

Product Promotion

Unit: Business of Textiles

Problem Area: Marketing

Lesson: Product Promotion

- **Student Learning Objectives.** Instruction in this lesson should result in students achieving the following objectives:

- 1 Analyze promotional strategies.**
- 2 Create a product promotion.**

- **Resources.** The following resources may be useful in teaching this lesson:

“How to Promote Your Fashion Product or Service,” *StyleFlair.com*. Accessed Aug. 12, 2012. <http://www.styleflair.com/how-to-promote-your-fashion-product-or-service/>.

Liddell, Louise A., and Carolee S. Samuels. *Clothes & Your Appearance*, 9th ed. Goodheart-Willcox, 2008.

McNamara, Carter. “Basic Definitions: Advertising, Marketing, Promotion, Public Relations and Publicity, and Sales,” *Free Management Library*. Accessed Aug. 12, 2012. <http://managementhelp.org/marketing/advertising/defined.htm>.

“Style 99: The 99 Most Influential Fashion & Beauty Blogs,” *Signature9*. Accessed Aug. 12, 2012. <http://www.signature9.com/style-99>.

Wolfe, Mary. *Fashion!*, 6th ed. Goodheart-Willcox, 2012.

Wolfe, Mary. *Fashion Marketing & Merchandising*, 3rd ed. Goodheart-Willcox, 2009.



■ **Equipment, Tools, Supplies, and Facilities**

- ✓ Overhead or PowerPoint projector
- ✓ Visual(s) from accompanying master(s)
- ✓ Copies of sample test, lab sheet(s), and/or other items designed for duplication
- ✓ Materials listed on duplicated items
- ✓ Computers with printers and Internet access
- ✓ Classroom resource and reference materials

■ **Key Terms.** The following terms are presented in this lesson (shown in bold italics):

- advertising
- budget
- Buy One, Get One (BOGO)
- coupons
- direct mail
- directories
- incentives
- logo
- loss leader
- marketing
- media mix
- promotion
- promotional marketing

■ **Interest Approach.** Use an interest approach that will prepare the students for the lesson. Teachers often develop approaches for their unique class and student situations. A possible approach is included here.

Have each student bring in a promotional announcement for a new fashion item (e.g., a coupon, contest, email, direct mail, or advertisement). In small groups, have students compare the promotional devices and describe the following elements of product promotion: Who is the audience? What is being sold? When is it available? Where is it available? Have each group select an advertisement that best promotes its product and present it to the class.

Then ask students how they hear about new fashion trends and styles. Lead students into a discussion of the types of media advertising they access for fashion news: radio, television, blogs, direct mail, coupons, newspapers, magazines, etc.

Finally, project VM–A to differentiate between the various types of advertising and to set the stage for the lesson about product promotion.

CONTENT SUMMARY AND TEACHING STRATEGIES

Objective 1: Analyze promotional strategies.

Anticipated Problem: How are products promoted?

I. Promotional marketing strategies

- A. **Marketing** is the way goods move from the producer to the consumer, including promotion, sales, and distribution. Retailers typically increase the size of their regular order from the manufacturer during a sale or promotion. As a result, the manufacturer's volume sales **incentives** (items used to encourage or motivate people to take action) allow the retailer to offer the item at a reduced price to consumers.
- B. **Promotion** is publicizing merchandise or service through advertising, direct marketing, and/or discounting. **Promotional marketing** is a group of strategies designed to encourage customers to purchase a good or service. More than two-thirds of all firms use some form of promotional marketing. Promotion is a mix of advertising, public relations, publicity, visual merchandising, discounting, and special events and is designed to inform, persuade, and remind.
 - 1. Informing includes:
 - a. Informing people about new products, changing prices, and new service offerings
 - b. Creating product awareness
 - c. Sharing knowledge of the range of company products
 - 2. Persuading includes:
 - a. Informing people about the product or service features and benefits
 - b. Sharing reasons why the product should be purchased
 - 3. Reminding includes:
 - a. Retelling consumers where and how items may be purchased
 - b. Encouraging additional purchases
- C. Advertising marketing strategies
 - 1. **Advertising** is the public promotion of a product or service usually through paid announcements.
 - a. Newspaper advertisements are affordable and effective for small and large retailers.
 - b. Magazine advertisements offer more widespread notification than newspapers and are primarily used by large retailers and manufacturers.

