The Efficacy of the Promotional Operations and the Sustainable Consumption

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Abstract
Sales promotion is today one of the vectors of marketing and trade which has an increasing professional character anchored in the current economic reality. Sales promotion refers today to products and services, manufacturers and distributors, physical brands and virtual brands. It addresses the customer, the public at large, or the professionals in the field.

Sales promotion answers multiple objectives such as: make the customers become regular customers, recruiting of new customers, increase of the customer traffic at the sales outlets, increase the value of the panel of shopping.

Key words: sales promotion; efficacy sales; promotional efficacy; promotional operation; sustainable consumption.

Sales promotion uses differentiated techniques to answer punctually its objectives. All of these techniques have the same purpose: sell more in a given period. The use of promotions must not affect the brand or product image. The main goal of the promotions is both the action on sales development and the notoriety of the brand image. This is why it is legitimate to speak of a double mission of sales promotion: efficacy-sales and efficacy-image.

In the 80s, sales promotion was just a marketing instrument used to accelerate sales for a short period of time, usually 3 months. There are two categories of promotions:
- Promotions-consumers, whose role was to make the potential customers buy products or services;
- Promotions-distributors, whose role was to determine the distributors to sell more.

After thirty years, this distinction became imperceptible. The mission of sales promotion remained unchanged: sell more in a given period.

The verb to promote comes from the Latin „pro movere”, which means to go forward. However, this origin doesn’t signify that promotions also involve selling.

Indeed, advertising has a great impact on the sales if we judge by the media budgets of the enterprises. The advertising of the advantages which the consumer may obtain by buying one product or another, the advertisement creates demand from the consumer, materialized in additional sales.

The marketing people observe most often the curve of sales at the moment when the advertisement spot is broadcast on the TV channels. For instance, the company producing the „Hochland” cheese, located in Sighișoara, observed that every time its advertisement spots where broadcast on TV channels, the demand from consumers...
increased. Unfortunately, this demand didn’t have the chance to become effective because the production cycle was elaborate, needing two weeks, plus the time for product curing and distribution.

The direct marketing creates a more personal contact with the customer. It places the customer in a favourable disposition towards the product or brand, thus with purchases. It is established that the direct marketing makes the products be sold.

By the fact that it interacts with the customer, sales promotion brings additional visibility to the product. This type of efficacy with impact on the level of product desirability is termed as “promotional efficacy”. It was observed that the directors of promotional campaigns are monitoring attentively both the expenditure and the results of the promotion, irrespective of the value of utilization of the promoted product (food, mobile phones, sports equipment).

The directors of promotional campaigns from Western Europe also pay attention to the sales with distribution, because they may be even higher than the double of the expenditure used to buy the broadcast time on the TV.

Otherwise said, if all the disciplines of communication must prove their efficacy, the punctual input to the consumer is specific to sales promotion.

This promotional efficacy adds to the sales efficacy which advertising or the direct marketing presupposes. It is at the core of the mission of advertising or direct marketing. Far from overlooking this mission for a moment, it is important to evaluate ex-ante a promotional operation, the ex-post verification and the storage in memory. This vigilance is essential because a promotional campaign whose input is not translated into more sales, or which has no impact on the brand image, is a failure and should not be rerun. The efficacy of the promotional operations to boost sales is difficult to assess, much more as the consumer is increasingly aware, therefore increasingly demanding.

This efficacy must be measured with objectivity and perspicacity, which is indispensable for the execution of a promotional operation.

1. Efficacy of the promotional operations

The promotional efficacy is measured with specific indicators which, properly instrumented, may evaluate in an objective manner the promotional efficacy. The promotional efficacy is the capacity of a promotional operation to accomplish its goals.

The main goal of a promotional operation is to increase the volume of sales by making the goods or services more desirable. This goal can be accomplished through specific actions. These objectives are:

- Make the clients become regular customers;
- Recruiting new customers;
- Increase the traffic of buyers at the sales outlets;
- Increase the panel of purchases
- Modify the structure of the panel of purchases through promotional operations which aim to change the consumption behaviour in agreement with the principles of the sustainable consumption

The specificity of sales promotion is that the punctual input to the consumer may sell more products.

The secondary objectives of the promotional efficacy are accomplished by optimising the promotional programs.

A. Make the clients become regular customers
When the promotional programs aim to get regular customers, they are such configured as to ensure the correct perception by the consumers of the dimension of the economic advantage which the consumer will get by becoming a regular client buying goods or services from the same distributor. Most often, the programs designed to get regular customers are run through specific cards which give account bonuses upon buying merchandise from the same retailer.

