

Teacher Overview

The Promotional Mix is part of the Marketing Mix. It consists of advertising, sales, public relations, personal selling and direct marketing. A promotional mix should be designed in a way that informs the target market about the values and benefits of the product or service being offered. This lesson requires your students to consider a target market and how it prefers to be communicated with. Additionally, your students, while developing a promotional mix, will need to assess which forms of promotion best suit the product or service being offered.

When to Use This Lesson

It is suggested you teach the Promotional Mix while also teaching your students about the Marketing Mix. Your students should understand target marketing and how to identify characteristics of a target market.

FOUNDATIONAL VALUES

- > Knowledge
- > Opportunity
- > Sound Judgement

LEARNING OBJECTIVES

- > Principled Entrepreneurship 5F

KEY TERMS

- > Promotional mix
- > Advertising
- > Personal selling
- > Public relations
- > Direct marketing
- > Pull strategy

CONTENT

- > The promotional mix is the blend of several promotional tools used by a business to create, maintain, and increase the demand for a good, service, or business.
- > Promotion focuses on creating awareness and persuading potential customers to purchase. The tools that facilitate the promotion objective are collectively known as the Promotion Mix. It includes Advertising, Personal Selling, Sales Promotion, Public Relations, and Direct Marketing. Marketers need to answer the following questions to have a balanced blend of these promotional tools.
 - What is the most effective way to inform the customers?
 - Which marketing methods should be used?
 - To whom are the promotion efforts be directed?
 - What is the marketing budget? How is it to be allocated to the promotional tools?

Promotional Mix Tools

- > **Advertising** – Advertising is any paid form of non-personal promotion of goods and services by the identified sponsor. Through advertising, the marketer tries to build a pull strategy; wherein the customer is instigated to try the product at least once. The complete information along with attractive graphics of the product/service can be shown to the customers to grab their attention and influence the purchasing decision. Good advertising can build a solid brand for the company. On the other hand, bad advertising with the wrong message, can cause the brand or product to fail.

- > **Personal Selling** – One of the traditional forms of promotion where the salesman interacts with the customer directly. It is face to face between the company representative and the customer with the objective to influence the customer to purchase the product/service. This promotional tool is considered to be one of the most expensive forms of promotion. It is also considered to be the most successful because the seller-buyer relationship can be created and developed.
- > **Sales Promotion** – Sales promotions are the short-term incentives given to the customers to have an increased sale for a given period. Sales promotions are one of the most common types of promotion used by companies and, generally, are floated in the market at the end of seasons or during holidays. Discounts, coupons, rebate offers, freebies, etc. are some examples of sales promotions. The company focuses on the increased short-term profits by attracting both the existing customer as well as new customers.
- > **Public Relations** – Marketers try to build a favorable image in the market by creating relations with the general public. The public consists of customers, employees, supplies, distributors, shareholders, governments, and society as a whole. Companies carry out several public relations campaigns with the objective to have support from the people associated with it directly or indirectly.
- > **Direct Marketing** – Companies reach customers directly to target prospects and customers without any intermediaries or any paid medium through the use of technology. Companies can send one way emails and messages to the customers if they need to be informed of new offerings, order confirmations, product announcements or sales promotions. Comparable to personal selling.

Factors Affecting Promotional Mix

- > Nature of the product/service – Different types of products/services require different promotional tools.
- > Nature of the market – The number and location of customers influences the promotional mix. The type of customer also influences what promotional tools a company uses.
- > Stage of the product's life – The promotional mix changes throughout the life cycle of the product/service.
- > Availability of funds – The marketing is a large deciding factor for the promotional mix. If the funds available are large, then the mix of promotional tools used can be as well.
- > Nature of techniques – The nature of the technique of the promotional tool will influence the blend of the promotional mix.
- > Your objective – What you are expecting to get once your promotional mix is implemented?
- > Promotional strategy – The company's promotional strategy will greatly influence the promotional tools they choose to use.
- > Readiness of buyer – Different promotional tools will be used based on the different stages of buyer readiness.
- > Your competitors – What are they doing? This does not mean you should copy them. This may give you an idea of how to promote your own product/service/business or how to differentiate yourself.

