

**DEPARTMENT OF COMMERCE (CA)**  
**NON MAJOR ELECTIVE II - MARKETING (Semester-VI)**  
**III-UG** **Sub Code-18BCA6EL**

**UNIT – V**  
**Promotional methods – Advertising – Publicity – Personal selling.**

**Promotional methods**

**Definition**

Promotions refer to the entire set of activities, which communicate the product, brand or service to the user. The idea is to make people aware, attract and induce to buy the product, in preference over others.

In marketing, promotion refers to any type of marketing communication used to inform the target. Promotion is also one of the elements in the promotional mix or promotional plan.

**Four types of promotion**

**1. Personal selling**

- One of the largest forms of promotion
- Most expensive
- Designed to complete the sale once the customer is attracted to the business

**2. Advertising**

- Any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.
- Print, web, e-mail, broadcast, etc.

**3. Public relations**

- Any activity designed to create a favourable image toward a business.
- Publicity: Positive and newsworthy information about a business placed in the media.

**4. Sales promotion**

- All marketing activities, other than personal selling, advertising and public relations that are used to stimulate customer purchasing.

**Advertising**

Advertising is a marketing tactic involving paying for space to promote a product, service, or cause. The actual promotional messages are called advertisements, or ads for short. The goal of advertising is to reach people most likely to be willing to pay for a company's products or services and entice them to buy.

## **Definition**

Philip Kotler - Advertisement is any paid form of non-personal presentation and promotion of good, services or ideas by an identified sponsor.

Frank Presbrey - "Advertising is a printed, written, oral and illustrated art of selling.

## **Objectives of Advertising:**

### **1. To Inform Buyers:**

This objective includes informing customers regarding product's availability, price, features, qualities, services, and performance. Besides, it also includes informing them about changes made in the existing product and introduction of new products. Company also highlights its location, achievements, policies, and performance through advertising.

### **2. To Persuade or Convince Buyers:**

Company uses advertisement to persuade or convince the buyers about superior advantages offered by its product. Company communicates competitive advantages the product offers to induce customers buy it. Comparative advertising is used to prove the additional benefits of product at a given price.

### **3. To Remind Buyers:**

Marketer uses advertising to remind the buyers regarding existence of company, products, maintenance of quality, superior services, and chasing customer-orientation. Mostly, the existing firms aim their advertising for this objective.

Here, the purpose is to inform that the company is still in existence and serving customers in a better way. Due to huge information bombarded by a number of companies, customers are more likely to forget name of company and/or products and services it offers.

### **4. To Face Competition:**

Advertising is treated as the most powerful weapon to fight with competitors effectively. Advertising enables the firm to respond the competitors strongly. It helps the firm to distinguish its total offerings from competitors.

In brief, the firm can face competition, can prevent the entry of competitors, or can remove competitors away from the market. In competitive marketing environment, the firm cannot survive without an effective advertisement.

### **5. To Achieve Sales Targets:**

Increase sales volume is one of the major advertising objectives. A company can advertise its products in various media to attract customers situated in different parts of the world. National and international marketing is the result of advertising. Even, non-users can be converted into users and usage rate can be increased. Thus, company can achieve its sales objectives by advertisement.

### **6. To Build and Improve Brand Image:**

Advertising is used for brand recognition and acceptance. A company can distinguish its brand by magnifying major benefits the product offers. Advertisement attracts customers toward the brand; they try it and accept it over time. In the same way, bad image related to brand can be changed by systematic presentation of facts and scientific evidences, and removing misunderstanding.

### **7. To Help or Educate People:**

Advertising is not always used only for company's benefits. It is meant for helping customers to make the right choice of product. It educates people about availability of new products, its features and qualities, price, services, and other related aspects. Such information is instrumental for purchasing suitable products. Thus, it guides customers to choose the most appropriate product.

### **8. To Build Company Image and Reputation:**

A company opts for advertisement to build prestige and reputation in the market. Most of the companies, though they are satisfied with the volume of sales, go for advertising to acquire fame in the market. Many companies advertise its policies, activities, and achievements to make a permanent place in the mind of people.

### **9. To Assist Sales Force and Middlemen:**

Advertising is an aid to middlemen and salesmen. Advertising also popularizes the name of dealers. Likewise, advertising provides necessary information to the buyers. Middlemen and salesmen are not required to do the same. It eases the task of sellers. In the same way, advertising encourages sales force.