- c. Outdoor advertisements (e.g., billboards, public transit ads, benches, and freestanding signs) are a more permanent and expensive form of advertising.
 - d. **Direct mail** is printed matter sent to individual prospective customers and preferably customers who are the target market (e.g., teens, moms, parents, or sports fans). Direct mailing is associated with junk mail and bulk mail processes (merging of a message with an existing database of customers or individuals). If companies do not know their audience (target market) lots of direct mail goes directly into the recycle bin. Examples are catalogs, postcards, bill enclosures, newspaper enclosures, brochures, letters, and product samples.
 - (1) Direct mail reaches those who do not use the Internet regularly.
 - (2) Most people like to receive mail. (The USPS reports that 98 percent of people bring in their mail on the day it is delivered, and 77 percent sort that mail immediately.)
 - (3) Coupons convert to customers. Therefore, direct mail that includes a coupon is more successful at bringing people to a store or website.
 - e. Product packaging is designed to include the product name, company name, **logo** (a graphic symbol or design to promote products and provide quick public recognition), and slogans. Logos are often placed on gift boxes and shopping bags.
 - f. Radio advertisements are low cost and can be played repeatedly. It can be more difficult to communicate fashion trends through radio ads. However, many companies use radio because it is a low-cost vehicle for promoting special events and sales.
 - g. Television, video, and DVD are great vehicles for fashion advertisements and home shopping services. Videos and DVDs can be set up on a loop (continuous showing) in showrooms or in department stores to attract the attention of customers. Video and DVD advertising is low cost per ad, if the film plays repeatedly.
 - h. Websites are one of the most popular ways to advertise. Companies must attract people to their websites. Email messages and reminders to customers offer customers a quick feedback loop to the store, manufacturer, or distributor.
 - i. **Directories** are listings of individuals or organizations in alphabetical order, with details (e.g., name, address, and telephone number). Specialized directories may be purchased from marketing firms specializing in directories. However, print and online telephone directories attract consumers who are looking for a particular product or company.
2. Discounting strategies and incentives
- a. **Coupons** are a printed or online advertisement and/or promotion that are cut out (or printed) and surrendered at the point of purchase for a discount on merchandise. Coupons are an affordable marketing strategy for small businesses. Last year, 302 billion coupons were issued, and more than 76

percent of the population used coupons. (Source: CMS and the Promotional Marketing Association Coupon Council)

- b. Contests are attractive to customers and are a good strategy to win new and keep old clients. The prize needs to be valuable to the target market. (Any contest that requires a purchase to enter is illegal in the United States. County or state government agency regulations and laws should be researched before issuing any contest rules.)
- c. Samples are considered an excellent strategy for creating a “buzz” about a product—new or old.
- d. **Buy-One, Get-One (BOGO)**, also known as B1G1, is a type of discounting strategy in which you buy one item at full price and receive the second one free. BOGO is used to draw customers to the store. The BOGO item is often a **loss leader**—a product sold at a low price to stimulate other sales while the customer is in the store; a type of sales promotion. (NOTE: The Federal Trade Commission states, “When a ‘free’ offer is tied to the purchase of another product, the price of the purchased product should not be increased from its regular price.”)

Teaching Strategy: Use VM–B and VM–C to review marketing, advertising, and promotional strategies.

Objective 2: Create a product promotion.

Anticipated Problem: How is a product promoted?

