

VIVEKANANDA COLLEGE  
THAKURPUKUR  
KOLKATA-700063

NAAC ACCREDITED 'A' GRADE



**Topic:** PROMOTION AND RECENT DEVELOPMENTS IN  
MARKETING

**Subject:** MARKETING MANAGEMENT

**Course Title:** B.Com (UNDER CBCS SYSTEM)

**Paper:** CC 2.2 Chg

**Unit:** 05

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**Name of the Teacher:** AKASH BALMIKI

**Name of the Department:** COMMERCE

# MARKETING MANAGEMENT

## Reference books:

- 1. MARKETING MANAGEMENT AND HUMAN RESOURCE MANAGEMENT** by Dr. Debraj Dutta, Dr. Siddhartha Roy, Prof. Dipanjan Basu and Soulina Banerjee- ABS PUBLISHING HOUSE
- 2. MARKETING MANAGEMENT AND HUMAN RESOURCE MANAGEMENT** by Harsh Verma, Ekta Duggal, Uday Kumar Halder and Juthika Sarkar- OXFORD UNIVERSITY PRESS

**Unit 5:** Promotion and Recent Developments In Marketing- Promotion: Nature and importance of promotion; Communication process; Types of promotion: advertising, personal selling, public relations & sales promotion, and their distinctive characteristics.

Recent developments in marketing: Social Marketing, online marketing, direct marketing, services marketing, green marketing, Rural marketing; Consumerism.

## UNIT 5: PROMOTION AND RECENT DEVELOPMENTS IN MARKETING

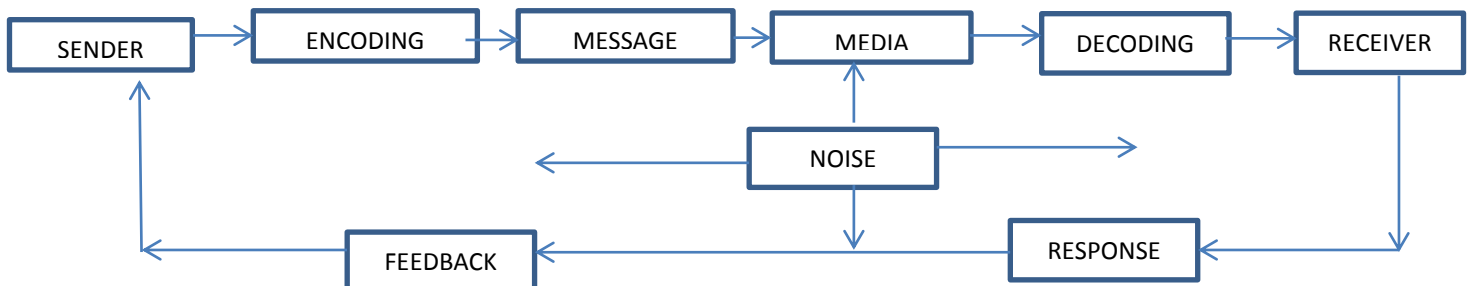
### PROMOTION

**Concept:** Promotion is one of the P's of marketing mix. It is a method of spreading awareness amongst the consumers regarding the existence and use of the product. Promotion is the means by which the organisation is able to reach to the consumers with their products.

#### Nature and Importance of promotion

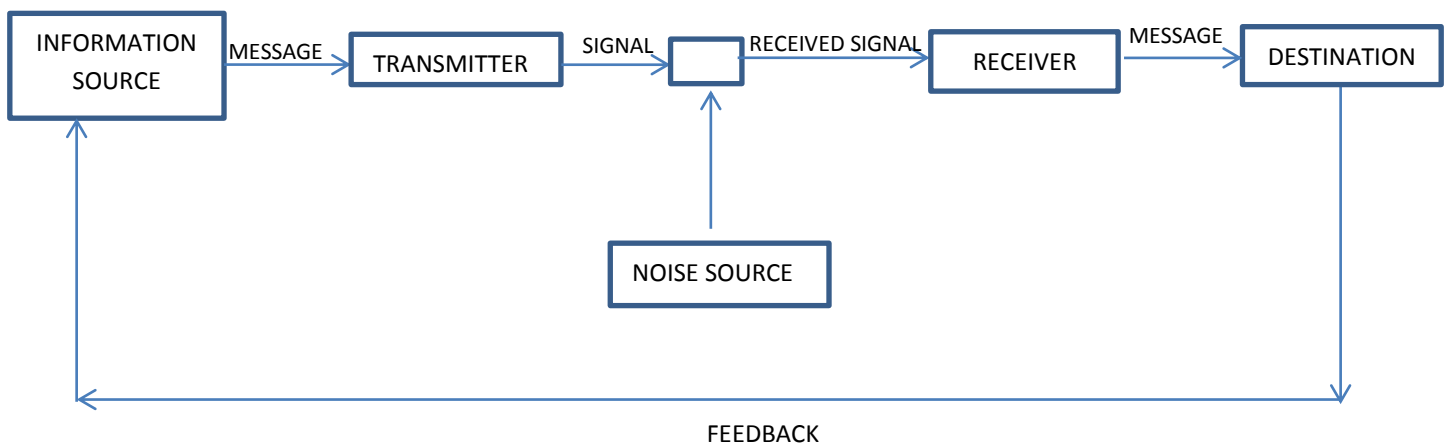
- 1. Creates brand awareness**
- 2. Create favourable environment for sale of product**
- 3. Educates the consumer regarding the existence and use of the product**

