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УНИВЕРСИТЕТ»**

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SELLING: AN ART OR A SCIENCE

**Учебно-методическое пособие
по дисциплинам «Иностранный язык (английский)» и
«Профессионально ориентированный иностранный язык
(английский)»
для студентов дневной и заочной формы обучения
факультета экономики и управления торговлей**

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SELLING: AN ART OR A SCIENCE // Учебно-методическое пособие по английскому языку для студентов дневной и заочной формы обучения факультета экономики управления торговлей/ Шуплякова, Л.С. - БГЭУ, 2013. – 77с.

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Пособие состоит из шести разделов и включает оригинальные тексты профессиональной направленности и упражнения к ним.

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UNIT 1. Selling as a Profession

A. Warm-up activity

A.1. Discuss the following quotation with the class.

“The human body has two ears and one mouth. To be good at persuading or selling, you must learn those natural devices in proportion. Listen twice as much as you talk and you’ll succeed in persuading others nearly every time.”

Tom Hopkins

A.2. What do you think? How far do you agree with the following statements?

1. If you think about it, everyone sells.
2. To have a product is not enough to make sales.
3. If you want a challenging job, you must consider selling.
4. More than ever today’s salespeople are a dynamic power in the business world.

A.3. Answer the following questions. Then discuss your answers in small groups.

1. What could be the reasons for choosing a sales career?
2. What do you think selling is?
3. Is selling an art or a science?
4. What do you think makes a good salesperson? Which four of the following qualities do you think are the most important?
 - A. being friendly and sociable
 - B. having a clean, neat appearance
 - C. willing to work hard
 - D. being ambitious
 - E. having clear goals and objectives in life
 - F. being persuasive
 - G. being able to communicate with people

H. demonstrating good interpersonal skills

I. being competent

Are there any qualities that you think should be added to this list? Which of these qualities can be acquired? Which must you be born with?

B. Reading

B.1. Match the words and phrases to their definitions.. Use the dictionary if necessary.

1. retailing	a) to work for smb in return of salary or wages;
2. customer	b) a team of people working together;
3. to be employed	c) the sale of goods and commodities to the public;
4. personnel	d) a person who buys services or goods;
5. supplier	e) the process of communicating with a potential buyer face-to-face with the purpose of selling a product or service;
6. retail price	f) the sale of goods in large amounts to a retailer;
7. middleman	g) commodities and goods that are bought and sold;
8. personal selling	h) the price which the manufacturer recommends that the retailer sells the product;
9. intangible	i) a person providing with what is needed;
10. merchandise	j) a person who serves as an agent between the producer of a product and

11. wholesaling	the consumer; k) something that cannot be touched.
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B.2. Read the following text and do the tasks that follow it.

Types of sales jobs

There is a large variety of sales jobs available in the market today. People who are currently employed in these jobs are identified for the kind of product or service they sell and the methods and techniques they adopt in selling them. There have been some major shifts in the economy in recent years and this has led to the growth in demand for sales jobs. Moreover, there are a large number of job openings in this field. With the economic recession still leaving its marks on the economy, it has been predicted that more and more sales personnel are needed to help uplift the economy.

While there are numerous specific types of sales jobs, most salespeople work in one of three categories: either as a retail salesperson, a wholesaler's salesperson, or as a manufacturer's sales representative. These categories are classified according to the type of products sold and the salesperson's type of employer.

Selling in Retail. A retail salesperson sells goods or services to consumers for their personal non-business use. Three common types of sellers who sell at retail are the (1) in-store salesperson, (2) direct seller who goes to homes, and (3) telephone salesperson.

As a matter of fact, more people are employed in retail selling than in any other type of sales. Think of all different types of retail organizations selling something – retailers such as bakeries, banks, caterers, clothes, electronics, flowers, food, furniture, hotels, video stores, and travel agents. A retailer takes your money and provides a good or service in return. This is personal selling.

Millions of salespeople sell directly to consumers. An organization could have one salesperson or hundreds of thousands of people, like Mary Kay Cosmetics, selling their products directly to consumers in their homes.

Selling for a Wholesaler. Selling of merchandise to anyone other than a retail customer is called selling for a wholesaler. The term may include sales to a retailer,

wholesaler, broker, distributor, or business enterprise. Wholesaling usually involves sales in quantity and at a cost significantly lower than the average retail price. Without wholesalers, manufacturers would have to market their products directly to a huge number of customers at high unit costs, and buyers would have to deal with an inconveniently large number of suppliers. There are three major categories of wholesalers. Merchant wholesalers, the most important category, are independent businesses that buy merchandise in great quantities from manufacturers and resell it to retailers. Manufacturers' sales branches are businesses founded by manufacturers to sell directly to retailers. Merchandise agents and brokers represent various manufacturers; they usually do not buy the merchandise they handle but instead arrange for shelf space and the display of merchandise. So-called warehouse stores sell large quantities of goods at near-wholesale prices.

Firms engaged in wholesaling are called wholesaling middlemen. They vary greatly in products they sell, markets to which they sell, and methods of operation.

Selling for a Manufacturer. Manufacturers' salespeople work for organizations producing the product. The types of manufacturer's sales representative positions range from people who deliver milk and bread, to the specialized salesperson selling highly technical industrial products. Working for the firm that manufactures a salesperson's products is the most prestigious sales job available. The salesperson working for a manufacturer may sell to other manufacturers, wholesalers, retailers, or directly to consumers. There are five main types of manufacturer sales positions:

- an account representative calls on a large number of already established customers in – for example – the food, textile, and apparel industries. This person asks for the order;

- a detail salesperson concentrates on performing promotional activities and introducing new products rather than directly soliciting orders. The medical detail salesperson seeks to persuade doctors, the indirect customers, to specify a pharmaceutical company's trade name product for prescriptions. The actual sale is

ultimately made through a wholesaler or is made directly to pharmacists and hospitals who fill prescriptions;

- a sales engineer sells products that call for technical know-how and an ability to discuss technical aspects of the product. Expertise in identifying, analyzing, and solving customer problems is another critical factor. This type of selling is common in the oil, chemical, machinery, and heavy equipment industries because of the technical nature of the products;

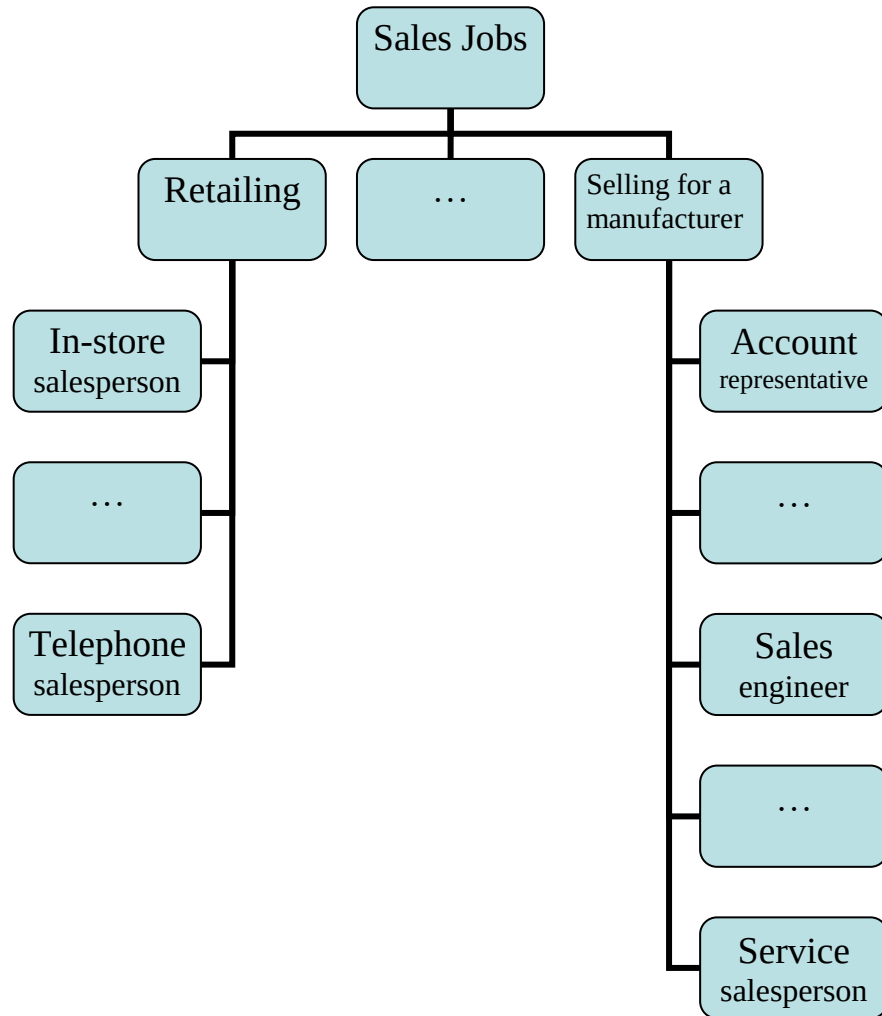
- an industrial products salesperson, nontechnical, sells a tangible product to industrial buyers;

- a service salesperson, unlike the four preceding types of manufacturing salespeople, must sell the benefits of intangible or nonphysical products such as financial, advertising, or computer repair services.

Selling services is ordinarily more difficult than selling tangibles. The salesperson can show, demonstrate, and dramatize tangible products. With intangible products, the salesperson cannot do this. Intangibles often are difficult for the prospect to comprehend. People cannot feel, smell, see, hear, or taste intangible products. This makes them more challenging to sell.

C. Text Comprehension

C.1. Find the missing elements in the following chart and comment on it. Use the information from the text.



C.2. Answer the following questions using the active vocabulary of the text.

1. Is demand for sales jobs growing? Why?
2. What categories of sales jobs do there exist? What is this classification based on?
3. What is personal selling?
4. What is wholesaling as distinct from retailing?
5. What are the types of manufacturer sales positions? What are their main functions?
6. Why is it challenging to sell services?

D. Vocabulary Focus

D.1. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
sales	products
retail	recession
economic	customers
manufacturer's	price
personal	activities
retail	sales representative
unit	salesperson
merchandise	use
warehouse	know-how
wholesaling	agents
promotional	cost
technical	stores
established	middlemen
tangible	personnel

D.2. Complete each sentence with a correct form of the word in bold.

1. employ

- a) As a seller he was ... on a temporary basis.
- b) The ... must pay the worker at an appropriate rate for the class of work the ... normally performs.
- c) After his dismissal he had to join the ranks of the

2. sale

- a) I bought a wonderful shirt in a
- b) What was your motivation for becoming a ...-person?
- c) By bypassing the whole-..., retailers eliminate the middlemen and realize savings on purchases.

3. retail

- a) Taco Bell created their kitchenless restaurant believing that they are a ... service company, not a manufacturing one.
- b) He has been working as a grocery ... for two years.

4. supply

- a) It is necessary to organize the ... of goods to large customers.
- b) The company has problems with qualified
- c) Market is regulated by ... and demand.

