



UNIT-11 Promotion Mix

Learning Outcomes

By the end of this unit the learner will be able to:

- ✓ Discuss the importance of promotion in any successful marketing effort
- ✓ Understand the factors that influence the development of the promotion mix

Unit 11

Promotion Mix

Producing a good product does not necessarily mean it will be successful in the market. Until the intended customer is aware that the product exists, what its characteristics are, the price and so on, they will not purchase it. Hence, the manufacturer has to organize a complex system of communication. That is why some type/method of promotion is required to make customers, middlemen and the general public knowledgeable about the existence of the product. Marketers call the form of communication which is target target audience 'promotion'. Methods of promotion include advertising, publicity, selling and sales. This unit will explore the meaning and importance of promotion, the process of communication, the idea and various factors of the promotion mix, and the different components affecting the promotion mix.

The Meaning and Importance of Promotion



Fig. 11.1

Communication occupies a critical spot in marketing. It is the function of marketing that is responsible for informing the target consumer of the type and nature of the company's goods and services, the benefits it offers, its features, uses and the price, along with the types of locations at which it will be available. Since the purpose of marketing communications is to influence the consumer's attitude in favour of the company's products, they are of persuasive nature. Such persuasive interactions are commonly referred to as 'Promotions' and make up one of the four Ps of the marketing mix. So, in the framework of marketing, promotion points to the functional communiqué utilized by marketers, to trade persuasive messages and information between an organization and its different publics.

Marketing communication study is the study of the promotion element of marketing. Regardless of the ongoing debate regarding promotion being the first or the final element of marketing mix, the fact

remains that solid management of the marketing function relies on successful administration of its promotional role.

With increasing competition in the market place, in addition to the consumer becoming increasingly more informed and selective, it is now critical that marketing communications of only the exact kind required are carried out to an exact group of target buyers. Now, we will identify the value and function of promotion:

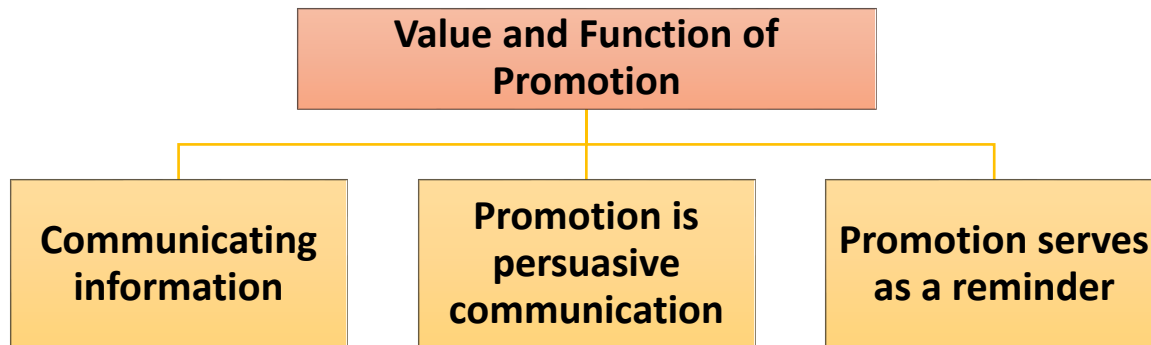


Fig. 11.2

1. **Communicating Information:** As we have touched upon, the marketer's job is to pinpoint what the consumer wants and then respond to these desires by producing the right types of products, at the correct location and the appropriate price. The objective of promotion in marketing is to communicate to consumers the features of the product and explain how it will fulfil their wants, while providing any other relevant information that will promote sales. For instance, if a firm manufacturing refrigerators is planning to implement an off-season price cut, it becomes imperative to inform the potential buyer about the amount of the discount, when it can be used, where it will be available, etc. If all of this data is not made available to perspective consumers, the price cut will not be of any value to the business or the customer. In this way, promotion is as critical a part of the marketing function as it is communicating.
2. **Promotion is Persuasive Communication:** In every free enterprise system in which organizations create and offer wide-ranging new and improved products, there are going to be communications and distractions of all kinds. Consumers must choose a product from the wider selection of competing products available. Not all customers have the time and energy to compare rival products physically, so they rely on advertisements for information about the product. With the existing business environment being extremely competitive, every manufacturer wants the consumer to buy their brand. So, convincing the consumer is another aim of promotion and this is why promotion is recognized as convincing communication.
3. **Promotion Serves as a Reminder:** For example, imagine a customer who habitually buys Colgate Toothpaste or Lux Soap. Do the manufacturers of these products advertise to attract such

