

STAN'S TENTS

Student's Manual



*Realistic and
Innovative
Business English
Learning*

Business: the purchase and sale of goods and services in an attempt to make a profit.

Simulation: training by imitating the behavior of some situation or process by means of a reasonably accurate model.




DAVE VOLEK'S BUSINESS ENGLISH

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About Dave Volek

Engineer. Businessman. ESL Instructor. Inventor. At the heart of the comprehensive suite of Dave Volek's Business English (DVBE) modules lies my diverse expertise in business, engineering, and finance; my interest in people and education; and my passion for creating innovative solutions that bridge the inherent gaps of traditional business English instruction. My proven, unconventional approach helps business and technical professionals build strong, practical English skills for the dynamic workplace.

The Other DVBE Modules



Risk & Reward Your group will choose one of three risky investments. The group who makes the best choices wins the contest.

The Grocery Store You will communicate with big numbers and use "increase" and "decrease" a lot. There's some good income statement vocabulary.



The Tractor Deal You will either be a farmer looking to buy a tractor or a farm equipment dealer trying to sell a tractor. Lots of talk about "specs." No experience with tractors is necessary: the buyer and seller worksheets will guide you.

Company Articles You will use about six pages of legal text to resolve various financial, accounting, and legal problems. You wanted some practice with legal English, didn't you? Here it is!



The Billionaires Your group will follow some instructions to determine which billionaire really controls the world. There's lots of suspense to keep you guessing, but you need your business English to find out.

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INTRODUCTION



Welcome to Stan's Tents. In this DVBE module, you will follow Stan, a likeable entrepreneur, preparing a marketing plan for his tent manufacturing business. This marketing plan is done in six steps, with each step having important marketing vocabulary and principles.

Before you start reading through Stan's marketing plan, your group should choose a product or service for which you will build a similar marketing plan. As you finish each of Stan's steps, you will use your business and business English skills to do a similar marketing analysis.

Here are some ideas for a product or service you can choose:

- Store/Shop
- Restaurant/Bar
- Beer
- Golf Course
- Ski Slope
- Travel Agency
- Hotel
- Clothing
- Language Schools

Take one of these ideas or choose your own. You may even want to choose a product or service your company provides.

Have fun with this module. It's a good opportunity to practice the business and business English skills you already have—and perhaps learn some new skills.





STAN AND HIS TENTS

For some reason, Stan had a great fascination with tents that started very early in life. He often **set up** and slept in a tent in his own bedroom. His parents sometimes wondered if their son was a little **crazy**.

As a young man, Stan became a great **outdoorsman**. He chose occupations that had him living in tents. In his younger days, his favorite job was a geologist's assistant on a gold-**prospecting** team, which had him outdoors almost all summer far away from civilization. He also learned to be quite comfortable with winter camping. He once thought he could spend his entire life living in a tent.

Those thoughts changed when he met his **sweetheart**, Sharon. She liked camping, but she was not as **crazy about** it as Stan was. They got married, **settled down**, and started **raising** a family. With kids to **take care of**, Stan had to **curtail** his tenting activities.

When someone has a great **passion**, it's hard to take it out of him or her. Stan started thinking about his many, many nights and days in tents in all sorts of weather. He started thinking about how to improve tents. So Stan set up a small tent making factory in his garage. He bought **workbenches**, tools, and **industrial** sewing **machines**. He bought various kinds of fabric and thread. He started making all sorts of tents.

At first, Sharon did not like Stan's new hobby. It took a lot of money from the **family income** to set up and **run** this shop. This hobby and Stan's regular job also took Stan away from some of his fatherly duties. But she changed her mind when people began buying Stan's tents—and paying **top dollar** for them.

Word of mouth recommendations for Stan's tents kept the business growing and eventually Stan quit his job and **handmade** his tents full-time. He was **custom designing** tents for some very **demanding** customers around the world. All this experience was giving Stan an excellent opportunity to see what tent owners really wanted in a tent. When he wasn't making tents **to spec**, he was making new kinds of tents **on spec**.

In essence, Stan had already become a very good **niche** marketer. He was able to satisfy the needs of tent users who were not satisfied with tents made by the **major** tent manufacturers. Because the number of these tent users looking for Stan's special skills was so small, these manufacturers had little interest in copying Stan's designs. They did not see him as a **threat**.



Question 1

What would constitute the characteristics of niche customers?

- A. Their numbers are not that large in relation to the overall market.
- B. They still have **unmet needs** if they buy the more common or popular **brands**.
- C. Big companies would find it unprofitable to **serve** these customers.
- D. All of the above.

Stan felt it was time to move his talents and experience from specialty tents and into the **mass market**. He found a small factory that could make his tents more cheaply than he could in his shop.

But **mass production** requires the ability to sell many tents to be profitable. To make this change profitable, Stan has to prove he can sell more tents than he has in the past.

Before he **commits** his time and capital to buying **volume** material from **suppliers** and hiring this factory, Stan is preparing a marketing plan. This document is his plan.

Question 2

What is the main problem with moving from **piecemeal** production to mass production?

- A. Factories require **retooling, retraining** of staff, and **trial runs** to manufacture a new product. Paying for this **setup** requires many units of the product to be sold. Piecemeal production needs to **recover** only the cost of labor and material.
- B. Factories see small **home based** businesses as competition and will not cooperate with them.
- C. Factories cannot produce the same quality as piecemeal production.
- D. Factories require proof that the products will be sold before they agree to **custom manufacture** for someone else.



I PRODUCT ATTRIBUTES

Over the years, Stan has designed and made many different kinds of tents. Unfortunately, when he sets up his first factory **run**, he can only manufacture one kind of tent. Stan needs to find that first design that will sell very well so that he afford to have other runs with different designs.

Question 3

Why can Stan only manufacture one kind of tent in his first run?

- A. Having too many designs will only confuse the customers.
- B. The first run never sells well, so Stan should make only one design to keep his expenses low.
- C. The first run always sells well, so it's no use having more than one design.
- D. Each design requires different factory processes to manufacture, and Stan only has enough **capital** for one run.

