |
| _____g. | Marketing to individuals at their residences  | 7. Close-ended questions              |
| _____h. | A person who places or receives calls as part of a telemarketing operation  | 8. Inbound calls                      |
| _____i. | Prepared text presentation that is closely followed by the telemarketer as a tool to convey a specific message to the customer                                | 9. In-house telemarketing             |
| _____j. | Incorporation of telecommunication technology with the latest marketing and management techniques in a planned, controlled, coordinated marketing environment | 10. Lead                              |
| _____k. | Potential customer who has inquired or indicated interest   | 11. Open-ended questions              |
|         |   | 12. Outbound calls                    |
|         |   | 13. Script                            |
|         |   | 14. Telecommunications                |
|         |   | 15. Tele marketer                     |
|         |   | 16. Telemarketing                     |
|         |   | 17. Telemarketing reference guide     |

## TEST

- \_\_\_\_l. Long-distance service for outbound calls to specific service areas, in-state or out-of-state, at a lower cost than long distance for large calling volumes
  - \_\_\_\_m. Marketing to businesses, usually segmented by industry, function, or job title
  - \_\_\_\_n. Not requiring a yes or no answer, but allowing the respondents to reply in greater detail
  - \_\_\_\_o. Used to elicit a specific response, usually yes or no
  - \_\_\_\_p. Electronic transmission of voice, data, or video
  - \_\_\_\_q. Provides a continual, consistent, and convenient reference for the telemarketer
2. Select true statements concerning advantages of using the telephone as a marketing tool by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. The telephone provides the ability to capture and hold the attention of the listener.
  - \_\_\_\_b. The telemarketer's productivity is easily tracked.
  - \_\_\_\_c. A telephone call is less effective in generating a response than direct mail and print media.
  - \_\_\_\_d. Many individuals feel obligated to answer the phone.
  - \_\_\_\_e. Telephone calls are less expensive than personal visits.
  - \_\_\_\_f. Additional information is always included
  - \_\_\_\_g. The sales message can be presented, and objections can be met and overcome with minimal distractions.
  - \_\_\_\_h. The opportunity for one-to-one selling exists.

## TEST

3. Select from the following list reasons for telemarketing's rapid growth by placing an "X" in the blanks preceding the correct reasons.

- \_\_\_\_\_a. Retailing without stores
- \_\_\_\_\_b. Telecommunications technology
- \_\_\_\_\_c. Growth of shopping centers
- \_\_\_\_\_d. Foreign competition
- \_\_\_\_\_e. Rising housing costs
- \_\_\_\_\_f. The electronic office
- \_\_\_\_\_g. High cost of advertising
- \_\_\_\_\_h. Internal business environment changes
- \_\_\_\_\_i. External business environment changes
- \_\_\_\_\_j. Buyer behavior changes

4. Match the purposes of Wats Area Telephone Service (WATS) on the right with their correct descriptions.

- |  |                          |
|--|--------------------------|
| _____a. Usage includes calls to consumers and businesses to sell products, develop leads, service accounts, and conduct market research  | 1. 800 service (Inbound) |
| _____b. Very cost effective compared to field sales visits and regularly priced long distance calls  | 2. WATS (Outbound)       |
| _____c. Utilizes the toll-free "800" number for customer convenience; it is used for receiving orders from direct mail, catalogs, space ads, and television and radio marketing promotions | 3. 800 service and WATS  |

5. Complete the following statements concerning the power of the telephone by inserting the word(s) which best complete(s) each statement.

- a. it can dramatically increase \_\_\_\_\_ .
- b. It is more powerful than mail in average number of \_\_\_\_\_ closed or \_\_\_\_\_ generated per thousand attempts.
- c. It can dramatically increase \_\_\_\_\_ .

## TEST

6. Match ways to apply telemarketing on the right with their correct descriptions. Write the correct numbers in the blanks.

- |         |  |                                       |
|---------|--|---------------------------------------|
| _____a. | Inside telemarketer has total responsibility for selling and servicing an assigned group of accounts                         | 1. After market sales                 |
| _____b. | Inside and outside representatives have responsibility for selling and servicing a group of accounts                         | 2. Appointment securing               |
| _____c. | Involves selling and servicing the smaller lower end accounts  | 3. Catalog sales                      |
| _____d. | Involves acquiring and/or pre-qualifying sales leads   | 4. Collections                        |
| _____e. | Involves informing new and repeat customers of a new product or service  | 5. Consumer response                  |
| _____f. | Selling item or items to supplement the initial purchase   | 6. Customer service                   |
| _____g. | Involves resolution of customer problem, inquiry, delivery, installation of product, and training                            | 7. Field sales support                |
| _____h. | Selling a maintenance agreement protecting customer against product failure  | 8. Full account management            |
| _____i. | Customers can call to get product questions answered   | 9. Fund raising                       |
| _____j. | Easy access for shareowners/stockholders to communicate with the shareowner/stockholder department of a firm                 | 10. Lead generation and qualification |
| _____k. | Opening a line of communications with customers who have past due accounts and arranging quicker repayment from the customer | 11. Maintenance agreement sales       |
| _____l. | Prescreening prospects for employment, membership, enrollment, etc.  | 12. Marginal account management       |
| _____m. | Means of receiving orders from the marketplace   | 13. Market research                   |
|         |  | 14. New product/service introduction  |
|         |  | 15. Product information               |
|         |  | 16. Promotions management             |
|         |  | 17. Reactivating accounts             |
|         |  | 18. Recruiting                        |
|         |  | 19. Shareowner/shareholder relations  |

## TEST

- \_\_\_\_\_n. Involves allowing the customer to communicate with the firm and, in so doing, creates or maintains consumer loyalty
- \_\_\_\_\_o. Conducting surveys of a marketplace to gather data
- \_\_\_\_\_p. Encouraging the marketplace to participate in a telemarketing promotion
- \_\_\_\_\_q. Seeking donations
- \_\_\_\_\_r. Asking for an appointment
- \_\_\_\_\_s. Asking inactive accounts for a sale
7. Select from the following list types of telemarketing support necessary for effective telemarketing by placing an "X" in the blanks preceding the correct methods.
- \_\_\_\_\_a. Catalogs
- \_\_\_\_\_b. Multimedia advertising
- \_\_\_\_\_c. Print advertising
- \_\_\_\_\_d. Recruitment
- \_\_\_\_\_e. Packaging
- \_\_\_\_\_f. Direct mail
- \_\_\_\_\_g. Electronic sensors
- \_\_\_\_\_h. Direct response TV commercials
8. Select from the following list general skill requirements of a telemarketer by placing an "X" in the blanks preceding the correct requirements.
- \_\_\_\_\_a. Self-motivated
- \_\_\_\_\_b. Keyboarding skills
- \_\_\_\_\_c. Enjoy telephone work
- \_\_\_\_\_d. Flexibility in handling different types of clients and new situations
- \_\_\_\_\_e. Good organizational and time management skills
- \_\_\_\_\_f. Good listening skills
- \_\_\_\_\_g. Safety net concern



## TEST

- \_\_\_\_h. Patience in handling repetitive tasks
- \_\_\_\_i. Ability to project enthusiasm, sincerity, and friendliness over the telephone
- \_\_\_\_j. Monitor the checkbook
- \_\_\_\_k. Persistent and able to bounce back from rejection
- \_\_\_\_l. Professionalism

9. List four compensation plans for a telemarketer.

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_

10. Match the motivation and incentive plans for a telemarketer on the right with their correct description. Write the correct number in the blank preceding the description.

- |        |   |                        |
|--------|---|------------------------|
| ____a. | Support through regular meetings, performance reports, encouragement, and recognition | 1. Accountability      |
| ____b. | Informal/formal weekly, monthly, or quarterly   | 2. Periodic appraisals |
| ____c. | Measurement and tracking of results for assigned activities                           | 3. Reinforcement       |

11. Select from the following list key motivational factors by placing an "X" in the blanks preceding the correct factors.

- \_\_\_\_a. Financial incentives
- \_\_\_\_b. Working conditions
- \_\_\_\_c. Work breaks
- \_\_\_\_d. Career path
- \_\_\_\_e. Increasing challenge and flexibility of the job to promote personal growth
- \_\_\_\_f. Contribution to the company's success
- \_\_\_\_g. Phone contact with customers
- \_\_\_\_h. Recognition of individual and group achievements

## TEST

12. List three considerations concerning burnout/turnover.
- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
13. Select true statements concerning what a telemarketer should learn in training by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. How to identify customer needs
- \_\_\_\_b. How to prioritize accounts by revenue potential and cycle accounts
- \_\_\_\_c. Reinforce issues
- \_\_\_\_d. Overall structure and goals of the company or organization as well as general business functions
- \_\_\_\_e. Sales skills emphasizing questioning and probing techniques
- \_\_\_\_f. Basic knowledge about the product or service
- \_\_\_\_g. Use of unfair trade practices as a competitive tool
- \_\_\_\_h. How to manage time
14. Match the elements of a telemarketing reference guide on the right with their correct descriptions.
- |   |  |
|---|--|
| ____a. Used for control of the conversation and hold the prospect's attention | 1. Overview  |
| ____b. Description of tasks   | 2. Selling procedures                              |
| ____c. Basic information about the company                                    | 3. Telemarketing objectives                        |
| ____d. Reasons why customer needs product or service                          | 4. Customer needs                                  |
| ____e. How to ask for the order   | 5. Questions/probes                                |
| ____f. How the company sells its products or services                         | 6. Features and benefits of the product or service |
| ____g. Lists those needs and how the product or service addresses them        | 7. Objections and responses                        |
| ____h. Prepared text presentation   | 8. Close   |
| ____i. How to overcome customer doubts or indecision                          | 9. Script  |

## TEST

15. Complete the following list of statements concerning conditions under which an in-house telemarketing center may be more appropriate than a service bureau by inserting the word(s) that best complete(s) each statement.
- Order taking and customer service involving a relatively \_\_\_\_\_ number of customers
  - Necessary integration with internal \_\_\_\_\_ departments and personnel
  - Salespeople know a great deal of \_\_\_\_\_ knowledge
16. Complete the following list of statements concerning conditions under which a service bureau may be more appropriate than an in-house telemarketing center by inserting the word(s) that best complete(s) each statement.
- Short-term programs with \_\_\_\_\_ volume 800 number response
  - Inadequate in-house \_\_\_\_\_ and \_\_\_\_\_ needed to perform activities
  - \_\_\_\_\_ generation, \_\_\_\_\_ qualification, and new business campaigns
17. Complete the following list of equipment, facilities, and design considerations for a telemarketing center by inserting the word(s) which best complete(s) each statement.
- Telecommunications equipment should include a telephone, headset, terminals, and \_\_\_\_\_
  - Manual equipment includes records or files, information on desk such as catalogs, \_\_\_\_\_ and reference guides
  - Ergonomically correct \_\_\_\_\_, equipment, and reference guides are found in the work stations.
  - Design considerations concerning the work environment include lighting, acoustics, heating, ventilation, air conditioning, \_\_\_\_\_, partitioning, and \_\_\_\_\_

(NOTE: If the following activities have not been accomplished prior to the test, ask your instructor when they should be completed.)

