

Marketing communications and promotional tools

Objectives

After reading this chapter you should be able to:

- explain how marketing communications operate;
- plan a promotional campaign;
- explain how the elements of the promotional mix fit together to create a total package;
- select suitable promotional tools for achieving a given objective;
- understand what PR will do for you and what it will not do;
- explain the main pitfalls of defensive PR;
- plan a media event;
- understand the problems facing a public relations executive or agent;
- formulate a suitable PR policy for a given set of circumstances;
- plan an advertising campaign;
- formulate a brief for an advertising agency;
- explain the main criteria for writing advertising copy;
- understand what personal selling is intended to achieve for the firm;
- outline the main features of sales management;
- explain the role of word-of-mouth communication;
- explain how sponsorship helps in building a positive corporate image.

INTRODUCTION

This chapter is about communicating the organisation's messages to the public. The tools of communication (advertising, personal selling, PR and sales promotions) are the most visible aspects of marketing, and for some people represent the whole of marketing.

Communication requires the active participation of both the sender and the receiver, so the messages not only have to contain the information the organisation wishes to convey, but also must be sufficiently interesting to the consumers (or the organisation's other publics) for them to pay attention to it.

MARKETING COMMUNICATIONS THEORY

Communication is one of the most human of activities. The exchange of thoughts that characterises communication is carried out by conversation (still the most popular form of entertainment in the world), by the written word (letters, books, magazines and newspapers) and by pictures (cartoons, television and film).

Communication has been defined as a transactional process between two or more parties whereby meaning is exchanged through the intentional use of symbols.¹ The key elements here are that the communication is intentional (a deliberate effort is made to bring about a response), it is a transaction (the participants are all involved in the process), and it is symbolic (words, pictures, music and other sensory stimulants are used to convey thoughts). Since human beings are not telepathic, all communication needs the original concepts to be translated into symbols that convey the required meaning.

This means that the individual or firm issuing the communication must first reduce the concepts to a set of symbols, which can be passed on to the recipient of the message; the recipient must decode the symbols to get the original message. Thus the participants in the process must share a common view of what the symbols involved actually mean. In fact, the parties must share a common field of experience. This is illustrated in Figure 9.1.

The sender's field of experience and the receiver's field of experience must overlap, at least to the extent of having a common language. In fact the overlap is likely to be much more complex and subtle in most marketing communications; **advertisements** typically use references from popular culture such as TV shows, from proverbs and common sayings, and will often make puns or use half-statements, which the audience is able to complete because it is aware of the cultural referents involved. This is why foreign TV adverts often seem unintentionally humorous, or even incomprehensible.

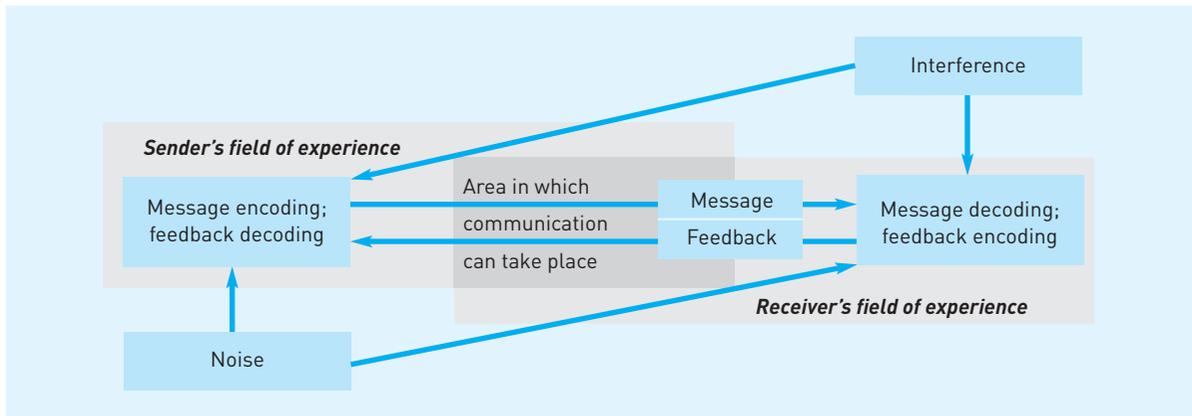


FIGURE 9.1 Model of the communication process

Noise is the surrounding distraction present during the communications process, and varies from children playing during the commercial break, through to arresting headlines in a magazine. **Interference** is deliberate attempts to distract the audience's attention with intelligent communications. For example, a car driver may be distracted away from a radio ad by another car cutting in (noise) or by seeing an interesting billboard (interference). For most marketing purposes the difference is academic.

The above model is essentially a one-step model of communication. This is rather over-simplified; communications do not necessarily occur in a single step in this way. Katz and Lazarsfeld² postulated a two-step model in which the messages are filtered through opinion leaders, and in most cases the message reaches the receiver via several routes. Sending the same message by more than one route is called **redundancy**, and is a good way of ensuring that the message gets through. Figure 9.2 shows this diagrammatically.

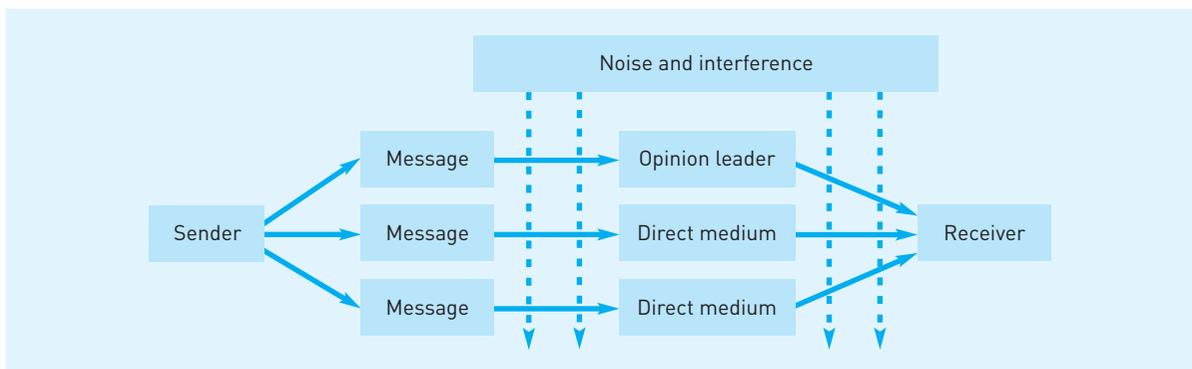


FIGURE 9.2 Redundancy in communication

In the diagram, the sender sends almost identical messages via different routes. The effect of noise and interference is to distort the message, and the opinion leader will moderate the message, but by using three different routes the meaning of the message is more likely to get through. This is the rationale behind the integration of marketing communications.

An alternative view of communication is that it is concerned with the co-creation of meaning.³ In this view, communication is not something which one person does to another; the communication is subject to interpretation by the recipient, and may even be ignored. Communication might be better thought of as involving an initiator, an apprehender, and appreciation: acceptance of a common meaning arises from the apprehender's choice, not from the initiator's intention.⁴

SIGNS AND MEANING

A **sign** is 'anything that stands for something (its object) to somebody (its interpreter) in some respect (its context)'.⁵ Signs fall into three categories, as shown in Table 9.1.

TABLE 9.1 Categorising signs

Type of sign	Definition	Example
Icon	A sign that looks like the object, or represents it visually in a way that most people would relate to.	A drawing of someone relaxing on a beach would signify a holiday to most people, even if this were not their own favourite type of holiday.
Index	A sign that relates to the object by a causal connection.	A sweaty athlete coming into a locker room relates to a drink; most people are familiar with the idea of being thirsty after playing sport, even though the drink itself is not shown.
Symbol	An artificial sign which has been created for the purpose of providing meaning.	Most people are familiar with the intertwined arrows used to denote recyclable or recycled materials. This conveys an image of 'greenness' to the products it appears on.

The most obvious symbols are, of course, words. Words have meanings only as they are interpreted by people – and over long periods of time, even words change their meanings. For example, ‘nice’ has come to mean polite, pleasant or enjoyable, yet 150 years ago it meant ‘precise’. Meanings of words can be *denotative*, i.e. having the same meaning for everybody, or *connotative*, i.e. having a meaning which is unique to the individual. Although everybody knows what ‘strawberries’ are (denotative), some individuals are allergic to them and might associate the word with the allergy (connotative).

Because connotative meanings vary among individuals, marketers need to develop empathy with their target audiences. This is easiest when the marketer and the audience are as similar as possible in terms of background and outlook. Semiotics, syntactics and semantics are fields of study that enable us to ensure that the correct meanings are attributed to symbols.

Semiotics

Semiotics is really more of a theoretical approach than an academic discipline,⁶ and uses spoken language as the prime example of a sign system (although it is not limited to language). Semiotics pays attention to the reader (or observer) since meaning can only be derived socially; it is an interaction between the reader and the text. In the first instance, texts are created by reworking signs, codes and symbols within the particular sign system in order to generate myths, connotations and meanings. The social process involved generates pleasure as well as cognitive (or rational) activities.

For example, a film (or indeed a TV advert) uses the sign systems of the spoken word, the actions of the actors, the music of the soundtrack and the conventions of direction and production to generate its meaning. The viewer will then filter the information and add it to his or her pre-existing attitudes, knowledge and prejudices in order to create a meaning. In this sense all communication is interactive to the extent that the observer edits and mutates the meanings offered.

Semiotics is an attempt to show how meaning is produced within a social context, implying that meaning is not produced by an individual but is subject to power plays, struggle and interpretation, much like any other social interaction.

Syntactics

Syntactics is about the structure of communications. Symbols and signs change their meanings according to the syntax, or contexts, in which they appear. For example, a road-safety poster showing a 10-year-old girl holding her father’s hand to cross the road has a different meaning from that of the same 10-year-old holding her 4-year-old brother’s hand. The girl means something different in each poster: in the first instance she is the protected person and in the second she

is the protector, but there are greater connotations of vulnerability in the second example, which might make this poster more effective in alerting drivers to the dangers of children crossing the road.

Equally, the same word can have different meanings in different sentences, or the whole advertisement can acquire a different meaning when seen in different locations.

Semantics

Semantics is concerned with the way words relate to the external reality to which they refer. It is not actually about the study of meaning (although this is a common misconception), but is really concerned only with the appropriateness of the words themselves.