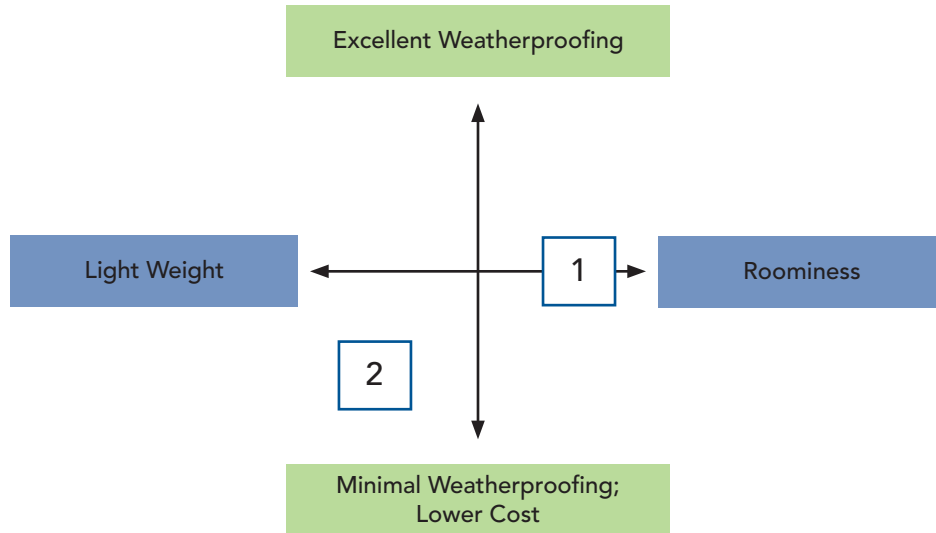
To determine the best first design, Stan started drawing a **marketing position map**. This map starts with two **product attributes**, which are **based on trade-offs**.

The first trade-off is the customer's choice between **weatherproofing** and price. A customer can buy a tent that **withstands** big winds and heavy rain—or buy a tent at very low price. But he can't have both because it is impossible to make a really weatherproof tent cheaply. Of course, a tent manufacturer need not manufacture tents at either **extreme**; there are many **combinations** of price and weatherproofing that could be profitable for the manufacturer and **affordable** for certain customers.

The second trade-off is based on **roominess vs.** weight. A tent with lots of **internal** space requires lots of material—which means a greater weight to carry around. Customers cannot have the **best of both worlds**.



Stan's position map starts looking like this:



With this map, the trade-offs are more easily seen.

The kind of tent at position #1 would have lots of room, but it also would be quite heavy. It would have a **reasonable** amount of weatherproofing at a reasonable cost. The tent at position #2 would be cheap, **lightweight** but have less weatherproofing. **In theory**, Stan could design a tent with any combination of attributes. The **trick** is to find that combination people are willing to pay for.

Question 4

Car manufacturers are always designing cars based on making trade-offs. In the list of product attributes below, three are trade-offs for cars, one is not. Which one is not?

- A. high performance vs. low price
- B. luxury vs. high fuel efficiency
- C. cold weather operation vs. a good stereo
- D. **latest** style and features vs. having parts to span several years and **span** several models



Conversation Guide

Your first round of conversation involves determining the product attributes for the product or service you have chosen. To start this analysis, make a short list of all the choices your potential customers have in buying a similar product or service to yours. Then answer these questions:

- What are the physical differences between these products and services?
- What are the functional differences?
- What are the differences in customer perception?
- What are the differences in reputation?
- How does “price vs. quality” apply to these differences?

When you have answered these questions, then work on these questions:

- What are the two main product attributes that you will use for your position map?
- For the horizontal attribute, what does the left represent? The right?
- For the vertical attribute, what does the top represent? The bottom?

Marketing Vocabulary You Could be Using

- **(product) attribute**
- **trade-off**
- **afford, affordable**
- **high performance, low price, luxury, latest style**



II SEGMENTING

Having been in the tent business for several years, Stan knows that there is no one tent design that can satisfy the needs of all tent buyers. Stan needs to analyze the needs of all buyers, so he organizes these buyers into various **segments** of tent users. He **segments** the tent market in this way:

Wilderness Backpackers

Type I These tenters hike and backpack far away from civilization and are not **put off** by bad weather. They demand lightweight tents that are **durable** and weatherproof. Many of these people even go wintercamping as Stan used to. Generally, these people are reasonably wealthy and price really isn't an **issue** (unless, of course, it is very high).

Wilderness Backpackers

Type II These tenters have similar needs, but they are more **price conscious**. They would be willing to **give up** some quality for a **reduction** in price.

Question 5

What fact below is true of the Type I and Type II Backpackers?

- A. Type II will not buy a **state of the art** tent if the price of this tent is considerably higher than that of other backpacker tents.
- B. If a Type I sees a tent he likes, he will buy it **no matter what** the cost.
- C. Type I are obviously much more knowledgeable about tents than Type II.
- D. Type II will be satisfied with a **mediocre** quality tent.

Budget Tenters People in this group are not as committed to camping as the first two groups. If the weather is bad or looks bad, they will probably **forego** their camping experience until better weather. Therefore, they only need a tent to keep away **moderate** rain and the mosquitoes. A low price and some extra tent **space** might **motivate** these people to select one tent over another. However, they will have little knowledge about the various brands of tents available, and they are unlikely to invest much time researching the tent market. They will not **shop around** very much; they will make a quick choice from the selection on the tents shelves of their favorite department store, using the more convincing **ad copy** on the **packaging** and on the price. Hence, any tent serving this segment should be **readily available** on the store shelves.



Question 6

Only one of the following statements is true of the budget segment. Which one is it?

- A. Budget tenters will likely go to several stores to compare quality and price before making their decision.
- B. Budget tenters will buy the first tent they see on the shelves.
- C. Budget tenters will most likely look at several different tents in one store before making their decision.
- D. Budget tenters will know a lot about the various features and benefits of each brand of tent.

- Kids' Tents—Some children like to “play house” in tents. Parents will consider price and availability as most important when making a purchasing decision. They will put very little emphasis on durability and weatherproofing.
- Living Room Tenters—This segment wants substantially more room in a tent than for just sleeping. Inside their tent, they would like to be able to **stand up**, cook, and even socialize. They will be staying in campgrounds which means they will be close to their car. Hence weight is not a concern, but **durability** and weatherproofing are important. Generally, families will be looking at buying these tents.



