

MAR 3023

Dr. Mike Brady

Exam 4 Review Sheet

## Module 4

### Marketing Communications

- Know what Promotion is and understand what the purposes of promotion are.
  - Promotion is the encouragement of the process, growth, or acceptance of something. The purposes are to influence, inform, or persuade a potential buyer's purchasing decision.
  
- Know the elements of the promotion mix (APPS) and be able to identify examples of each
  - Promotion Mix:
    - Advertising-** Paid, non-personal communication about and organization or products through mass media
  
    - Personal Selling-** Paid. Personal communication that seeks to inform customers and persuade them to purchase in an exchange situation
  
    - Public relations-** Broad set of communication efforts used to create/maintain favorable relationships
  
    - Sales Promotion-** Activity that is a direct inducement offering that adds value or incentive to resellers, sales people, and customers (ex: free samples, games, rebates)
  
- Know what integrated marketing communication (IMC) are and why companies use them
  - The coordination of promotion and marketing efforts for maximum impact; used for consistency across all promotional items in a company
  
- Know the difference between the traditional promotion mix and IMC
  - The main difference is that IMC is the coordination across all the promotion mix channels. The IMC puts advertising, personal selling, public relations, and sales promotion together for the best results and consistency. This also allows for maximum efficiency in the limited advertising space companies have access to.

- Know the goals of IMC and an example
  - o 1) Consistent message to customers: Knowing exactly who your target market is and developing your product around their needs and desires (ex: Coke Zero is aimed towards men)
  - o 2) Coordinate/manage promotional efforts: Use all different promotions to appeal to the same target market you want to excel within (Coke Zero sponsors NASCAR/College Gameday "manly events")
  - o 3) Synchronization of promotional elements: Synch promotional elements before coming out with a product rather than reinventing product as it develops (Coke Zero was originally made for men)
  - o 4) Use more precisely targeted promotional tools: Design your product in a way that it captures the attention of your target market (Coke Zero: black can, eliminated the word "diet")
  
- Understand the difference between a push and pull promotion strategy and be able to identify an example of each from a scenario
  - o Push Policy: Promoting a product only to the next institution down the marketing channel. Producer promotes to Wholesalers who promote to retailers who promote to consumers. (ex: trade shows)
  - o Push Money: known as "spiffs", An extra commission paid to retail employees to push products
  - o Pull Policy: Promoting a product directly to consumers to develop strong demand that pulls products through the marketing channel (ex: Ford Australia only produces a car when one is ordered by a customer)
  
- Understand the communication process and that messages are sent through channels and know what channels are
  - o The process that describes the exchange of information between two or more people. Messages are sent through channels such as letters, email, or in person
  
- Know the elements of the communication process: Source/sender -> encoding information -> message development -> media -> decoding -> feedback -> source/sender. Know what each of these are, parts of each, and what noise is.
  - o Source: The person/organization that has information to share. (Company, salesperson, celebrity)
  - o Encoding: The process of putting words, thoughts, messages into symbolic form in such a way that they will be understood by the receiver/consumer. (symbols are particularly good for this)

- o Media: Buzz Marketing- a subset of “viral marketing” wherein companies hire socially active consumers to promote products to their friends, relatives, and acquaintances.
  - o Decoding- the process of transforming the message back into thought.
  - o Feedback- the final piece of the communications process, the receivers response to the message (Can be difficult to assess; “Ad Age” rates top 100 ad campaigns)
  - o Noise- Anything that distorts the message
- Know the three parts/stages of response models
    - o Cognitive stage: The “thinking stage”, where the receiver becomes aware of the message
    - o Affective stage: The “feeling” stage, Where the receiver forms a liking or preference for the ad object
    - o Behavioral stage: The “doing” stage, Where the receiver acts on the preference
    - o AIDA model: developed for personal selling, represents the stages a salesperson must take a customer through to induce purchases. Attention, Interest, Desire, Action

### Advertising and PR

- Know what advertising is and what effective advertising can do for a company
  - o Advertising is a paid form of nonpersonal communication that is traditional to a target audience through mass media. When done properly advertising can influence the purchasing behaviors of the public.
- Understand different advertising mediums and an example of each
  - o Movies, TV, Video games (Product placement, mentions, interactivity)
  - o Newspaper, direct mail, magazines (coupons, flyers, classified ads)
  - o Sports (soccer, NASCAR, Volleyball)
- Know what advertising pervasiveness is and why it is so difficult for a company to get a customer to pay attention to their advertisement
  - o Advertising pervasiveness is a company trying to break through and have a customer remember their published ads because on average you will see 3,000 ads