

11.2 The Promotion (Communication) Mix

Learning Objectives

1. Understand the different components of the promotion mix.
2. Understand the different types of media and vehicles.

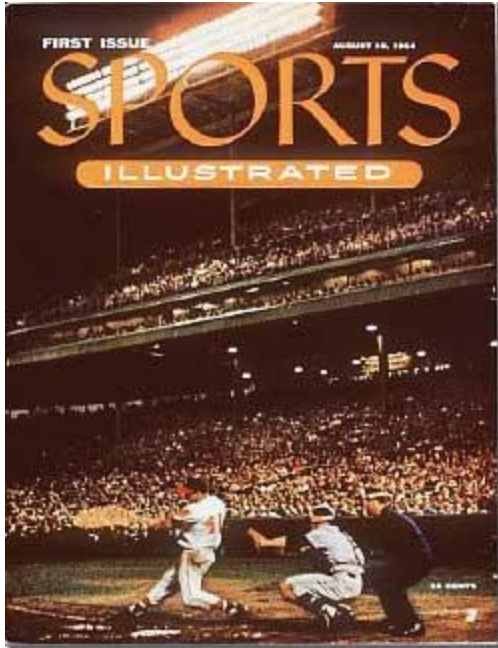
Although the money organizations spend promoting their offerings may go to different media channels, a company still wants to send its customers and potential consumers a consistent message (IMC). The different types of marketing communications an organization uses compose its promotion or communication mix, which consists of advertising, sales promotions, public relations and publicity, personal selling, and direct marketing.

Advertising involves paying to disseminate a message that identifies a brand (product or service) or an organization being promoted to many people at one time. The typical media that organizations utilize for advertising of course include television, magazines, newspapers, the Internet, direct mail, and radio. As we explained, businesses are also advertising on social media such as Facebook, blogs, Twitter, and mobile devices. Each medium (television or magazines or mobile phones) has different advantages and disadvantages. A few examples of advantages and disadvantages are discussed below.

For example, mobile phones provide continuous access to people on the go although reception may vary in different markets. Radios, magazines, and newspapers are also portable. People tend to own more than one radio, but there are so many radio stations in each market that it may be difficult to reach all target customers. People typically are doing another activity (e.g., driving or studying) while listening to the radio, and without visuals, radio relies solely on audio. Both television and radio must get a message to consumers quickly. Although many people change channels or leave the room during commercials, television does allow for demonstrations. In an effort to get attention, advertisers have changed the volume for television commercials for years. However, the Federal Trade Commission passed a new regulation effective in 2010 that prohibits advertisers from changing the volume level of commercials on television.

People may save magazines for a long time, but advertisers must plan in advance to have ads in certain issues. With the Internet, both magazines and newspapers are suffering in terms of readership and advertising dollars. Many major newspapers, such as papers in Seattle and Chicago, have gone out of business. Local news and the fact that local retailers get cheaper rates for advertising in local newspapers may encourage both local businesses and consumers to support newspapers in some markets.

Figure 11.4



The first issue of *Sports Illustrated* was published August 16, 1954. Today, the companies that advertise in *Sports Illustrated* do so not only in the magazine but also on the Web site.

Source: Wikipedia.

One of the biggest factors an organization must determine is which medium or media provides the biggest bang for the buck, given a product's characteristics and target market. For example, a thirty-second ad aired during Super Bowl XLII cost \$2.7 million. However, a record number of 97.5 million people watched the game, so the cost per ad was less than three cents per viewer. But do the ads pay off for companies in terms of sales? Many advertising professionals believe many of the ads don't. However, the ads probably do have a brand awareness or public relations type of effect.

Within each different medium, an organization might select a different vehicle. A vehicle is the specific means within a medium to reach a selected target market. For example, if a company wants to develop commercials on television to reach teenagers, it might select *Gossip Girl* on the CW as the best vehicle. If an organization wants to use magazines to reach males interested in sports, it might use *Sports Illustrated*. As technology changed, *Sports Illustrated* launched SI.com so readers could get up-to-date information on the Web. On SI.com, readers can also access links to popular articles and "SIVault" (<http://vault.sportsillustrated.cnn.com/vault>), where they can search articles and pictures that have run in the magazine since it was launched in 1954.

