

Consumer Promotions

Consumer-oriented sales promotions are short-term programs offering inducements such as coupons, rebates, sales or sweepstakes to stimulate interest in your product or service. Well-planned and executed sales promotions can increase sales traffic for the duration of the promotion and hopefully gain loyal customers to your brand. Because of the inevitable drop-off in sales following a sales promotion, it is important to use other marketing elements in conjunction to convert the coupon users to loyal consumers.

Details on developing, using and evaluating consumer-oriented sales promotions are included in Chapter 21 – Marketing Reference, page 320. Also, regulations regarding pricing promotions are outlined in Chapter 21 – Marketing Reference, page 310. The Promotion Marketing Association, at www.PMALink.org, is an excellent resource for researching trends and data on sales promotions.

The workbook pages provide a framework for recording and evaluating available consumer-oriented sales promotion opportunities, including:

- **Workbook 18-12 – Price Promotions** – Price promotions include coupons, discounts, buy-one-get-one offers and rebates. Use the worksheet to define the expected sales volume without and with the planned promotion, how you will notify your potential customers, and the total cost of the promotion. Be sure to include notification routes and costs!
- **Workbook 18-13 – Product Promotions** – Product promotions include samples and premiums – give aways, for example, pens with the company logo. Use the Workbook page to define the purpose of the promotion, how your customers will be notified, and the total cost of the product promotion.
- **Workbook 18-14 – Sweepstakes or Contests** – Sweepstakes and contests usually serve the primary purpose of gathering

potential customer data. Keep this in mind as you select prizes (they should target your preferred customers) and develop your entry form. The Workbook page provides a framework for planning your contest or sweepstakes promotion.

- **Workbook 18-15 – Loyalty Promotions** – Loyalty promotions are intended to encourage frequent repeat business. These programs have become extremely common as tools to tailor marketing materials based on what the items each customer purchases and to build direct mail contact lists. The Workbook page provides a framework for planning and estimating expenses related to loyalty promotions.
- **Workbook 18-16 – Point of Purchase Displays** – Point of purchase displays are common tools for promoting your brand within your vendor’s retail stores. The Workbook provides a framework for researching and evaluating the use of point of purchase displays for your products.
- **Workbook 18-17 – Product Placement** – Product placement promotions generally require patience and careful attention to the marketing collateral your company distributes to resource departments. The Workbook provides a framework for researching and evaluating product placement opportunities.

Action Items

- Complete Workbooks 18-12 through 18-17, as appropriate, for each of the sales promotions you checked on Workbook 18-4.