II. Product promotion plan guidelines

- A. Goals form the basis for promotion planning. Each goal should be clearly stated. Sample goals may include the following details:
 - 1. Theme and/or reason for the promotion (e.g., grand opening, holiday sale, elegant New Year’s Eve outfits, store anniversary, back-to-school, or black Friday)
 - 2. Target customer (target market)
 - 3. Geographic location (e.g., nationwide, new store opening, or all Chicago-land stores)
 - 4. A **budget** (a financial plan of expenditures) amount that includes details of the price point target (e.g., T-shirts for \$2 under the regular price and bulk stock purchases from manufacturer at a reduced price)
 - 5. An advertising vehicle (e.g., direct mail, email, in-store advertising, or outsourcing to an advertising firm)
 - 6. Incentives tied to the promotion (e.g., loss leader, coupon, or BOGO)

7. An Action Plan that includes assignments for staff and/or departments to specific responsibilities for the promotion (Tell students the following questions would assist in creating an Action Plan.)
 - a. How will you find leads or a database? Will competitors' customers be targeted or will the target be existing clients who have not purchased in the past six months?
 - b. Will a loss leader or discount be part of the promotion? How will it be implemented? (e.g., through the manufacturer or through each store)
 - c. Who is the target of the promotion?
 - d. Which incentives work best for the target customer? (e.g., coupons, a sample, or a contest)
 - e. Activity timeline
8. Assurance that promotional activity falls within state and federal laws
- B. Objectives to measure the success of the promotion
 1. It should bring 200 new customers into the store.
 2. It should bring 400 old customers back to the store.
 3. It should sell 800 units of the product.
 4. It should target a new audience.
 5. It should create \$20,000 profit in five days.
- C. It is important to determine the **media mix** (a combination of communication tools used to promote and/or advertise a product or service) for the promotional activities.
 1. Radio advertisements
 2. Website, magazine, or newspaper coupons
 3. Television advertisements
 4. Email reminders
 5. BOGO postcards
 6. Direct mail
 7. Other
- D. Timeline of the promotional activities (shown in the Action Plan)
 1. The initial newspaper ad occurs two weeks ahead of the sale.
 2. Radio ads are daily during the week leading up to the promotion.
 3. Direct mail to current customers is to arrive one week prior to the promotion.
 4. Other

Teaching Strategy: Have students review the Signature9 website. (See the Resources section.) Ask each student to select one of the blogs and to report about the types of promotional marketing the blog uses. Then have students visit a shopping center or a favorite store to sketch or, with permission, take pictures of promotional advertising materials. Assign LS-A, which uses VM-D through VM-F.

- **Review/Summary.** Use the student learning objectives to summarize the lesson. Have students explain the content associated with each objective. Student responses can be used in determining which objectives need to be reviewed or taught from a different angle. Questions at the ends of chapters in the textbook may be used in the Review/Summary.
- **Application.** Use the included visual master(s) and lab sheet(s) to apply the information presented in the lesson.
- **Evaluation.** Evaluation should focus on student achievement of the objectives for the lesson. Various techniques can be used, such as student performance on the application activities. A sample written test is provided.

■ **Answers to Sample Test:**

Part One: Matching

1. e
2. c
3. f
4. a
5. b
6. d

Part Two: True/False

1. F
2. T
3. F
4. F
5. T
6. T

Part Three: Completion

1. Marketing
2. loss leader
3. coupons
4. contest
5. customers
6. objective

Product Promotion

► Part One: Matching

Instructions: Match the term with the correct definition.

- | | |
|----------------|----------------|
| a. budget | d. logo |
| b. advertising | e. direct mail |
| c. media mix | f. promotion |

- _____ 1. Printed matter sent to individual prospective customers and preferably customers who are the target market
- _____ 2. A combination of communication tools used to promote and/or advertise a product or service
- _____ 3. Publicizing merchandise or service through advertising, direct marketing, and/or discounting
- _____ 4. A financial plan of expenditures
- _____ 5. The public promotion of a product or service, usually through paid announcements
- _____ 6. A graphic symbol or design to promote products and to provide quick public recognition

► Part Two: True/False

Instructions: Write *T* for true or *F* for false.

