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Lesson: Communications in Marketing

### **Page Title: Lesson Introduction**

Page Number: 1

You are bombarded with hundreds of advertisements each day. That's because promotion—the last tool in the marketing bag—is a big deal to businesses. They know that they must promote their products aggressively in order to sell them.

This lesson will show you the various tactics marketers use to get your attention and the money in your wallet. As you explore this lesson, think about the products you've bought recently and try to fit them into the various categories presented here. What marketing tool was used?

### **Page Title: Menu Page**

Page Number: 2

This lesson presents the following topics:

- 
- The Promotion Mix
- Marketing Communications Integration
- The Promotion Tools
- Advertising Decisions
- Touchy Global Issues
- Promotion Tools for Sales
- Sales Force Management
- Direct Marketing
- Ethical Issues

### **Page Title: The Promotion Mix**

Page Number: 3

Businesses use **promotion mixes** [The specific mix of advertising, personal selling, sales promotion, public relations, and direct marketing that a company uses to persuasively communicate customer value and build customer relationships] (also known as marketing communications mixes) in order to promote their products.

Businesses have five main types of promotion tools to choose from:

- **Advertising** [Any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor], such as commercials on TV
- **Sales promotions** [Short-term incentives to encourage the purchase or sale of a product or service], such as offering 10% off anything in the store

- **Public relations** [Building good relations with the company's various publics by obtaining favorable publicity, building a good "corporate image," and handling or heading off unfavorable rumors, stories, and events], including building up a strong public image by participating in community service events

### Page Title: The Promotion Mix (Cont'd)

Page Number: 4

- **Personal selling** [Personal presentation by the firm's sales force for the purpose of making sales and building customer relationships], usually by the company's sales team
- **Direct marketing** [Direct connections with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships—the use of telephone, mail, fax, e-mail, the Internet, and other tools to communicate directly with specific consumers], such as sending out an email to past customers

Many companies use a combination of all five types of promotion tools to put their products at the forefront in consumers' minds.

### Page Title: Marketing Communications Integration

Page Number: 5

Here's the latest on the marketing landscape: Mass marketing is becoming a thing of the past; marketers now are going after **micromarkets**. At the same time, marketing technology and the digital age have changed the way marketers need to communicate with consumers. Marketers need to consider carefully how to integrate their communications to fit with today's consumer and today's increasingly complicated world. Marketers must keep in mind the following issues:

- **How the communications model is shifting:** Instead of trying to reach everyone at once, marketers are doing more **narrowcasting** rather than broadcasting.

### Page Title: Marketing Communications Integration (Cont'd)

Page Number: 6

- **How and why to integrate marketing communications: Integrated marketing communications** [The concept under which a company carefully integrates its many communications channels to deliver a clear, consistent, and compelling message about the organization and its products] promote using a carefully blended mix of the following communication channels:
  - Advertising
  - Personal selling
  - Public relations
  - Direct marketing
  - Sales promotion

### Page Title: The Promotion Tools

Page Number: 7

To create an effective promotion mix, marketers usually use one of two promotion-mix strategies.

The first strategy is known as the **push strategy**. As the name implies, the company—with its sales force and trade promotions—works to “push” the product through the various channels. The producer directs its marketing activities (personal selling and trade promotion) toward channel members (retailers and wholesalers) to induce them to carry the product and to promote it to final consumers.

The second strategy is called the **pull strategy**. Instead of the company pushing the product along, the company relies on the consumer to pull it into to demand. How? The company goes heavy on advertising and other consumer promotion in order to coax the consumer into demanding the product. Thus, under a pull strategy, consumer demand “pulls” the product through the channels.

### **Page Title: Check Your Understanding**

Page Number: 8

*For each term given below, select the most appropriate answer option.*

**Term 1:** Push strategy

**Answer Options:**

- ads+sales+public relations
- Personal selling
- Sales promotion to attract demand

The correct answer is: **Personal selling**

### **Page Title: Check Your Understanding (Cont'd)**

Page Number: 9

**Term 2:** Pull strategy

**Answer Options:**

- ads+sales+public relations
- Personal selling
- Sales promotion to attract demand

