**WHAT IS PROMOTION?**

Promotion is one of the elements in marketing. It is a persuasive communication, informing consumers about a product or service and influencing them to buy it.

**ELEMENTS OF THE PROMOTIONAL MIX**

To achieve desired sales results, entrepreneurs must consider all forms of promotion and decide which ones should be used and in what proportion. The combination of different forms of promotion is called the *promotional mix*. It depends on the product being promoted, the nature of the potential customers, the general market conditions, and the funds available.

* ***Advertising***is a non-personal sales message that is paid for by an identified company and is directed toward a mass audience.
* ***Sales promotion*** is any sales activity in advertising and personal selling. It includes free samples, coupons, contests, and other incentives to sales.
* ***Display*** is the display of a product at or near the point of purchase. It includes attractive windows and interior displays and eye-catching exterior signs.
* ***Public relations*** is the process of building goodwill toward a business. One approach is to hire a company to promote the business.
* ***Publicity*** is free advertising for the business. For example, when a newspaper covers the opening of a new business, the owner does not pay for it.
* ***Personal selling*** is the direct communication made by a salesperson to convince a customer or a small group of costumers to make a purchase.

**MEDIA OF PROMOTION**

The use of any of the media to promote the business should be based upon the size and type of audience, the promotion costs, the time or space available, and the suitability of that medium to the target consumers. It must be run at least six times in order to be most effective. You must decide which media is best for your business.

* ***Newspapers*** provide longevity. Usually newspapers require less than a week notice to publish ads. Space rates are based on the circulation of papers in the community. The larger circulation is, the higher rates are.
* ***Radios*** provide flexibility. They reach a wide array of customers. Radio advertising is generally sold in amounts of 15, 30, and 60 second spots. Costs vary according to the time of day, the size of the listening audience, and the particular station.
* ***Television***is very popular and allows both a visual and an audible message. Television advertising is sold in time units of 10, 20, 30, and 60 seconds. Rates vary according to stations as well as to the time of day.
* ***Magazines***provide a very specific audience as they are generally limited to specific topics or geographical areas. They last for long periods of time.
* ***Direct mail*** reaches a specific target market and may be used in the form of catalogs, letters, postcards, coupons or business cards.
* ***Outdoor promotions*** like billboards, buses, and taxies are an excellent way to reach travelers, often with many repeat readers.

Effective use of promotion should be a valuable tool to any small business owner or entrepreneur. An increased understanding of the wants and needs of the customers helps to supply the goods or services that will increase profitability.

**ACTIVITIES**

**1.** Identify 3 terms in the article that are used in promotion. Determine the meanings of these words and practice using them in sentences that show clear understanding.

**2.** Compare the promotional methods used by a local small business and a large business (i.e. local pharmacy versus chain supermarket). Explain the differences and why they exist. Is there any disadvantage to the small business as it tries to promote its business?

**3.** Prepare a list of 5 different types of products or services. For each one, determine which type of promotional method(s) would be best for informing consumers about the product or service. Why did you select each method?

**4.** In teams of 3/4 persons, develop a chart for the following products and services, comparing the differences among them. Write a statement for each product or service discussing how valuable promotion would be in helping the customer make a buying decision.

* Ryanair flights
* BMW car
* LG washing machine
* McDonald’s new hamburger
* Diet Coke
* Adele
* Local hairdresser
* Circus
* Florist
* Printer

**5.** In teams of four to six persons, brainstorm strategies to promote your school/training centre. Discuss the value of developing a public relations program for the school to use within the community. Try to use all six elements of the promotional mix to better accomplish your task. Can all six elements be used effectively or not?