



**PROMOTIONAL STRATEGIES;
ENHANCING COMPETITIVENESS**

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WELCOME

2014

PROMOTION DECISIONS

- ▶ Any form of communication used to inform, persuade, or remind people about an organization goods, services, image or ideas”.

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Promotion mix variables include

- ▶ Advertising,
- ▶ Sales promotion,
- ▶ Personal selling
- ▶ Publicity (public relations).

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- ▶ **Advertising**

- ▶ One of the oldest forms of communication with records going back to Roman, Greek and biblical days.

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- ▶ It is a paid, non-personal presentation and promotion of ideas, goods and services by an identified sponsor.

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▶ Why advertise ?

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BURGER KING WHOPPER

ADVERTISEMENTS



ACTUAL BURGER

- MOST ATTRACTIVE ANGLE
- WITH CHEESE
- SLIGHTLY FLUTTED UP



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- ▶ Advantages
 - ▶ Attracts a large and geographically dispersed market
 - ▶ Low cost per customer or listener
 - ▶ Uniform message is delivered to all people
 - ▶ Sponsor has control over message content, graphics, and timing

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- ▶ Disadvantages
 - ▶ Inflexible and not responsive to consumer questions since they are standardized
 - ▶ May be wasteful to some audience that is not interested (Since message targets everyone)

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Decisions:

- ▶ Determine message content .
- ▶ Specify the location of an ad in a broadcast program or print medium, eg in the cover page, sports pages or entertainment pages or at the back

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- ▶ Outline a promotion schedule.
 - ▶ Choose how many variations of the basic message to utilize. This depends on the frequency of presentation and the quality of the ad
 - ▶ Identify the advertising target group. Select the media.
 - ▶ Define the advertising budget

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- ▶ Before an advertising message can be communicated effectively, carry out some research and find answers to the following
 - ▶ What are the product's selling points?
 - ▶ What kind of people will buy it?
 - ▶ What kind of media will reach the market most effectively?

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▶ **Sales Promotion**

- ▶ seeks to achieve given objectives by adding extrinsic tangible value to a product or service.

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- ▶ involves communicating with an audience through various non-personal, non media vehicles such as free samples, gifts, games, concerts, tradeshows, trading stamps, signs and displays, sweepstakes are also part of sales promotion.

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▶ Advantage

- ▶ Can provoke quantity and repeat buying and so achieve high awareness of the product which is constantly in use or in the home, to the exclusion of rival brands.

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- ▶ **Negative aspects**

- ▶ Special promotional offer can appeal to the bargain seeking or greedy people, who will wait and only buy when a product is on special offer.

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- ▶ Distributors may be reluctant to handle goods not on offer. As goods not on offer may not be as fast moving.

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Examples of sales promotion

- ▶ **Games and competitions.** Company arranges for games in which winners are rewarded, or they win specific items, as is the case with beer promotion by Kenya breweries, Safaricom, Airtel etc

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- ▶ **Free gifts.** The gift may be attached to the product, as a pair of socks with a ruler tied onto them

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- ▶ **Rebate schemes.** refund of cash to consumer who have bought a certain product on production of coupon (receipt) which specified that the item is on offer.

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- ▶ **Demonstration, free samples.** For customers to taste, seeing is believing



