



NAPIER MARKETING GROUP

# The Basics Of Retail Planning For Advertising, Marketing & Promotion

**General Information**

**&**

**Reference Materials**

# Objective

**To Identify The Core Competencies And Associated Elements That Are Necessary In Developing An Integrated Sales/Consumer Retail Marketing Plan.**

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# Planning The Process

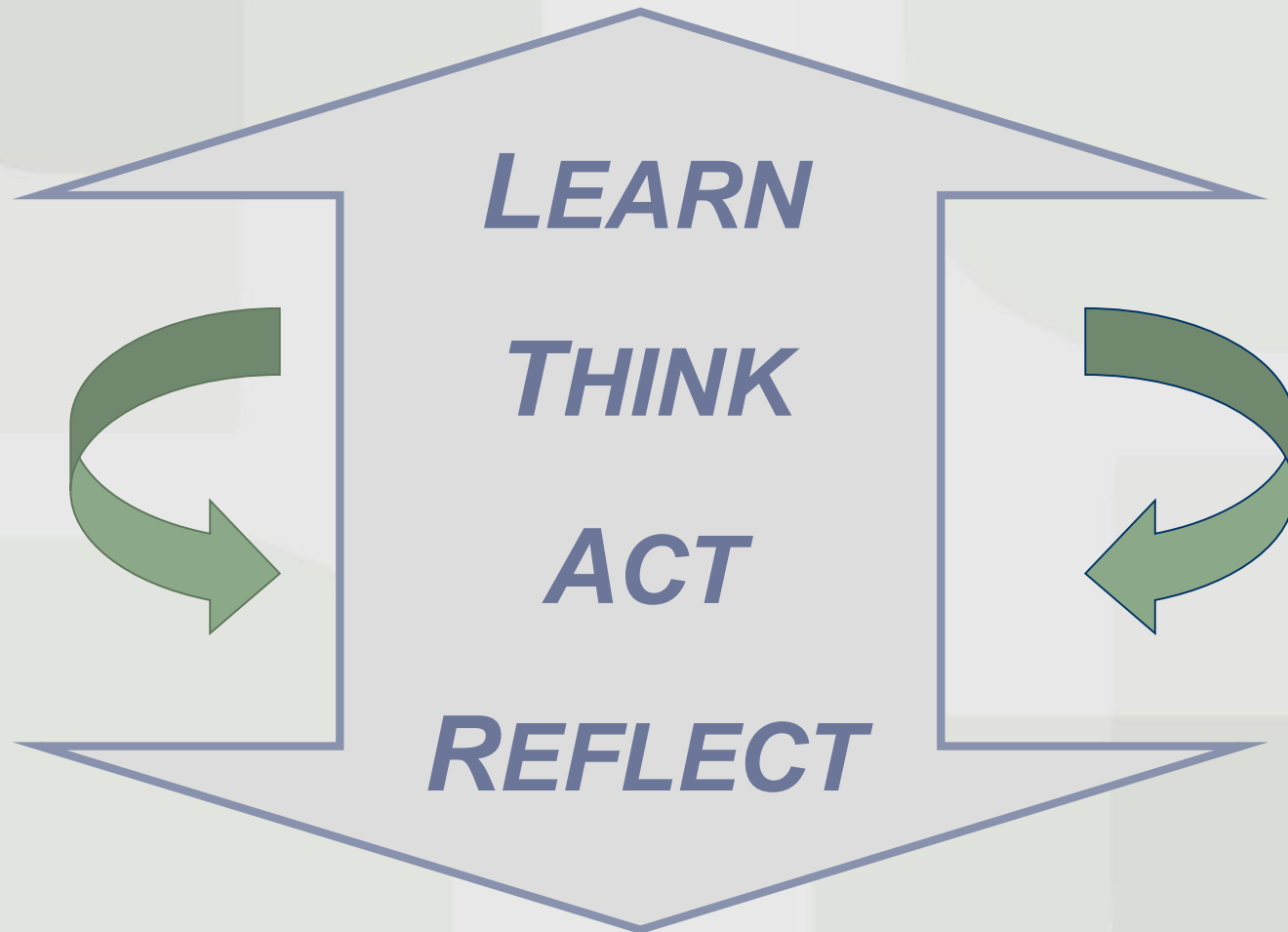
*It's All About  
Velocity*

# Integrated Elements



***PROACTIVE ... NOT REACTIVE***

# THE PROCESS



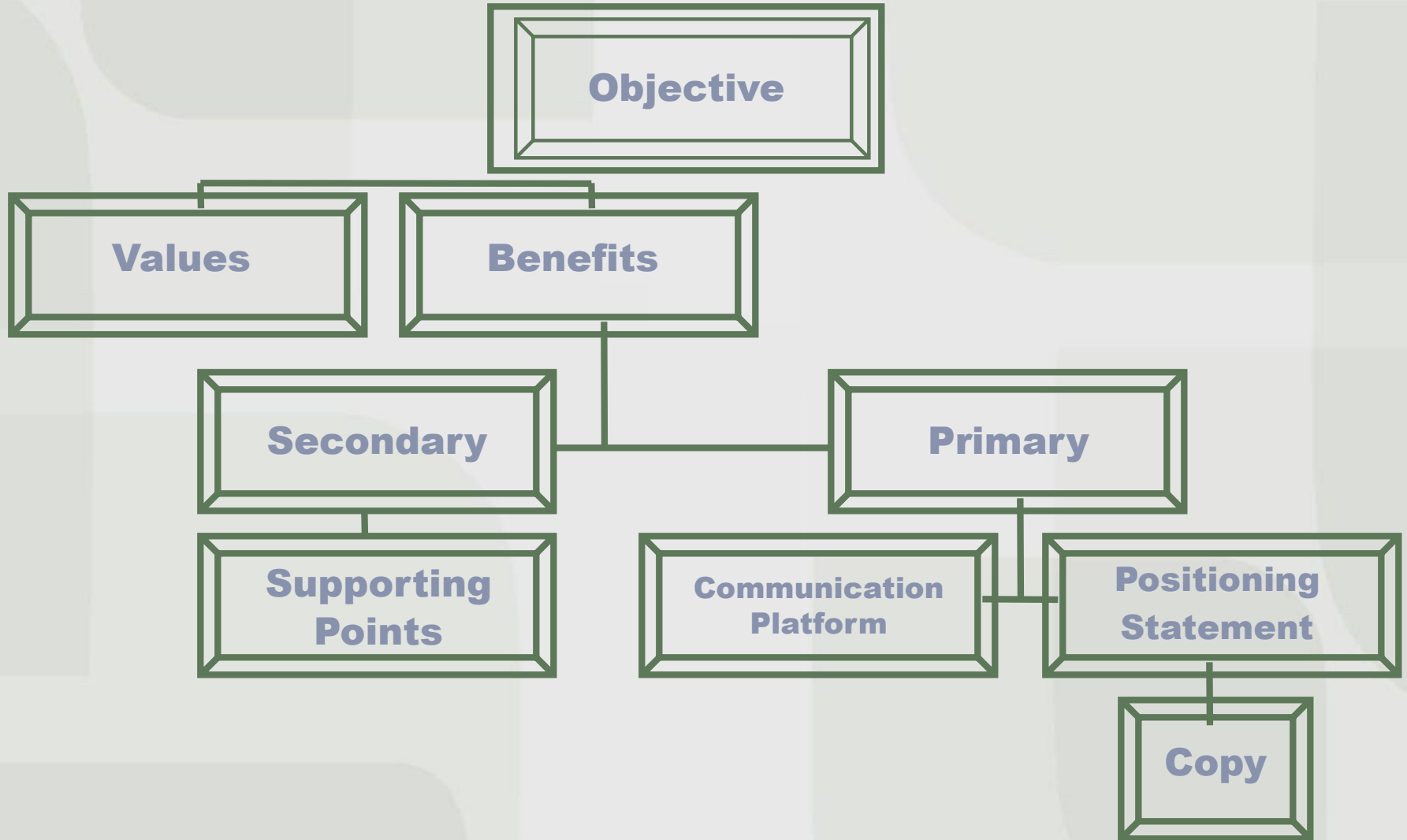
*PROACTIVE ... NOT REACTIVE*

# LEARN

- Information Gathering
- Situation Analysis
- Objectives
- Planning Considerations
- Approval Process



# THINK



# THINK

- Strategy Session
- Information Gathering
- Strategy Session
- Strategic Screening Process
  - ✓ Operations
  - ✓ Financial
  - ✓ Image
  - ✓ Integration

# ACT

- Tactics
- Strategy Considerations
- *Short and Long Term Tactics*

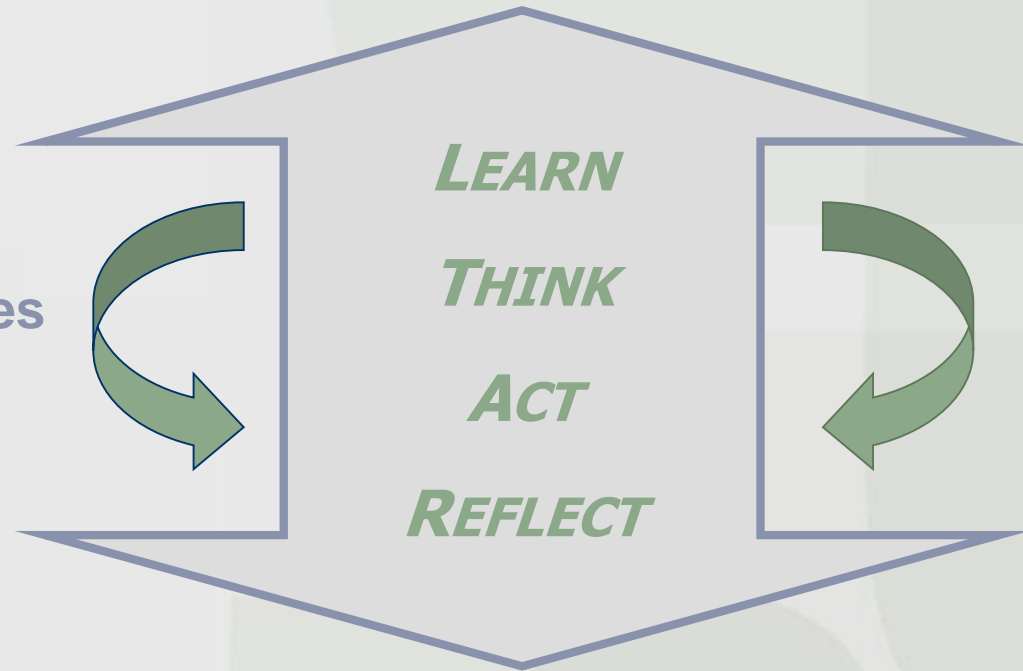
- Legal
- Creative
- Implementation



# REFLECT

- Measurement Plan
- Oncoming Research
- Measurement of Objectives
- Strategies Initiated
- Evaluation

*Re-Process*





# I

# Marketing Definitions & Terminology

# A. Marketing

Marketing Is The Process Of Planning And Executing All Of The Elements That Bring A Product To Market Including Packaging, Pricing, Advertising, Promotion, Public Relations; In A Manner That Satisfies The Perceived Needs, Wants And Objectives Of The Target Audience.

