

POSSIBLE PROMOTION TOOLS AND THEIR USE IN SELECTED COMPANY

Lucia Šandalová – Ján Poprenda

This article explores issue promotion tools on market. The main objective is to refer possible promotion tools and to apply them for specific company. We focused to its objective, budget, media, message and effectiveness of this kind promotion. Sales support, the second form of communication mix, is oriented to „Christmas game“ to win 66 cars. Last but not least kind of marketing we described is Orange e – shop, its advantages for customers.

Key word: Marketing mix, promotion, advertising, sales promotion, personal selling, direct marketing, e-shop

1 INTRODUCTION

Modern marketing requires far more than just manufacturing of a good product, setting of an attractive price and market availability of a product. Companies have to communicate with prospective customers and the public. For many companies the communication is not a question, a question is what they should say, how, to whom and how often. The company uses creative propagation forms for gaining as much target sales as possible.

The aim of this article is to show devices of propagation, which are nowadays at the market and apply them to the chosen firm, called Orange Slovensko a.s..

The purpose of our article is to prove that to use investments for the quality goods or services propagation will be returned to a firm which will finally have profits.

2 THE MARKETING MIX

The marketing mix belongs to the basic terms. The creation of this term is connected to the marketing development, which is orientated to the product. Marketing mix as a term alone, is the most often determined as the optimal composition of marketing elements, which are used by a firm to reach its own marketing targets. It is the offer of a right product, right place, right price, in combination with the right commercial – the communication support. The term mix emphasizes that not only one device is used, but the coordination of them. Businessman, manager of a brand, marketing research employee has the opportunity to use the wide range of the marketing mixture devices. Those devices are traditionally divided into 4 categories:

The *Product* alone has three layers. The nucleus is a basic usefulness, which has the ability to sell. A brand is often the summary of both key utility visualisations and everything which is connected to it. The usefulness has to be changed in something touchable, material- material elements are the second level of a product.

The *Price*, as one of marketing mix elements, which costs nothing is on the other hand the source of marketing production activity means. A declared price is an official price of a product, even if for raising attractiveness various discounts and bargains are used.

Through the *distribution*, a firm conducts the process of product movement directly to the customer. This process includes transport, warehouses, the selection of wholesalers and retailers, the decision about the appropriate environment for placing a product and the warehouse of assortment in individual places of selling.

The marketing communication/*promotion* is the fourth most visible device of a marketing mix. Includes all devices, through which a firm communicates with target groups, because of the product support and the whole firm image.

2.1. Characteristic „4P“, „4C“, „4S“

The specific form of marketing mix in the meaning of „4P“ devices according to beginning letters in english a **P**roduct, a **P**rice, a **P**lace (distribution), a **P**romotion (marketing communication).

Nowadays, we come into a contact with the other forms of a mix, known as „4C“:

- Consumer
- Cost

- Competition
- Channels

A marketing mix puts a customer into a limelight. The understanding of a marketing mix in the meaning of „4S“ is the understanding of orientation to a customer:

- The segmentation of customers
- The setting of the avail
- The satisfaction of a custom
- Systematic care

2.2. Promotion

It is possible to define the promotion as each form of communication used by the organization to communicate, persuade and influence contemporary of future prospective customers. The main characteristic of communication is information mediation and its significance meaning with the aim of direct a position, expectations and the manner of consumers behaviour in tune with specific target of a firm. A marketing communicational mix consists of ninemanners of communication:

- a advertising
- the sales promotion
- a personal sale
- public relation
- direct marketing
- the sponsoring
- the communication in places of sale and purchasing
- exhibitions and trade fairs

3 ADVERTISING

Anyhow paid form of an impersonal presentation and propagation of ideas, goods or services using media (TV, radio, the news, magazines, billboards etc.). The content of a commercial is assigned and paid by a buyer.

3.1. Forms of a advertising

Forms of a commercial are derived from the life cycle of a product, which quadrate with four development phases of a product at the market:

- The informational commercial
- The persuading commercial
- The commentary commercial
- The comparison commercial

Forms of a commercial based on criteria of the object:

- The product commercial
- The institutional commercial
- The firm commercial
- The social commercial

3.2. The process of a advertising

During the creation of a commercial a marketing manager has to start with the identification of the target market and customers.

