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| **TEXAS CTE LESSON PLAN**[www.txcte.org](http://www.txcte.org) |
| **Lesson Identification and TEKS Addressed** |
| **Career Cluster** | Business Management & Administration |
| **Course Name** | Virtual Business |
| **Lesson/Unit Title** | E-Marketing |
| **TEKS Student Expectations** | **130.141. (c) Knowledge and Skills**(3) The student demonstrates online and off-line marketing, including establishing a web presence. The student is expected to:(A) create and design a website for a virtual business office;(B) determine appropriate marketing of a virtual business office; and(D) describe steps to successfully market a virtual business office. |
| **Basic Direct Teach Lesson**(Includes Special Education Modifications/Accommodations and one English Language Proficiency Standards (ELPS) Strategy) |
| **Instructional Objectives** | The students will be able to:* Compare and contrast Internet marketing strategies and traditional marketing strategies.
* Describe the effects of marketing for an online business.
* Learn how to analyze a web competitor.
* Learn how to understand online consumers.
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| **Rationale** | Upon completion of this lesson, the student will understand the importance of marketing for a virtual business. |
| **Duration of Lesson** | This lesson should take five to six days to complete. |
| **Word Wall/Key Vocabulary***(ELPS c1a,c,f; c2b; c3a,b,d; c4c; c5b) PDAS II(5)* | * **Distribution** – The movement of products and services from the producer to the consumer.
* **Disintermediation** – Process of losing distribution channels.
* **Reintermediation** – The process of adding a level to the distribution system.
* **Market Research** – The process of gathering and analyzing information to determine what the customer wants
* **Predictive and Descriptive Analysis** – Software that can “guess” what the shopper will buy next.
* **Demographic Information** – Age, gender, income level, hobbies, occupation, and more information about customers.
* **Cookies** – A file that is created on your computer when you visit a web site and stored on the computer’s hard drive.
* **Promotion** – The method used to communicate information to customers in order to encourage purchases and to increase customer satisfaction.
* **Online Marketing** – Advertising using the Internet.
* **Offline Marketing** – Traditional advertising methods which are not done using the Internet.
* **Conversion Rate** – The rate at which your marketing efforts result in sales as opposed to people merely reading your advertising.
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| **Materials/Specialized Equipment Needed** | **Instructional Aids:*** Target Market Comparison Chart Assignment #1
* Target Market Comparison Chart Assignment #1 Rubric
* E-Commerce Marketing Plan Assignment #2
* E-Commerce Marketing Plan Assignment #2 Rubric
* Marketing Venn Diagram Assignment #3
* Marketing Venn Diagram Assignment #3 Rubric

**Materials Needed:*** Poster board or flipchart paper
* Markers

**Equipment Needed:*** Computers for students to complete projects
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| **Anticipatory Set**(May include pre-assessment for prior knowledge) | **Learner Preparation:*** Ask students how they would know if a new company was recently started. If it were a brick-and-mortar business you could drive by the location and look at signs. How is that different for an online business? If it is an extension of a physical location, the business could advertise traditionally. If is it solely a dotcom business, it could advertise on other websites or purchase additional search criteria to be used on
* search engines.

