
AaronWallis
Sales Recruitment



Sales Promotion

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Introduction

Sales Promotions are activities that affect how and when people buy and thus attract new audiences and increase sales. It's an all encompassing term that covers everything apart from advertising, publicity and direct marketing, although these might also be used to deliver your sales promotions. Sales Promotion offer people (consumers) incentives to buy and so close a sale already made in the consumer's mind. Its major strength is its impact and influence, in getting the consumer to make a purchase - in response to a message, advertisement, coupon, point-of-purchase device or a special demonstration at the point of sale.

For any Sales Promotion to be successful, it must be part of an overall marketing strategy and form part of your marketing mix (ask for our publication on the Marketing Mix for more details).

Sales Promotion is often interfaced with price with discounts being a common ingredient as well as:

- sampling or learning opportunities
- joint promotions or collaborations with third parties
- special events
- competitions
- incentives
- value adding
- other rewards

As with any marketing activity, there are many pitfalls and lack of attention to details in the design, presentation and execution of promotions can cause disappointment to consumers with resultant damage to the business or product concerned.

A single well-planned, very focussed and far-reaching promotion is better than several small one-off disparate campaigns that are distant from the strategic objectives of a business.

Don't forget that the ultimate objective of Sales Promotion is to predict and modify customer purchasing behaviour – usually, to increase in sales or customer transactions. But it's not always about immediate results. When a Sales Promotion reflects a brand's image and is directed at the appropriate target market, it can achieve not only short term tactical gains, but it can also deliver on long term strategic issues.

In recent years, money spent by businesses on sales Promotion activities has exceeded monies spent on advertising and there are strong signs that this pattern of growth will continue to maintain its economic edge.

Techniques and Types of Sales Promotion

The techniques of Sales Promotion are used both to motivate people who sell to improve their performance as well as to induce consumers to purchase their goods and services.

Sales Promotion works most closely with advertising, but it's also connected with all other elements of marketing: production services, packaging, price, and distribution. At the manufacturing and wholesale levels of distribution, the methods used to motivate personnel to meet specific goals usually fall into two categories - sales incentive prizes (such as merchandise, travel, or cash awards) and sales contests. Both are based upon the salesperson reaching an objective above the normal sales budget.

Consumer promotions encompass a wide variety of techniques, including:

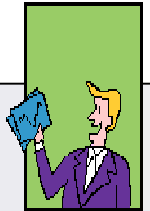
- Sampling of goods or services
- Redeemable "money-off" coupons to encourage the trial or testing of products
- Special price-reduced packages
- Mail-in premium merchandise offers
- Cash or coupon refunds by mail
- Special product packaging
- Loyalty incentives
- Contests
- Competitions
- Instant wins
- Sets and series of collectibles
- Third party promotions
- Prize draws

Sales Promotion Is defined as:

"All activities which help to promote sales, other than personal selling and advertising"

In very simple terms...

Advertising (which informs and provides Awareness) can lead the horse to water, whilst Sales Promotion (which provides Motivation) can make it drink.



The 3 basic elements of a Sales Promotion are:

- The offer.
- The media used for communicating the offer to the target audience.
- The creative "hook," message or theme that moves the audience toward the desired response.

Promotional activities can be wide and varied and can include:

- Advertising
- Public Relations
- Affinity group promotions
- Exhibitions
- Point-of-sale promotions
- Demonstrations
- Direct mail and direct marketing
- Promotions targeted at channel suppliers – wholesalers and distributors rather than to customers

National Insurance on Incentives

From 6 April 2000, where a third party provides workers with awards in non-cash vouchers as part of an incentive scheme, the third party may pay the national insurance contributions (NICs) rather than employers having to report and pay NICs on incentives they do not control. In those circumstances only, the NICs liability for non-cash vouchers is changed from Class 1 (employee and employer) to Class 1A (employer only) NICs liability.

Sales Promotion Checklists

We strongly advise you to check the legal impact of any sales promotion campaign you might be planning. For example:

- Banknotes are the copyright of the Bank of England whose permission should always be obtained before advertisements or promotions featuring such notes. In addition, unauthorised reproduction of bank notes can amount to a criminal offence under the Forgery and Counterfeiting Act 1981.
- A printed order form in connection with a promotion is technically a company order form within the meaning of Section 351 of the Companies Act 1985 – it should contain the place of registration of the company, the registered address and the registered number.

An excellent series of checklists covering all aspects of Sales Promotion can be found on the Institute of Sales Promotion website at: <http://www.isp.org.uk>

Sales Promotion consultants can be located via the Sales Promotion Consultants

Association:

SPCA

47 Margaret Street, London, W1N 7FD

Tel: 020 7580 8225

Fax: 020 7580 8189

Recommended Reading

- *Advertising and Sales Promotion Strategy*, by Gerard J. Tellis, published by Prentice Hall (School Division), 1998, ISBN: 0321407725
- *Analyzing Sales Promotion*, 2nd Edition, by John C. Totten and Martin D. Black,
- *Sales Promotion Essentials : The 10 Basic Sales Promotion Techniques... and How to Use Them*, by Don E. Schultz, William A. Robinson and Lisa A. Petrison, published by NTC Publishing Group, 1997, ISBN: 0844233552
- *Sales Promotion* by Julian Cummins, published by Kogan Page, 1997, ISBN: 0749424478
- *The Sales Promotion Handbook*, by Chris Brown, published by Kogan Page, 2000, ISBN: 0749433019
- *Sales Promotion: Concepts, Methods and Strategies*, by Robert C. Blattberg and Scott Neslin, published by Simon & Schuster Trade, 1998, ISBN: 013442302X
- *Promotional Marketing: Ideas and Techniques for Success in Sales Promotion*, by William A. Robinson, Christine Hauri and Anne Knudsen, published by NTC Publishing Group, 1995, ISBN: 0844231517

Another Definition:

"Sales Promotion comprises that range of techniques used to attain sales and marketing objectives in a cost effective manner, by adding value to a product or service, either by intermediaries or end-users, normally but not exclusively within a defined time period."

