

SCORE – SERVICE CORP OF RETIRED EXECUTIVES

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LEARNING TO TELL POTENTIAL CUSTOMERS ABOUT YOUR NEW BUSINESS, PRODUCT OR SERVICE

To most people, one of the biggest problems is telling potential customers what their new business, product or service is all about. In order to understand what it takes to do this we suggest you do the following exercise.

You are not expected to do this exercise now but it should be done before you set out to do put together your marketing materials. It is, in a way, homework. If you would like, after you have done this exercise you may send it in for comments and critique by post, fax or e-mail attachment to "SCORE, Hanger Project" as above with your name and a way to contact you.

Problem: You are the advertising director of a store. A buyer has found something he believes is quite unique. He met someone who has come up with something very new for hanging clothes. Up to this point the only way people could keep clothes was to hang them on a hook or through a loop or fold them and place them in on a shelf or in a drawer . . . or, of course, throw them over a chair.

One has to take into account that there is, until this time, no such thing as we know it today, called a “hanger.” If one were to look in a dictionary the only definitions they would have found are:

Hanger, n. A loop or hook by which something is hung.

Hanger, v. Someone who hangs something.

The exercise has two parts:

1) **Come up with a name for this invention** . . . any name but the word “hanger” . . . and make advertisements introducing this “thing” to the public. The buyer is so enthusiastic about his “find” that he wants to have advertisements in newspapers, magazines, on radio and TV and a web site.

2) **Design ads for any of the following media** that you believe you might be using as you set off to tell your potential the world about your product or service.

- A) **A newspaper advertisement** – full, half or quarter page.
- B) **A magazine advertisement** – full, half or quarter page – the latter two can be vertical or horizontal ads.
- C) **A TV 30 second spot** – make a “story board” of 6 to 12 panels showing how the ad might look like as it moves from beginning to end.
- D) **The 20 second radio spot** – a script to be read by an announcer.
- E) **Interview program** – . an interview of Q & A with a news announcer interviewing either the inventor or the store’s buyer.
- F) **A web site** – a home page and no more than 4 pages showing variations of the product and its uses

Why a hanger was chosen for this exercise? Because it is something you are very familiar with just as, for you, what your business does is something you are very familiar with. But, as this exercise explains, potential customers are not. The same solutions you would create for doing effective advertisements for the hanger are, most likely, applicable to what you need to do for your new business, product or service.

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The Internet and How it Fits into a Marketing Program

by Alan J. Zell, Member Chapter 11 & SCORE Cyberchapter

Many of our SCORE Chapter's clients are anxious to get on the Internet. Due to hype and comments from people who only know or want to show the superficial side of the Internet, much of what is said may not be true. For example, the most prevalent rumor concerns how much money is being made by those with web sites or how much can be made by having a web site, is causing many to rush into not only business but to have a web page right away.

Using the web for marketing is not, as one would think, rocket science. People (potential customers) buy or don't buy for the same reasons no matter where they learn of it be it in print, broadcast, visual or on the Internet. The Internet is only an additional way businesses can put their products or services before the public or the public can learn about products or services.

So, the guidelines for using the Internet are no different from what we've been telling people for years about marketing formats. Those selling Internet related products and services are doing what they think they are supposed to be doing . . . convincing or motivating people to buy what they sell. What they don't realize that they are in the same business as their clients/customers are . . . spending other people's time, effort and money and, if they wish to stay in business, their customers/clients need to be shown that their money is being spent efficiently and effectively.

Here are some factors many clients are not aware of:

- * There are over 9,000,000,000.com web sites (as of 1/10/2005) and are growing at approximately 1,000,000 or more a month.
- * 200 sites are doing 75% of the B2C (business to consumer) e-commerce
- * The vast majority of consumers looking at web sites do so for shopping or comparison purposes and, if possible, will buy locally.
- * What the hype doesn't tell you:
 - ** as a marketing medium by itself it is a very poor marketing format to rely on. This can be said for almost any marketing format used alone.
 - ** the BIG cost is in not in having a web site designed and hosted, the getting people to one's site thru the use of traditional media -- print, broadcast, direct mail, etc. -- and buying banners of sites where one's potential customers might go to and on search engines.
 - ** With a web site you are in an office on the 24th floor of an office building. How do you get people to come to your office, call you on the phone, write you a letter/e-mail/fax that shows their interest in what you do?
 - ** the WWW can be a relatively inexpensive way to get one's information where it is available 24 hours a day IF one has other methods of distribution of their information, services and/or products.

- ** for those businesses doing B2B (Business to Business) e-commerce having a web site would be an essential part of one's marketing program. What B2B sites do is shorten the ordering process for both the vendor and the customer. BTW . . . there are 29 times more e-commerce done B2B than B2C although what we read about is B2C.
- ** Selling over the Internet is where Direct Mail was some 35 + years ago. There were all those houses to reach but it took many years for it to become the sophisticated marketing format it is today. Still, if one can get 1% number of sales vs. number of mailings it is a good mailing
- ** Selling banners on one's site to generate income is tantamount to suggesting the entering customers go to another place to spend their time, effort and, possibly, money before coming to your site. Not smart business.
- ** To make a site more effective, one should look at one's web site as a store and not as a printed page or catalogue sheet. One's customer is coming into your "store" for the first time. What do they see? They want to know what departments you have that contain products, information, services that may go with what they are doing, planning to do, or would like to do.
- ** When someone comes to a site, they do not see the whole page. They see, if it is a desk top monitor, 1/3 of a page. For laptops it is a bit over 1/4 a page.
- ** An overuse of moving objects, excess use of graphics can do much to deter sales if they overshadow what the site sells. For illustrations of products, there should be GOOD photos on, preferably, a white or light background. All information about the item(s) should be with each picture -- size(s), weight, price(s), etc. . . . anything that may be pertinent to the viewer.
- ** If one is selling products, then they need a secure shopping cart program so people can order as they go through the site and can review what they plan to purchase before making the purchase.
- ** There is the added cost of accepting and processing credit card orders. Without this ability, doing e-commerce with the public is almost impossible. Sales with fraudulent credit cards are the responsibility of the vendor.
- ** Beware of orders from foreign countries by credit card as there are many scams of merchandise bought with the use of a credit card. After goods are shipped, the buyer cancels the order or tells the credit card service the order was never received. Be sure to get credit card payment up front and process the order before sending the order.
- ** Because the Internet is now global, working with foreign currency, credit cards, banking system(s) is something any Internet merchant has to be aware of.
- ** The "back room" operation is a vital key to Internet sales success. As with other mail-order or electronic ordering, if something cannot be delivered in a very reasonable time (usually up to two weeks) the customer must be notified and given the opportunity to cancel the order and get their money back.
- ** A firm having to inventory products, they will be living with the 80/20 rule . . . 80% of the business will be done on 20% of what one offers. The most difficult task is to know what makes up the 80/20 ratio and this takes time and experience to determine.