



**CHRIST**  
(DEEMED TO BE UNIVERSITY)  
BANGALORE · INDIA

# Marketing Management

## Unit 4 - PROMOTION



### MISSION

CHRIST is a nurturing ground for an individual's holistic development to make effective contribution to the society in a dynamic environment

### VISION

Excellence and Service

### CORE VALUES

Faith in God | Moral Uprightness  
Love of Fellow Beings  
Social Responsibility | Pursuit of Excellence

# Promotional Tools

The marketing communications mix (promotion mix) consists of five major tools:

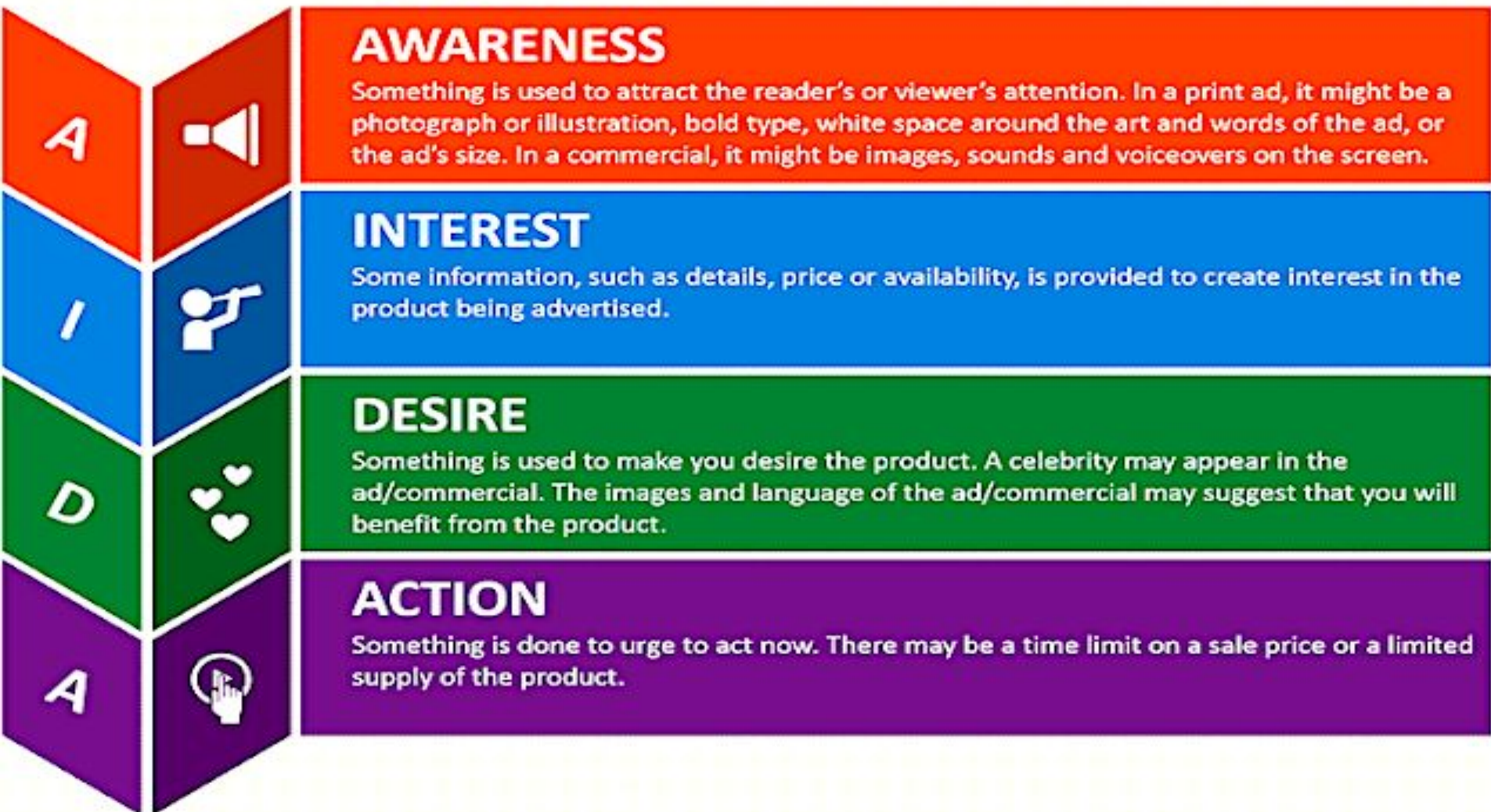
1. **Advertising** – Any paid form of non personal presentation and promotion of ideas, goods or services by an identified sponsor.
2. **Direct Marketing** – Use of mail, telephone and other non personal contact tools to communicate with or solicit a response from specified customers and prospects.
3. **Sales Promotion** – Short-term incentives to encourage trial or purchase of a product or service.
4. **Public Relations and Publicity** – A variety of programmes designed to promote and/or protect a company's image or its individual products.
5. **Personal Selling** – Face-to-face interaction with one or more prospective purchasers for the purpose of making sales.

