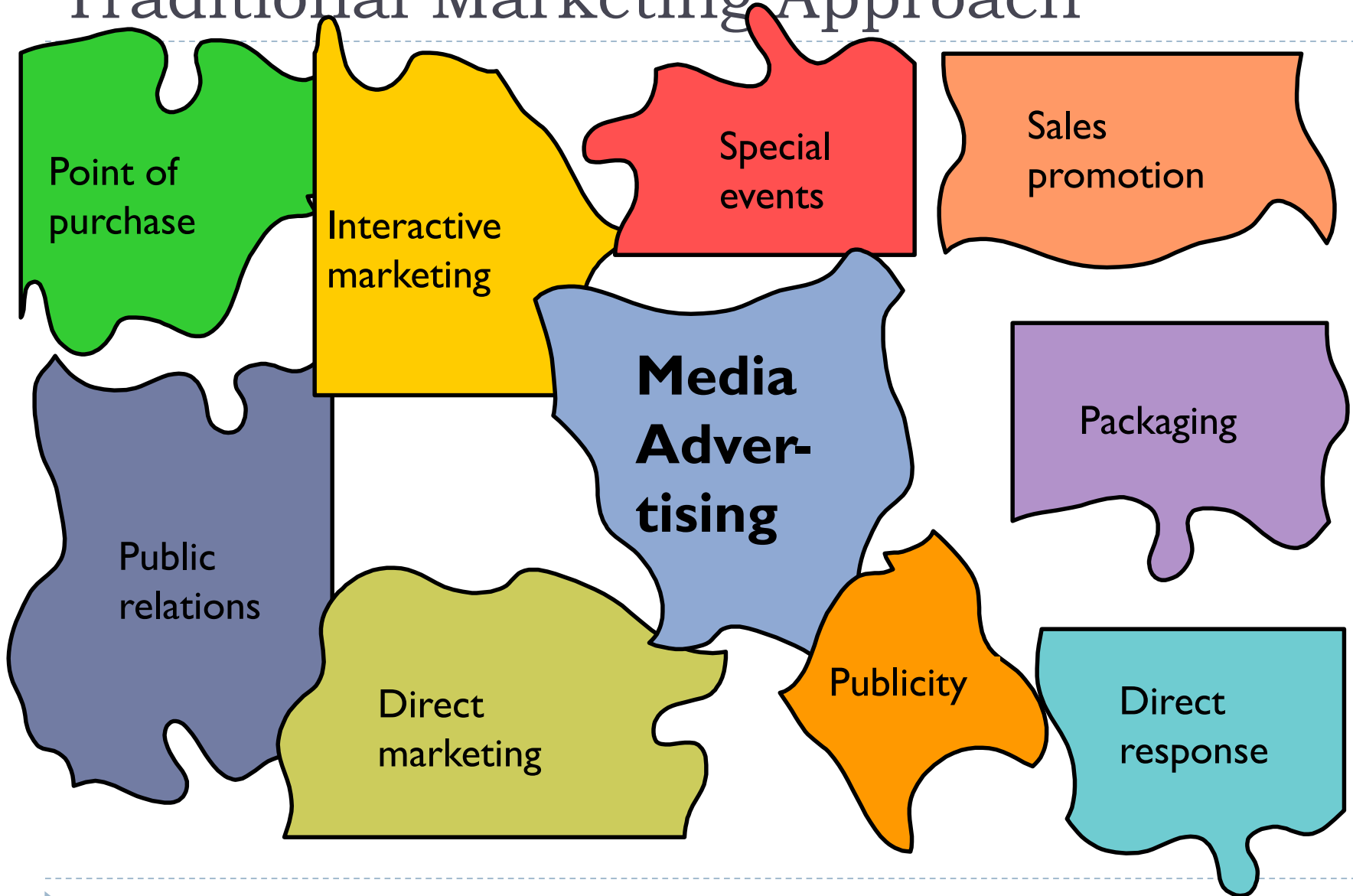




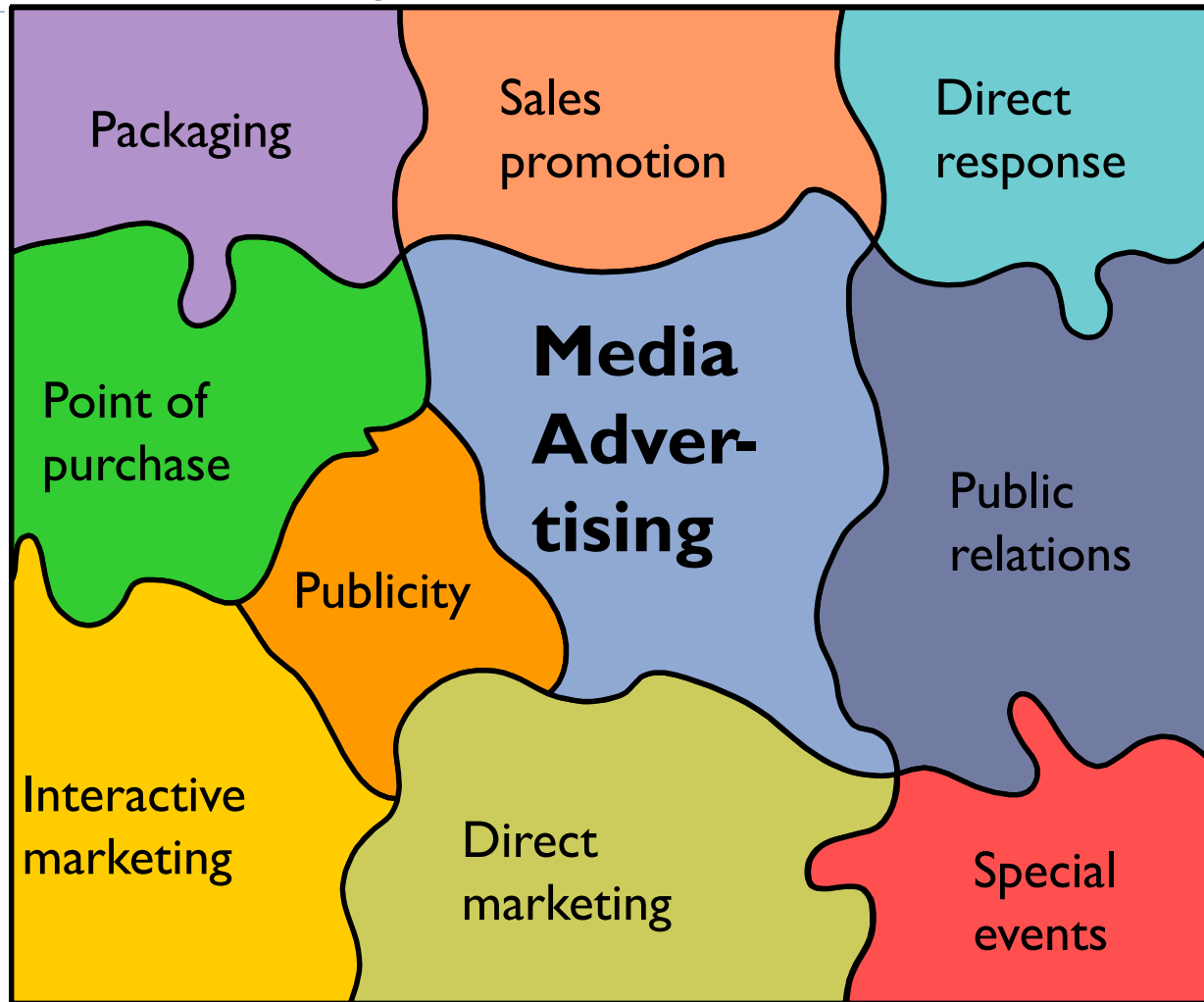
IMC Tools



Traditional Marketing Approach



Contemporary IMC Approach



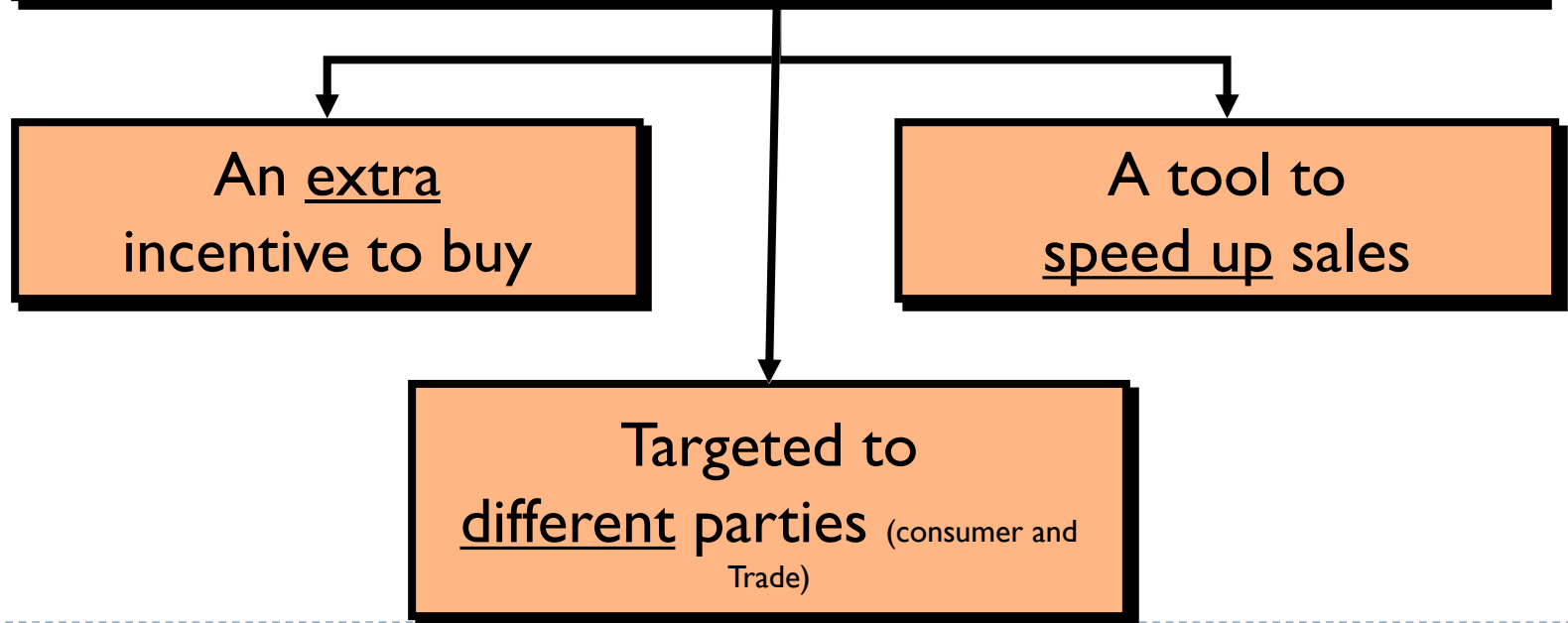


IMC

Sales Promotion

Sales Promotion

*“A direct inducement that offers an **extra value or incentive** for the product to the sales force, distributors, or the ultimate consumer with the primary objective of creating an immediate sale.”*



What's the key difference between these two types of promotions?