In fact, communication is carried out in many other ways than the verbal or written word. Only 30% of communication uses words; people (and companies) communicate by pictures, non-verbal sounds, smell, touch, numbers, artefacts, time and kinetics. Many of these media are used by marketers – for example, women’s magazine sometimes have scratch-and-sniff cards that contain new fragrances, and charities sometimes send out free pens to prospective donors so that they can more easily fill in direct-debit contribution forms. Table 9.2 shows some of the ways these silent communication methods are used by marketers.

TABLE 9.2 Silent communications

Medium	Example
Numbers	The Porsche 911 is an example; there is an implication that the car is the latest in a long series (although Americans might associate 911 with the emergency telephone number).
Space	An image of a man and a woman standing close together implies that they are lovers; likewise an image of wide open spaces implies freedom.
Artefacts	Images of what people own imply their social status. Also, small gifts and free samples convey a small obligation to the recipient.
Time	Images of people in a hurry might imply success and energy to Northern Europeans and Americans; to an African it would imply somebody who has no time for other people and is arrogant.
Kinetics	People who are walking (or running) imply a fit and active lifestyle; those who are gesticulating with their hands imply intellectual discussion, or argument.

A brand is a type of sign; the brand name, logo and image of the brand convey information to the observer. Conveying the brand image (see Chapter 6) to the consumer is one of the major roles of marketing communications. Establishing the brand name in the market is therefore a realistic first move in the communications process.

DEVELOPING COMMUNICATIONS

Developing effective marketing communications follows a six-stage process, as follows:

- 1 *Identify the target audience.* In other words, decide who the message should get to.
- 2 *Determine the response sought.* What would the marketer like members of the audience to do after they get the message?
- 3 *Choose the message.* Write the copy, or produce an appropriate image.
- 4 *Choose the channel.* Decide which newspaper, TV station or radio station the audience uses.
- 5 *Select the source's attributes.* Decide what it is about the product or company that needs to be communicated.
- 6 *Collect feedback.* For example, carry out market research to find out how successful the message was.

Communication is always expensive: full-page advertisements in Sunday colour supplements can cost upwards of £11 000 per insertion; a 30-second TV ad at peak time can cost £30 000 per station. It is therefore worthwhile spending time and effort in ensuring that the message is comprehensible by the target audience. Communications often follow the **AIDA** approach:

- A Attention
- I Interest
- D Desire
- A Action

This implies that marketers must first get the customer's *attention*. Clearly, if the receiver is not 'switched on' the message will not get through. Secondly, the marketer must make the message *interesting*, or the receiver will not pay attention to it. This should, if the message is good, lead to a *desire* for the product on the part of the receiver, who will then take *action*. Although this is a simplistic model in some ways, it is a useful guide to promotional planning; however, it is very difficult to get all four of these elements into one communication. For this reason, marketers usually use a mixture of approaches for different elements called the **promotional mix**.

THE PROMOTIONAL MIX

The basic promotional mix consists of advertising, **sales promotion**, **personal selling** and **PR**. When the concept of the promotional mix was first developed, these were the only elements available to marketers, but in the past 40 years more promotional methods have appeared which do not easily fit within these four categories. For example, a logo on a T-shirt might be considered as advertising or as public relations. For the purposes of this book, however, the original four components are still considered to be the main tools available to marketers.

The important word here is 'mix'. The promotional mix is like a recipe, in which the ingredients must be added at the right times and in the right quantities for the promotion to be effective. Figure 9.3 shows how the mix operates. Messages from the company about its products and itself are transmitted via the elements of the promotional mix to the consumers, employees, pressure groups and other publics. Because each of these groups is receiving the messages from more than one transmitter, the elements of the mix also feed into each other so that the messages do not conflict.

The elements of the promotional mix are not interchangeable, any more than ingredients in a recipe are interchangeable; a task that calls for personal selling cannot be carried out by advertising, nor can public relations tasks be carried out by using sales promotions. Promotion is all about getting the message across to the customer (and the consumer) in the most effective way, and the choice of method will depend on the message, the receiver and the desired effect.

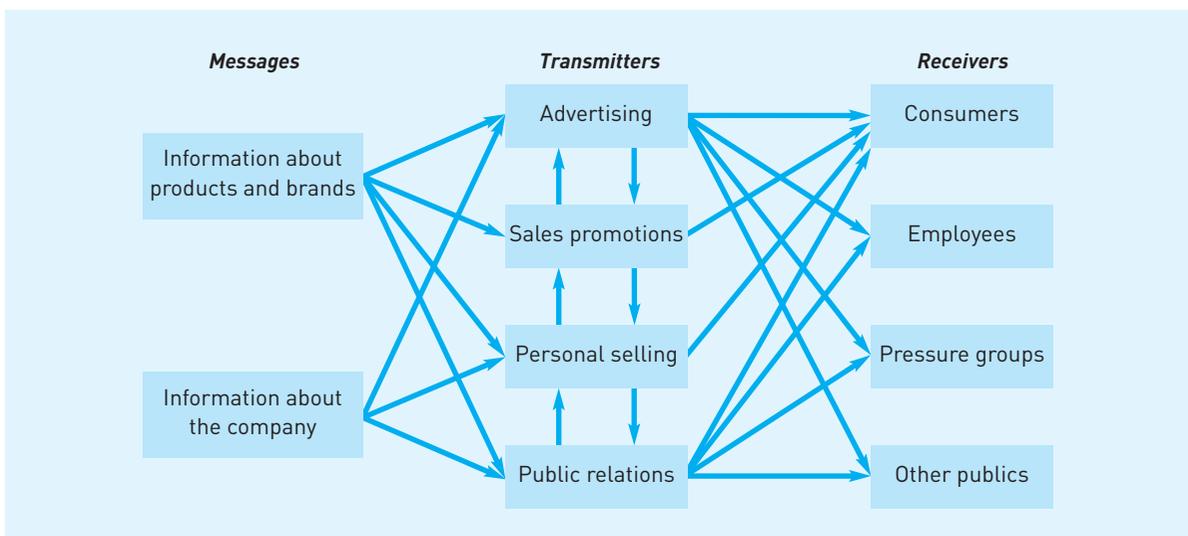


FIGURE 9.3 The promotional mix

MANAGING ADVERTISING

Advertising is defined as ‘a paid message inserted in a medium’. This definition can be broken down as follows:

- *Paid*: news about a company or its products is not necessarily advertising; sometimes a medium (television, radio, newspaper or magazine) will carry a message about a company in the form of a news item, but this is not advertising unless the space is paid for.
- *Message*: there must be some kind of communication intention in an advertisement, however obscure.
- *In a medium*: the message must appear in a newspaper, magazine, billboard or broadcast medium. Leaflets through doors, company names printed on T-shirts, and telephone selling are not necessarily advertising (but they are promotion).

Most advertising works below the conscious level. People are often familiar with a brand name, and even know a lot about the product, without being able to remember where they saw the product advertised. Advertising is a *non-personal* communication, in that it has to speak to a large number of people, so the message has to be clear for all the target audience to understand. Research by Farris and Buzzell⁷ indicates that the proportion of promotional spending devoted to advertising is higher under the following conditions:

- The product is standardised, rather than produced to order.
- There are many end users (for example most households).
- The typical purchase amount is small.
- Sales are made through channel intermediaries (such as retail shops) rather than direct to users.

For example, a company selling detergents will spend the largest proportion of its promotional budget on advertising, probably on TV and in the press, whereas a company selling cars will spend a relatively higher proportion of its money on salespeople’s salaries and commission. During 1999 Procter & Gamble was the biggest spender on advertising in the United Kingdom,⁸ far outranking any car companies. This is not to say that car companies do not advertise heavily as well, of course, merely that the emphasis is elsewhere.

TV and video remote controls allow viewers to ‘zap’ the commercial breaks, and newspaper and magazine readers quickly become adept at flipping past the ads. This means that the consumer’s attention is hard to get. It is not usually possible to cover all of AIDA in one ad, so marketers usually spread the load over several types of promotion.

For this reason, there are many different categories of ad campaign. Here are some examples:

- **Teaser campaigns.** Here the advertiser runs an initial advertisement that is meaningless in itself. Once the advertisement has run for a few weeks, the advertiser runs a second ad which explains the first one. The first ad is intended to get the consumer's attention by being mysterious. An example is the series of advertisements for the Internet service provider Totalserve. The adverts mimicked ads for fast-moving consumer goods such as smoking cures and disinfectants, without actually saying what Totalserve does; after four weeks or so, the company revealed its true identity.
- **Lifestyle campaigns.** These associate the product with a desirable lifestyle. Many perfume ads have taken this approach, showing women leading interesting or exciting lives. Lifestyle campaigns are mainly about positioning the product in the consumer's mind, and linking it to a desirable lifestyle.
- **Rational campaigns** appeal to the consumer's cognition. These advertisements are heavy on facts, and seek to persuade by rational argument. Often an authoritative figure (a doctor, dentist or scientist) appears in the ad in order to lend greater weight to the arguments. Typically this style is used for medicated shampoos, acne creams, and over-the-counter medicines.

Advertising is mainly about getting the consumer's attention and arousing interest (the A and I of AIDA). To stimulate desire and action, marketers often link a special offer (sales promotion) to the ad.

Advertising is always culturally based. This means that an advertisement shown in one country, or aimed at a particular audience, is unlikely to work for consumers in other countries, or for a different audience. In practice, very few companies use completely standardised advertisements across national borders; research among 38 multinational corporations showed that only four used a completely standardised advertisement worldwide (although most of the others had recognisable similarities in the advertisements).⁹

Advertising can often be over-used because firms place greater faith in it than is perhaps justified. There is an underlying assumption that a bigger advertising spend will inevitably lead to a greater sales volume. Table 9.3 contains a checklist for making decisions about advertising.

Of course, the checklist in Table 9.3 should also include a monitoring and review procedure to ensure that the advertising has achieved its objectives.

Advertising can be used for the following purposes:

- *To help the salesforce to open sales.* For example, an ad may contain a reply coupon for a brochure, which the salesperson can follow up.