Personal selling is an interactive, paid approach to marketing that involves a buyer and a seller. The interaction between the two parties can occur in person, by telephone, or via another technology. Whatever medium is used, developing a relationship with the buyer is usually something the seller desires.

When you interview for internships or full-time positions and try to convince potential employers to hire you, you are engaging in personal selling. The interview is very similar to a buyer-seller situation. Both the buyer and seller have objectives they hope to achieve. Although business-to-business markets utilize more personal selling, some business-to-consumer markets do as well. If you have ever attended a Pampered Chef or Tupperware party or purchased something from an Amway or Mary Kay representative, you've been exposed to personal selling. [Chapter 13 "Professional Selling"](#) discusses personal selling in more detail and when it should and should not be used.

Public relations (PR) helps improve and promote an organization's image and products by putting a positive spin on news stories. Public relations materials include press releases, publicity, product placement, and sponsorships. Companies also use PR to promote products and to supplement their sales efforts. PR is often perceived as more neutral and objective than other forms of promotion because much of the information is tailored to sound as if it has been created by an organization independent of the seller. Many companies have internal PR departments or hire PR firms to find and create public relations opportunities for them. As such, PR is part of a company's promotion budget. In [Chapter 12 "Public Relations and Sales Promotions"](#) we'll discuss the specific PR tools companies use as part of their integrated marketing communications.

Sales promotions consist of other types of promotions—coupons, contests, games, rebates, mail-in offers, and so forth—that are not included as part of another component of the communication mix. Sales promotions are often developed to get customers and potential customers to take action quickly, make larger purchases, and make repeat purchases. Many stores now place coupons next to products to encourage consumers to select a particular brand and products.

Figure 11.5



Consumers cut out and use more coupons in a weak economy.

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In business-to-business marketing, sales promotions are typically called trade promotions because they are targeted to channel members who conduct business or trade with consumers. Trade promotions include trade shows, sponsorships, event marketing, and special incentives given to retailers, such as extra money, in-store displays, and prizes to market particular products and services. Sales promotions are often used to supplement advertising and create incentives for customers to buy products more quickly. [Chapter 12 "Public Relations and Sales Promotions"](#) also discusses the different types of sales promotion tools companies have available.

Direct marketing involves delivering personalized promotional materials directly to individual consumers. It provides an interactive approach for organizations to reach consumers in hopes of getting consumers to take action. Materials may be delivered via mail, catalogs, Internet, e-mail, telephone, or direct-response advertising. Several benefits of direct marketing include the ability to target a specific set of customers, measure the return on investment (ROI), and test different strategies before implementing to all targeted consumers. However, direct marketing is very intrusive and many consumers may ignore attempts to reach them.

Telemarketing involves direct marketing by phone. You just sat down for dinner and the phone rings. It's a local charity calling to raise money. The calls always seem to come at dinner or at other inconvenient times. Although expensive, telemarketing can be extremely effective for charitable organizations and different service firms and retailers. However, because some consumers have negative perceptions of telemarketers many organizations do not use it. The Do Not Call Registry, which was established in 2008, prevents organizations from calling any numbers registered with the Federal Trade Commission.

Catalogs and direct mail provide popular alternatives for many marketers although the volume sent drops significantly in a weak economy. Direct mail can be personalized and ask consumers to make a call to action, which is a certain response the organization requests.

Direct response advertising includes an offer and a call to action. You're watching television and an interesting product is shown. The announcer says, "Call now and receive a bonus package." They want consumers to call to purchase the product or to get more information. However, the Internet provides the preferred direct-response medium because it is less expensive and easier for the organization. The Internet is also an important medium for direct marketing.