- _____ 1. Product promotion guidelines do not suggest a theme as part of the promotional plan.
- _____ 2. When evaluating a product promotion plan, it is important to think about how to measure its effectiveness.
- _____ 3. A budget is a form of media advertising.
- _____ 4. Radio advertising is a high-cost vehicle for promoting special events and sales.



- ____ 5. A billboard is an example of an outdoor advertisement.
- ____ 6. Promotional marketing is a group of strategies designed to encourage customers to decide to purchase a good or service.

► Part Three: Completion

Instructions: Provide the word or words to complete the following statements.

1. _____ is the way goods move from the producer to the consumer, including promotion, sales, and distribution.
2. A type of sales promotion in which a product is sold at a low price to stimulate other sales while the customer is in the store is a/an _____.
3. Printed or online advertisements and/or promotions that are cut out (or printed) and surrendered at the point of purchase for a discount on merchandise are called _____.
4. A good strategy to win new and keep old clients is to run a _____ with a prize that is attractive to the target customers.
5. Coupons convert to _____ when a retailer or manufacturer sends a direct mail promotion.
6. “Bringing 400 old customers back into the store” is an example of a product promotion _____.

FIVE MARKETING STRATEGIES

- ◆ If a circus is coming to town and you paint a sign saying, “Circus Coming to Fairgrounds Saturday,” that is called advertising.
- ◆ If you put a sign on an elephant’s back and walk the animal into town, it is a promotion.
- ◆ If the elephant walks through the mayor’s flower bed, it is publicity.
- ◆ If you can get the mayor to laugh about it, that is public relations.
- ◆ If you get the mayor to bring her family on Saturday, it is group sales.



ADVERTISING: OUTDOOR

Where do you see outdoor billboards and signs?



ADVERTISING: DIRECT MAIL AND LOGOS

- ◆ Direct mail is a form of advertisement that is most effective when sent to a targeted audience.



- ◆ Shopping bags with logos are a form of product and brand advertising.

- ◆ Discounting strategies include BOGOs and coupons.

A large, stylized graphic with the text "SALE BUY ONE GET ONE FREE" in a distressed, red and black font, set against a white background with a black border. The text is arranged in four rows: "SALE" (red), "BUY ONE" (black), "GET ONE" (black), and "FREE" (red). The letters have a weathered, cracked texture. Horizontal lines separate the rows. The entire graphic is enclosed in a thick black border with rounded corners.



PRODUCT PROMOTION GUIDELINES: PART 1 GOALS

Goals form the basis for the promotion planning. Each should be clearly stated. Sample goals may include the following details:

- ◆ Theme and/or reason for the promotion
- ◆ Target customers
- ◆ Geographic location
- ◆ A budget for the promotion
- ◆ An advertising vehicle
- ◆ Incentives tied to the promotion
- ◆ An Action Plan that answers the following:
 - How will you find leads or a database? Will competitors' customers be targeted, or will existing clients who have not purchased in the past six months be targeted?
 - Will a loss leader or discount be part of the promotion? How will it be implemented?
 - Who is the target of the promotion?
 - Which incentives work best for the target customer?
 - What is the timeline for the promotional activities?
- ◆ Ensure that the promotional activity falls within state and federal laws.

PRODUCT PROMOTION GUIDELINES: PART 1 OBJECTIVES, MEDIA MIX, AND TIMELINE

- ◆ Some objectives should be to measure the success of the promotion.
 - The promotion should bring 200 new customers into the store.
 - The promotion should bring 400 old customers back to the store.
 - The promotion should sell 800 units of the product.
- ◆ It is essential to determine the media mix for the promotional activities.
 - Radio ads
 - Websites, magazines, or newspaper coupons
 - Television ads
 - Email reminders
 - BOGO postcards
 - Direct mail

◆ Timeline of the promotional activities (Show in the Action Plan.)

- The initial newspaper ad occurs two weeks ahead of the sale.
- Radio ads are daily during the week leading up to the promotion.
- Direct mail to current customers is to arrive one week prior to the promotion.

