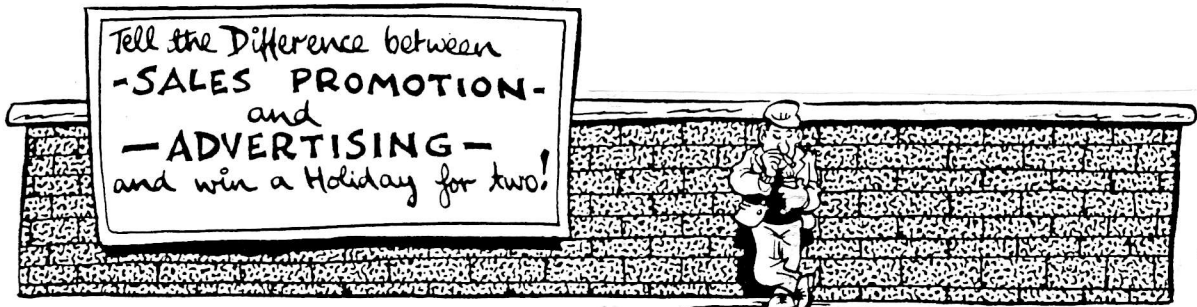


# PRODUCT DESIGN & MARKETING

## Advertising 4

### SALES PROMOTION

Many people think that sales promotion is just another name for advertising – it's not.



**ADVERTISING**

Advertising does things like describing some characteristic of the product, or explaining some benefit. Whereas, sales promotion . . .

**SALES PROMOTION**

. . . makes an offer of a feature, usually to defined customers, within a specific time limit. In other words, to qualify as a sales promotion, someone must be offered something which is featured, rather than just being an aspect of trade. Furthermore, the offer must include benefits not inherent in the product or service, as opposed to the intangible benefits offered in advertising, such as adding value through appeals to imagery. So, how does a company use sales promotion?

Well, it's a very useful device for persuading customers to bring forward their decision to buy. In this case it's an attempt to diffuse the high demand for cars in August. This will help the manufacturer's *distribution problem* rather than sell cars. Other sales promotion activities include the encouragement of repeat purchases, counteraction of competitors, appeals to marginal buys, getting bills paid early, etc.

There are many types of sales promotion. Here, extra products are offered - and this is subtly different from a straight cut-price offer in that the customer is being encouraged to stock-pile the product, so increasing his brand-loyalty. On the other hand it may not work with a customer who is after a short-term bargain; so sales promotion has to be used with care, and again the type of customer being appealed to must be borne in mind.