

Promotion Decisions Meaning, Elements & Techniques

Promotion of products helps the companies to communicate, inform, persuade and remind customers directly or indirectly about the products and the brand they sell. In this article, we will discuss the promotion meaning elements of the promotional mix, different promotional Tools and techniques available in detail.

Promotion Decisions Overview

Promotion helps marketers to communicate information to potential customers. This information could be about the product awareness value and benefits offered by the product. Promotion is done to achieve different objectives like to remind customers to modify their behavior or to inform them.

What is Promotion?

Promotion refers to the entire set of activities which communicate the product brand or service to the user. The idea is to make people aware attracted and induced to buy the product in preference over others

Promotion refers to the use of communication with the Twin objectives of informing potential customers about the product and persuading them to buy it.

According to Philip Kotler promotion includes all activities the company undertakes to communicate or promote its product to the target market

What are Elements of Promotion Mix?

The Promotional Mix describes a blend of promotional variables chosen by marketers to help a firm reach its goals. There are mainly 5 elements of Promotional Mix- Advertising, Personal Selling, Sales Promotion, Publicity and Public Relations.

Elements of Promotion Mix Explained

In the following section, the various Elements of the Promotion Mix are explained in detail. Read the section carefully for an in-depth understanding of the Elements of the Promotion Mix.

Advertising

Advertising is any paid form of non-personal presentation and promotion of Ideas goods and services by an identified sponsor. Various advertising media include television radio newspapers magazines and outdoor media.

Personal Selling

Personal selling is a type of promotion in which there is face-to-face communication between buyer and seller and a presentation with potential customers for the purpose of selling the products. Personal selling is done to achieve different objectives like the creation of demand educating customers building relations exploring hidden experiences and educating customers.

Sales Promotion

Sale promotion mainly involves short-term and non-routine incentives offered to the dealers as well as consumers. The popular methods are demonstration trade shows exhibition exchanges offer seasonal discounts free service gift contests etc.

Publicity

It is not a paid form of mass communication that involves getting a favourable response from customers by placing commercially significant news in the mass media.

According to William J. Stanton, “publicity is any promotional communication regarding an organisation or its products where the message is not paid for by the organisation benefiting from it.”

Publicity usually takes the form of news coverage features stories executive interviews etc publicity can be great for brand-building awareness and gaining broad exposure

Public Relations

Public relations activities promote a positive image, generate publicity and encourage Goodwill with the objective of increasing sales. Public Relations can take many forms including generating favorable media coverage, hosting special events and sponsoring charitable campaigns are some of the examples of public relations activity.

Sales Promotion Techniques

There are different techniques and tools available for promoting sales by the organization. Below are the different sales promotion techniques

Rebate

Rebate is the amount of the purchase price refunded by the seller to the buyer when the quantity purchased reaches the specified limit. This is sent directly to the manufacturer who will pass on the discount to the customer later hence leading the sales promotion.

Discount

Discount is a reduction in the price that is offered to the customer on the spot. It can be in the form of a trading discount or cash discount. A trading discount is given at the time when the consumer purchases the product from the company. On the other hand, a cash discount is given when the customer makes a cash payment immediately on the purchase of the item.

Gifts

Gifts are a common way to promote the product during the festival time or when there is huge competition in the market. Mostly customers buy products in anticipation of winning a gift from the store or sometimes companies provide a short gift if the customer purchases more than the set amount of the products.

Sample

Under this method, the producer distributes free samples of his product among its customers. Sales representatives distribute the samples from do-to-do sometimes or through online media. This is also an important tool for sales promotion.

Contest

Organizations arrange several contests for their customers and prospective customers from time to time. This contest is asked to answer very simple questions. When the customer answers the question of the contest correctly they will be rewarded with some points or cashbacks. Such contests have now become very popular tools for promotion.

Lucky Draws

Under this method, the customers of a particular product are offered gifts on a fixed date and the winners are decided by draw of lots.

Conclusion

Promotion decisions play an important role in the marketing process. These decisions help customers easily identification of particular brands and products. Companies and marketers take effective care while deciding their promotion mix. With effective promotional activities, they can achieve increased sales volume and high-profit targets.