TABLE 9.3 Advertising decision-making checklist

Question	Explanation
Does the product possess unique, important features?	Homogeneous products such as salt, petrol and cigarettes require considerably more advertising effort than differentiated products such as cars or holiday resorts. The product must not only be different, but the consumers must believe that those differences are important.
Are hidden qualities important to buyers?	If the product can be judged by looking at it or trying it out, advertising has less of a role to play than if there are features that are not apparent to the naked eye. For instance, the Pentium computer chip has been successfully advertised because it would not be immediately apparent to a computer purchaser that the machine has one.
Is the general demand trend for the product favourable?	If the product category is in decline, advertising will be less effective than if the category is generally increasing its sales.
Is the market potential for the product adequate?	Advertising will work only when there are enough actual or potential users of the product in the market. This is because advertising is a mass medium; much of the spend is wasted on advertising to people who will not be interested anyway.
Is the competitive environment favourable?	A small firm would have great difficulty competing with a large firm in terms of getting the message through. Advertising will not be sufficient when competing against a company with a large market share and correspondingly large budget.
Are general economic conditions favourable for marketing the product?	It is much easier to promote in times of rising prosperity, particularly for durable goods such as videos, cars, computers and household appliances. Such products are difficult to advertise successfully during a recession.
Is the organisation able and willing to spend the money required to launch an advertising campaign?	As a rule of thumb, if the organisation seeks to achieve a 20% market share, it must be willing to spend at least 20% of the total advertising spend of the industry on capturing that market. In other words, if the industry as a whole spends £5m per annum on advertising, the company must be prepared to commit at least £1m to the campaign.
Does the firm possess sufficient marketing expertise to market the product?	The company will need to co-ordinate all its activities, not just expect the advertisements to produce business. Not all firms possess this capability.

(Source: Adapted from Patti¹⁰)

- *To stimulate demand for the product category.* This is used by institutions, or firms that have a large market share: for example, the UK Meat and Livestock Commission advertises British pork on behalf of farmers and butchers.
- *To promote specific brands.* This accounts for most advertising activity.
- *To counteract competitors' promotional activities.* Often used to counteract a possible loss in market share due to a new competitor entering the market.
- *To suggest new ways to use the product.* Sherry importers Harvey's of Bristol ran a series of advertisements showing sherry served with various mixers in an effort to attract a younger group of consumers and reposition sherry as a pub drink.
- *To remind consumers about the product.* For example, advertisements for traditional Christmas foods are run during December.
- *To reinforce consumers' good feelings about the product.* For example, in the United Kingdom Tetley Tea is advertised using down-to-earth cartoon characters representing 'typical' Yorkshire people who have heart-warming personalities.

Advertising can also be used to improve awareness of the company itself. This type of advertising is called **institutional advertising** and is commonly carried out by very large firms such as BP or Ford. It is almost a **public relations** activity, but the media space is paid for. Most advertising is **product advertising**, which means the products are the main part of the ad.

Since advertising is a paid-for medium, there will be a budgetary constraint on the management as well as a creative constraint. The advertising manager must therefore carry out the planning functions shown in Table 9.4.

Following on from the planning stage, the advertisements themselves will need to be produced. Some firms do this themselves, but most large firms will use specialist advertising agencies. Ad agencies are paid via discounts from the media, so provided the advertising budget is big enough to interest an agency, their services cost the advertiser nothing. Typical agency discount is 15%.

Producing advertisements

Advertisements contain three key elements: the brand itself, the pictorial element, and the text. The pictorial element is superior for capturing attention, regardless of the size of the ad or the picture. The text element captures attention proportional to its size, and the brand element transfers attention to the other elements.¹¹

When writing advertising **copy** the primary rule is to keep it short and simple. This is because people will not read a lengthy advertisement. Equally, the headline of the ad is important because people frequently read only the headline, quickly skipping on as they realise it is an advert. Also, declining literacy skills mean that many people are actually unable to read and understand a long and complicated message.

TABLE 9.4 Advertising planning functions

Planning function	Explanation
Setting the budget	This can be done in four ways. Firstly, the objective and task approach involves setting <i>objectives</i> , and setting aside an appropriate amount of money to achieve the objectives. This method is difficult to apply because it is difficult to assess how much will be needed to achieve the objective. Secondly, the <i>percentage of sales</i> approach sets the budget as a percentage of sales. This is based on the false idea that sales create advertising, and usually results in less being spent on advertising when sales fall, thus reducing sales further. Thirdly, <i>the competition matching approach</i> means that the company spends the same as the competition: this means that the firm is allowing its budgets to be set by its enemies. Fourthly, there is the <i>arbitrary</i> approach whereby a senior executive (usually a finance director) simply says how much can be allowed within the firm's overall budgets. This does not take account of how the firm is to achieve the objectives.
Identifying the target	Deciding to whom the ad is to be directed. It is better to approach a small segment of the market than try to use a 'scattergun' approach on everybody (see Chapter 4).
Media planning	This is about deciding where the ads are going to appear. There are two main decision areas: the reach (number of potential consumers the ad reaches) and the frequency (number of times each consumer sees the ad) of coverage. The decision is frequently made on the basis of cost per thousand readers/viewers, but this does not take into account the impact of the ad or the degree to which people are able to skip past it.
Defining the objectives	Deciding what the ads are supposed to achieve. It is essential here to give the advertising agency a clear brief: 'We want to raise awareness of the product to 50% of the adult population' is a measurable objective. 'We want to increase sales as much as possible' is not measurable, so there is no way of knowing whether it has been achieved.
Creating the advertising platform	Deciding the basic issues and selling points that the advertising must convey. This clarifies the advertising agency briefing, or at least clarifies the thinking on producing the advertising materials.

For example, Figures 9.4 and 9.5 show two fictitious advertisements for a surfboard. The first is written factually, the second is written as an advertisement. The first ad clearly contains more information, and is really much more use to the consumer, but the second ad is much more likely to be read and acted upon because it has a more lively **execution format**. What the **copywriter** wants the consumers to do is go to the surfboard retailer and look at the SurfKing (this could be linked with a sales promotion). There is no need to tell the readers



SurfKing Surfboards are hand-made from the finest materials at our factory in Edinburgh.

They are used by some of the world's top surfers, and use the latest technology to ensure the maximum surfing pleasure.

They are available from all leading surf shops, or can be ordered direct from our mail office.

Please allow 14 days for delivery.

FIGURE 9.4 Factual advertisement for a surfboard



FIGURE 9.5 Simpler advertisement for a surfboard

everything in one advertisement. A surprising number of advertisements are written in the first style because the advertisers are trying to communicate everything about the product to the consumer without having first ensured that the consumer will read the ad.

Artwork should be eye-catching and relevant to the purpose. It is usually a good idea to include a picture of the product where this is possible, since it aids recognition when the consumer sees the product on the supermarket shelf. Much artwork is available off-the-shelf for smaller businesses, either from computer clipart folders or from books of non-copyright artwork.

Assessing advertising effectiveness

Four elements appear to be important in the effectiveness of advertising:

- awareness,
- liking,
- interest, and
- enjoyment.

There is a high correlation between brand loyalty and **brand awareness**;¹² likeability appears to be the single best predictor of sales effectiveness since likeability scales predict 97% of sales successes,¹³ interest clearly relates to likeability,¹⁴ and enjoyment appears to be a good indicator in advertising pre-tests.¹⁵

It is worthwhile making some efforts to find out whether the advertising has been effective in achieving the objectives laid down. This is much easier if clear objectives were set in the first place, of course, and if the advertising agency was given a clear brief.

Advertising effectiveness can be assessed by market research, by returned coupons, and (sometimes) by increased sales. The last method is somewhat risky, however, since there may be many other factors that could have increased the sales of the product. Table 9.5 shows some common techniques for evaluating advertising effectiveness.

SALES PROMOTION

Sales promotions are short-term activities designed to generate a temporary increase in sales of the products.

Sales promotion has many guises, from money-off offers to free travel opportunities. The purpose of sales promotion is to create a temporary increase in sales by bringing purchasing decisions forward and adding some immediacy to the

TABLE 9.5 Advertising effectiveness

Technique	Description and explanation
Pre-tests	These are evaluations of the advertising before it is released. Pre-tests are sometimes carried out using focus groups (see Chapter 5).
Coupon returns, or enquiries	The advertiser counts up the number of enquiries received during each phase of an advertising campaign. This allows the marketing management to judge which adverts are working best, provided the coupons have an identifying code on them.
Post-campaign tests (post-tests)	The particular testing method used will depend largely on the objectives of the campaign. Communications objectives (product awareness, attitude change, brand awareness) might be determined through surveys; sales objectives might be measured according to changes in sales that can be attributed to the campaign. This is difficult to do because of other factors (changes in economic conditions, for example) that might distort the findings.
Recognition tests and recall tests	In recognition tests, consumers are shown the advertisement and asked if they recognise it. They are then asked how much of it they actually recall. In an unaided recall test the consumer is asked which adverts he or she remembers seeing recently; in an aided recall test the consumer is shown a group of ads (without being told which is the one the researcher is interested in) and is asked which ones he or she has seen recently.

decision-making process. Sales promotions have four characteristics, as follows:¹⁶

- 1 *Attractiveness*. This is the degree to which the customer perceives the promotion as being desirable.
- 2 *Fit to product category*. A promotion which has no relationship with the product is less likely to appeal to customers.
- 3 *Reception delay*. If the promotional gift or discount will not arrive for some time, it is less attractive.
- 4 *Value*. High-value promotions work better than low-value ones, but it is the value as perceived by the customer which is important.

These characteristics interact with each other, so that an unattractive offer may still work if it is a good fit with the product category (for example).

Table 9.6 shows some of the techniques of sales promotion, and when they should be used to greatest effect.

TABLE 9.6 Sales promotion techniques

Sales promotion technique	When to use to best effect
Free 'taster' samples in supermarkets	When a new product has been launched on the market. This technique works by allowing the consumer to experience the product first-hand, and also places the consumer under a small obligation to buy the product. The technique is effective, but expensive.
Money-off vouchers in press advertisements	Has the advantage that the company can check the effectiveness of the advertising by checking which vouchers came from which publications. It tends to lead to short-term brand switching : when the offer ends, consumers frequently revert to their usual brand.
Two-for-the-price-of-one	May encourage short-term brand switching. Appeals to the price-sensitive consumer, who will switch to the next cheap offer next time. Can be useful for rewarding and encouraging existing customers.
Piggy-backing with another product: e.g. putting a free jar of coffee whitener onto a jar of instant coffee	Good for encouraging purchasers of the coffee to try the whitener. Can be very successful in building brand penetration, since the consumer's loyalty is to the coffee, not to the whitener. Will not usually encourage brand switching between the 'free sample' brand and its competitors. Can also use vouchers on the backs of labels of other products (see co-marketing in Chapter 8).
Instant-lottery or scratchcards	Commonly used in petrol stations. The intention is to develop a habit among motorists of stopping at the particular petrol station. In the United Kingdom, for legal reasons, these promotions cannot require a purchase to be made, or be linked to spending a specific amount, but few people would have the courage to ask for a card without buying anything.
Free gift with each purchase	Often used for children's cereals. Can be good for encouraging brand switching, and is more likely to lead to permanent adoption of the brand because consumers do not usually switch brands when buying for children. This is because the children are not price-sensitive, and will want their favourite brand.

