**1.3.2 Branding and Promotion**

**a) Types of promotion**

Definition: Promotion - The use of marketing tools to bring a product or service to the attention of potential buyers

There are many different types of promotion that a business can use to raise awareness of their products and services. These are the main ways that your exam board would like you to know about and to be able to apply to a given case study.

**#1 Personal selling -** Personal selling is an effective way to manage business to customer relationships. The sales person acts on behalf of the organisation and is useful to customers as a technical advisor. Sales people are well trained in the approaches and techniques of personal selling. However, sales people are very expensive in terms of salary, training, commission. For example, salesmen and saleswomen are often used to sell cars or home improvements where the profit margin is high. Sales people are useful where the product comes with a range of features which need to be explained or “upsold” e.g. a tech pack on a new car

**#2 Direct marketing -** Highly focussed targeted mail based on what customers have bought before. Can be e-mail or by post. May be special offers to re-engage customers who have stopped buying. Carefully tailored to items that customers have bought before e.g. holidays, hotels, travel deals etc.

**#3 Above the line advertising (ATL) -** Above-the-line (ATL) marketing involves mass media methods for targeting larger and more general customers e.g. Radio/TV/Cinema/Print adverts e.g. in newspapers and major magazines/Outside adverts e.g. billboards

**Advantages -**

* ATL is tailored to reach a mass audience
* Advert communication is repeated so the message is clear e.g. “simples” and “go compare”
* Great for building brand awareness

**Disadvantages –**

* Disadvantages are that this is a very expensive method and it is difficult to measure clear results from campaigns
* Very expensive e.g. A radio ad on a national station can cost about £10,000 for a week

**#4 Below the line Advertising**

Below-the-line (BTL) marketing is the same as direct marketing for reaching smaller but more targeted audiences

* The main methods include: Public relations including PR stunts/Search engines/Events e.g. restaurant launch/Social media marketing

**Advantages**

* Easy to measure if the campaign has reached an audience e.g. through number of website visits, conversion rates, click through rates
* Easy and inexpensive to use social media to increase brand awareness
* BTL is more targeted to specific niche segments rather than aiming at the whole mass market

**Disadvantages**

* Extensive training on working social media and IT may be needed for marketing staff
* Deeper understanding of customer or buyer behaviour is required e.g. what do they read, what websites do they visit
* Targeting diverse cultures with the same theme is difficult

**#5 Public Relations**

* Public relations is also known as PR
* PR aims to build a relationship between the business and the public, to create a favourable corporate image
* PR is unpaid communication about an organisation which appears in mass media
* PR can include publicity stunts
* PR is a long-term not a short-term strategy
* PR is very low expenditure –e.g. a business could send its products to the local paper for a “review”
* PR gives the business less control over what is said BUT consumers find it more believable / authentic

**#6 Sponsorship**

* Positive association of the product with a celebrity or a sport
* Can be very expensive e.g. £125m
* Difficult to tell what impact this has on brand loyalty or sales

**#7 Sales promotions**

There are lots of different types of sales promotions. These are the six that the exam board would like you to know and be able to discuss. Get ready to make some notes about these on the next few slides.

1. BOGOFF
2. Price discounts
3. Money off coupons
4. Samples / giveaways
5. Special events
6. Point of sale