5. person

- a) Because of having good ... relations this organization is highly-spoken of.
- b) She has a very cold and ... manner.
- c) We give all the salesmen a ... test to see how they communicate with potential customers.

6. present

- a) The sales ... makes the preliminary contact with customers, introduces the company's product.
- b) In those casual clothes he looked ... at the meeting.
- c) At the conference there was made a technical ... of the equipment.

E. Follow-up

E.1. International business success requires each salesperson to understand and adapt to the local business culture and norms. Here are some rules of social and business etiquette that managers should understand when doing business in other countries.

France: Dress conservatively, except in the South where more casual clothes are worn. Do not refer to people by their first names – the French are formal with strangers.

Germany: Be especially punctual. A foreign businessman invited to someone's home should present flowers; preferably unwrapped, to the hostess. During introductions, greet women first and wait until they extend their hands before extending yours.

Italy: Whether you dress conservatively or go native in a Giorgio Armani suit, keep in mind that Italian businesspeople are style conscious. Make appointments well in advance. Prepare for and be patient with Italian bureaucracies.

United Kingdom: Toasts are often given at formal dinners. If the host honors you with a toast, be prepared to reciprocate (отвечать взаимностью). Business entertaining is done more often at lunch than at dinner.

Saudi Arabia: Although men kiss each other in greeting, they never kiss a woman in public. A woman should wait for a man to extend his hand before offering hers. When a Saudi offers refreshment, accept; declining is an insult.

Japan: Don't imitate Japanese bowing customs unless you understand them thoroughly – who bows to whom, how many times, and when. It's a complicated ritual. Presenting business cards is another ritual. Carry many cards, present them with both hands so your name can be easily read, and hand them to others in descending rank. Expect Japanese business executives to take time making decisions and to work through all of the details before making a commitment.

Using the information from the instructions mentioned above find the mistakes that an American salesperson Harry Slick made.

1. In England he phones a long-term customer and asks for an early breakfast business meeting so that he can fly to Paris at noon.

2. In Paris he invites a business prospect to have dinner at La Tour d'Argent and greets him with, "Just call me Harry, Jacques."

3. In Germany he arrives ten minutes late for an important meeting.

4. In Japan he accepts the business cards of his hosts and, without looking puts them in his pockets

E.2. Work in pairs. Interview your partner who is considering sales career.

Discuss the following points.

1. Advantages and disadvantages of a sales job.
2. Possible reasons for choosing a sales career.
3. Types of sales jobs.
4. Success in selling.
5. Women in sales.
6. Local business culture in selling.

UNIT II. Advertising and Promotion

A. Warm-up activity

A.1. In groups read the following quotation and discuss how you think advertising does this.

“Advertising may be described as the science of arresting the human intelligence long enough to get money from it.”

Stephen Butler Leacock

A.2. What do you think? How far do you agree with the following statements?

1. Advertisers introduce a wide range of consumer goods to you, thus giving you greater choice.
2. Advertising creates false needs.
3. Advertising keeps you informed of the latest products available.
4. Advertisers can manipulate social values and attitudes.
5. Advertising has a bad influence on children.
6. Advertising does not present a true picture of products.

A.3. Answer the following questions. Then discuss your answers in small groups.

1. If a business did not advertise, how would potential customers learn about its products?
2. What do you believe a successful advertisement should do?
3. What advertising media do you know?

B. Reading

B.1. Match the words and phrases to their definitions. Use the dictionary if necessary.

1. advertising message	a) newspapers, magazines, radio and
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2. image advertising	television considered as a group;
3. to broadcast	b) describes products, services or information that can be bought or used on the Internet;
4. advertising media	c) happening at a suitable moment;
5. target audience	d) the advertising of an organization, company, or type of a product so that people have a positive opinion of it, rather than the advertising of a particular product or service;
6. online advertising	e) to send out a programme on television or radio;
7. timely	f) causing someone to believe something that is not true;
8. promotional advertising	g) a significant point that is conveyed by an advertisement;
9. misleading	h) a picture, short film, song, etc. which tries to persuade people to buy a product or service;
10. institutional advertising	i) advertising that tries to influence customers' opinion about a company, organization or product;
11. <i>subliminal</i> advertising	k) advertising a particular product or service with the goal to increase sales;
12. advertisement	l) the particular group of people to which an advertisement is directed;
	m) single frames in a television show or on a video, background messages in an MP3 that your conscious mind doesn't

B.2. Read the following text and do the tasks that follow it.

Advertising is everywhere—television, radio, magazines, newspapers, stores, the World Wide Web, billboards, theaters, sports arenas, and even on highway road signs. The average person is exposed to more than 2,000 advertisements every week. In advertising, advertisers control the message, where it will be seen or heard, and how often it will be repeated.

There are two main types of advertising: *promotional and institutional*. Promotional advertising is when the goal is to increase sales. The targets of promotional advertising are consumers or business-to-business customers.

Promotional advertising can introduce a new business, change a company image, promote a new product, advertise an existing one, or encourage the use of a particular service. Sometimes, the goal of promotional advertising is to encourage potential customers to ask for information, call for an appointment, go online, or enter a store. This is called generating leads or developing prospects.

Institutional advertising tries to create a favorable image for a company and foster goodwill in the marketplace. There are many institutional advertising techniques in use today. Connecting its name to a worthy cause helps a company make a favorable impression on its customers.

Media are the agencies, means, or instruments used to convey advertising messages to the public. The four general categories of advertising media are print, broadcast, online, and specialty. Print media includes advertising in newspapers, magazines, direct mail, signs, and billboards. This is one of the oldest and most effective types of advertising.

Newspapers continue to be an important advertising outlet for many consumer-oriented products and services. Local papers provide a timely way for companies to reach their target audiences. Many retailers and local companies rely on daily newspapers to advertise their products and services. Newspaper advertising does have limitations, however. Some newspapers are distributed to subscribers outside the

business's target market. Also, newspapers have a limited shelf life because they are read and then thrown away each day. Many newspapers are still printed with black ink or with just a limited number of color pages.

Magazines have a longer life span than newspapers. People tend to keep magazines for a more extended period of time. This increases the chance that they, and the ads in them, will be reread or passed along to others. People also read magazines more slowly and thoroughly than newspapers. Magazines are generally printed in color and have better print quality than newspapers.

There are drawbacks to magazine advertising. The cost of advertising in magazines is higher than newspaper advertising. In addition, magazines are often printed a month or two in advance of publication. The deadline for submitting ads is several weeks or months before actual publication, and this requires careful planning.

Direct marketing is a highly focused form of advertising. The two types of direct marketing are printed direct mail sent to a home or business and electronic direct mail delivered to an e-mail address. Such direct marketing is a good way to keep current customers aware of new products, services, and upcoming sales. It is also a cost effective way to generate leads and qualify prospective customers.

Printed direct-mail advertising takes many forms in including newsletters, catalogs, coupons, samplers, price lists, circulars, invitations to special sales or events, letters, and more. Direct mail is most effective with existing customers. However, in order to grow, a company must find new customers.

Broadcast media encompass radio and television. Over a lifetime of 70 years, the average person will spend nearly ten years watching television and almost six years listening to the radio. You can see why advertising through broadcast media is popular.

Television is the ultimate advertising medium for many businesses because it can combine all the creative elements necessary— sight, sound, action, and color—to produce a compelling advertising message. As a result, television is a very effective medium for demonstrating a product's features and benefits.

There are disadvantages to television advertising. Television has the highest production costs of any type of media and a high dollar cost for the TV time purchased. Prime-time and special event costs can be prohibitive.

Radio is a mobile medium that can be heard just about anywhere. It is also a timely medium—radio advertisers can update their messages, ads, and offers daily, even hourly. Radio has the immediacy of newspapers without the high production costs of television.

However, products and services can only be described, not seen. Advertisers cannot rely on visual involvement to hold a listener's attention. That is why a catchy jingle is important. Radio advertisements also have a short life span.

Online advertising is a form of advertising that uses either e-mail or the World Wide Web. It is still a small part of overall advertising spending, but it is growing steadily. Electronic direct-mail advertising is sent via e-mail.

Most online advertising appears as banner ads. A banner ad comes in various shapes and sizes, but it is usually a rectangle seen at the top, bottom, or side of a Web page.

Specialty media, which are sometimes called giveaways or advertising specialties, are relatively inexpensive, useful items featuring an advertiser's name or logo. To be successful as advertising tools, specialty items must be practical, used frequently, and placed in locations with high visibility. Common items that fit this description include hats, calendars, pens and pencils. Specialty items carry the identity of the business sponsoring them and an advertising message. The distribution of the items is usually limited.

Production of ads.

Most companies hire special advertising firms that specialize in making ads.

The first step in making ads is to learn about the product and understand who uses it. Information is gathered from customers. Market research takes a look at the customers' buying habits and conduct sample surveys. Researchers also try to find out how customers rate various brands of products.

Research also tries to find out why customers buy a product. For example, advertisers may find out that people buy a certain car because they want to impress their friends or show that they have a lot of money. The age, sex and social status of a consumer may also be important. They also try to find out where and when a product is sold best. Snowboards for example can probably be sold better during the winter time and in skiing resorts. It is also important to determine which kind of media is best to advertise the product.

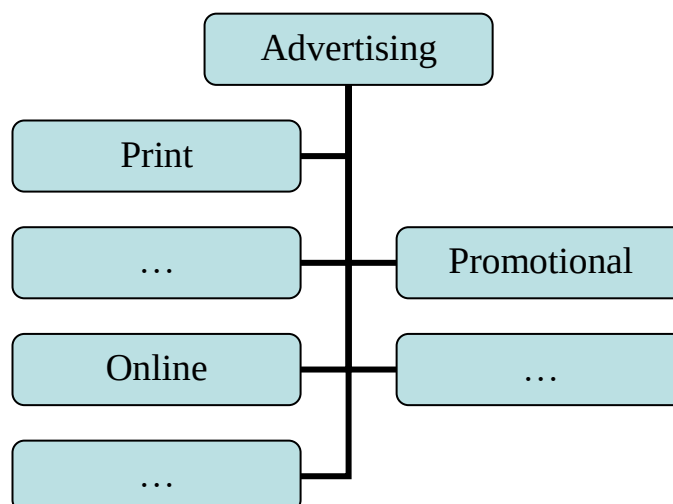
People in the creative department develop ideas and themes. They prepare photos or images if an ad is to appear in newspapers or magazines as well as jingles and slogans if it appears on radio or TV.

When the ad is ready it goes to the media organization where it is run.

Governments have made laws that protect consumers from misleading advertising. There are also laws that ban certain kinds of advertising. Tobacco advertising, for example, is not allowed on TV in the USA and in many European countries. Some rules are directed at children's ads where the use of violence or dangerous activity is often not allowed.

C. Text Comprehension

C.1. Organize your notes about advertising and its media providing the missing elements. Use the information from the text.



C.2. Answer the following questions using the active vocabulary of the text.

1. What are the two main types of advertising? Characterize them.
2. What are the functions of advertising?
3. What advertising media do you know?
4. What are advantages and disadvantages of the media used in advertising?
5. How are advertisements produced?
6. What is the role of government in advertising production?