The correct answer is: **Sales promotion to attract demand**

### **Page Title: Check Your Understanding (Cont'd)**

Page Number: 10

**Term 3:** Integrated marketing communications

**Answer Options:**

- ads+sales+public relations

- Personal selling
- Sales promotion to attract demand

The correct answer is: **ads+sales+public relations**

### **Page Title: Advertising Decisions**

Page Number: 11

Advertisers have to think about five major issues before they really get started on their ad campaigns. These issues are as follows:

- **Objectives setting:** What are our objectives?
  - Communication objectives
  - Sales objectives
- **Budget decisions:** What's our budget?
  - Affordable approach
  - Percent of sales
  - Competitive parity
  - Objective and task
- **Message decisions:** What's our strategy?
  - Message strategy
  - Message execution

### **Page Title: Advertising Decisions (Cont'd)**

Page Number: 12

- **Media decisions:** What media should we use?
  - Reach, frequency, impact
  - Major media types
  - Specific media vehicles
  - Media timing
- **Advertising evaluation:** How will we organize or handle this campaign?
  - Communication impact
  - Sales and profit impact
  - Return on advertising

After advertisers have decided the answers to these questions, they can get started. We'll discuss these questions and how to answer them next.

### **Page Title: Advertising Objectives**

Page Number: 13

An **advertising objective** [A specific communication task to be accomplished with a specific target audience during a specific period of time] always has one of three purposes: to inform, to persuade, or to remind.

Ads that inform are often found when a company introduces a new product. If your company is introducing a new technology, consumers might be more likely to buy it if you tell them what it is and what it can do. But telling consumers what a microwave oven does might be, well, boring; most of us already know what a

microwave can do.

Persuasive ads might try to talk you into switching to the company's brand, or may try to change your mind about how you already perceive a product.

Reminder ads keep older products, such as Coca-Cola, in the limelight and keep them from seeming dated.

### **Page Title: Advertising Objectives (Cont'd)**

Page Number: 14

Here is a break-up of the three possible advertising objectives:

- **Informative Advertising**
  - Telling the market about a new product
  - Suggesting new uses for a product
  - Informing the market of a price change
  - Explaining how the product works
  - Describing available services
  - Correcting false impressions
  - Reducing consumer's fears
  - Building a company image
- **Persuasive Advertising**
  - Building brand preference
  - Encouraging switching to your brand
  - Changing customer's perception of product attributes
  - Persuading customer to purchase now
  - Persuading customer to receive a sales call

### **Page Title: Advertising Objectives (Cont'd)**

Page Number: 15

- **Reminder Advertising**
  - Building and maintaining the customer relationship
  - Reminding the consumer that the product may be needed in the near future
  - Reminding the consumer where to buy the product
  - Keeping it in the customer's mind during off-seasons

### **Page Title: Advertising Budget**

Page Number: 16

Marketers are careful to budget their advertising appropriately, considering the company needs and their target market. Marketers have four common methods from which to choose:

- **The affordable method:** In the **affordable method** [Setting the promotion budget at the level management thinks the company can afford], management decides what the company can afford to spend on advertising and simply doesn't go over that budget.
- **The percentage-of-sales method:** The **percentage-of-sales method** [Setting the promotion budget at a certain percentage of current or

- forecasted sales or as a percentage of the unit sales price] takes into account how much the company makes on a product, or over a period of time, and casts a percentage of earnings as its advertising budget.
- **The competitive-parity method:** The **competitive-parity method** [Setting the promotion budget to match competitors' outlays] sets its budget to reflect what competitors are spending.
  - **The objective-and-task method:** The **objective-and-task method** [Developing the promotion budget by (1) defining specific objectives, (2) determining the tasks that must be performed to achieve these objectives, and (3) estimating the costs of performing these tasks. The sum of these costs is the proposed promotion budget] figures out the objectives of advertising, then figures out what needs to be done to fulfill them, then figures out the costs of those tasks.