customers? Naturally, the answer is yes, because even the most devoted customers have to be repeatedly reminded how a product provides good service and what makes it attractive. This holds true more in the environment where competitor organizations attempt to continuously sway consumers with their own persuasive and informative messages. So, besides informing and persuading, another vital function of promotion is to keep reminding consumers. This is the reason why firmly-established product manufacturers such as, Colgate, Lux, Surf, Nescafe etc. continue to advertise considerably, to maintain consumers' fondness for their items.

The Communication Process

Communication is described as **"The Process Of Influencing Others' Behaviour By Sharing Ideas, Information, Or Feelings With Them."** Communications' main function is to generate understanding of what is being expressed and what it means. To put it more simply, the individual getting the information should understand as clearly as possible the message that the sender intends to give. It is the duty of the message giver to make certain that this goal is achieved.

Elements of Communication Process

Communication has been explained as **"who says what to whom through which channels with what effect"**. We observe that there are two major groups taking part in the process, the sender (who) and the receiver (whom). The tools employed by the sender are called messages and channels or (media). In this way communication takes place when: 1) a message is transmitted by the sender 2) the receiver gets the message, and 3) both parties, sending and receiving share the meaning.

The process of communications in itself makes use of functions like encoding, decoding, response and feedback. We will now consider each element in the process of communication individually.

Sender: Also known as the source. The sender is the group that initiates the message for the other party, referred to as the receiver or destination. The sender engages in the intellectual process of moulding an idea into a shape in which it can be communicated.

Receiver: The individual or group for whom the message is proposed and is an operational player in the process of communication. The way meaning is given to a message by the recipient is determined their attitudes, previous experience, values, requirements and the message's timing.

Encoding: This is the procedure of deciphering the thought that has to be communicated into a emblematic message made up of pictures, words, gestures, numbers, etc. This has to be done because it is not possible to send an idea from one person's head into another in its raw form.

Message: This is made up of a collection of symbols that stand for objects or experiences, which the sending party transmits to encourage a change in the receiving party's behaviour. Because the majority

of symbols (words, numbers, pictures etc.) mean more than one thing, the selected symbols should be simple and recognizable by the receivers.

Medium: This is the tool used by the sender to transmit the message to the receiver.

Generally, there are two kinds of media:

- 1) inter-personal media
- 2) mass media.

The sender and receiver may establish a direct inter-personal medium. An example would be in situations where salespeople contact the customers and communicate with them directly about the product. In this scenario, there is a two-way flow of information and the salesperson gets immediate and direct feedback. This allows the salesperson to gain total control over the process of communicating. Mass media communication is non-personal media that allows contact between a large number of receivers and the sender at the same time. Radio, television, magazines, newspapers, internet, billboards etc. are all examples of the various types of mass media.

Decoding: When a sender encodes a message, the receiver has to decode it. Decoding is the method in which the receiver tries to change the symbols sent into a message. Receivers can decode or deduce in various ways, based on their individual experiences, backgrounds and characteristics. For instance, a well-regarded airline at one time advertised “if you fly with us you will never walk again”. Even though the airline meant to deliver to a message that the airline makes available such excellent services that the passengers would forever want to fly with them, it could easily have been misunderstood by some receivers as a warning of harm that might come to the flyers’ limbs.

Response: The receiver reacts in different ways to the sender’s message, such as asking questions, purchasing the product, staying away from it, seeking more information etc. Hence, a response is a group of reactions the receiver displays after exposure to the message.