### **10. Other Objectives:**

**There are certain minor objectives of advertising, such as:**

- i. To promote new products.
- ii. To build long-term relations.
- iii. To remove misunderstanding.
- iv. To expand of market.
- v. To gain confidence of buyers.
- vi. To request customers to compromise with unavoidable circumstances.
- vii. To seek apology of the buyers for any undesirable events, etc.

Company has to select one or more objectives based on its situations. It should be clarified that the list is not exhaustive. New advertising objectives may emerge as per change in situations. However, the main objective of advertising is to increase sales and earn profits. Company must define its advertising objectives clearly and precisely.

### **Types of advertising**

A successful advertising campaign will spread the word about your products and services, attract customers and generate sales. Whether you are trying to encourage new customers to buy an existing product or launching a new service, there are many options to choose from.

The most suitable advertising option for your business will depend on your target audience and what is the most cost-effective way to reach as many of them as possible, as many times as possible. The advertising option chosen should also reflect the right environment for your product or service. For example, if you know that your target market reads a particular magazine, you should advertise in that publication.

## **Different types of advertising**

- **Newspaper**

Newspaper advertising can promote your business to a wide range of customers. Display advertisements are placed throughout the paper, while classified listings are under subject headings in a specific section.

You may find that a combination of advertising in your state/metropolitan newspaper and your local paper gives you the best results.

- **Magazine**

Advertising in a specialist magazine can reach your target market quickly and easily. Readers (your potential customers) tend to read magazines at their leisure and keep them for longer, giving your advertisement multiple chances to attract attention. Magazines generally serve consumers (by interest group e.g., women) and trade (industry/business type e.g., hospitality). If your products need to be displayed in colour then glossy advertisements in a magazine can be ideal — although they are generally more expensive than newspaper advertisements.

Magazines do not usually serve a small area such as a specific town. If your target market is only a small percentage of the circulation, then advertising may not be cost-effective.

- **Radio**

Advertising on the radio is a great way to reach your target audience. If your target market listens to a particular station, then regular advertising can attract new customers.

However, sound has its limitations. Listeners can find it difficult to remember what they have heard and sometimes the impact of radio advertising is lost. The best way to overcome this is to repeat your message regularly — which increases your costs significantly. If you cannot afford to play your advertisement regularly, you may find that radio advertising does not generate strong results.

- **Television**

Television has an extensive reach and advertising this way is ideal if you cater to a large market in a large area. Television advertisements have the advantage of sight, sound, movement and colour to persuade a customer to buy from you. They are particularly useful if you need to demonstrate how your product or service works.

Producing a television advertisement and then buying an advertising slot is generally expensive. Advertising is sold in units (e.g., 20, 30, 60 seconds) and costs vary according to:

- the time slots
- the television programs
- whether it is metro or regional
- if you want to buy spots on multiple networks.

- **Directories**

Directories list businesses by name or category (e.g., Yellow Pages phone directories). Customers who refer to directories have often already made up their mind to buy - they just need to decide who to buy from.

The major advantage of online directories over print directories is that if you change your business name, address or phone number, you can easily keep it up to date in the directory. You can also add new services or information about your business.

If your target market uses print and online directories, it may be useful to advertise in both, although print directories are being used less.

- **Outdoor and transit**

There are many ways to advertise outside and on-the-go. Outdoor billboards can be signs by the road or hoardings at sport stadiums. Transit advertising can be posters on buses, taxis and bicycles. Large billboards can get your message across with a big impact. If the same customers pass your billboard every day as they travel to work, you are likely to be the first business they think of when they want to buy a product.

Even the largest of billboards usually contain a limited amount of information; otherwise, they can be difficult to read. Including your website address makes it easy for customers to follow up and find out more about your business. Outdoor advertising can be very expensive especially for prime locations and supersite billboards.

- **Direct mail, catalogues and leaflets**

Direct mail means writing to customers directly. The more precise your mailing list or distribution area, the more of your target market you will reach. A direct mail approach is more personal, as you can select your audience and plan the timing to suit your business. A cost-effective form of direct mail is to send your newsletters or flyers electronically to an email database. Find out more about direct mail.

Catalogues, brochures and leaflets can also be distributed to your target area. Including a brochure with your direct mail is a great way to give an interested customer more information about your products and services. Learn more about leaflet marketing using letterbox drops and handouts.

- **Online**

Being on the internet can be a cost-effective way to attract new customers. You can reach a global audience at a low cost. Many customers research businesses online before deciding whom to buy from.

A well-designed website can entice customers to buy from you. There are a number of ways you can promote your business online via paid advertising or to improve your search engine rankings. Learn more about doing business online.