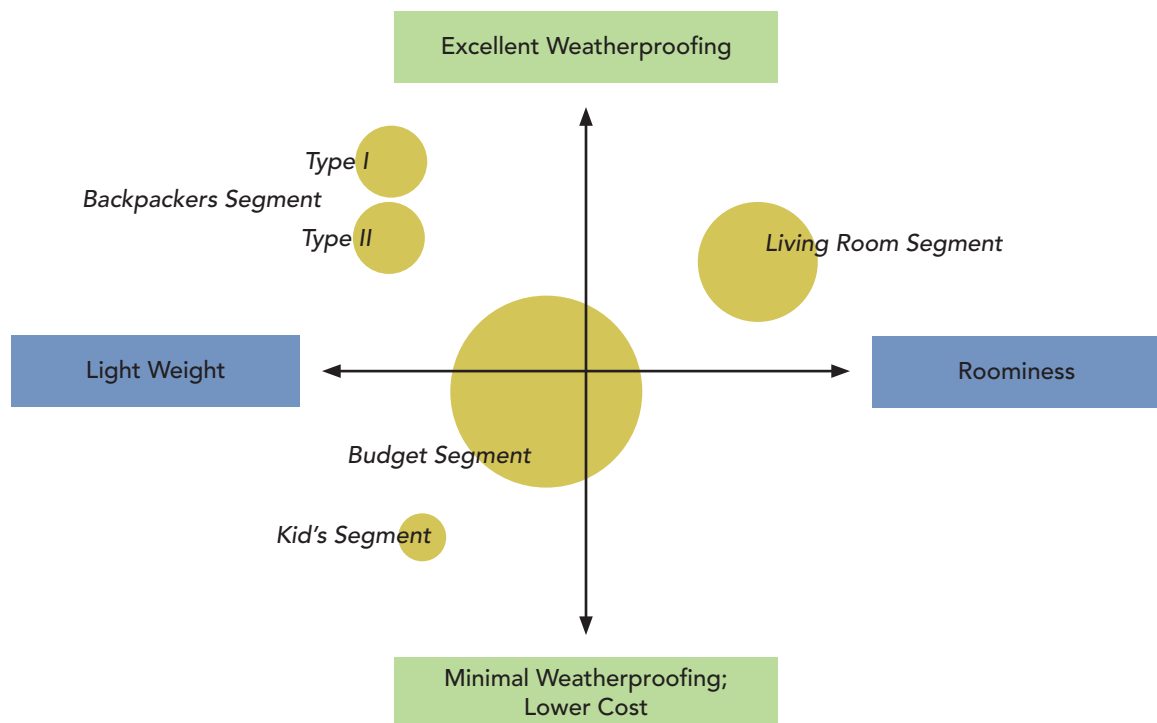
Sizing the Segments

Stan's next step is to determine the size of each segment. With some data he got from the internet and his **gut feeling**, he **comes up** with the following estimates:

Segment	Approximate Size (% of total tent market)
Backpackers - Type I	15
Backpackers - Type II	15
Budget Tenters	45
Living Room Tenters	20
Kids	5

Stan can now add this data onto his marketing position map. He represents each segment as a circle on his position map. Each segment is located by its product attributes.

He also uses the size of the circle to represent the size of the segment. The five segments are **positioned** as follows:





Conversation Guide

Your second round of conversation involves determining the segments for the product or service you have chosen. In class or your student group, answer these questions to divide the total market into market segments.

- Think of the total market. What are characteristics of buyers for your product or service? (For example: age, sex, income, education, occupation, place of residence). Make a list.
- Think of the total market. What are buyers looking for when they decide to buy your product or service? (For example, are they looking for high quality, low price, certain benefits, credit, after-sale service, certain social status, certain fashion or style, etc.?). Make a list.
- Think of the total market. Where do buyers find your product or service to buy it? (For example, do they go to retail stores, use catalogs, the internet?). Make a list.
- Think of the total market. What kinds of marketing media do they commonly use?
- Think of the total market. How involved are the buyers in the buying decision? For example, do they spend a lot of time analyzing the competing products (high involvement decision) or do they make a very quick decision (low involvement decision)?
- What are some other characteristics of the total market for your product or service?

Now you need to take the total market and divide in segments of buyers with common characteristics.

- What are some possible segments?
- What are the characteristics of each segment?
- Assess whether each segment is large enough to make a profit with your product or service.
- Assess whether each segment can be efficiently reached by the same marketing campaign.
- Where does each segment sit on the position map with the product attributes you have chosen?
- Are the segments spread over the map? If not, you need to use different product attributes.

Marketing Vocabulary You Could be Using

- | | |
|------------------------------|----------------------------|
| • segment (as a noun) | • mediocre |
| • segment (as a verb) | • shop around |
| • issue | • ad copy |
| • price conscious | • packaging |
| • state of the art | • readily available |



III COMPETITOR ANALYSIS

Stan's next step is to analyze his competitors. Stan determines that there are five main competitors working in his city. Each competitor has its own tent designs. Over the years, each tent designer has built a certain positive **image** with the tent buyers.

Alpha Tent & Awning, Beta Outfitting Equipment, and Kappa Nature Products manufacture very good to excellent quality tents for the two backpacker segments. They are all **competent** marketers, **primarily** distributing their tents through the specialty wilderness equipment stores. These stores **carry** the tents of all three manufacturers to provide store customers with more **selection**. Beta's **sales force** has even **infiltrated** many wilderness clubs, and this marketing effort is proving effective for them.

Question 7

What is the most likely meaning of "Beta's sales force has even infiltrated many wilderness clubs"?

- a) The sales force **sabotages** all non-Beta tents until the club members eventually buy Beta tents, which, for some strange reason, are not being sabotaged.
- b) The wilderness clubs are **subversive** groups whose purpose is to **overthrow** the government and **take over** running the country. Beta is actually a government agency spying on these groups by using the **cover** of sales representatives for a tent company.
- c) By being active members of the wilderness clubs, Beta salespeople are in a great position to be **influential** in the **buying decision** of the tenters belonging to the two backpacker segments.
- d) By pretending to be members of wilderness clubs, the Beta people go to wilderness stores and pretend that Beta tents are in much more demand than Alpha and Kappa tents, thus encouraging store managers not to **stock** Alpha and Kappa tents or to give these tents a **lower visibility** on the store shelves.

Delta Budget Tents is making cheaper, but reasonably good quality tents, and its sales force **ensures** that Delta tents are on the shelves of all the department stores. Delta is also quite **protective** of its large **market share** in the Budget segment.

Question 8

What would be considered a reasonable or effective **move** for Delta to protect its market share?

- A. Delta could lower its prices to the point where Stan could not make profits.
- B. Delta could use its large size to convince department stores to give them more and better shelf space, thereby making it difficult for customers to find Stan's tents.
- C. Delta could use its large volume to pay for an **extensive ad campaign** so that much of the budget tent segment has no idea there are other tent manufacturers making budget tents.
- D. All of the above.



