



**PROMOTIONAL STRATEGIES;
ENHANCING COMPETITIVENESS
DR JUSTUS M MUNYOKI**


**WELCOME
2014**

PROMOTION DECISIONS

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



Promotion mix variables include

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



- ▶ **Advertising**

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

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



BURGER KING WHOPPER

ADVERTISEMENTS



ACTUAL BURGER

- MOST ATTRACTIVE ANGLE
- WITH CHEESE
- SLIGHTLY FLIPPED UP





ALPHABET LUDWIG







- 
- 
- ▶ 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





- 
- ▶ 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)
- 

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

- 
- 
- ▶ 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
 - ▶
 - ▶

- 
- 
- ▶ 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?



▶ **Sales Promotion**

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





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





▶ **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.



▶ **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.

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

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

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

- 
- 
- ▶ **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.

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



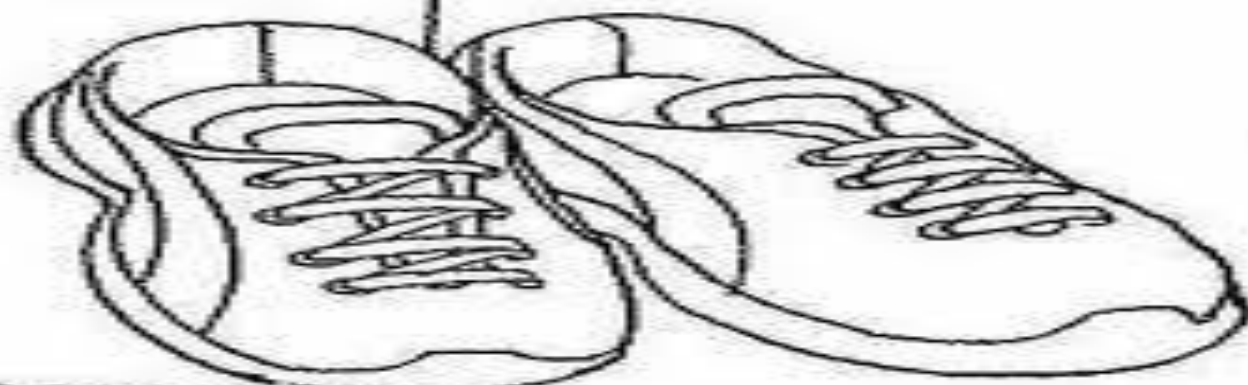






60%
OFF

SHOES.
BUY ONE
GET ONE
FREE!



© Original Artist
Reproduction rights obtainable from www.CartoonStock.com


search ID: gth0095

mid season madness
today* only:




off everything

*offer is only valid on 2/11/2011. Offer is limited to 100,000 units with all restrictions apply. ©2011



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?

- 
- ▶ 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






▶ **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).





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

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



Company should therefore deal with

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



- ▶


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




▶ **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.

- 
- ▶ 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.

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

- 
- 
- ▶ 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!

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



What are they saying ?





END