Feedback: This is the communiqué that the receiver gives to the sender about their understanding of the message and their reaction to it. This is a backward flow of communication in which receivers encode their messages and return them to the original sender. The sender now sets about decoding the feedback message. The more time the sender takes to receive and decode the feedback, the less useful it gets. Interpersonal communication (sales personnel) channel feedback is more direct, immediate, and more frequent. Salespeople who are good at their jobs receive feedback directly and instantly from their prospects, altering their presentations to cater to the prospect’s needs. Feedback is normally slow, indirect and difficult to collect with communication through mass media. In reality, it may only be obtained if the sender makes concrete plans to get that feedback. The sender can also carry out research to find out if the receivers have picked up the required message, the number of times, if they remember it or not, etc.

Noise: This is anything that disrupts the communication progress in a way that affects whether the receiver gets a message that's not the same as the one sent by the sender, or does not get the message at all. Noise can interfere with any or all segments of the process of communication. One example would be excessive numbers of advertisements of the same product (varying brands) in a single newspaper or magazine, which causes distraction. The earlier example of the airline slogan would be an example of noise.

Look at Figure 11.3 carefully for a diagrammatic presentation of the communication process:

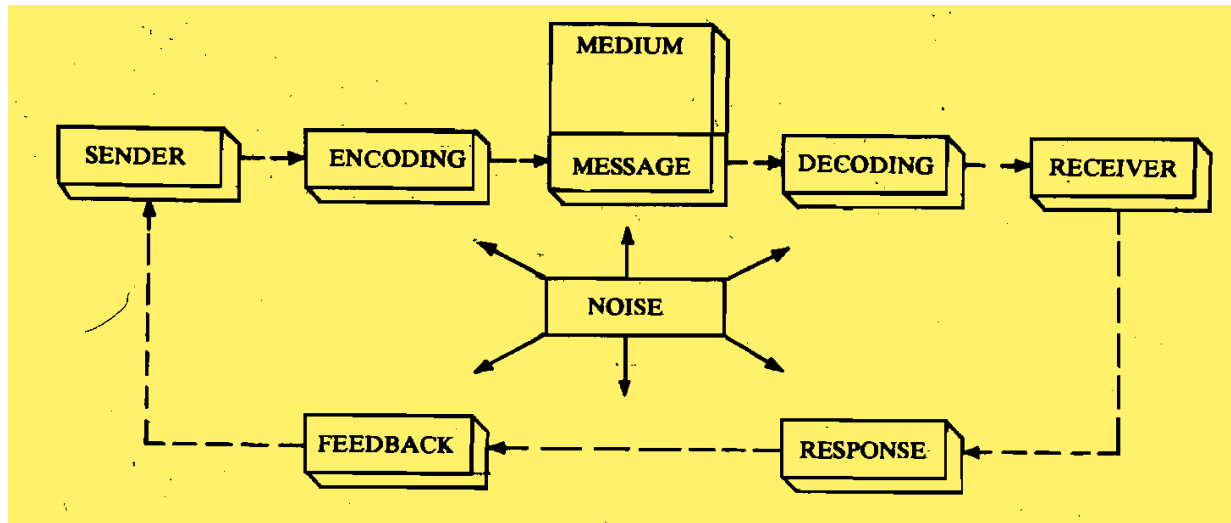


Fig: 11.3 the Communication Process

Steps in the Communication Process

For effective communication, some factors are known to be very important.

These would be:

1. Identification of target audience;
2. Figuring out the required response;
3. Selecting the message;
4. Choosing source attributes;
5. Gathering feedback.

Identifying the Target Audience

The target audience is identified as the group of people for whom the promotional message is meant, and it is inclusive of both existing and potential customers. So, to reach this group with a message that has value, the sender has to pinpoint the target receivers and their characteristic (like sex, age, income, occupation, education, lifestyle, etc.), past experience, attitudes, values, buying habits and decisions after which the product is actually purchased. With an understanding of the target consumer, it is easier

for the sender to match up the message to the target audience. The greater the overlap between the sender's 'field of experience' (values, background, attitudes, education, social status, experience etc.) and the receiver's scope of experience, the greater the effect of the communication.