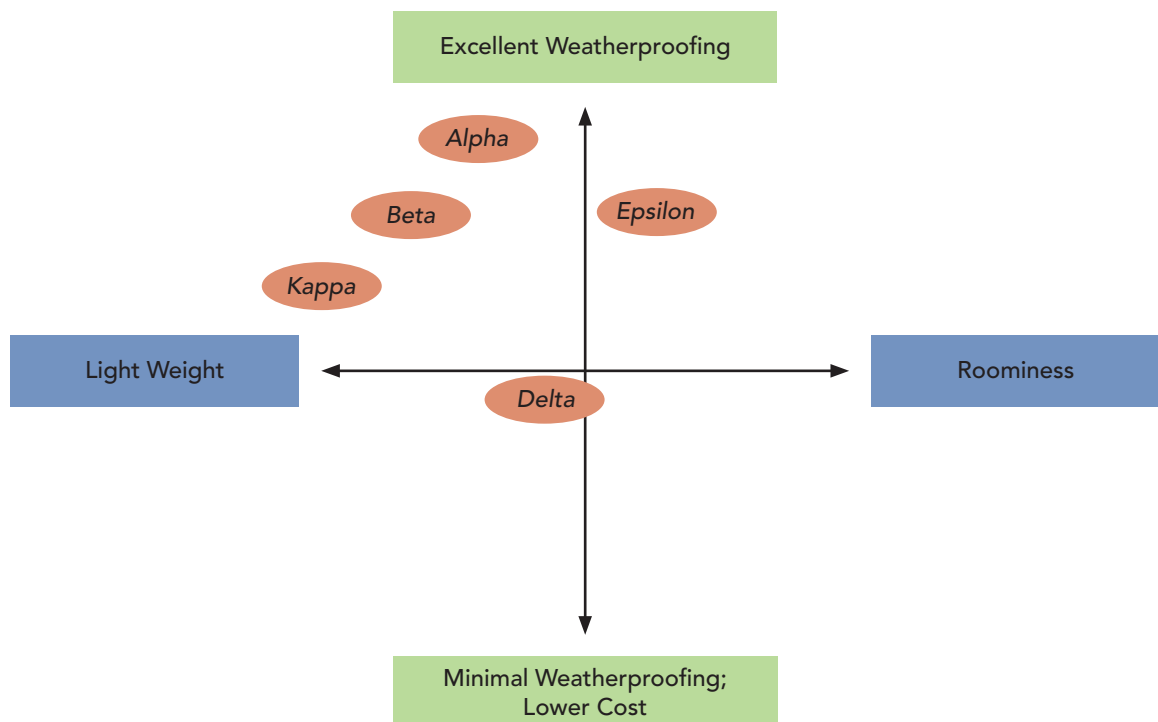
Epsilon Inc. has a tent that **nominally** serves the living room segment, but it has features that are attractive to the backpacker segment as well. Stan thinks that Epsilon is trying to **dabble** in both segments with the same product and not doing a good job serving either.

Question 9

From the above paragraph, we can **surmise** several possibilities of what an Epsilon tent might be. Below are four suggestions. Three are reasonable; one is not. What is the unreasonable suggestion?

- A. The Epsilon tent is a little too small for the living room segment and a little too big for the backpacker segment.
- B. The Epsilon tent has great weatherproofing and durability but costs more than what the living room segment wants to pay.
- C. The Epsilon tent has lots of room to do living room activities and is quite easy to carry into the wilderness.
- D. The Epsilon tent is lightweight for backpacking, but because of its large **surface area**, the lighter material can easily tear in a high wind.

So Stan puts the competitors on the map based on their tent designs and how he thinks tent buyers are **perceiving** these tents.





From this map, you can see how Stan sees his competitors. For example, Alpha, Beta, and Kappa are quite close together. Stan thinks Alpha's tents have the **edge** in weatherproofing and Kappa has the edge in being lightweight. Beta took the **middle ground** by getting a good combination of both attributes into their tent design.

Delta and Epsilon are by themselves **as far as Stan can see**. They have only themselves to compete with.

Conversation Guide

Your third round of conversation involves analyzing your competitors.

- Who are your potential competitors?
- What are their strengths and weaknesses? (For example: quality of product or service, market share, experience in the business, customer loyalty, estimated financial strength)
- Where do your competitors sit on your position map?
- What are the opportunities?
- What are the threats?

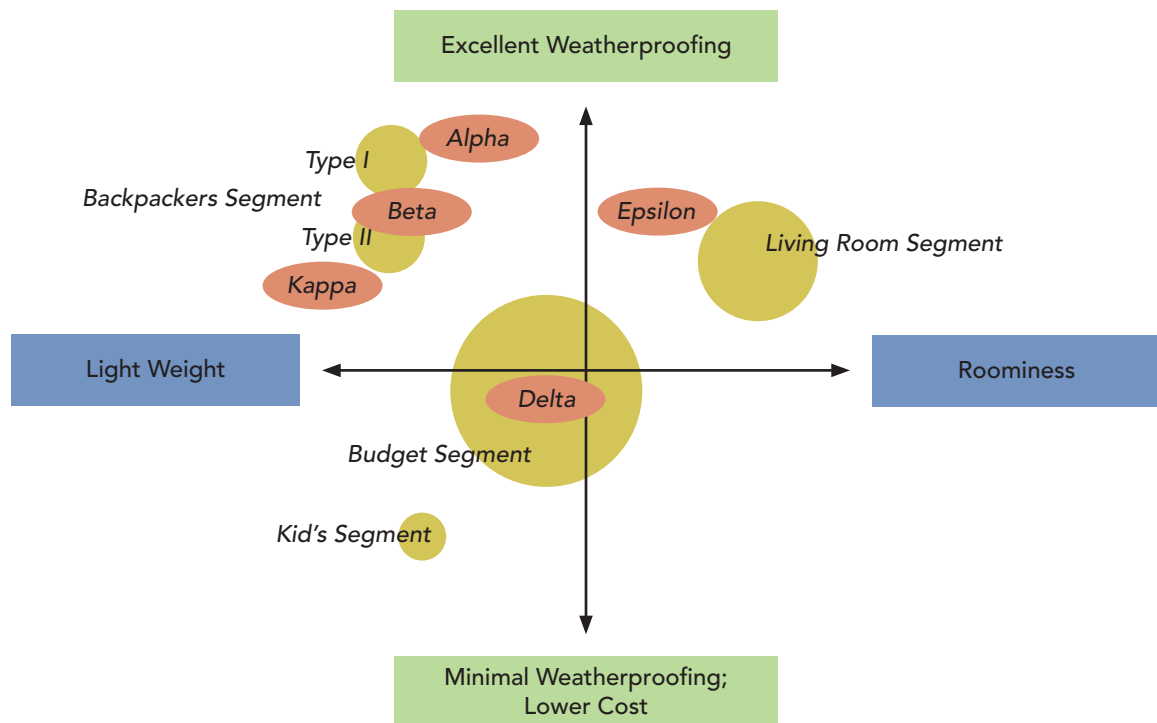
Marketing Vocabulary You Could be Using

- **image**
- **carry**
- **selection**
- **sales force**
- **influence, influential**
- **buying decision**
- **stock**
- **visibility**
- **market share**
- **move**
- **ad campaign**
- **perceive, perception**
- **edge**
- **threat**



IV POSITIONING

So Stan has completed his segment analysis and his competitor analysis. Both analyses are based on the same product attributes. Now he will **superimpose** the maps of the two analyses to create his **position map**. Here is this new marketing diagram:



From the map, Stan can see how the segments and the competitors are related to each other.

