THE ROLE AND FUNCTION OF MARKETING IN

G. DUBINKEY, INCORPORATED

A FREELANCE WRITING FIRM

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MM 610 DECEMBER 3, 1986 Andright with the state of the

Freelance writing 1 is a highly competitive, difficult, and extremely dynamic business. Any firm wishing to survive the demands of the marketplace must effectively employ various marketing techniques. Marketing plays a greater role in writing than most expect, and this paper will focus on the efforts of a local firm, G. Dubinkey, Incorporated. 2

The intergration of the author's writing into the format assigned proved difficult, and many sources proved essiential. First, the textbook for MM 610, <u>Managerial Marketing: Strategic Foundations</u> (Homewood, Illinois: Richard D. Irwin, 1985) was an indispensable source, and combined with my notes from Nancy Panos Schmitt's lectures in MM 610, contributed most, if not all of the marketing information used to produce this paper.

Also relied on heavily was the <u>Writer's Market</u> series (Cincinnati: F&W Publications, various years). The <u>Writer's Market</u> is an annual publishing of the available markets in freelance writing, and in my opinion, is a required text for any freelancer. Along with market information, it also contains valuable suggestions and marketing hints. The author would also like to thank his instructor, Nancy Panos Schmitt for allowing him to focus on the uncoventional topic of writing for this project.

¹There are essientially two markets for freelance writing: book and magazine article writing. Although the company hopes to eventually diversify into both markets, its current emphasis is on the latter.

²Some explanation is needed to understand the format of this paper. The company in focus, G. Dubinkey, Inc., is in reality not a company at all. G. Dubinkey is short for George Dubinkey, I a pseudonym the author of this paper occasionally uses when writing. G. Dubinkey, Inc. is a term used to describe the activities of the author as a freelance writer. The reason for this incorporation is to keep within the guidelines of the assignment given in Managerial Marketing (MM 610), a core class in the MBA program at Westminster College of Salt Lake City.

BACKGROUND INFORMATION

G. Dubinkey, Incorporated's history in the writing business stretches back over a decade. It first produced an amateur magazine, (a "fanzine") whose edtorial content was geared toward fans of science fiction cinema. Though the fanzine had a circulation of only several hundred readers, its distribution network stretched to several countries, including Japan, West Germany, and Australia. Later, the company became a regular supplier to The Collegiate, an alternative newspaper at the University of Utah. Much of the company's product know-how was acquired during this period. Recently, the company's focus has been on more profitable markets, such as national periodicals willing to pay premium prices. A current success is "How to Use a Discount Broker," an article on discount stock brokers. The article appeared in Consumer's Research, and is currently being marketed for resale4. Other recent products include "Disaster on the Salmon," in Wasatch Sports Guide, and "The Thermo-Nuclear Dog," in Dog Fancy. I bet this is great

The term "fanzine" is a combination of "fan" and "magazine." They typically have small circulations, and fill market niches usually too small for larger publications to consider.

⁴The marketing strategy of resale is covered later in this paper.

The potential market is tremendous. By some accounts, there are over 75,000 consumer, trade, and small press magazines in North American alone. However, many of these markets are too small to be considered in the company's marketing strategy.

MARKETING FUNCTION AND ROLE

Marketing is an essential subsytem of Dubinkey, Inc. Since the company's products are often sold before they are produced, marketing research is required to find a buyer for potential ideas. The freelance writing marketplace is very dynamic, and the company relies heavily on research to anticipate "strategic windows". Alderson's views of marketing as a matching process are particularly relevent when analysing the company's target markets. Hetrogenous supplies (timely, informative articles) must be matched with hetrogenous demands (magazines' needs). This matching process must occur with every sale, and marketing's role is to facilitate the process. Once a target market has been identified, the company undergoes detailed research in order

⁵writer's Market, 1987, p. 7

⁶See <u>Marketing</u>: <u>Strategic Foundations</u>, p. 16

to identify consumer needs. Without marketing research, the chances of a successful sale decreases enormously. Producing a product without considering customer needs is a risky strategy. (Although in the past, and occasionally still, the company does just that, using the marketing strategy of "simultaneous submissions.")⁸

"Do not write with only a hope of selling the results somewhere...magazines are highly specialized and (are) targeted for specific audiences."