Sales promotion will often be useful for low-value items, and is most effective when used as part of an integrated promotion campaign. This is because advertising and PR build sales long term, whereas sales promotion and personal selling tend to be better for making quick increases in sales. The combination of the two leads to the **ratchet effect**: sales get a quick boost from sales promotions, then build gradually over the life of an ad campaign.¹⁷

Care needs to be taken with sales promotions. Firstly, a sales promotion that is repeated too often can become part of the consumer's expectations: for example,

UK fast-food restaurant Pizzaland's promotional offer of a second pizza for a penny was so widely used that some consumers would not go to Pizzaland unless they had a voucher for the penny pizza. Eventually, Pizzaland was taken over by a rival firm and now no longer exists.

Secondly, brand switching as a result of a sales promotion is usually temporary, so it is unlikely that long-term business will be built by a short-term sales promotion.

Thirdly, the promotion will benefit consumers who would have bought the product anyway, so a proportion of the spend will have been effectively wasted (though this is true of most promotional tools). Good targeting can help overcome this, but care should be taken that existing customers do not feel that they have been unfairly dealt with because they did not receive the promotional offer.

Fourthly, discounting on price can seriously damage brand values because the product becomes perceived as being cut-price. Since price is widely used as a signal for quality, the potential for damage is obvious.

Sales promotions can be carried out from manufacturer to intermediary (*trade promotions*), from retailer to consumer (*retailer promotions*) or direct from the manufacturer to the consumer (*manufacturer promotions*).

Trade promotions can be used for the following purposes:

- *To increase stock levels.* The more stock the intermediary holds, the more commitment there will be to selling the stock and the less space there is for competitors' stock. (See push strategies in Chapter 10.)
- *To gain more or better shelf space.* The more eye-catching the position of the product in the retail shop, the more likely it is to sell.
- *To launch a new product.* New products always carry an element of risk for retailers as well as manufacturers (see Chapter 6). This means that the manufacturer may need to give the retailer an extra incentive to stock the product at all.
- *To even out fluctuating sales.* Seasonal offers may be used to encourage retailers to stock the products during slack periods. For example, the toy industry sells 80% of its production over the Christmas period, so it is common for firms to offer extra incentives to retailers to stock up during the rest of the year.
- *To counter the competition.* Aggressive sales promotion can sometimes force a competitor off the retailer's shelves, or at least cause the retailer to drive a harder bargain with a competitor.

Retailer promotions are used for the following purposes:

- *To increase store traffic.* Almost any kind of sales promotion will increase the number of people who come into the shop, but retailers would commonly have special events or seasonal sales.

- *To increase frequency and amount of purchase.* This is probably the commonest use of sales promotions: examples are two-for-one offers, buy-one-get-discount-off-another-product, and so forth.
- *To increase store loyalty.* Loyalty cards are the main example of this (although these have other uses – see Chapter 12). Using the loyalty card enables the customer to build up points, which can be redeemed against products.
- *To increase own-brand sales.* Most large retailers have their own brands, which often have larger profit margins than the equivalent national brands. Own-brands sometimes suffer from a perception of lower quality, and therefore increased sales promotion effort may need to be made. In fact, own brands help to increase sales of manufacturers' brands, but since heavy own-brand consumers contribute less to the retailer's overall profits (because they spend less overall) retailers might do better to encourage sales of manufacturers' brands as a way of encouraging bigger-spending customers.¹⁸
- *To even out busy periods.* Seasonal sales are the obvious examples, but some retailers also promote at busy times in order to ensure a larger share of the market.

Manufacturer promotions are carried out for the following reasons:

- *To encourage trial.* When launching a new product the manufacturer may send out free samples to households, or may give away samples with an existing product. (See Chapter 10 for pull strategies.)
- *To expand usage.* Sales promotion can be used to encourage re-invention of the product for other uses (see Chapter 6).
- *To attract new customers.*
- *Trade up.* Sales promotions can encourage customers to buy the larger pack or more expensive version of the product.
- *Load up.* Encouraging customers to stock up on a product (perhaps in order to collect coupons) effectively blocks out the competition for a period.
- *To generate a mailing list for direct marketing purposes* (for example by running an on-pack competition).
- *To enhance brand values* by (for example) running some types of **self-liquidating offers**. For example, a promotion offering a discounted wristwatch that carries the brand logo might encourage sales of the product as well as ensuring that the brand remains in the forefront of the consumer's attention.

Often, the gains made from sales promotions are only temporary, but in many cases this is acceptable since a temporary shift in demand is all that is required to

meet the firm's immediate need. Also, much sales promotion activity is carried out with the intention of spoiling a competitor's campaigns: using sales promotion to respond to a competitive threat, particularly by offering a price incentive, can be very fast and effective.

MANAGING PERSONAL SELLING

Selling is probably the most powerful marketing tool the firm has. A salesperson sitting in front of a prospect, discussing the customer's needs and explaining directly how the product will benefit him or her, is more likely to get the business than any advertising, PR or sales promotion technique available. Unfortunately, selling is also the most expensive promotional tool for the firm: on average, a sales representative on the road will cost a firm around £50 000 p.a. and will probably call on only 1600 prospects or so in that time, at best. Selling is therefore used only for high-order-value or highly technical products that need a lengthy decision-making procedure.

Some retail shop assistants are trained in selling techniques, in particular in shops where the customer needs advice, such as electrical goods outlets or shoe shops. In these cases the retailer may spend considerable time and effort in training salespeople both in the technicalities of the product range and in selling techniques. Selling is learned – there is no such thing as a 'born' salesperson, although (of course) some people have a greater aptitude for selling than do others.

Salespeople fall into four categories:

- **order takers**, who collect orders for goods from customers who have already decided to buy;
- **order getters**, who find solutions for new and existing customers and persuade them to buy;
- **missionaries**, who seek out new customers and prepare them to buy; and
- support staff such as technical salespeople who demonstrate technical products and persuade users to adopt them.

What the firm expects of its salespeople is that they will close business by persuading customers to buy the firm's products rather than a competitor's products. The firm wants its salespeople to be able to explain the benefits of the products in terms of the customer's needs, then ask for the order – in some industries, this results in a better than 50% success rate, which is of course vastly greater than the best advertising responses.

Salespeople have a bad reputation, largely undeserved, for being pushy and manipulative. In practice successful salespeople know that they are as much there to help the customer as to help the firm achieve its sales objectives. It is a common

saying among salespeople that it is easier to get another company than it is to get new customers, so salespeople find it pays to look after the customer's interests.

Good salespeople begin by finding out the customer's needs, and go on to decide which of the company's products will best meet those needs. The next stage is to give an explanation of the product's benefits to the customer, connecting these to the customer's needs. Finally the salesperson closes the deal by asking for the order. The process is the same as that conducted by marketers generally, except that the salesperson is dealing on a one-to-one basis rather than with a mass market. In this sense, selling can be seen as micro-marketing.

This means that the customer can 'pick the brains' of the salesperson, who presumably has superior knowledge of the products that are available. This can cut a lot of the effort out of the search for the most suitable product, and the salesperson can also help people through the decision-making barrier. Experienced salespeople often say that the hardest part of the job is to get a decision, not necessarily to get a sale.

The salesperson therefore combines knowledge of the product (obtained beforehand) with knowledge of the customer's needs (obtained during the presentation) and knowledge of sales techniques (which are aids to decision-making) to help the customer arrive at a decision.

MANAGING THE SALESFORCE

Possibly the most expensive marketing tool the company has, the salesforce is in some ways the hardest to control. This is because it is composed of independently minded people who each have their own ideas on how the job should be done, and who are working away from the office and out of sight of the sales managers.

Sales managers are responsible for recruitment, training, motivation, controlling and evaluating salesforce activities, and managing sales territories.

Recruitment

Recruitment is complicated by the fact that there is no generally applicable set of personality traits that go to make up the ideal salesperson. This is because the sales task varies greatly from one firm to another, and the sales manager will need to draw up a specific set of desirable traits for the task in hand. This will involve analysing the company's successful salespeople, and also the less successful ones, to find out what the differences are between them.

Some companies take the view that almost anybody can be trained to sell, and therefore the selection procedures are somewhat limited, or even non-existent; other companies are extremely selective and subject potential recruits to a rigorous selection procedure. Sources of potential recruits are advertising, employment agencies, recommendations from existing sales staff, colleges and universities, and internal appointments from other departments.

TABLE 9.7 Factors relating to length of training of sales staff

Factors indicating long training	Factors indicating short training
Complex, technical products	Simple products
Industrial markets with professional buyers	Household, consumer markets
High order values (from the customer's viewpoint)	Low order values
High recruitment costs	Low recruitment costs
Inexperienced recruits – for example, recruited direct from university	Experienced recruits from the same industry

Training

Training can be long or short, depending on the product and the market. Table 9.7 illustrates the dimensions of the problem. The role the salesperson is required to take on will also affect the length of training: *missionary salespeople* will take longer to train than order takers, and *closers* will take longer than *telephone canvassers*.

Typically, training falls into two sections: *classroom training*, in which the recruits are taught about the company and the products and may be given some grounding in sales techniques; and *field training*, which is an ongoing training programme carried out in front of real customers in the field. Field training is often the province of the sales managers, but classroom training can be carried out by other company personnel (in some cases, in larger firms, there will be specialists who do nothing else but train salespeople).

People tend to learn best by performing the task, so most sales training programmes involve substantial field training, either by sending out rookies (trainees) with experienced salespeople, or by the 'in-at-the-deep-end' approach of sending rookies out on their own fairly early in their careers. The latter method is indicated if there are plenty of possible customers for the product; the view is that a few mistakes (lost sales) will not matter. In industrial selling, though, it is often the case that there are fewer possible customers and therefore the loss of

even one or two could be serious. In these circumstances it would be better to give rookies a long period of working alongside more experienced salespeople.

Sales team learning is impacted by their perceptions of the organisation's readiness to change. Salespeople working for an organisation which has demonstrated the ability to adapt to new conditions are more willing to spend time learning new techniques and new products than they would be in organisations which rarely move with the times.¹⁹

Ultimately, of course, salespeople will lose more sales than they get. In most industries, fewer than half the presentations given result in a sale; a typical proportion would be one in three.

