## Introduction

For my Business Studies coursework I will be focusing on a small sole-trader business named Errol Anderson Motors in the area of Harrow. The owner, Errol Anderson, is about to start up his own business; primarily serving as a car mechanic's garage. He has asked me to help him draw up a marketing strategy.

A marketing strategy consists of the main plan a business must follow to succeed. Errol must consider many factors which would affect his success - he must incorporate his ideas into plans which would help him in the long term or for a short term. Examples of some of these factors are his media choices, market research, and marketing in general.

Errol Anderson Motors was established as a result of Errol's strong passion for cars and mechanical engineering. Errol had been working for David Turner, who mentored and aided him into becoming a well experienced and matured mechanic. Errol, after having reached the highest possible status in the job next to Mr Turner, continued to develop his custo mer service skills and broaden his ever-growing knowledge of cars. However, Mr Turner desired to retire to Scotland with his family, as he fell ill from old age. This is when Errol decided to found his own company. He was confident that he had enough skill and experience to build a company just as successful as Mr Turner's, and perhaps surpass it. Mr Turner was keen to aid Errol undertake this venture, and offered all the information he could give, and was also willing to sell all his tools and equipment from his garage at a reasonable price. Errol set the issue straight with his family, and discussed loans with his Bank Manager. His Bank Manager drew attention to the fact that Sole Trader businesses do not usually survive so easily in the first year – there are many other garages in Harrow that could attract Errol's many potential customers. He also made Errol understand other problems which he would face; Errol had no idea of where he could manage to obtain revenue to finance his business - he could not keep taking out loans. The Bank Manager strongly advised that Errol plan a highly efficacious marketing strategy – which unfortunately Errol had little understanding of. This is where I have been called to assist.

Objectives; an objective is how you meet an aim; it is something a target that an organisation or individual can work towards achieving. It should be:

- Specific
- Measurable

- Achievable
- Realistic
- Time related

## **Errol's Aims and Objectives**

Errol's main aim at first is to survive. There are many other competing garages which could easily snatch away potential customers from Errol if he does not apply an appropriate marketing strategy effectively. To start up a business, the entrepreneur (risk-bearer who brings together all the factors of production to start up a business, i.e. Errol) needs:

- Finance to fund the other factors listed below: finance is usually the most difficult thing to obtain in a business that is starting up. Errol must use his own savings, or loan off banks or perhaps his family. He must "ration" his capital, as he needs the money to pay back loans and as much money to fall back on as he can, in case of an incident such as the opening of a rival garage who appeal more to Errol's customers.
- Labour At first, Errol's business would almost certainly be fine without any labour, since he is a small business – not to mention his tight funds for financing the start-up of the business, let alone labour!
- Customers without them, the business will fail. Obtaining customers
  means the business must embark on market research; which I am here
  to aid Errol with.
- **Suppliers** supply many of the "inputs" for the business, such as products, and raw materials.
- **Property and equipment** in Errol's case, a big garage space, a small office, tools, etc. ★s aforementioned, Mr Turner was willing to sell his tools to Errol at a reasonable price.
- Management organisation & structure this is rather simple at the startup stage (e.g. a sole trader- Errol).

When the business is established enough, Errol could set his eyes on an aim such as profit maximisation – trying to make the most profit possible, e.g. utilising effective promotional campaigns. After this, Errol could aim to try to make a sufficient amount of profit to keep him comfortable – this would an ideal aim of a small business such as Errol's, as he would not want to work longer hours.

"Marketing Media" defined; it is a way of communicating a promotion to potential customers, e.g. through advertising, public relations, or sponsorship.

I will now list the different forms of marketing media in the advertising area available to Errol with examples of each in the form of spider diagrams.

The two types of advertising both depend on the business' stature and their target audience (local or worldwide/nationwide). "Above-the-line" advertising is usually the choice for big businesses who would want to promote their product or service via television, cinema, radio, newspapers, etc. "Below-the-line" advertising would be more suitable for local area businesses who would want to make their business known to the public via local newspaper, council magazines, directories, etc.

I will sort out the available media in four groups; visual, outdoor, audio or printed.

#### Visual

Clearly, this means all media that can be seen and registered by eye are categorised as a visual form of advertising. The business would want to design the advertisement to be eye-catching and on the whole visually appealing in all aspects.

#### Outdoor

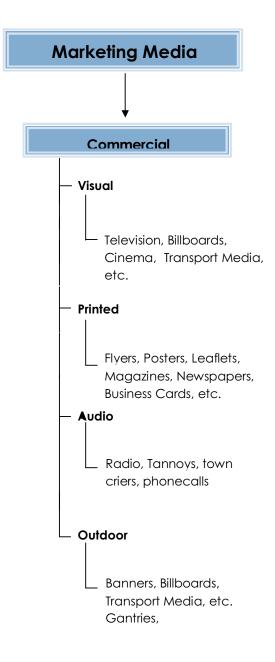
This generally applies to all media which are situate d outdoors where the general public would be able to spot them while travelling, for example.

#### **Printed**

This form of advertising is also visual, but is largely required to be read/found in reading material, and less inclined to always be visually appealing.

## **A**udio

Advertisements would be publicly broadcasted but only via sound. Such methods would exist in a medium such as radio which of course people only listen to.



Errol would need only the suitable media that would help promote his business to the right people in the right area at the right time. With the criteria being people who drive cars and are situated/work in/are visiting the general area of Harrow, we can narrow down the aforementioned available media and pick out those relevant to Errol. Below is a list of each media I surmise is ideal for Errol.

#### Leaflets

▲ leaflet consists of a single sheet of paper that is printed on both sides and folded in half, in thirds, or in fourths.



Leaflets can contain anything from information on kitchen appliances to medical information and religious treatises. Leaflets are very important in marketing as they are cheap to produce and can be distributed easily to customers. Pamphlets have also long been an important tool of political protest and political campaignin g for similar reasons.

The storage of individual pamphlets requires special consideration because they can be easily crushed or torn when shelved alongside hardcover books. For this reason, they should either be kept in file folders in a file cabinet, or kept in boxes that have approximately the dimensions of a hardcover book and placed vertically on a shelf.

#### **Flyers**

▲ flyer is a single page leaflet advertising a nightclub, event, service, or other activity. Flyers are typically used by individuals or small business and are a form of small scale, community communication.

Flyers are typically sized no bigger than A5 and are usually printed on card, around 300gsm (grams per square metre).

Flyers are handed out on the street, posted on bulletin boards, or g iven away at events. Bulletin boards are found on college campuses, in cafes, community meeting houses, laundromats and small markets.

Flyers, along with postcards, leaflets and small posters, are vital and free forms of communication for people who want to engage the public but do not have the money or desire to take out classified ad vertising in a local newspaper.

#### **Transport Media**

Transport media is what we see displayed on the side/back/interior of buses, coaches, trams and trains. To exhibit your business' logo or advert on the sides of buses would be rather costly; it is only well established nation -wide companies which choose to do this. Smaller businesses tend to stick to advertising their business on the side of their vehicles; e.g. a van displaying the company's logo, and contact details to potential customers.

#### **Business Cards**

Business cards are shared during formal introductions as a convenience and a memory aid. A business card typically includes the giver's name, company affiliation (usually with a logo) and contact information such as street addresses, telephone number(s) and/or e-mail



addresses. Traditionally many cards were simple black text on white stock; today a professional business card will sometimes include one or more aspects of striking visual design.

