

Promotional strategies – Do's and Don'ts in promotions

Radha Dogra,

Lecturer

Neville Wadia Institute of Management Studies & Research (NWIMSR)

Text: Promotion is an essential element in the marketing mix. It is a tool used by most businesses both large and small to inform, persuade and remind customers to buy the company's product. Without business promotion companies would be stagnant and lack substantial growth because their brands will have low visibility in the market

DO's

Match the message to the customer - Your marketing promotions won't stand a chance if you don't match the right message to the right buyer.

- identify and target the types of buyers who are most likely to be engaged by your product, service or solution
- Build messages and content that match the buyers' criteria for choosing a solution
- Tell the sales people the buyers' stories, proving that you know these buyers and that they need your solution
- Deliver the message in the places your buyer frequents

Give something for nothing

Before you attempt to sell, you must create trust. The best way to do this is to provide something the prospect wants - **information**. When people surf the Internet, they are looking for information. Your product may seem to solve a particular problem but if you can't create trust, you don't stand a chance of making a sale.

People generally need time to build trust. Trust can only be created over time by consistently showing the customer you have the **knowledge, expertise and values** to solve their problem.

Any promotional information you send to a customer or prospect must do the following:

- Demonstrate how your product or service solves a particular problem
- Create trust by giving away something valuable for nothing
- Position you as an expert
- Require a minimal call-to-action

Creating trust will be difficult if you can't quickly demonstrate how your product or service solves a problem for

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the prospect. This goes back to our discussion on delivering the right message to the right buyer persona.

A great way to start creating trust is to give something valuable to the prospect that helps them solve an issue that is important to them. This could be e.g. downloadable report, a free consultation, or a free service trial. By the way, when I say free, I mean it. No strings attached.

By default, whatever it is that you give away should help position you as an expert in your particular field. In addition, make sure it requires very little effort for the customer to redeem. If it's a complicated multi-step process, you will get few takers.

Use AIDA strategy

Create awareness – among the potential buyers

Develop Interest – Develop interest in buying the product

Kindling Desire – Create desire to buy the product

Stimulate Action – Push the transaction towards a sale

Modify promotion strategies through the product life cycle

Stages and promotion strategies employed

Introduction

When a product is new the organizations objective will be to inform the target audience of its entry. Television, radio, magazine, coupons etc may be used to push the product through the introduction stage of the lifecycle. Push and Pull Strategies will be used at this crucial stage.

Growth

As the product becomes accepted by the target market the organization at this stage of the lifecycle the organization works on the strategy of further increasing brand awareness to encourage loyalty.

Maturity

At this stage with increased competition the organization take persuasive tactics to encourage the consumers to purchase their product over their rivals. Any differential advantage will be clearly communicated to the target audience to inform of their benefit over their competitors.

Decline

As the product reaches the decline stage the organization will use the strategy of reminding people of the product to slow the predictable

Internet promotion

The development of the World Wide Web has changed the business environment forever. Dot com fever has taken the industry and stock markets by storm. The e-commerce revolution promises to deliver a more efficient way of conducting business. Shoppers can now purchase from the comfort of their home 24 hours a day 7 days a week.

Owning a website is a now a crucial ingredient to the marketing mix strategy of an organization. Consumers can

now obtain instant information on products or services to aid them in their crucial purchase decision.

Advertisers have now moved their money over to the internet as customers are on average spending more time online than watching TV. Popular ways to advertise seem to be with banners and pop ups.

Use PUSH or PULL strategy depending on the product

In dependence of the used medium, the communication can be either interactive or non-interactive.

For example, if the seller makes his promotion by television or radio, it's not possible for the buyer to interact with. On the other hand, if the communication is made by phone or internet, the buyer has possibilities to interact with the seller. In the first case information is just "*pushed*" toward the buyer, while in the second case it is possible for the buyer to *demand* the needed information according to his requirements.

Define VP – VALUE Proposition

VP stands for **Value Proposition** and it is critical to define what unique value you can bring to your customer. Simply put, if you don't find a way to stand out from the crowd, any marketing promotion strategy you define will be weak at best. You'll be wasting both your time and your money. Take some time to think about what your VP should be and how to effectively communicate it to the target market.