Determining the Response Sought

After the target audience has been identified, the sender then focuses on what reaction they are anticipating from the receiver. For example, the sender may want the receiver to seek out more information regarding a service or item, or they may wish for the receiver to physically look at the product and then purchase it. The crucial response is the actual purchase. As we have seen, the decision-making progression of the customer prior to the purchase is itself complex and drawn-out. Thus, the sender has to know how to get target customers from the existing point to a point where they'll be closer to the actual buying of the product/service. With the message, a sender will want to implant something in the receiver's mind, alter their attitude or encourage them to take a specified action.

1. **Message Content:** This refers to the main or most important concept of the promotional message. So the pivotal idea or plea in the Bush TV slogan 'feel the picture' is excellent quality and perfectly reproduced pictures that are as life-like as possible. Likewise, Philips advertisements use the jingle 'when it's Philips you're sure'. Here, the pivotal idea is the assertion of quality and confidence. When the same plea or main idea is maintained for a long duration, it lends reliability to the succession of promotional messages, and becomes known as a Theme. The Philips slogan is a good case in point example of a theme. The plea or theme in the majority of promotional messages is associated with the features and claims of the product.

This brings us to another fascinating notion known as U.S.P. or 'Unique Selling Proposition'. In USP, the characteristics or attributes (selling points) of the item are coordinated with benefits for the customer exclusively.

Marketers make use of three main types of appeals:

- i) **Rational appeals:** These types of pleas tend to demonstrate that the product delivers the advantages claimed. These pleas also convey a product's quality, cost effectiveness (price), value or functioning. The majority of consumer products like refrigerators, cars, air conditioners, washing machines and other main appliances and industrial goods utilize such pleas in marketing.
- ii) **Emotional appeals:** These types of pleas make use of either negative feelings (such as fear, guilt, shame) or positive feelings (like joy, love, pride, humour) to encourage action or buying. The fear factor is utilized by life insurance corporations to encourage individuals to purchase insurance. Emotional appeals are employed for sale of garments, fabrics, cosmetics, perfumes, etc. Advertisements related to tourism use pleasure and joy as motivating factors.

2. **The Message Format:** The sender has to figure how to send a message to the target audience. A superior quality format for the message has to be developed. If the message is to be delivered through newspapers or magazines, the sender has to decide what type of headline length to use, illustrations (or photographs), the text (the written portion of the advertisement, besides the headline), the colours etc. Marketers frequently make use of leading visuals (illustrations), benefits, emotions, demonstrations, and music to capture attention. If the plea is to be broadcast over radio, the words have to be selected with care, while voice quality (speech speed and pitch etc.) has to be managed. When the message is to be aired on television, all factors important for radio still hold true, with the addition to facial expressions, dress, gestures, posture etc. If the plea is carried on the product itself, i.e. the packaging, the sender needs to be attentive to size, colour, texture, shape and scent e.g. soaps and perfumes.
3. **Message Source:** The way the target audience perceives the sender (or source) can have a major bearing on communication effectiveness. 'Source Credibility' points to the target audience's perception of the sender's credibility (i.e. how authentic the source or sender is). Source authenticity has a bearing on how the audience will assess and respond to the message. Expertise, trustworthiness and likability are three points that affect source credibility.
 - i) **Expertise:** This is the focused wisdom that the sender is supposed to have due to their occupation, profession, or experience. Doctors, scientists, engineers, professors, and other technical experts, for example, are all highly rated and are usually considered experts in their fields. Thus, to promote a health product, a renowned sports figure is more believable than a professional model delivering the plea.
 - ii) **Trustworthiness:** This deals with how unbiased or honest the source (sender) appears to be. Relatives and friends are normally more easily trusted than a stranger or salespeople. In truth, trustworthiness is also linked to expertise. If a renowned expert sponsors a product, his declarations will be considered more trustworthy. Additionally, if a company with a proven track record of putting out high-quality goods unveils a new product, its claims about the product will most probably will be trusted more than those of some unknown company with the same product line.
 - iii) **Likeability:** This relates to the source's overall attractiveness to the target audience (receivers). Merits like good looks (appearance), humour, straight-forwardness, naturalness, good voice, etc. make an individual or brand representative more appealing. The source with the greatest credibility will be that with a mixture of all three qualities, mentioned above.

