

MARKETING MANAGEMENT

- **NAME OF THE CHAPTER : PROMOTION**
- **SEMESTER : SECOND**
- **MARKS ALLOTTED TO THIS CHAPTER: 8 MARKS**
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PROMOTION



What is a promotion?

- **Promotion** is the element in an organisation's marketing mix that serves to **inform, persuade and remind** the market about the organisation and/or its products.
- **Promotion** is an attempt to **influence**; whether a particular promotional activity is designed to inform, persuade or remind, the **ultimate objective** is to influence the recipient's feelings, beliefs or behaviour.



The Importance of promotion

Promotion is concerned with how a business is to market its product.

A business must inform customers that it has a product to sell, and make customers feel that they need to buy the product.



Promotion

Promotional technique	Definition
Advertising	Displaying or broadcasting information about a particular product or service. You have to pay for the space you feature on. Can be carried out in a number of ways, including: television, radio, the internet and newspapers.
Sales promotion	Short-term tactical marketing tools which are used to achieve specific marketing objectives, for example money off vouchers, free gifts with purchase and competitions.
Public relations	Relies on persuading newspapers and publications to feature a product, attraction or service as part of its editorial content. One way this is achieved is by sending press releases to journalists.
Personal selling	Training staff to be more effective in making sales to people who approach the business for information and help.



DEFINITION OF ADVERTISING

- **Advertising** is the action of calling public attention to something, especially by paid announcements.
- **Advertising** may be defined as the process of **buying sponsor-identified** media space or time in order to **promote a product or an idea**.
- **The American Marketing Association**, Chicago, has defined advertising as “any form of non-personal presentation or promotion of ideas, goods or services, by an identified sponsor.”



OBJECTIVES OF ADVERTISING

1

Introduce a Product

2

Introduce a Brand

3

Awareness Creation

4

Acquire Customers

5

Differentiation

6

Brand Building

7

Positioning

8

Increase Sales

9

Increase Profits

10

Create Desire

11

Call to Action



Advantages & Disadvantages

Advantages

- Easy medium to spread awareness to a larger number of people at a time.
- Immediate or quick conveyance of message.
- The response to the advertisement can be measured immediately.
- It is a very flexible advertising media due to the varying timings, languages, regions etc.

Disadvantages

- Ads may be overlooked or ignored.
- This type of media is not suitable for interactive live demonstrations or fine quality images.
- There is a risk of the advertisement getting lost or overshadowed by other advertisements in the publication.



TYPES OF ADVERTISING

I. Indoor Advertising

1. Press Media:

(a) Newspaper

(b) Magazine

2. Radio

3. Television

4. Film

II. Outdoor Advertising

1. Mural (posters)

2. Advertising board

3. Vehicular

4. Painted display

5. Travelling display

6. Electric display

7. Sky advertising

8. Sandwich-man

9. Handbills (leaflets)

III. Direct Advertising

1. Sales letters

2. Circular letters

3. Booklets and catalogues

4. Folders

5. Package inserts

6. Store publications

IV. Promotional Advertising

1. Window display

2. Interior display

3. Show-rooms

4. Exhibitions





DEFINITION:-

Personal selling is when salespersons use a process to engage customers and take a sales order that may not otherwise have been made.

Explanation:

Personal selling is when a company uses salespersons to build a relationship and engage customers to determine their needs and attain a sales order that may not otherwise have been placed.



The objectives of personal selling

- To increase the volume of sales
- To increase sales revenue
- To reduce the costs of sales
- To increase the number of distribution outlets
- To prospect for new customers
- To increase sales per customer
- To reduce the number of customers with minimum viable orders



Personal selling + / -

Advantages	Disadvantages
High customer attention Message is customised Interactivity Persuasive impact Potential for development of relationship Adaptable Opportunity to close the sale	High cost Labour intensive Expensive Can only reach a limited number of customers



Types of Personal Selling

- **Telemarketing:** the use of the telephone or fax to sell directly to consumers and business customers.
- **Order taker:** a salesperson whose primary function is to facilitate transactions that the customer initiates.
- **Technical specialist:** sales support personnel with a high level of technical expertise who assist in product demonstrations.
- **Missionary salesperson:** a salesperson who promotes the firm and tries to stimulate demand for a product but does not actually complete a sale.
- **Order getter:** a salesperson who works creatively to develop relationships with customers or to generate new sales.





PUBLIC RELATION

Public relations (PR) is a management function which deals with public issues. An important component of public relations is publicity. Publicity deals with news coverage of events relating to companies products and services

Meaning of PR

A systematic act of building an image of a product/service/idea/company among the target group/general public/stake holders through a well-designed promotion on a regular basis.



Objectives of PR

- ▶ **Building Product Awareness** – Marketers can use a PR element that generates consumer attention and awareness through media placements and special events.
- ▶ **Creating Interest** – Stories in the media can help entice a targeted audience to try the product.
- ▶ **Providing Information** – PR can be used to provide customers with more in depth information about products and services.
- ▶ **Stimulating Demand** – A positive article in a newspaper, on a TV news show, often results in a discernable increase in product sales.
- ▶ **Reinforcing the Brand** – Maintaining positive relationships with key audiences, and thereby aiding in building a strong image. A strong image helps the company build its business and it can help the company in times of crises as well.



Advantages and Disadvantages of PR

Advantages

- Credibility
- Cost
- Avoidance of clutter
- Lead generation
- Ability to reach specific groups
- Image building

Disadvantages

- Potential for incomplete communication process
- Lack of connection between receiver and sender
- Lack of coordination with marketing unit
- Erratic, redundant communications





Sales promotion



SALES PROMOTION



**SALES
PROMOTION**

Meaning and Definition:

According to A.H.R. Delens: “Sales promotion means any steps that are taken for the purpose of obtaining an increasing sale.”

In the words of Roger A. Strong, “Sales promotion includes all forms of sponsored communication apart from activities associated with personal selling.”



Objectives Of Sales Promotion



- To increase sales by publicity through the media.
- To disseminate information through salesmen, dealers etc.
- To stimulate customers to make purchases at the point of purchase.
- To prompt existing customers to buy more.
- To introduce new products.
- To attract new customers.
- To meet competition from others effectively.
- To check seasonal decline in the volume of sales.



Sales Promotion

Advantages

- Provides extra incentive to purchase product
- Way to appeal to price sensitive consumer
- Can generate extra interest in ads
- Easier to measure efforts

Disadvantages

- Has short term impact
- Can be abused
- Can lead to promotional wars
- Often does not contribute to brand image



Sales Promotion Types

Consumer

■ Price Differential

- Coupons
- Refunds/Rebates
- Price – pack deals
- Price deals

■ Value Promotion

- Freebies/Free gifts
- Samples
- Contests/
Sweepstakes

Trade

- Buying Allowances
- Free merchandise
- Allowances
- Cooperative ads
- Push money
- Dealers sales contests

Sales Force

- Target Incentives
- Bonus
- Contests
- Sales Rallies



Thank
you!!!
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