**Introduction:*** Ask students if they have purchased or ordered anything online. Start a T-chart on the board or document camera and ask students about pro’s and con’s of purchasing goods and services from the Internet.
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| **Direct Instruction \*** | Outline | Instructor Notes |
| I. Effects of E-MarketingA. Loss of distribution channel, middlemanB. Addition of a distribution channel, i.e., comparison shopping sites (called reintermediation)C. No need to hire an advertising companyD. Option to outsource functions if desiredII. The Competition – What to Know: A. Address B. Number of employees C. Products and/or services D. SWOT analysis information E. Their advertisements F. Promotions G. Pricing for similar productsIII. Marketing Comparison A. E-Marketing1. Less expensive2. Takes less time to create campaigns3. Tracking is easiera. Tracks when emails are openedb. Tracks ‘hits’ to site4. Feedback easily accessible – online polls5. More specific target marketB. Traditional Marketing1. More expensive2. Takes more time to create campaigns3. Tracking is more difficulta. May require an outside company to monitor4. Feedback not easily accessiblea. Hire people to conduct surveysb. Customer response forms5. Mass mailingsIV. Attracting and Keeping CustomersA. Ask visitors to bookmark the siteB. Include your URL on all print documents1. Business cards2. Stationery3. Brochures4. Direct mail5. PostcardsC. Offer a free service1. Calculators on your site2. Coupons or discountsD. Publish an email newsletter1. Tips, industry information, new products2. Ask visitors to sign upE. Reminder and follow-up emailsF. “Viral”, catchy promotion techniquesG. Include a site mapH. Search engine optimizationI. Contact info. on every page of siteJ. Request links from local and complementary businessesK. Links from trade organizations to which you belongL. Write articles for other sites to useM. Issue a press release in online news databasesN. Use social media sitesO. Promote site in discussion groupsP. Include FAQsV. Identifying Your MarketA. Geographic location – where your customers liveB. Demographics – age, gender, income levelC. Psychographics – lifestyle characteristicsVI. External Factors Affecting Market A. Changing economic conditions B. New rules or regulations C. Trends and consumer preferences D. Industry events E. New technologiesVII. Market InformationA. Gathering data1. Also called data mining, analyzing data from customers such as Internet traffic and buying and behavior patterns of visitors and customers2. Having visitors register on your siteB. Predicting data – software that can make predictions about buyer behaviorC. Customer profiles1. Segmenting – through demographics, determining target market2. Tracking – number of site visitors3. Cookies – files that identify the customer and his preferencesVIII. Online AdvertisingA. Banners and buttons1. Strip of advertising at top or margin of a web page2. Little customer responseB. Interstitials1. Pop-up ads2. Can be annoying to customersC. Personal selling1. Visiting a web site2. Emailing a potential customer3. Moderate response rateD. Sales promotion1. Coupons and samples2. Contests and prizesE. Mobile phone apps.IX. Offline AdvertisingA. Print ads1. Newspapers2. MagazinesB. Post cardsC. Direct mailD. Product/service flyers and brochuresX. Advertising Conversion RateA. Rate of conversion of responses into salesB. Determines which sales campaigns are effectiveC. <1% is commonD. 2% or more is considered successfulXI. Shopping Cart Abandonment A. Main reasons customers decide not to check out: 1. High shipping costs 2. Just comparison shopping 3. No coupons 4. Security concerns B. Ways to Increase checkout1. Free or multiple shipping options 2. Obvious privacy policy 3. Step tracker when checking out 4. Verifying if item is in stock 5. Encourage customer reviews 6. Make editing the order easy 7. Include product photos at checkout to show items in cart | Instructor can make a PowerPoint presentation in conjunction with the lesson outline.* When a product is marketed online for a virtual business, the middleman may not be necessary, such as salespeople in stores. However, in the case of comparison shopping sites or the marketplace portal sites that sell many manufacturers’ products, the middleman (the new marketplace web site), is added back through ‘reintermediation.’
* A major part of marketing, regardless of whether the business is online or brick-and-mortar, is knowing your competition. You should not only know the address (physical or URL) of the competition, but also their marketing plan including their pricing. Mention a local business and ask students who its competition may be and discuss these topics about each.
* Many similarities as well as differences exist with e- marketing and traditional marketing. Draw two columns on the board and label on the left side “categories” and on the top “E-tail” and Traditional” marketing.
* Ask responses from students and write their answers on the board for the following categories: cost, time, customer tracking, feedback, and target market. Responses should generally match the outline on the left.
* Even if you have a terrific product or service, you must reach your customers to sell them.
* Ask students for ideas on how they would attract customers, whether online or off-line. The main goal is to get your company’s name, your “brand”, and your URL out there so customers can find you. Discuss the variety of ways you can do that.
* Companies conduct market research to narrow down their target market – to whom they want to sell.
* Ask students what types of products would sell best in different geographic locations, which products or services would appeal to a variety of age groups. Also discuss with students what ‘lifestyle characteristics’ mean and what products or service would cater to those qualities.
* Some situations are out of the business owner’s control regardless of the research that is conducted. Economic conditions, regulations, and new technologies can all affect your marketing strategies.
* Once you begin to attract some potential customers, their behaviors can be tracked, analyzed, and predicted.
* Ask students if they think this can be considered a violation of privacy. They may not realize that many of their ‘clicks’ are letting web sites know where they go on the Internet.
* Online marketing is the most common for online businesses because if a potential customer is already on the Internet, there is already an opportunity to attract them to your site. Banner, button, and pop-up ads are colorful and eye-catching but there is little customer response from these ads. Show students examples of these ads on web sites.
* Ask students what they do when they see the ads. More personal approaches such as emails and discounts get more favorable responses from customers. Mobile phone apps to web sites are gaining popularity.
* Even if your business is solely online or is online in addition to brick-and-mortar, otherwise known as ‘click-and-mortar’, offline or traditional advertising can still be effective. Having something in print that potential customers can see or touch, such as a business card, postcard, or a flyer, can keep your name in front of the customer.
* Ask students if they notice the number of ads that are in their mailbox.
* Companies look at the conversion rate to see how effective their advertising is.
* Ask students to guess the percentage of people who purchase products/services either after receiving ads in the mail or after visiting your web site. They may be surprised to find out how low it is.
* While many potential customers do not even look at your advertisement, some proceed to checkout and still do not complete the transaction. There are reasons for this, called “shopping cart abandonment”.
* Ask students what this happens. Then ask them what can be done to decrease this abandonment, based upon the reasons they provided.
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| **Guided Practice \*** | Discuss with students the different ways to advertise a new online product. Then ask students in pairs to come up with ways to advertise a new online life insurance product developed for people age 45-55. Have them list five web sites that could be used to advertise the product. Have them share their results with the class and record their responses so students can see the similarities and differences in their findings. |
| **Independent Practice/Laboratory Experience/Differentiated Activities \*** | * **Target Market Comparison Chart Assignment #1** – Students will create a chart, either on the computer, poster board, or flip chart paper, that identifies the following types of customers as well as two web sites that are marketing their products or services to those customers: 1) new parents, 2) teenagers, 3) musicians, 4) other businesses, and 5) travelers. The chart should include the name and URL of each site and a product or service that each site sells.
* **E-Commerce Marketing Plan Assignment #2** – The student will create a marketing plan for a product or service of their choosing which is to include two pieces each of offline and online marketing documents.
* **Marketing Venn Diagram Assignment #3** – Students are to create a Venn diagram, either on the computer, poster board, or flipchart paper comparing the characteristics of e-marketing and traditional marketing. This can provide a starting point for students: while types of online and offline marketing may be in separate circles, the ways markets can be identified can be in the overlapping section. Students can include the topics they choose to be in each of the circles, but they need to make sure they do have overlapping characteristics in the center.
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| **Lesson Closure** | * Q: Which type of marketing is typically more expensive, e-marketing or traditional marketing?
* A: E-marketing is usually less expensive because of the printing and other advertising costs of traditional marketing.
* Q: Give examples of print advertising.
* A: Examples are business cards, stationery, brochures, direct mail, and post cards.
* Q: Which of the three ways to identify your market involves analyzing lifestyle characteristics?
* A: Psychographic analysis considers lifestyle characteristics.
* Q: What type of advertising are print ads and billboards considered?
* A: These types of advertising are called offline because they are not directly on the Internet.
* Q: Why is the conversion rate important?
* A: The conversion rate can let you know how effective your advertising program is, for example, a higher rate signifies advertising that is responded to positively and relatively quickly.
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| **Summative / End of Lesson Assessment \*** | **Informal Assessment:*** Instructor will observe students during Independent Practice.
* Instructor will assist students as needed.