In Romania, these cards are used in Gima supermarkets located inside the malls from Bucharest and from several other large towns, in the network of drugstores Sensiblu, Dona or Help Net and they make discounts for a given volume of purchases or for each product that is bought by the client.

**B. Recruiting new customers** through promotional programs is done with promotional techniques which aim to draw in new customers to the distribution networks which promote new services and products. The testing of these products/services is most often done through promotional operations such as play / animation / tasting sessions or demonstrations.

**C. Increase the traffic of buyers** in sales outlets is a way to increase the volume of sales which uses promotional techniques such as animation (done by trained animators) or demonstrations, when household appliances or electronics are tested, or even special cutlery that belong to the category of new products.

The increase of the traffic of buyers at the sales outlets may also be done in specialised food stores using promotional techniques such as presents for the promoted foods that are purchased.

**D. Increase the panel of purchases**

This promotional objective is accomplished by actions such as:

a) Prolonging the life cycle of the products/services existing on the market;

b) Testing in consumption new products/services or those which are under homologation;

c) Diversifying the assortment of products and services provided by the producers / distributors already on the market;

a) Prolonging the life cycle of the products/services existing on the market may enlarge the panel of purchases because it presumes finding ways to obtain the products/services existing on the market by new technologies which will decrease the fixed production costs. The use of new technologies restates in discussion the issue of the traditional products manufactured in large volumes which are to be marketed at affordable prices. For instance, “Pate Ardealul”, manufactured according to a traditional recipe using technologies which allow large volumes of production, makes it possible to sell it at affordable prices, same as other traditional products such as „Scandia” brand, the „Tradiţional” range of products, among which tripe sour soup, beans and sausages. The reduction of the production costs of the products/services demanded by the market may prolong its life cycle because the lower production costs will entail lower prices. The purchase of products and services at lower prices makes the buyers purchase larger amounts of the products or services, increasing thus the panel of purchases.

b) Testing in consumption new products/services or those which are under homologation may contribute to increasing the panel of purchases because the new products tested in consumption act directly to change the consumption behaviour in terms of quality and value. Testing in consumption new products/services is done using promotional techniques such as tasting sessions, play and animation at the sales outlet. Testing in consumption products under homologation (drugs, cars,
electronic appliances) creates breaches towards the increase of consumption in terms of amount and quality, therefore of the panel of purchases.

c) Diversifying the assortment of products and services provided by the producers/distributors already on the market may lead to increasing the panel of purchases because the new products manufactured with more sophisticated technologies act on the profitability of the production/distribution companies and concomitantly on the consumption behaviour, changing the panel of purchases. This is the case of the promotional brands such as Winny, Carrefour or 365, specific to the large and small distribution in Romania (Cora, Carrefour, Mega Image), which allow the sales of various goods at lower prices. It is established that the sales of merchandise at affordable prices increases the volume of sales. In other words, it increases the panel of purchases in terms of amount and assortment.

d) The restructure of the panel of purchases by promotional actions which aim to change the consumption behaviour in agreement with the principles of the sustainable consumption. The principle of sustainability designates the meeting place of three dimensions: ecology, economy and the social sphere. In relation with the consumer behaviour, the ecologic dimension of sustainability becomes the most important. On the other hand, the (ecologic) production and consumption can only be achieved if the consumer may afford them and if the consumption and production are done under acceptable social auspices. But the ecologic products are expensive, which influences the actual consumption. This statement is supported by the market share of the environmentally-friendly products. For instance, the consumption of bio cotton is just 1% of the world offer, the market share of the bio foods within the total consumption of foods in Europe was just 0.2% in 2002 for the pig meat and 2.3% of the fruits.

The sustainable consumption doesn’t always mean giving up quantity in favour of quality, rather a change of the consumption behaviour even if the absolute volume of the consumption might be considerable, which would determine the absolute increase of the sales of products and services. How can one act through promotional actions to restructure the panel of purchases in favour of healthy products? To exemplify, we will give the example of “Nutriday Danone” yogurt packed in a small plastic container and sold for just 0.90 lei. It all begun with a promotional program based on a promotional price which allows higher volumes of sales. The program included TV spots which induced the idea of choosing the product from a range of options in order to keep the family healthy. “What would you do if you had 0.90 lei?”, is the question which the family members must answer. The wife and mother answers: “I would choose Nutriday yogurt” – health for my family. The start of a promotional program with promotional prices allows higher volumes of sales in the unit of time, which influences the size of the orders made by the distributors and the prospective reduction, at the end of the promotional campaign, of the unit price. The change of the consumer behaviour and the restructuring of the panel of purchases in favour of the ecologic/sustainable products/services is, also, done through promotional actions whose purpose is to educate, inform and make aware the population regarding the effects of the sustainable and ecological products and services.

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