The two backpacker segments are a **crowded market**; competing against Alpha, Beta, and Kappa will be difficult as these three competitors have a good product and are good marketers.

Delta has a strong **hold** on the budget tent market and is also in a strong financial position. If it wants, Delta can **push** its prices **down** to where Stan could not operate profitably and force him out of this segment (and probably out of business).

The kids' segment is **superficially** served by Delta. Parents looking for such a tent don't have much choice: they have to buy a smaller style of a Delta tent. If a tent manufacturer specifically designs and markets a tent for kids, he will have this niche segment all for himself. The size of this segment might even increase if a product is **tailor-made** for it. However, this segment is very small and any potential increase is too uncertain for Stan.



Question 10

Why doesn't Stan design a tent for the kids' segment?

- A. Stan is not sure this segment could grow enough to **warrant** a large tent run.
- B. Stan thinks designing kids' tents would not be much of a challenge for him.
- C. This segment is **way** too crowded with competitors.
- D. Delta is too much of a threat to Stan in this segment.

Epsilon is the only manufacturer producing for the living room segment. But Stan feels that they neither have a tent that serves this segment well nor market their product effectively.

Stan does not consider Epsilon serious competition in this segment.

Because of the **absence** of a strong competitor in the living room segment—which is also of reasonable size—Stan thinks his first tent should **take a run** at this segment. If this tent becomes profitable, he can then **branch out** in other segments—even **competing head-on** with the other competitors.

Question 11

What is the best reason for Stan to design a living room tent for his first run?

- A. Stan's living room tent has the best **chance** of selling well.
- B. Stan's expertise is with living room tents.
- C. Delta will likely **move in on** the living room segment if someone else doesn't soon.
- D. The living room segment has the most potential customers.

In essence, Stan's careful analysis of the tent market shows him a segment with a **proven need** and that has little competition. The living room segment has the best opportunities, and he should enter tent position with this position.

Question 12

Of the four products below, which one is a **competitive product** for Stan's living room tent?

- A. a **bed-and-breakfast** near a popular camping area
- B. a **portable** camp stove
- C. a big Delta tent
- D. a **campground**



Stan also thinks that the living room segment is the best for **growth**. If a good tent is designed for this segment, some non-users will take up tenting and buy this tent. Stan is thinking of **lower-middle class** families that **reluctantly** take their vacations using a rented motorized camper or hotel rooms. A good quality large tent would be much less expensive for this group.

Question 13

What would be the most likely reason for the living room segment to grow in size?

- A. a tent that was designed specifically for this segment
- B. cheaper tents
- C. an advertising campaign encouraging people to forego backpacking
- D. a better national economy

Stan also thinks that some of the backpacker segments may buy a second tent with living room features if they decide to settle down (like Stan had to do when he got married). Stan also thinks that the living room segment will be the best segment to appreciate his **innovative** features, which would further **differentiate** his product.

Question 14

What would be a **substitute product** for Stan's living room tent?

- A. a bed-and-breakfast near a popular camping area
- B. a portable camp stove
- C. a big Delta tent
- D. a campground

Stan has thought of a few **features** currently not being offered to tent consumers which could become great **selling points** for his specialty tents. For example, Stan invented a small **porch** for his handmade tents in which a tent user can leave dirty boots outside the tent's interior yet still be protected from the rain. He **incorporated** this idea into some of his hand-made tents and some customers really liked the **benefits** of having both a cleaner tent and dry boots.



Question 15

Of the four items about business English schools, three are features and one is a benefit. Which one is the benefit?

- A. regularly scheduled BE classes once a week
- B. students able to take new skills to the workplace
- C. instructors who know something about business
- D. the DVBE modules

Question 16

Of the four items about this DVBE module, three are benefits and one is a feature. Which one is the feature?

- A. rights to photocopy the material
- B. a greater marketing vocabulary
- C. **insights** into preparing a marketing plan
- D. more confidence when discussing marketing in international business

Stan has other great ideas about making tents more useful and enjoyable. One recent camping **trend** Stan has noticed is the use of outdoor power sources. It is now possible to bring **rechargeable**, inexpensive portable power sources to the outdoors—and some tenters are already doing this. If his tents could be manufactured for **wiring** and lights, he would create a very interesting advantage for himself. Stan is thinking that such an option might be a great idea for his second run. Getting started in this segment with **conventional** tents will give him an important **learning curve** about mass manufacturing tents. If he goes with wiring in his second run, he will have an important edge to **pull away from** the competition.

Question 17

How is Stan thinking about introducing new technology into his tents?

- A. His tents will have batteries sewn in the fabric.
- B. Future runs might experiment with electrical features.
- C. Stan will **delay** adding electrical features into his tents until the competition starts making such tents.
- D. Wires will make Stan's tents stronger and less likely to **fall apart**.



Conversation Guide

Your fourth round of conversation involves analyzing your position. You should now superimpose the segments and the competitors on the position map.

- If your product or service is already in the market, where does it fit on the position map? Think of physical, functional, and perceived characteristics.
- Is your product or service relevant to at least one segment?
- Are competitors going after the same segment(s) as you? If so, what is the future for this segment, given the strength and weaknesses of you and your competitors?
- If you are introducing a new product or service, what is a good target for your product?
- Is this segment open or does it have at least one competitor?
- If there is at least one competitor in your target segment, how will that competitor defend his share of that segment?
- What are your financial, product, and marketing strengths to withstand this defense? Will you survive? Will you earn a profit?
- Is there enough business in this segment for both you and your competitor? Or will one of you have to go?

Marketing Vocabulary You Could be Using

- **position (noun)**
- **position (verb)**
- **unmet need**
- **serve**
- **hold**
- **niche**
- **proven need**
- **competitive product**
- **growth**
- **innovative, innovation**
- **differentiate, differentiation**
- **substitute product**
- **feature**
- **benefit**
- **selling point**
- **trend**



V DISTRIBUTION

When Stan was making tents in his garage, he **more or less** sold his tents from this location. Customers would **place an order** with Stan at his place, and they would **pick them up** when he was done. When Stan didn't have any specialty orders, he would continue making tents with no specific buyer. Stan had one or two of these tents on display in his garage. **Sooner or later**, he knew someone would buy them.