- Collect telemarketing support examples. (Assignment Sheet #1)
- Develop a telemarketing script. (Assignment Sheet #2)
- Role play a telemarketing call. (Assignment Sheet #3)

## TELEMARKETING UNIT II

### ANSWERS TO TEST

- |    |    |    |    |    |    |    |
|----|----|----|----|----|----|----|
| 1. | a. | 3  | i. | 13 | q. | 17 |
|    | b. | 8  | j. | 16 |    |    |
|    | c. | 12 | k. | 10 |    |    |
|    | d. | 9  | l. | 2  |    |    |
|    | e. | 1  | m. | 5  |    |    |
|    | f. | 4  | n. | 11 |    |    |
|    | g. | 6  | o. | 7  |    |    |
|    | h. | 15 | p. | 14 |    |    |

2. a, b, d, e, g, h

3. a, b, d, f, g, h, i, j

- |    |    |   |
|----|----|---|
| 4. | a. | 2 |
|    | b. | 3 |
|    | c. | 1 |

- |    |    |              |
|----|----|--------------|
| 5. | a. | Response     |
|    | b. | Sales, leads |
|    | c. | Revenues     |

- |    |    |    |    |    |
|----|----|----|----|----|
| 6. | a. | 8  | k. | 4  |
|    | b. | 7  | l. | 18 |
|    | c. | 12 | m. | 3  |
|    | d. | 10 | n. | 5  |
|    | e. | 14 | o. | 13 |
|    | f. | 1  | p. | 16 |
|    | g. | 6  | q. | 9  |
|    | h. | 11 | r. | 2  |
|    | i. | 15 | s. | 17 |
|    | j. | 19 |    |    |

7. a, b, c, e, f, h

8. a, b, c, d, e, f, h, i, k, l

## ANSWERS TO TEST

9. a. Hourly wage plan  
b. Commission only plan  
c. Salary plus commission plan  
d. Bonus plan
10. a. 3  
b. 2  
c. 1
11. a, b, d, e, f, h
12. a. Rotate repetitive tasks  
b. Consider key motivational factors in dealing with burnout and turnover  
c. Identify stress factors on the job.
13. a, b, d, e, f, h
14. a. 5                      f. 2  
b. 3                      g. 4  
c. 1                      h. 9  
d. 6                      i. 7  
e. 8
15. a. Small  
b. Support  
c. Technical
16. a. High  
b. Resources, equipment  
c. Lead, prospect
17. a. Facsimile  
b. Price sheets  
c. Modular furniture  
d. Privacy, color (either correct)
- 18-20. Evaluated to the satisfaction of the instructor

# RADIO ELECTRONIC MEDIA MARKETING

## UNIT III

### UNIT OBJECTIVE

After completion of this unit, the student should be able to analyze radio electronic media marketing and determine the most effective way to reach the target market. Competencies will be demonstrated by completing the assignment sheets and the unit test with a minimum score of 85 percent.

### SPECIFIC OBJECTIVES

After completion of this unit, the student should be able to:

1. Match terms related to radio electronic media marketing with their correct definitions.
2. Complete statements concerning reasons why the radio is prevalent.
3. Select advantages of using the radio as an advertising medium.
4. Select true statements concerning factors to consider in buying radio time.
5. Select true statements concerning factors to consider in creating a spot.
6. List four basic ways a spot can be produced and aired.
7. Conduct an audience survey of radio stations in your market. (Assignment Sheet #1)
8. Determine a target market. (Assignment Sheet #2)
9. Create and produce an advertising spot. (Assignment Sheet #3)

## RADIO ELECTRONIC MEDIA MARKETING UNIT III

### SUGGESTED ACTIVITIES

- A. Obtain additional materials and/or invite resource people to class to supplement/reinforce information provided in this unit of instruction.

(NOTE: This activity should be completed prior to the teaching of this unit.)

- B. Make transparencies from the transparency masters included with this unit.
- C. Provide students with objective sheet.
- D. Discuss unit and specific objectives.
- E. Provide students with information and assignment sheets.
- F. Discuss information and assignment sheets.

(NOTE: Use the transparencies to enhance the information as needed.)

- G. Integrate the following activities throughout the teaching of this unit:
1. Invite an advertising representative from a local radio station to speak on radio advertising.
  2. As a class, listen to the radio and discuss target market, market segmentation, and demographics.
  3. The CLEO Award is a very prestigious award in advertising. Write to Cleo Awards, Radio Advertising Bureau, 485 Lexington, New York, NY 10017, or contact your state association of broadcasters for more information or to request a copy of award winning commercials (radio spots).
  4. Make copies of sample script and commercials provided in this section and distribute to class. Record students' delivery of commercials on tape and discuss their strengths/weaknesses.
  5. Coordinate this unit of study with your state student organization competition.
  6. Meet individually with students to evaluate their progress through this unit of instruction, and indicate to them possible areas for improvement.
- H. Give test.
- I. Evaluate test.
- J. Reteach if necessary.

## SUGGESTED ACTIVITIES

### SAMPLE RADIO SCRIPT

NOTE: "She" with seductive voice who is not impressed with Mr. Know-it-All and puts him in his place.

"He" starts out sounding superior—possibly British accent. Rapidly becomes unsure.

\*\*\*\*\*

HE: "Why should you go out with me? Why I'll have you know I have a four point."

SHE: "OK. Hotshot. Let's see how smart you really are. The subject is automatic bank teller machines. First question: At yours can you use any major bank card?"

HE: "Uh. . .I don't think so."

SHE: "They do at Cowboy Corner. Can you fill up with gas?"

HE: "Well. . .no."

SHE: "You can at Cowboy Corner. Will your teller spot give you your favorite beverages on sale, or fountain drinks with crushed ice?"

HE: "No and no."

SHE: "Can you win PEPSIs, Free movies, Free gasoline, or a Free trip for two like you can at Cowboy Corner?"

HE: "Free gas—in Stillwater?? That is a trip!"

SHE: "You can at Cowboy Corner. So why is a smart guy like you using any other ATM?"

HE: "Well I guess it would be more intelligent to try out Cowboy Corner."

SHE: "You finally got one right!! Cowboy Corner. 6th and Duck"



## SUGGESTED ACTIVITIES

:10 SAMPLE COMMERCIALS

- ★ WHERE CAN YOU GET HARD HITTING LOW DISTORTION SOUND IN A CAR STEREO AMP? TUNE IN TO COUSTIC AMPLIFIERS AT CUSTOM CAR STEREO, 6th AND PERKINS ROAD, LET A COUSTIC AMPLIFIER CHALLENGE YOUR SENSES TODAY.
- ★ NO NEED TO LEAVE YOUR CAR WITH A SITTER. . TRUST THE CONVENIENCE OF MOBILE SECURITY SYSTEMS FROM ALPINE, CRIME STOPPER, AND COUSTIC. WITH CUSTOM CAR STEREOS EXPERT INSTALLATION, YOUR CAR WILL NEVER BE ALONE AGAIN.
- ★ TAKE YOUR CAR STEREO WITH YOU WHEREVER YOU GO WITH ALPINES QUICK RELEASE CAR STEREOS. . THEY REMOVE IN SECONDS. ALPINE IS NUMBER ONE FOR A REASON, PICK UP ON ALPINE QUALITY AND CONVENIENCE AT CUSTOM CAR STEREO.
- ★ ALPINE IS THE BEST CAR STEREO ON THE ROAD TODAY. AT LEAST ACCORDING TO THE GRAN PRIX AWARDS. . COME FILL YOUR SENSES WITH ALPINE QUALITY TODAY AT STILLWATER'S OWN CUSTOM CAR STEREO.
- ★ WHEN YOU'RE ON THE ROAD, YOU NEED PROTECTION, CUSTOM CAR STEREO CAN HELP WITH SNOOPER RADAR DETECTORS, STARTING AT JUST 139 DOLLARS. SNOOPER BEATS THEM ALL, GET ONE TODAY AT CUSTOM CAR STEREO.

**SUGGESTED ACTIVITIES**

**SAMPLE RADIO SPOT**

IF IT SAYS BULOVA, IT'S AMERICAN TIME. THE WATCH THAT'S TRULY AMERICAN. \_\_\_\_\_ JEWELRY IS MAKING IT EASY TO OWN A BULOVA. THEY'RE OFFERING 20% OFF YOUR NEW BULOVA WHEN YOU TRADE IN AN OLD WATCH. BULOVA IS A TIMEPIECE YOU CAN BE PROUD OF, FROM SPORTY MEN'S WATCHES, TO DRESS WATCHES FOR MEN AND WOMEN, EVEN DIAMOND DIAL AND CASE WATCHES, BULOVA IS AMERICA'S TIME. SEE THE LARGE SELECTION OF BULOVA TIMEPIECES AT \_\_\_\_\_ JEWELRY, NOW AT 20% OFF WHEN YOU BRING IN AN OLD WATCH. \_\_\_\_\_ JEWELRY, \_\_\_\_\_, \_\_\_\_\_.

(NOTE: Local jeweler can insert store name and address to personalize radio spot.)

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**PROOF OF PERFORMANCE**

The announcement was broadcast \_\_\_\_\_ times, as entered in the station's program log. The times this announcement was broadcast were billed to this station's client on our invoice(s) numbered/deleted \_\_\_\_\_ at his earned rate of:

\$ \_\_\_\_\_ each for \_\_\_\_\_ announcements, for a total of \$ \_\_\_\_\_

\$ \_\_\_\_\_ each for \_\_\_\_\_ announcements, for a total of \$ \_\_\_\_\_

\$ \_\_\_\_\_ each for \_\_\_\_\_ announcements, for a total of \$ \_\_\_\_\_

Sworn to and subscribed before me and in my presence on this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

\_\_\_\_\_  
Signature of station official

\_\_\_\_\_  
(Notarize above)

\_\_\_\_\_  
Typed name and title

\_\_\_\_\_  
Station call letters

## REFERENCES USED IN WRITING THIS UNIT

- A. Cohen, William A. *Direct Response Marketing*. New York: John Wiley & Sons, 1984.
- B. Nash, Edward. *Direct Marketing-Strategy, Planning, and Execution*. New York: McGraw-Hill, 1982.
- C. Osborne, G. Scott. *Electronic Direct Marketing*. Englewood Cliffs, NJ: Prentice-Hall, Inc., 1984.
- D. Samson, Harland E. *Advertising: Planning and Techniques*. Second Edition. Cincinnati, OH: South-Western Publishing Co., 1985.

## SUGGESTED SUPPLEMENTAL RESOURCES

- A. Hiber, Jhan. *Winning Radio Research*. Washington, D.C.: National Association of Broadcasters, 1987.
- B. Ries, Al and Jack Trout. *Positioning: The Battle For Your Mind*. New York: Warner Books, Inc., 1986.
- C. McKinsey and Company and Other Management Consultants. *Radio: In Search of Excellence*. Washington, D.C.: National Association of Broadcasters, 1987.
- D. Hooker, Jim. *Radio Station Turnaround Strategies That Work*. Washington, D.C.: National Association of Broadcasters, 1987.

# RAD'IO ELECTRONIC MEDIA MARKETING

## UNIT III

### INFORMATION SHEET

#### I. Terms and definitions

- A. Action statement — Encouragement to the listener to take action
- B. Copy — Explanation of offer
- C. Cost per thousand (CPM) — Cost per minute times 1,000 divided by audience size
- D. Demographics — A form of market segmentation in which the market is divided into groups on the basis of variables such as population, age, sex, households, families, income, occupation, and education
- E. Drive time — Hours when people are most apt to be in their cars driving to and from work
- F. Frequency — The number of times an advertising spot is to run
- G. Headline — Attention getter
- H. Market segmentation — The process of dividing the total market into smaller segments of people who are similar to one another in behavior, lifestyle, and goals
- I. Media — Methods or outlets used by the advertiser to reach customers
- J. Preemptible — Station has the option to replace your ad
- K. Promotion — Attempt to persuade potential buyers to select a specific product or service
- L. Reach — The number of potential listeners
- M. Selective audience — Choosing the group of people who would want or have a need for a specific product or service
- N. Target market — A group of persons for whom a marketer creates and maintains a marketing mix that specifically fits the needs and preferences of that group

## INFORMATION SHEET

### II. Popularity of the radio (Transparency 1)

- A. Ninety-nine percent of all homes in the United States have a radio.
- B. Each home has an average of six radios.
- C. Almost every car in the United States has a radio.
- D. More than 8,700 radio stations are in the U.S. These are roughly divided between AM and FM stations.

