LECTURE NOTES

CHAPTER OPENING EXAMPLE

PANASONIC.COM: CHOICES MADE SIMPLE

- Buying products from Panasonic online has been made simple and convenient for customers who do not have the time to do physical shopping. In addition to the comfort of their own home, shopping online also allows customers to take their time to review the functions of the cameras and compare them.

- The example in the case describes a customer looking for a birthday present (a digital camera) for her boyfriend. Despite being busy and not knowing much about cameras, she managed to find the perfect present for her boyfriend with the help of the online shopping website from Panasonic.

- Internet technology creates customer value, build customer relationships and produce customer experiences in novel ways. Internet technology and consumer behavior and marketing practice are mutually dependent on one another. Marketers integrate and leverage their communications and delivery channels using internet technology to implement multichannel marketing programs.

I. CREATING CUSTOMER VALUE, RELATIONSHIPS, AND EXPERIENCES IN MARKETSPACE [LO1]

- Consumers and companies populate two market environments:

  a. The traditional *marketplace*, where buyers and sellers engage in face-to-face exchange relationships in a material environment characterized by physical facilities (stores and offices) and mostly tangible objects.

  b. The *marketspace*, an Internet-enabled digital environment characterized by face-to-screen exchange relationships and electronic images and offerings.

- Consumers now browse and purchase a variety of offerings in both market environments, and more are expected to do so in the future.

- Companies with marketplace origins continue to refine the role Internet technology plays in attracting, retaining, and building consumer relationships to improve their competitive positions in both the marketplace and marketspace.

- Companies with marketspace origins continue to refine, broaden, and deepen their marketspace presence, and consider what role, if any, the traditional marketplace will play in their future.

- A company's success in achieving a meaningful marketspace presence hinges largely on designing and executing a marketing program that capitalizes on the unique customer value-creation and relationshup-building capabilities of Internet technology in delivering a favorable customer experience.

A. Customer Value Creation in Marketspace

- Marketers believe that the possibilities for customer value creation are greater in the digital marketspace than in the physical marketplace.

  a. In marketspace, the provision of direct, on-demand information is possible from marketers *anywhere* to customers *anywhere at any time*.

  b. Operating hours and geographical constraints do not exist in marketspace.

  c. Possession utility—getting a product or service to consumers so they can own or use it—is accelerated.

- The greatest marketspace opportunity lies in its potential for creating form utility. Interactive two-way Internet-enabled communication invites consumers to tell marketers exactly what their requirements are, making possible the customization of a product or service to fit the buyer's exact needs.

B. Interactivity, Individuality, and Customer Relationships in Marketspace

- Marketers benefit from two unique capabilities of Internet technology that promote and sustain customer relationships:

  a. *Interactivity*, by listening and responding to consumer needs.

  b. *Individuality*, by empowering them to:
     - Influence the timing and extent of the buyer-seller interactions.
     - Have a say in the kind of products and services they buy, the information they receive, and the prices they pay.

- **Interactive marketing** involves two-way buyer-seller electronic communication in a computer-mediated environment in which the buyer controls the kind and amount of information received from the seller.

- Interactive marketing is characterized by choiceboard and personalization systems that transform customers' supplied information into customized responses to their individual needs.

1. Choiceboards.

  a. A **choiceboard**:
     - Is an interactive, Internet-enabled system that allows individual customers to design their own products and services by answering a few questions and choosing from a menu of product or service attributes, prices, and delivery options.
     - Collects precise information about the preferences and behavior of individual buyers to anticipate and fulfill their needs.

  b. **Collaborative filtering**:
     - Is a process that automatically groups people with similar buying intentions, preferences, and behaviors and predicts future purchases.
     - Gives marketers the ability to make a dead-on sales recommendation to a buyer in *real time*.

2. Personalization.

  a. Choiceboards and collaborative filtering are *marketer-initiated* efforts to provide customized responses to the needs of individual buyers.

  b. Personalization systems are typically *buyer-initiated*.

    c. Personalization is the consumer-initiated practice of generating content on a marketer's website that is custom tailored to an individual's specific needs and preferences.

    d. Permission marketing is the solicitation of a consumer's consent (called "*opt-in*") to receive e-mail and advertising based on personal data supplied by the consumer.

    e. Companies that employ it successfully adhere to three rules:

- Make sure opt-in customers only receive information that is relevant and meaningful to them.

- Customers are given the option of *opting out* or, changing the kind, amount, or timing of information sent to them.