Payment

Payment for salespeople traditionally has a commission element, but it is perfectly feasible to use a *straight salary* method, or a *commission-only* method. Although it is commonly supposed that a commission-only salesperson will be highly

TABLE 9.8 Trade-offs in salespeople's pay packages

Mainly salary	Mainly commission
Where order values are high	Where order values are low
Where the sales cycle is long	Where the sales cycle is short
Where staff turnover is low	Where staff turnover is high
Where sales staff are carefully selected against narrow criteria	Where selection criteria for staff are broad
For new staff, or staff who have to develop new territories	For situations where aggressive selling is indicated (e.g. selling unsought goods)
Where sales territories are seriously unequal in terms of sales potential	Where sales territories are substantially the same

motivated to work hard, since otherwise he or she will not earn any money, this is not necessarily the case. Salespeople who are paid solely by commission will sometimes decide that they have earned enough for this month, and will give themselves a holiday; the company has very little moral power to compel them to work, since there is no basic salary being paid. Conversely, a salesperson who is paid a salary only may feel obligated to work in order to justify the salary.

Herzberg²⁰ says that the payment method must be seen to be fair if de-motivation is to be avoided; the payment method is not in itself a good motivator. Salespeople are out on the road for most of their working lives and do not see what other salespeople are doing – whether they are competent at the job, whether they are getting some kind of unfair advantage, even whether they are working at all. In these circumstances a commission system does at least reassure the salesperson that extra effort brings extra rewards. The chart in Table 9.8 shows the trade-offs between commission-only and salary-only; of course, most firms have a mixture of salary and commission.

Salespeople tend to judge whether their pay is fair or not by looking at factors other than the actual money.²¹ They tend to look at such factors as the fairness of their supervision, trust between themselves and the sales manager, and interactional fairness (negotiation and explanation). This is perhaps not surprising: the implication is that people only become concerned about their salary levels if they feel they are being unfairly dealt with or are unhappy in the job.

Motivation

Motivation, perhaps surprisingly, tends to come from sources other than payment. The classic view of motivation was proposed by Abraham Maslow.²² Maslow's Hierarchy of Need theory postulates that people will fulfil the needs at the lower end of a pyramid (survival needs and security needs) before they move on to addressing needs at the upper end (such as belonging needs, esteem needs and self-actualisation needs). Thus, once a salesperson has assured his or her basic survival needs, these cease to be motivators; the individual will then be moving on to esteem needs, or belonging needs. For this reason sales managers usually have a battery of motivational devices for salespeople to aim for.

For rookies (new salespeople), the award of a company tie might address the need to belong; for more senior salespeople, membership of a Millionaire's Club (salespeople who have sold more than a million pounds' worth of product) might address esteem needs. Many sales managers offer prizes for salespeople's spouses or partners. This can be a powerful incentive since salespeople often work unusual hours, and thus have disrupted home lives; the spouse or partner is sometimes neglected in favour of the job, so a prize aimed at them can help assuage the salesperson's natural feelings of guilt.

Sales territory management

Sales territory management involves ensuring that the salesforce have a reasonably equal chance of making sales. Clearly a home-improvement salesperson in a major city will have an easier task than one in a rural area, simply because of the shorter distances between **prospects**; such a salesperson would spend more time in presentations and less time driving. On the other hand, the city salesperson would probably face more competition and might also have to cover poorer homes who would be less likely to spend much money on improvements.

Territories can be divided *geographically* or by *industry*; IBM divides territories by industry, for example, so that salespeople get to know the problems and needs of the specific industry for which they have responsibility. IBM salespeople might be given responsibility for banks, or insurance companies, or local government departments. This sometimes means that salespeople have greater distances to travel in order to present IBM products, but are more able to make sensible recommendations and give useful advice. Geographical territories are more common, since they minimise travel time and maximise selling time.

It is virtually impossible to create exactly equal territories. Thus it is important to discuss decisions with salespeople in order to ensure that people feel they are being treated fairly. For example, some salespeople may be quite happy to accept a rural territory because they like to live and work in the country, even if it means earning less.

MANAGING PR

PR or public relations is about creating favourable images of the company or organisation in the minds of consumers. PR often involves creating a news story or event that brings the product or company to the public attention. A news story is more likely to be read than an advertisement, and is also more likely to be believed. PR differs from advertising in that the message is not paid for directly; the newspaper or magazine prints the story as news, and of course is able to slant the story any way it wishes to. PR people are often ex-journalists who have some contacts with the news media, and who know how to create a story that will be printed in the way the company wants it to be done. Newspaper editors are wary of thinly disguised advertisements and will only print items that are really newsworthy.

Public relations officers and marketers often have differing viewpoints: PR people tend to see their role as being about image-building with everybody who has anything at all to do with the firm, whereas marketers are concerned mainly with customers and consumers. There is therefore a lack of fit between the information-processing requirements of marketers and PR people.²³

Public relations is defined as 'the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its

publics: customers, employees, shareholders, trade bodies, suppliers, Government officials, and society in general'.²⁴ The PR managers have the task of co-ordinating all the activities that make up the public face of the organisation, and will have some or all of the following activities to handle:

- Organising press conferences.
- Staff training workshops.
- Events such as annual dinners.
- Handling incoming criticisms or complaints.
- Grooming senior management for the press or TV appearances.
- Internal marketing; setting the organisation's culture towards a customer orientation.

The basic routes by which PR operates are word-of-mouth, press and TV news stories, and personal recommendation. The aim is to put the firm and its products into people's minds and conversations in a positive way. Because the information appears as news, it tends to carry more weight. PR is not advertising, because it is not paid for directly (even though there is usually some cost attached in terms of paying somebody to write the press release, and also in creating a news story). Advertising can be both informative and persuasive, but PR is used for conveying information only.

Here are some examples of good PR activities:

- A press release saying that a company has developed a way of recycling garbage from landfills to produce plastics.
- The company sponsors a major charitable or sporting event (e.g. the London Marathon or a famine-relief project).
- An announcement that one of the firm's senior executives has been seconded to a major government job-creation programme.
- Body Shop requires all their franchise operations to run projects to benefit their local communities. This gives a positive image of the company to the community, and also gives the staff pride in working for a caring firm.
- McDonald's counters the negative publicity from environmental pressure groups by running litter patrols outside the restaurants.

These examples have in common that they are newsworthy and interesting, that they put the companies concerned in a good light, and that they encourage people to talk about the companies in a positive way.

Good PR can be much more effective than advertising for the following reasons:

- The press coverage is free, so there is better use of the promotional budget.
- The message carries greater credibility because it is in the editorial part of the paper.
- The message is more likely to be read, because while readers tend to skip past the advertisements, their purpose in buying the paper is to read the news stories.

Public relations and staff

PR is largely about sending information and creating the right image for organisations and products, but it is also concerned with creating favourable impressions in people's minds. It is rarely, if ever, connected with directly bringing in business, and in this respect it differs from the other tools in the promotional mix. Although most of the time and for most activities PR will be the responsibility of a press agent or PR officer, PR is the responsibility of everybody who comes into contact with people outside the organisation. This will include the 'front-liners', the people whose day-to-day work brings them into contact with outsiders. For example:

- receptionists;
- telephonists;
- truck drivers;
- warehouse staff;
- serving staff in the canteen.

This is apart from the marketing staff, such as salespeople, who come into contact with outsiders. In a sense, everybody in the organisation must take some responsibility for PR since everybody in the organisation goes home after work (and discusses their company with their friends).

In this context a bad approach to PR (but one that is all too common) is to hire somebody with a nice smile and a friendly voice to sit by the telephone to handle complaints and smooth over any problems that arise. This is a *fire-fighting* or **reactive** approach.

A good PR approach is to make all the staff feel positive about the company. This is done by ensuring that everybody knows what the organisation is doing, what the policies are and what the company's overall aims are, in simple language. Most people would like to think they are working for a good, responsible, successful organisation; it is part of the job of public relations to ensure that this is communicated to staff. This is sometimes done by using a slogan or company motto to sum up the company's main aim. Some examples are given in Table 9.9.

TABLE 9.9 Examples of company slogans

Example	Explanation
We're Number Two, So We Try Harder (Avis)	This communicates to staff that the company is among the biggest, but that their efforts to 'try harder' are recognised and appreciated. It also conveys a valuable image to the customers. This slogan has become so well-known that Avis have now reduced it to 'We try harder'.
<i>Créateur des Automobiles</i> (Renault)	The literal translation of this French phrase, Creator of Automobiles, may not mean much but the French phrase conveys an image of care and artistry – the cars are created, not manufactured.
<i>Putting the Community First</i> (Barnet Council)	Like many local government organisations, Barnet wants to reassure residents that they come first in its thinking. This slogan emphasises the community and implies that there is neighbourliness and solidarity within Barnet.

Internal PR uses staff newsletters, staff training programmes and staff social events to convey a positive image. Because most of the front-liners are working away from the company's headquarters, the PR process has to be handled by persuasion, not through diktat. It would be impossible for the PR staff to be everywhere at once, following people around to ensure that they say and do the 'right' things.

Public relations and the press

Usually, PR communicates through the news media. Newspapers and magazines earn their money mainly through paid advertising, but they attract readers by having stimulating articles about topics of interest to the readership.

Press releases

Typically, a PR manager or agent will be an ex-journalist who understands what is newsworthy and what is not, and will be able to issue press releases about the company that will be published. Table 9.10 shows the criteria under which the press stories must be produced if they are to be published.

TABLE 9.10 Criteria for successful press releases

Criterion	Example
Stories must be newsworthy, i.e. of interest to the reader.	Articles about your new lower prices are not newsworthy; articles about opening a new factory creating 200 jobs are.
Stories must not be merely thinly disguised advertisements.	A story saying your new car is the best on the market at only £7999 will not go in. A story saying your new car won the East African Safari Rally probably would.
Stories must fit the editorial style of the magazine or paper they are being sent to.	An article sent to the <i>Financial Times</i> about your sponsored fishing competition will not be printed; an article about the company's takeover of a competitor will.

The news media will, of course, reserve the right to alter stories, add to them, comment on them or otherwise change them around to suit their own purposes. For example, a press agent's great little story on the launch of Britain's most powerful sports car may become part of an article on dangerous driving. There is really very little the firm can do about this.

For this reason, a large part of the PR manager's job lies in cultivating good relationships with the media. Sometimes this will involve business entertaining, but more often it will involve making the journalists' lives as easy as possible. A well-written press release will often be inserted in the paper exactly as it stands, because the editorial staff are too busy to waste time re-writing something that is already perfectly acceptable.

The journals and newspapers gain as well. Normally editors have to pay for editorial, either paying freelance writers to produce articles, or paying the salaries of journalists to come up with interesting stories. A good press release can go in with little or no editing, and no legwork on the part of journalists, so it fills space with minimal cost to the paper.