Business cards are frequently used during sales calls (visits) to provide potential customers with a means to contact the business or representative of the business.

#### **Yellow Pages**

Yellow Pages directories are usually published annually and distributed for free to all residences and businesses within a given coverage area.



The majority of listings are in plain small black text. Yellow Pages publishers make their profits by selling special value -added features to businesses such as a larger font size for their listing, or an advertisement box next to the listings in a category. Since the mid-1990s, there has been a trend among Yellow Pages publishers to add four-color printing for some advertisements. Many publishers also offer the option to have advertisements appear with a white background to make them stand out more. Interestingly, most yellow pages are not printed on yellow paper; rather the yellow is printed onto the paper. When an advertisement is printed with a white background, its part of the page does not receive yellow ink - so the white is actually the natural colour of the paper.

Most publishers now make their listings available on the World Wide Web, on online business directory listing web sites, e.g. http://www.yell.com

#### **Newspapers/Magazines**

Newspaper offer advertising at various degrees; big companies usually advertise their products or services on the first few pages underneath the main stories – this has proved to be a very effective way to catch attention. Usually, the back of the newspaper (last few pages) is dedicated to only advertisements. These are usually only in local newspapers, where small businesses pay to advertise around their area. The size, position and placement of the advert is determined by how much the b usiness is willing to pay; a higher cost is required if the business want pictures or large, bold, highlighted text placed on the first page of the advertisements section. Local Magazines are also used to advertise in, such as the monthly borough magazine.

For each type of appropriate media stated, I will now critically analyse the benefits and drawbacks of the marketing media, linking my analysis to Errol Anderson Motors.

#### Leaflets

Leaflets have many advantages and some critical disadvantages. They are ideal because they are cheap and quick to make and distribute; and their distribution can be controlled to a set perimeter i.e. Harrow. An adequate amount of information can be put onto the leaflet i.e. contact information, address, striking and carefully selected images (easily memorable), etc. without the potential customer losing interest because of too much writing. Colours, writing, formatting, and images must be chose with utmost care, as it must immediately attract those potential customers. For instance, an image which can be recognised as a car mechanic's garage from a leaflet stack without close inspection would be that of; a car with a hood open and a spanner symbol next to it. Most people would interpret this in the correct way. As I said, if formatting of the leaflet is unfitting, potential customers would be lost and the leaflet would surely be thrown away. Money and time would be wasted in redesigning the leaflets and reprinting them - Errol cannot afford for that to happen, since surviving the first year is a necessity for him. Another disadvantage to leaflets would be that leaflets can be given out in the streets, which means it's impossible to target a specific segment of the population. Since Errol would want to get the leaflets to people who drive cars, giving them in the street is not the best idea, even though it is the most realistic.

#### Flyers/Posters

These are excellent for short, sharp messages, and can contain eye -catching colour and features that would attract not only the desired segment of the community, but other people that may be able to notify potential customers of the business. Because many are situated where they will be seen by motorists and passengers on public transport, who will only see them briefly, they have to communicate their message very quickly. This means they cannot contain detailed information; only persuasive pictures or slogans. If they stay in place for a long time, many people can see them repeatedly so that the message is reinforced continually. This is a relatively cheap form of advertising that can be seen by everyone; its manufacture is not of much difference to leaflets. Errol could use the low costs of this method of promotion to his advantage. With flyers, Errol is able to slip them inside monthly free Harrow Council magazines and gain the interest of potential customers. A disadvantage of putting up posters would be the risk of them being vandalised or damaged by the weather, and with flyers; a lot will be wasted since not everyone who reads the free council magazine is a potential customer – this makes it extremely difficult to target the desired audience.

#### Transport media

Errol will certainly need a van for his line of business; and one with his company logo and contact details printed on the side of it would provide a lot of promotion without any additional effort. Most mechanics use this type of media, and so it is almost expected. He simply has to drive to and from work or to any other location in Harrow, and potential customers will be a ble to know of the garage's presence in their local area. Errol may also be able to provide a roadside help service, which he can make evident by displaying the service in text on the side of his van. Nevertheless, Errol must make sure he drives his van in the most professional fashion at all time; i.e. no bad driving; it would create an undesirable image with potential customers. Another drawback which could set a negative image is if Errol drives around in a dirty van; keeping it clean would make him seem organised and professional to the eye, and attracting potential customers is what he wants.

#### **Business** cards

Business cards are extremely useful and handy for promoting the business further to first time customers, or to just professionalise the image of the business. Errol would be able to easily distribute business cards wherever he goes. Business cards provide the potential customer with crucial information such as the contact details, and the address of the garage. Since a business

card has to be constrained to a small font to fit everything in, lots of information shouldn't be crammed in; this would lead to it being thrown away and potential customers being put off. A problem with business cards would be that it's hard for Errol to target new customers; he must decide where and when it would be appropriate to hand them out; e.g. posting them in letterboxes around the neighbourhood, or at shopping centre car parks, etc. Nevertheless, despite the professional information included on the card, Errol must make sure the actual card is high-quality, printed out on a quality printer. Faded business cards printed from Economical printers on children's drawing card would not set an ideal image to potential customers for Errol.

#### **Yellow Pages**

The Yellow Pages is also a brilliant way to promote Errol's business. Since there is a set coverage area for the Yellow Pages, Errol can send in details of his company and he would be able to advertise to a degree. This means that he must pay more money for his advert to be more prominent, i.e. be highlighted, in a bold box, with bigger font and his company logo, etc. The minimum price to advertise on yellow pages starts at £30. However, an even better solution would be to advertise his company on the Yellow Pages website, Yell.com. He is able to display the most crucial details for FREE – this is ideal since he must spare money at the beginning of his solo career. The Yellow Pages is arguably the most used directory service in the UK, so becoming distinguished in it would have a critical effect. The internet directory is significantly more advantageous in terms of searching for a service. Rather than spending time looking through the index for a service (which is categorised and may not contain the words you are looking for), you are able to query the directory with any word, and related matches will be displayed in order of relevance to your query. The website also gives you advanced search options such as constraining the search to a specific area, e.g. Harrow. A drawback to this is that other competing garages could pay even more money to displace Errol's place in the Yellow Pages or on Yell.com; and each garage is displayed (as default) in alphabetical order after the priority slots on the website.

#### **Newspapers/Magazines**

Though this option is costly, it would have a good effect on Errol's image. Monthly Harrow Council magazines are a good opportunity for Errol to make his garage's presence known. He could pay a good amount when his business is beginning to boom to get a good s pace in the local newspaper or magazine to advertise his business appropriately, again taking the same precautions (visually appealing, relevant information, etc.) . Some drawbacks

for newspapers are that there are a great number of them in local newspapers; particularly free ones because they rely on advertising revenue for their existence. Therefore, there is less likelihood of an advertisement being noticed. In addition, newspapers are only read once (if at all, in the case of free newspapers), so the adverts may not be noticed. Magazines usually have a clear target audience such as teenagers, males, females, car enthusiasts, etc. Therefore, it is easy to target advertising to the relevant readership group and also to link advertising to the features in the emagazine. For example, in an Auto Trader magazine, on a page where more cars in the Harrow area are prominent, this would be an ideal place for Errol to advertise his service. This means that the adverts are only seen by the target market and this makes the money spent very cost effective since people would refer back to the magazine to Errol's ad.

