

## Business Studies H/W- Case study- Conrack and EcoStore- Mr Halil

(d) Examine the factors which might affect the choice of medium for each business.

Conrack is a fairly small private limited company based in Manchester having only 2 retail outlets. The business had made a turnover of £800,000 and allowed a promotion budget of £15,000 in 2004. Eco-Store is a national company with a chain of stores throughout the country. It had made a turnover in 2004, of over £200 million pounds. Both companies focus on being eco-friendly but may have a completely different choice of medium when coming to advertising.

One factor that may influence the choice of medium is the size of each business. Conrack is fairly small whereas Eco-store is nationalised. Therefore it would be realistic for a company like Eco-store to advertise in National newspapers. This way millions of people will be able to see the advertisement and it will allow Eco-store to build its 'home nature' reputation highly. It can also be seen that the rapid growth from 1990-2004 will allow them to have the budget to do this. Conrack on the other hand may opt for a fairly low budget campaign of leaflets. This way local people of the community can see what the company is offering and may prefer buying from them. The leaflet will also be able to incorporate managing director, Kim Barnett's aim of 'thought provoking advertisements'. This could be done in a number of ways for example using recycled paper to show how Eco-friendly the company is.

Another factor that may influence the medium of each company is budget for promotion. Conrack, a company which is still growing has a smaller budget than the nationalised Eco-store. Conrack may therefore be more likely to advertise in the local yellow pages whereas Eco-Store may be looking in the various bigger mediums such as television. This medium is considered to be very expensive and Conrack may not consider to take this approach as in 2004 their promotion budget was £15,000 and television advertising is more in the region of £50,000.

The next factor which may influence the choice of medium for both businesses is the target market for its products. Conrack's target market is seen as local people whereas Eco-stores Target market is people from all around the country. This could result in Conrack advertising in the local newspaper and Eco-store in a national newspaper. Both of them suiting the respected budgets.

In conclusion there are many factors both businesses may look at in coming to an appropriate decision when looking to advertise. The most important factors are the budget and target market of the products. When the businesses have considered these factors they may choose the appropriate method to suit them.

(e) The appropriate media advertising for Conrack is most likely to be the advertisements of a local scale rather than a national scale. I believe that a good place to start is the local newspaper, yellow pages, leaflet and local radio. On the other hand, a business like Eco-Store is most likely to be advertising on an internet website, national newspaper and a specialist magazine or even television.

The local newspaper is good for Conrack because many people of the surrounding community are likely to read it and it will therefore reach a vast majority of the target market. One disadvantage of the local newspaper is that the advertisement would be fairly small and will cost in the region of £51. It could also mean that the advertisement is hidden behind the bigger advertisements of bigger companies. The Local newspaper could also be a disadvantage in that not many people will be interested.

Eco-Store on may choose to advertise in the national newspaper rather than local because of its vast stores located throughout the UK. It is an advantage because it means that there is national coverage, readers can refer back to the advertisement and it's relatively cheap at £20,000 for 3 months for a company who turnover £200 million. There can be also be much detail provided. In contrast to this, there is no movement or sound; the advertisement is usually boring as its limited to only black and white.

The yellow pages are a good place to advertise for Conrack as there are different yellow pages for each region of the country. It is also an advantage as many people look at the yellow pages when they want to buy something auspicious such as timber. It is only a one off payment of £367 for a 4.5cm box for the whole year. This is well within the budget of Conrack.

The marketing strategy for eco-store is to improve the 'Homely nature'. The best way to do this is in the form of pictures. I think this might mean that eco-store could opt for television advertising. Television advertising is an expensive choice but it could prove to show results very quickly. On advantage of Television advertising is the creative advertising can have a big impact on the business. They can demonstrate Eco-Friendly being 'homely' and can reach a vast audience. In contrast to this, its expensive, the message is short lived and many consumers switch channels when there are advertisements as there is now a vast amount of other program choices with the newly digital television.

The other option for Conrack could be to advertise on the local radio; in recent years this has been proven to be very effective. It could be advantageous in that it: enables the use of sound, 'thought provoking' messages could be used, produced relatively cheaply. On the other hand, it isn't visual, no copy of material, consumers may forget as there is nothing to refer back to.

Eco-friendly may choose the internet as an advertising medium as it has wide coverage, cheap to set up, global, number of hits can be measured.

Both companies could incorporate the use of specialist magazines. This will mean there are more 'effective' consumers that are willing to buy the timber. It also means that many people may be interested and could attract local businesses to buy products in bulk.

Both businesses could use many types of advertising that could enhance the image of their businesses and no business is limited in using each type of advertising medium. The best type of advertising is one which results are quickly seen. There are many other forms of advertising a business could use depending on the type of people they want to target and number.