Agricultural Development Center

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Advertising, Promotion and Publicity

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Advertising, promotion and publicity are three distinctly different strategies that are frequently used together to increase sales. The goal of each of the three strategies is to influence consumers' purchasing decisions. It is important to remember, that advertising, promotion and publicity alone cannot generate significant demand for a product if consumers do not like the product or it does not meet a specific need (i.e., New Coke).

Advertising

Advertising includes both printed and electronic communication to deliver information about a product or business to potential and existing customers. It is important that an advertising campaign is directed at the target market both in terms of content and where the ad is going to be aired or printed. Advertising has a number of functions some of which are:

1. to inform customers of the existence of the product
2. to inform customers why they should purchase the product (i.e., saves you money)
3. to remind consumers that they might want to purchase the product (i.e., Folgers Coffee, need coffee to get your morning going)
4. to associate specific qualities with a product (i.e., Nike shoes make you a better athlete)
5. to help differentiate a product from the competition (i.e., locally grown produce)

Sales Promotion involves customer response and involvement as opposed to advertising which involves delivering information about a product or business to potential and existing customers. However, product advertising and promotion are frequently used together. For example, a car dealer may advertise by running a free hotdog and soft drink promotion for individuals who visit the business. Promotions are a way to entice the customer to purchase a product though a special activity. Everybody is familiar with promotional strategies like clearance sales, in-store sampling and product give aways.

The following is a short list of possible promotion strategies for small business owners. A variety of promotional and marketing techniques need to be utilized to build product sales. Some of the more common promotional or marketing techniques are:

- Create an image with well-designed product label and promotional display
- Design a brochure that best explains products or the business.
- Design a point of purchase display for various products.
- Design and distribute company calendars, mugs, pens, note pads or other advertising specialties displaying the business name and logo.
- Design and distribute a free "how to do it" hand out related to your products (e.g., traditional and new uses for beef products).
- Frequent shopper programs.

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Publicity might be considered inexpensive or free advertising, i.e., local newspaper running a feature story on your business. Many times, advertising sources can also provide a business publicity if the media can be convinced that the business has a good story. There are a number of sources of publicity that can often achieve the same goals as advertising.
The following presents some of the advantages/disadvantages associated with specific media:

Media	Advantages	Disadvantages
Newspaper	• Large coverage area • Low cost relative to other media • Immediate/timely (daily or weekly) • access all socioeconomic groups • Can Target a specific audience via advertising in specialty section (travel, gardening) • Can use color • Visibility of the product (i.e., picture) • Use of coupons to measure effectiveness • Flexibility in advertisement size • Short lead time (do not need a long time to create)	• Inconsistent reproduction • One day exposure, typically • Clutter- ad can be lost among other advertisements • May be limited to text or black and white print • Lack of movement and sound
Radio	• Specific audience (demographics) • Immediate/timely/frequency (aired several time daily or weekly) • High entertainment value • Celebrity endorsement or pitch • Time and content flexibility • Use of a human voice (celebrity pitching product) • Sound reinforcement	• Time limitations restrict message Need for repetition • Clutter- ad can be lost among other advertisements • Ad recall is low • "Station surfing" during commercial breaks • Short ad exposure
Magazines	• Large coverage area • Targets a specific market segment interested in your product or business • Can use color • Visibility of the product (i.e., picture) • Use of coupons to measure effectiveness • Flexibility in advertisement size • Large repeat and secondary exposure • Easy to reproduce advertisement	• Clutter- ad can be lost among other advertisements • Cost associate with repeat and secondary exposure • Lack of movement and sound • Not immediate, publication may be weekly, monthly or less frequent
Television	• Large coverage area • Targets a specific audience interested in your product or business (i.e. Travel channel) • Uses both visual and auditory stimulants • Large repeat and secondary exposure • Easy to reproduce advertisement	• Costly to air and produce ad • Time limitations restrict message • Need for repetition • Clutter- ad can be lost among other advertisements • Short advertisement recall • Inverse relationship between • Hours of tv watched and income
Direct Mail	• Target audience • Customer has opportunity for direct response at time of ad presentation (i.e., order form) • More opportunity to educate prospect on benefits of using your product • Timeliness can reach potential customers in 2-to-3-week period	• Expensive • Difficult to obtain "clean" mailing list • Perception of Junk mail • Not immediate, 2-to-3-week lag time • May be discarded unopened
Point of Sale	• Opportunity • Can influence impulse purchasing • Helps product "stand out" among competition • Customer has opportunity for direct response at time of ad presentation (i.e., purchase)	• Can be expensive • Clutter- ad can be lost among other point of sale material
Outdoor	• Large audience exposure • Use of color • Can provide information and directions • Continuous exposure (temporary or permanent)	• Limited message length • Initial production and preparation costs • Difficulty in "ideal" sight selection

Source: "Small Business Marketing," Mississippi State University Extension Service and "Evaluating promotion Expenditures for Agribusiness and Food Processing Firms," Phil Kenkel, Extension Economist, Oklahoma Cooperative Extension Service.