.. (NOTE: Approximately 1000 television stations are in operation.)

- E. Radio broadcasts more than eight times as many ads as does television.

### III. Advantages of using the radio as an advertising medium (Transparency 2)

- A. Radio is a personal medium.
- B. Listeners are loyal.
- C. Listeners are station specific.

(NOTE: TV viewers are program specific.)

- D. Selective audience can be attained through narrow program formatting.
- E. Demographic information allows targeting a specific audience.
- F. Radio is inexpensive.

(NOTE: Cost of time averages less than \$2 cpm. Production costs could be nil if a firm wrote their own script and mailed it to the station and the announcer read it. Studio produced tape is very inexpensive.)

- G. Radio is flexible as changes in advertising can be easy and inexpensive.

(NOTE: Scripts can be rewritten, tapes can be rerecorded, prices changed and terms revised.)

- H. Responses to changes in advertising can be measured.

### IV. Factors to consider in buying time

- A. Rates reflect supply and demand and audience penetration levels.
- B. Highest rate is usually during "drive time" (prime time).
- C. Run of station (ROS) is the lowest published rates. These spots are scheduled by the station and are usually preemptible.

## INFORMATION SHEET

- D. It is sometimes possible to trade or barter a part of your inventory for air time.
- E. Buying time is based on the reach and frequency of the spots.

### V. Factors to consider in creating a spot (Transparency 3)

- A. The product or service can be demonstrated and described.
- B. Audience attention must be gained immediately.

(NOTE: Music, sound effects or a strong headline statement can be used to qualify the audience and grab its attention.)

- C. Headline statement should tell the audience why they should be listening to the ad.
- D. Headline should be keyed toward users of product or service.
- E. Interest should be developed by describing benefits and important features that the product or service will provide.

EXAMPLE: Security for the family, a quick tan, or prestige

- F. Action statement should convince consumer to purchase or respond now and not wait.

EXAMPLE: Limited offer, future price increase, a free gift

- G. Copy should contain all details needed to purchase or respond.

EXAMPLE: Telephone number, address, or other pertinent information.

### VI. Basic ways a spot can be produced and aired

- A. Live script
- B. Ad-lib
- C. Studio-produced tapes
- D. Prepared tape

# Radio Is Prevalent



**99% of all homes have radios. Each of those homes has an average of six radios.**



**Almost every car in the United States has a radio.**

## The Radio as a Promotion Medium



TM 2

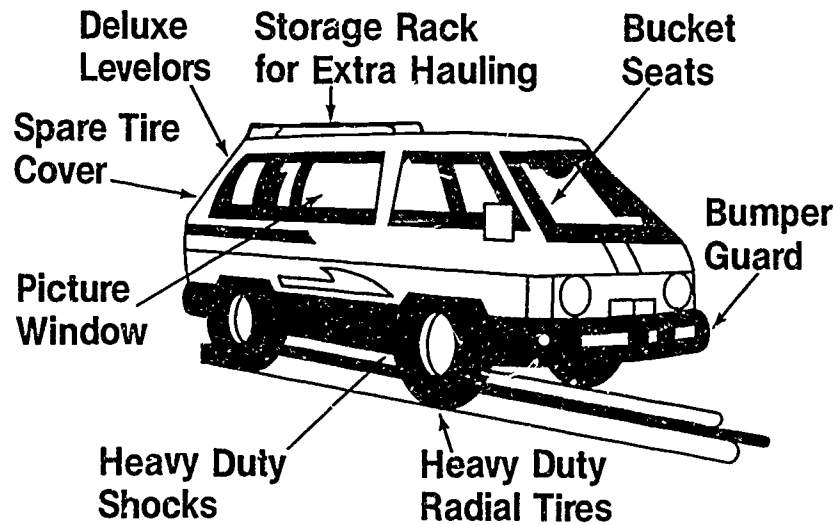
104

105

1EM-105



# Creating a Spot Ad



- \* Describe product.
- \* Gain audience attention. (Music, sound effects)
- \* Tell audience why they should be listening
- \* Describe benefits and features. (Security for family, prestige, etc.)
- \* Convince customer to purchase or respond now, such as a limited offer.
- \* Give details needed to purchase or respond. (Telephone number, address, etc.)

This we 'end only. \$00000.00  
for this luxury van. Will finance  
at \_\_\_\_\_ % with 10% down payment.

## RADIO ELECTRONIC MEDIA MARKETING UNIT III

### ASSIGNMENT SHEET #1 — CONDUCT AN AUDIENCE SURVEY OF RADIO STATIONS IN YOUR MARKET

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions. Conduct a survey in your school to determine the radio stations students listen to the most. You may add your own questions to the survey. Discuss your results.

A. What is your favorite radio station? \_\_\_\_\_  
\_\_\_\_\_

B. What type of music does it play? \_\_\_\_\_  
\_\_\_\_\_

C. When do you listen to the radio? \_\_\_\_\_  
\_\_\_\_\_

D. What type of products are advertised on your favorite radio station? \_\_\_\_\_  
\_\_\_\_\_

E. Have you ever bought a product as a result of a commercial on the radio? \_\_\_\_\_  
\_\_\_\_\_

F. If yes, what was the product? \_\_\_\_\_  
\_\_\_\_\_

G. Did the commercial depict the product accurately? \_\_\_\_\_  
\_\_\_\_\_

H. What is your favorite commercial? \_\_\_\_\_  
\_\_\_\_\_

Why? \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

ASSIGNMENT SHEET #1

I. What is your least favorite commercial? \_\_\_\_\_

\_\_\_\_\_

Why? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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# RADIO ELECTRONIC MEDIA MARKETING UNIT III

## ASSIGNMENT SHEET #2 — DETERMINE A TARGET MARKET

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions: Listen to your favorite radio station for one hour. Listen for the ads. Using the space below, write the names of the products or services advertised and the target market.

Name of Product or Service	Target Market

## RADIO ELECTRONIC MEDIA MARKETING UNIT III

### ASSIGNMENT SHEET #3 — CREATE AND PRODUCE AN ADVERTISING SPOT

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions. Create a 30-second radio advertising spot. Produce and air your radio spot in one of three ways: (1) live script, (2) ad-lib, or (3) studio-produced tapes (or classroom-produced tapes). If your school has a media specialist, ask for assistance.

(NOTE: Review Objective V before completing this assignment.)

## **RADIO ELECTRONIC MEDIA MARKETING UNIT III**

### **ANSWERS TO ASSIGNMENT SHEETS**

**Assignment Sheet #1 — Evaluated to the satisfaction of the instructor**

**Assignment Sheet #2 — Evaluated to the satisfaction of the instructor**

**Assignment Sheet #3 — Radio spot should include:**

- (1) **Headline keyed toward users**
- (2) **Action statement**
- (3) **Attention getter**
- (4) **Copy containing details**
- (5) **Benefits and features**
- (6) **Demonstration and/or description of product or service**

# RADIO ELECTRONIC MEDIA MARKETING

## UNIT III

### TEST

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

1. Match the terms on the right with their correct definitions.

- |   |  |
|---|--|
| <p>_____a. Methods or outlets used by the advertiser to reach customers</p> <p>_____b. Cost per minute times 1,000 divided by audience size</p> <p>_____c. Attempt to persuade potential buyers to select a specific product or service</p> <p>_____d. Choosing the group of people who would want or have a need for a specific product or service</p> <p>_____e. A form of market segmentation in which the market is divided into groups on the basis of variables such as population, age, sex, households, families, income, occupation, and education</p> <p>_____f. Hours when people are most apt to be in their cars driving to and from work</p> <p>_____g. Station has the option to replace your ad</p> <p>_____h. The number of potential listeners</p> <p>_____i. The number of times an advertising spot is to run</p> <p>_____j. Attention getter</p> <p>_____k. Explanation of offer</p> <p>_____l. Encouragement to the listener to take action</p> <p>_____m. The process of dividing the total market into smaller segments of people who are similar to one another in behavior, lifestyle, and goals</p> <p>_____n. A group of persons for whom a marketer creates and maintains a marketing mix that specifically fits the needs and preferences of that group</p> | <p>1. Action statement</p> <p>2. Copy</p> <p>3. Cost per thousand</p> <p>4. Demographics</p> <p>5. Drive time</p> <p>6. Frequency</p> <p>7. Headline</p> <p>8. Market segmentation</p> <p>9. Media</p> <p>10. Preemptible</p> <p>11. Promotion</p> <p>12. Reach</p> <p>13. Selective audience</p> <p>14. Target market</p> |
|---|--|

## TEST

2. Complete the following list of statements concerning reasons why the radio is prevalent by inserting the word(s) which best complete(s) each statement.
- \_\_\_\_\_ percent of all homes in the United States have a radio.
  - Each home has an average of \_\_\_\_\_ radios.
  - Almost every \_\_\_\_\_ in the United States has a radio.
  - More than \_\_\_\_\_ radio stations are in the U.S. These are roughly divided between AM and FM stations.
  - \_\_\_\_\_ broadcasts more than \_\_\_\_\_ times as many ads as does \_\_\_\_\_.
3. Select from the following list advantages of using the radio as an advertising medium by placing an "X" in the blanks preceding the correct advantages.
- \_\_\_\_\_a. Listeners are loyal.
  - \_\_\_\_\_b. Listeners are station specific.
  - \_\_\_\_\_c. Radio is flexible.
  - \_\_\_\_\_d. Radio is inexpensive.
  - \_\_\_\_\_e. Demographic information allows targeting a specific audience.
  - \_\_\_\_\_f. Show brand names of goods together.
  - \_\_\_\_\_g. Radio is a personal medium.
  - \_\_\_\_\_h. Selective audience can be attained through narrow program formatting.
  - \_\_\_\_\_i. Selectivity of goods.
4. Select true statements concerning factors to consider in buying time by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_\_a. Buying time is based on the reach and frequency of the spots.
  - \_\_\_\_\_b. Highest rate is usually during "drive time" (prime time).
  - \_\_\_\_\_c. It is sometimes possible to trade or barter a part of your inventory for air time.
  - \_\_\_\_\_d. Run of station (ROS) is the highest published rate.
  - \_\_\_\_\_e. Rates reflect supply and demand and audience penetration levels.



## TEST

5. Select true statements concerning factors to consider in creating a spot by placing an "X" in the blanks preceding the true statements.

- \_\_\_\_a.     Headline should be keyed toward users of product or service.
- \_\_\_\_b.     Action statement should convince consumer to purchase or respond now and not wait.
- \_\_\_\_c.     Audience attention must be gained immediately.
- \_\_\_\_d.     Select a good bank manager.
- \_\_\_\_e.     Copy should contain all details needed to purchase or respond.
- \_\_\_\_f.     File for late extension.
- \_\_\_\_g.     Interest should be developed by describing benefits and important features that the product or service will provide.
- \_\_\_\_h.     The product or service can be demonstrated and described.
- \_\_\_\_i.     Headline statement should tell the audience why they should be listening to the ad.

6. List four basic ways a spot can be reproduced and aired.

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_

(NOTE: If the following activities have not been accomplished prior to the test, ask your instructor when they should be completed.)

