

# Module 1: Marketing

## Lesson 2 - Marketing Mix: Promotion

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### OVERVIEW

In this marketing mix lesson, students gain a basic understanding of the concept of **promotion**. Later, in module 4, students will explore this important component of the marketing mix in greater detail.

### OBJECTIVES

1. Define promotion.
2. Recognize why companies engage in promotion.
3. Describe the various forms of promotion.
4. Identify the components of the promotions mix.

### KEY TERMS

*Advertising*

*Direct marketing*

*Personal selling*

*Promotion*

*Promotion mix*

*Publicity*

*Sales promotions*

### This Lesson Bundle Includes:

- Introduction to Promotion - Lesson Outline
- Introduction to Promotion - Slide Presentation
- Industry Application - Related Links

# Lesson 2 - Marketing Mix: Promotion

## MARKETING MIX: PROMOTION

### What is the Marketing Mix?

Components of the marketing mix traditionally include **product**, **place**, **promotion**, and **price**.

### What is Promotion?

**Promotion** is any form of communication used to inform, persuade, or remind people about a company's products or services. Promotion plays a significant role in creating and maintaining the levels of commitment and emotional involvement consumers have with the brand.

Effective promotions can help generate sales while creating opportunities to engage and connect with consumers. Promotions can also help to create or maintain a positive image for an organization or brand.



### DISCUSSION TOPIC

Think about the last few purchases you made. Ask yourself:

- What influenced those purchase decisions?
- Where did you hear about the product?
- How did you hear about the product?
- Was the item on sale or available for a limited period of time?

## THE PROMOTION MIX

The **promotion mix** consists of any combination of advertising, sales promotion, publicity, direct marketing, and personal selling. It could also include sponsorship, trade shows, and other exhibition events.

### Why is promotion important?

A business might have a great product and an affordable price point, but consumers will not purchase the product if they don't know it exists or the benefits the product can provide. Building an effective promotion strategy is the key to communicating this information to consumers.



### Factors that influence decisions regarding the promotions mix:

- Budget
- Stage of product life cycle
- Target market
- Competition
- Distribution channels

## FORMS OF PROMOTION

### There are six basic forms of promotion:

- Advertising
- Sales Promotion
- Publicity
- Direct Marketing
- Personal Selling
- Sports & Entertainment Marketing

### Advertising

**Advertising** is any paid, non-personal form of communication by an identified company promoting goods and services.

### Sales Promotion

**Sales promotion** involves activities or communications that encourage consumers to purchase products or services. Promotions are usually short-term and encourage consumers to act quickly. For example, a local health or fitness club may run a sales promotion offering “limited-time” membership opportunities.

### Forms of Sales Promotion:

- Limited or Special Editions
- Free shipping
- Contests and sweepstakes
- Sampling
- Point of purchase
- Discounts and couponing
- Rebates

### Publicity

**Publicity** is public information about a company/team, good, or service appearing in the mass media as a news item at no cost to the organization.

## Forms of Promotion



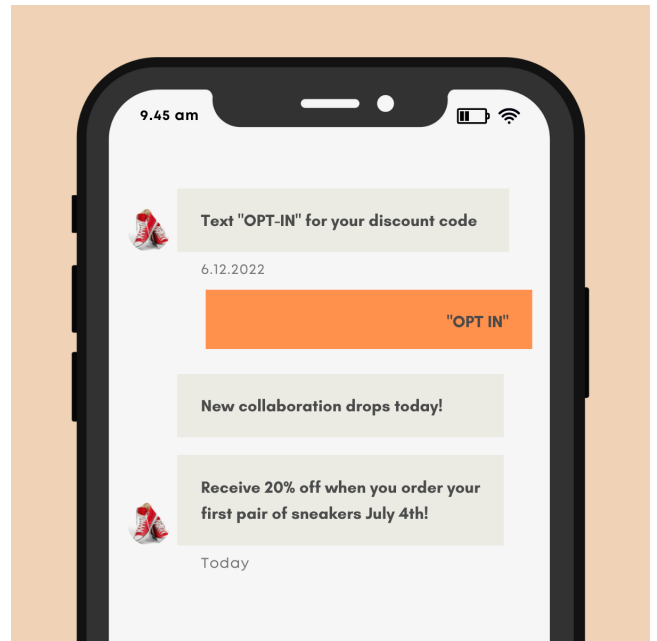
## Direct Marketing

**Direct marketing** is a form of promotion where an organization, individual, or business communicates key information about products and services directly to a target consumer.

When a store or brand sends text messages about special offers or discounts to customers in the company's database, they are engaging in a form of direct marketing.

## Personal Selling

**Personal selling** entails any person-to-person communication in which the seller has an opportunity to influence the consumer's buying decisions. The personal selling process is two-way communication between a sales professional representing an organization and a prospective customer.



## Sports, Entertainment & Influencer Marketing

**Sports, entertainment, and influencer marketing** represents a new and rapidly growing component of the promotions mix. In sports, sponsorship and product or brand endorsement are popular ways for brands to reach consumers. In entertainment, product placement and promotional tie-ins are surging in popularity. Influencer marketing has also become an effective way to communicate information about products and services to consumers.



### KEY TAKEAWAY

#### Why is promotion important?

A business might have a great product and an affordable price point, but consumers will not purchase the product if they don't know it exists or all the great benefits the product can provide. Building an effective promotion strategy is the key to communicating information to consumers.



### INDUSTRY APPLICATION

Connect your classroom with industry examples by reviewing the following news stories relating to concepts covered in this lesson:

**Publicity** - [Krispy Kreme to give away free doughnuts, bring back gas price deal](#)

**Sales Promotion** - [Applebee's® to Satisfy Late Night Cravings with Half-Priced Appetizers](#)

**Direct marketing** - [Talk today's top stories, ask reporters questions with USA TODAY's new SMS campaign](#)



## KEY TERMS DEFINED:

**Advertising:** Any paid, non-personal form of communication by an identified company promoting goods and services.

**Direct marketing:** A form of promotion where an organization, individual, or business communicates key information about products and services directly to a target consumer.

**Personal selling:** Any person-to-person communication in which the seller has an opportunity to influence the consumer's buying decisions.

**Promotion:** Any form of communication used to inform, persuade, or remind people about company products or services.

**Promotion mix:** Any combination of advertising, sales promotion, publicity, direct marketing, and personal selling.

**Publicity:** Public information about a company/team, good, or service appearing in the mass media as a news item at no cost to the organization.

**Sales promotion:** Activities or communications encouraging consumers to purchase products or services.

