

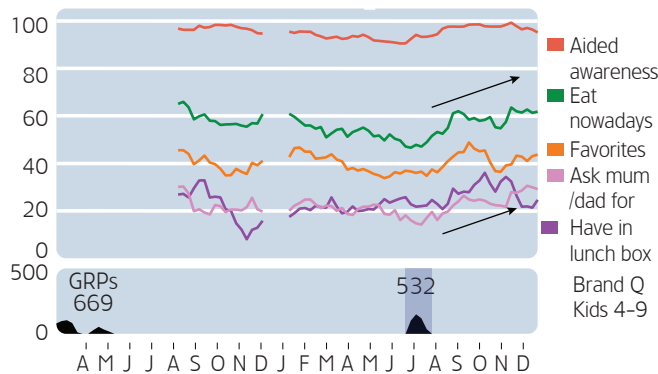
Using consumer sales promotions to benefit the brand

Consumer sales promotions can be an effective marketing tool, and when used well, can build equity. But successful promotions need to be simple, offer a real benefit, and be communicated clearly.

Sales promotions are a common means to market brands. Price promotions are dealt with specifically in the Knowledge Point *Price promotions: how to make them work for your brand*. This Knowledge Point explores free gifts, games and other reward programs. These can be very successful, particularly for children's brands, but it is essential to be clear on your strategy. The benefit of most promotions is a short-term sales response rather than equity building. Additionally you should be clear whether you are aiming to draw in non-users, increase usage, or build loyalty among existing users.

While promotions have been around for many years, they are well positioned to adapt to the digital age. One promotion for a snack brand targeted at 6- to 11-year-olds required participants to text details from the pack to see whether they had won; this was illustrated by an accompanying TV ad. The promotion was understood, and 20 percent claimed to have participated — a good result given that a high proportion of this age group did not own a mobile phone. The campaign boosted perceptions that the brand was cool, and usage measures improved.

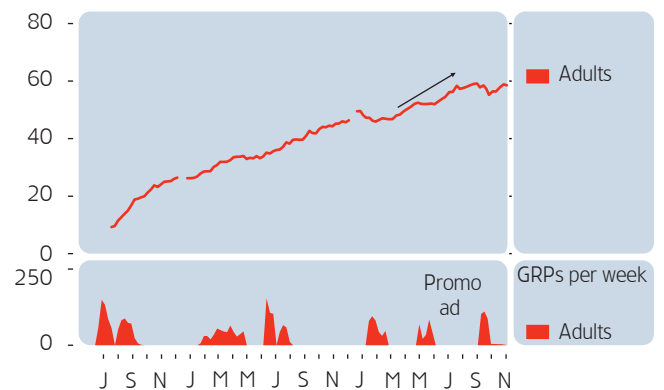
Response to the "text to win" promotion was clear



Using promotions to build equity

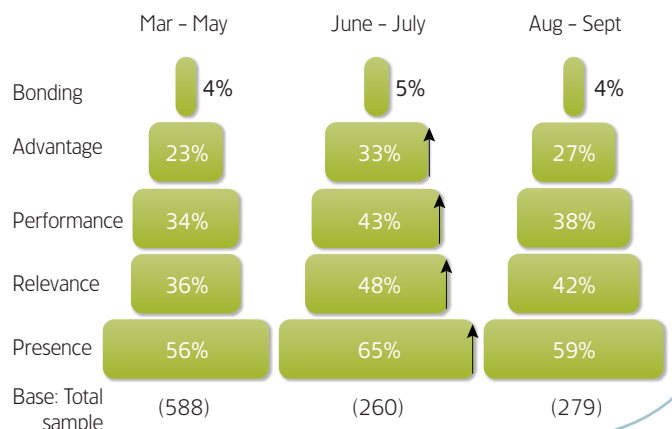
While it is rare for them to do so, promotions that are part of a well-established, ongoing campaign theme can build brand equity. One new snack brand, using an established campaign theme, introduced a scratchcard promotion from April to July. Awareness of the promotion peaked at 15 percent, trial levels increased sharply during the promotion:

Ever tried



The brand's BrandDynamics™ equity pyramid also grew, although the effect was short-lived.

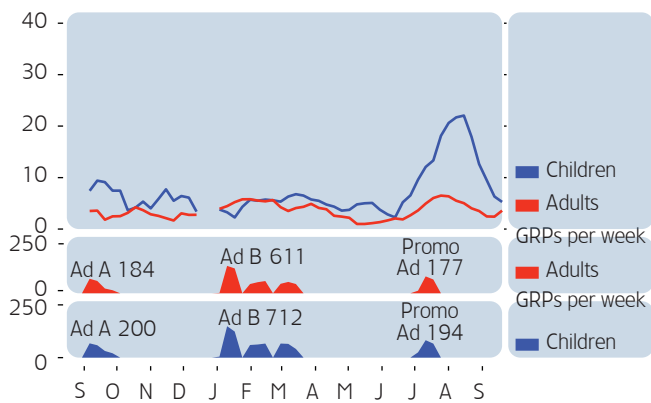
Brand benefit short lived



Promoting the promotion

Consumers need to be made aware of the promotion. One confectionery brand ran an annual promotion. One year it centered on glow-in-the-dark figures. An accompanying TV ad was engaging and impactful, but failed to communicate the figures. Awareness among adults was very low, but even among children, who are more likely to notice promotions, only 20 percent recalled the figures from the advertising, so participation was lower than in previous promotions.

Claimed awareness of snack brand promotion



In-store support

Some promotions depend on in-store support. Because this support cannot be guaranteed, promotions awareness can be affected. For example, one premium Chinese juice brand was not supported with TV as other market-leading brands were, but relied instead on promotion as one of the key marketing activities to grow the brand. It launched two promotions to generate a higher level of trial, Lucky Draw and Buy X Get Y. But these promotions failed to generate an increase in sales; only 1 per cent claimed to have participated. Analysis showed that there was low awareness mainly because less than a third of the stores carrying the brand supported the promotion.

Conveying the benefits of the promotion

Another promotion failed because its appeal was not properly conveyed. Developed for a children’s cereal, it was very well received in qualitative research, and, of those who received the promotion, 65 percent rated it as an exciting new idea — higher than any other promotion monitored in the category. Following the advertising, two-thirds of the target audience were aware of the promotion. However, take-up was weak. Analysis showed that while the advertising had conveyed the name of the promotion, its key benefit was taken in by just 19 percent of the audience.

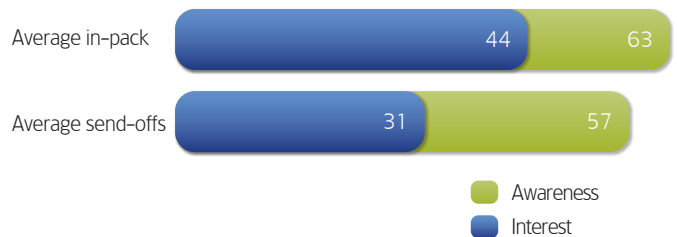
In general, children have a higher opinion of promotions than adults. In one category the average “excellent” rating was 19 percent for children, 11 percent for adults.

Keep it simple

When it comes to promotions, simplicity is key. Analysis from one cereal market showed that awareness was more likely to convert to interest when the promotion was in the pack, than if it had to be sent away for.

In-packs exceed send-offs in both awareness and interest

Cereals - children



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