## B.

# Integrated Marketing

Today's Consumer "Consume" Marketing (Brand) Messages From A Wide Variety Of Channels (E.G. TV, Cable/Satellite TV, Radio, Newspaper, Outdoor, Internet, Magazines, Direct Mail, Telemarketing, Special Events, Etc). It Is In The Best Interest Of The Retail Community To Make Use Of Multiple Marketing Communications Vehicles And It Is Equally As Important To Insure The Messages Conveyed On The Various Channels Are Coordinated (Integrated) In Order For The Marketing Message To Be Communicated Clearly And With Adequate Frequency.

## C.

# Branding

The Goal Of Getting Consumers To Recognize Your Store Name And It's Attributes In A Positive Way. For Example, 'Fun Place To Shop,'

'Courteous Staff,' And 'Quality Products.'

The Brand Image Can Be Communicated Via Various Forms Of Marketing Communications Vehicles.



# D. Advertising

The Paid For Communication Of A Product Or Service That Communicates The Desired Marketing Message Thereby Providing Reasons For And Motivating The Consumer To Respond In The Desired Manner.

## **FUNCTION**

To Communicate A Positive Message To The Consumer About Products And Services

# E. Promotion

Promotion Is The Act Of Providing A Specific Reason For A Targeted Consumer To Make An Immediate/Short Term Decision By The Retailer:

## Desired Action

Store Visit:

Buy Now:

Provide Name/Address:

Make a Return Visit:

## Promotion

Come in and register to win XXX

Buy X and get Y free

Sign up to win X

Get a coupon good on next purchase

*Promotional Messages Can Be Communicated Via A Variety Of Mediums.*

**F.**

# Public Relations

The Non-paid-for Communication Of Positive Information About The Company Or Products. PR Messages Or Content Cannot Be Controlled, But At Best Managed. Honest, Proactive Reputation Management.

## **FUNCTION**

To Communicate Information At No Media Cost To The Company.

# II

## The 6 Steps to Developing An Integrated Retail Marketing Communication Campaign

# Step 1 – Develop a Situation Analysis

*Review All Data That May Impact The Marketing Of The Product Or Service.*

## Examples

### → Share of Market

- ✓ Current
- ✓ Desired

### → Market Trends

- ✓ Population
- ✓ Income
- ✓ Movement

### → Lifestyle trends

- ✓ Aging
- ✓ Recreational habit

### → Competitive efforts

- ✓ Advertising strategy
- ✓ Store locations
- ✓ Product mix
- ✓ Pricing

### → Sales History/Trends

- ✓ Internal Data

### → Product Mix And Pricing

### → Identification Of Target Audience And Their Media Consumption Habits

### → Traffic Pattern/Location

### → Budget And Operation Limitations

# Step 1 – Develop a Situation Analysis (cont'd)

**Review All Data That May Impact The Marketing Of The Product Or Services.**

## Examples

- **Brand Platform**
  - ✓ **Who We Are**
  - ✓ **Why Consumers Should Shop With Us**
  - ✓ **What Is Our Competitive Advantage**
- **Media Options**
- **Beneficial Relationships**
  - ✓ **Trend Setters**
  - ✓ **Celebrities**
  - ✓ **“Experts”**
- **Etc.**

# Step 2 – Identify Key Issues to Address

Based On The Situation Analysis Identify The Issues That Can Be Addressed Via Marketing Communication Elements In Rank Order Of Importance To The Target Consumer:

## Examples

- Location
  - Price
  - Hours Of Operation
  - Product Mix/  
Quality/Availability
  - Reputation/History
  - Added Value  
(Promotion)
- Personality Of  
Ownership/Management
  - Parking
  - Proximity To Other  
Primary Shopping Areas
  - Ambiance
  - Guarantee/Warranty

# Step 3 – Identify the Objectives Marketing Communications Needs to Achieve

Based On The Situation Analysis Identify Primary Marketing Needs That Can Be Addressed Via Marketing Communications Elements.

## Examples

- Need increased store traffic
  - ✓ Overall
  - ✓ Days
  - ✓ Time periods
- Need increased sales of specific products
- Need increased marketplace awareness of the “brand”
- Need to increase awareness of special offers – promotions
- Need to promote grand opening
- Etc.



# Step 4 - Identify/Select Media to Use in Communicating the Marketing Message

## Television

- Cable
- Broadcast

## Radio

## Newspaper

- Daily Metro
- Daily Suburban
- Weekly
- Run Of Press
- Inserts
- Special Sections

## Outdoor

- Billboard
- Transit

## Magazines

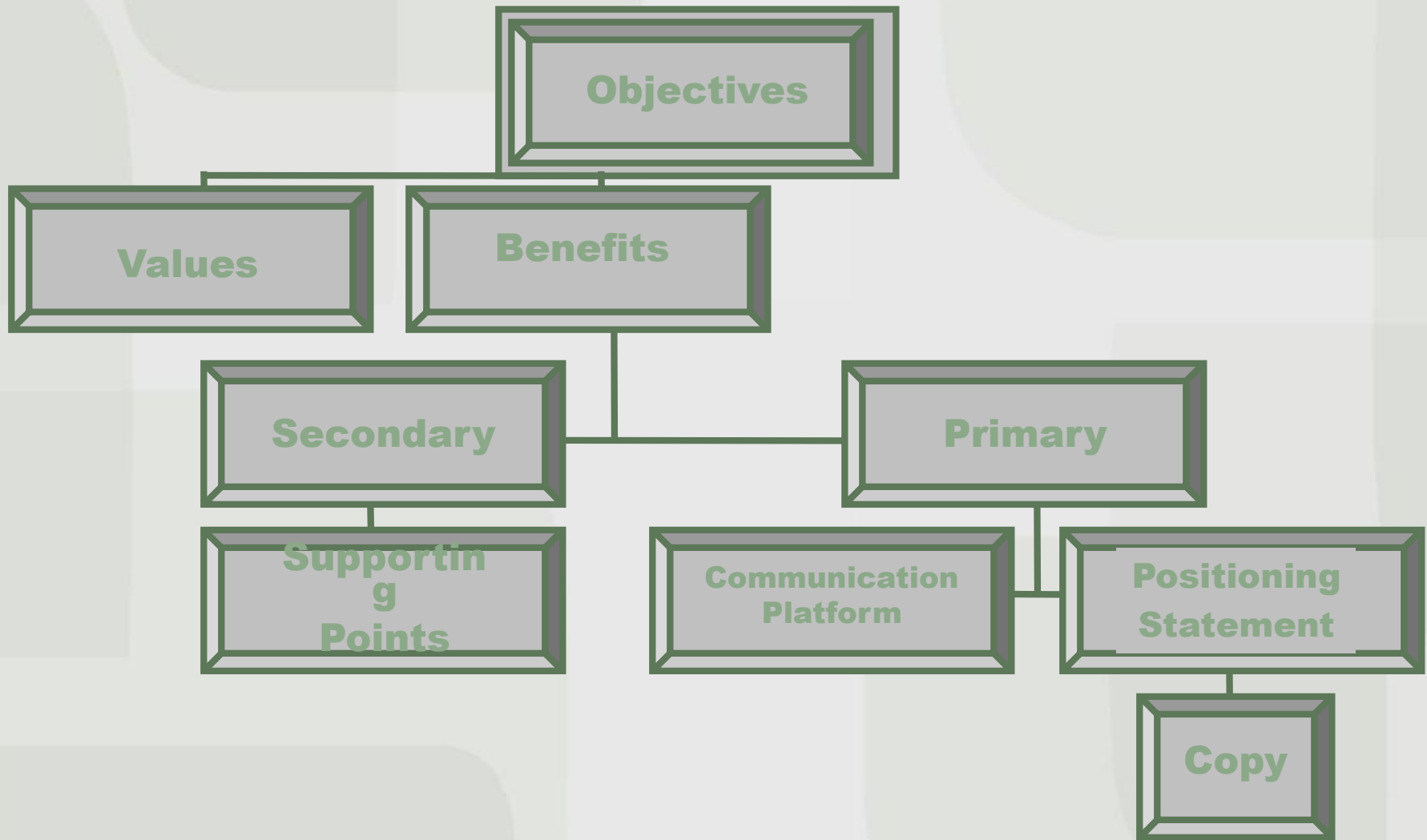
## Direct Response

- Television
- Direct Mail (Solo, Co-op)
- Telemarketing
  - ✓ Inbound
  - ✓ Outbound

## Public Relations

## Point of Sale

# Step 5 – Develop the Creative Message



# Step 6 - Develop The Appropriate Media Plan

- Select the most appropriate media to use is part art – part science. The number of variables are staggering and almost every media can make a good case to be considered.
- The following section will provide you with the basis when it comes to selecting media.
- In selecting media, the most important fact is to have a good handle on the demographics of the target audience since most media is either targeted at a specific demographic segment or it is measured based on its ability to reach specific demographic audiences.

