Marketing: Promotion Basics

Complete the following questions in the time allowed by your teacher.

Write a short, accurate definition for each of the following terms. Two marks for each good definition.

1. Define: promotion

2. Define: advertising

3. Define: sales promotion

4. Define: public relations

In the following questions, provide outline answers or lists. One mark for each valid point made up to the maximum available.

5. List up to six different uses of promotion for a business
   A. 
   B. 
   C. 
   D. 
   E. 
   F. 
   G. 
   H. 
   I. 
   J. 

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6. List up to four different methods of promotion available to a business
   A. 
   B. 
   C. 
   D. 
   E. 
   F. 
   G. 

7. Outline three advantages and three disadvantages of using advertising
   A. 
   B. 
   C. 
   D. 
   E. 
   F. 
   G. 
   H. 

The following questions require you to write a brief paragraph or explained points to earn the marks available

8. Outline four factors that affect which method(s) of promotion that a business may decide to use (one mark for each factor)

9. Describe three methods of direct marketing (2 marks for each valid description)
True / False Quiz

Answer the following true/false questions. One mark for each correct answer.

10. Public relations is a kind of advertising
   - [ ] A. True
   - [ ] B. False

11. Wholesalers and distributors do not need to undertake advertising
    - [ ] A. True
    - [ ] B. False

12. Sponsorship is a kind of public relations activity
    - [ ] A. True
    - [ ] B. False

13. Television advertising tends to be more expensive than local newspaper advertising
    - [ ] A. True
    - [ ] B. False

14. A disadvantage of online advertising is that customer responses cannot be tracked
    - [ ] A. True
    - [ ] B. False
Marketing: Promotion Basics

Complete the following questions in the time allowed by your teacher.

Write a short, accurate definition for each of the following terms. Two marks for each good definition.

1. Define: promotion
   - The way in which a business communicates with existing and potential customers to encourage demand

2. Define: advertising
   - Advertising is any kind of paid-for communication used for promotional purposes

3. Define: sales promotion
   - Sales promotion is the process of persuading a potential customer to buy the product using techniques such as free trials, money-off or other incentives

4. Define: public relations
   - Public relations covers a broad series of activities where a business manages its relationships with different parts of the public, e.g., customers, the media, local communities, suppliers, employees and investors.

In the following questions, provide outline answers or lists. One mark for each valid point made up to the maximum available.

5. List up to six different uses of promotion for a business
   - A. Increase sales
   - B. Attract new customers
   - C. Encourage customer loyalty
   - D. Create an image
   - E. Reassure customers
   - F. Encourage customers to switch brands
   - G. Support retailers and distributors selling your product
   - H. Create awareness
   - I. Change attitudes
   - J. Support a change of name or positioning
6. List up to four different methods of promotion available to a business
   A. Advertising
   B. Sales promotion
   C. Direct selling
   D. Personal selling
   E. Public relations
   F. Sponsorship
   G. Trade fairs & exhibitions

7. Outline three advantages and three disadvantages of using advertising
   A. Adv: Wide coverage - able to reach out to a large audience quickly
   B. Adv: Business is in control of the message being promoted
   C. Adv: Repetition means that the message can be communicated effectively
   D. Adv: Can be used to build brand loyalty
   E. Disadv: Often expensive (particularly if targeting mass audience)
   F. Disadv: Impersonal (can't tailor the message for the customer)
   G. Disadv: One way communication (no customer feedback)
   H. Disadv: Limited ability to close a sale

The following questions require you to write a brief paragraph or explained points to earn the marks available

8. Outline four factors that affect which method(s) of promotion that a business may decide to use
   (one mark for each factor)
   Stage in the life cycle (E.g. advertising is important at the launch stage)
   Nature of the product (how much information is required by customers before they buy)
   Competition (what are rivals doing?)
   Marketing budget (how much can the firm afford?)
   Marketing strategy (how important are other elements of the mix - price, product, place etc)
   Target market (appropriate ways to reach the target market)
   Type of customers (the lifestyle of the target customer - will they see the promotion?)

9. Describe three methods of direct marketing (2 marks for each valid description)
   Direct mail:
   This involves sending promotional materials to target customers through the post. Direct mail can be a relatively low-cost exercise with specific customers targeted. It is also easy to evaluate the success of each campaign by looking at response rates.
   Email marketing:
   Use of email for direct marketing has grown rapidly. It is a very cheap and quick method of promotion which allows the message to encourage an instant response. For example, viral marketing is a good idea to get customers to recommend a friend and increase the size of customer database in return for a reward (discount etc).
   Telemarketing:
Telemarketing encompasses all telephone-based marketing activity including sales, customer services and market research. It's useful for following up business-to-business leads, setting up meetings or even closing a deal.

True / False Quiz

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