**Page Title: Check Your Understanding**

Page Number: 17

*For each statement given below, select the most appropriate answer option.*

**Statement 1:** Spending what your company can afford.

**Answer Options:**

- Competitive-Parity Method
- Percentage-of-Sales Method
- Affordable Method

The correct answer is: **Affordable Method**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 18

**Statement 2:** Spending what competitors spend.

**Answer Options:**

- Competitive-Parity Method
- Percentage-of-Sales Method
- Affordable Method

The correct answer is: **Competitive-Parity Method**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 19

**Statement 3:** Spending a percentage of your sales on ads.

**Answer Options:**

- Competitive-Parity Method
- Percentage-of-Sales Method
- Affordable Method

The correct answer is: **Percentage-of-Sales Method**

### **Page Title: Choosing an Advertising Strategy**

Page Number: 20

A business' advertising strategy contains two key elements: creating the messages and choosing the media. For example, media planners for Absolut vodka work with creative specialists to design ads targeted to specific media audiences. "Absolut Bravo" appears in theater playbills. "Absolut London" shows the famous entry to the Prime Minister's residence at Number 10 Downing Street. Although these ads work together, there are different points to consider in designing each.

The advertising message takes into account the following aspects:

- Clutter (other ads)
- Message strategy
- Message execution

The advertising media choice considers the following issues:

- Reach, frequency, and impact
- Major media types
- Media vehicles
- Media timing

### **Page Title: Organizing and Global Considerations**

Page Number: 21

The last piece of the advertising puzzle is to figure out how to organize the ad campaign. Is this something your company can do in-house, or will you need to hire an **advertising agency** [A marketing-services firm that assists companies in planning, preparing, implementing, and evaluating all or portions of their advertising programs]? Usually, smaller companies take on their own advertising campaigns. Some larger firms have their own advertising departments. Any company with the right budget can hire an ad agency because agencies offer plenty of advantages that may save the company money in the long run.

Another key point in the organization of an ad campaign is the idea of advertising internationally. First, companies have to figure out how much they need to tailor their ads to suit a specific cultural market. Some brands—such as Sprite and Jeep—use the same types of ads in all markets. This saves on advertising costs and helps grow the brand. But other companies take more adaptive tactics with much success. For example, Gillette's advertisements for its "Gillette for Women Venus Razors" are almost identical worldwide, with only minor adjustments to suit the local culture.

### **Page Title: Touchy Global Issues**

Page Number: 22

It's important to consider other cultures when advertising globally. Different nations and cultures may have different views, or even laws, concerning products that people in the United States don't give much thought to.

For example, some countries restrict the amount of money a company can spend on advertising. This keeps the playing field level, or fair. They also might have restrictions on what media can be used to advertise certain products. Here in the United States, for example, it is not permissible to advertise cigarettes or liquor on television. You must check into these kinds of restrictions when advertising internationally.

You must also consider cultural views when advertising outside the United States. In some Nordic countries, for example, food ads are not permitted during children's television programming. Just do your research and make sure you're not insulting anyone or breaking any laws!

### **Page Title: Check Your Understanding**

Page Number: 23

*For each statement given below, select the most appropriate answer option.*

**Statement 1:** The advertising strategy of a business consists of creating the messages and choosing the media.

**Answer Options:**

- True
- False

The correct answer is: **True**

### **Page Title: Check Your Understanding (Cont'd)**

Page Number: 24

**Statement 2:** Your ad message shouldn't bother considering other ads within the market.

**Answer Options:**

- True
- False

The correct answer is: **False**

**Statement 3:** Most small companies employ in-house advertising departments.

**Answer Options:**

- True
- False

The correct answer is: **False**

### **Page Title: Check Your Understanding (Cont'd)**

Page Number: 25

**Statement 4:** Some countries restrict the amount of money a company can spend



on advertising.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Statement 5:** It's always going to be fine to recycle your U.S. ad in another country.

**Answer Options:**

- True
- False

The correct answer is: **False**

**Page Title: Promotion Tools for Sales**

Page Number: 26

Advertisers have three types of sales promotion tools at their disposal:

- **Consumer promotion tools:** Consumer promotion tools include giving out samples in a store or online and offering contests to customers. You've probably participated in one of these promotions recently, either by buying something on sale or using a coupon. For example, Cendant's TripRewards program makes frequent customers out of not-so-frequent leisure travelers.
- **Trade-promotion tools:** Trade-promotion tools are for resellers and wholesalers, rather than consumers. Sometimes manufacturers will offer free goods or substantial discounts to retailers in order to guarantee that their products win shelf space in the stores.
- **Business promotion tools:** Business promotion tools are geared toward industrial customers. They often occur at trade shows and conventions or through sales contests.