But selling tents from his garage is not going to work with hundreds of potential tent customers. When Stan **envisions** setting up his own tent store, he quickly calculates that he will never have enough **volume** to afford running this store. An efficient **distribution channel** will have to be built to put his tents in places where his customers can buy them at a reasonable price.

Question 18

Why doesn't Stan start his own tent store?

- A. Stan doesn't have the money.
- B. Stan isn't a good **retail**-type person.
- C. Tent sales won't pay for the store's **overhead**.
- D. The tents Stan wants to make don't sell well in stores.

Unfortunately, Stan cannot determine if the living room segment would prefer to shop in the specialty wilderness equipment stores, in department stores, or both. Rather than hiring a marketing **consultant**, who will be very expensive and possibly not provide the right answer, Stan decides to **experiment** with both channels at the same time.

Since there are only six specialty wilderness stores in the city, Stan decides to **call on** these stores himself. He has the time to reach these six stores, so he can stay close to these customers. Also, he feels that these store owners will appreciate talking to an **acknowledged** expert in tents **as opposed to** talking to a sales representative with minimal experience in camping.

The second distribution channel is to put the tents into the 45 department stores in the city. Unless Stan does sales full-time, he won't be able to handle these **accounts**. And doing sales full-time means he wouldn't have the time to design new products.

He also thinks the **purchasing agents** from these stores won't want to spend their time with a **one-product salesman**, and Stan might not get **shelf space** for that reason alone. Therefore, Stan is **interviewing** an **agent** who also carries other **complementary** sporting goods. This agent already has good **contacts** in the department store **network**.



Question 19

What would be a complementary **product** for Stan's living room tent?

- A. A bed-and-breakfast near a popular camping area.
- B. A portable camp stove.
- C. A big Delta tent.
- D. A campground.

Problems with Distribution

There are problems with both distribution channels. First, Stan's tents are sharing the same shelf space as Epsilon and Delta in the department stores. If either of these competitors decides to lower prices, the department store purchasing agents will be **hard-pressed** to give Stan's more expensive tents **room** on their shelves.

Second, the specialty stores may not be happy if they have to compete with the **low margin** department stores in the same product. They may demand **exclusivity** in exchange for allowing Stan to put his tents on their shelves.

Stan is fully aware of possible **consequences** of building the two channels, but he feels he needs to experiment for a short time. Sooner or later, he will have to choose one of the two channels. His choice will be based on profits.

Question 20

What is most likely to happen if Stan puts his tents in department stores and wilderness stores at the same time?

- A. Delta will start making living room tents if they see Stan becoming very successful.
- B. Wilderness stores will not want Stan's tents in their stores if customers think they can buy them cheaper in department stores.
- C. Both the department stores and wilderness stores will ask Stan to lower his prices to where Stan could not afford to sell his tents.
- D. The sales volume for Stan's tents would be **spread** between two channels instead of one. So there wouldn't be enough profit to make it worthwhile for either channel to do business with Stan.



Conversation Guide

Your fifth round of conversation involves getting your product or service to a place where your customers can buy it (a distribution channel). Please note that “services” may not have as much discussion about distribution as “products.”

- Where do the buyers find buy your product or service?
- What is required to place the product or service at those locations?
- How will the product be shipped from the “factory” to the “store”?
- Who are the “middlemen” in this transfer? How do these agents affect the final cost the buyer must pay?
- What other distribution channels are possible? Will they be more efficient?

Marketing Vocabulary You Could be Using

- **place an order**
- **volume**
- **distribution channel**
- **retail**
- **wholesale**
- **freight costs**
- **call on**
- **account**
- **purchasing agent**
- **salesman, sales representative, sales rep**
- **shelf space**
- **complementary product**
- **contact**
- **network**
- **margin**
- **exclusive, exclusivity**



VI PROMOTION

Stan knows his living room tent is better than Epsilon's living room tent and better than Delta's big tent. His product is certainly differentiated. However, this **differentiation** in product is not enough. It must also be present in the minds of the customers.

Both Epsilon's and Delta's advertising campaigns **focus** on the quality of their tents. If Stan's campaign has the same kind of message, customers will not see much difference between Stan's tents and his competitors' tents. Therefore Stan needs to create a different and effective **marketing message**.

Stan thinks a good marketing message for his living room tent is the "The Family Tent." Stan's product design and promotion will be directed at creating this image.

Advertising on television and in the newspapers is very expensive and perhaps too **broad** for Stan's tents. Stan has chosen three substantially cheaper methods to **target** the living room segment.

- Stan is going to donate a few tents to the city's Boy Scouts organization. These tents will be used all summer as the different Boy Scout **troops** take their camping trips at different times. The tent will be seen in a working environment by many people, a lot of whom would belong to the living room segment. Of course, Stan stitched his company **logo** and website address onto the tent so people could find out more.
- Stan is building some **in-store displays** with pictures showing Stan's tents as "Family Tents". Pictures of nice looking families having an excellent time in an **idyllic** campground setting **dominate** the display. Cooperation to set up these displays will probably be greater with the wilderness stores than with the department stores.
- "Family Tent" ads, with a similar **theme** as the displays, will be **placed** in travel and tourist magazines. These can target more of the living room segment than **mass media** can (and at a much lower cost). Important potential tent users will also be **exposed** to Stan's message, and more people may be **enticed to take** camping **up** as a recreational activity—especially if they see a new kind of tent is on the market. These ads will **run** in the spring and summer months from April to July.
- All the marketing medium—the website, the ads, and the displays—will have the same ad copy. The multiple **impressions** created when potential customers see the same ad copy several times in different media will make Stan's Tents a more recognizable **brand name**.



Question 21

Why would cooperation to set up displays be better for wilderness stores?

- A. Department stores are more concerned about putting products on shelves. Display advertising takes away selling space.
- B. Wilderness stores have great interest in promoting a camping lifestyle. If customers like Stan's Tents, they will likely buy other camping products as well.
- C. Because Stan is calling on wilderness stores himself, he would be able to convince wilderness stores to put up displays.
- D. All of the above.

Question 22

Why are the advantages for Stan of advertising in travel magazines as opposed to newspapers?

- A. Newspaper advertising is always much more expensive.
- B. The cost per impression for the target **audience** is likely to be much lower with the travel magazine.
- C. Readers of travel magazines have more **disposable income** to spend on tents.
- D. All of the above.

Question 23

What seems to be Stan's main marketing message?

- A. Boy Scouts use Stan's tents, why don't you?
- B. The wilderness magazines **endorse** Stan's tents.
- C. Camping is a family activity—especially if the family uses Stan's tents.
- D. Stan makes the best looking displays.

Question 24

What is the most likely reason for Stan's advertising run between April and July?