This increasing specialization is a market-wide phenomenon. For example, magazines once geared to "homeowners", might now focus on "first-time homeowners who have recently purchased a house or condominium for more than \$70,000.

⁷The terms "customer" and "consumer" are used throughout this paper to describe the buyer of G. Dubinkey's product, the magazine. The term "product" refers to the item for sale, the article.

^{*}Simultaneous submissions" is a term used to describe a marketing technique sometime employed in writing. One article is distributed to several magazines at the same time, without much concern for the magazine's needs. The technique usually produces a low degree of success, but does have advantages, fine such as greatly reducing up-front research. Its major drawback lies in the fact that in such a dynamic marketplace, a "generic" product rarely fills customer needs.

⁹writer's Market, 1986, p. 9

¹⁰Writer's Market, 1987, p. 203

With marketing research, the company is attempting to effectively deal with these external, uncontrollable environmental variables. Internally, the marketing mix is focused primarily on product development, and the distribution of the product to its proper market. Promotion is also an important variable, letting consumers know about the product for sale. Pricing is of little concern to G. Dubinkey, Inc., since the firm is primarily a price-taker, with little or no control over what price it recieves for its products. hopefully this will change someday, with that big

MARKETING STRATEGY

The company has a well-defined mission statement: itself with writing. However, the company falters when it comes to listing specific goals to reach this mission statement.

G. Dubinkey's marketing management philosophy in the past relied heavily on a production-effiency approach that produced little success. Articles were marketed through a simultaneous submission approach, a blanket covering of potential markets with a single homogeneous product, with the hope that one customer would purchase the article. This method proved costly, inefficient, and produced spurratic results. The firm continues to rely on this method to market certain products 11

¹¹ Some products, such as fiction, are better suited for this approach.

but for the most part is shifting to a more market-oriented approach, by the use of "query letters". This approach will be covered later in this paper.

The simultaneous submission approach is composed of several steps, and is presented in Figure 1. First, a topic must be developed. Formulating possible article ideas can be the