RUBRIC FOR PROMOTIONAL TOOL PROJECT AND PRESENTATION

	1	2	3	4	
Content Information and use of fashion guidelines	Inaccurate info; little evidence of product promotion guideline use	Accurate info; some evidence of product promotion guideline use	Accurate info; very good use of product promotion guidelines	Complete info; excellent use of product promotion guidelines	____/4
Logo	No logo created	Little creative effort; adequately suited to the store type	Good creative elements and well-suited to the store type	Highly creative and well-suited to the store type	____/4
Store Profile Target market	Limited profile info; limited target market details	Good profile info; some target market details	Very good profile info; many target market details	Excellent profile info; very detailed target market details	____/4
Presentation Neat, organized, and creative	Carelessly assembled and unorganized; conveys little creativity	Somewhat neat and organized; some creative elements	Very neat and organized; shows several elements of creativity	Above and beyond in neatness and organization; very creative	____/4
Grammar and Spelling	6 or more mistakes	4 to 5 mistakes	1 to 3 mistakes	No mistakes	____/4
					Total ____

Promotional Print Advertising

Purpose

The purpose of this activity is to create a promotional tool with a logo for a retail store.

Objectives

1. Review promotional terms, tools, and guidelines.
2. Review actual fashion-related promotional tools and logos for existing stores.
3. Create a store, promotional logo, and promotional tools.

Materials

- ◆ VM-C
- ◆ VM-D
- ◆ VM-E
- ◆ VM-F
- ◆ writing utensil
- ◆ class notes
- ◆ printer
- ◆ stapler
- ◆ text and reference books
- ◆ computer with Internet access
- ◆ magazines
- ◆ paper shopping bags (Bags with existing designs may be used, as long as the logo designed would cover the one printed on the bag.)
- ◆ glue
- ◆ scissors



Procedure

1. Work with a partner.
2. Review the project rubric: VM–F.
3. Review VM–D and VM–E. Review tools and logos for existing stores, preferably stores where you currently shop. Produce logo sketch ideas.
4. Select a store you will promote (a real store—one you would like to own).
5. Describe your target customer in the space provided.

6. Write two goals for your promotion.
 - a.
 - b.

7. Write two objectives for your promotion.
 - a.
 - b.

8. Determine the information for the flyer and shopping bag.
 - a. Store name
 - b. Store location
 - c. Promotion (e.g., item or service)
 - d. Promotion activity or event
 - e. Date(s) and time (if applicable)
 - f. Other: _____

9. Write the store profile details in the space provided. For instance, this is the store profile for Forever 21™: “The fast-growing retailer operates more than 480 stores under the Forever 21, XXI Forever, ForLove 21, and Heritage 1981 banners in the U.S., Canada, Asia, the Middle East, and now the UK, as well as an e-commerce site. The chain, which helped to pioneer fast fashion, offers cheap and chic apparel and accessories for women, men, teens, and kids. It also carries women’s footwear, lingerie, plus sizes, and cosmetics—all at bargain basement prices.” (SOURCE: <http://www.Hoovers.com>) [NOTE: Include a description of the target customer in the store profile.]
10. Create the logo after considering the elements and principles of design. Remember to keep it simple. Also, attach a print copy of your logo to this lab sheet.
11. Budget: Estimate the cost of the promotional tool for a production run of 500 (e.g., 500 flyers and 500 shopping bags). You may need to contact a printer, a local ad agency, and/or a website on the Internet. Show your estimate for each part of your project.
- a. Material cost: _____
 - b. Printing cost: _____
 - c. Mailing cost: _____
 - d. Media costs: _____
 - e. Other: _____ cost: _____
 - f. Other: _____ cost: _____
12. Make a prototype of your promotional tool. Apply your logo to the flyer and shopping bag. (If you are using an existing shopping bag, paste the new logo over the existing one and/or over the store name.)
13. Decorate the bag to appeal to your target customer.
14. Plan an 8-minute presentation of the promotional tool(s). (Reread the rubric, found on VM–F.) Ask the other students and your instructor to rate your promotional tool(s) according to the rubric.
15. Turn in the tools to your instructor.