# III. Advertising

## A. Targeting

### 1. DEMOGRAPHICS

Demographics are attributes—like age, income, and family composition—that help to define individuals and groups. When demographic data is collected and analyzed, *shopper profiles* can be used to predict how different types of people will spend money.

For example, 60-year-old “empty nesters” and 30-year-old couples with small children have different buying habits. Advertising is most effective when messages are directed to the most likely buyers. This can be accomplished by adjusting the creative message and/or the media in which the message appears.

# III. Advertising

## A. Targeting <sup>2</sup>

### 2. Psychographics

Psychographics groups people according to psychological features. With information like values, attitudes, personality, and lifestyles, marketers can classify people according to what they feel, believe, and the way they live. This information helps indicate what products, services and media they use.

The VALS (Values and Lifestyles) System assigns consumers to eight (sometimes overlapping) groups exhibiting distinctive behavior, decision-making, and product or media usage. Groups range from abundant resources to minimal resources, as well as principle oriented, status oriented or action oriented.

# III. Advertising

## B. Measurement <sup>3</sup>

Two variables—reach and frequency—will determine the overall success of your media strategy.

1. **REACH** is the number of people who see or hear your advertising. (e.g. a 50 reach means 50% of the desired target will be exposed to one or more message).
2. **FREQUENCY** is the number of times your message is received.

The importance of the first variable is obvious—the more people you **REACH** with an advertising message, the more people you see walking through the store. Unfortunately, a single advertising impression is not likely to generate sufficient awareness. People need a certain amount of repetition and reinforcement before name recognition is fully achieved, and that's why you need **FREQUENCY**.

# III. Advertising

## B. Measurement (cont'd) <sup>3</sup>

**3. RATING** is the % of a given population group consuming a medium at a particular time. Generally used for broadcast media.

**Ex:** A TV program with a 10 rating with adults 18-49, means 10% of the adult population between the ages of 18-49 viewed an average minute of programming.

**4. GROSS RATING POINT (GRP)** is the sum of all ratings delivered by a given list of media vehicles.

**Ex:** Rating of 10 x 3 announcements = 30 GRP

# III. Advertising

## B. Measurement (cont'd)

### 3. Cost per Thousand (CPM): universal means of measuring cost-efficiency

Medium cost divided by medium audience  
delivery=CPM

Ex: Ad costs \$350, reaches 12,000 women 18-49:  
CPM= \$29.17

### 4. Cost per rating point (CPP): cost to reach one percent of homes or individuals in specified area

Medium cost divided by GRP= CPP

**Ex:** Ad costs \$350, GRP is 30: CPP= \$11.67



# **IV. Media**

## **A. Television**

**TV is the most powerful of all marketing communication mediums given its ability to deliver both visual and audio messages. In addition, TV has the ability to reach the greatest number of people at lower cost.**

**TV can be bought two ways – either broadcast (traditional over-the-air local TV stations) or cable.**

# IV. Media

## A. Television - – Over-the-Air Broadcast

- Buy advertising in programming that reaches your target audience.
- In small markets, prime time and highly rated shows may be affordable.
- If specific programming is too expensive (e.g. you cannot get the frequency desired) then consider buying “Day Parts”.

# IV. Media

## A. Television - Broadcast

### → Day Parts:

- Morning News: 5A-9A
- Early News: 5P-7P
- Morning: 9A-Noon
- Access: 7P-8P
- Daytime: Noon-3P
- Prime: 8P-11P
- Early Fringe: 3P-5P
- Late News: 11P-11:30P
- Late Friday: 11:30P-1A

→ Some stations will offer better rates to a new advertiser.

# IV. Media

## A. Television - Broadcast <sup>3</sup>

### → All Things Are Negotiable:

- ✓ Bonus spots in other programming/day parts
- ✓ Rate
- ✓ Level of pre-emptability
- ✓ Participation in promotions
- ✓ Product exposure on “soft” news shows
- ✓ Merchandise for traffic building promotions
- ✓ Listing in stations TV ads: “ABC” Show brought to you by XYZ
- ✓ Term of commitment

# IV. Media

## A. Television - Broadcast

At certain investments levels the local TV station can justify producing spots as part of the buy (some cable systems also have studios and can offer the same advantages).

Commercial length is an important factor to consider; :30 second units are the most effective in delivering a brand and “buy now” message. :10's can be effective as part of a TV campaign that utilizes :30's since the :10 becomes a “reminder” message.

# IV. Media

## B. Television - Cable<sup>3</sup>

Cable offers excellent geographic targeting – in larger markets because of the “zones” they offer. In smaller markets with fewer “zones” the benefits of cable is absolute cost (low).

Cable TV presents an excellent opportunity, especially in larger markets with many cable zones for the retailer with smaller budgets.

Cable networks are primarily focused on offering one type of programming so they can reach people with a high degree of interest in their programs:

- ESPN – Sports
- Discovery – Outdoor adventure

# IV. Media

## B. Television - Cable <sup>3</sup>

Cable networks are sold by the sales-reps from the local system.

Cable systems will sell a "rotator" or a spot they schedule. These are usually very low cost/unit, but should never make up more than 10-15% of a cable buy because of the uncertainty of when the "rotator" spot will air.

# IV. Media

## B. Television - Cable

- Like broadcast, cable can also offer added value elements:
  - ✓ Extra spots
  - ✓ Billboards
- Cable can also offer retailers a chance to be involved in the systems promotions to attract or upgrade customers. This is an excellent opportunity to gain exposure in the cable systems advertising and promotion materials.



# IV. Media

## B. Television - Cable <sup>3</sup>

Understand cable ratings are not the same as regular TV ratings. They are based on the % of homes in a market that have cable TV. For example:

- A 3 rating in a market with 200,000 overall TV HH's is 6,000 HH's
- A 3 cable rating in a market with 200,000 HH's of which 100,000 have cable equates to 3,000 HH.

# Cable Pre-Buy Analysis

- Dealer Demographic Data
- Dealer Trade Area Mapped
- Dealer Budget Analyses
- Dealer Customized Proposal From Local cable Affiliate

# IV. Media

## Television: buying <sup>7</sup>

### What To Do When Buying Television Time

- Ask which programs are available? At what cost?
- Analyze efficiency of available programs
- Negotiate on price of advertising
- Figure the reach and frequency of considered programs
- Read and sign the necessary contracts
- Track performance

# Advertising on Television - FAQ's

## **As a Dealer We Now Have a Choice of Over-the-air or Cable Television. What Are the Differences?**

Both Are Mediums That Can Provide Tremendous Marketing Muscle. Over-the-air Television Covers a Very Wide Market Area With Broad Based Programming While Cable Television Is Designed to Cover Smaller Market Areas With More Targeted Programming Material.

## **Is Television Advertising Affordable?**

Television Advertising, Both Cable and Over-the-air, in Most Markets Costs Less Than Many of the Other Major Mediums Like Newspaper and Radio. However, the Coverage Area Is So Much Larger That the Individual Commercial Costs May Seem Larger. Broken Down Into a Cost-per-thousand (What It Would Cost to Reach 1000 Customers) Television Is Generally One of the Most Cost Effective Mediums Available.

# Advertising on Television - FAQ's

## How Big a Budget Do I Need to Use Television?

More Than Budget, the Primary Consideration Should Be Length of Your Television Advertising Campaign.

For Events Like a Holiday Sale, Weekend Sale, Etc., You Need to Concentrate As Much As Possible Into a Few Days, and Make Sure the Audience Sees Your Message the Proper Amount of Times. A Good Guide Is to Reach the Audience With Your Message a Minimum of 3 Times. On an Extended Campaign, Like a Summer Sale, Where Your Message Will Be on Television for Multiple Weeks in a Row, You Can Stretch a Bit More and Have the Cumulative Effect Help Reach This 3 Time Benchmark.

When You Add the Number of Times You Have Reached Your Audience, With the Overall Number of People Your Message Reached, You Get What Media Professionals Call Total Rating Points or Trp's. In Any Campaign You Should Expect to Run No Less Than 50 Trp's a Week, With the More Concentrated Event Campaigns Requiring a Minimum Investment of 100 TRP's.

## How Do I Know What a Rating Point Costs in My Market?

Cable companies have a Cost Per Rating Point Breakdown for Every Market in the United States. Your Regional Rep Can Share These Estimated Costs With You So You Can Determine If Your Budget Can Support the Power of Television Advertising.

## **I've Never Used Television Before. How Do I Choose Between Cable and Over-the-air?**

Used Properly, a Mix of Both Works Best. As a Rule of Thumb, If You're Looking to Concentrate Your Efforts on a Tight Radius Around Your Location, Then Cable Will Be Your Choice. If You Are Looking to Send Your Message to the Largest Geographic Footprint Available, Then Over-the-air Is Your Choice. Again, the Combination of Both Works Best, and for Most B, C, and D Sized Markets Is Realistic.

In A Markets (New York, Chicago, Philadelphia, Atlanta As Examples) You Will Need to Consider Number of Locations and Trade Radius, Along With Cost Per Points of the Market. These Are the Most Expensive Media Markets, and You Should Consider Proposals From Both Before Making Any Decision.

## **How Do I Get Information for My Market?**

Local representatives in your market for the various media outlets

# IV. Media

## C. Radio

TV is a “shotgun” medium—it hits large numbers. 81% of the U.S. population 18+ listen to radio daily. Radio is a “rifle” medium—it hits smaller numbers of listeners with more specific demographic profiles. Though radio suffers from the same limitations as cable TV—too many channels—there are other downsides.

First, radio is not a visual medium—the customer cannot see your product.

