

Defining 'Promotion'

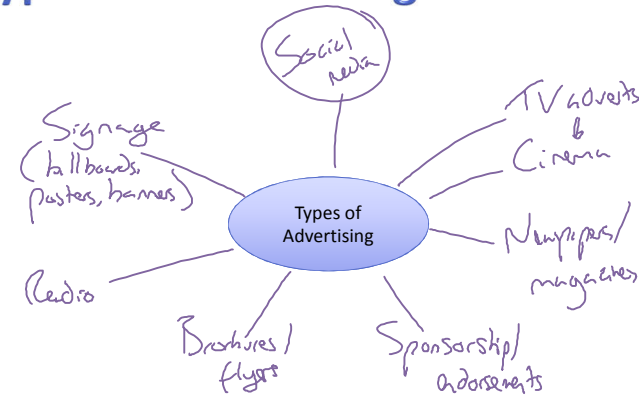
Communicating the benefits of a product or the image of a company to the customer in the hope that future revenues will be made.

Possible uses include

- ▶ informing people about a particular product/issue,
- ▶ creating a brand image or improve a company image,
- ▶ increasing sales or launching a new product in the market.



Types of Advertising



Method	Advantage	Disadvantage	Example
TV	High exposure – millions of people may see it.	Very expensive.	Household products, food products.
Radio	Cheaper than TV and often uses a memorable song or tune.	Cannot put across a visual message.	Local events or businesses.
Magazines	Effective way of reaching target market.	Often only seen once a week or month.	Perfume/aftershave, golf equipment.
Newspapers	Quite high exposure, relatively cheap, lots of info. can be shown.	Usually only in black and white – less eye-catching.	Local or national products or events
Posters/Billboards	Quite cheap, potentially seen by everyone who passes them.	Can easily be missed, can't give much detail.	Products or attractions relevant to lots of people who may pass by.
Leaflets	Cheap, can be very visual AND informative.	May not be read.	Advertise local events or to promote retailers with money-off coupons.
Internet	Can be very visual and detailed, orders can be made instantly.	Lots of competition, and may not be seen in a search.	Suitable for most products and services.

Advertising

Advertising can be informative, persuasive, or contain elements of both.

Attention
Interest
Desire (want)
Action (find out more or buy)

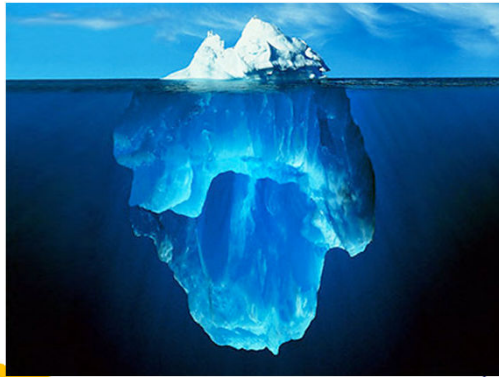
AIDA is usually used with more expensive, luxurious products – it is not often needed for frequent purchase goods like bread.



Below the line promotion

Methods used to support advertising (above the line) and encourage new or existing customers to buy the product.

Examples?



Other examples

Free Gift & Bundle Offer
free gift worth up to \$30 with every order over \$20

- Bonus CAZE
- Screen Protector
- Microfiber Wipe & more...

Get a coupon for a **FREE* Regular Coca-Cola Zero..** fountain beverage.

A MILLION WAYS TO EAT
That's a lot of ways to feel great.

2 WAYS TO WIN!
There are countless ways to eat All-Bran cereal, we're only looking for a million. Add your favorite cereal to your list for a chance to win \$10,000 towards a kitchen makeover or \$500 gift cards for cookware.

ENTER NOW!

Promotion Advantages

- ▶ Can stimulate demand at times when sales are particularly low
- ▶ Encourages customers to try a new or existing product
- ▶ It can make you more competitive

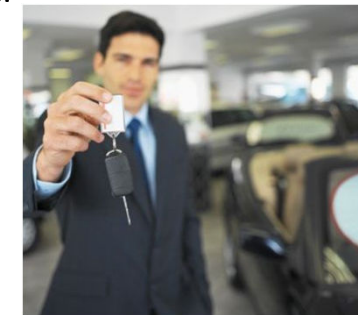
However!

- ▶ Should only be used in the short term - customers might come to expect them
- ▶ Business can lose profit if they have constant promotions



Personal Selling

Useful when the customer needs to discuss their specific requirements – usually for expensive products.



Public Relations (PR)

Involves promoting a good image for the company and/or its products...especially important if the company is in the press for negative reasons



Blackberry service 'is improving'

Comments

Blackberry's owner RIM said that its services "have improved significantly", following a three-day global blackout.

Millions of customers worldwide had their messaging and email service disrupted with many turning to Twitter to express their anger.

RIM put the ongoing problems down to "backlog issues", following a system failure.



Customer Service

It is far more expensive to attract new customers than it is to keep existing ones.

Excellent customer and after sales service and support can improve customer loyalty and the company's competitive edge.