Other ways to advertise your business online include promoting your products or services on social media sites, blogs and search engines and other websites that your target audience visits. Find out more about social media.

## **Publicity**

Publicity is the public visibility or awareness for any product, service or organization (company, charity, etc.). It may also refer to the movement of information from its source to the general public, often (but not always) via the media.

## **Public relations tools and activities**

By using proven public relations (PR) tools and activities, you can promote positive attitudes and behaviours towards your business that will help convert interested consumers into customers.

PR tools are very cost-effective, and often give you a greater degree of control than more broadly targeted advertising campaigns. Consider using these PR tools to build your business's reputation.

### **Definitions:**

#### **1. William J. Stanton:**

“Publicity is any promotional communication regarding an organisation and/or its products where the message is not paid for by the organisation benefiting from it.”

#### **2. Philip Kotler:**

“Non-personal stimulation of demand for the product or service, or business unit by placing commercially significant news about it in public medium or obtaining favourable presentation of it upon radio, television, or stage that is not paid for by the sponsor.

### **Objectives of Publicity:**

#### **1. Building Corporate Image:**

Through publicity, a company can build or improve its corporate image. People trust more on what press reporters, columnists, or newsreaders say via mass media independently than what the company says. Publicity highlights the company's name and operations. It popularizes the name of the company.

#### **2. Economy:**

It is a cost saving medium. Here, a company is not required to pay for message preparation, buying space and time, etc. The cost involved is much lower than other means of market promotion. Financially poor companies may opt for publicity.

#### **3. Assisting Middlemen and Salesmen:**

Publicity can help middlemen and salesmen in performing the sales-related activities successfully. Information conveyed through publicity speaks a lot of things on behalf of sellers. Publicity makes selling tasks much easier.

#### **4. Information with High Creditability:**

Sometimes, publicity is targeted to disseminate information more reliably. Customers do not express doubts on what publicity appeals. Customers assign more value to information supplied by mass media via publicity than by the advertisement.

#### **5. Removing Misunderstanding or Bad Image:**

Company can defend the product that has encountered public problems. In many cases, publicity is aimed at removing misunderstanding or bad impression. Whatever a publicity conveys is more likely to be believed.

#### **6. Building Interest on Product Categories:**

Publicity attracts attention of buyers. Due to more trusted news, people build interest in various products and activities.

## **7. Newsworthiness Information:**

Publicity publicizes the fact in an interesting way. Publicity is eye-catching in nature. People do not skip the news presented by publicity that more likely happens in case of advertising. For example, when a new product is launched by the distinguished personalities like film star, eminent artist, or cricketer in a grand function, the product becomes popular within no time.

### **Types of public relations tools and activities**

- **Media relations**

Media strategies focus on circulating messages through media channels to manage how your business is portrayed by the media. Your media tools might include releasing media statements and fact sheets, offering on-site media tours to encourage journalists to report positive messages about your business, and using social media to get the attention of journalists and track journalists who report in your market.

By developing good media contact lists and building relationships with key journalists to pitch media releases and story ideas to, you can use local, regional or state media to:

- promote your business
- manage risks, issues or crises affecting your business.

- **Advertorials**

Advertorials are advertisements in the form of news stories or reviews in newspapers. Advertorials allow you to associate your advertising with the credibility of the newspaper. Many businesses employ advertising or marketing professionals to help them develop TV advertorials — which are commonly used as a form of advertising and product placement.

- **Social media**

Social media lets you bypass the media and go straight to your customers. Using social networking sites such as Facebook and Twitter allows you to follow and be followed by journalists, drive web traffic, manage issues by responding quickly to criticisms or negative perceptions, and increase exposure for your business brand.

Learn more about social media and your business.

- **Newsletters**

Print or emailed newsletters are a good way to promote your business, communicate with customers and keep them informed of new products and services.

Regular newsletters can strengthen your personal connections with customers and reflect your business brand and personality. A well written newsletter offers information of value to your customers.

- **Brochures and catalogues**

'Take home' or mail-out brochures or catalogues can help keep your customers thinking about your business and its products and services.

Properly designed brochures and catalogues give customers confidence in you and your brand, and help drive customers to your website or store. Information contained in business brochures and catalogues can be effectively reworked for your website, helping you do business online.

- **Business events**

Events are opportunities for business people to gain exposure for their businesses, promote new products or services and make sure accurate information reaches targeted customers.

From a sales point of view, events are a chance to counter customer doubts and build customer confidence. They can also help you research your market and competitors, and build your mailing list. Make sure you go to the event prepared with marketing materials to disseminate and a way to collect information and customer details.