Second—radio spots may actually cost more than TV spots—and evening audiences are very low. Many stations program for young age groups. Look for formats that target older households with average or higher disposable income.

Some Retailers have gotten good results with live in-store broadcasts tied to special events. Since federal deregulation of station ownership, radio conglomerates have appeared. In some markets, multi-station packages offer broader demographic reach

# IV. Media

## C. Radio <sup>3</sup>

Radio stations “Demographics Breaks” provide you with a guide on who the station has for an audience.

### Men or Women

12-17

18-24

25-34

35-44

45-54

55-64

65 and older



# IV. Media

## C. Radio <sup>3</sup>

- Try to buy as narrow a target as possible and do not look at very broad categories (e.g. adults 18+).
- Ratings are published each quarter – the key piece of information is how a station ranks against all other in the market reaching your target audience (i.e. the cumulative number of listeners in your target group).
- Because of the relative inexactitude of radio, ratings always try to evaluate stations based on an average of at least two rating periods.

# IV. Media

## C. Radio<sup>3</sup>

- Since you will use radio to build message frequency, the TSP (Time Spent Listening) is as important to look at as is average quarter hour (AQH) ratings.
- Stations also sell “day parts” (e.g. Morning drive 6A-10A) but the best schedule includes spots in almost all day parts. So identify specific day parts and also ask for a few “rotators.”
- Radio requires frequency to be effective (minimum of 4 x's).
- The first quarter is the best time to get deals on radio rate.

# IV. Media

## C. Radio <sup>3</sup>

- Radio stations are very promotion driven and almost all of them are experts at staging events. When buying a station, ask to be part of their events or share in the visibility at they have at someone else's event. Some stations will even use your retail location as a site for one of their events.
- Stations get a computer generated report – the ranker – which shows the demographic audience for each station in the market. These are based on cume; ratings, AQH, share, etc. and by listeners purchase habits. Use this data to help find your customers/prospects.

# IV. Media

## C. Radio <sup>3</sup>

### Radio Stations Added Benefits That Can Be Negotiated:

- ✓ Free spot production (even writing!)
- ✓ Free spots
- ✓ Better positions in day parts
- ✓ Better positions in a commercial
- ✓ Tickets to local events
- ✓ Remote at your location
- ✓ Merchandise to use as traffic builders for your promotions
- ✓ ID on their web site and hot link
- ✓ Billboards

# IV. Media

## C. Radio <sup>7</sup>

### Preparing A Radio Schedule

- Find stations with the greatest concentration of your target audience
- Determine which stations have a format which offers the highest concentration of potential buyers
- Find which part of the day would offer most potential buyers
- Design your scheduling with a strong mix of day-parts
- Determine the reach and frequency
- Figure cost per 1,000 of target persons reached
- Negotiate a price, buy the time

# IV. Media

## D. Newspaper/Shoppers

Most consumers who buy furniture also read newspapers, but display ads can be expensive. Pre-printed inserts—also known as “circulars” or “Sunday supplements”—may be more cost effective. Ask your newspaper rep about geographic “breakouts”—portions of the home-delivery circulation that can be selected by postal zip code. High-income neighborhoods buy more new furniture.

Newsprint periodicals—those with nothing but advertising—cater to people who buy things. That may be good, but the demographic profile is low—most readers are looking for second-hand items.

# IV. Media

## D. Newspaper/Shoppers

- **Sample Ads**
- **Design Questions**
- **Which Products?**
- **How Large?**
- **Color or B&W?**
- **Offers & Descriptions**
- **Proofs**
- **File Transfer**
- **Tips on Buying Print Ads**
- **Compare Actual Sizes**
- **Contracts and Insertion Orders**
- **Placement**
- **Small Ads are OK**
- **Sample Ad Sizing**

# IV. Media

## D. Newspaper/Shoppers

**Circular Size**

**In-Home Date**

**Print Date**

**Order Cut-Off  
Date**

**Comp Date**

**Imprint Space**

**Fixed Cost**

**Quantity Prices**

**Shipping Cost**

**Grand Opening  
Format**

**Special Runs**



# IV. Media

## D. Newspaper/Shoppers

### Terms:

- Standard-size newspaper: 22" deep, 13" wide, six columns
- Tabloid-size newspaper: 14" deep, 11" wide
- Standard Advertising Unit (SAU), or column inch:
  - ✓ 1" deep, 2 1/16" wide
- Run of Press (ROP) ads: an on-page newspaper ad
- Circulars/ Free Standing Inserts (FSI): pre-printed ads inserted into a newspaper

### Size and readership:

**24% of readers notice a fractional page ad**

**40% of readers notice a one page ad**

**55% of readers notice two page spreads**

# IV. Media

## E. Billboards

A billboard on a heavily traveled route could be a good investment, but keep the message simple. The average billboard can be seen for no more than seven seconds, so four words and one visual image is all you can count on getting across. If you can find billboard placements close to your store, messages like “turn at the next corner” are good traffic builders.

# IV. Media

## E. Billboards

### Three standard sizes:

- 8-sheet Junior Poster: 11' x 5'

  - Visibility: 30%

  - Readership: 29%

  - Re-examination: 1.3

- 30-sheet Poster: 21'7" x 9'7"

  - Visibility: 37%

  - Readership: 29%

  - Re-examination: 1.5

- Bulletin: 48' x 14'

# IV. Media

## F. Yellow Pages

Shoppers rely heavily on listing in their telephone directories. They may have seen or heard your ads, but where exactly is your store located, and when is it open?

Yellow pages are referred to at that critical moment when shoppers are finally ready to get in the car and shop for what they want. So don't skimp on the Yellow Pages. A huge display is not necessary, but your ad should stand up well against others in the category.

# IV. Media

## G. Local Magazines/Print

Magazines that cater to local urban dwellers can be effective, and readership demographics are excellent. Most cities have “relocation” magazines that target newcomers. Use these publications to highlight your newest designs and most expensive items. Beware of hotel-distributed “entertainment guides”—the readers are just passing through.

# IV. Media

## H. Direct Mail

Direct-mail companies can offer you a variety of customized lists, but postage and printing costs are relatively high. Former customers are your best future customers, so use your own lists first. Mail is good for clearance sales and seasonal promotions.

# IV. Media

## H. Direct Mail

- **Direct Mail**
- **Mailing Lists**
- **Labels**
- **Print Formats**
- **Self Mailers**
- **Printing**
- **Postage**
- **Local Production**

# IV. Media

## I. Telemarketing

For the purpose of bringing people into retail stores, telemarketing has limited value, if any with the Do Not Call Lists. Like direct mail, phone solicitation works best when the prospects you target are prior customers, especially if you know something about their buying habits. Begin by building a database of customers and credit applicants. With each entry, list the types of products the customer already has. If customers purchased single items, you may be able to interest them in matching pieces or related groups. That strategy is known as “cross marketing.”



# IV. Media

## J. Internet

- There are always a wide variety of benefits in using the internet to promote your retail location. **Virtually everyone today is Wired!**
  - ✓ You can offer products on-line
  - ✓ You can advertise for very little money
  - ✓ The information stays “on” and available 24/7/365
  - ✓ Creative can be changed quickly and relatively inexpensively
- But there are drawbacks:
  - Only a small % of people who see your logo or message will click to your site

# IV. Media

## J. Internet <sup>3</sup>

- **How to Pay for Internet Exposure:**
- CPM: Cost per thousand times an ad is displayed
- CPC: Cost per each time some click your ad
- CPT: Cost per transaction or sale
- **Email:**
- If you can obtain the email addresses of a prospect or customer and they “opt in” or given permission you can effectively e-market to them over the internet.

# IV. Media

## J. Internet <sup>3</sup>

### ➤ Email:

### ➤ Some keys to successful e-marketing:

- ✓ Keep records of the “permission granted” material
- ✓ Keep lists secure
- ✓ Be informative and provide valuable and useful information in addition to asking for business
- ✓ Respond to email inquiries rapidly
- ✓ Always offer consumers a chance to opt of out of getting information
- ✓ State your privacy policy

# IV. Media

## J. Internet

- Finding the most effective message/creative is not easy. Traditional “ads” are not as effective as they are in the traditional media where the consumer cannot easily “click them off.” Internet advertising needs to be enrobed in “content” (e.g. advertorial vs. advertising – as most web visitors are searching out information on which to base their buying decision).
- Banner ads can work but they should be interactive.
- The most trafficked web sites in a market are those tied to traditional media (radio, TV, newspapers) hence the best web buy is one made in concert with a traditional media buy.

# IV. Media

## J. Internet <sup>3</sup>

### ➤ Internet measurement:

- ✓ Impressions: # of times ad appears on web page
- ✓ Conversion Rate\*: rate at which visitors take a specific action
- ✓ Hit: every component of a web page a visitor sees
- ✓ Click Through: # of times people select/click on your banner
- ✓ Click Through Rate (CTR): # of times the ad is clicked on divided by the total # of times an ad is seen on screen

**\* Most important**

# V. PROMOTION

## A. Role

- Promotion can reinforce the positioning, enhance image but cannot lead to the establishment of a position or image
- Promotion can be an important tool in building customer retention and purchase provides continuity
- Promotion is often the center piece of an integrated effort
- Promotion helps establish a positive point of difference with competition
- Promotion can add value to offset competition
- Promotion can help obtain trial of new products
- Promotion can stimulate a sales force
- Promotion can stimulate a customer to take direct action

# V. Promotion

## A. Role

- Most marketing communications efforts of retailers is promotional in nature since the communication more often than not includes some “additional enticement” to attract traffic/build sales other than just listing products and price.
- There are a wide variety of promotional concepts that can be used to drive traffic/encourage purchase at retail.
- Selling add-on items can be the difference between a store succeeding or barely getting by.