- A. This will be the time most tent buyers (in the **Northern Hemisphere**) will be looking to buy tents.
- B. The magazines run only in those months.
- C. He doesn't have enough money to advertise year long.
- D. His tents won't be ready until April.



Question 25

How is Stan **building** his brand name **up**?

- A. He is using the same marketing message in different media, hoping that potential customers will eventually recognize the brand.
- B. He is letting previous customers for his specialty tents spread the word.
- C. He is planning to have people buy his new tents and they will then **spread the word**.
- D. His marketing plan is dedicated to getting people to his website, and these people will then learn about Stan's Tents.

Conversation Guide

Your sixth and last round of conversation involves getting your message out in your marketing campaign.

- What image do you want to portray to your targeted segments? (How do you want the customers to feel after seeing your ads?)
- How will you make that image? (Describe the advertising)
- What media should you use to convey that image? (For example, TV, radio, magazines, newspapers, mailouts, internet advertising).
- Will this media reach your segment?
- Will this media reach your segment in a cost-effective manner?
- What creative ways can you get the message out?

Marketing Vocabulary You Could be Using

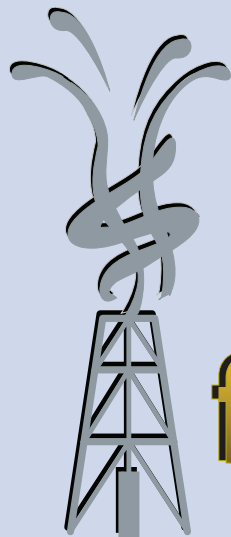
- **word of mouth**
- **image**
- **marketing message**
- **target (noun)**
- **target (verb)**
- **broad vs. focussed or narrow**
- **logo**
- **display**
- **theme**
- **place (an ad)**
- **media**
- **run (an ad)**
- **impression**
- **brand name**
- **audience**
- **disposable income**
- **endorse, endorsement**
- **expose, exposure**



VII CONCLUSION

Stan is definitely putting a lot of thought into marketing his tents in the city. He still has more to learn about his market, and he realizes that marketing is not an exact science. He must experiment to find out what works and what doesn't. He must be ready to adjust his marketing plans when they don't work well. Hopefully Stan has enough **common sense**, intuition, and marketing knowledge so that he doesn't make too many marketing mistakes to make the expansion of his tent business a profitable **venture**.

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VOCABULARY QUIZ

Here is the vocabulary for Stan's Tents. For any word or phrase, the correct definition is somewhere between four-up and four-down. In other words, you do not need to search very far to find the answer.

Please remember that words in English often have several definitions. The definitions provided here work well in the context they are used in this document, but they may not apply very well when you see the word in another context.

Stan and His Tents		
1. set up		a) foolish, impractical, without much sense
2. crazy		b) someone a person loves
3. outdoorsman		c) to erect
4. prospect		d) to look for minerals that are hidden in rocks
5. sweetheart		e) to rear, to bring up
6. crazy about		f) to give up a "wild" life
7. settle down		g) someone who enjoys the wilderness
8. raise (a family)		h) a strong table where manual work such as machining or carpentry can be done.
9. take care of		i) to be responsible for
10. curtail		j) enthused with
11. passion		k) having great enthusiasm for something
12. workbench		l) high quality equipment which is designed for continuous use, adverse conditions, or mass production.
13. industrial machines		m) a very good price, usually with lots of profit
14. family income		n) to reduce significantly
15. run		o) manufactured with mostly a manual process
16. top dollar		p) to operate
17. word of mouth		q) the money coming into a household
18. handmade		r) to create a product to the customer's specifications
19. custom design		s) to requested specifications
20. demanding		t) big
21. to spec		u) spoken informally from one person to another to another
22. on spec		v) a possible danger

23. niche		w) a market segment that has a specific requirement that can be profitably exploited yet is small enough not to attract other businesses
24. major		x) having high standards
25. threat		y) the name a particular product or service is known by
26. unmet needs		z) on speculation that a customer will be found later
27. brand		a) manufacturing a lot of something to reduce the cost per unit
28. serve		b) to effectively meet a customer's need
29. mass market		c) benefits which the marketplace is not serving
30. mass production		d) manufacturing one unit at a time
31. commit		e) to allocate (resources)
32. volume		f) all consumers
33. supplier		g) to change the factory machinery for a new product
34. piecemeal		h) a business that provides goods and services to another business
35. retool		i) to teach someone to do a different task
36. retrain		j) a sufficient quantity to get a discount
37. trial run		k) to make products for another business to market
38. setup		l) operating from a house or apartment
39. recover		m) to get back
40. home based		n) a short experiment to see how a process is working
41. custom manufacture		o) a continuous operation from its start to finish



Product Attributes		
42. (factory) run		p) a collection of equipment to accomplish a certain task
43. capital		q) a set of characteristics
44. marketing position map		r) an exchange of one advantage for another
45. (product) attribute		s) to be successful in resisting
46. base on		t) to have something as a main ingredient or principle
47. trade-off		u) money or property used or accumulated by a business
48. weatherproofing		v) one kind of formal marketing analysis
49. withstand		w) having the financial resources for something
50. extreme		x) the furthest point from center
51. combination		y) possible way to put two product attributes together
52. affordable		z) the ability to withstand harsh weather
53. roominess		a) inside
54. vs.		b) having several excellent advantages without any kind of sacrifice
55. internal		c) weighing less than average
56. "best of both worlds"		d) lots of space
57. reasonable		e) acceptable to many people
58. lightweight		f) "versus": the alternative to or in contrast to
59. in theory		g) being conceivable, but not necessarily practical
60. trick		h) to extend from one time to another time; to extend from one point to another
61. latest		i) to divide all customers into groups of similar characteristics
62. span		j) most recent or current of its kind

Segmenting		
63. segment (noun)		k) a special skill that is usually intuitive or hard to describe
64. segment (verb)		l) a group of potential customers that have similar needs and can be reached by the same marketing methods
65. put off		m) to discourage
66. durable		n) a decisive factor
67. issue		o) a decrease
68. price conscious		p) concerned about the cost
69. give up		q) regardless of
70. reduction		r) able to withstand a harsh environment or constant use
71. state of the art		s) having all the newest features
72. no matter what		t) to postpone or cancel a planned activity
73. mediocre		u) to accept
74. forego		v) significant, but not of a high amount or value
75. moderate		w) to visit several stores and compare similar products
76. space		x) the extent of an area or volume
77. motivate		y) moderate to inferior, ordinary
78. shop around		z) the material used to protect and contain a product
79. ad copy		a) easy to find and buy
80. packaging		b) long life and resistance to wear and tear
81. readily available		c) to encourage or provide an incentive for someone else to do something
82. stand up		d) to be fully erect
83. durability		e) the text and artwork used to convince customers to buy
84. gut feeling		f) to figure out something
85. come up with		g) how customers perceive a product or service
86. position		h) to put in a certain location