VS

Samples

Coupons

Premiums

Contests/sweepstakes

Refunds/rebates

Bonus Packs

Price-off deals

Frequency programs

Event marketing

Contests, incentives

Trade allowances

Point-of-purchase displays

Training programs

Trade shows

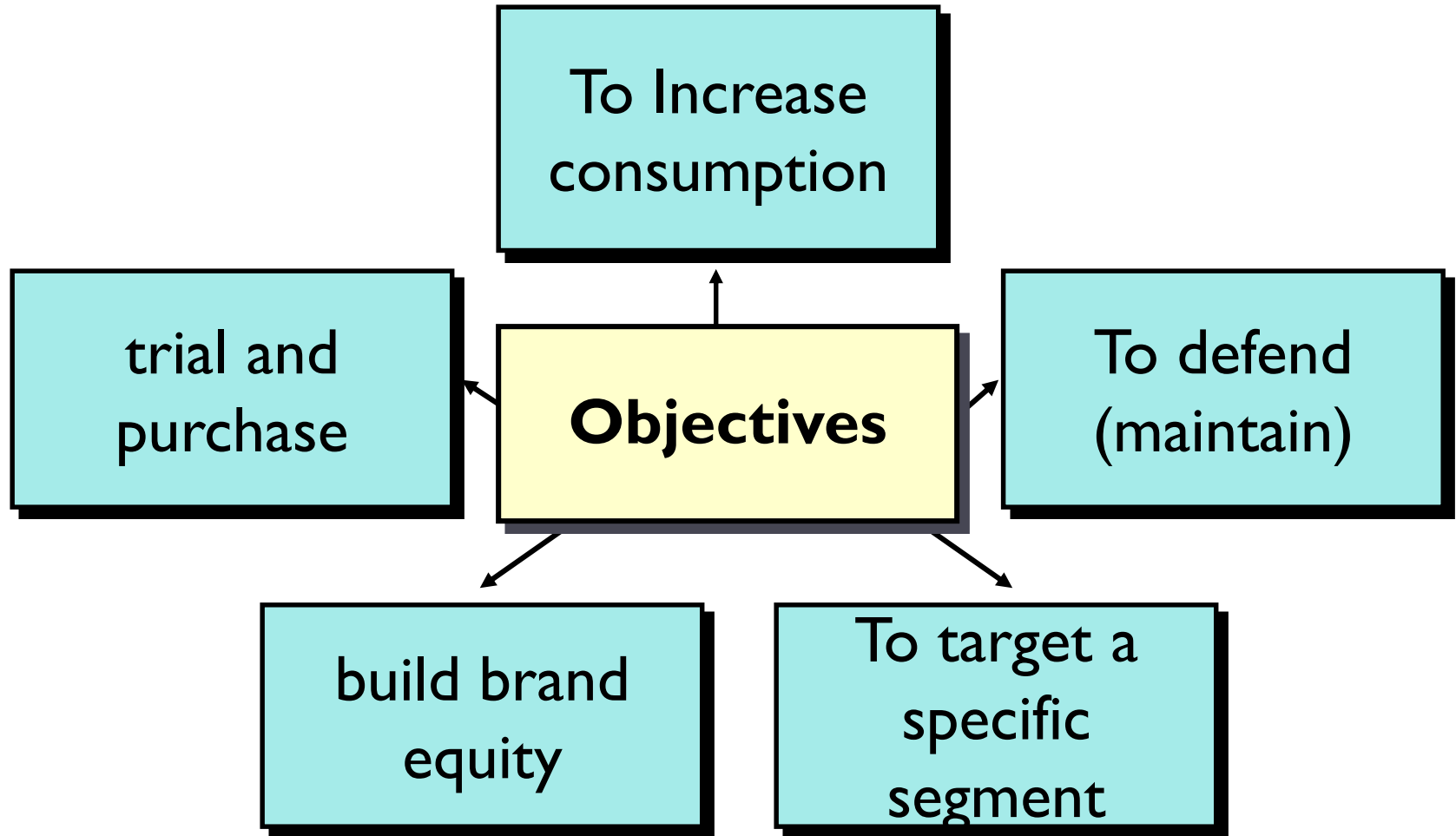


Discussion

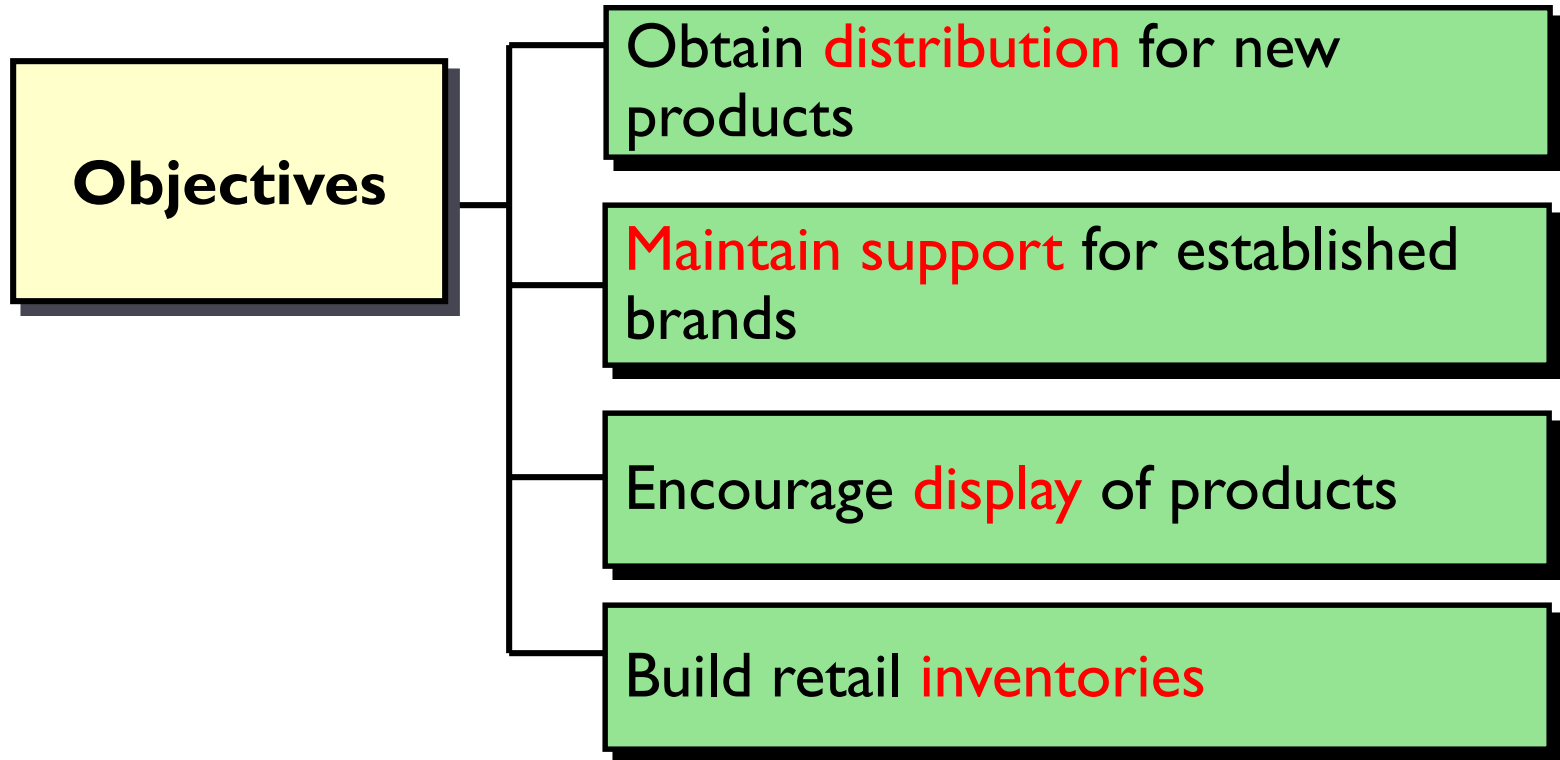
- ▶ Is “additional sales” the only goal for sales promotion?