**Formal Assessment:*** Use the assigned rubrics to evaluate the two Independent Practice Assignments

**Accommodations for Learning Differences:** It is important that lessons accommodate the needs of every learner. These lessons may be modified to accommodate your students with learning differences by referring to the files found on the Special Populations page of this website.  |
| **References/Resources/****Teacher Preparation** | * Business Principles and Management, Everard Burrow, South-Western Thompson Learning
* Learning E-Commerce: Business Analysis and Design, Nancy Stevenson, DDC Publishing
* Start Your Own E-Business, Entrepreneur Magazine, Entrepreneur Press
* E-Commerce: Business 2000, Oelkers, South-Western Thompson Learning
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| **Additional Required Components** |
| **English Language Proficiency Standards (ELPS) Strategies** |  |
| **College and Career Readiness Connection[[1]](#footnote-1)** |  |
| **Recommended Strategies** |
| **Reading Strategies** |  |
| **Quotes** |  |
| **Multimedia/Visual Strategy****Presentation Slides + One Additional Technology Connection** |  |
| **Graphic Organizers/Handout** |  |
| **Writing Strategies****Journal Entries + 1 Additional Writing Strategy** |  |
| **Communication****90 Second Speech Topics** |  |
| **Other Essential Lesson Components** |
| **Enrichment Activity**(e.g., homework assignment) | 1. Interview a local business owner and ask them 1) if they have a web site for their business, or if they advertise their business on other web sites, 2) what type of advertising they use, and 3) what type of advertising they think is the most effective at bringing people into their location.2. Go to a web site of your choice and locate the ‘Contact Us’ page. E-mail the contact person and introduce yourself as a high school student who is conducting research on online and off-line marketing. State that you would like to find out what type of advertising their company does and what type they feel is the most effective for their business. Be sure to be professional and thank them for their time and any assistance they can give you. |
| **Family/Community Connection** |  |
| **CTSO connection(s)** | Business Professionals of AmericaFuture Business Leaders of America |
| **Service Learning Projects** |  |
| **Lesson Notes** |  |

1. Visit the Texas College and Career Readiness Standards at <http://www.thecb.state.tx.us/collegereadiness/CRS.pdf>, Texas Higher Education Coordinating Board (THECB), 2009. [↑](#footnote-ref-1)