## The Market Research Errol Anderson could undertake to help decide upon the Marketing Campaign

Why does a business need market research? Businesses need to find out from their customers whether they like their existing products/services and whether they would be prepared for improvements or new products. If they do not act upon the opinions of their customers, they risk producing goods and services that the public do not want. The business needs to conduct market research using a variety of techniques to be able to obtain this data and produce the products and services according to the customer's wants. Market research is inevitable for Errol as he is a starting business – even though he is a sole trader and will open a relatively small business, he still must conduct as much research he can as efficiently as he can within his means.

In this section I will elaborate upon how Errol would be able to conduct research to maximise the potential of his business and produce a successful marketing campaign.

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## **Secondary Research**

Secondary research is basically information gained from studies previously carried out by government agencies, trade associations and other organisations.

You can find much of this kind of information in local libraries or on the internet, but books and business publications, as well as magazines and newspapers, are also good sources.

Although secondary research is less expensive than primary research, it's not as accurate, or as useful, as specific. For instance, secondary research will tell you how much adults spent on family cars, but not how much they're willing to pay for the family car design your company has in mind.

## Primary Research

Primary research is simply research that's customised to a company's individual needs. There are several approaches (techniques) which can be implemented for this; with focus groups, surveys, field tests, interviews or observation - you can gain information about your target market. For instance, you can explore an issue particular to your business such as; feedback about the business' website, response to packaging of a product, and you could also find out how much consumers would be willing to pay for a new product.

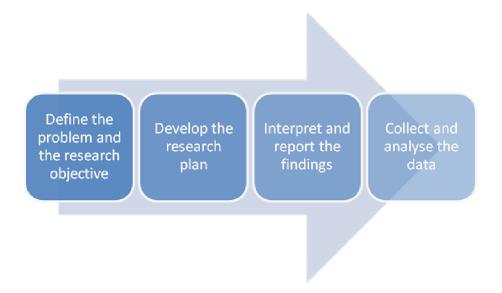
Primary research delivers much more specific results than secondary research, which is an especially important consideration when launching a new product or service.

Businesses must find out from their customers whether they like their existing products and if they would be prepared to buy a new product. If they do not rely on the customers to provide them with opinions and rely on information that the company gains elsewhere, they risk producing services and goods which are not what consumers want. To avoid this they carry out market research. This helps businesses to find out what their consumers want, how much they would be willing to pay for products, who their customers are likely

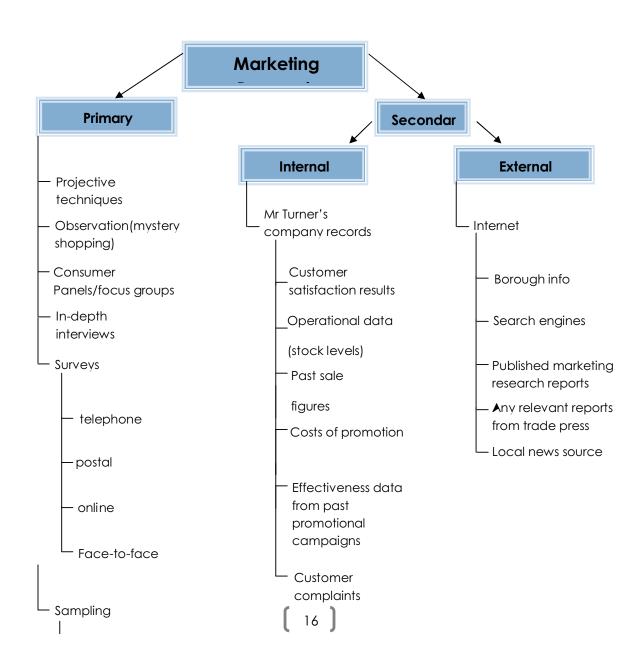
to be, what would make consumers buy one product rather than another, how their promotion techniques stand and how they can improve them, and of course, who their competitors are. Primary research delivers more specific results than secondary research, which is an especially important consideration when you're launching a new product or se rvice. Consequently, professional primary research can be rather costly.

Below I will depict a simple stage -by-stage process of how marketing research is carried out.

## **Marketing Research Process**



There are two methods of market research which I will illustrate and define accordingly. Research techniques will be included for each method.



There are many different types of market research techniques available to Errol Anderson for him to research the market his garage is entering. The following list consists of examples and explanations of primary and secondary research techniques available to Errol.

## **Secondary Research Techniques**



"Internal"; meaning secondary resources available to Errol only.

#### Mr Turner's Company Records

Mr Turner's company records consists of files such as past sales figures, operational data (stock levels), customer satisfaction results (from past surveys), and many more files which Errol could analyse and adapt his business to. Errol could learn a great deal by utilising this data and adapting it to refine his service. He could learn from the mistakes and flaws of Mr Turner's business by studying the customer satisfaction surveys, and promotional techniques and campaigns. The effectiveness of past promotional campaigns could be analysed by Errol and amended/improved to his specifications.

#### External

"External"; meaning secondary sources publicly available for people to look at.

#### Internet

Simply put, the internet has information about every item or service imaginable. Research can be conducted with minimal costs and adequate information can be acquired with ease. Information from all around the world is included on the web, so the boundaries for searching are only limited by imagination.

#### **Articles**

These could be articles or special reports in newspapers such as the window special reports in the window special reports in newspapers such as the window special reports in the

## **Primary Research Techniques**

#### Random Sampling

In a random sample, all members of the population have an equal chance of being selected. To take a random sample, it's necessary to take all the names of the people who live in a particular area (electoral register) and use a systematic approach to selecting the sample, e.g. every 50 th person on the list. This person needs to be interviewed to make the sample truly random. Random sampling tends to be quite expensive for Errol in his position, and time-consuming, but gives a sure sample of the population.

#### **Quota Sampling**

The business would select people within the population who meet set criteria. For example, Errol may choose to speak to 150 males and 150 females about their cars and driving, all aged between 20 and 30. Thus, if they are conducting street interviews, they are able to pick whoever they want as long as they meet the age criteria (between 20 and 30). The business would then have to interview 150 people of each sex. Evidently, this is far easier to complete, and much easier than random sampling.

#### **Product Sampling**

As suggested by the title, this is where samples of new products are made available, for example, at a supermarket, for cu stomers to try and answer questions about. Since the product is given to customers to try for no charge, this would be appealing to them and they would generally be more willing to answer questions and give a broad opinion.

#### **Questionnaires**

This is the most common form of primary research. It is comprised of a list of questions which are carefully planned to find out opinions of customers. A questionnaire can be carried out in the street, by telephone, by post, by email. Factors such as where the questionnaire will be carried out, on which days of the week, what time of day and how many people are going to be questioned all have to be considered to maximise the quality and productiveness of the results for the business.

Questionnaires have advantages over other surveys in that they are the cheapest, do not require as much effort from the questioner as verbal or telephone surveys, and often have standardised answers that make it simple to collect data. However, such standardised answers may frustrate users.

Making sense of the collected data would not be difficult for businesses; e.g. putting the retrieved data into the form of a graph or table. Tables would present the data neatly, whereas using a chart or graph would be easily and quickly understood when looked at.

Questionnaires are also sharply limited by the fact that consumers must be able to read the questions and respond to them. Thus, for some businesses, conducting a survey by questionnaire may not be practical.

#### **Interviews**

Interviews could be used by a business to find out whether a customer liked a product. The interviewer would have a pre-set list of questions to ask the interviewee, many of which would allow them to express their own opinion (open questions). Unlike questionnaires, interviews allow the consumer to consult the interviewer if a question is difficult to understand.