Competitor Analysis		
87. image		i) to offer for sale or to keep in stock
88. competent		j) intuition
89. primarily		k) to sneak inside and not be noticed
90. carry		l) mostly
91. selection		m) to deliberately destroy something, to hurt or hinder
92. sales force		n) capable, effective
93. infiltrate		o) possible choices
94. sabotage		p) being against the established order
95. subversive		q) the representatives who sell a product or service
96. overthrow		r) to force out
97. take over		s) disguise
98. cover		t) the factors that affect a purchase
99. influential		u) to make certain
100. buying decision		v) difficult to see or find
101. stock		w) to assume responsibility for
102. low visibility		x) in a position to convince
103. ensure		y) action or response
104. protective		z) vigilant and ready to respond to a threat
105. market share		a) to put on the store or warehouse shelves
106. move		b) large, effective, or thorough
107. extensive		c) the percentage a particular product or service has of the total market
108. ad campaign		d) apparently or minimally acceptable
109. nominally		e) to infer, to make a reasonable guess
110. dabble		f) to have or gain a certain understanding
111. surmise		g) a little advantage
112. surface area		h) a series of ads with a specific final purpose
113. perceive		i) reaching a conclusion with the given knowledge
114. edge		j) to do something but not very seriously

115. middle ground		k) a marketing diagram that shows the relationship between segments and products
116. "as far as one can see"		l) the part exposed to a certain condition
Positioning		
117. superimpose		m) being in the center of two extremes
118. position map		n) to put one map on top of another map to compare the data
119. crowded market		o) in appearance but not having much substance
120. hold		p) control or position
121. push down		q) to decrease on purpose
122. superficial		r) to deserve or justify
123. tailor-made		s) a segment having too many competitors
124. warrant		t) the lack of
125. way		u) made to the specification of a certain customer
126. absence		v) much
127. take a run at		w) to expand in different directions
128. branch out		x) to attack or overtake, to try
129. compete head-on		y) basically
130. chance		z) to attempt to seize control
131. move in on		a) a similar product that goes after the same segment
132. in essence		b) easy to transport
133. proven need		c) to market against an established competitor with a similar product or service
134. competitive product		d) opportunity
135. bed-and-breakfast		e) a "hotel arrangement" where a homeowner arranges to rent a room of their house to travelers
136. portable		f) expansion
137. campground		g) a desire that is very necessary or obvious
138. growth		h) an area designated for tents and recreational vehicles (RVs)
139. lower-middle class		i) having a new concept, having never been created before



140. reluctantly		j) in an unwilling way or manner, unwillingly
141. innovative		k) to make a product or service better or to show it as being better
142. differentiate		l) a characteristic of a product or service
143. substitute product		m) the social/economic group that is somewhat below the average income
144. feature		n) what a feature does for the customer
145. selling points		o) a dissimilar product that satisfies the same need
146. porch		p) a room attached to the outside of a house for entry/exit and storage of clothes and shoes
147. incorporate		q) understanding or wisdom
148. benefit		r) to add or attach
149. insight		s) features or benefits that some customers base their buying decision on
150. trend		t) ability to dispense electricity and store it again
151. rechargeable		u) traditional, common
152. wiring		v) the time investment required to learn something new by experience
153. conventional		w) to break or tear into pieces
154. learning curve		x) a slow change in tastes and preferences of consumers
155. pull away from		y) mostly, usually
156. delay		z) a system of wires to carry electricity
157. fall apart		a) to put off a decision or action
158. more or less		b) eventually
159. place an order		c) to move ahead of
160. pick up		d) to purchase and take away
161. sooner or later		e) amount of sales
162. envision		f) to formally request to buy something in the future
163. volume		g) the fixed costs of a business that don't change much with differing levels of production or sales
164. distribution channel		h) to look into the future, to imagine

165. retail		i) to contact for possible sales
166. overhead		j) an expert usually employed for a short time
167. consultant		k) the process of how a product moves from the factory to the customer
168. experiment		l) to try something new and observe the results
169. call on		m) the business of selling to the final customer, traditionally by using stores
170. acknowledged		n) instead of
171. as opposed to		o) recognized
172. accounts		p) business customers
173. purchasing agent		q) a sales rep who has a very limited selection
174. one-product salesman		r) the person responsible for buying things for a business
175. shelf space		s) a representative hired on contract, but not working directly for the company
176. interview		t) a group of similar people to make contacts and conduct business
177. (sales) agent		u) difficult to be convinced
178. complementary (products)		v) people who can make a buying decision or be influential in such a decision
179. contacts		w) places in the store where customers can inspect and select products
180. network		x) to meet with a potential employee
181. hard-pressed		y) having a low profit in relation to the cost of the product
182. room		z) products that are sold to the same segments, but do not compete with each other because they serve different needs.
183. low margin		a) space
184. exclusivity		b) having the supplier limit his product or service to only a few sellers
185. consequence		c) the state of being distinct and special
186. spread		d) to divide



Promotion		
187. differentiation		e) to concentrate attention and energy
188. focus		f) covering a large extent or scope
189. marketing message		g) a logical conclusion from an action or condition
190. broad		h) the communication that is intended to remain in the potential customers' minds at a conscious or subconscious level
191. target (verb)		i) company symbol that has an attractive appearance
192. troop		j) having a pleasing natural look: mountains, valleys, farmland
193. logo		k) to have a commanding, controlling position
194. in-store display		l) to go after or reach for a specific segment
195. idyllic		m) a small exhibit to promote a product or service
196. dominate		n) a group of people, animals, or things, often with a military implication
197. theme		o) an implied or repetitive idea
198. place (an ad)		p) to make known
199. mass media		q) to convince
200. expose (advertising)		r) an occurrence of an ad being seen or heard
201. entice		s) to put
202. take up		t) to begin a new hobby
203. (ad campaign) run		u) media designed for much of the population like TV and major newspapers
204. impression		v) income remaining after essentials and taxes are paid for
205. brand name		w) to publicly support a product or service
206. audience		x) segment receiving a marketing message
207. disposable income		y) to advertise for a specific duration.
208. endorse		z) to let everyone know
209. northern hemisphere		a) a catchy name for a product that customers immediately know and—hopefully—have a favorable impression towards
210. build up (brand)		b) to make a product or service more recognizable to the public

211. spread the word		c) the half of the globe that shows North America, Europe, and Asia
212. dedicate		d) a natural intelligence that most people should have
213. common sense		e) a business "adventure" that introduces a new business unit, product, or service.
214. venture		f) to concentrate or focus



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