Media events

Often companies will lay on a **media event**, a launch ceremony for a new product or to announce some change in company policy. Usually this will involve inviting journalists from the appropriate media, providing a free lunch with plenty of free drinks, and inviting questions about the new development in a formal press conference. This kind of event has only a limited success, however, unless the groundwork for it has been very thoroughly laid.

Journalists tend to be suspicious of media events, sometimes feeling that the organisers are trying to buy them off with a buffet and a glass of wine. This means they may not respond positively to the message the PR people are trying to convey, and may write a critical article rather than the positive one that was hoped for.

To minimise the chance of this happening, media events should follow these basic rules:

- Do not call a media event or press conference unless you are announcing something that the press will find interesting.
- Check that there are no negative connotations in what you are announcing.
- Ensure that you have some of the company's senior executives there to talk to the press, not just the PR people.
- Only invite journalists with whom you feel you have a good working relationship.
- Do not be too lavish with the refreshments.
- Ensure that your senior executives, in fact anybody who is going to speak to the press, has had some training in doing this. This is particularly important for TV.
- Be prepared to answer all questions truthfully. Journalists are trained to spot lies and evasions.

Journalists much prefer to be able to talk directly to genuine corporate executives rather than being allowed only to talk to the PR department; however, care should be exercised in ensuring that the executives spoken to are able to handle this type of questioning. It is also a good idea to have a press office that can handle queries from journalists promptly, honestly and enthusiastically and can arrange interviews with senior personnel if necessary.

PR and other publics

PR involves dealing with the company's other **publics**, apart from the consumers. These are typically the following groups:

- Shareholders, for whom the company will produce end-of-year reports, special privileges and so forth.
- Government departments, with whom the company will liaise about planned legislation or other government activities.
- The workforce.
- External pressure groups such as environmentalists or lobbyists.

Pressure groups can cause problems for companies by producing adverse publicity, by picketing company plants, or by encouraging boycotting of company products. This can usually be dealt with most effectively by counter-publicity.

Sometimes adverse publicity from pressure groups is dealt with by advertising. For example, McDonald's was attacked by environmental groups for indirectly encouraging the destruction of rainforests for the purpose of producing cheap beef. McDonald's responded with a series of full-page press adverts proving that beef for their hamburgers comes only from sources in the countries where it is eaten, and is not imported from the Third World.

Usually a journalist who is offered a story from a pressure group will respond by trying to get the other side of the story from the firm. This is partly for legal reasons, since newspapers can be sued for libel if they print stories that turn out to be untrue, but it is also because most journalists want to ensure the accuracy and fairness of their stories. This means that a firm's press office, a PR manager or even a senior executive may be asked for comment with little or no prior warning. It is therefore advisable to be as prepared as possible beforehand, and to answer as fully as possible in the event of being asked questions. However, it is better to delay comment than to say something that will make matters worse.

In these circumstances, it is better to use a phrase such as 'I'm sorry, I'll have to look into that and get back to you later' than to use the standard 'No comment'. The former phrase at least gives the impression that you are trying to help, whereas 'No comment' gives the impression that you are trying to hide something.

Defensive PR

Defensive PR is about responding to attacks from outside the firm and counteracting them as they arise. The attacks might come from pressure groups, from investigative reporters, or from members of parliament. The safest way to handle this type of attack is to begin by trying to understand the enemy, and to this end the following questions should be asked:

- Are they justified in their criticism?
- What facts do they have at their disposal?
- Who are they trying to influence?
- How are they trying to do it?

If the pressure group is justified in its criticisms, it may be necessary to help them to effect the changes in the organisation in order to quell the criticism. Otherwise the problem will simply continue. Good PR people will always respond in some way, however; as anyone who watches investigative reporters on TV will know, the company managers and directors who flee with a hasty 'No comment' always look guilty, whereas the ones who are prepared to be interviewed always appear honest (until the reporter produces the irrefutable evidence, of course).

Another aspect of defensive PR is crisis management. Some industries (for example airlines) are more prone to crises than others, but any company can be subject to bad publicity of one sort or another. A good approach to handling crises is to be prepared beforehand by establishing a crisis team who are able to speak authoritatively to the media in the event of a problem arising. The crisis team should meet regularly and should consider hypothetical cases and their responses to them. They should also ensure that they are immediately available in the event of a crisis occurring.

Proactive PR

Proactive PR means setting out deliberately to influence opinion, without waiting for an attack from outside. Here the manager will decide on the following:

- Whom to influence.
- What to influence them about.
- How to influence them.
- How to marshal the arguments carefully to maximise the impact.

Overall, it is probably better to be proactive rather than defensive (or reactive) because that way the PR office is in control of the process and is better-prepared. If the firm is planning on dumping toxic waste in a beauty spot, in other words, it is better to contact Greenpeace beforehand and get its opinion rather than suffer the inevitable protests afterwards and take a chance on being able to patch up any problems.

What PR will do

The following list tells you what good PR will do for your firm:

- Helps build a positive image.
- Can counter bad publicity.
- Can improve employee motivation.
- Can greatly improve the effectiveness of both your advertising and your salesforce.

On the other hand, here are some of the things that PR will *not* do for your firm:

- Directly increase sales.
- Cover up something adverse to your company.
- Replace your other promotional activities.

Ultimately, PR works best as part of a planned and integrated programme of promotional activities which includes advertising, sales promotion and personal selling. It works worst when used only occasionally, and in isolation.

Word-of-mouth

Word-of-mouth is probably the most powerful communication medium in existence, and can be used by marketers to good effect. The reasons for the power of word-of-mouth are as follows:

- It is interactive, involving a discussion between the parties. This forces the recipient to think about the communication. The problem for marketers is that the interaction takes place between parties who are not usually under the control of the firm.
- It allows for feedback and confirmation of the messages.
- The source, being a disinterested friend or acquaintance, carries a lot more credibility than any marketer-generated communications.

People often discuss products and services; they like to talk about their own recent purchases, to advise people considering a purchase, to show friends and family their latest acquisitions, and even to discuss controversial or interesting marketing communications. The problem for marketers is that people will talk about products and companies whether the firm likes it or not, and there is very little that firms can do to control the process. Word-of-mouth communications can therefore be positive or negative, and it often appears that bad news travels twice as fast as good news, so that much word-of-mouth is negative.

Table 9.11 shows some of the ways marketers can increase positive word-of-mouth. Part of the problem for the marketer lies in identifying the opinion leaders in a given market. Journalists, influential individuals and organisations in industry, and some prominent TV pundits are obviously easy to identify, but among the general public it usually takes careful research to identify the people who are likely to be opinion leaders regarding a particular product. The main characteristics of influentials are shown in Table 9.12.

TABLE 9.11 Ways to encourage positive word-of-mouth

Method	Explanation and examples
Press releases	A press release with a good, newsworthy story will usually stimulate discussion, particularly if it is linked to another promotion. For example, a press release announcing a sports competition for school squash players will generate word-of-mouth among squash players.
Bring-a-friend schemes	In these schemes an existing customer is invited to recruit a friend in exchange for a small reward. In some cases, the reward is given to the friend rather than to the introducer – some people feel uncomfortable about accepting a reward for ‘selling’ to a friend. For example, a health club might have special ‘bring a friend’ days when the friend is allowed to use all the facilities for free for a day. This gives the member a chance to show off his or her club, and encourages the friend to join.
Awards and certificates	Trophies and certificates are sometimes displayed, and often talked about. For example, Laphroaig Whisky distillery has a Friends of Laphroaig club, in which the members (regular drinkers of the whisky) are given a square foot of land on the island of Islay, and a certificate of ownership. The proud owners of this little piece of Scotland frequently mention it to their friends, especially when offering them a glass of the whisky itself. The distillers also invited the Friends of Laphroaig to nominate a friend to receive a free miniature of the whisky, on the grounds that the ‘Friend’ could be sure of a ‘dram’ when calling on the ‘friend’.
T-shirts	Promotional clothing often excites comment from friends: designer labels, names of bands, names of tourist destinations, and names of concert venues all provoke comment from friends and acquaintances.

TABLE 9.12 Characteristics of influentials

Characteristic	Description of influential
Demographics	Wide differences according to product category. For fashions and film-going young women dominate. For self-medication, women with children are most influential. Generally, demography shows low correlation and is not a good predictor.
Social activity	Influencers and opinion leaders are usually gregarious.
General attitudes	Generally innovative and positive towards new products.
Personality and lifestyle	Low correlation of personality with opinion leadership. Lifestyle tends to be more fashion conscious, more socially active, more independent.
Product related	Influencers are more interested in the specific product area than are others. They are active searchers and information gatherers, especially from the mass media.

Much word-of-mouth communication is, unfortunately, negative. Some authorities state that dissatisfied customers tell three times as many people about the product than do satisfied customers; if true, this means that preventing negative word-of-mouth is actually a more pressing problem for marketers than is generating positive word-of-mouth. Complaint-handling is therefore a key issue (see Chapter 3).

Sponsorship

Sponsorship of the arts or of sporting events is an increasingly popular way of generating positive feelings about firms. Sponsorship has been defined as 'An investment, in cash or kind, in an activity in return for access to the exploitable commercial potential associated with this activity'.²⁵

Sponsorship in the United Kingdom has grown from £4 million in 1970²⁶ to £35 million by 1980,²⁷ and £400 million by 1993.²⁸ Much of this increase in expenditure has come about because tobacco firms are severely restricted in what they are allowed to advertise, and where they are allowed to advertise it: thus sponsorship of Formula One racing and of horse racing and cricket matches by tobacco firms has become commonplace. Companies sponsor for a variety of different reasons, as Table 9.13 shows.²⁹

TABLE 9.13 Reasons for sponsorship

Objectives	% Agreement	Rank
Press coverage/ exposure/opportunity	84.6	1
TV coverage/exposure/ opportunity	78.5	2
Promote brand awareness	78.4	3
Promote corporate image	77.0	4
Radio coverage/ exposure/opportunity	72.3	5
Increase sales	63.1	6
Enhance community relations	55.4	7
Entertain clients	43.1	8
Benefit employees	36.9	9
Match competition	30.8	10
Fad/fashion	26.2	11

Sponsorship attempts to link beliefs about the sponsoring organisation or brand and connect them to an event or organisation that is highly valued by target consumers.²⁹

Sponsorship is not adequate as a stand-alone policy. Although firms can run perfectly adequate PR campaigns without advertising, sponsorship will not work effectively unless the sponsoring firm is prepared and able to publicise the link. Some researchers estimate that two to three times the cost of sponsorship needs to be spent on advertising if the exercise is to be effective.³⁰ In most cases it is necessary to spell out the reasons for the firm's sponsorship of the event in order to make the link clear to the audience; merely saying 'Official snack of the Triathlon' is insufficient. Since the audience is usually interested in anything about the event, it is quite possible to go into a brief explanation of the reasoning behind the sponsorship: for example, to say 'Our snack gives energy – and that's what every triathlete needs more than anything. That's why we sponsor the Triathlon.'

