

Marketing mix - Promotion

Read introducing the topic –

Nikon Coolpix promotion exceeds targets

Why was it so important for Nikon to choose something completely different?

Importance of promotional campaign to a clearly defined audience?

Considering the age of the article, what may Nikon now have to do for their promotional campaign?

Why is promotion an important part of the marketing mix?

- Key word here is **communication** – what does this mean and why is it important?

Advertising is only one form of promotion – a firm needs to have a ‘promotion mix’: How?

- *A firm will have a ‘promotion budget’: each promotion medium will compete for this*
- *How will it be allocated? What will be considered effective? Quality of communication*

Promotion is:

To start with, a firm needs to establish

Promotional objectives include:

Always consider marketing objectives with choice of promotion of a product

Promotion mix:

1. Advertising (above-the-line promotion)

Informative advertising	Persuasive advertising

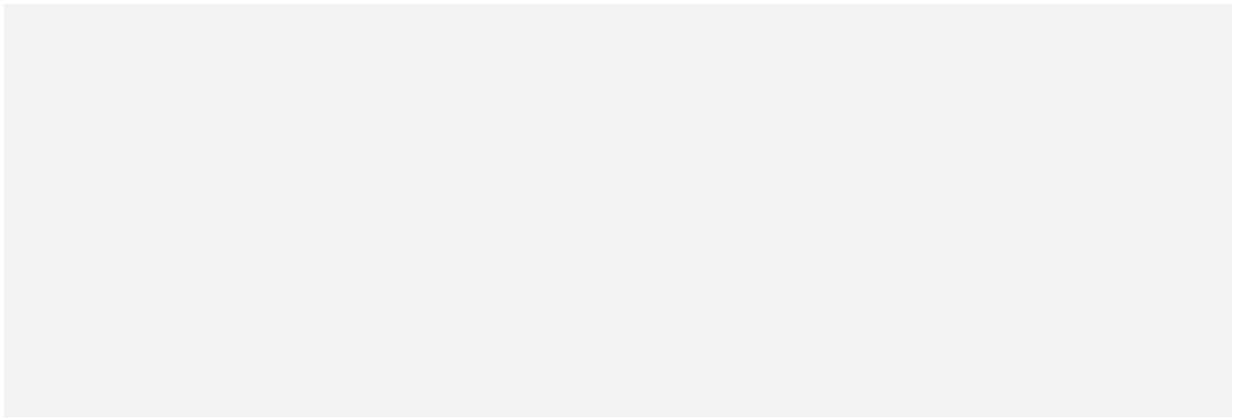
Consider B2B advertising: different approach and objective

Activity 17.1 – The Cadbury Gorilla advertisement

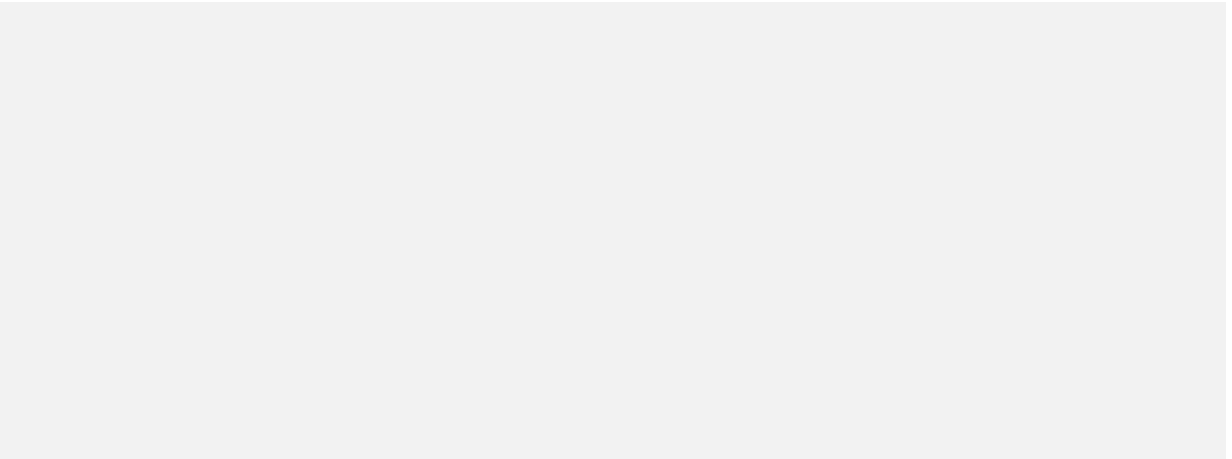
Advertising agencies:

Advertising decisions – which media to use?

Advertising expenditure and trade cycle -



2. Sales promotion - (Below-the-line promotion)



- *Price deals*
- *Loyalty-reward programmes*
- *Money-off coupons*
- *Point-of-sale displays in shops (POS)*
- *BOGOF*
- *Games and competitions*

3. Personal selling

4. Direct mail

5. Trade fair and exhibitions

6. Sponsorship

7. Public relations

Branding:

Brand extension

Marketing or promotion budget

Is the marketing budget well spent?

Society and the consumer viewpoint	Business viewpoint

Assessing the effectiveness of promotional campaigns:

- 1.
- 2.
- 3.
- 4.

Consumer markets and industrial markets (B2C and B2B):

Promotion and the product life cycle:

Stage of life cycle	Promotional options
Introduction	<ul style="list-style-type: none"> informative advertising to make consumers aware of the product's existence, price and main features sales promotion offering free samples or trial periods to encourage consumers to test the product – incentives may need to be offered to the trade to stock the product.
Growth	<ul style="list-style-type: none"> to continue some informative advertising, but the focus may now move to brand building and persuasive advertising sales promotion to encourage repeat purchase attempt to develop brand loyalty.
Maturity	<ul style="list-style-type: none"> advertising to emphasise the differences between this product and competitors – may be needed to remind consumers of the existence of the product Sales-promotion incentives to encourage brand switching and continued loyalty.
Decline – assuming no extension strategy	<ul style="list-style-type: none"> minimal advertising, apart from informing consumers of special offers sales promotion – there may be little additional support for the product if the intention is to withdraw it.

Table 17.3 How promotional strategies may vary over the life cycle of a product

Packaging – what is it and what does it do?

Summary of the worksheet in your own words (in English and Chinese):

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Vocabulary check:

English	Chinese