# Communication

- ***The Communication Process***
  - Is usually between two parties sender and receiver.
- ***Communication Tools***
  - Message.
  - Media.
- ***Communication Functions***
  - Encoding (only source can)
  - Decoding (only destination can)
  - Response
  - Feedback

# AIDA Model

## AIDA for Advertising



# Steps in Developing Effective Communication

## 1. Identify the target audience

- The target audience will critically influence the communicator's decisions on what to say, how to say it, where to say it and to whom to say it.
- **Image Analysis** – A major part of audience analysis is to assess the audience's current image of the company, its products and its competitors. Analyze based of *familiarity scale* and *favorability scale*.

## 2.Determining the Communication Objectives

- Once the target market and its characteristics are identified, the marketing communicator should decide on the desired audience response (being purchase and satisfaction).

### 3.Designing the Message

- Having defined the desired audience response, the communicator moves to developing an effective message. Ideally the message should gain *attention*, hold *interest*, arouse *desire* and elicit (initiate) *action* (AIDA).

### 4.Selecting the Communication Channels

- The communicator should select efficient channels of communication to carry the message. For this they use personal and non personal forms of communication.
- **Personal** – face to face communication, telephone, WOM communication etc... Other forms may be *advocate channels (sales persons, other buyers...)*, *expert channels (independent experts who make statements to target buyers)*, *social channels (friends, neighbours, family members...)*
- **Non Personal** – Media (*News papers, magazines, direct mailers....*), Broadcast media (*radio, TV...*), Display media (*Hoardings, Neon Signs, Posters....*), Sponsored Events.

## 5. Establishing the Total Promotion Budget

- One of the most difficult marketing decisions is how much to spend on promotion.

## 6. *Four common methods are:*

- Affordable Method.
- Percentage-of-Sales Method.
- Competitive Parity Method.
- Objective and Task Method – (Establish the market-share goal, determine % of the market to be reached by advertising, determine the % of aware prospects that should be persuaded to try the brand...)

## 7. Deciding on the Promotion Mix

- Companies face the task of distributing the total promotion budget over the five promotional tools – *Advertising, Sales Promotion, Direct Marketing, Public Relations and Sales Force*.

## 8. Measuring Promotion's Results

- After implementing the promotional plan, the communicator must measure its impact on the target audience (recall %).

# Integrated Marketing Communications

## Organizing and Managing Integrated Marketing Communications

- A concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines such as general advertising, sales promotion, public relations...and combine these disciplines to provide clarity, consistency and maximum communications' impact through seamless integration of discrete messages.

# I. Setting the Advertising Objectives

- Advertising objectives can be classified as to whether their aim is *to inform, persuade or remind*.
  - **To Inform** – The market about a new product, suggesting new uses for a product, Informing about a price change, describing available services, building company image etc...
  - **To Persuade** – Building brand preference, encourage switching to your brand, persuading buyers to purchase immediately etc...
  - **To Remind** – Reminding buyers that the product may be needed in the near future, Reminding buyers where to buy it, keeping it in buyers' minds during off seasons, maintaining its top-of-mind awareness etc...

## II. Advertising Budget

- **Deciding on the Advertising Budget**
  - After determining the advertising objectives, the company can proceed to establish its advertising budget for each product.
- ***Certain specific factors to consider when setting the advertising budget:***
  - Stage in the PLC.
  - Market share and consumer base.
  - Competition.
  - Advertising frequency.
  - Product substitutability (soft drinks).