#### **Consumer Panels/ Focus Group**

This is where groups of consumers give their views about a product or service over a period of time. Most TV and radio stations use this me thod of research to monitor the popularity of their programmes. Panels may also be asked to give views on new products e.g. before an advertisement is presented to the general public, it may be viewed by a consumer panel who would put

forward their opinions first. Consumer panels are practical in the way that they can give detailed information about a product or service, and the opinions can be monitored over time. A problem with this is that it would be difficult to keep the same panel available over a period of time.

I will now critically analyse the benefits and drawbacks of the marketing research techniques that Errol Anderson could use for his business.

## **Primary Research**

#### **Questionnaires**

Errol would find this method of research indispensable since it is cost-effective, and we are not entitled to spend an inordinate amount of money on research. Designing a questionnaire would require simple, clear questions which should not contain any build which could be misunderstood. The questions should directly link with the information needed; but also, the number of questions should be allocated accordingly. Too many questions would put off consumers and result in poorly conducted research. For both Errol's and the consumer's benefit, the questions should be a rranged in common sense order, which would later help Errol record and organise the data quickly and conveniently.

The most crucial question Errol must ask himself when designing the questionnaire is "What do I want to find out?" Before designing the quest ions, it would be a good idea to jot down which information you need to find out first. This would prove to be essential to Errol as he could focus his questions accordingly and make sure he doesn't miss anything vital. Errol must use a mixture of closed and open questions. An example of a question would be in a situation such as:

Do you own a car?

Yes

No

Closed questions are more favourable to consumers because they are quicker and easier to complete. On the other hand, people may need a supplementary choice or an opportunity to express an individual opinion. This is why Errol should also make sufficient use of open questions, where people are able to answer in their own words. Although the quality and value of the questionnaire response is increased by these individual opinions, it is more time-consuming and difficult to analyse. An example of an open question for Errol might be:

Have you ever experienced any unsatisfactory service from other garages?



Yes No\_\_

vyes, necse spec vy chore reco morne mostorne nesow.

Open questions would give Errol Anderson a chance to find out more about other people's individual feelings and expectations for a business such as his; however, it is very hard to change these responses into statistics such as graphs or tables.

Errol must also consider where, what time of day, which days of the week and how many people his questionnaire would be carried out to. For example, if Errol stood at a street stand between 9am – 5pm on a weekday to question

people aged 20 - 30 years, he wouldn't get much response at all. He would have to try on a Saturday at a place such as a shopping centre, where people matching his criteria (who drive a car, be tween 20-30 years of age, male/female).



Errol would be able to decide for himself what questions he would like to ask and get the answers he needs. Everyone is asked the same questions therefore, it is easy to analyse and make sense of his results using a computer and constructing a table and/or graphs, making things organised and easily interpreted and observed. He also has the choice of conducting questionnaires face-to-face which helps make sure that the respondent understands the questions



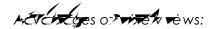
Consumers may want to express their opinions on some matters; but whether they can or not is controlled by Errol's design of the questionnaire (use of open and closed questions). Questions can be brief and uncongenial.

Postal and newspaper questionnaires have a very low return -rate.

Although questionnaires are one of the cheapest methods of primary research, they are rather costly and time-consuming for Errol.

#### Interviews

Errol Anderson may want to interview people at certain events such as car shows or next to car prize raffle giveaways at Harrow shopping centre. He would need to be able to construct a set number of questions that would be vital to his research. He needs to limit the number of his questions and the length and complexity of each one to not put off the consumer.



It is easier to obtain detailed information about the consumer's views . The interviewer is able to help the interviewee if any question is misunderstood



Interviews are an expensive way of collecting information, because they are time-consuming to conduct. Errol may have to travel some distance between one interview and the next

## **Secondary Research Techniques**

#### **Internal**

Secondary data Errol can retrieve from inside his organisation.

#### Mr Turner's Company Records

Errol can retrieve market research data, customer satisfaction data, promotional campaign statistics and much more invaluable sources from Mr Turner's records to use as a base for starting off his business, and for advice on what to do, what not to do, and things that could be done to better Mr Turner's strategies.

#### **External**

Secondary data Errol can retrieve from outside the organisation.

#### Internet

Errol would easily be able to find out about competition and different testimonials of customers on websites and searching through search engines. Also, it does not cost Errol any money.



Information is obtained without cost and is usually instantly available.



Information is not tailored to the specific criteria of Errol Anderson Motors (information regarding the Harrow area). Also, any information available to Errol is there for other competing businesses. Finally, information may be out of date.

Overall, I surmise that primary research would be the best way forward for Errol. Despite the fact that secondary research is much more cost effective, it doesn't provide him with the necessary information he would need compared to primary research. Conducting his own findings in the H arrow area would cost time and money and require a large sample to make sure the findings are accurate; but it would help him in the long run to tune his business into one which meets all his potential customer's needs. Analysing the data would sometimes be difficult, and generally time-consuming, but it makes things more organised and easy to interpret and refer to. Primary research is specific to Errol's garage service, and what he wants to find out. There is no problem about it being up to date. It gives an insight into the market Errol is in, and this can be used to gain the upper hand over competitors as they cannot take the research from Errol.

I believe that the most appropriate marketing research technique that Errol could undertake for initial research is to distribute a questionnaire. I think that this technique can prove to be effective in many ways while still suppressing costs for Errol. As aforementioned, Errol is a sole trader and of course has only one source of finance – from within the organisation; he cannot sell shares on the stock market (nor would he want to if he could, since it is a small company and limited to the area of Harrow).

As I have stated, using a questionnaire to gain individual information proves to be very suitable for his marketing budget because printing in bulk is cheap and quick. Employing a questionnaire as a technique would be more costeffective than using posters, due to the costs which are derived from the amount of colour ink used, paper types, and the size of the overall poster. Using a questionnaire is also very practical for Errol since he can constrain and tailor the questions to find out the exact and relevant information he needs for the company. The geographical area in which the questionnaires are distributed is obviously controlled; door-to-door, post, or hand out questionnaires would be within a set area in an attempt to target only the residents of Harrow and perhaps some of Wembley (as he has a small business and therefore only has one branch).

Questionnaires will be systematic to analyse as everyone does the same one. Although it may be time consuming to study because of open questions which require individual answers, the end result will aid Errol in the long term by providing him with the answers he wants to the questions he assigned. These answers should set him parameters for how to launch his business in the right direction. If the questions are designed and targeted accordingly, Errol should gain key information to cast a general idea on how to conduct his promotional campaign, maximise customer satisfaction and other factors needed to start up his business such as location, selling price ranges, main competitors, etc. Errol can also gain feedback on the questionnaire itself by asking a simple question at the end, enabling the consumer to write a sentence of constructive criticism about it. With this, he can then create questionnaires of greater quality in terms of professionalism, relying on the public's (or target segment's) perception of it.

Referring back top measuring the outcome (results) of each questionnaire; though the open questions would require more examination, the extent of which each question can be answered can be controlled by the design of the question itself. Making open questions moderately short and to the point allows Errol to collect the data and opinions and group them accordingly into allocated groups in tables. All the data from each questionnaire can be recorded in tables (most are easy to record and interpret due to them being "yes-no" questions) and using spreadsheet/word processing software, the

data in the table can be presented in a more legible form such as a graph or chart. Depicting all his findings in charts (e.g. pie charts) makes things much easier much easier to understand at the first glance. However, keeping the data to refer to in tables makes it easier to compare some aspects of the questionnaire with others. In conclusion, questionnaires prove to be an ideal way to conduct vital research for the start-up of Errol Anderson Motors.