D. Vocabulary Focus

D.1. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
promotional	items
company	advertising
target	image
print	audience
life	message
direct	span
advertising	marketing
current	media
specialty	customers

D.2. Complete each sentence with a correct form of the word in bold.

1. advertise

- a) ... informs consumers about the existence of goods and services and attempts to persuade them to buy them.
- b) An advertising agency creates

c) ... always play up the good qualities of the house for sale and fail to mention its disadvantages.

2. image

a) Institutional advertising is designed to build the company's ... rather than to sell its products.

b) The children enjoy relating their ... adventures to adults.

c) To have such a talented son was ... wealth.

3. medium

a) Advertising ... are the agencies, means, or instruments used to convey advertising messages to the public.

b) We do not need ... sellers.

c) Trade Unions often act as ... between employees and the employer.

4. promote

a) Good advertising helps ... corporate image.

b) When the goal is to increase sales the company develops ... advertising.

c) Specialty advertising is a sales ... medium.

5. target

a) Our ... segment is a group of individuals or organizations who will be interested in our product.

b) What audience do you ... at?

D.3. Complete the text with the words below.

Adding, capturing, differentiating, gaining, giving, helping, opening

Advertising does not work in the same way as a sales pitch. Very little advertising tries to persuade anyone to buy immediately. Advertising has to motivate

customers to take further action, such as making a telephone call or visiting the shops.

Creative advertising offers many benefits and helps businesses to meet their objectives by:

1. ...the attention of the audience.
2. ...their imagination.
3. ...their minds to your messages.
4. ...your products and services from all others.
5. ...them a reason to choose you.
6. ...value to your products and services.
7. ...the audience to remember your products and services.

E. Follow-up

E.1. Bring any advertisement to the class and make a short analysis of it.

Answer the following questions.

1. What do you think the advertisement is about?
2. What need is being met?
3. Does the advertised product appear in the ad? Why? Why not?
4. What is implied by the image?
5. Who is the target audience?
6. Does the ad make you want to buy the product? Why? Why not?

E.2. Work in groups of four.

1. Select something you would like to sell (a product or a service).
2. Identify the target audience or user of the product.
3. Develop a sales plan.
4. Discuss the media you will use.
5. Prepare an advertisement for your product or service.

UNIT III. Products and Production

A. Warm-up activity

A.1. With reference to the following quotation, discuss whether you believe your country presently produces more goods and services and why it is so.

“In order for our country to prosper, we need to reach abundance in production and fairness in distribution”.

President Nasser of Egypt (1963)

A.2. What do you think? How far do you agree to the following statements?

1. A business is successful to the extent that it provides a product or service that contributes to happiness in all its forms.
2. It's very important whatever you are trying to make or sell has to be basically good.
3. Every man is a consumer and ought to be a producer.
4. The necessity of producing has always been an enemy of the desire to create.

A.3. Answer the following questions. Then discuss your answers in small groups.

1. Do you buy branded products? Why?
2. Do you prefer international or national brands?
3. What are the advantages of branded goods for the manufacturer? for the consumer?

B. Reading

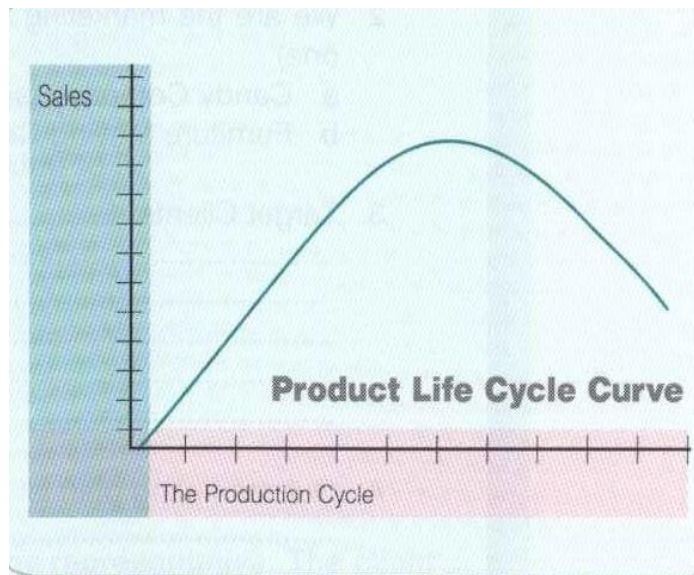
B.1. Match the words and phrases to their definitions. Use the dictionary if necessary.

1. stage	a) activities to increase sales;
2. cycle	b) delivering products to a number of people over a wide area;

3. item	c) a continuous area or expanse which is free, available or unoccupied;
4. benefits	d) a type of product manufactured by a particular company under a particular name;
5. adopter	e) particular advantages of a product;
6. space	f) a point, period or step in a process or development;
7. brand	g) an individual article or unit, especially one that is part of a list, collection, or set;
8. obsolete	h) one of the first users of a product;
9. promotions	i) a series of events that are regularly repeated in the same order;
10. competitors	j) no longer produced or used, out-of-date;
11. distribution	k) people or organizations that try to be more successful or better.

B.2. Read the following text and do the tasks that follow it.

A product's life cycle (PLC) can be divided into several stages characterized by the revenue generated by the product. If a curve is drawn showing product revenue over time, it may take one of many different shapes, an example of which is shown below:



The life cycle concept may apply to a brand or to a category of products. Its duration may be as short as a few months for a fad item or a century or more for product categories such as the gasoline-powered automobile. Product development is the incubation stage of the product life cycle. There are no sales and the firm prepares to introduce the product.

Introduction Stage

When the product is introduced, sales will be low until customers become aware of the product and its benefits. Some firms may announce their product before it is introduced, but such announcements also alert competitors and remove the element of surprise. Advertising costs are typically high during this stage in order to rapidly increase customer awareness of the product and to target early adopters. During the introductory stage the firm is likely to incur additional costs associated with the initial distribution of the product. These higher costs coupled with a low sales volume usually make the introduction stage a period of negative profits.

Growth Stage

The growth stage is a period of rapid revenue growth. Sales increase as more customers become aware of the product and its benefits and additional market segments are targeted. Once the product has been proven a success and customers begin asking for it, sales will increase further as more retailers become interested in selling it. The marketing team may expand the distribution at this point. When competitors enter the market, often during the latter part of the growth stage, there

may be price competition and/or increased promotional costs in order to convince consumers that the firm's product is better than that of the competition.

Maturity Stage

The maturity stage is the most profitable. While sales continue to increase into this stage, they do so at a slower pace. Because brand awareness is strong, advertising expenditures will be reduced. Competition may result in decreased market share and/or prices. The competing products may be very similar at this point, increasing the difficulty of differentiating the product. Sales promotions may be offered to encourage retailers to give the product more shelf space over competing products.

Decline Stage

Eventually sales begin to decline as the market becomes **saturated**, the product becomes technologically obsolete, or customer tastes change. If the product has developed brand loyalty, profitability may be maintained longer. Unit costs may increase with declining production volumes and eventually no more profit can be made.

Limitations of the Product Life Cycle Concept

The term life cycle implies a well-defined life sequence as observed in living organisms, but products do not have such a predictable life and the specific life cycle curves followed by different products vary substantially. Consequently, the life cycle concept is not well suited for the forecasting of product sales. Furthermore, critics have argued that the product life cycle may become self-fulfilling. For example, if sales peak and then decline, managers may conclude that the product is in the decline phase and the advertising budget must be cut, thus precipitating a further decline.

C. Text Comprehension

C.1. Answer the following questions using the active vocabulary of the text.

1. What are the first and the last stages of the life cycle of a product?
2. What is the duration of the product life cycle?
3. During which stage the sales increase?
4. Which stage usually generates the highest revenue?

5. At which stage are there no sales?
6. Why is the life cycle concept not suited for forecasting the amount of product sales?

D. Vocabulary Focus

D.1. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
fad	automobile
gasoline-powered	awareness
life	adopters
customer	item
early	cycle
sales	space
revenue	product
shelf	loyalty
saturated	growth
obsolete	market
brand	volume

D.2. Choose the right word from the text to complete the sentence.

1. Experts are ...a recovery in the economy by the next year.
2. The company's annual ... rose by 30 % last year.
3. With the introduction of new technologies, many traditional machines become
4. Their products are sold by ... throughout the community.
5. Wedding dresses form a different ... from mainstream fashion.

D.3. Read through the passage and insert the right word from the list.

extractive, finished, consumer, industries, raw, final, social, capital, services

The production of goods and services can be broken into three stages.

Primary production

This is concerned with the use of resources on or beneath the land and in the sea. The primary are important in that they supply both the... materials needed by other industries and food to feed the population. The main industries involved in primary production are fishing, mining and quarrying, i.e. the ... industries. As an economy develops, the proportion of the working population employed in the primary sector declines.

Secondary production

This involves the use of raw materials obtained from primary industries, together with men and machines to produce ... goods which can either be used by other firms or can be sold to a ... customer.

Goods which are bought by firms to produce further goods and services are known as capital goods. They include fixed ... such as buildings and machines, and working capital such as raw materials and components. Capital can also belong to the community. This is known as ... capital and includes roads, schools, and hospitals. It is referred to as infrastructure.

Goods which are bought by consumers are known as ... goods. They include single-use goods which give satisfaction to the consumer over a period of time. These include cars, radios and washing machines.

Tertiary production

This refers to the production of ... rather than physical goods. They can be divided into three types.

- Services to industry including banking and insurance (commercial services)
- Services provided to the public such as hairdressing and leisure services (direct services)
- Services provided by the state such as health and education (public services)

As an economy expands, so too does the tertiary sector.

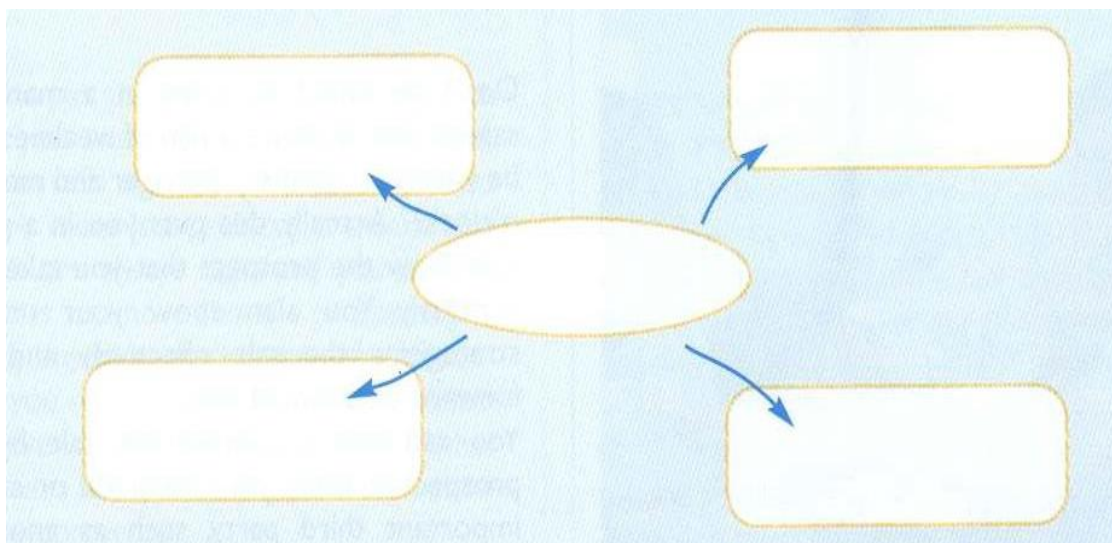
E. Follow-up

E.1. Work in groups of four.