- 7. Conduct an audience survey of radio stations in your market. (Assignment Sheet #1)
- 8. Determine a target market. (Assignment Sheet #2)
- 9. Create and produce an advertising spot. (Assignment Sheet #3)

## RADIO ELECTRONIC MEDIA MARKETING UNIT III

### ANSWERS TO TEST

1. 

a.	9	h.	12
b.	3	i.	6
c.	11	j.	7
d.	13	k.	2
e.	4	l.	1
f.	5	m.	8
g.	10	n.	14
  
2.
  - a. Ninety-nine (99)
  - b. Six
  - c. Car
  - d. 8,700
  - e. Eight
  
3. a, b, c, d, e, g, h
  
4. a, b, c, e
  
5. a, b, c, e, g, h, i
  
6.
  - a. Live script
  - b. Ad-lib
  - c. Studio-produced tapes
  - d. Prepared tape
  
- 7-9. Evaluated to the satisfaction of the instructor

# TELEVISION ELECTRONIC MEDIA MARKETING

## UNIT IV

### UNIT OBJECTIVE

After completion of this unit, the student should be able to analyze television electronic media marketing and write and produce a television ad. Competencies will be demonstrated by completing the assignment sheets, job sheet, and the unit tests with a minimum score of 85 percent.

### SPECIFIC OBJECTIVES

After completion of this unit, the student should be able to:

1. Match terms related to television electronic media marketing with their correct definitions.
2. Select true statements concerning the reasons why television is widely used in marketing.
3. Complete statements concerning network TV spots and local TV station spots.
4. List the advantage of a spot purchase to the direct marketer.
5. Select true statements concerning the reasons why the quality of the direct response TV commercial has increased.
6. Complete statements concerning factors of rating and response.
7. Select true statements concerning the procedure for selecting the appropriate station in your market.
8. Describe the four motivational elements of a commercial.

**OBJECTIVE SHEET**

9. List four ways to establish commercial credibility.
10. Select true statements concerning factors in determining commercial length.
11. Complete statements concerning trends in commercial lengths.
12. Distinguish between testing and production considerations.
13. Select true statements concerning film vs. videotape usage in ad production.
14. Select true statements concerning testing and analyzing results of TV commercials.
15. Prepare a TV viewing log. (Assignment Sheet #1)
16. Write a TV ad promoting a product or a service. (Assignment Sheet #2)
17. Demonstrate the ability to produce your TV ad using film or videotape. (Job Sheet #1)

118

## TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

### SUGGESTED ACTIVITIES

- A. Obtain additional materials and/or invite resource people to class to supplement/reinforce information provided in this unit of instruction.

(NOTE: This activity should be completed prior to the teaching of this unit.)

- B. Make transparencies from the transparency masters included with this unit.
- C. Provide students with objective sheet.
- D. Discuss unit and specific objectives.
- E. Provide students with information and assignment sheets.
- F. Discuss information and assignment sheets.

(NOTE: Use the transparencies to enhance the information as needed.)

- G. Provide students with job sheet.
- H. Discuss and demonstrate the procedure outlined in the job sheet.
- I. Integrate the following activities throughout the teaching of this unit:
1. Invite a person from a television station who is involved with management of the station to speak to class.
  2. Take students on a field trip to a television station.
  3. Discuss television advertising's influence on today's society, and society's influence on television marketing.
  4. The CLEO Award is a very prestigious award in advertising. Write to Cleo Awards, Radio Advertising Bureau, 485 Lexington, New York, NY 10017, or contact your state association of broadcasters for more information or to request a copy of award winning commercials (radio spots).
  5. Write a TV commercial promoting Vo-Tech Week to be broadcast during National Vo-Tech Week. This could correspond with Assignment Sheet #3.
  6. Provide students with examples of commercial scripts and appropriate information such as when and where products were advertised and the selected target market.
  7. Coordinate this unit of study with your student organization activities.
  8. Meet individually with students to evaluate their progress through this unit of instruction, and indicate to them possible areas for improvement.

## SUGGESTED ACTIVITIES

- J. Give test.
- K. Evaluate test.
- L. Reteach if necessary.

## REFERENCES USED IN WRITING THIS UNIT

- A. Cohen, William A. *Direct Response Marketing*. New York: John Wiley & Sons, 1984.
- B. Nash, Edward. *Direct Marketing-Strategy, Planning, and Execution*. New York: McGraw-Hill, 1982.
- C. Osborne, G. Scott. *Electronic Direct Marketing*. Englewood Cliffs, NJ: Prentice-Hall, Inc., 1984.
- D. Lynch, Richard; Herbert L. Ross; and Ralph D. Wray. *Introduction to Marketing*. New York: McGraw-Hill, Inc. 1984.

# TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

## INFORMATION SHEET

- I. Terms and definitions
  - A. Breakeven point — Revenues equal expenses
  - B. Demographic flexibility — Ability to adjust to variables such as age, sex, income, occupation, and education
  - C. Inventory — Available time to sell
  - D. Mass market — Large quantity of potential customers
  - E. Package — A series of spots to be given over a specified period of time
  - F. Preemptible — Station has the option to replace your ad
  - G. Rollout — Phased implementation of an entire promotional program
  - H. Run-of-station (ROS) — Spots with lowest rates scheduled by the station and are usually preemptible
  - I. Spot — A time segment, usually 15, 30, or 60 seconds
  - J. Support advertising — Secondary medium to support an effort in the primary medium
  - K. Target audience — A specific segment of the mass market
- II. Reasons why television is widely used in marketing (Transparency 1)
  - A. Families in the United States own an average of two television sets.
  - B. Americans rely on television as a primary source of information and entertainment.
  - C. Average viewing time is in excess of six hours per day.
  - D. Television is powerful when combined with the telephone as an immediate response vehicle.
 

EXAMPLE: The annual Jerry Lewis Telethon raises millions of dollars and the telephone is the response vehicle.
  - E. Television is capable of contacting thousands of potential customers.
 

EXAMPLE: Tape and album promotions. The telephone and an address are the response vehicles.
  - F. Television is ideally suited for products with mass market appeal.
  - G. Audiences can be targeted using advertising spots adjacent to programs watched by the target audience. (Transparency 2)

## INFORMATION SHEET

- III. **Network TV spots and local TV station spots**
- A. **Network TV spots**
1. Spots can be expensive.
  2. Profitable returns are not necessarily created due to national coverage.
  3. Network affiliates do not have as much local spot inventory.
  4. Availability of the 120 second spot is limited.
  5. Spots may be nationwide or regional.
  6. Spots can be preemptible.
- B. **Local TV station spots**
1. Spots are less expensive.
  2. Spots are aired within or adjacent to lower-rated programs.
  3. Inventory (commercial time) is comprised entirely of local spot availabilities.
  4. The 120 second spot is offered.
- (NOTE: The 120 second spot is a common useful length for a direct response commercial.)
5. ROS or preemptible spots are available.
- IV. **Spot purchase advantage to the direct marketer — Can choose specific markets at specific times to produce the most successful returns**
- V. **Reasons why the quality of the direct response TV commercial has increased**
- A. Increased advertising dollars allow directors and producers more flexibility in content and style.
  - B. Support advertising, which is more impression-type advertising than direct-sale or direct-lead advertising, attracts advertising agencies who are more adept at creating the high-budget, professionally produced commercials found in general advertising.
  - C. Most commercials now are a blend of high-quality production techniques and direct marketing fundamentals.
  - D. Marketers today are testing more thoroughly before a full-scale advertising rollout.
  - E. Target market is responding more enthusiastically to more subtle, better quality promotions.



## INFORMATION SHEET

### VI. Factors affecting ratings and response

- A. Spot prices are based on audience ratings and demand.
- B. High spot price signifies high ratings.
- C. Low spot price signifies low ratings.

### VII. Procedure for selecting the appropriate station in your market

- A. Match the station to the target market.
- B. Determine if the desired time or inventory is available.
- C. Negotiate a price.
- D. Place an order.
- E. Make sure the commercial is played as scheduled. If preemptible or ROS, learn when it was played.
- F. Follow-up on the make-good arrangement if commercial appeared at a later time.
- G. Check the bills.
- H. Monitor continually for potential schedule readjustments.

(NOTE: Computers are used in tracking the progress of a promotion. The task would be almost impossible without the computerization of data.)

- I. Select a flexible package which allows removal of unproductive promotions and replacement with a variation of the promotion or with a commercial that promotes another product.

### VIII. Motivational elements of a commercial

(NOTE: These elements are commonly called AIDA.)

- A. Attention — The first few seconds of the commercial should immediately draw attention to the message.

EXAMPLE: An album or tape offer begins with a sample of songs from the album or tape. The songs immediately define the targeted audience.

- B. Interest — After capture of audience's attention, tell how the product will benefit them.

## INFORMATION SHEET

- C. **Desire** — Turn the interest created into a desire to obtain the advertised product.

(NOTE: Desire is most commonly created by giving the ad a sense of urgency and a reason why the consumer just cannot do without the product.)

- D. **Action** — Transfer the created desire into action. Motivate the consumer to act immediately.

(NOTE: If the consumer is not motivated to act immediately, the response probability is reduced drastically. If phone lines are busy, the probability of a call-back is very low.)

**EXAMPLES:** Action producing devices: Offering a premium for an immediate order, price discounts, "two-for-the-price-of-one".

### IX. Ways to establish commercial credibility

- A. Begin with a well-produced ad. Consumer's perception of the ad carries over to the perception of the quality of the product.
- B. Stress the quality of the product. Point out features and benefits. Offer testimonials from satisfied customers. Show product in action.
- C. Offer a guarantee. By law every direct marketing ad must offer a money-back guarantee. Announce guarantees and the terms and in so doing, capitalize on the law. The guarantee shows confidence in the product. This is very important when selling a product unfamiliar to the viewers.
- D. Select an announcer who conveys credibility to the ad. The announcer can convey honesty and sincerity and make or break the ad.

### X. Factors in determining commercial length

- A. Preliminary testing can reveal the most effective length.
- B. Length may need to be varied depending upon the market and the ad's objective.
- C. Enough length is needed to transmit all of the pertinent selling points of the product or service and ordering information.
- D. Direct-sales ad generally is longer than the direct-lead ad and can be up to 120 seconds or more.
- E. Direct-sale ad is trying to get the customer to buy the product, and more time may be needed to generate that response.

## INFORMATION SHEET

- F. Direct-sale ads must present all of the pertinent features and benefits of the product to the consumer to base a wise buying decision.
- G. Direct-lead ads have a follow-up contact outside the television medium to close the sale.
- H. Direct-sale and direct-lead ads need to ensure time length required for consumers to write down the phone number or address.

### XI. Trends in ad lengths

- A. Average commercial length has been decreasing over the last five years.
- B. Today's trend is toward the fifteen-second spot.
- C. Repeated exposure provides consumers a familiarity.
- D. Shorter ad may be all that is needed to spur the consumer to act and the increased response could lower cost per order.

### XII. Testing and production cost considerations

- A. Testing cost considerations
  - 1. Local or network scope must be determined. Network is much more expensive.
  - 2. Rollout budget (anticipated cash flow needs) can be determined by multiplying estimated sales volume times maximum acceptable cost per order.
  - 3. Testing costs should be recovered in the revenue each ad generates.
- B. Production cost considerations
  - 1. Get estimates from several producers.
  - 2. Consider the cost difference, but be aware that the experience and reputation of the producer, the approach to shooting the ad, and the talent level of cast and crew all play a part in the cost.
  - 3. Cost-plus bid is an open-ended estimate. The producer charges the cost of production plus a percentage.
  - 4. Completion bid is the cost the producer sets for total completion of the production. Any unforeseen costs incurred must be absorbed by the producer.