Collecting Feedback

Collecting feedback focuses on the receiver's response to the message, which is conveyed back to the source. This point has already been covered at length as part of the 'feedback' factor in the current unit.

The Concept of Promotion Mix

In our daily routines, we all encounter a wide variety of promotion tools with the goal of communicating different types of information to us. To exemplify, at home we run into advertisements while watching TV, reading the newspaper, listening to the radio, or even reading through the water, electricity, or telephone bills. On the way to the office, similar communications are shown on bus sides, hoardings on roadsides, neon signs, banners, posters etc. While visiting a retail shop, communication takes the shape of traffic builders, displays of products, hangers, streamers, bins, etc. All forms of communication share information about a certain product or service of a company.

All of the above comprise just a few everyday samples of the different types of promotion tools a marketer can use. Before going any further, let's examine the definitions of the four main mechanisms of promotion. These include: advertising, personal selling, publicity and promotion. It is not possible for any single activity to be administered totally, without taking into account its links with other elements. This is why business enterprises usually implement all four of the elements. The relative significance of varying elements of the promotion mix differs from business to business.

Components of Promotion Mix

As mentioned earlier, the four components of promotion mix are: 1) advertising, 2) personal selling, 3) publicity, 4) sales promotion.



Fig. 11.4

- 1) **Advertising:** is any type of paid, non-personal communication carried out via mass media about a product, service by a recognized sponsor. It is made up of messages that are paid for by

recognized sponsors through channels (media) that are non-personal. Advertising carries a signature by way of a company or brand name. The media employed may be made up of magazines, newspapers, radio, bill-boards (hoardings), television, direct mail etc. Sponsors can be non-profit organizations (universities, colleges, and institutes), businesses, or individuals.

Personal Selling: Face-to-face communication between a buyer and seller is personal selling. The purpose of this person-to-person interaction is to convince the buyer to agree to a point of view, or to persuade the buyer to take some course of action. To put it simply, personal selling is a face-to-face process in which the seller finds out about the potential buyer's requirements and aims to fulfil them by making a sale. A salesperson has to be appropriately trained to build up and deliver a message to the potential buyer. Personal selling frequently requires a lot of travel by the salespeople and takes place outside the usual habitation. Thus, personal selling tends to become very costly. However, the high cost of personal sales is offset by its elasticity. Salespeople can adjust and adapt the presentation to fulfil the precise needs of the prospect (customer). Salespeople can also deal with the customer's protests as they come up. In personal selling, direct and nearly instantaneous feedback can be collected from the customers.

- 2) **Publicity:** Publicity is all about nurturing demand for a product or service, by producing commercially important news for a published medium, or getting positive presentation on radio, television, or stage. Differing from advertising, this type of promotion is not paid for by the sponsor.

Hence, publicity is news circulating in the mass media regarding an organisation, its products, policies, actions, personnel etc. It can be started by the media or the marketer, and is published or broadcast without cost for the media time and space to the business. Publicity is analogous to advertising, except that it is not paid for and delivers an unsigned message - even though it may be using the same mass media as advertising. When information regarding a company or a product is thought to be newsworthy, the mass media generally relays it free of charge. As such, the company being publicised does not pay nor does it create the specific message.

Publicity may be positive (favourable) or it can be negative (unfavourable), as the message is purely at the mercy of the media and not in control of the organization (or firm).

