

Promotions a
communication link
between buyers and
sellers marketing
essay



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The term Promotion and Sales are totally interdependent on each other.

Promotion is a communication link between buyers and sellers. It is a function of informing, persuading, and influencing a consumer's purchase decision. Promotional activities include: media advertising, direct mail, personal selling, sales promotion and public relations.

A sale consists of marketing activities other than personal selling, advertising and public relations that stimulate consumer purchasing and dealer effectiveness. Sales promotion is a subset of promotion. In other words, sales promotion is not the same thing as promotion. Promotion is a much broader term.

The Promotional mix works like a subset of the marketing mix, with its product, distribution, promotion, and pricing elements. With the promotional mix, the marketers attempt to create an optimal blend of various elements to achieve promotional objectives. The promotional mix requires a carefully designed blend of variables to satisfy the needs of a company's customers and achieve organizational objectives.

I. Personal Selling :- is the oldest form of promotion. It is conducted on a person-to-person basis with the buyer. It involves the search for new prospects and follow up service after the sale. It is mainly face to face presentation and promotions of goods and services. It's more accurately described today as helping others satisfy their wants and needs. This direct form of promotion may be conducted:

Public Relations and Publicity:- Public relations refer to a firm's

communications and relationships with its various publics. These publics

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include customers, suppliers, stockholders, employees, the government, the general public, and the society in which the organization operates. It is the management function that evaluates public attitudes and procedures in response to public request.

Publicity is the marketing-oriented aspect of public relations. It can be defined as non personal stimulation of demand for a good, service, person, cause, or organization through unpaid placement of significant news about it in a published medium or through a favorable presentation of it on the radio, television, or stage. Of course, bad publicity can damage a company's reputation and diminish brand equity.

Advertising has gone through five major stages of development: domestic, export, international, multi-national, and global. For global advertisers, there are four, potentially competing, business objectives that must be balanced when developing worldwide advertising: building a brand while speaking with one voice, developing economies of scale in the creative process, maximizing local effectiveness of ads, and increasing the company's speed of implementation. Born from the evolutionary stages of global marketing are the three primary and fundamentally different approaches to the development of global advertising executions: exporting executions, producing local executions, and importing ideas that travel.[24]

Advertising research is key to determining the success of an ad in any country or region. The ability to identify which elements and/or moments of an ad that contributes to its success is how economies of scale are maximized. Once one knows what works in an ad, that idea or ideas can be

imported by any other market. Market research measures, such as Flow of Attention, Flow of Emotion and branding moments provide insight into what is working in an ad in any country or region because the measures are based on the visual, not verbal, elements of the ad.

The first step is of prospecting. Prospecting involves researching potential buyers and choosing those most likely to buy. That selection process is called qualifying. To qualify people means to make sure that they have need for product, the authority to buy and the willingness to listen to a sales message. A person who meets these criteria is called a prospect.

In this approach you must learn as much as possible about customers and their wants and needs. In this gathering the information before you approach the customer is critical. As we said an example of CRM selling you would know which people are likely to buy or use it.

In this the main idea is to give an impression of friendly professionalism, to create rapport,, to build credibility, and to start a relationship. Often the decision of whether to use a software package depends on reliable service from the salesperson.

In the actual presentation of the CRM software, the idea is to match the benefits of your value package to the clients needs. Various companies provide sales proposal software that include everything from power point presentations to competitive analysis. During the presentation is a great time to use testimonial to

The selling process isn't over until the order is approved and the customer is happy. The sales relationship may continue for years as you respond to new requests for information. Salespeople really need to be providers of solutions to their customers and also need to think about what happens after the sale. The follow-up step includes handling customer's complaints, making sure the customer's questions are answered and quickly supplying what the customer wants.

Steps involved in setting up a public relations programme

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Public Relations has three steps:-

Listen to the public: Public relations start with good marketing research.

Change Policies and procedures : Businesses don't earn understanding by bombarding the public with propaganda, they earn understanding by having programs and policies and practices in their public interest .

Inform people that you're being responsive to their needs: It's not enough to simply have programs in the public interest. You have to tell the public about those programs so that they know you're being responsive Public relations has more power to influence consumers because the message comes from source that is perceived as being more trustworthy.

Advantages of Publicity:

Creates a positive attitude toward a product or company

Enhances credibility of a product or company

Disadvantages of Publicity:

May not permit accurate measurement of effect on sales

Involves much effort directed toward non-marketing-oriented goals

5. Promotional techniques used to reach customers

There are several Promotional techniques that encourage/stimulate customers to patronize a specific retail store or to try a specific product.

These promotional techniques give various benefits/bonuses to customers and these are mainly classified as

1. Coupons:

This is the most common technique which usually reduce the purchase price or offered as cash. Need to state the offer clearly and make it easy to recognize.

2. Handout...Awash in Coupons...

Looks at the volume of coupons (323 bn) and the poor redemption rate (less than 3%). Looks at more innovative media to deliver coupons (currently over 80% are delivered via the Sunday paper)... in store by the products, as customers exit the store based on purchases...discussed delivering coupons to customers as they enter the store, using a card that swipes to indicate past purchases. Past buying behavior is the best predictor of future buying patterns

Users only redeem coupons they would ordinarily purchase. 75% of the coupons are redeemed by consumers who would buy the brand already.

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3 Demonstrations:

Excellent attention getters. Labor costs are usually high.

4. Frequent User Incentives:

Major airlines, helps foster customer loyalty to a specific company. Credit card companies. Trading stamps-Co-ops back in England, foster retail loyalty.

5. Point of Purchase Display:

Outside signs, window displays, counter pieces, display racks. 90% of retailers believe that point of purchase materials sell products.

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Essential for product introductions. Also with 2/3 of purchasing decisions made in the store, they are important.

6. Free Samples:

Stimulate trial of product. Increase sales volume at the early stage of the product life cycle and obtain desirable distribution . Most expensive sales promotion technique. Not appropriate for mature products and slow turnover products.

7. Money Refunds/Rebates:

Submit proof of purchase and mail specific refund, usually need multiple purchase for refund. Helps promote trial use, due to the complexity of the refund, it has little impact. Customers have a poor perception of rebate offered products. Used extensively in the Auto and Computer industry.

8. Premium Items:

Offered free or at minimum cost as a bonus. Used to attract competitors customers, different sizes of established products. McDonalds Last summer the following tie-in premium programs.

Casper with Pepsi, Pizza Hut, Choice Hotels

Congo with Taco Bell

Batman Forever with McDonalds, Kelloggs , Six Flags, Sears

Pocahontas with Chrysler, Nestle, General Mills, Burger King

Mighty Morphin with McDonalds

Cents-off Offer:

Strong incentive for trying a product-very similar to coupons, but are a part of the package.

Consumer Contests and Sweepstakes:

Consumers compete based on their analytical or creative skills. Must be accurate or you will anger customers/retailers.

Sweepstakes are prohibited in some states.

Conclusion

From the above discussion of various Promotion and sales technique we conclude that promotion with advertising is a part of total system approach that lead to maketing principles. Promotion and sales are interdependent on each other. It helps to increase demand for the product with a view to increase the company's sale and profit.