## INFORMATION SHEET

### XIII. Film vs. video tape usage in ad production

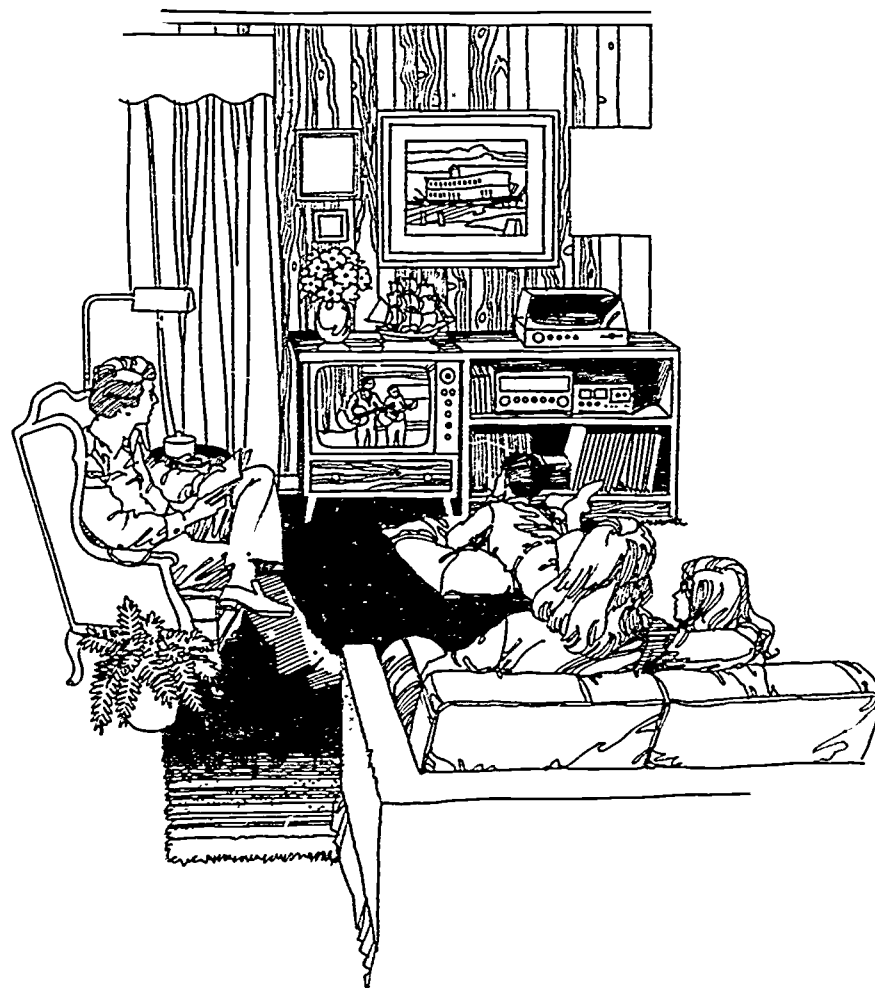
- A. The visual image desired should be the criteria in determining whether to use film or videotape.
- B. Film has a grainy, rich texture which gives the ad a soft, expensive look.
- C. Videotape gives images a sharper, cleaner look and gives the impression of being more alive.
- D. Film is more easily edited and preferred by most producers and directors.

(NOTE: Whichever medium is chosen, it should be professionally done, and visual quality should be seen in the finished product.)

### XIV. Testing and analyzing results of TV ads

- A. Measurability is the real value of direct-response advertising.
- B. Effectiveness of promotion can be revealed in a short period of time whether it be in a test phase or in the middle of a rollout.
- C. Adjustments can be made to take advantage of the most productive areas of a market or a station.
- D. Testing strategy is dependent on the type of promotion—national, regional, or local markets.
- E. Use the best markets revealed by the tests.
- F. Television as a direct marketing tool can be used to test products for other direct response media.

# The Power of Television

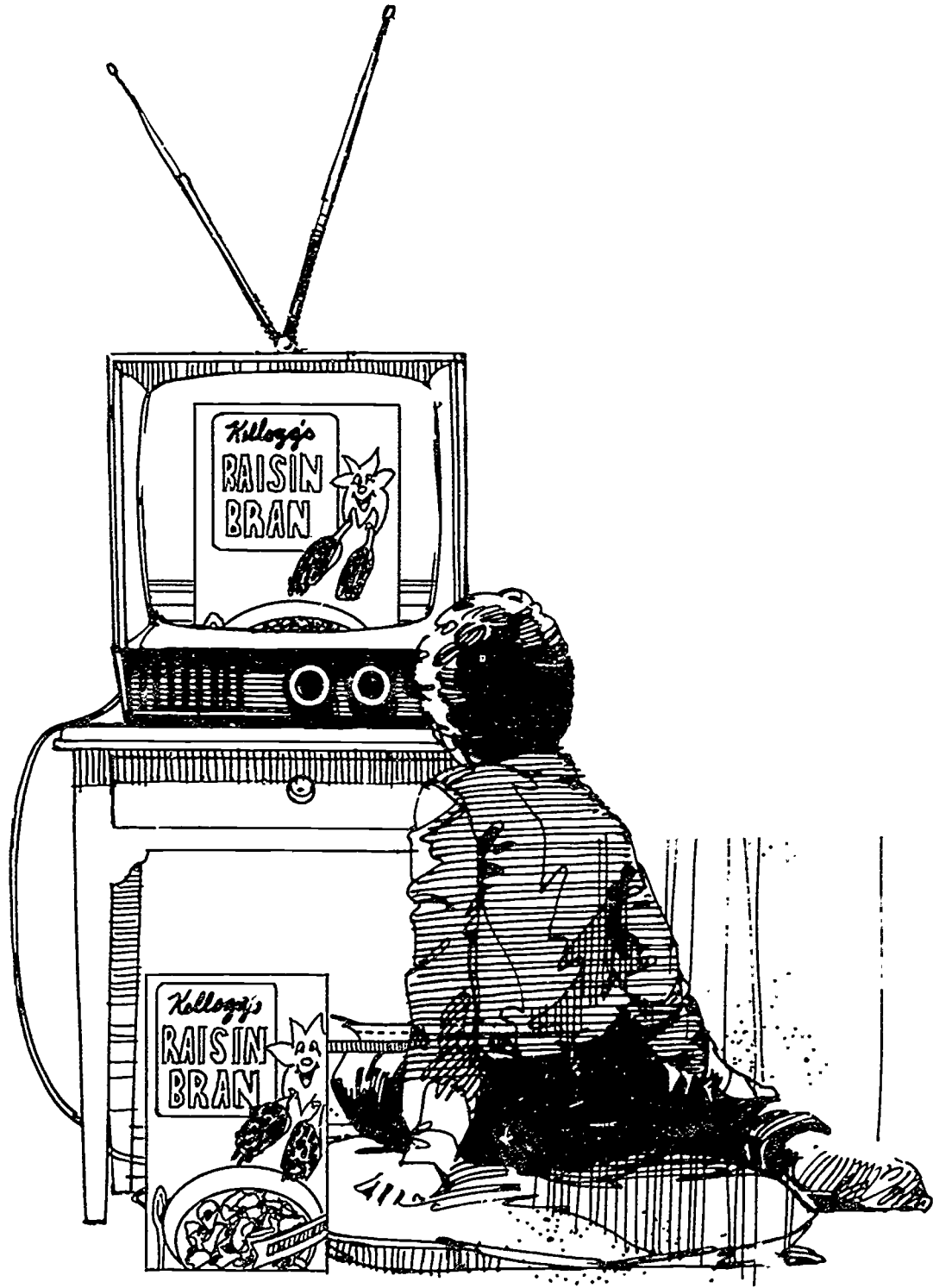


**Average 2 televisions per family in the United States**

**View television over 6 hours per day**

**Primary source of information and entertainment**

# Reaching Target Audience



## TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

### ASSIGNMENT SHEET #1 — PREPARE A TV VIEWING LOG

NAME \_\_\_\_\_ SCORE \_\_\_\_\_

Directions: Prepare a TV viewing log. Watch TV on a weekday during the evening for 2 hours and on Saturday or Sunday during daytime for 2 hours. On the sheet below, record programs watched, time, commercials, target audience of the commercial, if a 1-800 number was in the commercial, and whether it was a network or local commercial.

#### PART I

TV PROGRAM	TIME	COMMERCIALS	TARGET AUDIENCE	1-800 # YES/NO	NETWORK (N) LOCAL (L)

## ASSIGNMENT SHEET #1

TV PROGRAM	TIME	COMMERCIALS	TARGET AUDIENCE	1-800 # YES/NO	NETWORK (N) LOCAL (L)







**TELEVISION ELECTRONIC MEDIA MARKETING  
UNIT IV****ASSIGNMENT SHEET #2 — WRITE A TV AD PROMOTING  
A PRODUCT OR A SERVICE**

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions: Write a fifteen-second TV commercial promoting a product or a service.

(NOTE. Use the motivational elements of a commercial commonly called AIDA; display credibility; and, use appropriate length for your promotion.)

# TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

## ANSWERS TO ASSIGNMENT SHEETS

### Assignment Sheet #1

PART I — Evaluated to the satisfaction of the instructor

PART II — Reasons for the weekday and the weekend programming should be program specific and include some of the following variables characteristic of the targeted audience.

- |               |                              |
|---------------|------------------------------|
| 1. Age        | 10. Interests                |
| 2. Sex        | 11. Personality              |
| 3. Family     | 12. Self-concepts            |
| 4. Households | 13. Psychological influences |
| 5. Income     | 14. Motives                  |
| 6. Education  | 15. Attitudes                |
| 7. Location   | 16. Perceptions              |
| 8. Lifestyles | 17. Cultural values          |
| 9. Activities | 18. Social status            |

Assignment Sheet #2 — The ad should include the following motivational elements. (1) Attention, (2) Interest, (3) Desire, (4) Action. Credibility should be established.

## TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

### JOB SHEET #1 — PRODUCE YOUR TV AD USING FILM OR VIDEOTAPE

#### A. Equipment and materials needed

1. Camera
2. Film or videotape
3. Props (if needed)
4. Actor/Actress (if needed)

(NOTE: You may recruit classmates for your cast or you can do it alone.)

#### B. Procedure

(NOTE: If the school has a media department, ask for assistance in filming or taping your ad.)

1. Identify your product or service to be advertised.
2. Define your objective.
3. Establish your target market.
4. Determine the time frame.
5. Determine method of response, if any.
6. Write script.  
(NOTE: Do not forget motivational elements.)
7. Calculate costs.
8. Arrange for actor(s) and/or actress(es).
9. Create your set.
10. Film or videotape the ad.
11. Test market (using your class members as your audience) before complete roll-out of your ad.
12. Make any needed adjustments.
13. Proceed with the complete ad roll-out.
14. Determine effectiveness.
15. Return equipment and materials to their proper storage location.

## TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

### JOB SHEET #1 PRACTICAL TEST — PRODUCE YOUR TV AD USING FILM OR VIDEOTAPE

STUDENT'S NAME \_\_\_\_\_

DATE \_\_\_\_\_

EVALUATOR'S NAME \_\_\_\_\_

ATTEMPT NO. \_\_\_\_\_

Instructions: When you are ready to perform this task, ask your instructor to observe the procedure and complete this form. All items listed under "Process Evaluation" must receive a "Yes" for you to receive an overall performance evaluation.

#### PROCESS EVALUATION

(EVALUATOR NOTE: Place a check mark in the "Yes" or "No" blanks to designate whether or not the student has satisfactorily achieved each step in this procedure. If the student is unable to achieve this competency, have the student review the materials and try again.)