1. Fill in the gaps in the following worksheet.
2. Divide roles among the members of your group in order to present your project to the whole class.
3. Prepare to answer questions that are asked by other groups.

A. The name of our product is:

B. The features of our product are:



B. Customers buy it because:

1)

2)

C. The production is in stage:

D. Our marketing plan is:

UNIT IV. Marketing

A. Warm-up activity

A.1. Look at the following quotation and define the meaning of “art” in this context.

“Marketing is the art of making someone want something you have”.

The Internet Nonprofit Centre (1999)

A.2. What do you think? How far do you agree to the following statements?

1. Marketing is what you do when your product is no good.
2. It used to be that people needed products to survive. Now products need people to survive.
3. Marketing is not an event, but a process... It has a beginning, a middle but never an end.
4. You need to give customers what they want. And, if you do this, people will keep coming back.

A.3. What is marketing? Underline the appropriate idea to complete this basic description of marketing.

In the past marketing was (customer-driven/ product-driven) where business emphasized the product first and (considered/ confronted) the customer last. Nowadays the reverse strategy is the key to successful marketing. Products and services are created (to mean/ to meet) customer needs. Moreover, marketing must make use of its four basic components to be effective:

- Sales
- Promotion
- Advertising
- (Public Relations/Possible Requirements) or PR

In each aspect marketing aims for a solid customer base and increased (turnaround /turnover). Improving marketing performance is essential to be ahead of the (competition/ concentration).

B. Reading

B.1. Match the words to their definitions. Use the dictionary if necessary.

1. promotion	a) determined or trying very hard to be more successful than other people or business;
2. advertising	b) someone who buys and uses products and services;
3. competitive	c) to push or make someone or something in a particular direction or into a different position, usually using some strength;
4. consumer	d) the activity or business which helps to promote goods and services;
5. distribution	e) the process of gradually becoming bigger, better, stronger, or more advanced;
6. pricing	f) deciding the price of something that you sell;
7. development	g) sharing things among a large group of people in a planned way;
8. objective	h) giving someone something and receiving something else from them;
9. revenue	i) a business deal or action such as buying or selling something;
10. profit	j) money that you gain by selling things or doing business, after your costs have been paid;
11. exchange	k) something that you are trying hard to achieve, especially in business or

12. transaction	politics; l) money that a business or organization receives over a period of time, especially from selling goods and services.
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B.2. Read the following text and do the tasks that follow it.

What is marketing?

To be successful in today's competitive marketplace, people in business realize that they must first determine people's needs and wants, and then produce goods and services to satisfy them. A company, whether it is Ford Motor Company or a small retailer, is in business to create want-satisfying goods and services for its customers. In today's competitive business environment, the success of goods and services is determined by the consumers who buy them. Goods and services that do not satisfy consumers are forced from the market, since consumers do not buy them. What does a business firm do in our economy? Reduced to basics, businesses have two major functions: production of goods or creation of services and marketing those goods and services.

If you asked the general public what the term marketing means, many would say that it means selling. Selling, in turn, usually implies advertising and personal selling to the public. Yet the act of selling is only one part of a firm's marketing activities.

Marketing involves a diverse set of activities directed at a wide range of goods, services and ideas. These activities involve the development, pricing, promotion, and distribution of want-satisfying goods and services to consumers and industrial users. Marketing activities are therefore very important both to the individual company and to our economy as a whole.

Marketing is not limited to business. Whenever you try to persuade somebody to do something – donate to the Salvation Army, fasten a seat belt, lower a stereo's noise during study hours in the dorm, vote for your candidate, accept a date with you (or maybe even marry you) – you are engaging in a marketing activity.

The definition of marketing indicates that people have needs and wants and can place value on products. When people decide to satisfy needs and wants through exchange, marketing is involved. Exchange is the defining concept underlying marketing. Exchange refers to the act of obtaining a desired product from someone by offering something in return.

The exchange takes place between two parties. When an exchange occurs, a transaction takes place, as transactions are the basic unit of exchange. A transaction is a trade of values between two parties; it forms a relationship between buyer and seller. Once the transaction has occurred, the exchange is complete. The sale is made whether it involves buying a stereo or voting for a political candidate.

Unfortunately, many people, including some business executives, still do not understand the difference between selling and marketing. In fact, many people think the terms are synonymous. Instead, these concepts have opposite meanings.

Under the selling concept, a company makes a product and then uses various selling methods to persuade customers to buy the product. In effect, the company is bending consumer demand to fit the company's supply. Just the opposite occurs under the marketing concept. The company determines what the customer wants and then develops a product to satisfy that want and still yield a profit. Now, the company bends its supply to the will of consumer demand. For a business enterprise to realize the full benefits of the marketing concept, that philosophy must be translated into action. This means marketing activities must be fully coordinated and well managed, and the chief marketing executive must be accorded an important role in company planning.

Marketing people typically have the four basic objectives to accomplish:

1. Maximize the sales of existing products in existing markets.
2. Develop and sell new products.
3. Develop new markets for existing or new products.
4. Provide the quality of service necessary for customers to be satisfied with their transactions and to continue doing business with the organization.

As you can see from the first three objectives, the main role of marketing in an organization is to generate revenues. The money marketing generates is managed by the financial people and used by the production people in creating goods and services. Marketing activities are therefore very important to the organization because it must generate sales to stay in business.

The essentials of a firm's marketing effort include their abilities (1) to determine the needs of their customers and (2) to create and maintain an effective marketing mix that satisfies customer needs. A firm's marketing mix consists of four main elements – product, price, distribution or place and promotion – used by a marketing manager to market goods and services. It is the marketing manager's responsibility to determine how best to use each element in the firm's marketing efforts.

C. Text Comprehension

C.1. Answer the following questions using the active vocabulary of the text.

1. What is the role of a consumer in marketing?
2. What activities does marketing involve?
3. What is the defining concept underlying marketing? Describe the total procedure of exchange.
4. In what way are marketing and selling opposite to each other?
5. What are the major functions of marketing people?
6. What is a firm's marketing mix?
7. How does marketing department cooperate with other departments in a firm?

D. Vocabulary Focus

D.1. Match the marketing components to the right description.

The 'Marketing Mix' consists of the 4 P's:

* Product	a) where the customers can buy it;
* Promotion	b) one that meets the customer need;
* Price	c) to encourage the customer to buy it;

* Place	d) one that makes company profit and keeps the customer satisfied
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D.2. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
to determine	consumer's demand
to obtain	customers' needs and wants
to bend	value on products
to generate	a transaction
to create	a profit
to fit	from the market
to maintain	in marketing activity
to satisfy	objectives
to place	want-satisfying goods and services
to force	a desired product
to engage	the company's supply
to carry out	revenues
to accomplish	an effective marketing mix
to yield	customers' needs and wants

D.3. Complete each sentence with a correct form of the word in bold.

1. competitive

- a) Some US industries are not as ... as they have been in the past.
- b) Last year they sold twice as many computers as their
- c) ... for the job was intense.

2. consumer

- a) In our country there observed the growth of
- b) The Governments wants to reduce tobacco ... by 40%.

c) ... demand led to higher imports of manufactured goods.

3. market

a) Company sales improved dramatically following a \$2 million ... campaign.

b) Children are the most vulnerable audience targeted by alcohol and cigarette

... .

c) The genuine Rolex watch is always sold ... and at a premium price.

4. promotion

a) Helen was ... to senior manager.

b) The audience was shown a ... video.

c) Mr. Smith is our British

5. transaction

a) Most deals are ... over the phone.

b) The bank charges a fixed rate for each

c) Before going further we should carry out a thorough ... analysis.

E. Follow-up

E.1. Work in pairs. Read one of the following extracts from the meetings held at different companies. Then share the information with your partner on the following.

the product that is being launched

the advertising budget

the chosen advertising means

the target customers

the market research

the ways to solve problems

Meeting 1

Julian: I've called this meeting to find out how we are getting on with the programme for the new range of blushers for sensitive skin. The company are

sinking a lot of money in this project and we've got to make sure nothing goes wrong.

Victor: They've got a half million budget on the promotion side alone.

Julian: That's true. I understand № 2 production line will be switching over to the new range on Monday next. Can you confirm that Victor?

Victor: Yes, we've got the export order for Australia to complete. We should complete the last batches for them by the end of the week and then we start on the speciality blushers.

Julian: Yes, that's what we are calling them isn't it – "speciality blushers"?

Victor: I like it. It sounds just right.

Julian: It was Sandra's idea.

Sandra: Well, I had to find a name which would make them sound different, but not too different.

Julian: When are you going to start the advertising campaign?

Sandra: The stocks should be reaching the warehouse by the end of the month and that's when we start our publicity campaign. We're concentrating on London weekend TV and the Sunday colour supplements.

Victor: Why weekends?

Sandra: Basically because we think that's when the working girls we are after will be watching TV and reading newspapers.

Victor: But don't mothers wear make-up too?

Sandra: Oh yes, of course they do, but it's the younger women who are the big spenders.

Julian: The point is we are aiming our promotions at that segment of the market. That gives us a chance to crystallise our advertising – to get through to the people we are after. We're using a couple of American soup stars. I can't remember their names but their faces will be familiar to everyone. We've seen the videos haven't we Julian? They come over really well. I think so anyway.

Victor: Why use Americans? Julian: It's the glamour, isn't it? The girls want to identify with the soup queens. The girls sing too. A catchy little number. You wait till you hear it, Victor.

Sandra: It was in the top ten a couple of years ago. But we change the words of course.

Victor: How long does it last?

Sandra: About 30 seconds as it stands at the moment, and we're slotting it into peak viewing periods on Saturday evenings. We've got a budget of £300,000 and we'll keep running the adverts until we run out of cash. There are three different versions. I don't know which we'll choose yet. I'm not too happy about the colour supplements. We are going for the Telegraph and the People. We'll just have to see how it works out.

Julian: At least it's cheaper than television advertising! But we're depending on you, Victor. We need the blushers in the shops within the next month. If the girls go to the stores for the blushers and they haven't arrived yet, all our advertising budget will be down the drain.

Victor: We won't let you down on the production lines. My main concern is with the distribution. It's been taking a week to a fortnight to get transport organised from the warehouse. That's where I think the trouble could be. We hope the office will deal with all the paperwork as promptly as possible.

