**Unit 4.5 Promotion**

**Syllabus Objectives**

Know that promotion is more than advertising directly to large groups of consumers, but rather a mix of different activities that a business will use to help *inform*, *persuade* and *remind* consumers about a product. The strategy will depend on a number of factors, such as the stage of the PLC, the marketing budget, the intended audience, competition levels and more. The promotional mix is a strategy combining advertising (ATL) and BTL activities of publicity/sponsorship, personal selling, direct marketing and sales promotions. Be able to break concepts down into individual characteristics and see the broader picture how they relate. E.g. Coca cola continue to use promotion to remind consumers about their product. They engage in a variety of promotional strategies targeting niche and mass markets. Their traditional TV campaigns continue to focus on the mass market, and they have the budget to promote themselves this way. Additionally, they sponsor a wide range of sporting events, such as the Olympics and run many competitions through their packaging and website. These strategies allow them to develop relationships with consumers who may not watch TV and improve brand loyalty, getting consumers to buy Coca Cola rather than a competitor. All of these strategies are expensive, however, Coca Cola rely on high sales volumes to remain profitable and need to appeal to the mass market.





Know that Guerilla marketing is often a low cost strategy that can be highly successful for smaller business to gain rapid increase in brand awareness, however, on its own may struggle to create brand development. It is often used in combination with viral marketing by releasing video of the activity online. However, it requires high levels of creativity and can create annoyance or even break local laws if not done well. Be able to combine and synthesize these ideas into a new idea and make a judgment based on the weight of evidence. E.g. Volkswagen placed a slide in a train station to promote the power and speed of their cars, encouraging people at the train station to ‘take the fast lane’ rather than walking down the stairs. The guerilla marketing activity required cost, planning and likely government approval and was predominately targeted at a single geographic area of people who use the train – not especially the target market of Volkswagen, who sell cars worldwide. But the combination of showing the video of the passenger’s experiences to consumers worldwide helped make this a successful campaign considering the low cost.

Know that changes in technology have blurred the traditional line in promotion, with corporations investing heavily to develop social media platforms to promote their businesses and products. It is far more inexpensive to offer promotional activities online than through traditional mass media methods, allowing smaller and medium sized, new and recently established organisations to target broader market segments quickly and effectively. Be able to combine and synthesize these ideas into a new idea and make a judgment based on the weight of evidence. E.g. McDonalds wanted to engage its loyal customers to share stories using Twitter under the hashtag #McDStories. By engaging loyal customers on social media, McDonalds hopes to draw on previous experiences and feelings of the brand to encourage Tweeters to come back to McDonalds. However, social media allows all people to engage with the brand. For every one person that will write about a positive experience, there are 10 willing to share about a negative experience. This campaign was unsuccessful as McDonalds was not able to control the stories shared, with most being about negative experiences in McDonalds restaurants. The most effective online promotional tools are the ones that businesses are unable to control, and a promotion like this would have been better suited to their own website.

**Example questions may include:**

 Define the term *guerilla marketing*  [2 marks]

 Distinguish between *above the line and below the line promotion* [4 marks]

 Analyse the role of public relations as a promotional method [6 marks]

 Examine two benefits of technological change in promotional activities [10 marks]

 Discuss the effectiveness of Company X using guerilla marketing as a promotional

 strategy [10 marks]