

WEEK 9: PROMOTION

Week 9 objectives:

- Promotion and role in marketing mix
- IMC approach to marketing promotion and promotion mix
- Different advertising and steps in creating an advertising campaign
- Role of public relations In promotion
- Sales promotion activities can be used
- Nature of personal selling
- Marketing communication options additional to traditional promotion mix

Promotion= COMMUNICATION. the marketing activities that make potential customers, partners and society aware and attracted to a business' offerings.

Communicate- encoding decoding a message

Objectives of promotion:

- Support the organisation's overall marketing objectives, Demonstrate features and benefits, encourage product trial, reinforce brand for repeat purchase, retain loyal customers.
- Marketing communications can be designed to increase general awareness about and goodwill toward an organisation. Cause-related marketing: philanthropic activities tied to purchase of product – Mount Franklin and the Mcgrath foundation.

INTEGRATED MARKETING COMMUNICATIONS:

The coordination of promotional efforts to maximise the communication effect.

Promotion mix- the combinations of methods used to promote a product or idea.

Four elements: advertising, public relations, sales, personal selling.

- **ADVERTISING:** Transmission of paid messages about an organisation, brand or product to a mass audience. Reaches many people at a low cost per person. However is difficult to measure its effectiveness.
- **PUBLIC RELATIONS:** aimed at creating and maintaining relationships between the marketing organisation and its stakeholders. Timely, engaging, accurate in public interest. Benefit for credibility, word of mouth. McHappy Day
- **SALES PROMOTION:** extra value to consumers in a bid to increase sales. Used irregularly to smooth demand. Can lose effectiveness if overused, easily copied, public cynical about whether they offer real value.
- **PERSONAL SELLING:** Personal communication efforts that seek to persuade consumers to buy products. Expensive, high involvement. Cars, fashion, home furnishings. Greater influence than advertising as is specifically tailored to individuals. Expensive and has limited reach, is time consuming.

INTEGRATING PROMOTION MIX ELEMENTS:

Marketing organisations have different promotional needs and finite financial and other resources, must choose from options in the promotion mix. Large budgets use

multiple strategies. Small rely on fewer, simpler strategies, best promotion mix will change over time and rely on target markets

PUSH AND PULL PROMOTION:

Push- product is promoted to the next institution. Producer to wholesaler. B2B

Pull-producer promotes product to consumer. Becomes interested in a product and enquires. B2C.

Advertising Campaigns:

Understand the market environment, know the target market (audience), set specific objectives, create message strategy, select media, produce advertisement, evaluate campaign.

Campaigns are to inform, remind, persuade, to add value to perceived quality.

Competitive advertising: using advertising to promote the features and benefits of a product relative to competing products. – apple, phones.

Comparative advertising: directly compare a product against competing product. Aldi vs woolworths.

Many different media options.

Television (mass audience, expensive)

Radio (low cost, low attention)

Internet (cheap, need to attract audience to website)

Public Relations:

Promotional efforts designed to build and sustain good relations between an organisation and its stakeholders. Unpaid exposure to media. Positive publicity-mostly.

Sponsorship. Australian open sponsored by KIA.

Consumer Sales Promotions:

Free samples- experience without purchase.

Premium offers- bonus for purchasing a product- fly bys at coles.

Loyalty program- every 10th coffee free.

Contests-build database of members to target market

Coupons- vouchers that offer consumers a discount price

Discounts- certain amount off regular price.

Personal Selling:

Personal communication with consumers. All businesses will require personal selling.

Information, needs, product, leverage, commitment/close, following up.

Ambush marketing: presentation of marketing messages at event that is sponsored by unrelated business or a competitor. – main sponsors of cricket world cup- individual player sponsors would be ambush marketing.

Product placement- vitamin water in gossip girl

A plug- overtly promotes a product within a program- better homes and gardens paint.

Guerrilla marketing- use of aggressive and unconventional marketing to grab attention

Viral marketing- social networks to spread a marketing message

Permission marketing- build ongoing relationship with customers- social media (liking/following)