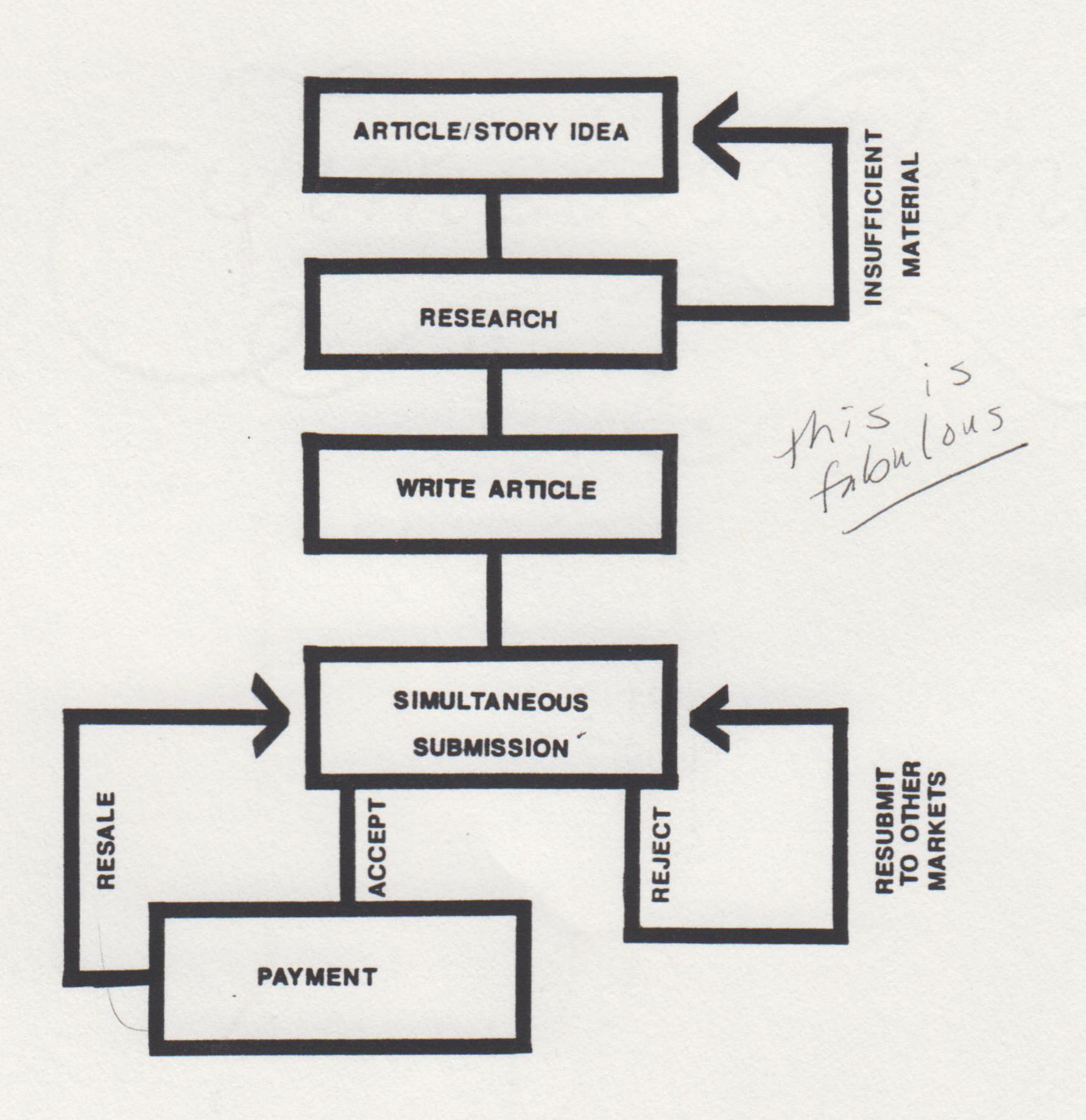


FIGURE 1
SIMULTANEOUS SUBMISSION APPROACH

most difficult step. The topic must be picked with care. Since the product will be generic, a non-controversial, nondated topic will most likely produce the best results. Once an idea has been generated, research must be undergone to determine if enough material is available to construct the article. This research stage can consist of field, library, or other forms. This step can sometimes be skipped, such as when writing about personal experiences. Once research has been completed, writing can begin. Developing ideas into saleable articles takes patience and imagination, as well as writing skill. This step is perhaps the most important, since to a large extent the product must market itself. Next, the product is offered to consumers through mass mailings. Although the article is not slanted to a particular publication, the accompanying "cover letter" must be. A cover letter is a letter included with each submission, and plays an important the part in marketing the product. In it, the company hopes to help the editor decide to purchase the product. The cover letter should contain several items. First, it should address the current editor by name. It should include information about the product, and how and why it should be used. Sources used in its preperation, special knowledge or qualifications the writer possesses, and the availability of additional items (such as photographs) should also be noted. 12 Also, it should

mention the article is being marketed with the simultaneous submission approach. A sample cover letter is presented in Figure 2.

once the product is distributed, a period of weeks to several months may elapse before results are known. The company cannot afford wait for the results, and begins to construct a new product. If the results are positive, the company sells the piece. The company must determine which rights have been sold. There are various types of rights, including "all-rights", which means the company no longer owns the article. Usually, however, only "first serial rights" are purchased. These rights mean the publication has the right to print the article one time, after which the ownership reverts back to the writer. If this is the case, the company proceeds to market the product again. This re-marketing can be extremely profitable, since the product is already in existance and no time must be spent in researching and writing the article. If the results are negative, the company re-submits the product to other markets.

G. Dubinkey, Inc., is currently shifting away from this marketing approach, instead using a more market-oriented one.

This approach is called the "query letter" approach, and differs in that no product is produced without first determining

¹² Gordon Burgett, Query Letter/Cover Letters: How They Sell Your Writing, Communications Unlimited, Carpinteria, CA, 1985, p. 96.

Post Office Box 8502 Salt Lake City, Utah 84108 (801) 266-5809 August 2, 1986

Ms. Rose Gilchrist Editor, <u>Wasatch Sports Guide</u>, 2010 South 1000 East Salt Lake City, Utah 84105

Dear Ms. Gilchrist,

Enclosed is an article entitled "Disaster on the Salmon", an accounting of an ill-fated river trip down the Middle Fork of the Salmon River in Idaho. It is a humorous look at a near-death experience, and since your editorial slant is towards dangerous action sports, I think it would fit perfectly.