- 3) **Sales Promotion:** This is one way of interacting with the target audience, using a method that is not possible in other factors of the promotion mix. Sales promotion is described as "those promotional activities other than personal selling, advertising, and publicity that are intended to stimulate buyer purchases or dealer effectiveness in a specific time period." Hence, sales endorsement is any action that generates motivation for a designated period of time to get a desired reaction from the target audience or intermediaries (wholesalers and retailers). Some examples of endorsements include special offers, discounts, gifts, coupon deals, trade shows, demonstrations, contests, etc. The aim of sales endorsement programmes is to supplement advertising and personal selling messages made available by an organisation.

The Comparison of the Components of Promotion Mix

These endorsement efforts fall into two main groups made up of:

- 1) face-to-face communication
- 2) indirect communication via a mass medium, such as, television, radio, newspapers, etc.

At times, a mix of personal (direct) and non-personal (indirect) endorsements can be used, as we will see in the case of sales promotion. The character of the message and the circumstance in which it is conveyed affect the method that is to be used. For example, an industrial purchaser will not decide to buy apparatus, simply on the basis of advertisements or direct mail. More emphasis will be assigned to personal selling in this case. Conversely, someone buying toothpaste or soap will not have much contact with company salespersons, and so will more likely be influenced by advertisements.

An amalgamation of all the elements of promotion mix is essential to unite the information needs of all the target customers. This simply means that promotion mix is not intended to fulfil the needs of only potential buyers and nor is it only designed to meet the needs of recurrent buyers. Various elements of the mix may be aimed towards the target customer who is not aware of the product, whereas others may be pointed at potential customers who are very aware of the product and will probably buy it.

Assume you are interested in buying a personal computer. Due to your interest in the product, you start paying attention to computer advertisements in magazines and newspapers. You might even read reports in the media regarding personal computers by experts (publicity). You may additionally start to take part in training programmes or demonstrations. You may even contact the salespersons of various computers to learn about the features and benefits they claim to offer.

Based on all the collective information, you may finally buy a specific brand. Now, you are ready to answer a query; which angle of the promotional mix helped you to decide to purchase the brand you selected? You might say that the salesperson's expertise was the main persuasive factor, but the fact remains that all elements of the mix played their role in producing a sale. That is why, in order to receive a better reaction from the targeted customers, you have to use all four factors of the promotion mix. However, you should understand that the factors of the promotion mix have to be synchronized and incorporated, so that they emphasise and balance each other to create a blend that works well together.

The table below summarises the traits of the different factors of the promotion mix;

Table 11.1

Comparison of Various Components of Promotion Mix

S.No.	Factor	Advertising	Personal selling	Sales promotion	Publicity
1.	Mode of Communication	Indirect and non-personal	Direct and Face-to-Face	Indirect and non-personal	Indirect and non-personal
2.	Regularity	Regular and on-going	Regular and recurring	Not regular. Only short-term stimulation	Not regular. Only news-worth information
3.	Message flexibility	Generally uniform and unvarying	Personalised and adopted to the prospect	Generally uniform and unvarying	Beyond the marketer's control
4.	Feedback	Indirect, if any	Direct. Feedback from prospect	No feedback. Indirect, if any	No feedback. Indirect, if any
5.	Control over message content	High control	High control	High control	No control
6.	Sponsor	Has identified sponsor	Has identified sponsor	Has identified sponsor	Has no sponsor
7.	Cost per contact	Low to moderate	High	Variable	None
8.	Scope	Mass	Personal	Mass	Mass
9.	Advantages	Allows expressiveness & control over message	Permits flexible presentation and gains immediate response	Gains attention and has immediate effect	Has high degree of credibility
10.	Disadvantages	Hard to measure results	Costs more than all other forms per contact	Easy for others to imitate	Not as easily controlled as other forms

Factors which Affect the Promotion Mix

A number of different features impact the choice of factors in a promotion mix and the comparative importance of each feature. All factors that impact the promotion mix can be assembled into four groups as follows:

- 1) product related factors;
- 2) customer related factors;
- 3) organisation related factors;
- 4) situation related factors.

Product Related Factors

Factors related to products include:

1. the quantity and intricacy of product information to be communicated;
2. the stage of the product in the product's life - cycle;
3. product type and unit price.