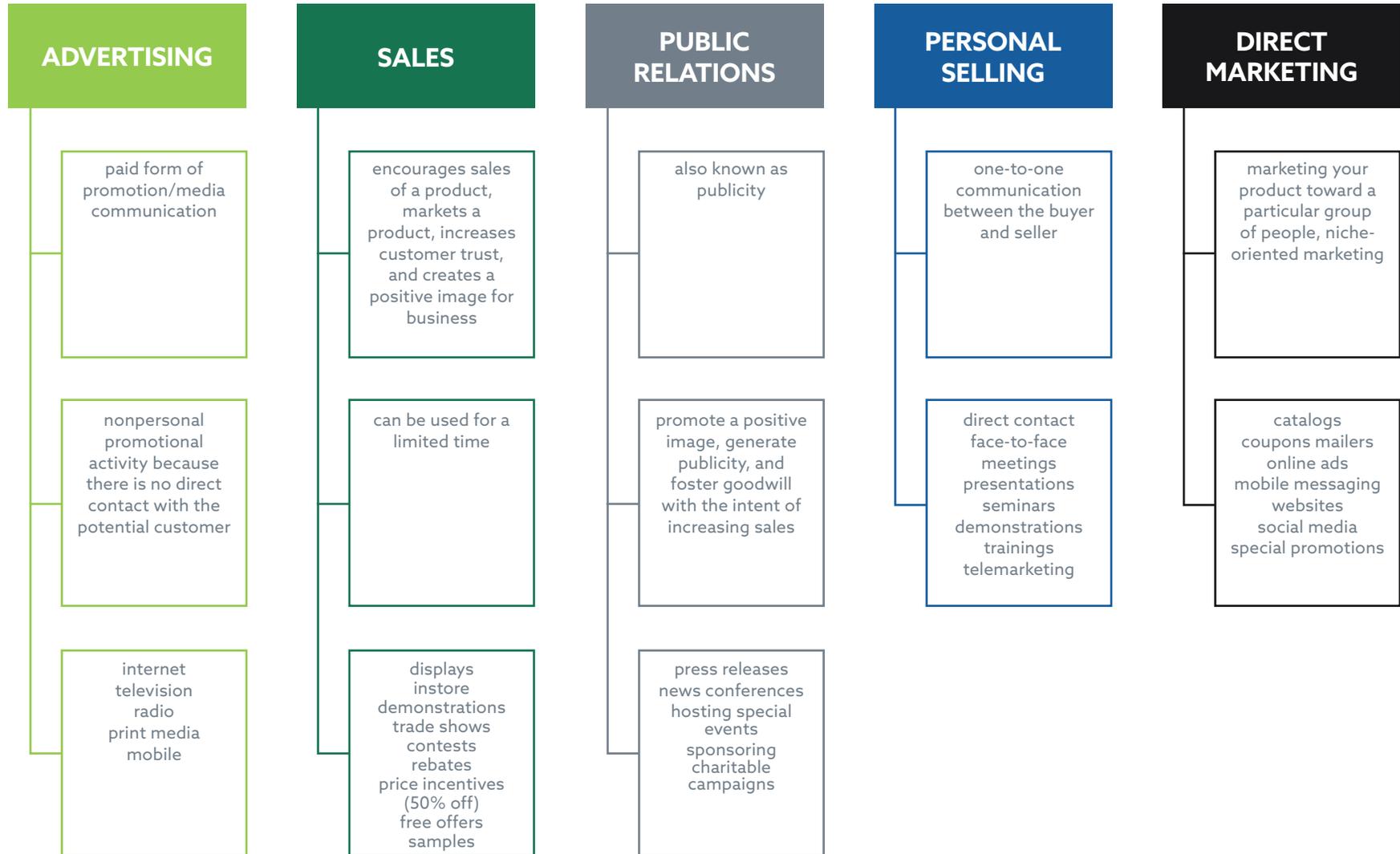
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SUGGESTED TIMES TO HAVE STUDENTS DEVELOP A PROMOTIONAL MIX

- > After participating in an activity that focuses on a product/service/company, ask students to develop a promotional mix for that product/service/company. For example, after having the class complete the Invention Activity, give students a day to develop a promotional mix for that product. You may need to spend time discussing marketing mix, promotional mix, and target market prior to assigning the promotional mix.
- > While developing Market Day plans, students should develop a promotional plan. It is an important part of the Market Day process.
- > At any time when students are using the Business Model Canvas (BMC), you should encourage them to develop a promotional plan. The marketing mix, and therefore the promotional mix, are essential elements of the customer focus section. The promotional mix is also a component of the operations and financial sections.

ACTIVITY DEBRIEF

- > Did you seek new knowledge to best develop your promotional mix?
 - Where did you go for that knowledge?
 - Did that new knowledge assist you in developing your promotional mix?
- > Did you consider all promotional opportunities that exist?
 - How did you choose which opportunities to take advantage of?
 - Why did you choose those opportunities?
 - Would you choose the same ones if you had it to do over again?
- > Did you use sound judgement when developing your promotional mix?
 - Did you consider what resources you had available to you and how to best use them to create value?
- > Why is a promotional mix an important part of the marketing mix for a product/service/business?

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