Running the Middle Fork is a popular pastime for Utah rafters, and is in such demand that reservations must be made over a year in advance. The river's nickname is "The River of No Return", and the title almost proved correct. We ran the river on the first day of the season, when it was at flood level, and lost everything but our lives.

I hope you can use the piece, and I can supply excellent photographs (taken by a professional photographer) to supplement it. This is a simultaneous submission, and also enclosed is a stamped, self-addressed envelope for your reply. Could you send a copy of your writer's guidelines as well?

Sincerely,

By Bale

Bradford G. Boyle

FIGURE 2
SAMPLE COVER LETTER

document that inquires if an editor would be interested in a product before it has actually been constructed. Figure 3 diagrams the steps involved in this process, and Figure 4 presents a sample query letter.

A query letter is, in simplest terms, an inquiry if an

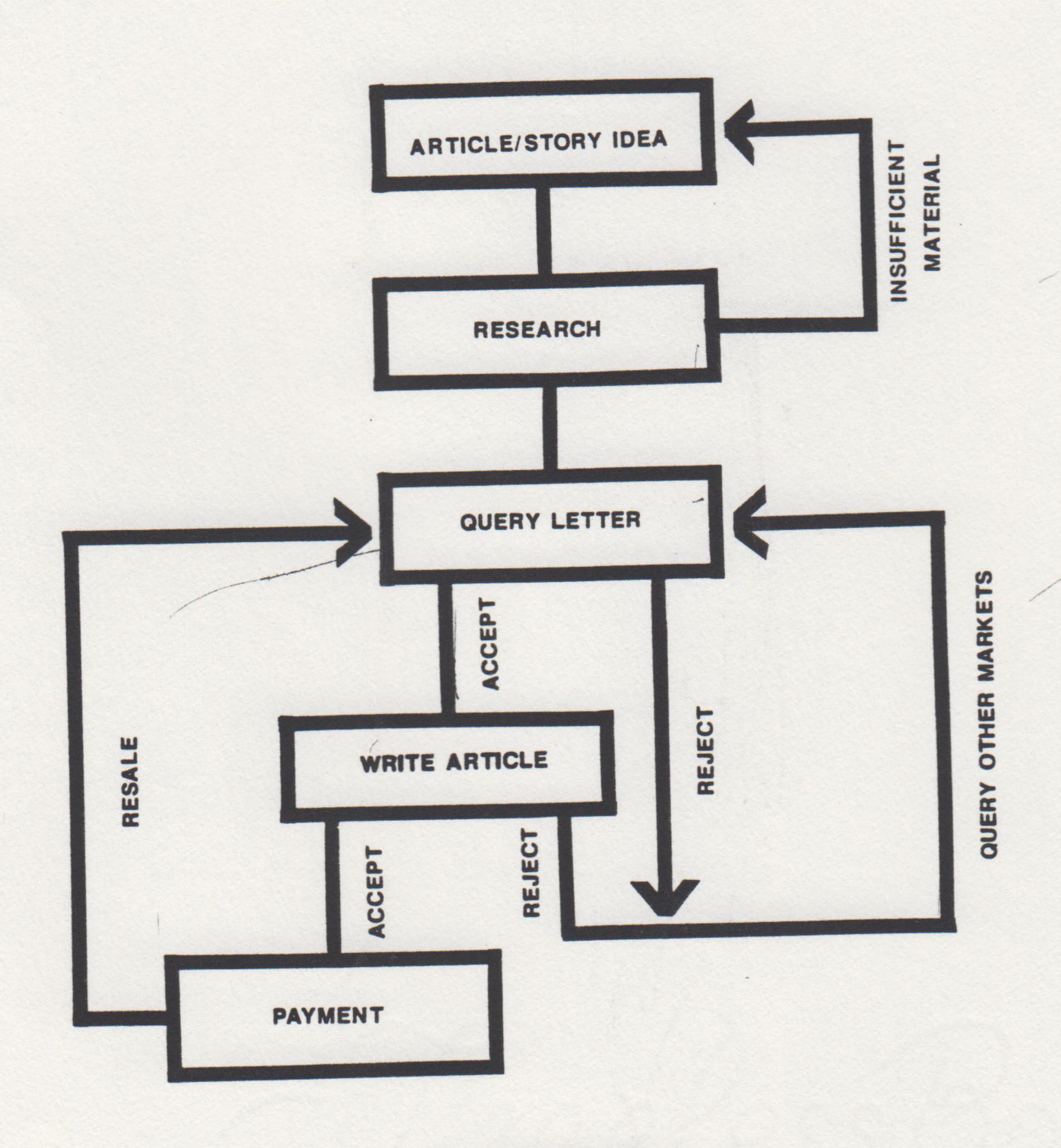


FIGURE 3

QUERY LETTER APPROACH

Post Office Box 8502 Salt Lake City, Utah 84108 (801) 266-5809 September 1, 1986

Mr. John Merline, Managing Editor, <u>Consumer's Research</u> 517 2nd Street, NE Washington, DC 20002

Dear Mr. Merline,

A growing trend in the securities industry is the use of discount stock brokers. Discount brokers (discounters) are brokers who take no interest in the customer's account; all trades are decided on by the customers. They offer little or no investment advice, unlike a full-servive broker. Because they employ no research staff, they keep overheads low, and offer substantial savings on commissions.

Most consumers who deal in the sceurity markets are aware of discounters, but many are not sure what exactly they are, do, nor how to go about using one. I was wondering if you would be interested in an article on discounters, presented in layman's terms. The article would cover what exactly a discounter does, how they came into existance, how to use one, and so on. Would you be interested in such an article? Its length would be approximately 1600 words, and I would be happy to submit it on speculation.

I have traded extensively with discounters, and have learned about them through experience. I believe the article would go over well with your readers, since the slant of your magazine lies in the consumer service industry. I have studied <u>Consumer Research</u>, and will construct the piece to fit your editorial style. I can supply charts and figures contrasting full-service brokers with discounters as well.

Sincerely,

BABale

Bradford G. Boyle

FIGURE 4
SAMPLE QUERY LETTER