Trade shows are an opportunity for businesses to compete in their industry and share information with people in similar lines of work. Learn more about promoting your business at trade shows and exhibitions.

- **Speaking engagements**

Speaking at events where customers are likely to attend helps position you as a leader or innovator in your field. As a business owner or leader, building your reputation as an expert also builds the reputation of your business - and draws new customers.

Events are valuable promotional opportunities even if you don't have top billing as a speaker. You will build reputation simply by having your business name or logo on the event listing, or delivering a presentation about a new product or innovation. Additionally, they provide valuable networking opportunities.

- **Sponsorships or partnerships**

Partnerships and sponsorships are good for business. Supporting a not-for-profit cause can help build feelings of goodwill and loyalty towards your business. Community partnerships may involve an exchange of funds or in-kind benefits to grow a local community organisation in return for benefits that promote your business reputation.

Partnerships can help consumers identify your brand with good business practice and good ethics.

- **Employee relations**

Your staff are ambassadors for your business and brand. Many larger businesses conduct employee relations - building their business culture and team relationships by sharing information, promoting involvement and instilling a sense of pride in business achievement. This can improve teamwork, staff retention and productivity, and ensure that staff are representing your business consistently and with the right messages.

- **Community relations**

Building good relationships with members of the community where you do business helps build customer loyalty. Find out where the customers in your community live by collecting postcodes at point of sale.

Engaging local stakeholders and decision makers helps build your profile and level of influence, helping you to attract more customers through word-of-mouth and ensuring your business interests are factored into community decision making.



## **Personal Selling:**

### **Meaning**

Personal selling is an act of convincing the prospects to buy a given product or service. It is the most effective and costly promotional method. It is effective because there is face to face conversation between the buyer and seller and seller can change its promotional techniques according to the needs of situation. It is basically the science and art of understanding human desires and showing the ways through which, these desires could be fulfilled.

### **Definition**

Personal selling is also known as face-to-face selling in which one person who is the salesman tries to convince the customer in buying a product. It is a promotional method by which the salesperson uses his or her skills and abilities in an attempt to make a sale.

### **Objectives of Personal Selling:**

#### **(i) Attracting the Prospective Customers:**

The first and foremost objective of a salesperson is to attract the attention of people who might be interested to buy the product he is selling.

#### **(ii) Educating the Prospective Customers:**

The salesman provides information about the features, price and uses of the product to the people. He handles their queries and removes their doubts about the product. He educates them as to how their needs could be satisfied by using the product.

#### **(iii) Creating Desire to Buy:**

The salesman creates a desire among the prospective customers to buy the product to satisfy specific needs.

#### **(iv) Concluding Sales:**

The ultimate objective of personal selling is to win the confidence of customers and make them buy the product. Creation of customers is the index of effectiveness of any salesperson.

#### **(v) Getting Repeat Orders:**

A good salesperson aims to create permanent customers by helping them satisfy their needs and providing them product support services, if required. He tries for repeat orders from the customers.

### **Types of personal selling**

Personal selling is very effective sale function. Such sale can also be done with different methods. It does not only make two-way communication about goods or services but also educates the customers. There are different types of sale function as mentioned below:

#### **1. Indoor personal selling**

The seller who sells goods or services living at certain place is called indoor seller. Such seller tries to sell his goods or services to different customers by establishing contact with them. Different types of customers enter the shop to buy various goods or different qualities. So, they

should be impressed by attractive activities and they should make them buy the goods or services immediately. So, this function is very difficult and challenging. Special attention should be paid towards selling goods to the customers by identifying their needs and interest.

## **2. Outdoor personal selling**

Identifying customers and by walking in different geographical regions and selling goods to them is called outdoor personal selling. Customers should be sought reaching several market segments. Such sellers should be clever, smiling, and smart and be able to establish relation with people. Besides, the seller should be able to make feel necessity of the goods, propagate new products and create demand of the goods. The customers should be able to get information about the quality, features, price, utility benefits etc. and procure purchase order and make arrangement for sale of goods. As such seller can have direct communication and contact with customers, any problem arisen should be promptly solved.

## **3. Sales representative**

Big business forms or companies appoint their sales representatives to sell their products. Big firms / companies select clever sellers, who are experienced, educated and able to establish public relation efficient in business dealings, as their representatives. Such capable sales representatives can sell goods or services to different markets giving full satisfaction to the customers. Mostly manufacturers' sales representatives, wholesalers' sales representatives, retailers' sales representatives can be involved in selling. Such representatives are appointed to sell new goods, industrial goods and consumers' goods.

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