



# SNS B-SPINE

Coimbatore-35  
An Autonomous Institution

DEPARTMENT OF MANAGEMENT STUDIES

19BAT611 – MARKETING MANAGEMENT

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UNIT 5 – MARKETING CHANNELS AND COMMUNICATION MIX

TOPIC 8 – Sales Promotion



# Introduction to Sales Promotion:

- Sales promotion is a marketing strategy that offers short-term incentives to stimulate immediate purchases or actions from consumers or trade partners.
- It complements advertising and personal selling efforts to boost sales, create brand awareness, and encourage customer loyalty. Sales promotion techniques vary from discounts and coupons to contests and giveaways.



# Rapid Growth of Sales Promotion:

- The rapid growth of sales promotion can be attributed to several factors:
- Intense Competition: In today's competitive marketplace, businesses use sales promotion to differentiate their offerings and attract more customers.
- Consumer Price Sensitivity: Consumers are increasingly price-sensitive, making sales promotions an effective way to entice them to buy.
- Short Product Life Cycles: In industries with short product life cycles, sales promotion helps expedite product sales and avoid inventory buildup.
- Immediate Impact: Sales promotions deliver quick results and encourage immediate action from consumers.



# Sales Promotion Objectives:

- Increasing Sales Volume: Boosting sales is a primary objective of sales promotions, especially for seasonal products or to meet short-term revenue goals.
- Introducing New Products: Sales promotions can create awareness and trial for new products in the market.
- Encouraging Repeat Purchases: Loyalty programs and rewards can incentivize customers to make repeat purchases.
- Building Brand Awareness: Promotions that offer free samples or product demonstrations can help raise brand awareness.



# Major Sales Promotional Tools:

- Coupons: Providing discounts on specific products to encourage repeat purchases or attract new customers.
- Discounts: Temporary price reductions on products to stimulate sales.
- Rebates: Offering refunds after purchase, encouraging customers to try the product.
- Free Samples: Distributing free product samples to let customers experience the product before buying.
- Contests and Sweepstakes: Running competitions to engage customers and build excitement around the brand.
- Premiums: Offering free gifts or bonus products with a purchase.
- Point-of-Purchase Displays: Eye-catching displays at the point of sale to attract impulse purchases.



# Business Promotion Tools:

- Trade Shows and Exhibitions: Participating in trade shows to showcase products to potential buyers and build industry relationships.
- Trade Allowances: Offering financial incentives to retailers for promoting and selling specific products.
- Co-op Advertising: Sharing advertising costs with retailers to promote products jointly.
- Trade Contests: Organizing sales contests among retailers to drive sales and promote product focus.



# Developing a Sales Promotion Program.

- Set Clear Objectives: Define specific and measurable objectives for the sales promotion program.
- Understand the Target Audience: Identify the target customers and their preferences to tailor promotions effectively.
- Choose the Right Promotional Tools: Select promotional tools that align with the objectives and resonate with the target audience.
- Determine the Promotion Period: Decide on the duration of the sales promotion, ensuring it is long enough to generate sufficient response.
- Promotion Budget: Allocate a budget that allows for effective promotion without straining overall marketing expenses.
- Communicate the Promotion: Use various communication channels to inform the target audience about the sales promotion.
- Monitor and Evaluate: Track the results of the sales promotion to assess its effectiveness and make improvements for future campaigns.

# Conclusion

- Sales promotion is a dynamic marketing strategy that aims to boost sales, create brand awareness, and encourage customer loyalty. By setting clear objectives, using appropriate promotional tools, and understanding the target audience, businesses can develop impactful sales promotion programs.
- The rapid growth of sales promotion is driven by its ability to deliver quick results, cater to price-sensitive consumers, and create a competitive advantage in the market.
- When executed strategically, sales promotion can play a pivotal role in achieving short-term sales goals and fostering long-term customer relationships.