Then he has to make five main decisions, which are known as 5M: a **mission**- What are aims of a commercial like? **money**- How much money might be used? a **message**- What type of message should be broudcast? **media**- What type of medium should be used? a **measurement**- How to evaluate results?

4 SALES PROMOTION

Various momentary impulses which exhort to try or buy a product or a service. It is a campaign stimulating a sale, for ex. cut down prices, providing various coupouns, program for loyal customers, free samples etc.

4.1. The basic structure of a sales promotion

The basic structure of a sales promotion might be organized from a point of target groups view:

- *Customers* (the customer promotion) - the aim is momentary increasement of a sale capacity or the expansion of the allotment at the market, encouragement of goods interest, also retaining of the interest and the reward for fidelity/faithfulness
- *Mediators* (the market promotion) - the aim is to gain cooperation and donation of market parts for selling manufacturing brands. Impulses might be focused on the higher supplies sustainment, raising the propagation/ promotion goods effort, the willingness to take on new range of goods and to detach a convenient location for those goods in a store, the shopping in specific capacity amount
- *The market staff/ personnel* (The promotion of a market staff)- the selling effort motivation of internal and external producer cooperators, but also of retail element sellers.

5 THE PERSONAL SALE

A personal sale is a donation and persuading process of possible customers through the oral presentation of goods with the purpose to sell. It is a personal form of market communication, where the personal contact is created by the direct feedback reaction and also by the gaining information flexibility.

5.1. Forms of a personal sale

Forms of a personal sale are:

- *Counter market*- it is a typical form of a market in a retail elements, where is the contact of a customer and shop assistant created
- *Market sale* – includes the sale usually in supermarkets and hypermarkets, where a customer could shop by the free choice of a product
- *Direct sale*- a sale based on the direct personal contact with a customer
- *Missionary sale*- it is used in the meaning of persuading a customer to buy a product

5.2. The process of a personal sale

Steps to an effective personal sale:

1. *Finding prospective customers and their qualification, which is created by three steps:*
 - The profile of a prospective customer
 - Creating a list of prospective customers
 - Qualification of prospective customers
2. *The first step preparation*- before the contact with a prospective customer it is necessary to find out his interest in product. For finding out the customer interest the list of questions is used, which seller must be able to answer.
3. *To make contacts*- this point is created by two steps:
 - Gaining the access to the client
 - Creating the natural understanding
4. *Analyse of customer needs*- in this phase a seller should get to know real needs of a customer, which appears he looks for and expects. Pivotal abilities are thoughtful questions and careful listening.
5. *The presentation*- during a presentation a seller explains product uniqueness and aspects which are important for the client.

6. *The overcharging of objections*- objections appear mostly during a presentation, so a seller must be prepared before they appear.

7. *Placing a contract*- It is predicted that placing a contract will be the next step after previous ones, many sellers feel kind of a doubt.

6 THE PUBLIC RELATION

Public relation is one of massive instrument of communication. The aim is to form common reputation, gain confidence through public relationships.

6.1. The target groups of public relation

Public relations are planned and systematic activity, which aim is to create confidence, understanding and good relationships of our organization to important groups of our public. The public represents a group or an individual connected and affected by our activities. Looking at the variety of a public, it is possible to recognize various types of a public relation.

6.2. Functions and devices of a public relation

The main function of a public relation is informing a public, keeping contacts by dialogue principle. Principles are used to fulfill following functions:

- *The informative function*- creating information about a firm in both directions, internally and externally
- *The contact function*- creating and keeping of relationships to all those important spheres of public life
- *The image function*- building up, change, create visions about a firm, firm products, people etc.
- *The stabilization function*- representation of a firm and firm fixed place at the market
- *The harmonization function*- donate the harmonization of relationships
- *The lobby function*- the donation or declination of draft laws during dealings with legislature delegates

7 THE DIRECT MARKETING

A direct marketing is a direct, personal contact with customers and prospective customers. The usage of a post, a telephone, a fax, an e-mail or the internet. There also might be specially elaborate brochures for specific clients, direct invoices to the addressee, telemarketing, a commercial with the answer appeal.

