

Promotional budget- magic knife

[Business](#), [Marketing](#)



Promotional Budget With the current rate of increase in technological advancement, entrepreneurs are faced with the challenge of supplying the market with top innovative products. Consumers are on the rise to adopt the new technological advancement in their various life perspectives. Innovation in product production determines the rate of sale that the product will acquire. It is for this reason that I thought it wise to add some innovativeness to the normal knives and make them some sort of ' magic-knives. These type of knives have the capability of changing peoples ways of doing things as they heat up by the press of a button. The heat produced, therefore, has the capability of melting butter in seconds during when it is spread on the bread slices. This makes it easy and simple for butter application process to occur. The knife can also cut ice cream cakes, cupcakes and many others, very simply and in a very easy and efficient way. It makes the cutting process simple and very easy to occur.

Being a new product in the market, I will be faced with the challenge of ensuring that the product and its brand penetrate the market and gain popularity among consumers. The only way to do this will be through carrying out promotional services to ensure that the information about the knife and its capabilities and workability is spread to the targeted audiences. The major promotional services or strategies will include the use of radios, television, roadshows, online advertising, print advertising, trade shows, publications, and catalogues and brochures.

The choice of the right promotional channel will depend on the prevalence of the targeted audience in that channel. Knives are used by every family households, but it becomes the responsibility of the parents, more so,

mothers to purchase them. However, restaurants, butcheries, ice cream parlors, fruit parlors, and food courts also use the knives a great deal. The above chosen media for promotional services will, therefore, be appropriate as they are all accessible to the targeted groups mentioned. However, allocation of funds in the promotional budget will depend on the extent of promotional services in that particular medium as well as the effectiveness of advertising in such a medium (Bizmove, 2013).

The promotional budget will be considered to be 23% of the total sales realized. However, as the sales increase due to more awareness creation by advertising, the budget will be increasing. It will, therefore, mean that, if more sales are realized, there will be more investment in promotion as there will be an increase in the profits earned. The budget for the promotion will be as follows:

Various promotional Services

Total expenditure expressed as a percentage of Gross Sales

Radio

1%

Television

5%

Trade shows

2%

Print advertising

2%

Online advertising

5%

Publications

3%

Catalogues and Brochures

3%

Promotional items

2%

Total

23% of Gross sales

From this budget. It is clear that more allocations were made to those media such as television and online advertising. This follows the fact that many people who use social media and online platform at large are considered to be the innovators and the early adopters. They are very receptive to any incoming technology, and they are always very ready to be the first in trying it. Such people also use and believe in television adverts. Television can reach the majority of audiences and is also capable of demonstrating well how the knife works. The other medium that have the smallest allocation in the budget such as radio is believed not to have much impact to the targeted audiences. Many people are abandoning listening to the radio, and the radio has no capability of demonstrating clearly to the listener how the knife works.

In a nutshell, promotion is a very vital part of marketing especially to new products. Any businessman who would like to increase the sales of his business must invest in promotion. However, one needs to be very careful in selecting the correct promotional media and allocating appropriate funds to the various media.

Work Cited

Bizmove. (2013). Methods of Planning your Advertisement Budget. BizMoves Business Gide, 2-4.