The student:

YES      NO

- |  |       |       |
|--|-------|-------|
| 1. Checked out proper tools and materials.                           | _____ | _____ |
| 2. Identified product or service to be advertised.                   | _____ | _____ |
| 3. Defined the object.   | _____ | _____ |
| 4. Established the target market.                                    | _____ | _____ |
| 5. Determined the time frame.  | _____ | _____ |
| 6. Determined method of response, if any.                            | _____ | _____ |
| 7. Wrote script.   | _____ | _____ |
| 8. Calculated costs.   | _____ | _____ |
| 9. Arranged for actor(s) and/or actress(es).                         | _____ | _____ |
| 10. Created the set.   | _____ | _____ |
| 11. Filmed or videotaped the ad.                                     | _____ | _____ |
| 12. Tested market.   | _____ | _____ |
| 13. Made any needed adjustments.                                     | _____ | _____ |
| 14. Proceeded with the complete ad roll-out.                         | _____ | _____ |
| 15. Determined effectiveness of the ad.                              | _____ | _____ |
| 16. Checked in/put away tools and materials.                         | _____ | _____ |
| 17. Cleaned the work area.   | _____ | _____ |
| 18. Used proper tools correctly.                                     | _____ | _____ |
| 19. Performed steps in a timely manner. (____hrs. ____min. ____sec.) | _____ | _____ |
| 20. Practiced safety rules throughout procedure.                     | _____ | _____ |
| 21. Provided satisfactory responses to questions asked.              | _____ | _____ |

EVALUATOR'S COMMENTS: \_\_\_\_\_

## JOB SHEET #1 PRACTICAL TEST

### PRODUCT EVALUATION

(EVALUATOR NOTE: Rate the student on the following criteria by circling the appropriate numbers. Each item must be rated at least a "3" for mastery to be demonstrated. (See performance evaluation key below.) If the student is unable to demonstrate mastery, student materials should be reviewed and another product must be submitted for evaluation.)

Criteria:

	4	3	2	1
Appropriate script written				
	4	3	2	1
Set/props suitable for script				
	4	3	2	1
Ad contained motivational elements				
	4	3	2	1
Ad credible				
	4	3	2	1
Ad objective met				
	4	3	2	1
Effectiveness determined				

EVALUATOR'S COMMENTS: \_\_\_\_\_

\_\_\_\_\_

#### PERFORMANCE EVALUATION KEY

- 4 — Skilled — Can perform job with no additional training.
- 3 — Moderately skilled — Has performed job during training program; limited additional training may be required.
- 2 — Limited skill — Has performed job during training program; additional training is required to develop skill.
- 1 — Unskilled — Is familiar with process, but is unable to perform job.

(EVALUATOR NOTE: If an average score is needed to coincide with a competency profile, total the designated points in "Product Evaluation" and divide by the total number of criteria.)

# TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

## TEST

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

1. Match the terms on the right with their correct definitions.

- |   |   |
|---|---|
| <p>____a. A time segment, usually 15, 30, or 60 seconds</p> <p>____b. Large quantity of potential customers</p> <p>____c. Revenues equal expenses</p> <p>____d. Secondary medium to support an effort in the primary medium</p> <p>____e. Phased implementation of an entire promotional program</p> <p>____f. A specific segment of the mass market</p> <p>____g. Station has the option to replace your ad</p> <p>____h. Ability to adjust to variables such as age, sex, income, occupation, and education</p> <p>____i. Spots with lowest rates scheduled by the station and are usually preemptible</p> <p>____j. Available time to sell</p> <p>____k. A series of spots to be given over a specified period of time</p> | <p>1. Breakeven point</p> <p>2. Demographic flexibility</p> <p>3. Inventory</p> <p>4. Mass market</p> <p>5. Package</p> <p>6. Preemptible</p> <p>7. Rollout</p> <p>8. Run-of-station (ROS)</p> <p>9. Spot</p> <p>10. Support advertising</p> <p>11. Target audience</p> |
|---|---|

2. Select true statements concerning the reasons why television is widely used in marketing by placing an "X" in the blanks preceding the true statements.

- \_\_\_\_a. Families in the United States own an average of two television sets.
- \_\_\_\_b. Newspapers and books are the primary sources Americans rely on for information and entertainment.
- \_\_\_\_c. Average viewing time is three hours per day.
- \_\_\_\_d. Television is powerful when combined with the telephone as an immediate response vehicle.



## TEST

- \_\_\_\_\_e. Television is capable of contacting thousands of potential customers.
- \_\_\_\_\_f. Television is unsuited for products with mass market appeal.
- \_\_\_\_\_g. Audiences can be targeted using advertising spots adjacent to programs watched by the target audience.

3. Complete the following statements concerning network TV spots and local TV station spots by inserting the word(s) which best complete(s) each statement.

a. Network TV spots

- 1) Spots can be \_\_\_\_\_ .
- 2) Profitable returns are not necessarily created due to \_\_\_\_\_ .
- 3) Network affiliates do not have as much \_\_\_\_\_ spot inventory.
- 4) Availability of the \_\_\_\_\_ second spot is limited.
- 5) Spots may be nationwide or \_\_\_\_\_ .
- 6) Spots can be \_\_\_\_\_ .

b. Local TV station spots

- 1) Spots are \_\_\_\_\_ .
- 2) Spots are aired within or adjacent to \_\_\_\_\_ programs.
- 3) \_\_\_\_\_ is comprised entirely of local spot availabilities.
- 4) The \_\_\_\_\_ second spot is offered.
- 5) \_\_\_\_\_ or preemptible spots are available.

4. List the advantage of a spot purchase to the direct marketer.

---



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**TEST**

5. Select true statements concerning the reasons why the quality of the direct response TV commercial has increased by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. Increased advertising dollars allow directors and producers more flexibility in content and style.
  - \_\_\_\_b. Support advertising attracts agencies who are more adept at creating high-budget, professionally produced commercials.
  - \_\_\_\_c. Marketers today do a full-scale advertising rollout before testing.
  - \_\_\_\_d. Target market is responding more enthusiastically to more subtle, better quality promotions.
  - \_\_\_\_e. Most commercials now are a blend of high-quality production techniques and direct marketing fundamentals.
6. Complete the following statements concerning factors of rating and response by inserting the word(s) which best complete(s) each statement.
- a. Spot prices are based on audience ratings and \_\_\_\_\_.
  - b. High spot price signifies \_\_\_\_\_ ratings.
  - c. Low spot price signifies \_\_\_\_\_ ratings.
7. Select true statements concerning the procedure for selecting the appropriate station in your market by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. Determine if the desired time or inventory is available.
  - \_\_\_\_b. Check the bills.
  - \_\_\_\_c. Place an order.
  - \_\_\_\_d. Negotiate a price.
  - \_\_\_\_e. Preemptible commercials are lost if not played at scheduled time.
  - \_\_\_\_f. Flexible packaging is not available.
  - \_\_\_\_g. Computers are used in tracking the promotion progress.

## TEST

8. Describe the four motivational elements of a commercial.

- a. Attention — \_\_\_\_\_  
\_\_\_\_\_
- b. Interest — \_\_\_\_\_  
\_\_\_\_\_
- c. Desire — \_\_\_\_\_  
\_\_\_\_\_
- d. Action — \_\_\_\_\_  
\_\_\_\_\_

9. List four ways to establish commercial credibility.

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_

10. Select true statements concerning factors in determining commercial length by placing an "X" in the blanks preceding the true statements.

- \_\_\_\_a. Length may need to be varied depending upon the market and the ad's objective.
- \_\_\_\_b. Preliminary testing can reveal the most effective length.
- \_\_\_\_c. Follow-up contact outside the television medium is not needed to close the sale in a direct-lead ad.
- \_\_\_\_d. Direct-lead ad is generally longer than the direct-sales ad and can be up to 30 seconds.
- \_\_\_\_e. Enough length is needed to transmit all of the pertinent selling points of the product or service and ordering information.
- \_\_\_\_f. Direct-sale ad is trying to get the customer to buy the product, and more time may be needed to generate that response.
- \_\_\_\_g. Consumers need enough time to write down phone number or address.
- \_\_\_\_h. Direct-sale ads must present all of the pertinent features and benefits of the product to the consumer to base a wise buying decision.

## TEST

11. Complete the following list of statements concerning trends in commercial lengths by inserting the word(s) which best complete(s) each statement.
- Average commercial length has been \_\_\_\_\_ over the last five years.
  - Today's trend is toward the \_\_\_\_\_-second spot.
  - \_\_\_\_\_ exposure provides consumers a familiarity.
  - Shorter ad may be all that is needed to spur the consumer to act and the increased response could \_\_\_\_\_ cost per order.
12. Distinguish between testing and production cost considerations by placing a "T" in the blanks preceding testing costs and a "P" in the blanks preceding production costs.
- \_\_\_\_\_a. Local or network scope must be determined.
  - \_\_\_\_\_b. Get estimates from several producers.
  - \_\_\_\_\_c. Consider the cost difference, but be aware that the experience and reputation of the producer, the approach to shooting the ad, and the talent level of cast and crew all play a part in the cost.
  - \_\_\_\_\_d. Testing costs should be recovered in the revenue each ad generates.
  - \_\_\_\_\_e. The producer charges the cost of production plus a percentage in a cost-plus bid.
  - \_\_\_\_\_f. Completion bid is the cost the producer sets for total completion of the production.
  - \_\_\_\_\_g. Rollout budget can be determined by multiplying estimated sales volume times maximum acceptable cost per order.
13. Select true statements concerning film vs. videotape usage in ad production.
- \_\_\_\_\_a. The visual image desired should be the criteria in determining whether to use film or videotape.
  - \_\_\_\_\_b. Videotape has a grainy, rich texture which gives the ad a soft, expensive look.
  - \_\_\_\_\_c. Film gives images a sharper, cleaner look and gives the impression of being more alive.
  - \_\_\_\_\_d. Film is more easily edited and preferred by most producers and directors.

**TEST**

14. Select true statements concerning testing and analyzing results of TV ad by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. Measurability is the real value of direct-response advertising.
  - \_\_\_\_b. Use the best markets revealed by the tests.
  - \_\_\_\_c. It is inappropriate to use television to test products for other direct response media.
  - \_\_\_\_d. Adjustments can be made to take advantage of the most productive areas of a market or station.
  - \_\_\_\_e. It takes months for the effectiveness of a promotion to be revealed.
  - \_\_\_\_f. Testing strategy is the same for national, regional, and local markets.

(NOTE: If the following activities have not been accomplished prior to the test, ask your instructor when they should be completed.)

- 15. Prepare a TV viewing log. (Assignment Sheet #1)
- 16. Write a TV ad promoting a product or a service. (Assignment Sheet #2)
- 17. Demonstrate the ability to produce your TV ad using film or videotape. (Job Sheet #1)

## TELEVISION ELECTRONIC MEDIA MARKETING UNIT IV

### ANSWERS TO TEST

1.
 

a.	9	g.	6
b.	4	h.	2
c.	1	i.	8
d.	10	j.	3
e.	7	k.	5
f.	11		
  
2. a, d, e, g
  
3.
 

a.	1) Expensive
	2) National coverage
	3) Local
	4) 120
	5) Regional
	6) Preemptible
b.	1) Less expensive
	2) Lower-rated
	3) Inventory
	4) 120
	5) ROS
  
4. Can choose specific markets at specific time to produce the most successful returns
  
5. a, b, d, e
  
6.
 

a.	Demand
b.	High
c.	Low
  
7. a, b, c, d, g
  
8.
 

a.	Attention — The first few seconds of the commercial should immediately draw attention to the message.
b.	Interest — After capture of audience's attention, tell how the product will benefit them.
c.	Desire — Turn the interest created into a desire to obtain the advertised product.
d.	Action — Transfer the created desire into action. Motivate the consumer to act immediately.

