

Memo – its usage and structure

Business, Strategy



This memo explains the strategy that I will apply to implement the communications situation of the case 5.

Audience

The audience for the message is the immediate superior, and therefore it is more effective to use memo to communicate with him or her. The reason is because memo is more formal and less personal than a letter or email. This is able to create the semblance of a valid business concern based on data and studies as opposed to a letter, be it hand or type written, which conveys sentiments and passion and is not regarded as authoritative.

Purpose

The general purpose of the message is to persuade. In order to be able to do this effectively, it must be shown that there is a valid business concern that needs to be addressed. The use of a memo, as mentioned earlier, gives the appearance of official correspondence devoid of any feelings and sentiments, which are usually not considered when making business decisions.

Associated essay: Sample Memo for Company Team Building

In order to convince the superior, there is a need to downplay personal convictions while at the same time express this as a valid business concern that is normally addressed in day to day business matters. Therefore, memo is the most often used means of accomplishing this in any corporate structure.

Content

The general tone that must be used in this memo is a formal business tone. The superior needs to understand the relevance of the matter in relation to business and company performance. This is why a business tone, which avoids conversational language, must be used.

Structure

Finally, since this will be addressed to a superior, the memo must avoid a direct and confrontational approach while maintaining its authoritativeness. Before beginning, a buffer can be used to improve the way the superior will handle the situation and perhaps be able to get the desired outcome. The first few sentences should already outline the problem that will be faced and the potential cost, which helps get the boss's attention. By the end, it must be made clear to the boss what action must be taken. The memo must also take care as not to appear as if it is attacking the superior or severely criticizing his decision and this can be achieved by adding a buffer at the beginning.

Based on the analysis of this communication situation, I will use a memo as an effective medium to solve this case.

To: Brad Pitt, Executive Director

From: Hayeon Jung, Project Head

Date: November 13, 2006

Subject: Extended Warranties and Sales training

We have recently received news which may be vital to the profitability of our extended warranty sales and after a careful study of our proposed actions regarding the sales training program for extended warranties, I believe that it may be in our best interests to come up with an alternative approach regarding this matter. Based on my studies, this has the potential to be very risky move for the company because of the lower sales of all company products due to the anticipated consumer backlash to this marketing strategy.

Business Week, a widely read business magazine, is publishing an article on extended warranties, and it makes specific mention of the fact that half of the warranty price goes to the salesperson as a commission and that only 20 percent of the total amount customers pay for warranties eventually goes to product repair.

Early failures are usually covered by manufacturers' warranties, and the extended warranties we are selling are designed to cover that middle part of the life p. In other words, many extended warranties cover the period of time during which consumers are least likely to need them and offer no coverage when consumers need them most.

While extended warranties present profitable margins for the company, the resulting consumer backlash from this article could potentially reduce sales for all of the company's products.

With the current sales training lined up, more aggressive marketing for extended warranties will send the wrong signal to the consumers.

Furthermore, the potential threat of added media exposure caused by the article in Business Week could threaten the sales projections for the company.

It is strongly recommended that the plan to continue the sales training be ceased. Doing so will reduce any overhead costs and training expenses that may be incurred from the implementation of the training program. Moreover, alternative marketing strategies such as using the Business Week article to the advantage of the company can be formulated instead of the sales training.

I strongly believe that our company has a great future under your leadership as we continually explore ways to strengthen the relationship between the customers and the company.

Hayeon jung

Customer Service Manager