

# Generating Prospects and Customers with Promotion Strategy

By Blair Entenmann, President of MarketingHelp!

Promotion can be defined as *any method that communicates to the target market* about the right product to be sold in the right place at the right price. What the marketing manager communicates is basically determined when the target customers' needs and preferences are known. How the information is communicated in order to obtain action -- a purchase -- depends on a number of factors.

## **Types of Promotion:**

Promotion includes personal selling, advertising, sales promotion, and public relations. *Personal Selling* involves direct face-to-face relationships between sellers and potential customers. *Advertising* is any paid form of "mass selling" or communication with large numbers of potential customers at the same time. *Sales Promotion* refers to specific activities (such as point-of-purchase displays, brochures, coupons) which can generate a specific purchase behavior. *Public Relations or Publicity* is any free form of "mass selling." All of these methods try to inform, persuade and remind the target audience about your product or service. They are complementary to each other and should be integrated to maximize your results.

There are also different forms of each of these types of promotion such as broadcast, print, direct mail and electronic advertising that offer different advantages, disadvantages, costs and paybacks. The same message may be interpreted differently, based on the source of the message in terms of trustworthiness and credibility.

**Promotion Mix Decisions:** There is no one right promotion mix (between Personal Selling, Advertising, Sales Promotion, and Public Relations) for all situations. The promotion mix for your company should be designed to accomplish your overall objectives. The specific mix depends on a number of factors, including 1) the promotion budget available, 2) stage of product in its life cycle, 3) nature of the competitive situation, 4) the target audience, and 5) the nature of the product.

**Push, Pull or Push-Pull Strategy?** There are three basic promotional strategies or philosophies -- *push, pull or push-pull*. A company that follows a *push strategy* is generally very sales-oriented, trying to push the product through the distribution channel. A *pull strategy* is generally a very marketing-oriented company that would spend all their marketing funds on advertising to pull the product through the distribution channel. A *push-pull strategy* is where the company may spend 50% on trade promotion and 50% on end-user advertising

Promotion is a vital factor in any marketing mix. To be successful you must offer a good product or service at a reasonable price, and you must tell potential customers about the product and where/how it can be purchased.

Deciding on the right promotional mix is obviously difficult, but can be and should be a rational, fact-based decision. It requires considerable judgment and experience. You must consider the industry, the customer and your competition.

Blair Entenmann is President of *MarketingHelp!*, a Grand Rapids based marketing firm specializing in helping clients catch and keep customers with better marketing strategies, programs and implementation. For more information, visit [www.mktghelp.com](http://www.mktghelp.com) or call 616-866-1198.