## ANSWERS TO TEST

9. a. Begin with a well-produced ad.  
b. Stress quality of the product.  
c. Offer a guarantee.  
d. Select an announcer who conveys credibility to the ad.
10. a, b, e, f, g, h
11. a. Decreasing  
b. Fifteen  
c. Repeated  
d. Lower
12. a. T  
b. P  
c. P  
d. T  
e. P  
f. P  
g. T
13. a, d
14. a, b, d
- 15-16. Evaluated to the satisfaction of the instructor
17. Performance skills evaluated to the satisfaction of the instructor

# CABLE TV ELECTRONIC MEDIA MARKETING

## UNIT V

### UNIT OBJECTIVE

After completion of this unit, the student should be able to analyze information relating to the cable TV industry and determine where and when to advertise products on cable TV. Competencies will be demonstrated by completing the assignment sheets and the unit test with a minimum score of 85 percent.

### SPECIFIC OBJECTIVES

After completion of this unit, the student should be able to:

1. Match terms related to cable TV with their correct definitions.
2. Select true statements concerning the growth of cable TV.
3. Distinguish between the advantages and the disadvantages of cable TV marketing.
4. List three ways marketers can overcome uncertainty of message delivery.
5. Complete statements concerning reasons cable subscriber lists are valuable.
6. List two ways to purchase time on cable TV.
7. Arrange in order the steps in satellite system transmission.
8. List two trends in the cable industry.
9. List three reasons cable home shopping attracts the consumer.
10. Select true statements concerning the "electronic mall" concept.



**OBJECTIVE SHEET**

11. Interview a cable TV station manager. (Assignment Sheet #1)
12. Determine where and when to advertise selected products on cable TV. (Assignment Sheet #2)
13. Write a brief report about the "electronic mall" concept. (Assignment Sheet #3)

147

## CABLE TV ELECTRONIC MEDIA MARKETING UNIT V

### SUGGESTED ACTIVITIES

- A. Obtain additional materials and/or invite resource people to class to supplement/reinforce information provided in this unit of instruction.

(NOTE: This activity should be completed prior to the teaching of this unit.)

- B. Make transparency from the transparency master included with this unit.
- C. Provide students with objective sheet.
- D. Discuss unit and specific objectives.
- E. Provide students with information and assignment sheets.
- F. Discuss information and assignment sheets.

(NOTE: Use the transparency to enhance the information as needed.)

- G. Integrate the following activities throughout the teaching of this unit:

1. Provide students with a copy of Handout #1.
2. Invite a representative of the cable TV industry to speak to class.
3. Visit your local cable TV station.
4. Provide students with examples of commercial scripts and appropriate information which may be obtained by contacting your local cable TV station. Discuss when and where the products were advertised and who the target markets were.

(NOTE: Complete this activity prior to Assignment Sheet #2.)

5. Gather demographic information and prepare an advertising rollout using such information.
6. Coordinate a student organization activity with your local cable TV.
7. Write to Cabletelevision Advertising Bureau, Inc., 757 Third Avenue, New York, NY 10017 or call 212-751-7770, requesting current figures of how much Americans are spending for cable TV programming. Also, request information on advertising revenue for cable television, and data on audience shifts between broadcast and cable television.
8. Instruct students that they can obtain information on programming in TV Guide and local viewing logs to use in completing Assignment Sheet #2.

## SUGGESTED ACTIVITIES

9. Meet individually with students to evaluate their progress through this unit of instruction, and indicate to them possible areas for improvement.
- H. Give test.
- I. Evaluate test.
- J. Reteach if necessary.

## REFERENCES USED IN WRITING THIS UNIT

- A. "1987 Cable TV Facts." Cabletelevision Advertising Bureau, Inc., New York, 1987.
- B. "How Telection Shopping Works." News release by Stuart C. MacIntyre, president of Telection. February 1987.
- C. Moin, David. "Penney's Goes Interactive." *Women's Wear Daily*. March 1987.
- D. Haws, Donald R., vice-president of operations, J.C. Penney. Letter to author. June 1987.
- E. Dagnoli, Judann. "Home Shopping Net Expands Its Game Plan." *Advertising Age*, June 1987.
- F. Dilbeck, Lettie. Conversation with Bill Fort, Stillwater Multimedia Cable Advertising Sales, October 1987.

## SUGGESTED SUPPLEMENTAL MATERIAL

- Film — "Telecommunications — Technology and Devices". MPC Educational Publishers, a division of John Wiley and Sons, inc. 3839 White Plains Rd., Bronx, NY 10467-5394.

# CABLE TV ELECTRONIC MEDIA MARKETING UNIT V

## INFORMATION SHEET

### I. Terms and definitions

- A. Cablehead-end — The receiving location where all signals received are fed into customer's home cable television
- B. Cable TV — Distribution of audio/visual signals by means of a wire (cable) system as opposed to open air (broadcast) system
- C. Coaxial cable — Insulated hollow copper cylinder containing a signal wire conductor to transmit signals
- D. Electronic mall — A shopping place which is accessed through cable carrier and television and telephone
- E. Fulfillment — Completion of an order
- F. Measurement tool — Technique used to provide enough data to measure audience and prove performance
- G. Narrowcasting — Aiming a broadcast at a narrowly defined area or audience
- H. Queue — Sequence of messages or jobs held in auxiliary storage waiting to be sent
- I. Satellite transmission — Beaming and receiving signals via satellites

### II. The growth of cable TV (Transparency 1)

- A. Subscribers are increasing.
- B. American households spent approximately \$12 billion for cable programming in 1987.
- C. Cable companies' advertising revenue will continue to rise dramatically.
- D. Broadcast affiliates' audience is declining.
- E. Viewership of ad-supported cable continues to grow.

## INFORMATION SHEET

### III. Advantages and disadvantages of cable TV marketing

#### A. Advantages

1. Cable channels have narrow program formats.  
EXAMPLE: All news, all sports, all music
2. Narrowcasting produces an audience with similar characteristics.
3. Marketers can target a specific audience.
4. Operation within individual communities makes it possible to select specific areas for an advertising message without paying to reach people outside the target area.
5. Effective costing enables the advertiser who cannot afford traditional television to take advantage of sight and sound video.
6. Greater frequency of exposure is possible due to cable's effective cost and availability of advertising time.

#### B. Disadvantages

1. Cable industry lacks the audience measurement tools that the national networks (NBC, CBS, ABC) have in place.  
EXAMPLE: Nielsen ratings
2. Marketers cannot make certain that their sales message will be viewed due to lack of measurement tools.

### IV. Ways marketers can overcome uncertainty of message delivery

#### A. Segment their audience

(NOTE: A subscriber list contains demographic information which marketers can use to key products to those subscribers.)

#### B. Target specific programs

#### C. Include a measurement tool in their cable TV marketing technique

(NOTE: The technique used could provide enough data to measure audience and direct sales or leads could prove performance of the ad.)

## INFORMATION SHEET

### V. Reasons cable subscriber lists are valuable

- A. Offers a vast amount of demographic information
- B. Can use the information to introduce products to potential customers

**EXAMPLE:** Demographic information could reveal a subscriber was a female, unmarried, age 35, career oriented, with an income above \$50,000; subscriber could be a potential customer for a BMW.

### VI. Two ways to purchase time on cable TV

- A. Spots can be purchased from local cable system to be televised within the system's area.
- B. Spots can be purchased from one of the cable network program suppliers that transmit their signals by satellite to local cable systems.

### VII. Steps in satellite system transmission

- A. Cable networks beam their signal to an orbiting communications satellite.
- B. Signals are sent back to cable systems that have receiving dish.
- C. Cable operators then distribute the programming to their subscribers via coaxial cable.

(NOTE: Superstations such as WTBS-Atlanta and WGN-Chicago transmit their signals to cable systems all over the United States.)

### VIII. Trends in the cable industry

- A. There is an industry wide trend to develop new and innovative programming.

**EXAMPLE:** Infommercial, 30-60 second presentation offering information

- B. Efforts to raise consumer awareness levels and stimulate viewership are being made.

### IX. Reasons cable home shopping attracts the consumer

- A. The viewer can choose to watch all or part of the shopping program.
- B. The viewer can shop from his or her home at any time.
- C. Buying decisions can be made with little pressure from outside sources.

## INFORMATION SHEET

### X. The "electronic mail" concept

**EXAMPLE:** Telaction, J.C. Penney Company's electronic home shopping system

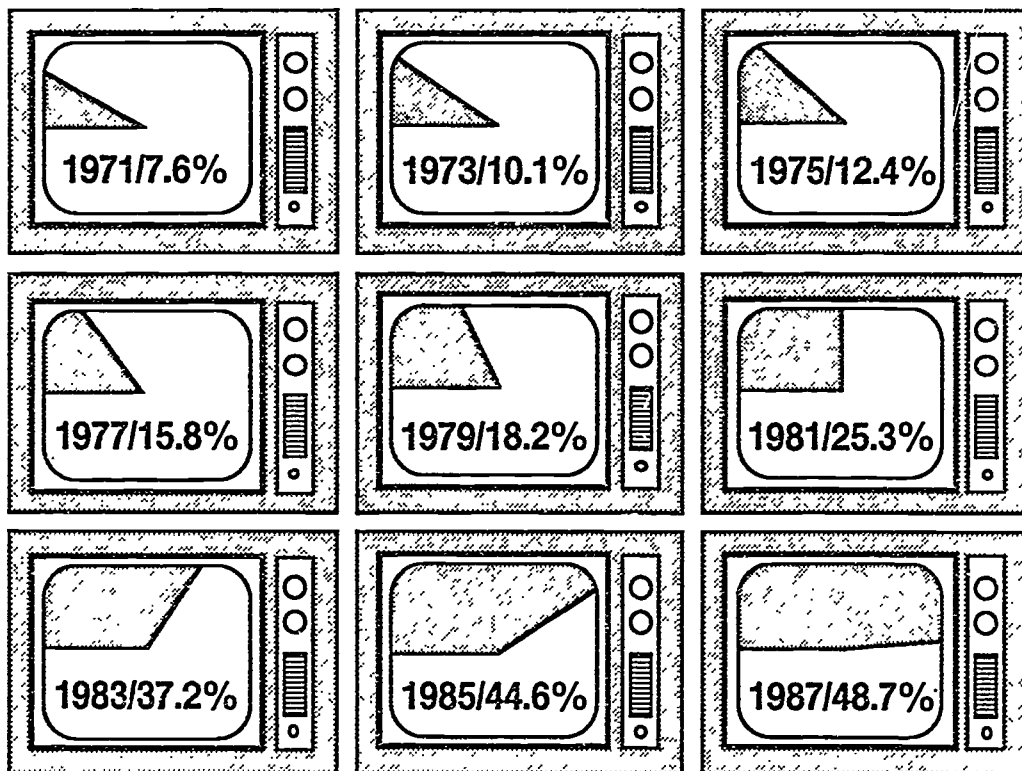
- A. Consumers, in their own living rooms, can buy or "browse" through several stores.
- B. Requirements needed are a touch-tone telephone, cable TV, and a credit card.
- C. After consumers select the store and the product they want, video images of the product appear on their TV screen.

(NOTE: This is an excellent medium to introduce new products.)

- D. Price, charges such as tax and delivery fees, materials used to manufacture the product, its country of origin and other information may be shown.
- E. Fulfillment and distribution is made through each store.