## **Promotion and Advertising**

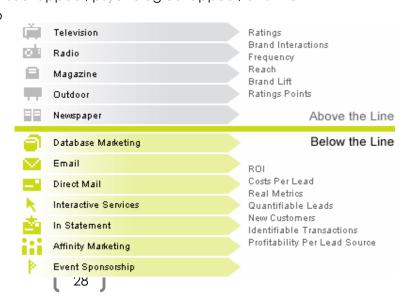
## Why does a business need to promote and advertise?

If a business does not promote its product or service by using means such as advertising, sales promotion and public relations, it would be point less for a business to produce a new product or service since the public would be oblivious to its existence, and therefore the business wouldn't receive any customers. In our case, it is crucial for Errol to promote his business as widely as it is possible for him to do, to thwart other competitors and bring in as many potential customers as he can. Of course, the promotion al campaign can only be undertaken after specific research about the target segment has been made (e.g. who they are, where and when they are most likely to be during the week, factors in an advert that appeal to them [corresponding to their age range]).

#### **Define: Promotion**

The meaning of promotion in the marketing mix is the promotion of a product or service by the use of advertising, s ales promotion, public relations, direct marketing, and personal selling. Promotion is about communicating with the customers to tell them what the product is, where they can buy it and how much it will cost. Nevertheless, this is just plain information. A potential customer would not be drawn to a product or service (particularly a new garage in town, i.e. Errol Anderson Motors) by mere information. The main other function of promotion is to present a customers to buy a product/service, specifically you product, not those of your competitor. Thus, promotion has to make the product/service look attractive and hence use

image of professionalism to make it inviting to potential customers. In the long term, a successful promotion campaign develops a positive brand attitude and establishes brand awareness.



**Above the line promotion** - above the line promotion is promotion that is carried out through independent media that enable a firm to reach a wide audience easily. These might include newspapers and television.

**Below the line promotion** - below the line promotion is promotion over which the firm has direct control. It includes methods of direct promotion like direct mailing, exhibitions and trade fairs and sales promotions.

#### **Promotional Mix**

In this section I will attempt to define the four main aspects of the promotional mix, labelling them as above the line or below the line accordingly.

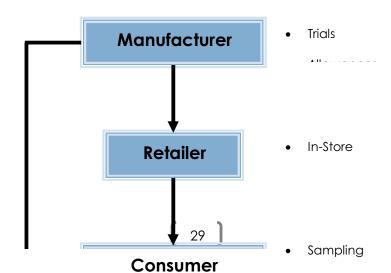
Accompanying some of these explanations will be various examples of each aspect, all of which are available to Errol to consider for his promotional campaign.

#### **Sales Promotion**

Sales promotions are non-personal promotional efforts that are designed to have an immediate impact on sales. Media and non-media marketing communications are used for a preset limited time to increase consumer demand, stimulate market demand or improve product availability.

Sales promotions can be focused at the customer, sales staff, or distribution channel members (e.g. retailers). Sales promotions targeted at the consumer are called consumer sales scales promotions targeted at retailers and wholesale are called the scales promotions.

#### "Push Vs Pull" Diagram



#### **Consumer Sales**

# Price deal: A temporary reduction in the price, such as

#### Loyalty rewards program:

Consumers collect points, miles, or credits for purchases and redeem

- Penny-off deal: Offers a brand at a lower price.
   Price reduction may be a percentage marked on
- Price-pack deal: The packaging offers a consumer a certain percentage more of the product for the same price (for
- Coupons: Coupons have '
  become a standard mechanism
  for sales promotions.
- Loss leader: the price of a popular product is temporarily reduced in order to stimulate other profitable sales
- Free-standing insert (FSI): A
   coupon booklet is inserted into
   the local newspaper for delivery.
- On-shelf couponing: Coupons are present at the shelf where the product is available.
- Checkout dispensers: On checkout the customer is given a coupon based on products

**On-fine couponing:** Coupons are available on line. Consumers

#### **Trade Sales Promotions**

- Trade allowances: short term incentive offered to induce a retailer to stock up
- Dealer loader: An incentive given to induce a retailer to purchase and display a
- Trade contest: A contest to reward retailers that sell the most product.
- Point-of-purchase displays: Extra sales tools given to retailers to boost sales.
- Training programs: dealer employees are trained in selling the product.
- Push money: An extra commission paid to retail employees to push products.

#### **Advertising**

The main purpose of advertising is to communicate. Its job is to draw public attention to goods and services, performed through various types of media already discussed under the "marketing media" section.

The same advertising techniques used to promote commercial go ods and services can be used to inform, educate and motivate the public about non-commercial issues (e.g. energy conservation, deforestation). Advertising provides information for consumers so that they are able to make a better choice about what they buy.

Move We whe, as aforementioned, is an advertising technique using mass media to promote brands. Major above -the-line techniques include TV and radio advertising, print advertising and internet banner ads. It varies from when which believes in unconventional strategies, such as direct mail, leaflets, posters, sales promotion, etc. The above the line strategy employs current traditional media: television, newspapers, magazines, radio, outdoor, and internet. We have already discussed the inesse ntials of above the line advertising in relation to Errol Anderson Motors; in brief, Errol is a relatively small garage (sole trader) and has need only for prominence in the Harrow area.

In order for maximum effectiveness in advertising, Errol must conside r and meet to the greatest extent possible the following criteria in which an advertisement needs to be successful;

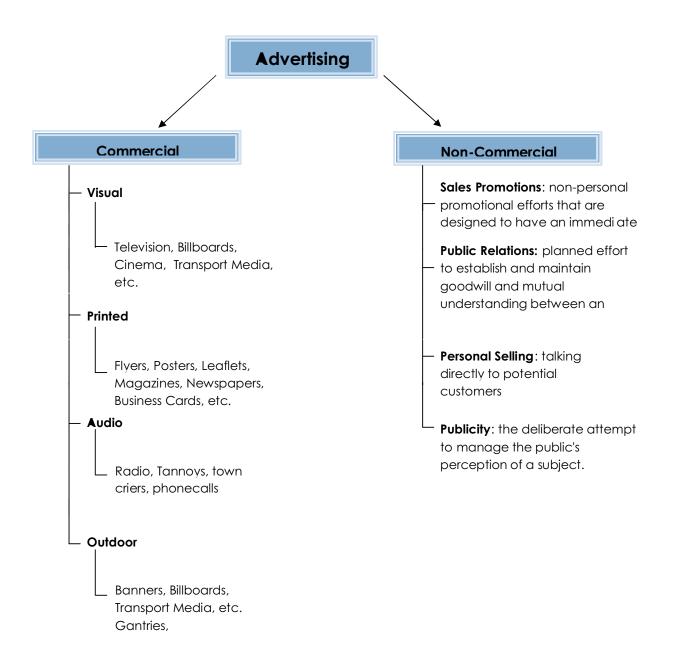
- The advertisement must be seen
- Must be read
- Must be believed
- Must be remembered
- Must be acted upon

These criteria are more often referred to with the marketing acronym AIDA;

- A Attention (Awareness): attract the attention of the customer.
- I Interest: raise customer interest by demonstrating features, advantages, and benefits.
- **D** Desire: convince customers that they want and desire the p roduct or service and that it will satisfy their needs.

