



أكاديمية

ام
ريز نس

المحاضرة الثامنة

MARKETING PLANE
EIGHTH PART
PROMOTION & BUDGETING



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Promotion Budget



What is a promotion budgeting?

- ☐ **We make budgeting for promotion activities.**
- ☐ **How much the company intend to spend on promotion activities.**
- ☐ **There are many techniques used to make promotion budgeting.**
- ☐ **Some techniques can be used for either old or new products.**
- ☐ **And some others used for old products only.**
- ☐ **We will review some of those techniques but elaborate on the practical methods used actually in the market.**

What are promotional budgeting techniques?



- ☐ **Task method.**
- ☐ **% of last year sales.**
- ☐ **Competitive method.**
- ☐ **“SALT” Same as last time.**
- ☐ **All you can afford.**

Task method

- ❑ The most famous promotional budgeting technique.
- ❑ Set a table with all tasks (promotional activates) and expected cost for every item for the next year.
- ❑ Should include flexible budgeting “ $\pm$ %”
- ❑ Used for either old products or new products.

Task	Expected cost
Printing	100.000 LE
T.V ad. On Melody channel	700.000 LE
T.V ad. On Rotana channel	850.000 LE
Radio ad. On FM stars channel	300.000 LE
Sales Promotion	400.000 LE
	2.350.000 $\pm$ 10%

% of last year sales

- ☐ **Not applicable for the new products.**
- ☐ **Use % of the previous year sales to be a promotion budget for the new year.**
- ☐ **Why we use sales of the previous year instead of the expected sales of the new year?**

Competitive method



- ☐ In this method I set my promotional budgeting depending on what my competitor spend on his promotional budget.
- ☐ Not effective technique at all.
- ☐ Why it isn't effective?
- ☐ Despite it isn't effective why we learn?

“SALT” Same as last time

- ☐ **Means set my promotional budget the same as the previous year with consideration to inflation rate.**
- ☐ **Is it logic method? Why?**

All you can afford

☐ Means compromise the promotional budget according to available amount of money Dedicated to promotional activities.

☐ Is it logic method? Why?

☐ Why we learn?

Notes about promotional budgeting techniques

- ☐ **Actually when sorting promotional activities I need to sort from the most importance to less importance. Not according to value. Why?**
- ☐ **Here we deal with promotional budget not operational budget or any other function budget.**
- ☐ **Promotional budget for new product more than promotional budget for old product and it is linked with the product stage in PLC.**
- ☐ **We can't set the promotional budget as % of profit. *Why??***

Promotion



Promotion

***Promotion consider the core of
marketing science and has its rules.***

What are promotional tools?

There are 5 tools used in promotion which are:



What are promotional tools?

We will elaborate on 2 promotional tools which are:

☐ ***Sales promotion.*** ***There is a difference between promotional tools and sales promotion???***

☐ ***Advertising.***

Sales promotion



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Sales promotion?

- ***It is one of the promotional tools in which the company is adding value to the consumer in short term.***
- ***There are 2 types of sales promotion:***
 1. ***B₂B “Trade sales promotion”***
 2. ***B₂C “Consumer sales promotion”***

Sales promotion in B2C

Consumer Promotions:

increase short-term sales or help build long-term market share.

- ***BOGOF “by one get one free”***
- ***Samples***
- ***Discount***
- ***Coupons***
- ***Sweepstakes***
- ***Contest***
- ***Loyalty cards***
- ***Gift with purchase***



Sales promotion in B2B

Trade Promotions:

get retailers to:

- carry new items and more inventory,
- advertise products,
- give products more shelf space, and
- buy product ahead.

○ ***Bounce***

○ ***Discount***

○ ***Gift with purchase***

Advertising



Examples for ads.

Rational vs. emotional ads.



- ***Flash mob.***
- ***Humor ads.***
- ***Guerrilla ads.***
- ***Factual ads.***
- ***Comparison ads.***
- ***Animation ads.***
- ***Fear ads.***

Flash mob.

- <https://www.youtube.com/watch?v=SjP2PUe9Se0>
- <https://www.youtube.com/watch?v=ROPesXv2z1U>
- <https://www.youtube.com/watch?v=ZEE4j-wiSVc>

Show in public place to offer a show with some entertainment activities then disappear.

Humour ads.

- <https://www.youtube.com/watch?v=XYZ3sl0LEA4>
- <https://www.youtube.com/watch?v=l6pBrPb7DJs>
- <https://www.youtube.com/watch?v=KbqiDjw8V2w>
- https://www.youtube.com/watch?v=ixr_OTfbB0
- <https://www.youtube.com/watch?v=y9ajRlgTJNA>

Ads. Depends on humor situation or humor copy

Guerrilla ads



Put ads. In unexpected places

Factual ads



**REMEMBER
WHEN YOU GOT
THAT VARIABLE SPEED
HAMMER DRILL?
IT'LL MAKE HER
FEEL KIND OF
LIKE THAT.**

DE BEERS
A DIVISION OF PARSONS

**Introducing Fact Menthol.
The low gas, low 'tar'.**

You might not know it, but cigarette smoke is mostly gas—many different kinds. Not just 'tar' and nicotine.

And, despite what we tobacco people think, some critics of smoking say it's just as important to cut down on some of the gases as it is to lower 'tar' and nicotine.

No ordinary menthol cigarette does both. But Fact does.

Fact is the first menthol cigarette with the revolutionary Purin' filter. And Fact reduces gas concentrations while it reduces 'tar' and nicotine.

Read the pack. It tells how you get the first low gas, low 'tar' strike with good, menthol taste. And that's not fiction. That's a Fact.



Available in regular and menthol.

Fact Menthol: The low gas, low 'tar'.

Warning: The Surgeon General has determined that cigarette smoking is dangerous to your health.

**WASH AWAY FAT
AND YEARS OF AGE
With La-Mar Reducing Soap**



REDUCE!

The new discovery. Results quick and amazing—nothing internal to take. Reduce any part of body desired without affecting other parts. No dieting or exercising. Be as slim as you wish. Acts like magic in reducing double chin, abdomen, ungainly ankles, unbecoming wrists, arms and shoulders, large busts or any superfluous fat on body. Sold direct to you by mail, post paid, on a money-back guarantee. Price 2/- a cake, or three cakes for 4/-. One to three cakes usually accomplish the purpose. Send postal or money order to-day. Surprising results.

**LA-MAR LABORATORIES LTD.,
VERNON HOUSE,
40, Shaftesbury Avenue (334T), London, W.1.**

Information ads

Comparison ads



***Comparison between before and after
or between competitors***

Animation ads



Cartoon ads.

Fear ads



Ads. Depends on fear

What are promotional tools?

There are 5 tools used in promotion which are:



Thank You