- Customers are assured that their name or buyer profile data will not be sold or shared with others.

C. Creating an Online Customer Experience

- An ongoing challenge for companies is to design and execute marketing programs that capitalize on the customer value-creation capabilities of Internet technology.

- Companies realize that simply applying Internet technology to create time, place, form, and possession utility is not enough. The quality of the customer experience produced is the standard for a meaningful marketspace presence.

- *Customer experience* is defined as the sum total of the interactions that a customer has with a company's website, from the initial look at a homepage through the entire purchase decision process.

- Companies produce a customer experience through seven website design elements:

    a. *Context* refers to a website's aesthetic appeal and functional look and feel reflected in site layout and visual design.

    b. *Content* applies to all digital information on a website, including the presentation form—text, video, audio, and graphics to engage a website visitor.

    c. *Customization* is the ability of a website to modify itself to—or be modified by—each user.

    d. *Connection* is the network of formal linkages between a company's site and other sites.

     e. *Communication* refers to the dialogue that unfolds between the website and its users, who expect it to be interactive and individualized in real time like a personal conversation.

     f. *Community* encourages user-to-user communications hosted by the company to build favorable buyer-seller relationships.

     g. *Commerce* is the website's ability to conduct quick and simple sales transactions for products and services.

- Although every website has context and content, they differ in the remaining five elements based on its purpose.

     a. Websites that emphasize the actual sale of products and service only include the commerce element.

     b. Websites that are used primarily for advertising and promotion purposes emphasize the communication element.

- Companies use a broad array of measures to assess website performance, including the amount of time per month visitors spend on their website, or "stickiness," to gauge customer experience.

USING MARKETING DASHBOARDS

Sizing Up Site Stickiness at an Automotive Dealership

Average Time Spent per Unique Visitor (Minutes)

     Dealerships commonly measure website performance by tracking visit, visitor traffic, and "stickiness"—the amount of time per month visitors spend on their website. To gauge stickiness, companies monitor the average time spent per unique visitor (in minutes) on their websites. This is done by tracking and displaying the average visits per monthly unique visitor and the average time spent per visit in minutes. This information is displayed on a marketing dashboard and is shown below:

$$\text{Average Time Spent per Unique Visitor (minutes)} = \text{Average Visits per Monthly Unique Visitor} \times \text{Average Time Spent per Visit (minutes)}$$

Your Challenge.

To assess whether the recent improvements in the company's website has increased the amount of time per month visitors spend on the website.

Your Findings.

The monthly marketing dashboard traffic and time measures are displayed below for June 2006, three months before the website improvements (green arrow), and June 2007, three months after the improvements were made (red arrow). The average time spent per unique monthly visitor increased from 8.5 minutes in June 2006 to 11.9 minutes in June 2007—a sizeable jump. The increase is due primarily to the upturn in the average time spent per visit from 7.1 minutes to 8.5 minutes. The average number of visits also increased, but the percentage change was much less.

Your Actions.

Improvements in the website have noticeably "moved the needle" on average time spent per unique visitor. Still, additional action may be required to increase average visits per monthly unique visitor, such as:

- Analyze the company's Internet advertising program and search engine initiatives with Google.

- Assess the links to automobile manufacturer corporate websites.

- Broaden print and electronic media advertising.

LEARNING REVIEW

1. **The greatest marketspace opportunity for marketers lies in the creation of what kind of utility?**

   Answer: time utility and place utility

2. **The consumer-initiated practice of generating content on a marketer's website that is custom tailored to an individual's specific needs and preferences is called _____.**

   Answer: personalization

3. **Companies produce a customer experience through what seven website design elements?**

   Answer: These design elements are: context, content, community, customization, communication, connection, and commerce.

II. ONLINE CONSUMER BEHAVIOR AND MARKETING PRACTICE IN MARKETSPACE [LO2]

Who are online consumers and what do they buy? Why and when do they choose to shop and purchase products in marketspace rather than or in addition to the marketplace? Answers to these questions have a direct bearing on marketspace marketing practices.

A. Who is the Online Consumer?

Online consumers differ demographically from the general population.

1. Profiling the Online Consumer.

    a. Online consumers own or have access to a computer or an Internet-enabled device, such as a cell phone.

    b. **Online consumers** are the subsegment of all Internet users who employ Internet-enabled technology to research products and services and make purchases.

- About 90% of all adult Internet users have sought product or service information online.