#### Communication process



Schramm's model

(Source: ABS Publishing book)



Shannon- Weaver model

(Source: ABS Publishing book)

Elements of Shannon-Weaver Model:

- The Source
- The Encoder
- The Message
- The Channel
- The Decoder
- The Receiver

## TYPES OF PROMOTION

**ADVERTISING-** It is basically a **paid** form of **non-personal** communication by an **identified sponsor** for presentation and promotion of **ideas, goods and services**. The goal of advertising is effective communication of the sponsor regarding the good, services and ideas and also to **persuade** an individual to purchase the products.

Example: Advertisements displayed on newspaper, hoardings, television, broadcasted on youtube or other social platforms are definitely paid by the company which wants the advertisement to be displayed and the objective of the company is to encourage people to buy the same.

**PERSONAL SELLING-** Under this strategy the business uses people (the "sales force") to sell the product after meeting face-to-face with the customer. This form of promotion involves personal touch with the customers. This technique also helps in meeting the **potential client** and transforming them into loyal customers. The salesman represents the company and promotes the sales for company.

Example: The insurance agencies traditionally functioned based on personal selling. Even in the present day. The insurance companies have agents who get in direct touch with the potential customers.

**PUBLIC RELATIONS-** is a strategic communication process that builds mutually beneficial relationships between organizations and their publics. The company influences its sales figures by maintaining good relations with its **internal public** (employees), **external public** (customers,

potential customers) and **intermediary public** (social activists, journalists). Good public relation spreads awareness about the company as well as the products (goods and services) and helps in improving the goodwill.

Example: Making durable goods ensures loyalty of the customers. The customers would recommend the product to their family friends etc.

**SALES PROMOTION**- It is a marketing strategy where the product is promoted using short-term attractive initiatives to stimulate its demand and increase its sales. Innovative strategies like cash back offers, discounts free samples etc boost the sales.

Example: On buying a coca cola bottle if the customer gets a cash back or any other reward the customer is encouraged to purchase more.

## RECENT DEVELOPMENTS IN MARKETING

**SOCIAL MARKETING** – Social marketing is an approach used to develop activities aimed at changing or maintaining people's behaviour for the benefit of individuals and society as a whole. This influences social behaviour. The goal of social marketing is to change the behaviour not to spread awareness.

Example: The advertisements related to men fairness creams or aftershave lotions and gel in our country is a part of social marketing as it aims to change the non-caring attitude of men to a caring attitude with reference to skin and hygiene.

**ONLINE MARKETING**- internet is no more limited to search of information. Marketers are widely using it as a platform for marketing. The social media platforms facilitate the communication between the marketers and the potential customers. It is the of creating, delivering & communicating the value of a product or service and making it relevant to customer so that they are convinced to consider buying a product or a service when they encounter the brand or product online.

Example: The advertisements you view when you are browsing through your facebook, instagram profiles

**DIRECT MARKETING**- the communication between marketer and the customer without the involvement of any other party is direct marketing. The marketer establishes a direct contact with the customer for promoting goods and services. This enables the marketers to deliver personalised messages and services.

Example: The DTH companies or the telecom companies calling up their customers and informing about new offers.

**SERVICES MARKETING-** The marketing of intangible goods (i.e. services) is the service marketing. Here, the marketer needs to convince the potential customers to use the services provided. But there are some challenges, when a customer buys a good he/she is able to check the durability or the quality of material but in services that is not possible. So the marketer needs to take up different ways to convince the potential customers.

Example: when we buy any garments we are able to check its quality but when we are visiting a lawyer, auditor, doctor or teacher etc we cannot analyse the qualification or the quality of their service before we actually receive it, thus the job of marketer gets difficult and services marketing can provide a solution for the same.

**GREEN MARKETING-** Green marketing is a way of caring for the nature. The marketer accomplishes the marketing job keeping a concern for the nature. It is the marketing of products that are presumed to be environmentally safe. Green marketing can involve a number of different things, such as creating an eco-friendly product, using eco-friendly packaging, adopting sustainable business practices, or focusing marketing efforts on messages that communicate a product's green benefits.

Example: KFC introduced paper bags instead of polybags.

**RURAL MARKETING-** The marketing activity concerned with the rural areas is known as rural marketing. However, the activity of the marketers differs a lot. A marketer gets the facility of using internet and social media in urban areas but that is not available in rural marketing. The rural marketing still functions on conventional methods like advertisements in Doordarshan etc. The rural marketing mix depends on 4 A's – Availability, Affordability, Acceptability and Awareness.

Example: Advertisements of better fertilisers are broadcasted on DD Bharti or DD Kisan

**CONSUMERISM-** It is a social phenomenon that empowers the buyers and consumers. Its effects are visible in the laws, regulations and also the **marketing** practices. It keeps a check on the companies and ensures that the consumers get quality products which are safe for them at the correct price.