The Amount and Complexity of Product Information: Generally, the emphasis in advertising is to pass on a simple idea, or to make consumers aware of a product whose characteristics are observed easily. Advertising is also employed for products that customers are familiar with. Personal selling and sales promotion are thought to be more beneficial when looking to reveal more complicated ideas. For instance, in the case of consumer goods, such as, television sets, mixers, music systems, computers, etc., personal dealings allow consumers to try the products out and make direct inquiries.

Stage of the Product in the Product Life-cycle (PLC): During the introductory stage of PLC, the main promotion purpose is to generate awareness and curiosity for the product. Wide-ranging advertising, sales promotions and publicity aid in connecting with potential consumers and encouraging trial buying. Personal-selling is helpful in reaching intermediaries (wholesalers and retailers). When competition begins to build in the growth stage, the focus of endorsements shifts to singling-out the product (brand) by showing its benefits over competing brands.

Promotion at this point becomes increasingly convincing, in order to build up and sustain brand loyalty *and* to guarantee repeated buying. Since a greater number of individuals are giving the product a try and using it, advertising is a more cost-effective way of reaching the target customers. As competition becomes more intense in the mature stage of PLC, promotion efforts are usually at their greatest levels. Messages of promotion turn more aggressive and advertising becomes more important, compared to other elements of the promotion mix. The product is modified to discourage the entry of new competitors in the market, which can also spur new promotion efforts. Promotion is normally cut to the bare minimum in the declining stage. Whatever smaller promotional activities are conducted at this point are generally carried out by intermediaries.

Product type and unit price:

There is typically a link between the promotion of a product, the kind of product and its unit cost. There is more stress on advertising less costly, frequently purchased consumer products, such as, soaps, toothpastes, razor blades, food items etc. While more complicated goods (industrial products like generators, machinery etc.) that have a greater unit price need more personal selling efforts.

Customer Related Factors

Two kinds of consumer-related issues that have an effect on the promotion mix are:

- 1) Characteristics of the target market
- 2) The type of buying decision.

1. **Characteristics of the Target Market:** Normally, non-personal endorsements (advertising and publicity) are more appropriate for eventual consumers. Meanwhile, personal selling is comparatively more valuable for organisational buyers. With the increasing size of a target market, the non-personal type of promotion takes on a more relevant form. However, as the size goes up, the market becomes more varied (i.e. it becomes more assorted in terms of sex, income, age, occupation, lifestyles, etc.). So, the marketer has to partition markets and create different promotional messages for different market segments.
2. **Types of Buying Decision:** Buying decisions exist in two forms: customary decisions and complex decisions. Normally, consumers making regular, routine decisions do not pay much attention to marketing information. If they go about buying routine items from a specific brand, promotion concentrates on reminding customers that the brand is better than other brands.

With complicated decisions, like in the case of purchasing major items and domestic devices, the endorsement has to include messages that are packed with relevant information. Also, it has to be modified for the consumer's main requirements and desires. At the same time, the promotions of competitor's products and services have to be considered. Once the purchase is made, the consumer has to be reassured that they made the right purchase, perhaps by following through with letters, or even salespeople's personal visits or phone call.

Organisation Related Factors

There are two types of organizational factors:

- 1) Marketing channel and promotion strategies
- 2) Branding strategies.

Marketing Channel and Promotion Strategy:

Marketing channel and promotion strategy is associated with the marketer's choice of tactics to build sales. They must decide between:

- (i) A Push Strategy
- (ii) A Pull Strategy.



Fig. 11.5

- i. **A push strategy** is where the manufacturer vigorously endorses goods to intermediaries, and intermediaries in turn actively endorse them to the final buyers. To put it simply, each channel member (including the manufacturer) conducts its own endorsements to the next channel member in line. This strategy demands major emphasis on personal selling at the manufacturer's level, along with different kinds of sales endorsements techniques to target company salespeople and intermediaries.
- ii. **In the Pull Strategy**, the manufacturer concentrates endorsement efforts on the final buyer directly, instead of on intermediaries. Take, for instance, the case of a consumer product - the aim is to get customers to request the item from retail outlets, retailers then ask wholesalers, who in turn ask the producer for the given product. In this way, consumers "pull" the product through the marketing channel. A pull strategy demands a high level of promotion and different types of sales pleas directed towards final buyers. Examples would be coupons and premiums (free gifts). The pull strategy is suitable when a producer is looking to build a strong company image. This strategy also demands total knowledge of target markets, so that the ideal design and development can be put in place to appeal to such markets.