# V. Promotion

## B. Tools <sup>1</sup>

- The most effective promotional activities to drive retail traffic are:
  - ✓ Free gifts
  - ✓ On-site entertainment
  - ✓ Instant win games (everyone wins)
- The most effective promotional tool to build a database is a sweepstakes
- The most effective promotional tool to encourage purchase are;
  - Sales
  - Gift w/purchase
  - Purchase w/purchase
  - Extended warranty
  - Payment options
  - Free delivery or service
- The most effective way to enhance brand image is via sponsorships or charitable tie-ins



# V. Promotion

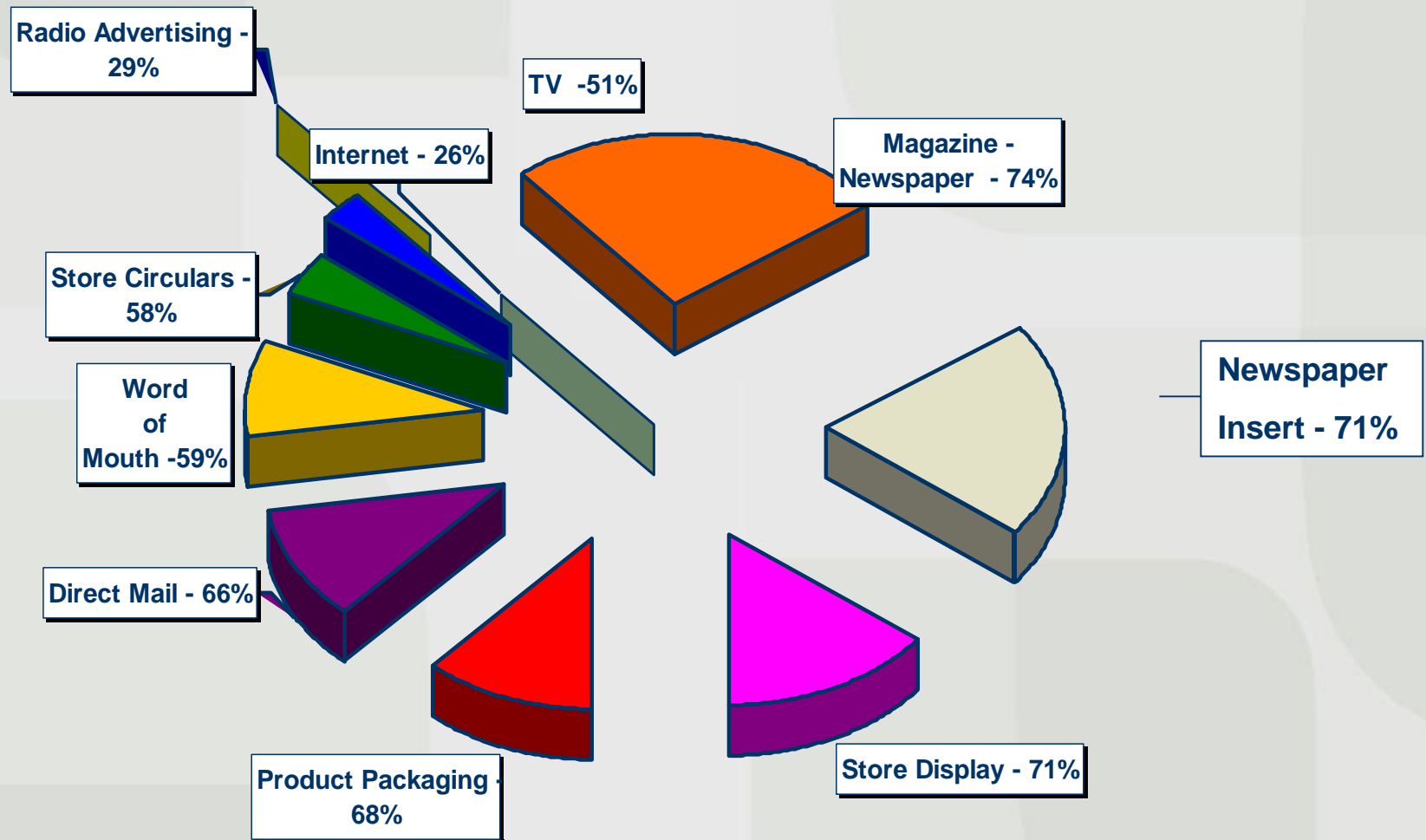
## C. Special Events

### Special Events at stores:

- Select a topic that fits with your products and bring in experts in the field to attract attention (e.g.)
  - ✓ Furniture – decorators, free advice
  - ✓ Kitchen table – chefs, cooking lessons
  - ✓ Sporting goods – coaches, free clinics
  - ✓ Families- child-centered activities
- Can easily be tied in with a prize drawing or contest as well

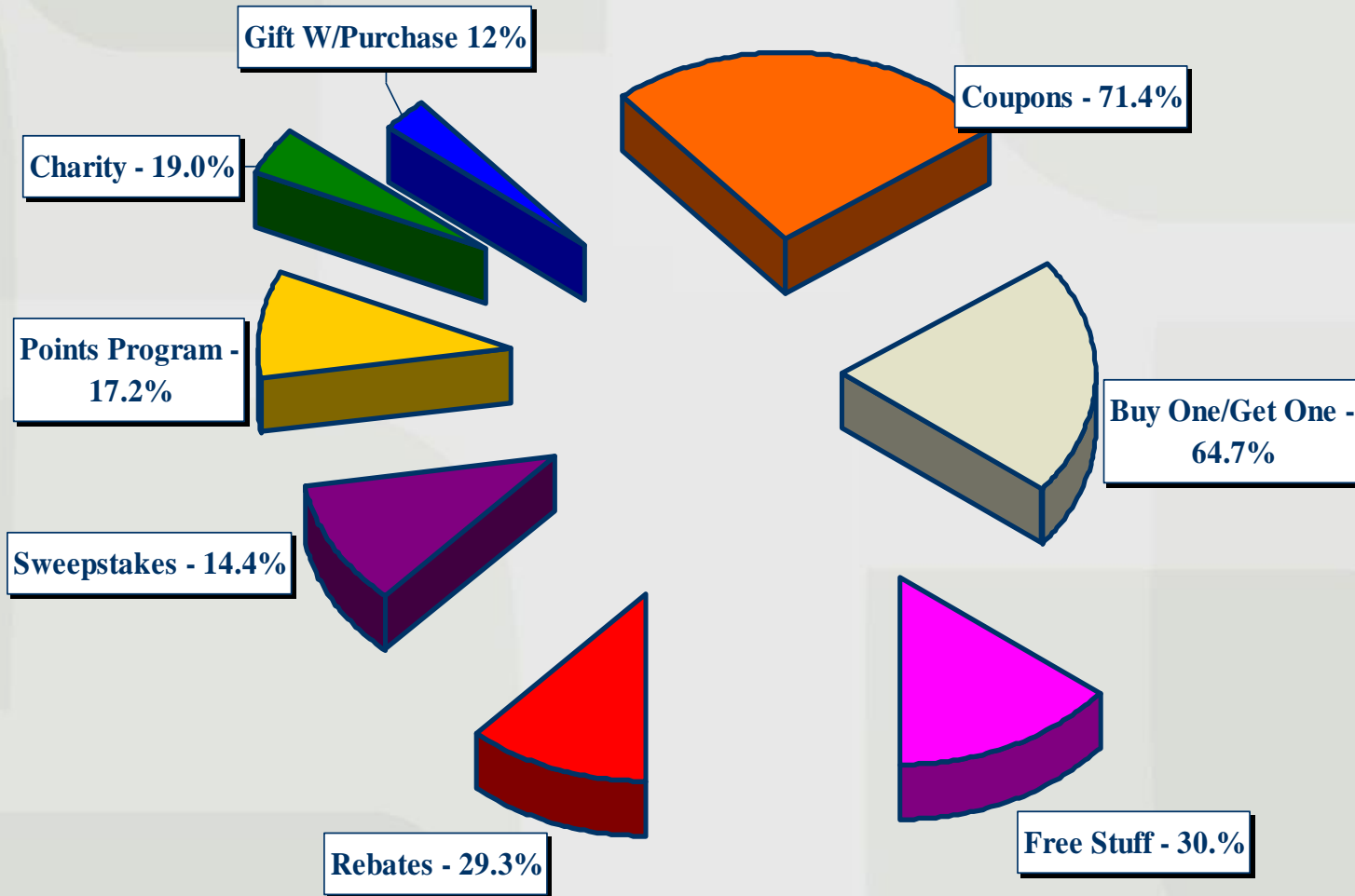
# V. Promotion

## D. What Form of "Advertising" is Used to Communicate Promotions to Consumers? <sup>1</sup>



# V. Promotion

## E. Most Popular Promotions <sup>1</sup>





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# VI. The In-Store Experience

# VI. The In-Store Experience

## A. Planning Elements

- **Planograms**
- **Adjacencies**
- **Space allocations**
- **Promotional Programs**
- **Special fixturing**
- **Merchandise quantities**
- **Required productivity, i.e. stock turns**

# VI. The In-Store Experience

## A. Planning Elements

- Floor plan, traffic flow, space allocation, adjacencies
- Fixturing placement
- Store Design
- Interior furnishings, components and layout
- Decor
- Colors
- Lighting
- Flooring treatments
- Wall treatments
- Ceiling treatments
- Fixture selection
- Display techniques
- Graphics & Signage - Incorporate marketing concept
- Exterior - Logo / Identity
- Interior Informational Graphics & Signage - i.e. departmental
- Interior Promotional Display Graphics & Signage

# VI. The In-Store Experience

## The Experience of Shopping <sup>8</sup>

- A store has three distinct aspects:
  - Design, or premises
  - Merchandising, or product
  - Operations, or what employees do
- Buying is based on trial and touch today more than ever
  - Operations, or what employees do
- A store can offer shoppers:
  - touch, trial, sensory stimuli
  - immediate gratification
  - social interaction

