

## Meaning of Promotion

*“What is Promotion?”* Promotion is a marketing tool, used as a strategy to communicate between the sellers and buyers. Through this, the seller tries to influence and convince the buyers to buy their products or services. It assists in spreading the word about the product or services or company to the people. The company uses this process to improve its public image. This technique of marketing creates an interest in the mindset of the customers and can also retain them as a loyal customer.

Promotion is a fundamental component of the marketing mix, which has 4 Ps: product, price, place, and promotion. It is also an essential element promotional plan or mix, which includes advertising, self and sales promotion, direct marketing publicity, trade shows, events, etc.,

Some methods of this procedure contain an offer, coupon discounts, free sample distribution, trial offer, buy two items in the price of one, contest, festival discounts, etc. The promotion of a product is important to help companies improve their sales because customers reaction towards discounts and offers are impulsive. In other words, promotion is a marketing tool that involves enlightening the customers about the goods and services offered by an organization.

In other words’

Promotion is a type of communication between the buyer and the seller. The seller tries to persuade the buyer to purchase their goods or services through promotions. It helps in making the people aware of a product, service or a company. It also helps to improve the public image of a company. This method of marketing may also create interest in the minds of buyers and can also generate loyal customers.

It is one of the basic elements of the market mix, which includes the four P’s: price, product, promotion, and place. It is also one of the elements in the promotional mix or promotional mix or promotional plan. These are personal selling, advertising, sales promotion, direct marketing publicity and may also include event marketing, exhibitions, and trade shows.

Philip Kotler and Gray Armstrong define, The promotion mix is the specific blend of advertising, public relations, personal selling, and direct-marketing tools that the company uses to persuasively communicate customer value and build customer relationships.

## **OBJECTIVES OF PROMOTION**

Promotion is an important marketing strategy and is the sparkplug of the marketing-mix. Promotion helps people know that the right product at right price is available at the right place. In a competitive market, without promotion, practically no sale is effected. Promotion is the process of marketing communication to inform, persuade, remind and influence consumers in favour of a product or service.

### ***(a) Promotion has following three specific purposes:***

- (i) It communicates marketing information to consumers, users and resellers.
- (ii) It persuades and convinces the buyer and influences his/her behavior to take the desired action.
- (iii) Promotional efforts act as powerful tools of competition, providing the cutting edge of its entire marketing programme.

## **IMPORTANCE OF PROMOTION**

Small company promotions play many roles in marketing, designed to produce certain desired effects. The methods used in achieving these effects may vary, depending on a company's goals, priorities, markets and industries. Promotions typically include advertising, publicity, sales promotions and other tactics. The key to producing results through promotions is ensuring that companies target the right consumers -- those who are more apt to buy their products. Moreover, the promotional message must be convincing and run frequently enough to achieve the desired effects.

### **Increase Brand Awareness**

Promotions such as television, radio and magazine advertising increase brand awareness. More people tend to learn about a particular company or its brands if they frequently see or hear about them. New companies particularly have to advertise to apprise consumers who they are and what

they offer. This is true with local or even national companies, as brand awareness can be measured by market, regionally or nationally. It can take many months or even years for companies to build brand awareness levels that match established competitors.

### **Provide Information**

Small companies also use promotions to provide information, notes KnowThis, a popular online business reference site. Marketers may run press releases to apprise consumers that their products can help certain ailments. A small consumer products manufacturer may use displays and pamphlets to describe the benefits of a new health food. High-tech manufacturers often use in-store videos and demonstrations to show people how to use their products. Promotions can inform people during all stages of the buying process, including their initial search. Small business owners also use promotions to inform consumers about price, product features and outlets that sell their products.

### **Increase Customer Traffic**

Grocery stores, beauty salons and movie theaters use promotions such as frequency programs to increase customer traffic. A frequency program promotion is designed to reward people the more they visit and spend with a retailer. Most retailers start their frequency programs by having customers fill out an application. They then issue cards for customers to use each time they make a purchase; the cards contain magnetic strips that track purchases through registers and computers. Frequency card promotions are designed primarily to attract traffic among current customers. New customers also may be attracted to the promotion if they hear about it.

### **Build Sales and Profits**

The primary objective in using promotions such as advertising, sales promotions and public relations is to build sales. Promotions are designed to get people to try products and services. Promoting high-quality products or services aims to get customers to return and spend more money. Ultimately, companies use promotions to build a loyal customer base, which leads to greater sales and profits.