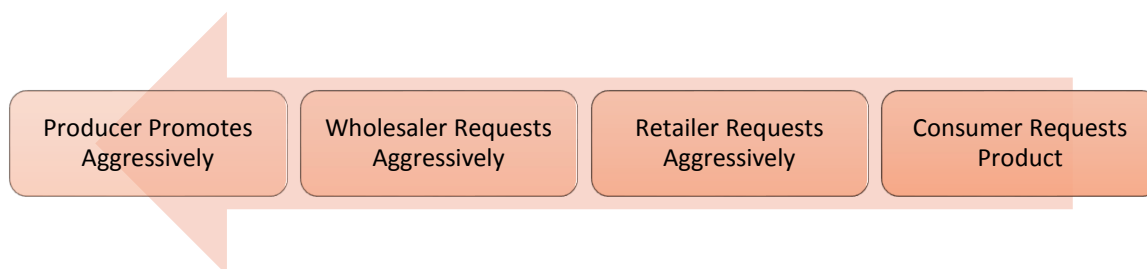


Fig. 11.6

In the majority of circumstances, marketers employ different combinations of push and pull strategies. Cosmetics industries for instance use company representatives to make calls to departmental stores, retailers and supermarkets to 'push' their goods through intermediaries by demonstrating their

products, putting up displays, etc. Manufacturers spend a lot of money on advertising and sales pleas (coupons and free samples, etc.) to 'pull' customers through the marketing channels.

- iii. **Branding Strategy:** An organization that takes on an individual branding policy depends greatly on endorsements to introduce the brand. An image has to be developed for instant recognition by both the customers and intermediaries. An amalgamation of personalized selling, advertising and sales endorsements will be required to craft the image and establish the brand. Family branding, conversely, needs comparatively minimal efforts to launch a new brand.
- iv. **Budget:** This is associated with the finances (money) the company has for endorsement. Naturally, the selection of endorsement components will be determined on the comparative expenses of reaching the desired customers with the type of promotional tool. Personalised sales, for instance, tend to be more costly for each contact than advertising. Sales endorsements can be costly or relatively cheap, depending on which type is utilized. Marketers make every effort to select the most advantageous combination, based on per £ contribution of the endorsement. Hence, the promotion combination selected is determined by the comparative cost and effectiveness of each of the elements in the chosen mix, along with the amount of capital available for this purpose.

Situation Related Factors

Two factors related to circumstances affect the promotion mix:

- 1) how noticeable the firm is and its legal, political and social surroundings
- 2) effect of competition.

Visibility of the Firm and Environmental Factors: Certain organisations are better-recognized in the public domain due to their goods, the position they hold in the industry (i.e. large vs. small), and the bearing they have on the economic, physical, or social existence of people in general. Firms like these prefer to project themselves as receptive to the needs of the environment. To succeed in this goal, such firms support activities that are of significance to wide-ranging public (e.g., the World Boxing Championship). Due to growing audience apprehensive with regard to conventional marketing, these organisations put up a great deal of money on civic dealings and publicity, above and beyond the funds and efforts used for endorsing their goods and services.

The Impact of Competition: Quite often, firms have to equal or offset the endorsement activities of their opposition, in order to sustain or enhance their own market share. This way, the endorsement activities of these highly-recognised organisations are affected and swayed by the activities of their rivals.

Further Reading:

- ✓ *Marketing Express, (2011), By William Pride, O. C. Ferrell*
- ✓ *Marketing Management, (2006), By Rajan Saxena*
- ✓ *Professional Marketing and Advertising Essays and Assignments, (2014), edited by Tony Ma*