Institute of Sales Promotion

Useful Addresses

Advertising Standards Authority
71 High Holborn, LONDON WC1V 6EA
Tel: 020 7492 2222

Advertising Standards Board of Finance Ltd

21 Berners Street, LONDON W1T 3LP
Tel: 020 7580 7071

Information Commissioner 's Office

Wycliffe House, Water Lane, Wilmslow,
CHESHIRE SK9 5AF
Tel: 01625 545745

Direct Mail Services Standards Board

26 Eccleston Street, LONDON SW1W 9PY
Tel: 020 7824 8651

Direct Marketing Association

70 Margaret Street, LONDON W1W 8SS
Tel: 020 7291 3300

Incorporated Society of British Advertisers

Langham House, 1b Portland Place, LONDON
W1B 1PN
Tel: 020 7291 9020

Ofcom

Riverside House, 2a Southwark Bridge Road,
LONDON SW1 9HA
Tel: 020 7981 3000

PhonepayPlus

Clove Building, 4 Maguire Street, LONDON
SE1 2NQ
Tel: 0800 500 212

Independent Television Association

Knighton House, 56 Mortimer Street,
LONDON W1N 8AN
Tel: 020 7580 7892

Institute of Practitioners in Advertising

44 Belgrave Square, LONDON SW1X 8QS
Tel: 020 7235 7020

Institute of Purchasing and Supply

Easton House, Church Street, Easton on the
Hill, Stamford, LINCOLNSHIRE PE9 3NZ
Tel: 01780 756777

Institute of Sales Promotion

Arena House, 66-68 Pentonville Road,
Islington, LONDON N1 9HS
Tel: 020 7837 5340

Trading Standards Office

Perceval House, 14-16 Uxbridge Road,
Ealing, LONDON W5 2HL
Tel: 020 8825 6888

Local Authorities Co-coordinating Body on Food and Trading Standards (LACOTS)

PO Box 6, Token House, 1A Robert Street,
Croydon, SURREY CR0 1LG
Tel: 020 8688 1996

Mailing Preference Service

DMA House, 70 Margaret Street, LONDON
W1W 8SS
Tel: 020 7291 3310

Safe Home Ordering Protection Scheme

18a King Street, MAIDENHEAD, SL6 1EF
Tel: 01628 641930

Newspaper Publishers Association

8th Floor, St Andrews House, 18-20 St
Andrew Street, London, EC4A 3AY
Tel: 020 7636 7014

Newspaper Society

8th Floor, St Andrews House, 18-20 St
Andrew Street, London, EC4A 3AY
Tel: 020 7636 7014

Office of Fair Trading

Fleetbank House, 2-6 Salisbury Square,
LONDON EC4Y 8JX
Tel: 0845 722 4499

Further Information

This guide is for general interest - it is always essential to take advice on specific issues.

We believe that the facts are correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.

If you would like to receive further information about this subject or other publications, please call us – see our contact details on the next page.

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Aaron Wallis

Sales Recruitment

Aaron Wallis hopes that you have found this document useful. Aaron Wallis is a specialist sales and marketing recruitment business that is innovative, values led and aims to offer a brilliant service to employer and candidate clients.

Aaron Wallis recruitment services include:

- Database Recruitment
- Assessment Centres
- Search and Selection
- Advanced Skills Testing
- Contract and Interim
- Response Management
- Executive Research

Aaron Wallis also offer Added Value Services that include:

- Independent CV Verification
- Recruitment Training
- Coaching & Mentoring
- Sales Training, Sales Training Needs Analysis
- Occupational Psychologists

CANDIDATE JOBSEEKERS: Aaron Wallis offers to candidate clients a unique **Career Advice Centre** dedicated specifically to Sales professionals. Their Career Tools section covers CV Hints, Interview Tips, advice on interview preparation, goal setting tools and templates, presentation skills development, improving reading of body language and more. Visit the Career Tools section of www.aaronwallis.co.uk to find out more and to sign up to their Sales '**Career Success Masterclass**', a unique 15 day coaching development programme designed to enhance your performance at interview. NEW FOR 2008 this also includes **FREE MP3 audiobook downloads**.

EMPLOYERS: For employer clients Aaron Wallis offers a unique sales recruitment services that is proven to significantly increase '*On the job performance*' by incorporating competency interviewing, psychometric profiling and skills/ability testing into the process. The inclusive Aaron Wallis service is backed by a unique **12 MONTH REBATE SCHEME** and their service is delivered at a **FIXED Price** per assignment, allowing you to remain in control of your recruitment budget.

Aaron Wallis is a committed independent recruiter that is based from their HQ in Central Milton Keynes. Aaron Wallis are members of the REC (the industry regulatory body), the AER (Association of Executive Recruiters) and various local Chambers and focus groups.

For more information call **01908 764280** or visit www.aaronwallis.co.uk

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Association of
Executive
Recruiters

REC
Member

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