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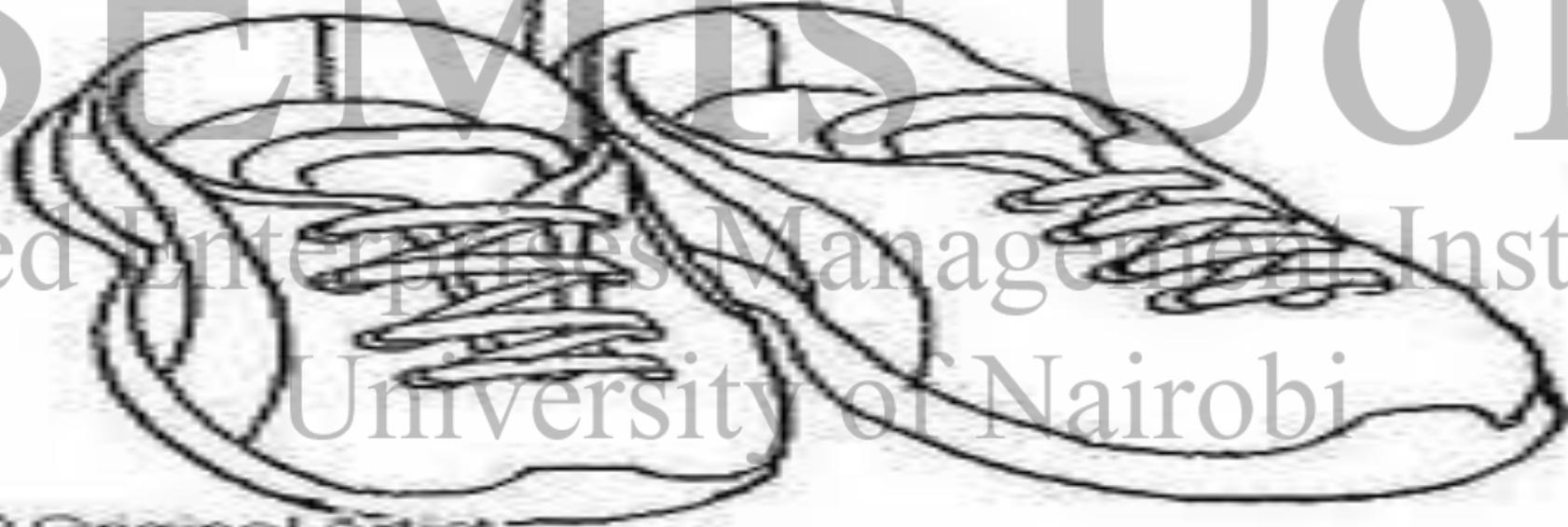
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SHOES.
BUY ONE
GET ONE
FREE!



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mid season madness

today* only:



75%



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off everything

*Offer is only valid on 2014/15 ZDC 2014/15 products and is subject to stock availability. Offer ends 31/10/2014.



In developing the sales promotion programme, It is important to clearly establish such items as

- ▶ Size of the incentive- provide a realistic incentive that will not eat too much into the sales returns;
- ▶ Conditions of participation- specify who should participate.. Are company employees allowed?

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- ▶ The duration of the promotion – it should not be too long or too short. Slogans like ‘ buy now while stock last are common ;
 - ▶ timing – decide when the promotion should be done. Improper timing can be very bad

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▶ **Personal Selling**

- ▶ An oral presentation in a conversation between one or more prospective buyers.
- ▶ involves communicating directly with an audience through paid personnel of the organization or its agents (sales people).



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- ▶ may include door to door selling where sales people move from door to door selling goods

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- ▶ Effective personal selling depends on how well the sales force is managed.

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Company should therefore deal with

- ▶ Recruitment and Selection -- Of the sales force personnel
- ▶ Motivation-- Of the sales force personnel

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- ▶ Compensation-- Of the sales force personnel
 - ▶ Training and development.. Of the sales force personnel

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▶ **Publicity and Public Relations**

- ▶ Publicity is the non-personal stimulation of demand for a good or service by placing commercially significant news about it in a published medium, or by making a presentation on television.
- ▶ Not paid for by an identified sponsor.

- 
- ▶ reaches a mass audience, and within a short time new products or company policies are widely known.
 - ▶ Enhances credibility about message because they are reported in independent media



▶ Limitations

- ▶ the firm has little control over messages, their timings, their placement or coverage
- ▶ the firm may not be able to plan publicity in advance because new worthy happenings take place quickly.

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- ▶ PR is a continuous process, unlike advertising which may be seasonal.
 - ▶ It goes on and on whether we like it or not, and every one in my organization is involved in public relation and is affected by it.

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- ▶ The strength of public relations is its role in creating understanding.
 - ▶ It is very crucial in converting negative image to positive image:

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- ▶ Hostility to Sympathy : Why are customers hostile to us?
 - ▶ Prejudice to Acceptance:
Customers are very bitter with us, may be because of our past bad record..But we have since changed, yet they still hate us!

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- ▶ Apathy to Interest : it can happen to you also!
 - ▶ Ignorance to Knowledge : Are customers knowledgeable?
What is our role?

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What are they saying ?



The logo for SEMMS UON features the acronym 'SEMMS UON' in a large, bold, serif font. The letters are semi-transparent, allowing the background image of a seed processing machine to be visible through them. The background image shows a close-up of a conveyor belt with a blue section, likely part of a seed cleaning or sorting system.

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