**Module Overview**

**The Marketing Mix: Promotion**

In the Module 2 SLP, you will continue to work on the charge you chose for the marketing plan by conducting SWOT analysis. In this module, we will also focus on promotion. This includes all areas of promotion: advertising, sales promotion, public relations, publicity, and personal selling.

By way of introduction, here is a thought-provoking e-mail sent by Dr. Stan Shapiro to Trident University students on Nov. 2, 2003:

“Advertising is all around us and people like to comment and/or complain about it all the time. But now two quick questions: First, in the U.S., how do you think total spending on advertising compares with what's spent on sales-force-related activities? Do you think, all told, marketers spend more on sales or advertising?

“Unless you said total spending on sales is 8 to 10 times greater than total spending on advertising, you would be wrong. Obviously, the proportions differ by company and product line, but, overall, sales-related expenses are many times greater than all that advertising we talk about. Also, don't fail to recognize the relative importance of all forms of sales promotion as compared to paid media advertising. Even the firms that you most often see advertising on television are now, on average, spending as much on various forms of sales promotion as they are on all forms of paid advertising combined.

“One final point: Different companies, selling directly competing brands, may use very different promotional mixes. Some rely more on advertising while others rely on cents off deals and coupons. Still others give promotional allowances to retailers, expecting them to provide the actual promotional effort. They may use different advertising appeals (speed vs. safety for cars), different media mixes (TV vs. magazines), and also spend very different percentages of their total sales on promotion. This happens, of course, because there is no obviously ‘best way’ to promote cars or cosmetics. What everyone attempts to do, however, is to develop a promotional program that they believe will encourage the firm's intended target market to buy its product.”

In the module, you will examine a traditional promotional mix:

* Advertising (including TV, radio, magazines, newspapers, and billboards)
* Personal Selling
* Sales Promotion
* Public Relations
* Publicity

You will also examine up-and-coming electronic media such as cell phone & Web page advertising.

Promotion, which sometimes is thought of as the “sizzle” or the “showbiz” in the marketing mix, is also often confused with the whole of marketing, so let’s give it its due.

As you will see in the last exercise in the Case Assignment, a lot of attention is properly given to the creative side of this activity, particularly in advertising. The ability to evoke an emotional response—to portray a powerful or memorable image, to come up with “the big idea”—is equivalent to a home run in baseball.

We are often impressed by what artists and copywriters come up with. But that experience has occasionally been chastened by disconnects with marketing strategies—the failure to consider audience targets and salient attributes, and, most importantly, to set and reflect objectives.

So, without discounting the value of “home runs,” we want to stress the importance of marketing “small ball,” the equivalent of pitches in the strike zone, solid defense, getting on base, and intelligent base running.

Therefore, we have to start any discussion of promotion strategy with a reminder of the importance of keeping the overall game plan in mind: how our customers are segmented, the targets we want to reach, and the positioning points that are most important in those customers’ buying decisions.

Next, within the framework of those basics, we want to identify our objectives, both in terms of an overall campaign and for each specific element of that campaign. While some efforts are clearly intended to increase sales (such as a price promotion for the holiday season), we sometimes want simply to inform an audience about some competitive attribute or only to build brand awareness in a promising segment.

MBA reasoning about what does or doesn’t constitute an effective promotion often turns on the concept of ROI (return on investment): the profit that can be attributed to a specific investment. However, that calculation often depends on some indirect relationship that connects net sales revenues to the achievement of a non-monetary objective. Accordingly we need to be sensitive to (1) the prospect that a direct measurement may be impossible and (2) the need to at least estimate the impact of, say, knowledge about a brand’s qualities to the likelihood of purchase.

Another issue to stress is the importance of integrating marketing communications efforts. You’ll note that "promotion” includes personal selling, public relations, and sales promotion as well as advertising. As we determine which of these is best suited in terms of cost/effectiveness to carry a message, we also want to ensure consistency in the messages conveyed through each approach. For example, a heavy-duty price promotion is not consistent with a brand position based on some non-price attribute.

Finally, a comprehensive understanding of promotion will encompass the various agents involved in delivering messages effectively—adequate training for the sales force and credible advertising media. And, as we become increasingly dependent on the Internet and social media, control of the message becomes more important than when we could simply depend on internally generated reports and Nielsen indices to tell us how we were doing.

In conclusion, strategic management of promotion involves right-brain activities, to be sure, but don’t overlook the left-brain contributions required to win ball games.