• A - Action: lead customers towards taking action and/or purchasing.

On this page I will give examples which have already been mentioned in the first section on "marketing media".



#### Public Relations (PR)

Public relations deal with a business's relationships with its stakeholders (e.g. employees, customers and shareholders). It is crucial that a positive and favourable image is attained by the company so that sales increase. PR activities are aimed at achieving good and positive publicity. Making use of radio broadcasts, press and other media would help obtain this good publicity. For example, Errol would have to produce his own advertising, but he would want a local borough mag azine/newspaper to write a review of his garage to increase positive publicity. The main uses of PR are to create awareness within the public, maintain visibility in the corporate world, to promote a positive image and communicate with the public.

Examples of PR activities are;

- Press conferences
- Press releases
- Lobby groups
- Astroturfing
- Spin doctor
- Publicity events or publicity stunts
- Collateral literature
- Sponsorship (e.g. on a local level), for a car show event or sale.
- Donations to charity
- Speeches and Interviews

#### **Personal Selling**

Personal selling involves talking directly to potential customers by means of a sales team, telephone, meetings or door-to-door. This method is only really used when products are individual and expensive such as new windows for a house, which would cost a large sum of money, since they have to match the attributes and measurements of the house. Personal selling is also used when companies sell products to other companies; sales representatives who know intimate details about a product can use their knowledge to inform the

buying company about all the functions and technicalities of the product. Using personal selling means that a business would receive rapid/immediate and individual feedback from the customer. This in turn helps t hem improve products or services and attract more customers. Errol could use personal selling in the event of, for instance, musty seats in a car (door -to-door), door replacements, etc.

## Critically analysing the benefits and drawbacks of the methods mentioned

#### Leaflets

Leaflets have many advantages and some critical disadvantages.



They are ideal because they are cheap and quick to make and distribute; and their distribution can be controlled to a set perimeter i.e. Harrow. An adequate amount of information can be put onto the leaflet i.e. contact information, address, striking and carefully selected images (easily memorable), etc. without the potential customer losing interest because of too much writing. Colours, writing, formatting, and images must be chose with utmost care, as it must immediately attract those potential customers. For instance, an image which can be recognised as a car mechanic's garage from a leaflet stack without close inspection would be that of; a car with a hood open and a spanner symbol next to it. Most people would interpret this in the correct way.



As I said, if formatting of the leaflet is unfitting, potential customers would be lost and the leaflet would surely be thrown away. Money and time would be wasted in redesigning the leaflets and reprinting them – Errol cannot afford for that to happen, since surviving the first year is a necessity for him. Another disadvantage to leaflets would be that leaflets can be given out in the streets, which means it's impossible to target a specific segment of the population. Since Errol would want to get the leaflets to people who drive cars, giving them in the street is not the best idea, even though it is the most practical.

#### Flyers/Posters



These are excellent for short, sharp messages, and can contain eye -catching colour and features that would attract not only the desired segment of the community, but other people that may be able to notify potential customers of the business. If they stay in place for a long time, many people can see them repeatedly so that the message is reinforced continually. This is a relatively cheap form of advertising that can be seen by everyone; its manufacture is not of much difference to leaflets. Errol could use the low costs of this method of promotion to his advantage. With flyers, Errol is able to slip them inside monthly free Harrow Council magazines and gain the interest of potential customers.

wicklestes:

▲ disadvantage of putting up posters would be the risk of them being vandalised or damaged by the weather, and with flyers; a lot will be wasted since not everyone who reads the free council magazine is a potential customer – this makes it extremely difficult to target the desired audience. ★dditionally, because many are situated where they will be seen by motorists and passengers on public transport, who will only see them briefly, they have to communicate their message very quickly. This means they cannot contain detailed information; only persuasive pi ctures or slogans.

Transport media

ACVENTEDES:

Errol will certainly need a van for his line of business; and one with his company logo and contact details printed on the side of it would provide a lot of promotion without any additional effort. Most mec hanics use this type of media, and so it is almost expected. He simply has to drive to and from work or to any other location in Harrow, and potential customers will be able to know of the garage's presence in their local area. Errol may also be able to provide a roadside help service, which he can make evident by displaying the service in text on the side of his van.

## V victor charges:

Nevertheless, Errol must make sure he drives his van in the most professional fashion at all time; i.e. no bad driving; it would create an undesirable image with potential customers. Another drawback which could set a negative image is if Errol drives around in a dirty van; keeping it clean would make him seem organised and professional to the eve, and attracting potential customers is what he wants.

#### **Business** cards

## ACVC/ACGES:

Business cards are extremely useful and handy for promoting the business further to first time customers, or to just professionalise the image of the business. Errol would be able to easily distribute business cards wherever he goes. Business cards provide the potential customer with crucial information such as the contact details, and the address of the garage.

## V vice Verteres:

Since a business card has to be constrained to a small font to fit everything in, lots of information shouldn't be crammed in; this would lead to it being thrown away and potential customers being put off. A problem with business cards would be that it's hard for Errol to target new customers; he must decide where and when it would be appropriate to hand them out; e.g. posting them in letterboxes around the neighbourhood, or at shopping centre car parks, etc. Nevertheless, despite the professional information included on the card, Errol must make sure the actual card is high -quality, printed out on a quality printer. Faded business cards printed from Economical printers on children's drawing card would not set an ideal image to potential customers for Frrol.

#### **Yellow Pages**



The Yellow Pages is also a brilliant way to pro mote Errol's business. Since there is a set coverage area for the Yellow Pages, Errol can send in details of his company and he would be able to advertise to a degree. This means that he must pay more money for his advert to be more prominent, i.e. be highlighted, in a bold box, with bigger font and his company logo, etc. The minimum price to advertise on yellow pages starts at £30. However, an even better solution would be to advertise his company on the Yellow Pages website, Yell.com. He is able to display the most crucial details for FREE – this is ideal since he must spare money at the beginning of his solo career. The Yellow Pages is arguably the most used directory service in the UK, so becoming distinguished in it would have a critical effect. The int ernet directory is significantly more advantageous in terms of searching for a service. Rather than spending time looking through the index for a service (which is categorised and may not contain the words you are looking for), you are able to query the directory with any word, and related matches will be displayed in order of relevance to your query. The website also gives you advanced search options such as constraining the search to a specific area, e.g. Harrow.

▲ drawback to this is that other competing garages could pay even more money to displace Errol's place in the Yellow Pages or on Yell.com; and each garage is displayed (as default) in alphabetical order after the priority slots on the website.

#### **Newspapers/Magazines**

ACV CIRCLES:

This option would have a good effect on Errol's image. Monthly Harrow Council magazines are a good opportunity for Errol to make his garage's presence known. Newspapers allow him to reach a huge number of people in a given geographic area, and he has the flexibility in deciding the ad size and placement within the newspaper. A further advantage is the ad he

decides to run today can be in his customers' hands in one to two days. He could pay a good amount when his business is beginning to boom to get a good space in the local newspaper or magazine to advertise his business appropriately, again taking the same precautions (visually appealing, relevant information, etc.)



Some drawbacks for newspapers are that there are a great number of ads in local newspapers; particularly free newspapers because they rely on advertising revenue for their existence. Therefore, there is less likelihood of an advertisement being noticed. In addition, newspapers are only read once (if at all, in the case of free newspapers), so the adverts may not be noticed and ad space can be expensive. Magazines usually have a clear target audience such as teenagers, males, females, car enthusiasts, etc. Therefore, it is easy to target advertising to the relevant readership group and also to link advertising to the features in the magazine. For example, in an Auto Trader magazine, on a page where more cars in the Harrow area are prominent, this would be an ideal place for Errol to advertise his service. This means that the adverts are only seen by the target market and this makes the money spent very cost effective since people would refer back to the magazine to Errol's ad. Another drawback is that this is a quite costly option.