### III. Deciding on the Advertising Message

- Advertisers go through a three steps to develop a creative strategy:
  - **Message Generation** – The product's message should be decided as part of developing the product concept, it expresses the major benefit the brand offers. The marketer may change the message over time as the consumer needs are also changing.
  - **Message Evaluation and Selection** – The advertiser needs to evaluate the alternate messages. A good ad normally focuses on one core selling proposition. Messages should be rated on **desirability** (something desirable or interesting about the product), **exclusiveness** (something unique that does not apply to every other brand in its category) and **believability** (message must be believable and provable).
  - **Message Execution** – The message's impact is not only upon what is said but also on how it is said. Some ads aim for **rational positioning** and others for **emotional positioning**.

## IV. Media

- **Deciding on the Media**

- **Reach** – The No. of different persons/ households exposed to a particular media schedule at least once during a specified time period.
- **Frequency** – The No. of times within the specified time period that an avg. person or household is exposed to the message.
- **Impact** – The qualitative value of an exposure through a given medium (food additive ads during cookery shows).

- **Evaluating Advertising Effectiveness**

- **Communication-Effect Research** (to determine whether the ad is communicating effectively).
- **Sales-Effect Research** (difficult to determine, as sales is also affected by other factors besides advertising such as product's features, price, availability and competitor's actions).

# ***Sales Promotion***

- Consists of a diverse collection of incentive tools, mostly short term, designed to stimulate quicker and/ or greater purchase of particular products/ services by consumers or the trade.
- ***Purpose of Sales Promotion***
  - Sales promotions stimulate consumer trial.
  - Sales promotions yield faster and more measurable responses in sales than advertising does.
  - Sales promotions do not tend to yield new, long-term buyers in mature markets as they attract mainly deal-prone consumers who switch brands due to the special offers given.

# Major Sales Promotion Tools

- Samples (free samples)
- Coupons (offered by certain retailers)
- Cash Refund Offers
- Special Price Packs (price off packs, % extra packs)
- Prizes (Contests, Games, Gifts)
- Free Trials (BSNL Broad band)
- Product Warranties (5 yrs/ 7 yrs warranty)
- Joint Promotions (One product bundled with another)

# Public Relations

- Public relations (PR) refer to the variety of activities conducted by a company to promote and protect the image of the company, its products and policies in the eyes of the public.
- Thus it aims to manage public opinion of the organization. Public relations encompasses a broad range of activities.

# Direct Marketing

- **Catalogue Marketing** – Mailing product catalogues to customers (Metro, Big Bazaar).
- **Direct-Mail Marketing** – Sending letters, flyers etc... (Inserts in news papers, pamphlets).
- **Telemarketing** – Marketing through telephone (Credit cards).
- **Television Direct-Response Marketing** – Marketing and selling directly through TV programmes (Tele Shopping).
- **Radio, Magazine and Newspaper Direct-Response Marketing** – Marketing through Radio, Newspapers/ Magazines (Magazine subscription, India Today diaries, Readers Digest).
- **Electronic Shopping** – Shopping through the internet (e bay).
- **Kiosk Shopping** – Custom made kiosk/ stalls to sell the company's products (Airtel, Vodafone, Reliance).

# Personal Selling & Sales Management

- Meaning
- Steps
- Sales Management

# Direct and Online Marketing

- **Direct marketing** is a promotional method of presenting information about your product, company, or service to your target audience.
- **Online marketing** is the practice of leveraging web-based channels to spread a message about a company's brand, products, or services to its potential customers.
- The methods and techniques used for online marketing include email, social media, display advertising, search engine optimization

# Multi-level Marketing

- Multi-level marketing is a marketing technique which involves people buying a product, then earning a commission by selling it to their friends/relatives.....their own network.
- It is also called as Net work marketing or Pyramid marketing.
- Ex-Herbalife, Tupperware

# Significance of Integrated Marketing Communication

- IMC plays an essential role in delivering a unified message to end-users through various channels and thus has better chances of attracting customers.
- A single message goes to customers across all marketing channels be it TV, Radio, Banners, hoardings and so on...

# AI & Promotion

**Thank You !!!**