\* source: Why we Buy: the Science of Shopping, Paco Underhill, 1999

# VI. The In-Store Experience

## Entering the Store <sup>8</sup>

### Windows

- Small-scaled signs or merchandise cannot be seen while rushing in from a parking lot
- Message must be big, bold, short, simple

### Store Entry

- Customers need a transition zone of about 10 feet
- Americans automatically move toward the right

### Store Viewing

- Merchandise should be displayed to greet shoppers face on, not sideways



# VI. The In-Store Experience

## Women <sup>8</sup>

- Women influence 80+% of purchasing decisions
- Take pride in providing good value to their family through their shopping skills
- Shopping is a process of searching, examining, questioning, acquiring, absorbing
- Shopping can be a transforming experience, a method of becoming a newer, perhaps slightly improved person.  
Products  
turn you into the other, idealized version of yourself
- Women are more likely than men to ask another person for product information or store directions

# VI. The In-Store Experience

## Men <sup>8</sup>

- A woman's comfort level plunges with an anxious or bored man by her side
  - If he can be occupied, she'll spend more time & money
  - Be careful of where you place relaxation areas:
  - Practicality, aesthetics, intimidation of other shoppers
- Men more likely to consult product packaging, signs, and brochures for product information or store directions
- Male shoppers require more and more child considerations

# VI. The In-Store Experience

## Children <sup>8</sup>

- Children are an economic force: now and in the future
- If a store is unwelcoming to children, parents will stay away
  - Leave width for baby strollers and passerby if you don't want to shut out 50% of all women and men age 20-30
- Children are enthusiastic consumers if needs are considered
  - Place items within eye level and reach of a child walking or riding in a cart
  - Place items in an aisle where parents likely to be
- If Mom won't buy it, Dad will



# VII. Track/Measure Results

# VII. Track/Measure Results

## A. Measure Your Plan

### Measuring Your Advertising Investment

You constantly measure your return on inventory investments. You likely measure your return on your staffing investments. Why not measure your return on your advertising investments?

You cannot improve upon what you do not measure. The enclosed "daily traffic log" and "source log" will assist you in collecting quantitative data about your store's traffic in relation to your advertising efforts.

By counting the number of shoppers coming into your store, and associating those results with your advertising efforts, you can better establish a cause and effect correlation. The simple lesson is this: if something works, do it again. If it doesn't work, seek other alternatives for your advertising investment.

# VII. Track/Measure Results

## B. Daily Traffic Log

The enclosed traffic log is an easy way for you to track traffic patterns throughout the day. You'll find a column for each target market group, segmented by age and gender. By photocopying this form and keeping a tally of customers in estimated age groups as they walk through the door, you can better determine if you're attracting the market your advertising is intended for. Be sure to pay attention to the traffic on specific days of the week in relation to your advertisement placement.

By comparing the distribution of customers throughout the day, as well as the number of women:men:children, you can further narrow down your audience. For example, families shopping after work vs. morning senior citizen shoppers may respond favorably to different advertising mediums. You can also use the "source log" to determine how each target group is hearing about your store.

# VII. Track/Measure Results

## C. Source Log

The enclosed source log is an easy way for you to find out how persons entering your store heard about your business. This will help you determine your effective and weak points when planning future advertising.

Combining several media to advertise an event may produce the best results. However, the power of each medium is difficult to measure. Some media tend to produce more immediate results, while others are a more gradual, long-term method. When filling out the source log, urge customers to tell you as many types of advertising exposure they can remember.

# VII. Track/Measure Results

## D. Results

Advertising often creates what is called a "bell-shaped" traffic pattern curve. Traffic gradually increases, levels off, and decreases within each advertising cycle.

With your first efforts, you may feel like you're spending money with no effect. Even if customers do not pour into your store, you are still putting name identification, brand awareness and location in the minds of potential customers. People buy furniture when they need furniture- the next time they are in the market, they'll have your store in mind.





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# IX. Appendix

# The Brand Elements

## Brand Loyalty <sup>7</sup>

- 54% of consumers are brand loyal once they find a brand that “satisfies me”
- 46% are “national” brand loyalists -

### *The Ultimate Consumer*

- 51% are willing to pay more for products and services that “make life easier” for them and their families
- 53% buy “only what they need”
- 30% spend a great deal of time researching brands before making a purchase

# Building The Brand

## KEY ELEMENTS <sup>7</sup>

**More Americans See a "*Great Deal Of Difference*"  
Between Well-known Brands of Products**

**Consumers Perceive Quality Claims As Having  
Reached Parity**

## PRICE AND VALUE

- Value
- Quality
- Desirable Product Improvements
- Product Innovations
- Appealing Image
- Effective Advertising

# The Brand Elements

## KEY ELEMENTS OF A POWER BRAND <sup>6</sup>

Brands that work continuously and creatively to prove their value to consumers are crossing over more quickly to ***Power Brand Status*** than those that don't

***Consumers perceive these brands as being "different or better and worth paying more for."***

ROPER STARCH WORLDWIDE

# Planning Information

## Lifestyles <sup>7</sup>

### ➤ Consumers are looking for convenience

#### WE AS CONSUMERS ARE...

- ✓ Turning away from Mega-Center Supermarkets and shopping more at drug stores and convenience stores for purchases of food and beverage
- ✓ Parents continue to seek out discount stores when buying school clothes and supplies
  - ✓ *They seek out specialty stores when they need more information and knowledge*

### ➤ Half of small businesses are home-based today, up from 38% just two years ago Dun & Bradstreet

- ✓ Home-based and women-owned companies are changing the face of small business today, with flexibility a key consideration for workers, either home - or office-based.

# Planning Information

## Lifestyles <sup>7</sup>

**SOCIETY IS QUICKLY BECOMING TWO TIERED**

The HAVES

The HAVE-NOTS

### LifeStyles For LifeStages

MAJOR LIFESTYLE SHIFTS ARE AHEAD AS THE POPULATION AGES

Market fragmentation

**WE ARE IN THE AGE OF AUTONOMY - SELF RELIANCE**

Consumers are “tuning in” when they need us.

Consumers are doing their own research.

We will need to be “on call”, when the consumer decides they want us.

# Planning Information

## Lifestyles <sup>7</sup>

**ENTERTAINMENT** Average household spends \$1,841

Books, TV, Movies, Theatre, Toys

**We spend nearly 50% of food budget “eating out” in restaurants.**

Increasing demand for more prepared or “easy” to prepare foods.

**CREDIT IS KING** 50%+ of consumers pay for major durable expenses, travel and mail order with plastic.

### Spending Habits

Baby Boomers, entering lower echelons of the “mature market” 65+, their spending from 1990-1998 has risen “significantly”.

Grandparents spend \$30 billion/year and purchase 20% of all children’s products sold

**We will sacrifice any number of things in the interest of “Saving Time”.**

**A Furniture “buying” decisions is now made in 1.3 visits per store (2000) from 2.6 visits per store (1996)**

# Planning Information

## Lifestyles <sup>7</sup>

### Women Influence over 82% of All Household “Buy” Decisions And Are....

- Earning Over 50% of Bachelor/Masters Degrees
- Most Likely to be “Very Stressed”
- Single Mothers 9.8 Million + 36% From 1980’s
- Unmarried Co-habiting Mothers Who Eventually Marry - 44%. Down From 57% in 1990
- Account for the Overwhelming Majority of Increases on Savings, Investing, Financial Decisions. A New Dimension of POWER.
- As a Group, More Suspicious of Advertising
  - ✓ 70% Are More Willing to Purchase a Brand Based on Experience
  - ✓ 20% Are Motivated by Advertising or Brand Popularity
  - ✓ Women Are More Likely Than Men to Try to Buy Things on Sale

### MEN ARE...

- Single Fathers...2.1 Million From 1.7 Million From 1995 to 1998



# PLANNING INFORMATION

## LIFESTYLES <sup>7</sup>

### **KIDS ARE...** Directly influencing more than 20% of ALL PURCHASE DECISIONS

- 40% To 80% In many categories
- 380 billion dollars in purchases
- Parents influence them more than anyone else
- At 8 years old, many kids are required to take on adult responsibilities
- Have high confidence in themselves and very high standards for their leaders

### Growing Up Faster Than Ever Before

- Kids under 12 have over \$15 billion dollars of discretionary income and *influence in excess of \$765 billion dollars in purchases*

### Are Tuned In

- Are more visual in their learning and understanding - media savvy
- Girls seek out more information than boys
- Adult comedy shows on television dominate teen viewing habits
- 72% think commercials are annoying and interrupt their shows

# Situation Analysis

## Shopping Habits - Market Data <sup>7</sup>

- **In 1998 76% of all Americans shopped "At the Mall"**
- **In 1999 57% of all Americans shopped "At the Mall"**
- **25% Decrease**