Meeting 2

Makin: Right, let's get this meeting under way, shall we? We're here today to discuss the overall objectives of the campaign for the new gardenfresh line of ready-to-eat salad dishes. In particular we will need to talk about the media we'll be using, how long the advertising drive will last, and of course budget considerations. First of all, Terence, could you start the ball rolling by filling in Mark and Pamela on some of the background to the project?

Bride: Sure. Well, as you know the convenience food market is very complex and fast-moving with different fashions influencing purchasing decisions – health,

sport, the environment and that sort of thing. We've done a great deal of market research and I think we've a pretty good idea of what the average household is now looking for. First, it has to look attractive. Second, it has to be easy to make. Third, it has to taste good. Fourthly, and this is related to my third point, people are prepared to spend quite a lot more on a really quality product.

Brown: So you think this will be quite an up-market product.

Bride: Yes.

Brown: Does it appeal to both men and women?

Makin: Well, probably more to women but there are a lot of men, particularly single men who do quite a lot of meal presentation.

Brown: Uh huh, I get the picture. So what are your overall campaign objectives?

Makin: We would hope to gain at least 15% of the Irish market and 5% of the British market within six months of launch. Subsequently in a year or two we would hope to move into mainland Europe and gain a foothold there.

Saunders: That would be quite a challenge giving the fierce competition. Still, it's not the first time we've handled such an account. But we couldn't deal with the campaign outside Britain.

Makin: No, quite, we understand that. Perhaps we could look at the second item on the agenda? Mark, do you have any ideas on this?

Brown: Yes, I definitely feel we need a full TV campaign but unfortunately prime time rates have been rising rapidly recently, so financing is going to be an important consideration – I mean, it always is but you may have to spend proportionally more than you originally wanted to.

Makin: Well, if we work on the principle that the share of expenditure on advertising for a given product should be roughly equivalent to its share of sales on the market I think we can aim at about 5% for Britain and 15% for Ireland.

Bride: Yes, I agree, but this is a launch so we will probably have to put more money in.

E.2. Work in groups of four.

Your company has developed a new fabric which is exceptionally strong, light and waterproof. Hold a meeting. Provide ideas for new products using the fabric, discuss your objectives, your initial market research, advertising expenditure, the kind of advertising media you would select, the type of the potential customers, the duration of the campaign, the launch, the market share you expect to obtain.

UNIT V. Trade

A. Warm-up activity

A.1. Comment on the following quotation.

“Every time we buy a foreign car we put someone else out of work”.

Woodrow Wyatt, British politician and writer

A.2. What do you think? How far do you agree to the following statements?

1. Trade is the mother of money.
2. Globalization and free trade do spur economic growth, and they lead to lower prices on many goods.
3. Protectionism would definitely lead to trade wars.

A.3. Answer the following questions. Then discuss your answers in small groups.

1. What does your country import?
2. What are your country's major exports?
3. Which “uneconomic” (or internationally uncompetitive) sectors, if any, do you think should be protected in your country?

B. Reading

B.1. Match the words to their definitions. Use the dictionary if necessary.

1. embargo	a) a policy by which a government does not discriminate against imports or interfere with exports;
2. pact	b) a policy of restraining trade between countries through different methods;
3. collapse	c) taxes charged on imports;
4. principal	d) belonging to internal market;
5. barter or counter-trade	e) quantitative limits on the import of

6. free trade	particular products or commodities;
7. autarky	f) a partial or complete prohibition of commerce and trade with a particular country;
8. ploy	g) a formal agreement between two groups, countries or people;
9. quotas	h) the original amount of money that is lent to someone, not including any of the interest;
10. protectionism	i) a sudden failure in the way something works;
11. domestic	j) a clever and dishonest way of tricking someone so that you can get an advantage;
12. tariffs	k) selling goods abroad at or below cost price;
13. dumping	l) direct exchanges of goods without the use of money;
	m) the impossible situation in which the country is completely self-sufficient and has no foreign trade

B.2. Read the following text and do the tasks that follow it.

Free Trade vs Protectionism

No country in the world is self-reliant and has to depend on other nations to meet the demands of its infrastructure and economy. Trade between countries is as old as civilizations but of late there has been a debate over the pitfalls of protectionism and the benefits of free trade between countries. Before differentiating between free trade and protectionism, we need to learn a bit about protectionism.

What is Protectionism?

Protectionism refers to policies, rules and regulations that help a nation place barriers in the form of tariffs while trading with any other country. It is sometimes also a ploy by a country to safeguard the interests of its domestic producers as cheap imported commodities tend to shut down factories making that commodity inside the country. Though at times protectionism is adopted to serve national interests, there are times when countries cry foul as they face non-economic tariffs. For example, carpets made in India are world famous and India exports them to many countries including Europe and the US. But suddenly US chose to place barriers in this trade citing use of child labor in the manufacture of carpets in India.

One of the easiest ways to reduce imports of commodities is to raise the price of imports by putting in place tariffs. This helps domestic producers as they remain competitive in the domestic markets. Other ways of protectionism are to place quota restrictions on commodities so that the quantity entering the country is miniscule which does not affect local producers.

What is Free Trade?

The concept of Free trade on the other hand refers to a situation where there are no barriers in trade between two countries. This not only helps both the nations, it also paves the way for cooperation and trade in more areas and removing mistrust and ill will that is always there in an atmosphere riddled with sanctions, tariffs and embargos. Free trade does not take place overnight and this is why nations are entering into economic pacts and agreements to slowly and gradually remove all such artificial tariffs. Free trade encourages transparency and healthy competition. Nations have come to realize that others can be superior to them in production of certain goods and services while they can be superior in other areas.

To help nations of the world prosper through international trade, the General Agreement on Tariffs and Trade (GATT) has paved the way for World Trade Organization that sets the guidelines for international trade and puts into place a robust mechanism for the resolution of disputes between member countries.

GATT, an international organization set up in 1947, had the objectives encouraging international trade, of making tariffs the only form of protectionism, and

of reducing these as much as possible. *The most favoured nation* clause of the GATT agreement specified that countries could not have favoured trading partners, but had to grant equally favourable conditions to all trading partners.

It took nearly fifty years to arrive at the final GATT agreement because until the 1980s, most developing countries opposed free trade. They wanted to industrialize in order to counteract what they rightly saw as an inevitable fall in commodity prices. They practiced import substitution (producing and protecting goods that cost more than those made abroad), and imposed high tariff barriers to protect their infant industries.

Nowadays, however, many developing countries have huge debts with Western commercial banks on which they are unable to pay the interest, let alone repay the principal. Thus they need to rollover (or renew) the loans, to reschedule (or postpone) repayments, or to borrow further money from International Monetary Fund, often just to pay the interest on existing loans. Under these circumstances, the IMF imposes severe conditions, usually including the obligation to export as much as possible.

Quite apart from IMF pressure, Third World governments are aware of the export successes of the East Asian “Tiger” economies (Hong Kong, Singapore, Taiwan), and of the collapse of the Soviet economic model. They were afraid of being excluded from the world trading system by the development of trading blocks such as the European Union, finalized by Maastricht Treaty, and the North American Free Trade Agreement (NAFTA), both signed in the early 1990s. So they tended to liberalize their economies, lowering trade barriers and opening up to international trade.

C. Text Comprehension

C.1. Answer the following questions using the active vocabulary of the text.

1. What is protectionism as opposed to free trade?
2. What forms of trade restrictions exist?
3. Why do most governments impose tariffs and quotas?
4. What is the way to establish free trade?

5. Why were many developing countries for a long time opposed to GATT?
6. Why have many developing countries recently reduced protectionism and increased their international trade?

C.2. Using the information from the text complete the following table.

Arguments in favour of free trade	Arguments against free trade
...	...

D. Vocabulary Focus

D.1. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
free	country
cry	trade
self-reliant	barriers
commodity	foul
place	restrictions
local	markets
infant	producers
quota	conditions
domestic	prices
favourable	industries

D.2. Foreign trade and export transactions involve considerable documentation. Read the following letter extract, underline the documents mentioned and match the documents to their descriptions below.

You should therefore receive the consignment within seven days of receipt of this letter. Please find enclosed your copy of the air waybill.

The air waybill and the pro-forma invoice in triplicate have been forwarded together with the insurance certificate to the Banque Française du Commerce Extérieure for payment of your sight draft for FF47,985 (FOB Marseilles) in conformity with the irrevocable letter of credit.

Please send the import licence and consular invoice to the customs authorities at the airport of destination.

1. A bill of lading that covers both domestic and international flights transporting goods to a specific destination.
2. A document issued by a government authorizing the importation of goods.
3. A document issued by a consulate describing the shipment and showing information such as the consignor, the consignee and the value of goods.
4. A sample invoice to give the potential buyer information about prices and conditions of sale.
5. A means of payment via a bank which cannot be cancelled without the agreement of the party the payment is made to.
6. A document of payment which becomes payable on presentation to the debtor.
7. An attestation proving that the goods have been covered against loss of damage.

D.3. Put the following vocabulary items into the correct box.

air freight	barrels	bill of exchange	certificate of value and origin	containers
crates	customs officer	docks	drums	freight forwarding agent
import duty				

import license	insurance broker	insurance premium	letter of credit	port of arrival	port of origin	rail freight	sacks	sales invoice	sea freight	surcharge	warehouse
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Documents	Means of transport	Packaging	Payments	People	Places

E. Follow-up

E.1. Work in groups of three or four. Read about the three trading problems below and the possible ways of dealing with them. Discuss how you would react in each case, if you were your country's Minister for Trade and Industry. State your reasons.

PROBLEMS	SOLUTIONS
A. An exporter of perfumes in your country is complaining that the authorities in Westland have refused to allow imports of its perfumes because they do not satisfy their safety and packaging regulations. The exporter says that exactly the same products are exported to other countries without similar problems. Your imports \$100m worth of hi-tech products from Westland each year.	1. Westland has the right to change or enforce its packaging regulations. Tell the perfume manufacturer that it should make any necessary changes. 2. Speak unofficially to the trade minister for Westland. Ask them to make a special case for your perfumes. 3. Make life difficult for exporters from Westland through similar action, such as setting unrealistic health or packaging regulations.

	4. Go directly to the WTO and accuse Westland of protectionism.
B. A domestic manufacturer of kitchen appliances and microwave cookers is complaining because cheap imports from Southland are killing their business. Supermarkets are selling imported microwave for just \$25; it costs the domestic manufacturer \$40 simply to make them. The domestic company employs more than 6,000 workers. According to reports, the same microwaves sell for \$30 in Southland where salaries are much lower.	1. Accept it. This is what the free market is all about. Consumers will benefit from lower prices for kitchen appliances. The factory must make its own decisions about its products and its market position. 2. Accuse Southland of trying to kill domestic producers by dumping its products. Ask Southland to agree to limit its exports of these appliances. 3. Encourage supermarkets and distributors to buy products from domestic producers. 4. Set tariffs and quotas to raise the price of imports and protect the domestic manufacturer.
C. One of your country's specialties is a very delicious dish made from stewed meat. This is exported in tins and is popular with men and women from your country who live in other countries around the world. However, after some serious cases of food poisoning, countries in your trading group insist that your country should comply with the food agreement you have signed. This sets out regulations for health and hygiene in the production of	1. Make sure that the dish is made under the new regulations. 2. Tell the other countries that the stew is a traditional dish and part of your national heritage and that the food poisoning cases were rare and isolated. 3. Point to examples of dangerous foods from your trading partners' countries.

food and drink products. They say they will not accept imports of the mentioned above dish until these conditions are met.	
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E.2. Find the examples of recent trading problems in your country. How did the Trade Ministry deal with them?

