

5.03

Acquire a
foundational
knowledge of
promotion to
understand its
nature and
scope

Define the term promotion

- Promotion is a marketing function needed to communicate information about goods, services, images, and/or ideas to achieve a desired outcome.
- It is the element of the marketing mix that encourages customers to buy or have certain views or opinions

Apple is promoting numerous types of applications that appeal to the teen market

- For the under-20's crowd, cool is all about the technology



Who uses promotion?

- Any organization that has something to sell uses promotion at one time or another.
 - Large and small businesses
 - Government agencies
 - Special interest groups
 - Producers
 - Intermediaries
 - individuals

Who uses promotion?

- Businesses that sell gaming systems, MP3 players, shoes, cars, and soft drinks rely heavily on promotion.
- They develop creative promotions to reach a wide audience and sell their products
- This results in the familiarity of the product.



What companies are these?



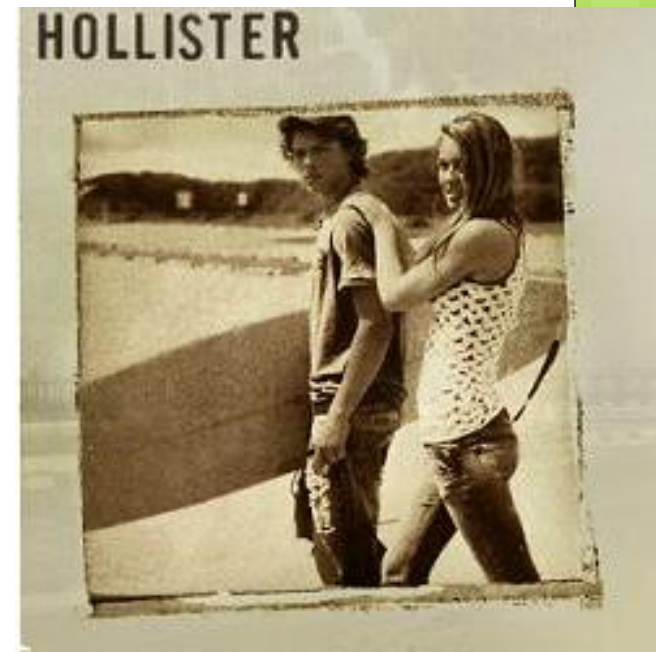
Characteristics of effective promotion

- Persuasive
- Relevant
- Appropriate
- Factual
- Repetitive
- Coordinated



Benefits of using promotion

- Increased Sales: the most obvious way businesses benefit from promotion
 - Promotion is used to spread the word to customers and to convince them to buy
- Strong position: used to position the company the way they want customers to see them
- Increased customer loyalty: want customers to identify with images projected through promotion .
 - AEO and Hollister project an image of style and fashion.



Benefits of using promotion

- Increased product/company awareness: helps customers learn that products exist and where they are available
- Better informed, more satisfied customers: happens when businesses promote product benefits, features and prices
- Increased employment opportunities: benefits the economy by providing job opportunities
- Increased media support: helps to pay for mass media – TV, radio, newspapers, magazines, Internet, etc

Costs associated with the use of promotion

- Some are free or nearly free – issuing a press release about a new or improved product
- Advertising fees
- Costs for sales promotions
- Contests, salaries
- Considering the costs ahead of time helps marketers to create reasonable promotional budgets

Types of promotional objectives



- Inform
 - Communicate important information about new or improved products
- Persuade
 - Competitive products
 - Company image
- Remind
 - Established products
 - Established companies

Relationship of promotion and marketing

- Promotion can be described as marketing communication
 - It sends a marketing message to a target audience
- A business communicates a message to the customer – inform customer about goods, services or ideas – persuade them to buy – customer gives feedback by buying or not buying

assignment

- 1) Do politicians advertise? If so, how?
 - What is their cost? How do they afford?
- 2) How science/medical/disease advertise?
How do they pay for it?
- Choose one of the above and research; your assignment should be a report handed in on paper, PowerPoint, or poster; either option you must speak about your research for 2 minutes