7.1. The process of a personal sale

To main direct marketing characteristics belong:

- targeted focus on specific concluded segment
- effective communication looking at invested resources/ coffers
- immediate feed back and reactions to individual offers
- the alternative of predicting a behaviour of already existed customers
- the flexibility of direct marketing actions realization
- the creation of long- continuing relationships among customers
- the relative secrecy of communication with customers

Introduced features donates the fact that along with the classic marketing communication devices the direct marketing is used more in strategies of firms.

7.2. Media and devices of marketing communication

By the directness of direct marketing devices, we know two basic groups:

- *address devices of a direct marketing:*

direct mail, telemarketing, catalogue sale, the electronic direct marketing

- *not address devices of a direct marketing:*

teletext, mailing, a commercial with a direct echo in a press, radio, TV

Those devices allow us to gain information about prospective customers, which will be processed in forms of marketing databases. Not address devices allow us a transformation to address devices.

7.3. The meaning of database marketing

The database marketing is an integrated system, which is created by each individual customer or prospective customer. Those files usually contain the address, the household information or organization information, recent purchase data, contrast notes with individual or prospective customers etc. The database of customers is definite like an organized file of important actual or prospective customers data, which is actual, available, usable for marketing tasks fulfillment such as: gaining customers, their separation, a sale of products and services, customers and database care care. There are information about competing products, the competition, caterers, consumers, sellers and agents in order to gain contacts and sale transaction realization.

8 THE INTERACTIVE MARKETING

New interactive media, from which the internet has an important role, are different from traditional communication media in four areas:

- *The communication style* - almost synchronous, the duration between sending and accepting sharing is negligible

- *The contact control* - a customer has also a choice of controlling a price and information about a product

- *The capacity control* - suit chosen information for yourself

- *The sociable aspect* - a medium should create an image of accommodation, social and active communication based on non- verbal information.

8.1. The advertising on the Internet

The advertising on the internet allow us to communicate 24 hours per day during the whole year, quickly changing sharing, a capacity and style. The result of all those things is the flexibility of the internet.

There are three models of a commercial on the internet :

The one, which uses e- mail application and the other based on the web.

a) *The e-mail model is created by:*

- E-mail banners

- The sponsoring of newspapers and discussion groups

- Direct mails

b) *The web model contains of:*

- The classified commercial

- Banners

- Buttons

- The push commercial

- Interstitials

8.2. E- commerce and on-line shopping

Despite of the fact that the internet is communication and commercial medium, it also has an important role as a channel for the indirect sale. Firms could enter new distant markets and shorten operative costs by not using traditional distributive channels. From the point of customers view, the internet offers self control, self choice, opportunities for gaining actual information, simulated testing of products and services and an easy comparison and shopping. The internet shopping saves time, overcome barriers and are customer friendly.

9 ORANGE SLOVAKIA, a.s.

The Orange Slovakia company is the integrated, telecommunicational operator, which offers complex communicational services- in the most modern mobile and unswitched network of Slovakia offers voice services, internet and TV connection services. This company has been commercially officiate since 1997. Nowadays, it is the largest mobile operator in Slovakia. In 2010 Orange Slovakia reached earnings in the amount of 763, 8 mil € Orange Slovakia is part of the international group of Orange, which is the third biggest mobile operator and the second largest apparator of the all- pass internet in Europe.

9.1. The advertising

9.1.1. The aim of a advertising

The company called, Orange Slovakia a.s. had set before this campaign a few targets, those were:

- Consolidation of a marketing leader position
- Presentation of Orange brand
- To sale as many lump sums as possible
- To bring something new to the market

- By this service create "its own family" and by technical inventions connect family members, which are form different parts of Slovakia

- By the smiling commercial bring happy, Christmas atmosphere to families

Target groups for this campaign were new and already existed Orange customers. The main target group was families and the secondary group was everyone.