UNIT VI. Customer Service. Dealing with Complaints.

A. Warm-up activity

A.1. Comment on the following quotation.

“Your most unhappy customers are your greatest source of learning.”

Bill Gates

A.2. What do you think? How far do you agree to the following statements?

1. The success of any business depends on the way it treats its customers.
2. The purpose of a business is to create a customer.
3. The aim of marketing is to know and understand the customer so well the product or service fits him and sells itself.
4. Statistics suggest that when customers complain, business owners and managers ought to get excited about it. The complaining customer represents a huge opportunity for more business.

A.3. Answer the following questions. Then discuss your answers in small groups.

1. Have you ever had a good or bad experience of customer service when buying a product?
2. Has your impression of the product ever been affected by the service?
Comment on your answer.
3. What for do organizations need customer service department?
4. Which of the following irritate you when dealing with customer service department?

On the phone	Face- to- face	Repairs and refunds
- Being put on hold	- Unhelpful customer	- Delays on repairs
- Speaking to a disinterested person	- service personnel	- Delays in getting one's money back
- Having to dial several	- Indifferent staff	- No replacement
	- Salespeople with poor	

numbers before getting to the right person - Finding the Customer Service number is continuously engaged - Being cut off	product knowledge - Too few staff at peak times - No company policy on customer service or complaints	equipment while repairs are carried out
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B. Reading

B.1. Match the words and phrases to their definitions. Use the dictionary if necessary.

1. recognition	a) a document given to a customer who is owed money, for example because they have returned goods;
2. incentive	b) happening or done quickly or without delay;
3. replacement	c) the act of realizing and accepting that something is true or important;
4. speedy	d) a written agreement in which a company selling something promises to repair it if it breaks within a particular period of time;
5. tackle	e) not working properly, or not made correctly;
6. discount	f) friendly agreement and understanding between people;
7. faulty	g) an amount of money that is given back to you if you are not satisfied with the goods or services that you have paid for;
8. credit notes	h) when you get something that is newer

9. warranty	or better than the one you had before;
10. rapport	i) something that encourages you to work harder, start a new activity;
11. refund	j) a reduction in the usual price of something;
	k) to try to deal with a difficult problem

B.2. Read the following text and do the tasks that follow it.

When buying something, you have certain expectations of what you are receiving for your money. So do organizations. Did the customer receive what was expected? The answer to this question determines the level of service quality perceived by the buyer.

Customer service refers to the activities and programs provided by the seller to make the relationship satisfying for the customer. The activities and programs add value to the customer's relationship with the seller. Warranties, credit, speedy delivery, invoices, financial statements, computer-to-computer ordering, parking, gift wrapping, and not being out of stock are services designed to satisfy customers.

In the increasingly competitive service sector, it is no longer enough to promise customer satisfaction. Today, customer's 'delight' is the stated aim for company's battling to retain and increase market share.

It is accepted in the marketed industry, and confirmed by a number of surveys, that customers receiving good service will stimulate new business by telling up to 12 other people; those treated badly will tell their tales of woe to up to 20 people. Increasingly, 80 per cent of people who feel their complaints are handled fairly will stay loyal.

New challenges for customer care have come with the rapid growth in obtaining goods and services via telephone call centres and the Internet. Averting 'phone rage' – induced by delays in answering calls, being cut off in mid-conversation or left waiting for long periods – has been tackled by vast investment in information technology and training courses for staff.

‘Many people do not like talking to machines,’ says Dr Storey (Senior Lecturer in Marketing at City University Business School). ‘Banks, for example, encourage staff at call centres to use customer data to establish instant rapport with them. The aim is to make the customer feel they know you and that you can trust them – the sort of reassuring feelings people have during face-to-face chats with their local branch manager.’

Recommended ways of inducing customer delight include: under-promising and over-delivering (saying that a repair will be carried within five hours, but getting it down within two); replacing a faulty product immediately; throwing in a gift voucher as an unexpected thank you to regular customers; and always returning calls, even when they are complaints.

Aiming for customer delight is all very well, but if services do not reach the high level promised, disappointment or worse will be the result. This can be eased by coupling an apology and explanation of why the service did not meet usual standards with empathy (‘I know how you must feel’) and possible solutions (replacement, full refund, credit notes or whatever fairness suggests best meets the case)...

The owner of Ristorante Fellini has an integrative human approach in the management of his operation. He considers Customer and Employee needs and expectations, extends recognition, incentives and rewards to both parties, based on the principle: *treat your employees right and they will treat your customers right*. With his permission there quoted a short description of what his management and business style is.

The following is from a forum participant who allowed quoting him:

‘I will list some of the things that we do which makes us different:

- We don't charge unhappy customers; if you don't like it, you don't pay. We respect word of mouth.

- Normally we have lines outside waiting for room. For these people, we serve outside soft drinks and draft beer with some appetizers for free, respecting our customer's patience to have business with us.

- We do not give discounts or make promotions. Instead, when our "frequent customers" come to pay, we tell them that today they are our guest (you can imagine how thankful and happy they become). Yes, here in Ristorante Fellini there is a free meal !

- Normally we give kids a dessert for free (you can imagine how happy parents get when someone pleases their kids).

- We call (follow up) every customer who places food orders "to go" (normally on Christmas, New Year, and special dates and events). And for those who aren't happy, we send their money back, we apologize and send an invitation to come to dine in the restaurant as our guests (free).

- Every time a customer praises one of our employees, we give the employee US\$ 5 in reward for the "great customer service" they extended .

- We call our customers when we have in our buffet their favourite plates (we have a gastronomic buffet, which changes daily).

- Customers who come to enjoy their birthday with us are our guests.

- There are other benefits our employees receive. Our cashier got a 17-day tour of Europe, our night manager got a brand new car, our pasta chef got a 5 day-cruise, the person in charge of the office got a new home computer, our waiters got air tickets to visit where their family live (and more...) "

C. Text Comprehension

C.1. Answer the following questions using the active vocabulary of the text.

1. What determines the level of service quality perceived by the buyer?
2. What functions does a customer service department usually perform?
3. What are the possible services designed to satisfy customers?
4. Is it enough in the competitive world to promise customer satisfaction?

Why?

5. What is the role of modern technologies in the relationships with customers?

Can they totally replace "face-to-face chats" with customers? Why?

6. What ways of inducing customer delight are practised by the owner of Restaurante Fellini?

D. Vocabulary Focus

D.1. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
faulty	delight
speedy	product
financial	ordering
gift	loyal
stay	mouth
establish	statement
customer	note
full	rapport
credit	delivery
word of	refund
computer-to-computer	wrapping

D.2. Customer service often has to deal with complaints. Read the following extracts from faxes and list any useful words and expressions under the following headings. The first four have been done for you:

Contracts	Payment	Delivery	Maintenanc e
<i>renewal</i>	<i>indemnity</i>	<i>late</i>	<i>after-sales service</i>

A Further to our telephone conversation concerning the delivery of machine parts which should have arrived on 23 April, I must remind you that there is a penalty clause stipulating an indemnity of 2,000 for late delivery. However, my accountant tells me that we have not yet received your remittance in respect of this penalty clause. I must therefore inform you that we are not prepared to settle your last statement. I should also point out that your continued unreliability in the matter of deliveries has put the renewal of our contract in danger and I am currently talking with other suppliers who appear to be more willing to meet our requirements. I await both your cheque and comments on this matter.	B In all my years in business I can honestly say I have never seen return material in worse condition. Of the 74 rolls sent back, 30 were used more than 50%, and three rolls were not even our product. Everything that was shipped by us was in excellent saleable condition. In total contrast, the returned rolls are not usable or saleable, and this is entirely due to mishandling. As I said on the phone, mishandling cannot be accepted as a valid reason for issuing credit. Thus, to avoid any legal or collection problems, I request immediate payment of the \$4428.00 balance; owing on your invoice B 18359. Hopefully, you will...
C As you know, we have purchased a substantial number of machines from your company in recent years and have been satisfied both with their performance and with after-sale service offered.	D Please note that rapid deliveries to our plant are essential for us to maintain satisfactory stock levels and keep to production schedules. Our latest order (WYT/54) arrived over two weeks late and we had to cut

Recently, however, we have had several reasons for complaint: on two occasions machines have broken down immediately following a routine service and, whereas in the past we could rely on your service engineer passing within 24 hours of a breakdown, over the last twelve months the delay has averaged three days. This type of inefficiency unfortunately results in delays in our production schedules and cannot be allowed to continue. Unless, therefore, you...	production by some 10%. May I remind you that we cannot allow this situation to continue, as we cannot run the risk of losing orders through late deliveries. Unless there is marked improvement and you are able to dispatch goods on the agreed dates, we will be...
--	---

This letter was sent in reply to one of the faxes. Which one?

We were extremely sorry to learn of the problems you have been having with our after-sales service department. It is unfortunate that you have waited such a long time before informing us of the problems you have been having. However, we have now succeeded in resolving the problem of service delays personnel. In future, I will investigate any breakdowns following service visits personally. Once again, I sincerely apologise for the difficulties you have encountered.

This is part of a letter which was sent in reply to another one of the faxes. Which one? Use these words to complete it.

apologise	inconvenience	resolved	sorry
assure	prompt	returned to normal	

We are ... not to have been able to meet the delivery of machine parts for 23

April. This was due to a supply bottleneck which has now been The goods have now been dispatched and should reach you by Friday.

Once again we ...for any ...and ... you that you will receive ... deliveries in future now that the situation has

E. Follow-up

E.1. Two customers are making complaints on the phone. Read the following dialogues and complete the table.

	PROBLEM	SOLUTION
Call 1		
Call 2		

Call 1

Buyer There seems to be a mistake with the shipment.

Seller Oh, sorry to hear that. What exactly is the problem?

Buyer Well, we placed an order for ten sensors, model number TZ20, but instead we have received twenty TZ10 sensors. I'm afraid this delay is going to cause us problems.

Seller Yes, I can understand. We will of course sell the correct models as soon as possible.

Buyer Sorry, but I need something more specific, so I can tell our customers. Can you manage delivery by Friday? That would be our absolute deadline.

Seller Yes, of course. I can confirm that you will receive the sensors first thing Friday morning.

Call 2

Customer We called you yesterday morning about the network you installed. I'm afraid it's still not working correctly.

Sales Oh, that's strange. I asked our service team to send a technician to take care of it immediately. Somebody should have fixed the problem yesterday.

Customer Well, I haven't seen any technicians, and I must say I'm getting rather annoyed. Our mail order unit still can't access the system, and it's costing us money.