Objectives of Consumer-Oriented Promotions



Trade Oriented Promotions



Group Exercise:

**Solve the assigned challenge with your
Sales Promotion plan**



Challenge 1

- **You are a potato chip brand leader.**
- **You heard from your spy that your competitor is going to launch a new product in the next couple months.**
 - **Your goal is to defend your leadership and weaken their launch.**
 - **What would you do?**



Challenge 2

- **You are a shampoo brand manager who is going to launch a new product in the Thai market.**
- **You aim to cover total Thailand.**
- **You have the big pump size and the 400 ml bottle for Bangkok and Upcountry consumers. You also have the 100 ml bottle and sachet for the rural consumers.**
- **Your goal is to build distribution, visibility, and trial. What would you do?**

Challenge 3

- You are a facial cream brand manager.
- You want to convert the key competitor users to be your brand users.
- What would you do in order to take the key competitor's market share?



Challenge 4

- **You own a chic café.**
- **Your challenge is to build loyalty.**
- **What would you do?**



Challenge 5

- **You are a liquid soap leader in the market.**
- **You would like to create excitement among your target consumers and rejuvenize your brand.**
- **What would you do?**



Sales Promo Game

- ▶ Use your electrical device.
- ▶ Search “kahoot”: <https://kahoot.it/#/>
- ▶ Enter pin
- ▶ You have 10 sec for first three questions, and 20 sec for last two questions.
- ▶ Enjoy!





Advanced Sales Promotion!



Partitioned Pricing vs Drip Pricing

Example: buy air ticket online.

Partitioned Pricing	Drip Pricing
Present all price components at the same time.	Present the low base price. Then, reveal other price after that.

- Which one would consumers be more likely to recall the price?
- Which one would lead to higher purchase intention?
- As a consumer, which one do you prefer?

Promotion: **Good deal** (more product enjoyment) vs **lower sunk cost** (less product enjoyment)?

- What does the above have to do with **immediate consumption** vs **delayed consumption**?
- Experiment: Ask consumers to buy one of the two chocolates.
- Question: Which cell (M/N/O/P) would have the highest consumption enjoyment?

	Immediate consumption	Consuming 1 week later
50% discount	M	N
No discount	O	P


Final Discussion on Promotion!

- ▶ Downside of Promotion?




Media Often Delivers a Promotion Message

**Life is an Adventure and
We Want to Take You There!**

 **AVALANCHE**
**OUTDOOR ADVENTURE
SWEEPSTAKES**

Enter The Chevy Avalanche Outdoor Adventure Sweepstakes at www.chevyavalancheoutdoor.com or AOL keyword: Avalanche
and you and a guest could win the adventure trip of your dreams to Sunriver Resort in Bend, Oregon. You'll spend three nights and four days rock climbing, kayaking, fly-fishing, white water rafting or whatever your thrill-seeking heart desires. And during your stay you'll have the chance to hang with adventure sports experts and learn some valuable skills—all while soaking up the great outdoors.

*Attach business reply card in for receiving.
Avalanche Sweepstakes ends 12/31/04. See rules for details.
To enter go to www.chevyavalancheoutdoor.com

 **AVALANCHE**