9.1.2. The budget of a advertising and a medium

When we are talking about bringing the new product to the market a bigger budget is necessary, especially for creating the awareness and gaining the customer affection. The general budget for a commercial will be calculated like the summary of a TV commercial budget, a press commercial budget, a billboard budget, a shopping center citilight budgets and TV and cinema commercials, which have already been broadcast. The budget for TV commercial is 1 338 239,80€ in press 157 823€, billboards 116 832€, citylights in shopping centers totally 116 832,31€ and for cinema commercials 74 555€. The total and final budget for a commrcial is 1 689 017,91€

During this campaign Orange used:

- *Mass media:*

a) Broadcastable- TV- commercials were broadcast in TV, called Markíza, JOJ and TA3.

The fibal ammount of broutcast commercials was 1116

b) Press media- newspapers, magazines- commercial have also appeared in daily newspapers, weekly papers and monthly newspapers

- *Specific media:* billboards, citylights and commercial broadcast in cinemas

9.1.3. The message

Key message: Come, also you for unlimited callings with your family and friends, thankfully to the most convenient lump sum from Orange.

Adaptable key message: Unwrap it fully with the family, come for lump sums with unlimited callings for free.

9.1.4. The effectiveness

Results prove the efficiency of communication, which was shown in transversal monitoring. At the end of the year O2 campaigns slightly increased, but the Orange communication is the most powerful and in the comparison to a competition reaches not only in general, but also in individual key parameters better results. Thankfully to a successful before Christmas campaign Orange encloses the year as the most powerful brand at the marketing market from the view of a user again.

9.2. Sales promotion

Along with the Christmas campaign, called "Pašály spolu 2010", Orange launched a Christmas game, where 66 cars of a brand Audi A1 were offered. Each customer which from the 22nd of October activated chosen voice or data service and subscribed the addenda to the connection contract, was automatically added to a game, where 59 Audi A1 were available. Whoever from customers might win another 7 cars, on condition that a text message will be sent by him.

9.3. The interactive marketing, Orange e-shop

E-shop of Orange is known for the high visit rate, just because a number of customers which are looking for new services and mobile phones is even bigger. The attractiveness of this space is continually increasing, some of convenient offers is possible to buy only through e-shop. Visitors may generate here more than 2 000 000 displays per month.

10 CONCLUSION

Orange Slovensko a.s. company has created its leader position of mobile communication market, mostly because of quality propagation. Based on monitoring results in comparison to a competition was communication of Orange the most powerful and reached not only in general, but also in individual key parameters better results. Orange enclosed the year 2010 as the most powerful brand at the market, mainly because of

a Christmas campaign, called "Paušály Spolu 2010".

BIBLIOGRAPHY

- [1] HESKOVÁ, Mária: Marketingová komunikace součást marketingového mixu. 1. vyd. Praha: VSE, 2001. 77 s. ISBN 80-245-0176-7
- [2] HESKOVÁ, Mária: Marketingová komunikace a moderní trendy v marketingu. Praha : Oeconomica, 2009. 180 s. ISBN 978-80-245-1520-5
- [3] KOTLER, Philip: Marketing management. Praha: Grada Publishing, 2007. 785 s. ISBN 978-80-247-1359-5
- [4] LABSKÁ, Helena: Marketingová komunikácia. Bratislava, EU 1994. ISBN 80-225-0534-X
- [5] PELSMACKER, P. – GUENES, M. – BERCH, J.: Marketingová komunikace. Praha: Grada Publishing, 2003. 583 s. ISBN 80-247-0254-1.
- [6] Mlynarovičová, Jana – GfK Young People Ad Monitor – október 2010. In: Stratégie. Roč. 17, 2010, č. 11, s. 8.
- [7] Mlynarovičová, Jana – GfK Young People Ad Monitor – november 2010. In: Stratégie. Roč. 17, 2010, č. 12, s. 8.
- [8] Mlynarovičová, Jana – GfK Young People Ad Monitor – december 2010. In: Stratégie. Roč. 18, 2011, č. 1, s. 8.
- [9] www.orange.sk

AUTHOR(S)´ ADDRESS(ES)

Poprenda Ján, CSc. doc. RSDr
Faculty of Aeronautics of Technical University of
Košice, Slovakia
Email: jan.poprenda@tuke.sk
Šandalová Lucia, Bc.
Faculty of Aeronautics of Technical University of
Košice, Slovakia
Email: lucka.sandalova@gmail.com

Reviewer: Mgr. Peter Čekan, PhD.