- Almost 70% have actually purchased a product or service online.

    c. Online consumers are about evenly split between men and women tend to be better educated, younger, and more affluent than the general population.

    d. In the Asia Pacific, the average number of purchases made by online shoppers from countries like Singapore, Taiwan, and China is five purchases per month, the same as those made by online shoppers in Europe.

    e. Even though online shopping and buying is growing in popularity, a small percentage of online consumers still account for a disproportionate share of online retail sales in Asia.

2. Online Consumer Lifestyle Segmentation.

Harris Interactive, a large U.S. research firm, has identified six distinct online consumer lifestyle segments:

    a. *Click-and-mortar* (23%). Consists of women who browse retailer websites but actually buy products in traditional retail outlets. Represents an important segment for multichannel retailers that feature catalog and stores.

    b. *Hunter-gatherers* (20%). Consists of married couples with children at home who use the Internet like a consumer magazine to compare products and prices.

      c. *Brand loyalists* (19%). Consists of those who spend the most money online. Are better educated, more affluent, and experienced Internet users enjoy the online browsing and buying experience.

      d. *Time-sensitive materialists* (17%). Consists of those who regard the Internet as a convenience tool for buying music, books, and computer software and electronics.

      e. *Hooked, online, and single* (16%). Consists of young, affluent, and single online consumers who bank, play games, and spend more time online than any other segment.

      f. *Ebivalent newbies* (5%). Consists of newcomers to the Internet who rarely spend money online, but seek product information.

MARKETING MATTERS

Meet Today's Internet Mom—All 31 Million!

Do you have fond childhood memories of surfing the Internet with your mother? Recent research indicates that 31 million mothers are online regularly. They are 38 years old, married, college educated, and work outside the home.

A study conducted by C&R Research on behalf of Disney Online has identified four segments of mothers based on their Internet usage:

- *Yes Mom* (14%). Consists of moms who work outside the home, go online 8 hours per week, and value the convenience of obtaining information about products and services.
- *Mrs. Net Skeptic Mom* (31%). Consists of stay-at-home moms who are family-oriented and go online 6 hours per week for parenting, children's education, food, and cooking information.
- *Tech Nester Mom* (32%). Consists of moms who believe the Internet brings their family closer together. They average 10 hours per week online and prefer online to in-store shopping.
- *Passive under Pressure Mom* (23%). Consists of moms who are Internet newbies and go infrequently online.

For most moms, the Internet has simplified their lives. It has been an invaluable information source for travel, financial services, cars, and family-related topics. Online moms ranked weather, food and cooking, entertainment, news, health, and parenting as the most popular websites to visit.

    B. What Online Consumers Buy [LO3]

       There are six general product and service categories that dominate online consumer buying today:

- Items for which product information is an important part of the purchase decision (computers, electronics, and books).

- Items for which audio or video demonstration is important (CDs and DVDs).

- Items that can be delivered digitally (computer software and reservations).

- Unique items (collectibles, specialty goods, and gifts).

- Regularly purchased items for which convenience is important (groceries).

- Highly standardized products and services for which information about price is important (insurance, casual apparel, and toys).

C. **Why Consumers Shop and Buy Online [LO4]**

Consumers refer to six reasons why they shop and buy online:

1. **Convenience**.

    a. Online shopping and buying is *convenient*. Consumers can visit a given retailer to browse and order products without dealing with traffic, long aisles, and store checkout lines.

    b. Online consumers can use **bots**, electronic shopping agents or robots that comb websites to compare prices and product or service features.

    c. To remain source of customer value creation, websites must be easy to locate and navigate, and image downloads must be fast.

        - The **eight-second rule** is a view that customers will abandon their efforts to enter and navigate a website if download time exceeds eight seconds.

        - The more clicks and pauses between clicks required to access information or make a purchase, the more likely a customer will exit a website.

2. **Choice**. *Choice* has two dimensions:

    a. It exists in the product or service selection offered to consumers.

    b. Assistance through interactive Internet-enabled technologies invites customers to engage in an electronic dialogue with marketers to make informed choices.

3. **Customization**. Some customers prefer one-of-a-kind items that fit their specific needs:

    a. *Customization* arises from Internet-enabled capabilities that make possible an interactive and individualized information and exchange environment for shoppers and buyers.

    b. Online consumers also benefit from **customerization**—the growing practice of not only customizing a product or service but also personalizing the marketing and overall shopping and buying interaction for each customer.

    c. Customerization combines choiceboard and personalization systems to expand the exchange environment beyond a transaction to make shopping and buying an enjoyable, personal experience.