The evidence is that consumers do feel at least some gratitude towards the sponsors of their favourite events; whether this is gratitude *per se* or whether it is affective linking is hard to say, and the answer to that question may not be of much practical importance anyway.³¹ There are certainly spin-offs for the internal PR of the firm; most employees like to feel that they are working for a caring organisation, and sponsorship money also (on occasion) leads to free tickets or price reductions for staff of the sponsoring organisation.

Sponsorship appears to work best when there is some existing link between the sponsoring company and the event itself. In other words, a company that manufactures fishing equipment would be more successful sponsoring a fishing competition than it would in sponsoring a painting competition. More subtly, a bank would be better off sponsoring a middle-class, 'respectable' arts event such as an opera rather than an open-air rock concert. The following criteria apply when considering sponsorship:³²

- The sponsorship must be economically viable; it should be cost-effective, in other words.
- The event or organisation being sponsored should be consistent with the brand image and overall marketing communications plans.
- It should offer a strong possibility of reaching the desired target audience.
- Care should be taken if the event has been sponsored before; the audience may confuse the sponsors, and you may be benefiting the earlier sponsor.

Occasionally a competitor will try to divert the audience's attention to themselves by implying that they are sponsoring the event: this is called ambushing.³³ For example, during the 1998 World Cup it was common for firms to use World Cup events in their advertising or sales promotions without actually sponsoring anything to do with the event itself.

Sponsorship is likely to grow in importance in the foreseeable future. More credible than advertising, it is often cheaper and has important effects on both brand and corporate image; given the restrictions being imposed on advertising, particularly regarding tobacco, sponsorship has much to offer.

INTEGRATING THE PROMOTIONAL MIX

Communication does not necessarily create all its impact at once. A series of communications will move the recipient up a 'ladder' of effects, as shown in Figure 9.6. At the bottom of the ladder are those consumers who are completely unaware of the product in question; at the top of the ladder are those who actually purchase the product.

Given the differing nature of the consumer's involvement at each stage of the hierarchy, it is clear that no single communication method will work at every stage. Equally, not every consumer will be at the same stage at the same time; therefore it follows that several different communications approaches will need to run at once if the communications package is to work effectively.

- In the early stages of a product launch, moving consumers from *brand ignorance* to *brand awareness* will be largely the province of advertising. At first, the marketer needs to get the consumers' attention and prepare them for the more detailed information which is to follow. A teaser campaign is almost entirely concerned with creating awareness.

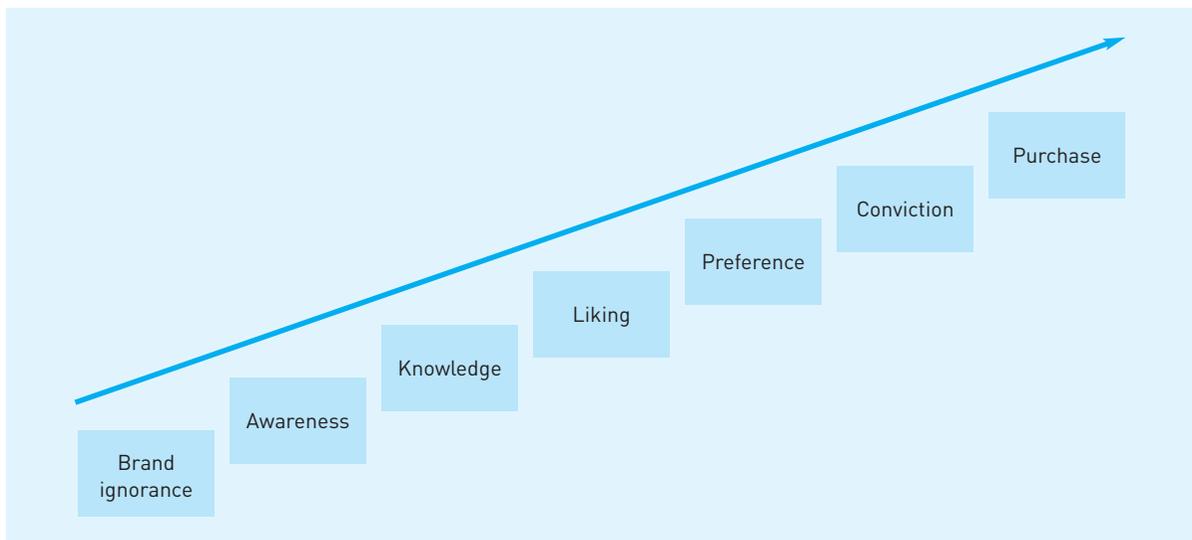


FIGURE 9.6 The hierarchy of communications effects

- Having made the target audience aware of the product, the next stage is to build *knowledge*. Again, mass advertising will play a major role, but if the product is complex it may be necessary to use **mailshots** or other more personal communications. This is because the emphasis is on providing information about the product: what it is, what it does, how it works and even that it works at all. In some cases an element of prior knowledge can be assumed: for example, most people would already know that fluoride is a good thing to have in toothpaste, not quite so many would know that it helps prevent tooth decay, and very few would know how it works.
- *Liking* for the product might come from trying it (perhaps through a sales promotion), or from reading positive news stories about it (PR), or from persuasive advertising. Liking is an attitude towards a product, and therefore has elements of affect, cognition and conation (see Chapter 3).
- *Preference* for the product implies comparison with other brands, so is very much concerned with positioning. An important point to note is that preference will come about only if the product matches up to (or exceeds) the claims made for it in the earlier advertising; if the claims made were inaccurate, unrealistic or simply misunderstood the consumer will be disappointed and will not buy the product again. Also, preference implies that the consumer will need to have sufficient knowledge of the pros and cons of other brands; salespeople will play a role in this part of the process if the product is a high-value one, since they will often be able to point out the drawbacks of competing brands.
- **Conviction** may come about only after several trials of the product (if it is a fast-moving consumer good) or after a lengthy discussion with a salesperson if the product is a high-value or high-involvement item. **Adoption** is the final stage of the process, when the consumer builds the product into his or her daily life.

There is likely to be some 'slippage' because it is not possible to expose all the target audience to the communication at the same time. Also, some consumers will already know more than others about the product category. Marketers will need to overlap the promotional effort to give maximum coverage.

One of the problems with the hierarchy of communications effects is that it implies that the process is invariably linear. This is not necessarily the case: an individual can become aware of a product and form an instant liking for it, without having detailed knowledge of the product. Equally, it is perfectly possible for a consumer to buy a product on impulse and form an opinion about it afterwards.

Having said that, the hierarchy of effects model is helpful in planning communications campaigns, since different communications methods and styles can be used according to the consumer's level on the hierarchy. For example, when a new product is introduced (or a product is introduced into a new market), few of the target audience will know anything about it.

PLANNING THE CAMPAIGN

Whether this stage comes before or after the budget-setting will depend on whether the marketer is adopting an objective-and-task policy or not. In most cases, though, planning the campaign in detail will come after the budget is known and agreed upon; few companies give the marketing department a blank cheque for promotional spending. Campaigns can be carried out to achieve many objectives; a new product launch was used in the example given earlier, but in most cases the products will be in the maturity phase of the product life cycle (see Chapter 6).

- Image-building campaigns are designed to convey a particular status for the product, and to emphasise ways in which it will complement the user's lifestyle. For example, Volvo promotes the reliability and engineering of the car rather than its appearance, thus appealing to motorists who prefer a solid, reliable vehicle. Marlboro cigarettes promote a masculine, outdoors image.
- **Product differentiation** campaigns aim to show how the product is better than the competitors' products by emphasising its differences. In most cases this will take the form of the **unique selling proposition** or **USP** for short. The USP is the one feature of the product that most stands out as different from the competition, and is usually a feature that conveys unique benefits to the consumer. Mature products often differ only very slightly from each other in terms of performance, so a USP can sometimes be identified in terms of the packaging or distribution. Of course, the USP will only be effective if it means something to the consumer – otherwise it will not affect the buying decision.
- Positioning strategies are concerned with the way consumers perceive the product compared with their perceptions of the competition. For example, a retailer may claim 'lower prices than other shops' or a restaurant may want to appear more up-market than its rivals.
- **Direct response** campaigns seek an immediate response from the consumer in terms of purchase, or request for a brochure, or a visit to the shop. For example, a retailer might run a newspaper campaign that includes a money-off coupon. The aim of the campaign is to encourage consumers to visit the shop to redeem the coupon, and the retailer can easily judge the effectiveness of the campaign by the number of coupons redeemed.

PUTTING IT ALL TOGETHER

To make the best use of the promotional effort it is worth spending time planning how it will all fit together. The recipe will need to be adapted according to what the product is and how the company wants to promote it.

The elements marketers need to consider are:

- size of budget;
- size of individual order value;
- number of potential buyers;
- geodemographical spread of potential buyers;
- category of product (convenience, unsought, shopping, etc.);
- what it is the firm is trying to achieve.

It is impossible to achieve everything all at once, so marketers plan the campaign as an integrated package. For example, Table 9.14 shows a product launch strategy designed to maximise penetration of a new food product.

Carrying out this kind of planning needs the co-operation of all the members of the marketing team. It is no use having the PR people doing one thing, and the salesforce doing something else that negates their efforts. If the campaign is to be effective it is important that all the team members are involved in the discussions so that unrealistic demands are not made of the team members.

TABLE 9.14 Example of a promotional calendar

Month	Activity
May	Press release to the trade press; retailers.
June	Sales campaign to persuade retailers to stock the product. Aim is to get 50% of retailers stocking the product, so the salesforce tells them a big ad spend is forthcoming. Run teaser campaign.
July/August	Denouement of teaser campaign. Promotion staff appear in major retail outlets offering free samples. Press releases to cookery writers, possibly reports on daytime TV if product is newsworthy enough.
September/ October	Once 50% retailer penetration has occurred, start TV campaign. Brief ad agency to obtain maximum <i>awareness</i> .
January/ February	Begin new campaign to <i>inform</i> . Possibly use money-off sales promotion, linked promotions, etc. Review progress so far using market research. Possibly some press releases, if the product is innovative enough, to the business/cookery press.