an editor would be interested in a product. ¹³ A query letter can be a powerful tool, and care must be taken to construct an effective one. Queries can also be made by phone, but by mail is the usual process.

If the query is successful, then G. Dubinkey, Inc., begins to produce the article. An accepted query does not always mean a sale, since many article assignments are made on speculation, meaning the company is paid only if the editor likes the finished product. Sometimes a "kill fee" is offered by the magazine. A kill fee is a guaranteed payment, paid even if the article is rejected for one reason or another. It typically runs 20% of what the product would have brought if accepted. If rejected, the company resubmits the product to other markets. If accepted, the company follows the same re-marketing technique as in the simulataneous submission procedure.

COORDINATION OF MARKETING WITH OTHER FUNCTIONAL AREAS

Since G. Dubinkey, Inc., consists of a single individual, the three major organizational subsystem are highly intergrated. The marketing division is the most important, since it determines (with the query letter approach) if the other

¹³An in-depth discussion on queries is found in Burgett's <u>Query</u> <u>Letters/Cover Letters:</u> <u>How They Sell Your Writing</u>.

two subsystems will exist. Since no product is produced until the customer shows interest in it, the production subsystem lies dormant until then. The accounting/finance subsystem does not emerge until final acceptance and payment. It then interacts with marketing to finance new research.

SUGGESTIONS FOR IMPROVEMENT

While G. Dubinkey, Inc., has recently seen increasing success in marketing their products, much can be done to increase sales and profits.

- 1. The company should devote more of its time to achieving its stated mission of supporting itself with writing. This could be facilitated by the acquisition of a word processor to increase production efficiency, as well as for better storage of past documents. The company's debt load should also be reduced so it does not have to pursue other means to meet fixed costs. 14
- 2. The company should develop short-time goals that will help in reaching its mission statement. An example of such a goal would be to publish a major article every month. hard when you have projects todal.
- 3. The company should expand and polish its use of the query letter approach. By using queries, more time can be spent on the actual construction of products. Developing this process will be time-consuming, but worth the cost.

¹⁴Such as renting itself out as hired labor at low wages, as it is currently doing.