*Consumers Want Quick Convenience*

*Target, Wal-Mart... In And Out*

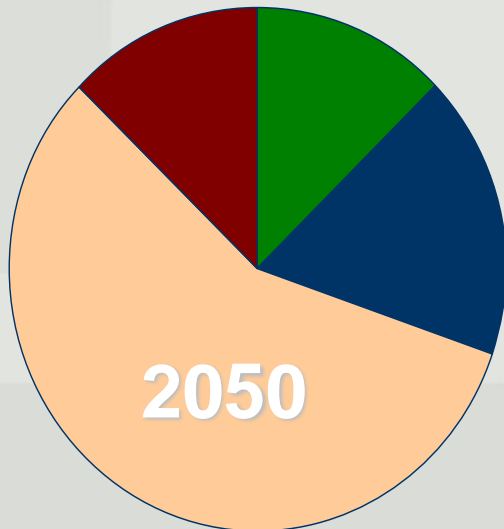
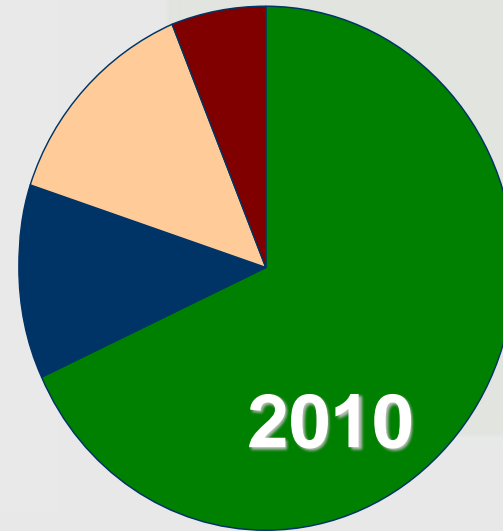
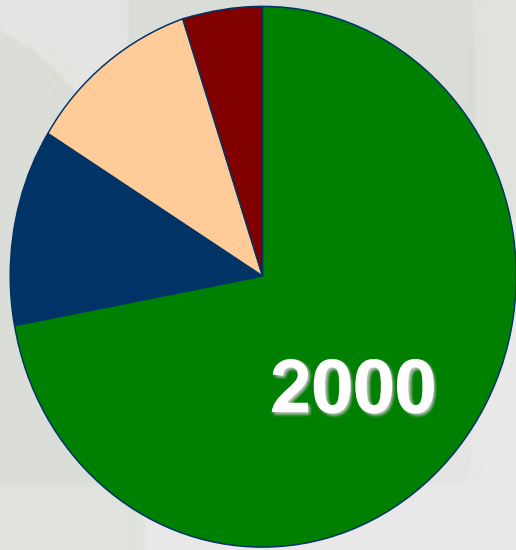
# Planning Information

## Demographics <sup>9</sup>

### Ethnic Diversity

- 4 in 5 African Americans are more likely to patronize businesses with a long history of supporting their communities
- Hispanic Americans are the most Brand Loyal. They “cling” to brands
- 80% of population clustered in 16 states
- Population growth outpaces Anglo Americans 2 to 1 between 1995 - 2050
  - ❖ Anglo Americans will be minority
- \$500,000,000+ Purchasing Power
- African Americans have a disproportionate representation in 11 of the top 12 markets for consumers.
- 90% of Hispanics live in 10 states
  - ✓ Large immigration factor
  - ✓ Less educated
  - ✓ Hispanic Population continues to get older and more prosperous

# Ethnic Marketing - The Market <sup>9</sup>



- 80% of population clustered in 16 states
- Population growth outpaces Anglo Americans 2 to 1 between 1995 - 2050
  - ✓ Anglo Americans will be minority
- \$500,000,000+ Purchasing Power
- African Americans have a disproportionate representation in 11 of the top 12 markets for consumers.
- 90% of Hispanics live in 10 states

# Situation Analysis

## Demographics <sup>9</sup>

### ➤ Population continues to get older and more prosperous

- ✓ 51% of future retirees plan to live in the “same place” down 16 percentage points from 1974.
- ✓ 33% of future retirees will most likely move... up from 24%
- ✓ 18% are unsure, up from 9%

### ➤ Housing

- ✓ Market driven by repeat buyers moving up to more expensive homes
- ✓ Married buyers up 16.4%
- ✓ Widowed, divorced, separated buyers up 13.6%

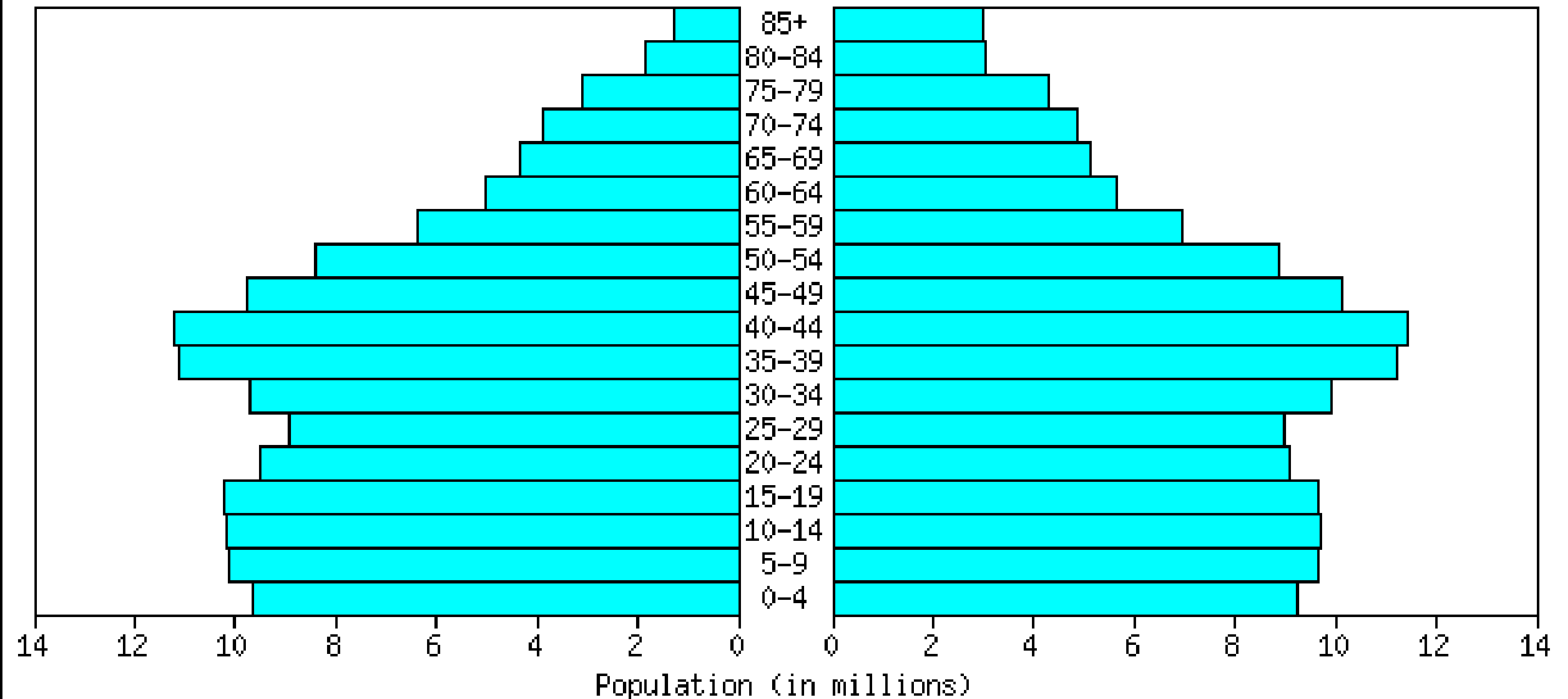
**FEMALES Population, all ages 141,080**

**MALES Population, all ages 134,979**

**United States: 2000**

MALE

FEMALE

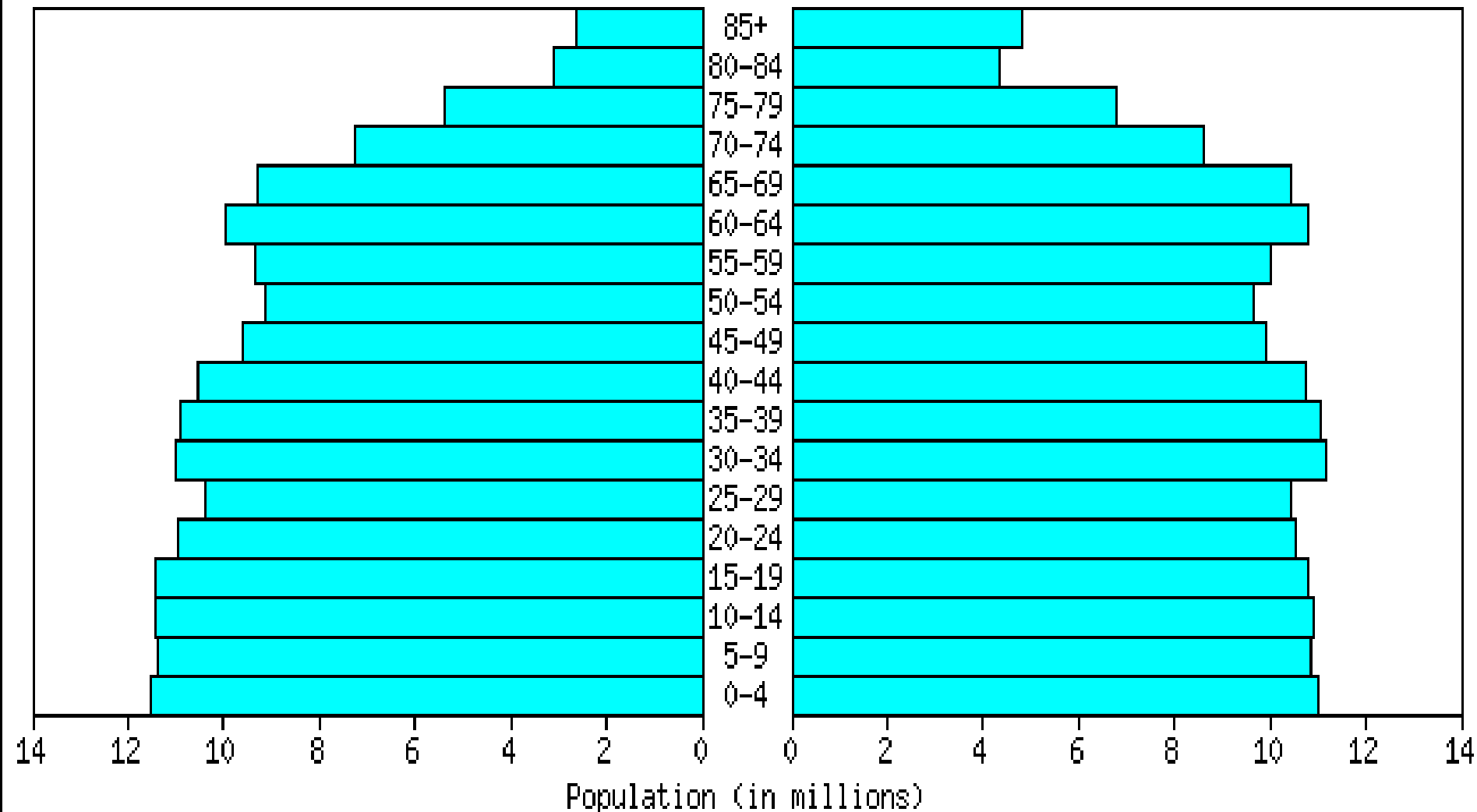


Source: U.S. Census Bureau, International Data Base.