#### **Sales Promotion**

Errol can specifically target his audience using sales promotion tools such as vouchers, discounts, etc.

ACT COS.

Quick increases in sales can be achieved by targeting promotional incentives on particular products, e.g. Car shampoo (in the summer), De-icer (in the winter). An additional benefit is that it is good short term tactical tool.

wickleholdes:

If used over the long-term, customers may get used to the effect and become less interested. Excessive promotion may damage the brand image.

On the following page is the questionnaire I have designed for Errol. It is my rendition of a rough idea as to how Errol's questionnaire should be in terms of content and appearance.

## Blank Questionnaire

## Questionnaire

## Which of the following media would most attract your attention if you were looking for a garage?

News - paper	Leaflet	Internet (Yell.com)	Magazine	Radio	Advert on Van		
Ш			Ш		Ш		
What features attract you to an advert?							
Colour	Design	Pictures	Professionalism	Minimal Information	Other		
ШПП	Ш	Ш	П	Ш			

## Which other factors would affect your decision in choosing a garage?

Special Offers	Friendly, Service	Professionalism	Other
ШП	Ш	Ш	Ш

### Graph 1

### Graph 2

### Graph 3

### **Graphs Analysis**

Evidently, from the bar graph, more people prefer to use the Internet as a form of media. I think this is because nowadays, a great deal more people are becoming accustomed to using computers on a daily basis. As a result, there is a general trend in businesses moving towards internet advertising. This means that computers are becoming a part of daily life and so advertising here can attract many.

Based on this primary research I would recommend that Errol should consider advertising on the internet on a site such as Yell.com, as this method would most likely find its way to the eyes of potential customers searching for local garages.

The pie chart illustrates what attracts Errol's potential customers to an advert. Based on my research results it is evident that most of the public enj oy a colour advert, followed by one with pictures. As a result, I would recommend that Errol produce a colour advert with pictures. I believe the public chose these options because these days, computers can do wonderful graphical colour images that can as found many. Pictures always add feeling and flavour to an advert and so I would advise that Errol do so.

The radar highlights people interests, when deciding to move from their standard garage. Unfortunately, this graph is rather unclear and ads a result, it is hard for me to read and analyse without close inspection. However, based on my results from the tally table, I can say that it showed that people were interested in location. I believe these results have occurred because nowadays, people are in a lot more of a rush and so by locating the garage in a convenient area, one where supplies and customers can access with ease; the business would have a significant increase in customers. Errol can also use this data to see what special offers he can present to his potential customers to draw them to his garage.

The reason this graph is difficult to read is because it spans in a weird square in 360 degrees. Therefore reading the points of the square is rather confusing.

In future, I would not use this graph because it takes too long to analyse. I will in future perhaps use a bar chart instead.

### **Questionnaire Analysis**

The purpose of constructing this questionnaire was to discover the most common types of media that attract Errol's potential customers; and als o to find out the factors that affect their decision in choosing a particular garage.

I expected to broaden my knowledge on the type(s) of media that would be most resourceful to utilise in Errol's promotional campaign. My prediction was that most people would be attracted to leaflet adverts in this line of business. I surmised that people would not have expected small, town -based business like these to advertise nationwide, and thus concluded that they would be most likely to be attracted to printed adverts; ones which could be distributed in places of interest (for Errol's potential customers) such as car showrooms in the area, used-car dealers, near petrol stations, etc. Hence, my assumption was that leaflets had a higher likelihood of being appreciated by Errol's potential customers.

After completing the questionnaire, I actually found that the majority of people are likely to find/be attracted to adverts on the internet; on sites such as Yell.com. The fact that the results contradict my prediction (while being fairly accurate – lots of people answered questionnaire) proves that the questionnaire was indeed a success. This information will help me advise Errol with his marketing plan. Based on this evidence I can now recommend that Errol should concentrate on making his advert prominent on the internet; i.e. create an appealing advert on a website such as Yell.com, and perhaps create and develop a professional looking website (relevant to the target audience) to further draw in potential customers.

### **Evaluating Advert**



The leaflet I designed was, primarily, to make potential customers aware of the existence of Errol Anderson Motors, and entice potential customers towards choosing Errol's garage over others in Harrow, and generally promote Errol's business (e.g. offers included in leaflet, discounts, etc.) I also integrated a small form within the leaflet as to give the potential customers' the option of sending the questionnaire back to Errol and requesting the large questionnaire and other information about the garage. Clearly, I left contact details on the back of the leaflet, encouraging potential customers to contact Errol about any special offers they might be interested in, and to visit the website (which, as I have said, would be a crucial promotional object in itself as the majority of people nowadays are attracted to adverts on the internet as suggested in my questionnaire task – this would reflect the image of the company; i.e. a professionally designed website without random banner ads would give a good impression to the user).

### WIR VOIDSE TO MOTORE "TOVENCE SON MOTOR" STORY THE TREATER

I debated over different methods, but came to a decision that leaflets would be more ideal than that of a poster since they can be placed at venues where the target audience would be more concentrated in. This is also most efficient as it is cost-effective, and can be circulated through a variety of mediums, such as clipped inside car magazines and newsagents. It would be particularly efficient in car magazines (e.g. Auto Trader, or any other local car magazine), because if visually appealing, the reader would find it hard not to be intrigued and would most probably take a look. Errol wouldn't have to worry about going to the places where his potential customers are to distribute leaflets – if the leaflets are placed in car magazines; it's probably safe to say that the reader would be one of Errol's target customers. ▲ leaflet holds an ample amount of information about the company, such as current special offers, the goods and services that Errol provides, and the location of his business. This is why I chose the leaflet over the business card - it is able to hold more information without looking too cluttered as it is a bigger medium. Since Errol only needs to attract customers in the area of Harrow, he is able to control the area of distribution with leaflets.

Costo The completion.

[SOURCE: HTTP://WWW.PRINTINGDIRECT.COM/PRODUCTS/LEAFLETS.PHP?S=A4]

The cost of printing leaflets (acquire d from the source detailed above) with glossy paper and double sides would be just £249 for 2000 prints.

## S and with orme to the holy win levels in to cost chetrocestion

This is also most efficient as it is cost-effective, and can be circulated through a variety of mediums, such as in car magazines and newsagents as mentioned. It holds a large amount of information about the company, such as current special offers, the goods and services that Errol provides, and the location of his business. As you can see, the cost is fairly low for a medium which provides such benefit to Errol. He wouldn't want to go for newspaper ads or radio adverts since they are far too expensive, and we must remember that Errol is only a sole trader, with all financing coming from h imself or loans. As Errol only needs to attract customers in the area of Harrow, he is able to control the area of distribution with leaflets.

### www.

Looking at the advert, I think more detail might be required about the services; things such as highlighting the product range in his auto-parts shop, so customers would be given a general idea of what Errol has to offer. Other points he could mention are if he specialises in any makes/models of car, e.g. Mercedes, BMW - this could be an advantage for Errol, because Mercedes/BMW owners tend to have more money to spend, and would be more inclined to spend more than what they came for (e.g. come for a repair, but notice useful in-car products on sale/valet car washing and perhaps purchase them). Owners of these cars would also want quality service, and if Errol happens to specialise in a make such as those mentioned, these customers would read about it. Once he makes these customers happy, they might know other friends with these cars and, eventually, thro ugh word-of-mouth Errol's business would gain a respectable image in Harrow, especially among rich car owners.