4. Communication.

    a. Online consumers welcome the *communication* capabilities of Internet-enabled technologies, which takes three forms:

- Marketer-to-consumer e-mail notification.

- Consumer-to-marketer buying and service requests.

- Consumer-to-consumer chat rooms, instant messaging, and social networking websites (e.g. MySpace and Facebook).

    b. The interactive communication capabilities of Internet-enabled technologies increase convenience, reduce information search costs, and permit choice assistance and customization.

    c. Communication promotes the development of company-hosted and independent **web communities**—websites that allow people to congregate online and exchange views on topics of common interest.

    d. A recent development is the creation of web logs or blogs.

- A **blog** is a webpage that serves as a publicly accessible personal journal for an individual or organization.

- Blogs have grown in popularity because they provide online forums on a wide variety of subjects.

    e. Communication can also take the form of electronic junk mail or unsolicited e-mail, called **spam**.

- Online services now institute policies and procedures to prevent spammers from spamming their subscribers.

- Several Asian countries have anti-spamming laws and in Singapore, the Spam Control Bill was passed in 2007.

f. Internet-enabled communication also makes possible *buzz*, a popular term for word-of-mouth behavior in marketspace as a result of chat rooms, instant messaging, and product and service review websites.

g. Some marketers have capitalized on this phenomenon by creating buzz through **viral marketing**, which is an Internet-enabled promotional strategy that encourages individuals to forward marketer-initiated messages to others via e-mail. There are three approaches to viral marketing:

- Embed a message in the product or service so that customers hardly realize they are passing it along.

- Make the website content so compelling that viewers want to share it with others.

- Offer incentives (discounts, etc.) for referrals.

5. Cost.

a. The consumer *cost* of many popular items bought online is the same price or cheaper than in retail stores.

b. Lower prices also result from Internet-enabled software that permits **dynamic pricing**, the practice of changing prices for products and services in real time in response to supply and demand conditions.

- Dynamic pricing is a form of flexible pricing and can often result in lower prices.

- It is typically used for pricing time-sensitive, scarce, and out-of-date items.

c. A consumer's cost of external information search, including the time spent and the hassle of shopping, is also reduced.

6. Control.

a. Consumers want *control* over their online shopping.

b. A segment of Internet users refrain from making purchases for privacy and security reasons due to a concern about a seventh "C," cookies.

- **Cookies** are computer files that a marketer can download onto the computer of an online shopper who visits the marketer's website.

- Cookies allow the marketer's website to record a user's visit, track visits to other websites, and store and retrieve this information in the future.

- Cookies contain product preferences, personal, and financial data information provided by visitors.

MAKING RESPONSIBLE DECISIONS

Let the E-Buyer Beware

Privacy and security are two key reasons why consumers are leery of online shopping and buying. Many consumers have stopped shopping a website or forgone an online purchase because of these concerns. Almost US$1 billion in e-commerce sales are lost annually due to these concerns from online shoppers.

According to the Federal Trade Commission, 46 percent of fraud complaints are Internet related. In addition, consumers lose millions of dollars each year due to identity theft resulting from breaches in company security systems. While consumers would like more stringent Internet privacy and security laws, companies prefer self-regulation to protect consumers. TRUSTe (www.truste.com) awards its trademark to websites that comply with standards of privacy protection and disclosure.

Still, consumers are ultimately responsible for using care and caution when engaging in online behavior, including e-commerce. Consumers have a choice of whether or not to divulge personal information and monitor how their information is being used.

D. When and Where Online Consumers Shop and Buy

- Shopping and buying also happen at different times in marketspace than in the traditional marketplace.

- About 80% of online retail sales occur Monday through Friday during normal work hours; the busiest day is Wednesday.

- By comparison, 35% of retail store sales are registered on the weekend; Saturday is the busiest day.

LEARNING REVIEW

4. What is the eight-second rule?

Answer: The eight-second rule is a view that customers will abandon their efforts to enter and navigate a website if download time exceeds eight seconds.

5. Which online consumer lifestyle segment spends the most money online and which spends the most time online?

Answer: The "brand loyalists" segment spends the most money online whereas the "hooked, online, and single" segment spends more time online.

6. What are the six reasons consumers prefer to shop and buy online?

Answer: convenience, choice, customization, communication, cost, and control

III. CROSS-CHANNEL SHOPPERS AND MULTICHANNEL MARKETING [LO5]

Consumer marketspace browsing and buying in the traditional marketplace has given rise to the cross-channel shopper and the importance of multichannel marketing.