**Page Title: Public Relations**

Page Number: 27

Companies use another mass-promotion tool called **public relations (PR)** [Building good relations with the company's various publics by obtaining favorable publicity, building up a good "corporate image," and handling or heading off unfavorable rumors, stories, and events]. PR departments might perform any or all of the following tasks in order to promote the company:

- **Press relations/press agency**
- **Product publicity**
- **Public affairs**
- **Lobbying**
- **Investor relations**
- **Development**

Successful campaigns carefully consider the most winning combination of the above

tools to best promote the company and its products. Public relations results can sometimes be spectacular. During a Harry Potter PR campaign, Scholastic publishers sponsored low-cost sleepovers, games, and costume contests to whip up consumer frenzy for the sixth installment of its Harry Potter series.

### **Page Title: Public Relations Tools**

Page Number: 28

PR tools come in many different forms. The most common are as follows:

- **News**
- **Speeches**
- **Special events**
- **Written materials**
- **Audiovisual materials**
- **Corporate identity materials**
- **Public service activities**
- **Buzz marketing campaigns**

Try to think of at least one product that has been advertised using each of these PR tools. For example, using buzz marketing campaigns, P&G's Tremor unit enlisted an army of *buzzers*—teens with a wide social circle and a gift of gab—to create word-of-mouth advertising about brands. Do any of the products you came up with use more than one tool? Do any of them use *all* of these tools?

### **Page Title: Check Your Understanding**

Page Number: 29

*For each statement given below, select the most appropriate answer option.*

**Statement 1:** Trade-promotion tools are for consumers.

**Answer Options:**

- True
- False

The correct answer is: **False**

### **Page Title: Check Your Understanding (Cont'd)**

Page Number: 30

**Statement 2:** PR includes building of a positive corporate image.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Statement 3:** Consumer promotion tools include giving out samples.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 31

**Statement 4:** Business promotion tools often occur at trade shows and conventions or through sales contests.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Page Title: Personal Selling**

Page Number: 32

Personal selling operates differently from the means we've discussed so far in this lesson. A **salesperson** [An individual acting for a company by performing one or more of the following activities: prospecting, communicating, servicing, and information gathering] on the company sales force has many roles:

- **Order taker**
- **Order getter**
- **Company representative**
- **Customer representative**

But perhaps the most important roles the salesperson plays are the producers of customer value and company profit.

Think about the last time you bought something from a salesperson. How did that salesperson fulfill the preceding roles? Was the salesperson successful in all these aspects? If not, what might the salesperson have done differently to make a more positive impact?

**Page Title: Sales Force Management**

Page Number: 33

**Sales force management** [The analysis, planning, implementation, and control of sales force activities. It includes designing sales force strategy and structure and recruiting, selecting, training, supervising, compensating, and evaluating the firm's salespeople] is a complicated undertaking. In order to manage a sales force, you must design your sales strategy and structure and then find and take care of the right salespeople for your sales force.

The sales force structure consists of consideration of the following possibilities:

- **Territorial sales force structure**
- **Product sales force structure**
- **Customer sales force structure**
- **Complex sales force structure**

The type of structure you choose depends on your company's needs.

**Page Title: Sales Force Management (Cont'd)**

Page Number: 34

The six major steps in sales force management are as follows:

1. Designing sales-force strategy and structure
2. Recruiting and selecting salespeople
3. Training salespeople
4. Compensating salespeople
5. Supervising salespeople
6. Evaluating salespeople

**Page Title: Check Your Understanding**

Page Number: 35

*For each statement given below, select the most appropriate answer option.*

**Statement 1:** A salesperson sells only women's apparel

**Answer Options:**

- Territorial sales force structure
- Product sales force structure
- Customer sales force structure

The correct answer is: **Product sales force structure**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 36

**Statement 2:** A salesperson sells only to certain customers

**Answer Options:**

- Territorial sales force structure
- Product sales force structure
- Customer sales force structure

The correct answer is: **Customer sales force structure**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 37

**Statement 3:** A salesperson sells only to the Northeast United States.

**Answer Options:**

- Territorial sales force structure
- Product sales force structure
- Customer sales force structure

The correct answer is: **Territorial sales force structure**

**Page Title: The Size of the Sales Force**

Page Number: 38

Companies must also consider how big their sales force needs to be in order to be effective and competitive. The sales force size can range from a handful of people to thousands of salespeople.