Sales I realize this must be frustrating you. How can I best help you?

Customer I need someone here by noon or else we will have to consider switching to a different system.

Sales By noon? That should be no problem. I'll personally get on to the service unit immediately and make sure they take care of it.

Customer Can you confirm that someone will be here by noon? We can't afford any more delays.

Sales Yes, I understand. I can assure you that the technician will be on your premises before twelve o'clock.

Customer OK, thanks.

E.2. What is wrong with these answers to a customer's complaint? How do you think the customer would react in each case?

1. "I don't really deal with that. That is not my department."
2. "Well, I have never done that before, but I'll try and see what happens."
3. "We can't help you with that. We don't carry that product here."
4. "I don't know."
5. "We don't give refunds. As soon as you leave the store – it's yours."

Look at these more effective answers. Match them with 1-5 above.

A. We have an exchange policy, but I'm afraid we don't give refunds. So, please, make your selection carefully before buying. Could I help you decide which product is the best for you?

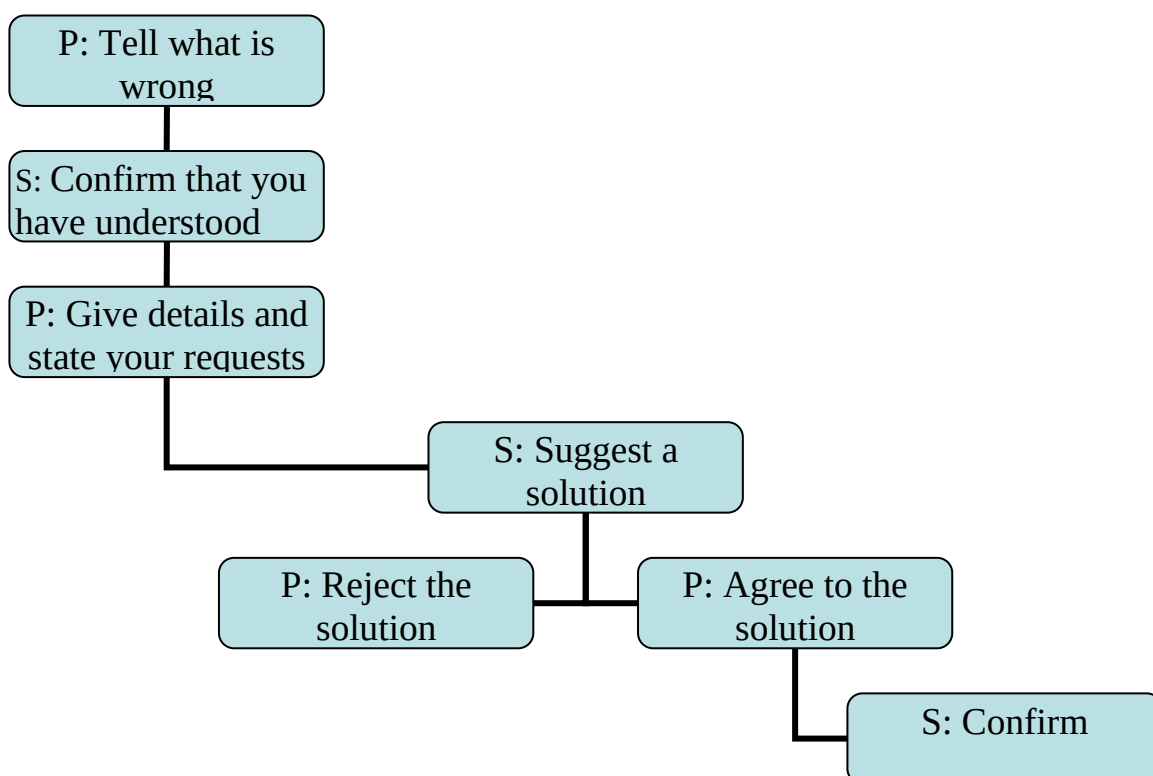
B. I could give you some general advice, but it's better if you speak to my colleague. He is the specialist in this area. May I transfer you to him?

C. I'm really not certain about that, but I'll find for you. I'll ring you back by 4 p.m. today. Is that OK?

D. I'm afraid this isn't something we carry. I can recommend that you contact T&C. I'm sure that they carry that product.

E. That sounds like something we could do for you, but I need to make sure. May I ask my manager about it and call you back?

E.3. Work with your partner. Choose one of the situations below and do a face-to-face or telephone role-play. Use the suggested diagram.



P=purchaser

S=seller

<i>Situation 1</i>	Where is the contract? It should have been here last week.
<i>Situation 2</i>	The shipment is not here yet. Our customers won't be happy about delay.
<i>Situation 3</i>	We have not received the signed contract yet. We can't deliver until it arrives.
<i>Situation 4</i>	Payment is late again. We may have to stop the next delivery.
<i>Situation 5</i>	The components you delivered are faulty. We've had to stop production!

UNIT VII. Consumer Needs and Behaviour

A. Warm-up activity

A.1. Comment on the following quotation.

“There is enough on earth for everybody’s need, but not for everybody’s greed”.

Gandhi

A.2. What do you think? How far do you agree to the following statements?

1. If we only bought things we needed, there would be enough for everybody.
2. What you need depends on how old you are and your way of life.
3. If we didn’t need to buy so much, we wouldn’t need to work so much.

A.3. Answer the following questions. Then discuss your answers in small groups.

1. What was the best thing you bought last week? Where was it made? Was it a made in a factory or a local farm? What was it made from? Was it an environmentally friendly product?
2. When you go to a shop or supermarket do you ever buy items that you hadn’t planned to buy before you entered the shop?
3. Rearrange the list of things you can buy and put the things you think you most need at the top of the list.

Food	An appointment at the hair salon
Paracetamol	Shampoo
An iPod	Beer
Toothpaste	A packet of M&Ms
Cushion covers	Table mats which match the curtains

Is your choice much different from that of your partners’? How does it characterize you as a buyer?

B. Reading

B.1. Match the words and phrases to their definitions. Use the dictionary if necessary.

1. pension plan	a) a feeling of worry about something important ;
2. needs	b) a feeling of being happy and satisfied with your life because you are doing interesting, useful or important things;
3. concern	c) an arrangement in which you pay money regularly into a special fund so that you are paid after you retire;
4. esteem	d) the usual order in which you do things, or the things you regularly do;
5. self-fulfillment	e) the main street in a town or city where the most important shops and businesses are;
6. high street	f) a situation when something is necessary;
7. purchasing behaviour	g) a sudden desire to do something without thinking about whether it is a sensible thing to do;
8. intentions	h) all the different levels of development that a consumer goes through during his life;
9. routine	i) a feeling of respect for someone;
10. impulse	j) manner of acting, conduct of a buyer;
11. consumer life cycle	k) a plan or desire to do something

B.2. Read the following text and do the tasks that follow it.

Maslow's Hierarchy of Needs

Abraham Maslow was a twentieth-century social psychologist. His pyramid of basic needs is one of the most cited models in marketing. Matt Robinson, a senior marketer for a high street bank, uses the model in a talk to the management team: “Imagine that Mr Singh comes to see us about his pension plan. Of course, we talk about his hopes and desires for his retirement. We usually start with how to meet his psychological needs; by this we mean how we will pay for his food and housing – this is a major customer concern. We will also talk about safety needs, how our client will protect himself and his family when he is retired. We think about social needs: will he still be able to afford membership of the golf club? Then there is the Porshe that he drives to the golf club. This is an example of an esteem need – to maintain his lifestyle and social status. We talk a lot about golf in fact! There are also self-fulfillment needs: here we consider all Mr Singh's personal projects and dreams. We have to work out how much money he will need to invest today in order, for example, to be able to travel the world when he retires.”

Consumer Life Cycle (CLC)

Just as products have a life cycle, so do consumers – the Consumer Life Cycle, or CLC. Matt Robinson talks about this: “Of course, the banking sector is highly attuned to consumer life cycles – we're able to understand how a customer's needs change over time. We exploit this by offering different services as our client's age, from their first savings account as a child, to a first current account, to mortgages, life insurance and retirement plans. Some people criticize us for creating needs, for making people believe that they need products that they don't. But I really think we try to fulfill, or satisfy customer needs as they change over the years. Younger customers do not have the same desires as retired people.”

Purchasing behaviour

Purchasing behaviour or purchasing patterns refer to what a consumer buys, and when and how they make their final purchasing decision. The first step is usually awareness of the brand. The consumer forms purchase intentions – plans to buy

things – which they may or may not act on. Routine purchases of the same products on a repetitive basis (for example, coffee from the coffee machine at the office) have low levels of personal involvement. Major investments (such as buying a car) or impulse purchasing (such as buying new shoes or a CD on the way home) have higher levels of personal involvement. Some consumers have very high levels of loyalty to a brand or product and they will always buy the same brand.

C. Text Comprehension

C.1. Complete the pyramid of basic customer needs.



C.2. Answer the following questions using the active vocabulary of the text.

1. According to Maslow's hierarchy what types can all customer needs be divided into?
2. What is the Consumer Life Cycle?
3. How is purchasing behaviour formed?
4. Match the needs from Maslow's pyramid (1-5) with the reasons for buying certain products (a-e)

1. psychological needs	a. a consumer buys a smoke alarm for her house because she wants to be warned if there is a fire
2. safety needs	b. a consumer buys a yearly subscription to a swimming pool because she would like to train and win a gold medal at the next Olympic Games
3. social needs	c. a consumer buys popcorn and drinks because he has invited his friends round to watch an important football match on the television
4. esteem needs	d. a consumer buys a chocolate bar because he is hungry
5. self-fulfillment needs	e. a consumer buys the latest fashion accessory so that she can look and feel good

D. Vocabulary Focus

D.1. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
psychological	purchasing
customer	behaviour
pension	intentions
life	concern
purchasing	purchases
purchase	needs
routine	cycle
impulse	plan

D.2. A marketing specialist is talking about purchasing behaviour. Replace the underlined expressions with alternative expressions from the text.

The (1) actual decision to buy a product depends on the type of product or service. With yogurt, for example, many customers wait until they are in the

supermarket, in front of the row of yogurts, before they decide. On the other hand, for a more expensive product, with higher (2) thought and psychological investment from the customer, it may take place a long time before the purchase. Our research shows that some customers spend three years thinking about the next type of car they will buy. Obviously, over these three years the (3) plans to buy may change a lot. Then there are those (4) purchases without any thought because they are a habit that we all make without thinking. I always get pasta, eggs and milk at the supermarket so I never write them on the list and I always look out for special offers and promotions. This kind of (5) shopping habit is very difficult for a marketing team to change. However, (6) buying something you like when you see it is created by different customer needs, and here we can really make a difference.

E. Follow-up

E.1. Analyse the shopping situation in the following dialogue and describe the buyer's needs.

Seller: Can I help you?

Buyer: 20.000 miles on this one – I'll bet a little old lady owned this lemon!

Seller: That is the actual mileage. Hi, I'm John Alexander and you are ...

(He waits for reply)

Buyer: June Miller.

