

UNIT - 4

Evaluation of Sales Promotion Programme

a) Meaning and Importance

* Meaning of Sales Promotion Programme

⇒ Sales Promotion Programme are important components of marketing strategies using the 'appeal' of complimentary goods to gain market share from its competitors.

⇒ Sales Promotion are used by company to attract business from price conscious customer.

⇒ The Idea is that when a company offers a reduced price, ~~for~~ the customer will get from a purchase.

⇒ Company uses a wide promotional technique methods to generate 'revenue' ~~clear~~ clear out stock add to increase the market share.

⇒ It is a most important parts of promotional technique where the methods are used to attract new customer to whole the present customer and to customer competitor and to take 'opportunity'.

* Importance of Sales Promotion Programme.

i) Sales Promotion Programme is a key important in putting the benefits product and service to the customer.

ii) Well design Sales Promotion Programme insure long term success in bringing out the best of customer and profit for business.

iii) Sales Promotion Programme being product knowledge.

b) Methods of Sales Promotion Programme.

various form of Sales Promotion Programme methods.

a) free sample :- Consumer gets on sample free offer their trial and then decide whether to purchase that product or not.

b) Discount :- The most sample sales promotion is percentage or Rupees discount. A customer may perceive the products reduced price.

c) Rebate :- Consumers are offered money reduction.

d) Loyal Customer Reward Point :-

Consumer collect points for purchase and redeem them for rewards.

e) Price Pack or Bonus offer :-

The packaging offers a consumer a certain percentage more of the product for the same price. For 25% extra, 10% extra.

f) Gift Coupons :-

Many time the discount, coupons, issued can be redeemed on the next purchase.

g) Loss leader Policy :-

The price of a popular product is temporarily reduced below cost in order to stimulate sales.

h) Trade Allowances :-

This refers to share given Incentive offered to induce a shop to stock up on a product.

i) Contest :-

This may be conducted to attract new customers or to introduce a new product.

j) Demonstration :-

This method is use when products are of technique nature.

k) Loyalty Programme :-

Loyalty or frequency programme is a unique type of sales promotion in this they have a long term focus. Loyalty programme are on going process to loyal customer who purchase a product and they receive point or bonus when they reach certain level.