How do companies decide this? Many use a form of workload approach to determine how many salespeople they need. This formula is covered in depth in your textbook and is used to determine workload (how many sales calls the company needs to make each year). After putting in the variables specific to your company, you can easily determine the number of salespeople—be it 6 or 600—your company needs to successfully handle its workload. Some sales forces are huge—for example, Microsoft employs 23,000 salespeople, PepsiCo has 36,000 salespeople, and The Hartford Financial Services Group has 100,000 salespeople.

**Page Title: Other Strategy and Structure Issues**

Page Number: 39

Who, exactly, will be involved in a company's sales force? And how will these people all work together? There are a few choices:

- **Outside sales force:** The outside sales force will travel the state, country and/or world to talk to customers in person. Usually, these people are out landing major accounts for the company.
- **Inside sales force:** The **inside sales force** [Inside salespeople who conduct business from their offices via telephone, the Internet, or visits from prospective buyers] is a support system for the outside sales force, often providing technical sales-support for them. This force might also include sales assistants, **telemarketers** and web sellers. Although they may seem impersonal, the phone and Internet can be surprisingly personal when it comes to building customer relationships. "He's my business partner," says one CDW customer about her account manager, who manages account relationships almost entirely by phone.
- **Team selling: Team selling** [Using teams of people from sales, marketing, engineering, finance, technical support, and even upper management to service large, complex accounts] can involve several different types of workers who each bring a unique perspective to the sale. Teams might include engineers who designed the product as well as marketers, and are usually led by the head salesperson.

**Page Title: Check Your Understanding**

Page Number: 40

*For each statement given below, select the most appropriate answer option.*

**Statement 1:** The sales force workload equals how many sales the company needs to make each year.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 41

**Statement 2:** The sales force size of any given company is usually between 5 and 15 people, in order to keep down costs.

**Answer Options:**

- True
- False

The correct answer is: **False**

**Statement 3:** Team selling can involve several different types of workers from several different departments within a company.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 42

**Statement 4:** The Outside Sales Force will generally sell over the Internet.

**Answer Options:**

- True
- False

The correct answer is: **False**

**Page Title: Building and Keeping a Sales Force**

Page Number: 43

Companies know they must have a strong sales force in order to bring in customers. There are several steps companies take to acquire and maintain this sales force:

- **Recruitment and selection:** Companies look for salespeople who are motivated, disciplined and good at closing the sale. Additionally, they look for people who can build solid, long-lasting customer relationships.
- **Training:** Training programs can range from in-person meetings to PowerPoint presentations. Most recently, companies are finding value in Internet training.
- **Compensation:** Companies might choose to compensate with a fixed salary amount, a variable amount, expenses, and/or fringe benefits.
- **Supervision:** Managers must make certain their salespeople are “working smart” by conducting sales in the most efficient and effective ways.
- **Motivation:** Salespeople will be more productive if they are appropriately motivated; this is where the “work hard” part of the equation comes in. Motivation tools include call plans, time-and-duty analyses, and **sales quotas** [Standards that state the amount a salesperson should sell and how sales should be divided among the company’s products].
- **Evaluation:** Managers can evaluate salespeople using various tools, including call reports, expense reports, and return on sales investment reports.

Click [here](#) to access the table on the relationship between overall marketing strategy and sales force compensation.

<b>Page Title: The Relationship Between Overall Marketing Strategy and Sales Force Compensation</b>			
	<b>Strategic Goal: To Gain Market Share Rapidly</b>	<b>Strategic Goal: To Solidify Market Leadership</b>	<b>Strategic Goal: To Maximize Profitability</b>
Ideal salesperson	An independent self-starter	A competitive problem solver	A team player A relationship manager
Sales focus	Deal making Sustained high effort	Consultative selling	Account penetration
Compensation role	To capture accounts To reward high performance	To reward new and existing account sales	To manage the product mix To encourage team selling To reward account management

*Source: Based on Sam T. Johnson, "Sales Compensation: In Search of a Better Solution," Compensation & Benefits Review, November-December 1993, p.p. 53-60.*

**Page Title: Building and Keeping a Sales Force (Cont'd)**

Page Number: 44

**How Salespeople Spend Their Time**

<b>Task</b>	<b>Percentage Time</b>
Service calls	12.7%
Face-to-face selling	28.8%
Telephone selling	25.1%
Waiting/traveling	17.4%
Administrative tasks	16%