A. Who is the Cross-Channel Shopper?

- A **cross-channel shopper** is an online consumer who researches products online and then purchases them at a retail store.

    a. 51% of U.S. online consumers are cross-channel shoppers.

    b. These shoppers represent both genders equally and are only slightly younger than online consumers.

    c. They are more educated, earn significantly more money, and are more likely to embrace technology than online consumers who don't cross-channel shop.

    d. Cross-channel shoppers want the right product, at the best price, and they don't want to wait several days for delivery.

- Cross-channel shoppers research items online before buying in stores due to the:

    a. Desire to compare products among different retailers.

    b. Need for more information than is available in stores.

    c. Ease of comparing options without having to go to multiple retail locations.

- Retail Sales arising from cross-channel shoppers are estimated to be US$1 trillion by 2011—about three times greater than online retail sales.

B. Implementing Multichannel Marketing

- Multichannel marketing is the blending of different communication and delivery channels that are mutually reinforcing in attracting, retaining, and building relationships with consumers who shop and buy in the traditional marketplace and online—the cross-channel shopper.

- The most common cross-channel shopping and buying path is to browse one or more websites and then purchase an item at a retail store.

- Websites play a dual role in multichannel marketing because they can serve as either a communication or delivery channel.

- Two general applications of websites exist based on their intended purpose: (1) transactional websites and (2) promotional websites.

1. **Multichannel Marketing with Transactional Websites**.

   a. *Transactional websites* are electronic storefronts that focus on converting an online browser into an online, catalog, or in-store buyer using the six website design elements.

   b. Transactional websites are most common among store and catalog retailers and direct selling companies.

   c. Retailers and direct selling firms have found that their websites, while cannibalizing sales volume from stores, catalogs, and sales representatives, attract new customers and influence sales.

   d. Transactional websites are used less frequently by manufacturers of consumer products due to the threat of *channel conflict* and the potential harm to trade relationships with their retailing intermediaries.

   e. Still, some manufacturers do use transactional websites, often cooperating with retailers, such as listing the stores where products can be bought.

2. **Multichannel Marketing with Promotional Websites**.

   a. *Promotional websites* advertise and promote a company's products and services and provide information on how items can be used and where they can be purchased.

   b. Promotional websites often engage the visitor in an interactive experience involving games, contests, etc. as well as offering coupons and prizes.

   c. Promotional websites can be effective in generating interest in and trial of a company's products and services.

   d. Promotional websites can support a company's traditional marketing channel and build customer relationships.

   e. Multichannel marketers accounted for 70% of U.S. online retail sales in 2007 and are expected to register about 90% of U.S. online retail sales in 2012.

LEARNING REVIEW

7. A cross-channel shopper is _____.

Answer: consumers who research offerings online and then purchase them at retail stores

8. **Channel conflict between manufacturers and retailers is likely to arise when manufacturers use _____ websites.**

   Answer: transactional

APPLYING MARKETING KNOWLEDGE

1. **Have you made an online purchase? If so, why do you think so many people who have access to the Internet are not also online buyers? If not, why are you reluctant to do so? Do you think that electronic commerce benefits consumers even if they don't make a purchase?**

   Answer: Students will most likely refer to concerns about credit card fraud and invasions of privacy as the main reasons why more people do not make online purchases. Students who have made online purchases are likely to be less sensitive to these problems than those who have not. The main point of the question, however, is that electronic commerce creates value for consumers even if they don't purchase online by creating time, place, and form utility. Even if a consumer elects to sacrifice the possession utility created by electronic commerce and make purchases at a brick-and-mortar store or by calling/faxing an order to an e-tailer, these other utilities are a source of substantial value.

2. **Like the traditional marketplace, marketspace offers marketers opportunities to create greater time, place, form, and possession utility. How do you think Internet-enabled technology rates in terms of creating these values? Take a shopping trip at a virtual retailer of your choice (don't buy anything unless you really want to). Then compare the time, place, form, and possession utility provided by the virtual retailer with that you enjoyed during a nonelectronic experience shopping for the same product category.**

   Answer: The utilities created by the websites students choose to visit will vary. Each site, however, will be an example of how the marketspace allows creation of incremental value for at least one of the utilities. All the sites contribute to time and place utility because consumers can make purchases at any time of the day and from any location. The websites for all major airlines are good examples of creating possession utility—consumers can book their own flights, receive almost instantaneous confirmation of their reservation, and purchase electronic tickets. Computer websites show how electronic commerce creates form utility when shoppers can design their own computer based on their personal needs. Comparison shopping bots allow a visitor to specify exactly what he or she is looking for in a variety of product categories; the bot will find products that most closely fit those specifications.