Seller: June, what can I help you with?

Buyer: Oh, I don't know. Something that runs and will get me around.

Seller: Do you travel out of town or just drive back and forth to work?

Buyer: I drive everywhere! I'm even *getting in a car pool* with my boss.

Seller: Good mileage is important then.

Buyer: Sure is. (She walks over and looks at a full-size, four-door Ford)

Say, I like this one! \$ 40.000! You have to be kidding.

Seller: Do you need that much room?

Buyer: Not really, there is just me.

Seller: June, are you saying you need a car that is dependable, gets good gas mileage, not too big, and not too expensive?

Buyer: How did you guess?

Seller: Follow me ... (He shows her five cars that he feels have those features) Which one of these do you like?

Buyer: Well, they are OK, but I really don't like them. Thanks for your time. I'll shop around a little more. Give me your card and I'll get back to you later.

What should the seller do now that the buyer has said "no" to the cars he has shown her and is about to leave the car lot?

E.2. Work with your partner. Role-play one of the following shopping situations.

Situation 1. You are a customer. You want to buy a wedding dress that you have been dreaming since you were a little girl. You are a bit crazy about it. You saved a lot of money for the perfect dress. You watch the dresses but none of them is <i>THE ONE</i>. You read in "Claudia Magazine" there are more dresses somewhere in the shop only for VIP clients. You need to talk to the shop assistant and make her show you better products. You really need a perfect dress!	Situation 1. You are a shop assistant in a "Beautiful Wedding Shop". You know your customers are a little crazy but you are a professional and you know how to make them feel relaxed. You have a lot of great wedding dresses but for special clients (VIP) you have another room with the best dresses from Paris. But you can only show them to real VIP customers. If you show them to "ordinary women" you may lose your job.
Situation 2. You are a customer. You are also a shopaholic. You don't have much money but you feel you simply <i>MUST</i> buy some T-shirts. They	Situation 2. You are a shop assistant. You've worked in this clothes shop for 2 years now. So you are experienced. The customer wants to get

are so glamorous! You think without them your day will be a disaster. Make your shop assistant sell you the T-shirts with bi-i-i-g discount.	a very big discount on some T-shirts which are a new collection and you can't sell them cheaper. Well, may be you use YOUR discount card (but why should you do this)?
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E.3. Quiz: What Type of Buyer Am I?

Do you let impulse rule your decisions or are you a more methodical consumer? Your past spending habits have a lot to say about what type of home buyer you'll make. Take this quick quiz to see your strengths and possible buying pitfalls.

1. I save money:

- (a) on a regular schedule;
- (b) when I have money leftover;
- (c) pretty much never. I have very little savings.

2. When I shop:

- (a) I use a list;
- (b) I do pretty good about remembering what I need;
- (c) I tend to buy things that catch my eye.

3. How important is it for you to appear well-dressed and successful?

- (a) I know it's important for things to look good, but I don't like to overspend
- (b) looking good is worth spending a little extra money
- (c) I live to look like a million bucks!

4. I tend to return purchases to the store:

- (a) not often;
- (b) once a month;
- (c) all the time. If you have a receipt you can return it!

5. I have a car that I:

- (a) own;
- (b) make payments on;

(c) lease.

6. *Before I make a big purchase:*

(a) I research the latest prices and trends;

(b) I think about what exactly I want to buy;

(c) I've generally just gotten a raise or bonus.

7. *Large purchases make me feel:*

(a) like a grown-up;

(b) a little uneasy;

(c) successful and in control.

If you answered mostly a's then you are a careful, methodical shopper. Your strengths in the home buying process are clear. You won't make an impulsive decision. Changes are you'll shop around a lot before you make your final choice. You have plenty of money saved. You are very money conscious. You and homeownership should have a beautiful relationship.

If you answered mostly b's then you tend to pretty good with your money. You don't overspend, but you should focus on saving more. Homeownership comes with a lot of unexpected expenses. Build up an emergency fund and a downpayment account.

If you answered mostly c's then you need to beware. You could very easily be an impulsive shopper. Looking good is really important to you, so be careful not to overspend. You also may have a hard time with commitment. You may lease your car or return items to stores. Be sure you spend time running real numbers and putting together a solid plan for buying before you start the process.

UNIT VIII. Ethics in Trade

A. Warm-up activity

A.1. Comment on the following quotation.

“A business that makes nothing but money is a poor kind of business”.

Henry Ford

A.2. What do you think? How far do you agree to the following statements?

1. Business is above everything.
2. You should always apply your own personal ethical standards when doing business.
3. Your only ethical obligation is to act within the law.
4. A company has responsibilities to its suppliers, its customers, its employees, the local community and society in general.

A.3. Answer the following questions. Then discuss your answers in small groups.

1. What effect (positive or negative) can companies have on the environment and the local community?
2. Do you know of any companies that are well known for their social responsibility? Is this a selling point for the company?
3. Do you know of any companies that have an image problem because of their activities?

B. Reading

B.1. Match the words and phrases to their definitions. Use the dictionary if necessary.

1. fair trade	a) to have a tendency of improving, becoming stronger;
2. corporate giving	b) principles or rules of conduct

3. equal opportunities	accepted by society;
4. ethics	c) someone who is concerned about protecting the environment;
5. sweatshop	d) helping small-scale producers by paying a fair price for commodities;
6. welfare	e) relating to farming or gardening methods of growing food or plants without using artificial chemicals;
7. loyal customer base	f) donations from companies to local communities;
8. environmentalist	g) a certain number of customers aware of your product and interested in buying it;
9. to go from strength to strength	h) physical and mental health and happiness;
10. organic	i) recognizing duties and obligations toward society;
11. corporate social responsibility	j) treating people equally regardless of gender, age, marital status, sexual orientation, disability, race or religion;
	k) a small business, factory where people work hard in bad conditions for very little money

B.2. Read the following article and do the tasks that follow it.

Fine Shirtmakers

Set up in the 1920s by James Carston, a Manchester tailor, the company has remained in the family and is now run by James's grandson, Paul Carston. Employing fewer than 50 people, the company has a reputation for producing high-quality men's shirts, which it sells by mail order, and has a loyal customer base. As

Paul Carston says, ‘Once someone has tried our shirts, they tend to come back for more. Our customers appreciate the attention to detail and the high-quality fabric we use.’ And it’s the fabric they now use that makes the company almost unique in the world of men’s shirt manufacturers.

When Paul Carston took over running the company in 1999, he inherited a business that prided itself on using local well-paid machinists rather than sweatshop labour, and looked upon its employees as members of an extended family. Paul, a committed environmentalist, felt that the company fitted in well with his values. The shirts were made from 100 per cent cotton, and as Paul says, ‘It’s a completely natural fibre, so you would think it was environmentally sound’. Then Paul read a magazine article about Fair Trade and cotton producers. He was devastated to read that the cotton industry is a major source of pollution, and that the synthetic fertilisers used to produce cotton are finding their way into the food chain.

Paul takes up the story. ‘I investigated our suppliers, and sure enough found that they were producing cotton on an industrial scale using massive amounts of chemicals. Then I looked into organic cotton suppliers, and found an organisation of Indian farmers who worked together to produce organic cotton on a Fair Trade basis. Organic cotton is considerably more expensive than conventionally produced cotton, so I did the sums. I discovered that if we were prepared to take a cut in profits, we would only need to add a couple of pounds to the price of each shirt to cover the extra costs. The big risk, of course, was whether our customers would pay extra for organic cotton.’

Paul did some research into the ethical clothing market and discovered that although there were several companies producing casual clothing such as T-shirts in organic cotton, there was a gap in the market for smart men’s shirts. He decided to take the plunge and switch entirely to organic cotton. He wrote to all his customers explaining the reasons for the change, and at the same time the company set up a website so they could sell the shirts on the internet. The response was encouraging. Although they lost some of their regular customers, they gained a whole customer

base looking for formal shirts made from organic cotton, and the company is going from strength to strength.

C. Text Comprehension

C.1. Answer the following questions using the active vocabulary of the text.

1. How has the company's founder influenced what the company does now?
2. What does the company have a commitment to? How does it show this commitment?
3. What points are made about the manufacturing process?
4. How does the owner pay his employees?
5. Do you or would you buy products from companies like that? How important for you to buy products from ethical companies?

D. Vocabulary Focus

D.1. Match the verbs in box A with the nouns in box B making possible word-collocations based on the text.

A	B
loyal customer	labour
high-quality	environmentalist
sweatshop	market
committed	trade
environmentally	base
fair	produced
conventionally	fabric
ethical	sound

D.2. Choose a word/phrase from A and B to make phrases to complete the questions.

A	B
act comply with	time an active part in

share	reduce	responsibility	true to its principles
take	donate	the impact	a strong commitment to
stay		regulations	

1. Do most companies in your country always or do they sometimes bend the rules?
2. Do you know of any companies that ... , services or money to help local organizations?
3. How can businesses ... they have on the environment?
4. Why should a company ... and deal with any pollution that is a by-product of its business activity?
5. Does your company ... the life of the local community? If so, what does it do?
6. Should a company ... and values even if this means a loss of profit?
7. What companies in your country ... protecting the environment?

E. Follow-up

E.1. Read about the activities of the companies and discuss the following questions.

1. Who are the likely target customers for each of the products? What kind of things matter for these customers?
2. How do the companies' activities promote their ethical position?

A Tribes Travel <i>Core business:</i> fair trade, ecotourism and responsible travel • We use a Fairtrade travel mark for all our ecotourism. This involves: paying people a fair wage for the services they provide, making sure these people aren't exploited, and ensuring our	B Ben and Jerry's Ice-cream <i>Core business:</i> selling ice-cream Company's mission is to inform public about and assist in ethical and environmental matters. Our project are: • the Climate Change College (being run in many countries) – to inform about changing climate
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tourism (and money generated from this) has a positive effect on local people and the environment. • We promote learning about each other's cultures through local guides and involve local people in the trips. • Our tourist groups are small to insure minimum impact on the wildlife, environment and local communities. • We have an affiliated charity which supports poverty reduction, education, cultural preservation and conservation projects within areas affected by tourism.	• UK working with the Fairtrade Foundation to buy sugar from Paraguay and vanilla from India for vanilla ice-cream • global warming project: plant in Netherlands uses renewable energy for manufacturing (wind, sun, water, biomass); factories in Vermont have invested in wind energy and plan to reduce CO2 emissions by 10% in the next three years • buying "climate tickets" to fly our business people – to counteract the effect of flying on the environment.
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E.2. Work in two groups. Choose company A or B. you are going to plan an event or a series of events to inform a wider market about the company's operation and activities.

1. Decide what events/activities could raise the profile of the company's ethical position.
2. Make a plan of the event(s).
3. Prepare a brief informal presentation.
 - a) give details about what the company does, explain its position on ethical matters;
 - b) explain the plans and arrangements for the event(s).
4. Each group gives its presentation to the class. While you are listening to the presentations, decide which company seems to be more ethical. After all the presentations, vote for your favourite in terms of ethical position and ideas for events.

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