# White Cectetry Ettetres vingthitelyet.

The advertisement creates a very professional image about EA Motors, and its vivid, striking colours adjoined with the placid-but-business-like background and language suggest commitment to satisfy; but also to appeal. I feel that even though I have included information, I could include more without making the leaflet too cluttered; but nevertheless the leaf let seems of

adequate quality, ideal for captivating the target segment (who will be discussed in detail in the next point).



Just as intended, the leaflet was not "too" professional or bland, but retained enough business-like features to maintain its target of appealing but also communicating that customer satisfaction is just as important. The freepost information pack/questionnaire request also brought about interest, because of the ease of completing and returning. I think aiming to capture the attention of adults (majority being males) of roughly 25 – 50 years old would be a sensible choice. This is because, in essence, an 18 -year-old who has just passed their driving license would not be one to paying for repairs for their new car – it would usually be their parents; hence the age boundary mentioned.

### **Financial Implications**

If Errol were to implement my recommendations, as aforementioned; this would have some implications. These implications could be **financial** and **social**.

The **financial** implications would be a rise in costs, a rise in revenue and the knock-on effect of special offers.

▲ rise in costs would occur for Errol because he would have more customers using his garage as a result of the advertising campaign. This would result in a rise in costs for Errol as more customers inevitably mean more raw materials/supplies needed. Clearly, if more customers than per usual were to come to Errol's garage, he would need to make sure that the products he sell are in stock and that extra stock is kept just in case the shelves empty due to the rise in customers. This is one of the factors that would lead to costs rising for Errol. One other factor is that since Errol's main business is servicing cars, he must be able to work hard and fast to keep customers happy and not irritate waiting customers. This would be difficult for Errol alone to do, and there would be a risk that he would lose customers because of insufficient manpower - thus he would have to employ someone else to keep business running smoothly. Ultimately, he must pay wages for this worker, and therefore adds to his costs. Due to the new employee, Errol must buy extra tools/equipment for the employee to work with, further adding to costs. The usage of gas/electricity bills for Errol would increase because of the combined usage of electric tools/gas/heat by him and his employee. ▲ final factor which would increase not only costs, but responsibility for Errol is that as his business becomes more successful, he must work harder to maintain his business image. This means that he must attain 100% customer satisfaction. This is because if long-time/loyal customers receive unsatisfactory service once - or even more than once - they would not be inclined to promote Errol's business through word-of-mouth; perhaps it might even incline them to discourage other potential customers. This would give out the idea that the business is slacking, and customers may shy away from Errol's business – giving the upper hand to competitors who would almost certainly use the chance to whisk away customers from Errol.

▲ rise in revenue would essentially mean a higher income, and ultimately higher profits. In the long-term, costs would rise (some of the factors of which are discussed in the preceding paragraph). If Errol maintains his success and the revenue continues to rise, he can put himself in a position where he would be able to think about the company's future plans; such as expansion, re-

location, any future promotional campaigns, etc . This type of financial implication is good for Errol as...

He will gain this extra revenue because..he has more customers?

Some of the social implications of Errol becoming busier would be a negative effect on the local residential area, pollution is sues and increased traffic congestion. This might mean that Errol would have to re-think his location, and perhaps relocate to a bigger property, taking care to choose an appropriate placement so that it does not cause much inconvenience to the increasing number of customers. The re-location could perhaps have a small parking area or a drive thru, so that the streets are not congested and cars can park and switch off their engines, reducing levels of pollution (gas and noise!). He could also think about placing it further away from residential areas and nearer to industrial areas, where is supplies could get in easier without disturbing local residents.

### Legislation

Before Errol can construct a suitable advertising campaign for his business, he needs to consider legislation which may affect the choices he makes for his campaign.

Two of the laws that Errol must be aware of are:

- The Trade Description Act 1968
- The Sale of Goods ★ct 1979

#### The Trade Description Act 1968

This act was introduced to prevent service providers, manufacturers or retailers from deceiving consumers as to what they are spending their money on. This could be in the form of a false trade description to goods/services (which is an absolute offence). For instance, saying a USB pen drive has 1G B memory capacity when it only actually has 128mb is illegal, since this breaches the act in that the good is described as something that is not.

Errol needs to be aware of this act of law because he cannot afford to slip up and generate unhappy consumers when he is starting up. He must fully ensure that he does not include any detail in the adverts about the products/services he offers that are not included/do not adhere to their descriptions. He could face a lawsuit against him, and a lawsuit is not something you want to face, especially at the start-up of a new business.

#### The Sale of Goods Act 1979

This law was passed to ensure that goods must perform to their description's standards, e.g. a waterproof coat must not let water into it.

Errol needs to be aware of this law since he would be selling products/services, each of which has a trade description and quality. If they do not meet their qualities and description of use, the consumers may go to the ASA and again, Errol may face bad publicity in the area and dispel potential customers before the business is up and running.

The **ASA** (Advertising Standards Authority) is an SRO (Self Regulatory Organisation) of the advertising industry. Their responsibility is to enforce a code of conduct (the rules of the British Code of Advertising, Sales Promotion and Direct Marketing) for advertising that advertisers must adhere to. When consumers feel that adverts have broken the rules, they contact the **ASA**,

who then investigate the complaint and can request the advertiser to pull-back the adverts or change it so that it corresponds to the law.

Errol needs to be aware of the ASA the most because they are the affiliation that deals with the companies who abuse the laws of advertisements. If the ASA ends up on Errol's back, he would create a bad image of himself, and again, he would lose customers.

A very recent example of the ASA's actions against someone breaching the advertising laws occurred on 12th February 2007, on "Dr" Gillian McKeith.

Gillian McKeith is the presenter on the show "You Are What You Eat". She had recently released a book and launched a promotional campaign, using the title "Doctor". The ASA deemed this unlawful after conducting an investigation that revealed that she had indeed achieved a distance learning PhD, but her adverts did not mention that she was not a medical doctor. The ASA believed this rendered the adverts as misleading as the college she attended for attaining her PhD "was not accredited by any educational authority when she took the course." This is a prime example of the ASA's function, and the article has been attached in the appendices section at the end of this coursework. This may well be a warning to Errol, as he must also be careful with the services provides, and the degree of qualit y he says he can provide must be met.

# **Appendices**

**Business Coursework** 

Reference Media	Source
	GCSE Comess states to zoexcev. Ny Sae Alina, Non Cooker, Geron O-10, o a-10 no - evace
	"Above the line/below the line examples image" –
	"Leaflets" - Google mayes; sea chienn "ealers"
	"Business card" - Cedied on good famico. Us of mile it as ress-colo-ge re low
	"Yell.com logo" - remcom home rage
	"Marketing Research Process diagram and all other diagrams" –
	"Tally Chart" - Ced et va Microsoft Excel 2007
	"Graphs" - Created in Microsoft Exce 2007
	"EA Motors logo" George by the and Acode Trovos 167 CS2 9.0.
Teacher	Ms M. C76/ca
Websites	Facts and examples of promotional techniques -
Other media	Dr Gillian Reid Article - 20 200 200 / Ews 2/2/2/2007 55 45