3. **Visit Amazon.com (www.amazon.com) As you tour the company's website, think about how shopping for books online compares with a trip to your university bookstore to buy books. Specifically, compare and contrast your shopping experiences with respect to convenience, choice, customization, communication, cost, and control.**

   Answers: Students may differ in their opinions about whether the traditional or the online retailers offer greater value along each of these dimensions. Sometimes, slow Internet connection speeds means that an online purchase may actually be less convenient than traditional purchases. The main point of the question, however, is to clarify the meaning of each of the six 'Cs' of online shopping and buying. [NOTE: A seventh 'C' can also impact the online shopping experience: "Cookies."]

   a. **Convenience**. Online book shopping means that customers don't have to fight traffic, find a parking space, or wait in line at checkout.

   b. **Cost**. Both these book e-tailers offer deep discounts so that the prices are often less than in traditional bookstores even after shipping and handling charges are added.

   c. **Choice**. Both online booksellers offer a selection that far surpasses what is available in any brick-and-mortar bookstore.

   d. **Customization**. Amazon.com and barnesandnoble.com use customer information to customize their offerings. For example, a customer who buys one book will receive suggestions about other books by the same author or on the same topic. As the e-tailers refine the customer profile over multiple transactions, the offerings to each customer match the customer's needs more precisely.

   e. **Communication**. The online booksellers allow customers to communicate with each other by submitting electronic book reviews. Online retailing also permits interactive communication between the buyer and seller. Barnesandnoble.com and amazon.com obtain customer information both actively (using customer questionnaires) and passively (using cookies). This information is then used to notify customers electronically about new books of interest to them.

   f. **Control**. Online book buyers can obtain information about books from other buyers' reviews and from the booksellers' reviews. This gives them better control over their purchases and enhances the likelihood that they will enjoy the books they purchase.

   g. **Cookies**. As noted, both these electronic booksellers use cookies to help build customer databases that assist in creating customized offerings.

4. **Suppose you are planning to buy a new car so you decide to visit www.sg.carmart.com. Based on your experience visiting that site, do you think you would enjoy more or less control in negotiating with the dealer when you actually purchase your vehicle?**

   Answer: www.sg.carmart.com is a comparison shopping service that provides car buyers with a wealth of information about different makes and models. In particular, it includes information about MSRP and the prices of various options packages. Consumers who enter a negotiation with this information enjoy more control than those who are uninformed. As a result, customers who use comparison shopping sites like carpoint.com often pay less for the products they buy.

5. **Visit the website for your university or college. Based on your visit, would you conclude that the site is a transactional site or a promotional site? Why? How would you rate the site in terms of the six website design elements that affect customer experience?**

   Answer: The websites maintained by most universities and colleges are promotional websites. They are designed to facilitate communication between the educational institution and various stakeholders including employees, current and prospective students and their parents, and, in the case of public universities, public policy makers and taxpayers. Students' ratings of the website will vary. The instructor might suggest pooling ideas for the website's webmaster.

BUILDING YOUR MARKETING PLAN

Does your marketing plan involve a marketspace presence for your product or service? If the answer is no, read no further and do not include this element in your plan. If the answer is yes, then attention must be given to developing a website in your marketing plan. A useful starting point is to:

1. **Describe how each website element—context, content, community, customization, communication, connection, and commerce—will be used to create a customer experience.**

2. **Identify a company's website that best reflects your website conceptualization.**

   Answer: If marketspace presence is important for the product or service in the student marketing plan, then an effective website is critical to success. Clearly, asking the student or team to design an appropriate website is far beyond the scope of a marketing plan for an introductory marketing course. But asking students to do a "six-C analysis" of each element in their website and to identify an existing website that might serve as a model is appropriate for their marketing plans.

Helping with Common Student Problems

Perhaps 20 or 30 percent of the students in your class have outstanding computer and Internet sophistication. And they may have selected a marketing plan tied to some kind of Internet marketing activity. For these students, the instructor's challenge is to keep the "marketplace" portion of their marketing plan in balance with the entire plan and <u>not</u> have the plan be 80 percent Internet activities or website design.