Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ #\_\_\_\_\_\_\_\_\_

**Marketing**

***4.01: Acquire a foundational knowledge of promotion to understand its nature & scope***

***Part C: Identify the elements of the promotional mix***

**Objective: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Warm-up: What is the intent of Public Relations for a company?**

**From this lesson you should be able to understand the following:**

1. Define the following terms: promotional mix, advertising, personal selling, publicity and sales promotion.
2. Identify the elements of the promotional mix.
3. Categorize examples of promotions according to the elements of the promotional mix.
4. Discuss differences between advertising and sales promotion.
5. Explain reasons that businesses use sales promotions.
6. Define the following terms: free-standing insert (FSI), coupons, rebates, point-of-sale displays, trade shows, slotting allowance, promotional allowance, co-op advertising, dealer loaders, incentives, contests, sweepstakes, loyalty programs, demonstrations, personal appearances, trade-in promotions, samples, premiums, product placement, sponsorships, promotional pricing, trade shows, Point-of-Purchase displays, sales force allowance,

**Directions: Define all key terms listed above; as well as, answer questions below.**

1. What is the difference between advertising & sales promotions?
2. Why do businesses use sales promotions?
3. What is the difference between consumer promotions & trade promotions?

**Activity: Create five types of sales or consumer promotions for any product or service you wish. All promotions must be original (No copy & paste). You can draw out your designs or use a computer**

**Examples:**

* Create a coupon for a product that interests you
* Draw a FactoryPack
* Create a flyer of a concert or event that is being sponsored
* Do a video or take a picture where product placement is being used

**Directions: Match the following terms up with the correct definition**

1. A manufacturer supports the retailer by helping to pay for the cost of advertising a product locally.
2. Incentives that encourage customers to buy products or services. Can be used to encourage customers to try a new product, build awareness, increase purchases by current customers, or reward loyalty.
3. Sales promotion activities designed to get support for a product from a manufacturer, wholesaler, & retailer. A lot of money is spent on promoting your product to other businesses versus the actually consumer
4. Awards given to dealers and employees who successfully meet or exceed a sales quota. Awards range from cash prizes, to merchandise, or travel awards.
5. Sales strategies that encourage customers and prospects to buy a product or service. Consumer promotions support advertising, personal selling, & PR efforts. Include promotional tactics such as distributing coupons, premiums, product samples, loyalty programs, & product placement.
6. Certificates that entitle customers to cash discounts on goods and services. Stores that accept coupons send them to the manufacturers’ headquarters or to a clearinghouse to be sorted and passed along to redemption centers. The centers in turn reimburse the stores for the face value of each coupon plus a handling charge of about $.08. he redemption center then bills the manufacturer for the amount they pay.
7. Low cost items given to consumers at a discount or for free. Designed to increase sales by building product loyalty, & attracting new customers. The 3 most common types of consumer premiums are factory packs, traffic builders, & coupon plans.
8. Allow companies to showcase a particular line of product so that they can introduce new products, encourage increased sales of existing products, & gain support. Many companies invest millions of dollars in their display booths.
9. Companies pay a fee for the right to promote itself & its products or services at or on a set location. The locations can be a physical site (stadium), an event (concert), a group (car racing team), or a person (golfer).
10. A consumer promotion that involves using a brand-name product in a movie, television show, sporting event, or music video.
11. Free sample of the product. Can be sent through the mail or given in person
12. Displays designed primarily by manufacturers to hold and display their products. Displays are placed near checkout areas of a store so that impulse purchases are made
13. High priced items earned through giveaways, sweepstakes, & contests

**\_\_\_\_ 1. Sales Promotions**

**\_\_\_\_ 2. Trade Promotions**

**\_\_\_\_ 3. Sponsorships**

**\_\_\_\_ 4. Cooperative Advertising**

**\_\_\_\_ 5. Premiums**

**\_\_\_\_ 6. Incentives**

**\_\_\_\_ 7. Sales Force Allowance**

**\_\_\_\_ 8. Coupons**

**\_\_\_\_ 9. Consumer Promotions**

**\_\_\_\_ 10. Trade Shows & Conventions**

**\_\_\_\_ 11. Product Samples**

**\_\_\_\_ 12. Product Placement**

**\_\_\_\_ 13. Point-of-Purchase Displays**

**Terms not defined for you:**

* **Promotional Allowance**
* **Slotting Allowance**
* **Traffic Builder**
* **Factory Pack**
* **Coupon Plan**
* **Loyalty Marketing Program**
* **Free Standing Insert**
* **Personal Appearance**
* **Demonstration**
* **Trade-in**
* **Promotional Pricing**
* **Rebates**