Retail Promotions

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Elements of the Promotional Mix

- Advertising
- Public Relations
- Personal Selling
- Sales Promotion



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Advertising

- Paid, non personal communication transmitted through out-of-store mass media by an identified sponsor
- Key aspects
  - Paid form
  - Non-personal presentation
  - Out-of-store mass media
  - Identified sponsor

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- *Lift short-term sales*
- *Increase customer traffic*
- *Develop and/or reinforce a retail image*
- *Inform customers about goods and services and/or company attributes*
- *Ease the job for sales personnel*
- *Develop demand for private brands*

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Advertising Characteristics

Advantages

- Attracts a large audience
- Gains pass along readership (for print)
- Low cost per contact
- Many alternatives available
- Control over message content; message can be standardized
- Message study possible
- Editorial content surrounds ad
- Self-service operations possible

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Disadvantages

- Standardized messages lack flexibility
- Some media require large investments
- Geographic flexibility limited
- Some media require long lead time
- Some media have high throwaway rate
- Some media limit the ability to provide detailed information

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Advertising Media Comparison Chart

Medium	Market Coverage	Particular Suitability
Daily Papers	Single community or entire metro area; local editions may be available	All larger retailers
Weekly Papers	Typically a single community; may be a metro area	Retailers with a strictly local market
Shopper Papers	Most households in one community; chain shoppers can cover a metro area	Neighborhood retailers and service businesses
Phone Directories	Geographic area or occupational field served by the directory	All types of goods and service-oriented retailers
Direct Mail	Controlled by the retailer	New and expanding firms, those using coupons or special offers, mail order

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Advertising Media Comparison Chart

Medium	Market Coverage	Particular Suitability
Radio	Definable market area surrounding the station	Retailers focusing on identifiable segments
TV	Definable market area surrounding the station	Retailers of goods and services with wide appeal
World Wide Web	Broad, even global	All types of goods and service-oriented retailers
Transit	Urban or metro community served by transit system	Retailers near transit routes, especially those appealing to commuters
Outdoor	Entire metro area or single neighborhood	Amusement and tourist-oriented retailers, well-known firms

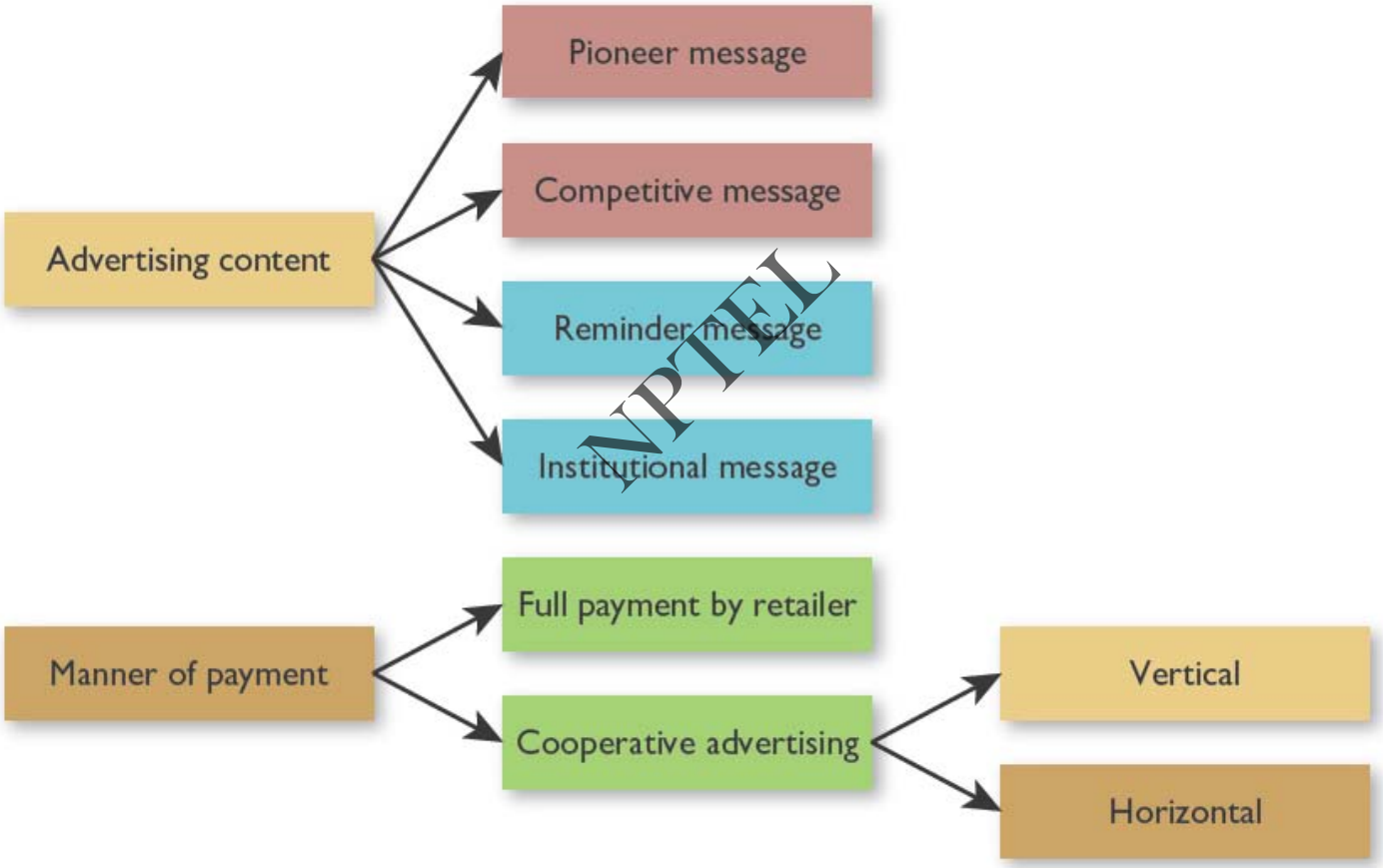
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Advertising Media Comparison Chart

Medium	Market Coverage	Particular Suitability
Local Magazines	Entire metro area or region; zoned editions sometimes available	Restaurants, entertainment-oriented firms, specialty shops, mail-order firms
Flyers/ Circulars	Single neighborhood	Restaurants, dry cleaners, service stations, and other neighborhood firms
Social Media	Broad, even global	All types of goods and service-oriented retailers
Mobile in-app advertising	Local and geo-targeted areas	All types of goods and service-oriented retailers

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Types of Advertising



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Planning a Cooperative Strategy

- What ads qualify in terms of merchandise and special requirements?
- What percentage of advertising is paid by each party?
- When can ads be run? In what media?
- Are there special provisions regarding message content?
- What documentation is required for reimbursement?
- How does each party benefit?
- Do cooperative ads obscure the image of individual retailers?

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