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**Page Title: Check Your Understanding**

Page Number: 45

*For each statement given below, select the most appropriate answer option.*

**Statement 1:** Salary

**Answer Options:**

- Call plans
- Sales quota
- Fixed amount

The correct answer is: **Fixed amount**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 46

**Statement 2:** A list of customers to call that week

**Answer Options:**

- Call plans
- Sales quota
- Fixed amount

The correct answer is: **Call plans**



### **Page Title: Check Your Understanding (Cont'd)**

Page Number: 47

**Statement 3:** Must sell 30 units of each product over a one-month period

#### **Answer Options:**

- Call plans
- Sales quota
- Fixed amount

The correct answer is: **Sales quota**

### **Page Title: Direct Marketing**

Page Number: 48

#### **Direct Marketing Overview**

**Direct marketing** [Direct connections with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships—the use of telephone, mail, fax, e-mail, the Internet, and other tools to communicate directly with specific consumers] differs from some of the other types of marketing you've seen in this lesson in that it doesn't involve a huge, mass market. Instead, direct marketing works to get a targeted individual market to respond.

Direct marketers will communicate with individual customers in order to build a relationship. These customers are not selected randomly; they are researched and discovered as part of the target market.

Some direct marketers will work with customers over the phone or using the company web site to tailor their products to a specific customer's needs. An example of this is Dell, which invites customers to build their own computer setups online. Dell's direct marketing approach delivers greater customer value through an unbeatable combination of product customization, low prices, fast delivery, and award-winning customer service.

### **Page Title: Direct Marketing (Cont'd)**

Page Number: 49

#### **Direct Marketing Benefits**

Direct marketing has many benefits, not only for the company but also for the customer. Because the situation is mutually beneficial, direct marketing is growing in popularity.

Buyer benefits include convenience, ease, and privacy. Instead of going to a store to shop, buyers can browse the Internet or mailed catalogs and order the goods they like at any time. Buyers also enjoy a larger variety of products than those that would fit into a store. Plus, direct marketing doesn't involve a long drive and standing in line; instead, the results are immediate.

Seller benefits include stronger customer relationships, easier targeting, easier timing, and greater access to a larger number of potential buyers. It also is low-cost and efficient. Smart companies listen to customers, understand their needs, and carefully coordinate the whole company's efforts toward creating customer value.

**Page Title: Check Your Understanding**

Page Number: 50

*For each statement given below, select the most appropriate answer option.*

**Statement 1:** Direct marketing is more expensive than other types of marketing.

**Answer Options:**

- True
- False

The correct answer is: **False**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 51

**Statement 2:** Direct marketing targets individuals.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Statement 3:** Direct marketers may work with customers over the phone or using the company website.

**Answer Options:**

- True
- False

The correct answer is: **True**

**Page Title: Check Your Understanding (Cont'd)**

Page Number: 52

**Statement 4:** Direct marketing is losing popularity as technology becomes more advanced.

**Answer Options:**

- True
- False

The correct answer is: **False**

## **Page Title: Ethical Issues**

Page Number: 53

Some direct marketing tactics might end up being bothersome or even harmful to customers, so you need to be careful when pursuing a direct marketing campaign. Some ethical issues that arise are the following:

- **Irritation:** (at being bothered by a ringing phone during dinner, for example)
- **Unfairness:** (at taking advantage of uninformed customers, such as the impulse shopper)
- **Deception:** (such as designing ad copy that seems to promise one thing, when it actually guarantees nothing)
- **Fraud:** (including pretending to take a survey when actually attempting to persuade a customer to buy a product)

Another huge concern is **invasion of privacy**. With technological advances, information about customers is available at the touch of a button. (Identity theft is also a concern here.)

## **Page Title: Summary**

Page Number: 54

Marketers work to communicate customer value, either through sales, advertising, and customer relations or through personal selling and direct marketing. This lesson also covered the ethical issues related to advertising and the alternatives to traditional advertising made available by advancements in technology. Furthermore, the lesson explored issues related to integrated market communication as well as the benefits of direct marketing.

How do you personally respond to these marketing tactics? Are you more likely to buy something presented to you directly or with a sales flyer? What about your friends and family members? What tactics draw them in?