Highlight the B's and not the F's

Always try to highlight the benefits of the product and not the features of the product. The customer would prefer to know what would be the benefit of the product rather than knowing the features of the product. The customer would be ready to pay for the benefits derived from the product and not for the features

DON'T's in Promotions

Low Price - If your only differentiator is price, you're in for a tough time. Price is probably the worst way to attempt to differentiate your company. If your customer sees your company as just a discount shop, you'll lose out to competitors that are able to bring value-added services to the table. In addition, there will always be companies willing to sell at a price lower than yours. Do not get stuck in this trap. Making low pricing your Value Proposition is a mistake.

Quality Products - Quality products are not a differentiator, they are an expectation.

Service - Having good service is simply not a unique way to differentiate your business these days. You must find something else that separates you from your competition.

Your VP needs to focus on a unique way you do business. It can be the way your information is packaged, an incredible guarantee that no one else offers, or the way your product can transform people.

Once you have defined your value proposition, you must ensure that this message comes across clearly to your customers and prospects. An easy way to do this is to develop a business tag line based on your VP and to use this tag in all customer communications.

Suggestions:

- Innovative marketing - ***Be accessible*** in all forms - available & financially viable.

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- ***Make it available and yet seem exclusive.*** Gmail has used this to good advantage by making registration seem exclusive as it is subject to an invite from an existing member. This will delay the shift in perception from cool to uncool (only delay not stop)
- ***Crunch speed of adoption from innovators to laggards*** by enhancing awareness, word of mouth and PR. This makes everyone seem like they are getting onto something new & different. But the difference between innovators and laggards should not more than 6 months. This principle has been used by Apple on their iPod and iPhone series very effectively.

Emotional marketing – is very simply the ability to communicate powerfully through the use of different techniques that evoke emotion.

“Emotional marketing doesn’t mean much if the company’s people; products and services don’t back it up. Nike doesn’t succeed because they make great commercials. Rather, Nike succeeds because its core belief-its brand promise, its love of the potential for the athlete inside everyone lives inside the people in Beaverton. When that love is manifested in their gear, consumers manifest it in their own lives.” The result is not only an emotional connection but an individual one. Having a one-to-one relationship in today’s marketplace is essential for market dominance

Other examples can be seen with other top brands such as Starbucks, Porsche, and so on. These products and services make an emotional connection with the people they serve.

Congruity between celebrity and consumer - concept derived from psychology and used in the context of marketing communication. This principle may be applied when a company wants to change the attitudes of its consumers by using celebrity endorsers. Suppose a consumer hears likeable celebrity praise a brand that he or she dislikes, this principle holds that attitude change will take place in the direction of increasing the amount of congruity between the brand and the celebrity. This implies that a company can use the good image of celebrity to reduce some negative feelings toward a brand but in the process it might lose some esteem with respect to that celebrity. Therefore, celebrities should be used with some discretion.

Use social cause marketing - Social marketing campaigns are those that borrow from commercial marketing techniques for the purpose of social engagement influencing a target audience to change their social behaviors and to benefit society. Whether it is related to the environment, public health, safety, or community development, marketing for good is a methodology for creating change.

Crisis management advertisement – if there’s a need - Crisis management advertisement is crucial when you’re facing a PR nightmare. It is the process by which an organization deals with a major event that threatens to harm the organization, its stakeholders, or the general public. Three elements are common to most definitions of crisis: (a) a threat to the organization, (b) the element of surprise, and (c) a short decision time.

The first and foremost goal is protecting the integrity and reputation of the Company.

Never try to lie, deny or hide your involvement.

If you ignore the situation it will only get worse.

Don’t let the lawyers make the decisions. While they are good intentioned it may cause the crisis to escalate

Objectives:

- To ascertain the DO’s and DON’T’S in promotions
- To identify the new ways of promoting products this will benefit the companies

- To prepare blueprint of pointers to the strategies worth implementation

It is necessary to understand

- Need for analyzing Do's and Don't's in promotions
- Knowledge of the DO's and Don't's
- Need to prepare and suggest appropriate promotion strategies for the current scenario

Possible Outcome

The exercise is likely to be an initiative to prepare a blue print for creating pointers to successfully tackle situations and promote product which in turn will bring business