



Business Virtual Learning

Course: Intro to Business

Lesson: Promotional Mix- Sales Promotion

May 20, 2020



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Objective/Learning Target: Students will be able to:

- (1) analyze the sales promotion strategies of various products**
- (2) connect these strategies to the larger promotional and marketing strategy of the product.**



Lesson Starter

Do you have a favorite brand/product? Are you more likely to buy that product if it is on sale?
Why or why not?



What are sales promotions?

Sales promotion is a type of marketing communication that is employed for a predetermined, limited time to increase consumer demand, stimulate market demand or improve product availability

On a piece of paper, quickly write down as many sales promotion ideas you have seen businesses use in the past?



Common Sales Promotional Strategies

Directions: Below is a list of common promotional strategies used by businesses. I want you to use your prior knowledge and additional research if needed to find real world examples of businesses that use or have used the strategy in the past.

1. A temporary reduction in the price. Example:
2. Loyal Rewards Program. Example:
3. Offer a consumer a certain percentage more of the product for the same price (for example, 25 percent extra). Example:
4. Coupons. Example:



Common Sales Promotional Strategies (Cont.)

5. The price of a popular product is temporarily reduced in order to stimulate other profitable sales (Loss Leader) Example:

6. Free-standing insert (FSI): A coupon booklet is inserted into the local newspaper for delivery. Example:

7. On-shelf couponing: Coupons are present at the shelf where the product is available. Example:

8. Checkout dispensers: On checkout, the customer is given a coupon based on products purchased. Example:

9. Online couponing: Coupons are available online. Consumers print them out and take them to the store. Example:



Common Sales Promotional Strategies (Cont.)

10. Mobile couponing: Coupons are available on a mobile phone. Consumers show the offer on a mobile phone to a salesperson for redemption. Example:

11. Online interactive promotion game: Consumers play an interactive game associated with the promoted product. Example:

12. Rebates: Consumers are offered money back if the receipt and barcode are mailed to the producer. Example:

13. Contests/sweepstakes/games: The consumer is automatically entered into the event by purchasing the product. Example:

14. Kids eat free specials: Offer a discount on the total dining bill by offering free kids meal with regular meals.



Activity: Article Reading

Directions: Please read the article linked here (only need to read the section titled “Blinded by Big Discounts”):

<https://knowledge.wharton.upenn.edu/article/power-to-the-people-or-just-a-fad-forecasting-the-future-of-group-buying-sites/>

As you read, please make notes about how you think a product you wrote down earlier in the lesson could use the “deep discount” mentioned in the article. This may be used in conjunction with any of the other strategies discussed earlier, and listed in the previous slides. For example, the deep discount may be in the form of coupons, get 50% off. Please identify potential slip-ups, like the ones mentioned in the article. For example, how will you ensure that only bargain hunters will not use the deep discount?



Practice Outside the Lesson

The next time you buy something that is on sale consider:

Did you buy the product earlier than you intended to?

Did you buy it only because of the offer?

How do you think the company will try to sustain your buying without such offers?