CASE STUDY 9: SELFRIDGES DEPARTMENT STORE

In 1909 Gordon Selfridge established a new department store in Oxford Street, London. He declared that Selfridges was 'for everyone', and for the next 90 years the store lived up to that promise of being London's premier department store.

By the mid-1990s, however, department stores in general and Selfridges in particular were losing ground to the smaller specialist stores, and to hypermarkets and edge-of-town retailers. Shopping in central London was losing some of its appeal – the impossibility of parking, the cost of public transport, the difficulty of carrying goods home afterwards, and many other problems meant that West End shopping was becoming the prerogative of tourists. For Selfridges, the problem was to move the store from 'famous building' status to 'famous brand' status ahead of plans to move the firm out into the regions of Britain. A key issue was to communicate the idea of shopping as entertainment, according to marketing director James Bidwell. 'We firmly believe in the power of the brand, as opposed to traditional department stores, where layout was historically dictated by product groupings,' Bidwell says.

After spending £100 million on redesigning the store layout, the company made radical changes in its corporate identity. Selfridges ran a major advertising campaign in the London area, based on the theme 'It's Worth Living in London'. The campaign did not feature any products at all (an unusual approach for a department store, or indeed any retailer), and the campaign was designed to communicate the idea that Selfridges is at the heart of metropolitan life. Selfridges' share of voice (the proportion of advertising it bought compared with other firms) was 8% in 1999, compared with Harrods' 18%, Harvey Nicholls' 2% and Liberty's 4%.

The company ran a series of PR events in-store, ranging from Spice Girls book signings, to club nights in the car park in conjunction with Kiss FM, a radio station, and collaborations with artists and designers through window displays. The store windows were turned over to establishing the Selfridges brand, rather than the usual purpose of displaying products for sale. The store ran a series of sponsorship initiatives with art galleries such as the Serpentine, Barbican and Hayward galleries.

All this effort paid off in terms of sales. Sales increased by 6% in the Oxford Street store, and by 23% in the new Manchester store, compared with UK sales growth of only 2% in the same period. People visiting the stores increased by 28% in London and 58% in Manchester, indicating further growth to come. The improvements did not go unnoticed on the stock market, either – share value grew 35%, indicating a new confidence in the store's ability to maintain its turnround.

Selfridges now has two stores in Manchester and a new store in Birmingham, and has plans to begin retailing on-line. From dowdy, old-fashioned department store, Selfridges has become a central feature of the cities it operates in – truly a store for everyone.

Questions

- 1 Why would Selfridges sponsor art galleries?
- 2 What was the role of PR in the turnaround?
- 3 What brand values do you think Selfridges were trying to convey?
- 4 Why run club nights in the car park?
- 5 How realistic is it to try to be a 'store for everyone'?

SUMMARY

This chapter has been about the ways companies communicate with their publics. In it, we have looked at the main promotional tools that marketers have at their disposal, and at the strengths and weaknesses of each of those tools.

Here are the key points from this chapter:

- Communications work best when there is feedback.
- It is essential for the sender of the message to have a common field of experience with the receiver.
- The AIDA model can rarely be achieved with one form of communication.
- The promotional mix is a recipe; the ingredients are not interchangeable.
- Publicity and PR are probably the most cost-effective promotional tools you have available.
- The media are interested only in newsworthy items, not in thinly disguised advertisements. PR works best when used as part of an integrated programme of activities.
- PR requires a long-term commitment to cultivating the media.
- It is advisable to invest in training anybody who may have to deal with the press, and even more so with TV.
- PR will only help publicise your good points; it will not give you what you have not got.
- Advertising is not the only way to increase sales, and may not even be the best way.

- Advertising needs to be planned and targeted to the right segment in order to avoid wasting money and effort on people who will not buy the product.
- People will not read long-winded advertisements.
- Artwork is more memorable than copy.
- Selling is about meeting the customer's needs with a suitable product from the range.
- Selling is learned, not somehow magically inborn.
- Sponsorship tends to have strong positive effects on both brand and corporate images.

CHAPTER QUESTIONS

- 1 How can sales promotions help a company's production planning process?
- 2 What are the main advantages of PR over advertising?
- 3 'The aim of marketing must be to make selling superfluous.' Discuss.
- 4 Which part of the AIDA model does personal selling best achieve?
- 5 What is the purpose of sponsorship?

MULTI-CHOICE QUESTIONS

- 1 Interference is:
 - (A) Extraneous non-intelligent clutter that distorts messages.
 - (B) Intelligent clutter that distorts messages.
 - (C) Distortion of messages by differences in culture.
- 2 Sending a message by several different routes is called:
 - (A) Multitasking.
 - (B) Redundancy.
 - (C) Integration.
- 3 An artificial sign created to provide meaning is called:
 - (A) An icon.
 - (B) A logo.
 - (C) A symbol.

- 4 Denotative meanings are:
- (A) Common to everybody.
 - (B) Specific to the individual.
 - (C) Common to all the signals in a given group.
- 5 The study of meaning in a social context is called:
- (A) Syntactics.
 - (B) Semiotics.
 - (C) Linguistics.
- 6 Semantics is the study of:
- (A) The meanings of symbols.
 - (B) The relationship between words and the external world.
 - (C) Communication.
- 7 AIDA stands for:
- (A) Action, involvement, decision and aftercare.
 - (B) Aversion, internalisation, deconstruction and acceptance.
 - (C) Attention, interest, desire and action.
- 8 An advertising campaign that seeks to engage the observer's thought processes is called:
- (A) A rational campaign.
 - (B) A teaser campaign.
 - (C) A lifestyle campaign.
- 9 A test carried out before an advert is screened is called:
- (A) A post-test.
 - (B) A pre-test.
 - (C) A recognition test.
- 10 A differentiation campaign is one that:
- (A) Seeks to promote the differences between the product and its competitors.
 - (B) Makes the advertising itself different, even if the products are homogeneous.
 - (C) Creates an artificial difference between the product and the campaign.

FURTHER READING

Marketing Communications: An Integrated Approach by P.R. Smith (London, Kogan Page, 1998) gives an excellent account of marketing communications in a practically orientated way.

Business-to-Business Marketing Communications by Norman Hart (London, Kogan Page, 1998) is very much a practical guide to marketing communications in the business-to-business environment.

Marketing Through Effective Communication by Don Booth (Tudor Business Publishing, 1992), Chapter 9. Some excellent advice for salespeople, covering appearance, approach and planning aspects. See also Chapter 11 on negotiation.

Marketing Communications by Jim Blythe (Harlow, Financial Times Prentice Hall, 2000) offers a more in-depth look at marketing communications theory and practice than is possible in this chapter.

How I Raised Myself from Failure to Success in Selling by Frank Bettger (London, Cedar Press, 1990; 1st edn, World's Work 1947). Anecdotes of a highly successful American salesman. This book is out of print at present, but if you can find a copy in a library or second-hand bookshop it makes riveting bedtime reading. A real classic!

GLOSSARY

Adoption Building a given brand or product into one's regular daily life.

Advertisement A paid insertion of a message in a medium.

AIDA Acronym for Attention, Interest, Desire and Action – the four stages of response to communications.

Aided recall The degree to which an individual can recognise an advertisement when it is shown to him/her.

Brand awareness The degree to which the consumer has knowledge of a given brand.

Brand switching The act of buying a different brand from the one usually purchased.

Conviction The belief that a given product will meet one's needs better than any other.

Copy The words used in advertisements.

Copywriter Individual who supplies the words for advertisements.

Direct response Promotions that include a coupon or telephone number for the customer to contact the manufacturer or service provider without going through intermediaries.

Execution format The overall style of an advertisement.

Frequency The number of times a given individual will see a given advertisement.

Icon A visual image directly connected with the object of the communication.

Index A sign that is indirectly associated with the concept being communicated.

Institutional advertising Advertising in which the company or institution is promoted rather than a specific product.

Interference Purposeful noise that interrupts communications.

Internal PR Public relations exercises aimed at the workforce and other stakeholders within the organisation.

Lifestyle campaign A series of advertisements showing a product being used as part of a desirable lifestyle.

Mailshots Postal communications intended to obtain business or appointments for selling interviews.

Media event A meeting held to announce corporate news, to which journalists are invited.

Missionaries Salespeople who seek to promote the company and its products to new prospects.

Noise Non-purposeful interference with communications.

Order getters Salespeople who provide solutions for new and existing customers from among the available product portfolio.

Order takers Salespeople who record and process purchase orders from people who had already decided to purchase.

Personal selling A person-to-person communication intended to meet a customer's needs at a profit.

Piggy-backing Promoting one brand by linking it to another, usually as a sales promotion.

Post-tests Testing of the effectiveness of advertising materials after they have been shown to the general public.

- Pre-tests** Testing of advertising materials before they are shown to the general public.
- Proactive PR** Public relations exercises undertaken as a result of internal planning within the organisation.
- Product advertising** Advertising in which a product category is promoted rather than an individual brand.
- Product differentiation** The features and benefits of a product that distinguish it from its near substitutes.
- Promotional mix** The combination of PR, advertising, personal selling and sales promotion leading to purposeful marketing communications.
- Prospects** Individuals who are prepared to talk to a salesperson about their needs.
- Public relations (PR)** Activities intended to convey an organisation's messages to its publics.
- Publics** All individuals and organisations who might have an impact on the company's activities.
- Ratchet effect** The phenomenon whereby an increase in sales resulting from a sales promotion tends to remain after the promotion ends.
- Rational campaign** An advertisement or series of advertisements using facts and figures in an authoritative way to appeal to the consumer's cognition.
- Reach** The number of people who are exposed to an advertisement.
- Reactive PR (defensive PR)** Public relations exercises undertaken as a response to outside pressures.
- Redundancy** Sending the same message via different routes to overcome the distorting effects of interference and noise.
- Sales cycle** The length of time between first contacting a prospect and closing the sale.
- Sales promotion** A temporary offer used to increase immediate sales.
- Sales territory** The geographical or industrial area allocated to an individual salesperson.
- Self-liquidating offers** Sales promotions in which the consumer makes a purchase of an associated product, the price of which more than covers the cost of the promotion.
- Sign** Anything that represents something, to somebody, in some respect.

Symbol A universally agreed sign that stands for the concept being communicated.

Teaser campaign An advertisement shown in two parts, each part some weeks or months apart, in which the hook line is in the second advertisement.

Unaided recall The degree to which an individual can remember an advertisement without being prompted.

USP (unique selling proposition) The feature or benefit of a product that no other product has.



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