# Cable Television: How It's Grown

Percent of homes with television  
subscribing to cable



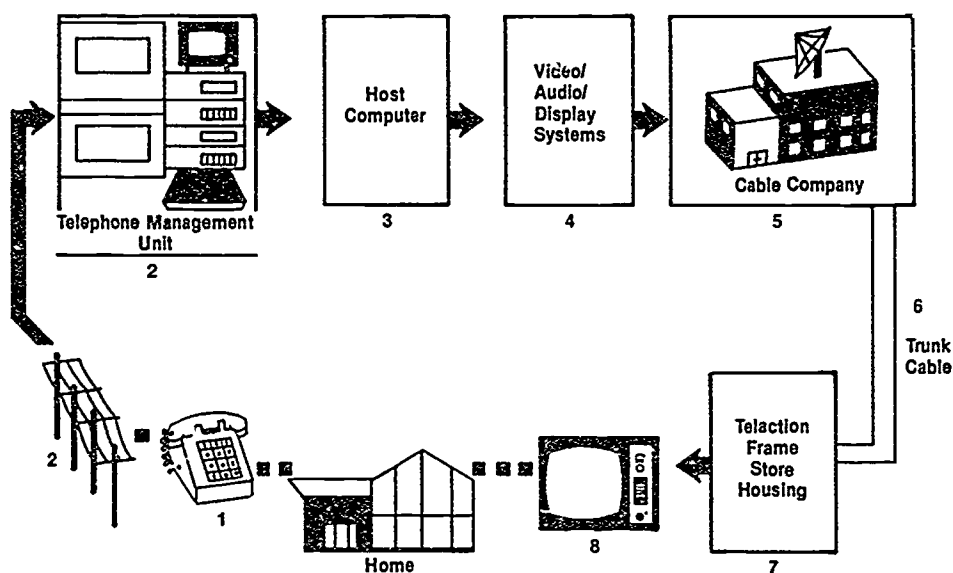
Source: A.C. Nielsen Co.

NEA Graphic



## CABLE TV ELECTRONIC MEDIA MARKETING UNIT V

### HANDOUT #1 — HOW THE TELACTION SHOPPING SYSTEM WORKS



1. Consumer uses a touch tone telephone to access the number.
2. The signals run along the public network to Telaction's telephone management unit.  
(NOTE: This is essentially an AT&T product.)
3. The unit translates signals into instructions that can be interpreted by Telaction's host computer.
4. The computer then directs Telaction's video and audio display systems to send a particular product presentation to the consumer.
5. The visual frames that the viewer has selected and the accompanying audio are forwarded to the appropriate cable company servicing the customer's home.
6. The visual frame is transmitted down the trunk cable.
7. A separate signal sends the frame to a Telaction frame-store unit located on a pole in the consumer's neighborhood. Each unit serves about 15 cable subscribers.

(NOTE: If a consumer is using the system, the other homes served by the frame-store unit will be able to view the same frames that the user is watching, but will not be able to sign on and control the process until the first user has completed his or her shopping. On these rare occasions, the consumer is put into a queue and is called back automatically by the telephone management unit when the Telaction service becomes available.)

8. The frame-store unit holds the frame and sends it as a picture with audio to the consumer's TV set.

(NOTE: All of this happens instantaneously. Once a customer presses his or her phone ordering a new frame, it will be displayed on his or her TV screen in one second or less.)

## CABLE TV ELECTRONIC MEDIA MARKETING UNIT V

### ASSIGNMENT SHEET #1 — INTERVIEW A CABLE TV STATION MANAGER

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions: Interview a cable TV station manager and ask the following questions and any of your own.

- A. Why are cable TV subscribers increasing?
- B. How can marketers measure their message effectiveness on cable TV?
- C. What are the characteristics of cable TV viewers?
- D. Why are cable subscriber lists valuable?
- E. What are the ways to purchase time on cable TV?
- F. How does satellite transmission occur?
- G. What are the industry trends in the cable TV industry?
- H. How do you sell advertising on your cable TV?
- I. Does your cable TV company have a monopoly in your area?

**ASSIGNMENT SHEET #1**

- J. Do you have plans for other ventures?
- K. What can cable TV advertising do that other TV advertising cannot?
- L. What channels have highest number of ads and best response?
- M. What are some careers available in the cable TV industry?
- N. What is the training and/or education needed?

List your own questions below.

## CABLE TV ELECTRONIC MEDIA MARKETING UNIT V

### ASSIGNMENT SHEET #2 — DETERMINE WHERE AND WHEN TO ADVERTISE SELECTED PRODUCTS ON CABLE TV

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Marketers using television to advertise and promote products must first define the user of the product or service. This is referred to as market segmentation. In segmenting the market, many variables must be identified.

Below is a list of variables to help you determine where and when to advertise on TV. A variable could be very important or not important at all. The product and the potential customer determines the importance of a variable.

- |                          |                            |
|--------------------------|----------------------------|
| 1. Age                   | 15. Brand loyalty          |
| 2. Sex                   | 16. Price                  |
| 3. Race                  | 17. Urban                  |
| 4. Nationality           | 18. Suburban               |
| 5. Income                | 19. Rural                  |
| 6. Educational level     | 20. City size              |
| 7. Occupation            | 21. County size            |
| 8. Family size           | 22. State size             |
| 9. Family life cycle     | 23. Market density         |
| 10. Religion             | 24. Climate                |
| 11. Home ownership       | 25. Terrain                |
| 12. Social class         | 26. Personality attributes |
| 13. Volume usage         | 27. Motives                |
| 14. Benefit expectations | 28. Lifestyles             |

## ASSIGNMENT SHEET #2

Directions: Choose four unrelated products which you would like to advertise on TV. Using the list of variables, determine the target market for each product. Then, select specific TV programs in which to air your commercials.

Product	Target Market	Specific TV Program
1.		
2.		
3.		
4.		

List reasons why you chose the specific TV program for each product.

Product #1 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Product #2 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Product #3 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## ASSIGNMENT SHEET #2

Product #4 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How would you measure the performance of these commercials?

Product #1 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Product #2 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Product #3 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Product #4 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CABLE TV ELECTRONIC MEDIA MARKETING  
UNIT V**

**ASSIGNMENT SHEET #3 — WRITE A BRIEF REPORT ABOUT  
THE "ELECTRONIC MALL" CONCEPT**

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

Directions: Write a brief report concerning reasons *you* believe the "electronic mall" concept will be successful or unsuccessful. Use the space below and reverse side of sheet.

(NOTE: Refer to Objective X to review basic reasons, but base your responses on your personal opinion.)

## CABLE TV ELECTRONIC MEDIA MARKETING UNIT V

### TEST

NAME \_\_\_\_\_

SCORE \_\_\_\_\_

1. Match the terms on the right with their correct definitions.

- |   |  |
|---|--|
| <p>_____a. The receiving location where all signals received are fed into customer's home cable television</p> <p>_____b. Completion of an order</p> <p>_____c. A shopping place which is accessed through cable carrier and television and telephone</p> <p>_____d. Insulated hollow copper cylinder containing a signal wire conductor to transmit signals</p> <p>_____e. Beaming and receiving signals via satellites</p> <p>_____f. Sequence of messages or jobs held in auxiliary storage waiting to be sent</p> <p>_____g. Technique used to provide enough data to measure audience and prove performance</p> <p>_____h. Distribution of audio/visual signals by means of a wire (cable) system as opposed to open air (broadcast) system</p> <p>_____i. Aiming a broadcast at a narrowly defined area or audience</p> | <p>1. Cablehead-end</p> <p>2. Cable TV</p> <p>3. Coaxial cable</p> <p>4. Electronic mall</p> <p>5. Fulfillment</p> <p>6. Measurement tool</p> <p>7. Narrowcasting</p> <p>8. Queue</p> <p>9. Satellite transmission</p> |
|---|--|

2. Select true statements concerning the growth of cable TV by placing an "X" in the blanks preceding the true statements.

- \_\_\_\_\_a. Viewership of ad-supported cable continues to grow.
- \_\_\_\_\_b. American households spent approximately \$12 billion for cable programming in 1987.
- \_\_\_\_\_c. Broadcast affiliates' audience is rising.
- \_\_\_\_\_d. Cable companies' advertising revenue will continue to rise dramatically.
- \_\_\_\_\_e. In-house subscription rates are declining



## TEST

3. Distinguish between the advantages and the disadvantages of cable TV marketing by placing an "A" for advantage and a "D" for disadvantage in the blanks preceding the statements.

- \_\_\_\_\_a. Narrowcasting produces an audience with similar characteristics.
- \_\_\_\_\_b. Cable industry lacks the audience measurement tools that the national networks (NBC, CBS, ABC) have in place.
- \_\_\_\_\_c. Effective costing enables the advertiser who cannot afford traditional television to take advantage of sight and sound video.
- \_\_\_\_\_d. Cable channels have narrow program formats.
- \_\_\_\_\_e. Marketers can target a specific audience.
- \_\_\_\_\_f. Marketers cannot make certain that their sales message will be viewed due to lack of measurement tools.
- \_\_\_\_\_g. Operation within individual communities makes it possible to select specific areas for an advertising message without paying to reach people outside the target area.
- \_\_\_\_\_h. Greater frequency of exposure is possible due to cable's effective cost and availability of advertising time.

4. List three ways marketers can overcome uncertainty of message delivery.

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_

5. Complete the following statements concerning reasons the cable subscriber lists are valuable by inserting the word(s) that best complete(s) each statement.

- a. Offers a vast amount of \_\_\_\_\_ information
- b. Can use the information to introduce \_\_\_\_\_ to potential customers

6. List two ways to purchase time on cable.

- a. \_\_\_\_\_
- b. \_\_\_\_\_

## TEST

7. Arrange in order the steps in satellite system transmission by placing a "1" in the blank preceding the first step, a "2" preceding the second step, and a "3" preceding the third step.
- \_\_\_\_a. Cable operators then distribute the programming to their subscribers via coaxial cable.
- \_\_\_\_b. Cable networks beam their signal to an orbiting communications satellite.
- \_\_\_\_c. Signals are sent back to cable systems that have receiving dish.
8. List two trends in the cable industry.
- a. \_\_\_\_\_  
\_\_\_\_\_
- b. \_\_\_\_\_  
\_\_\_\_\_
9. List three reasons cable home shopping attracts the consumer.
- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
10. Select true statements concerning the "electronic mall" concept by placing an "X" in the blanks preceding the true statements.
- \_\_\_\_a. After consumers select the store and the product they want, video images of the product appear on their TV screen.
- \_\_\_\_b. Broadcast TV is a leader in electronic mail shopping.
- \_\_\_\_c. Price, tax, delivery charges, and material used in the manufacture of the product may be shown on the screen.
- \_\_\_\_d. Consumers can buy or browse through several stores.
- \_\_\_\_e. Fulfillment and distribution is made through each store.
- \_\_\_\_f. Requirements needed are a touch-tone telephone, cable TV, and a credit card.

**TEST**

(NOTE: If the following activities have not been accomplished prior to the test, ask your instructor when they should be completed.)

11. Interview a cable TV station manager. (Assignment Sheet #1)
12. Determine where and when to advertise selected products on cable TV. (Assignment Sheet #2)
13. Write a brief report about the "electronic mall" concept. (Assignment Sheet #3)

## CABLE TV ELECTRONIC MEDIA MARKETING UNIT V

### ANSWERS TO TEST

1. 

a.	1	f.	8
b.	5	g.	6
c.	4	h.	2
d.	3	i.	7
e.	9		
  
2. a, b, d
  
3. 

a.	A
b.	D
c.	A
d.	A
e.	A
f.	D
g.	A
h.	A
  
4. 

a.	Segment their audience
b.	Target specific programs
c.	Include a measurement tool in their cable TV marketing technique
  
5. 

a.	Demographic
b.	Products
  
6. 

a.	Local cable system
b.	Cable network program suppliers
  
7. 

a.	3
b.	1
c.	2
  
8. 

a.	There is an industry wide commitment to develop new and innovative programming.
b.	Efforts to raise consumer awareness levels and stimulate viewership are being made.

## ANSWERS TO TEST

9. a. The viewer can choose to watch all or part of the shopping program.  
b. The viewer can shop from his or her home at any time.  
c. Buying decisions can be made with little pressure from outside sources.
10. a, c, d, e, f
- 11.-13. Evaluated to the satisfaction of the instructor