

Sales Promotion and Supplementary Media



- Sales promotion is an offer of direct inducements that enhance the basic value of a product for a limited time to stimulate immediate distributor commitment, sales force effectiveness, and consumer purchasing.



Consumer promotion objectives

1. To persuade consumers to try (and re-buy) a new product;
2. To convince consumer to stay with a brand;
3. To increase product purchase and usage;
4. To encourage consumers to buy your other products;
5. To reinforce advertising and marketing efforts for more immediate results.



- You often have to sell to the trade before you can sell to the consumer. Although each advertiser's objectives will vary, depending on its unique situation and its own marketing and advertising goals, trade sales promotion may be started to achieve one or more four objectives.

Trade promotion objective

1. To gain distribution;
2. To encourage support for a consumer product or a consumer sales promotion;
3. To stimulate distributors to raise or lower their inventory levels;
4. To strengthen relationships with distributors and sales people.

Types of consumer promotion

- Samples - the practice of offering a small quantity of your product free or at extremely low price.
- Coupons - is a certificate good for a specific price reduction when a particular product is purchased.
- Price promotion and price packs - is a short term price reduction that's available to everyone who purchases the product during the promotional period.
- Price pack - is when something extra is offered or bundled with a product package.
- Money-Back Offers: A refund - is a money-back offer to return a specific amount of money after a particular product is already purchased.
- A rebate - is like a discounted price for expensive products.

- **Contests and Sweepstakes** - In contest, participants use their skills or abilities to compete for prizes. Sweepstakes is where prizes are awarded based on a random drawing or on some other method of selection by chance.
- **Game** - done on a longer period normally for fast food chain, hotels and petrol stations.
- **Premiums** - a greatly reduced price for expensive product.
- **Self-liquidating premium** - a more substantial premium which is partly or completely paid for the customers.
- **Frequency Programs** - ongoing offer of free merchandise or services designed to encourage purchasing more of a product or purchasing a product more frequently.
- **Point-of-purchase displays** - in-store materials designed to influence the purchase of a particular product.

Trade deals

- Trade deal - is a short-term arrangement in which wholesalers and retailers are encouraged to stock and promote products in exchange for a special discounts payment.
- Buying allowance - is a payment or discount offered to distributor to encourage the purchase of a certain amount of merchandise during a special period.
- Display allowance - is a fee paid (discount) by the manufacturer to the retailer in exchange for a desirable shelf location, an end-of-aisle display, or some space for a POP display.

Trade contests and incentives

- Push Money - The payment of a set amount to a salesperson every time a particular item is sold.
- Trade Show - an event where manufacturers display and sell their products to current and potential distributors.
- Sales support and Collateral sales material - brochures, videotapes, slides and other items that show detailed product information.
- Cooperative advertising - manufactures and retailers combining their efforts or working together to promote a special product offer.

Other Supplementary Media

- Yellow pages advertising
- Specialty advertising - advertising in which advertiser's name, message or logo is imprinted on useful items (merchandise) to be given away
- Ads spliced on videotaped movie
- Ads on videocassette
- Ads by fax
- Ads on computer disk
- Ads on computer-based information services or internet