# United States: 2025

MALE

FEMALE

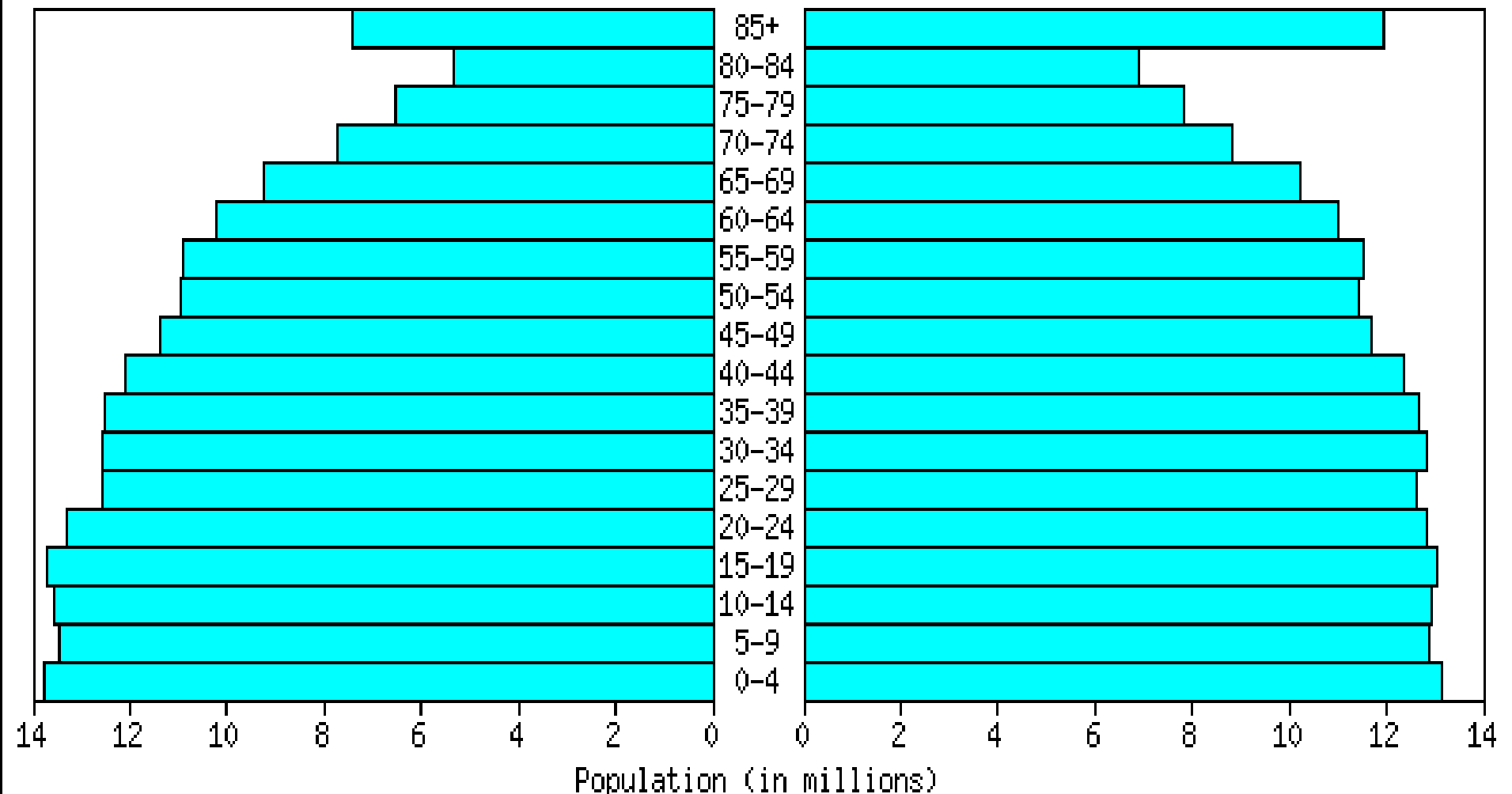


Source: U.S. Census Bureau, International Data Base.

# United States: 2050

MALE

FEMALE



Population (in millions)

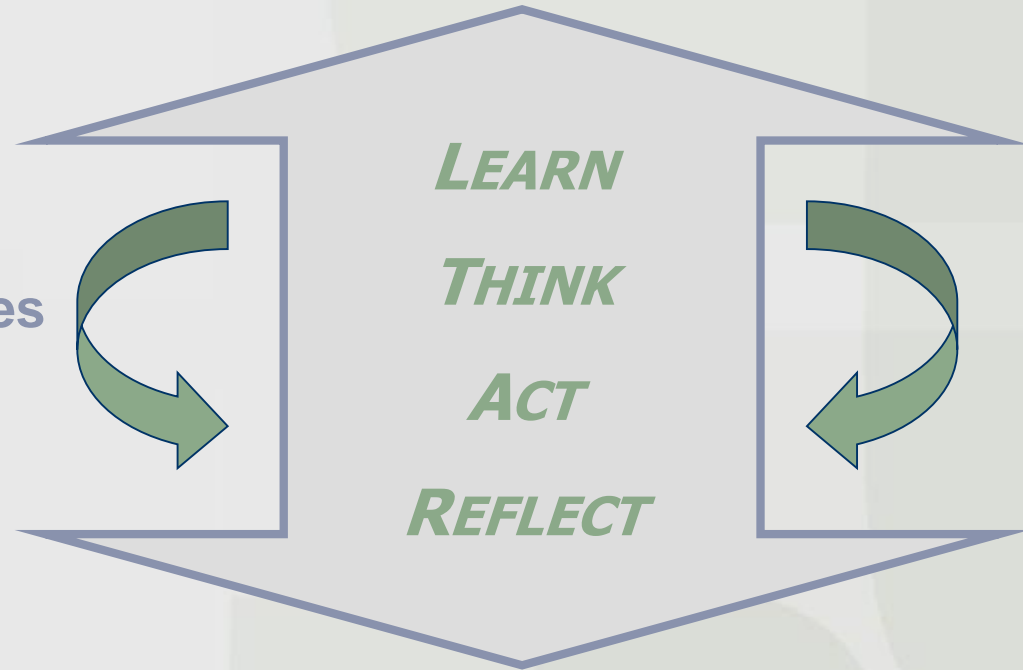
Source: U.S. Census Bureau, International Data Base.



# REFLECT

- Measurement Plan
- Oncoming Research
- Measurement of Objectives
- Strategies Initiated
- Evaluation

*Re-Process*



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# GLOSSARY <sup>5</sup>

**Above-the-line:** Refers to the cost of paid advertising in mass media versus "below the line" expenses for promotion, PR events, etc.

**AC Nielsen:** An auditing service that tracks product movement in stores to establish share of market and measures audiences in measured media.

**Acceptable price range:** The range of prices that buyers are willing to pay for goods or services.

**Account specific programs:** A marketing support campaign designed by a marketer to accomplish previously-established objectives for a specific retailer.

**Advertising media:** The various media that can be used to carry advertising messages to potential audiences or target markets for products, services, organizations, or ideas. These media include newspapers, magazines, direct-mail, Yellow Pages, radio, broadcast television, cable television, outdoor, transit, online and specialty.

**Advertising weight:** A measurement of media support for a brand, normally expressed in Gross Rating Points (GRP).

**Alternative media:** Those vehicles considered secondary to traditional media. Ex: in-store point-of-sale advertising.

**Audit Bureau of Circulation (ABC):** An organization sponsored by advertisers, advertising agencies, and print media publishers that verifies the audience circulation figures claimed by newspapers and magazines.

**Awareness:** A consumer's recall of information about a brand, ad, or promotion. Normally there are two types: "unaided awareness," and "aided awareness," in which the consumer is prompted.

**Bait and switch:** A deceptive sales practice in which a low-priced product is advertised to lure customers into a store, where they are then induced to buy higher-priced models when the less-expensive product is disparaged or there is an insufficient supply of the low-priced product.

**Best Food Day (BFD):** The day on which a newspaper runs editorial material on food. Retailers should consider this day when planning advertising if it fits with their target audience.

**Bleed:** The areas of printing plates that extend beyond the edges of the final trimmed sheet, thus eliminating a white margin around the edges.

**Body copy:** The words in an ad or promotional piece that describe the headline offer. Normally much smaller in type size than headline and subhead copy.

**Boilerplate:** Standard legal copy normally required to explain and define an offer or product claims.

**Borrowed-interest promotion:** A promotion that uses the recognition and/or impact of a well-known event or personality to capture the attention and interest of the target audience via the implied endorsement.

**Brand:** A name, term, design, symbol, or any other feature that distinguishes one seller's good or service from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items from that seller. If used for a line of products or for the firm as a whole, the preferred term is trade name.

**Brand Development Index (BDI):** A measure of the concentration of a brand's consumption; typically, the units or dollars of a product sold to a consumer per thousand population in a designated geographic area each year.

**Brand equity:** The value of a brand. From a consumer perspective, brand equity is based on consumer attitudes about positive brand attributes, awareness, and favorable consequences of brand use. The brand equity of the most famous brands in the world is measured in billions of dollars.

**Brand image:** The perception of a brand in the minds of consumers- its image or personality. It is what people believe about a brand- their thoughts, feelings, and expectations.

**Brand loyalty:** The inclination of a consumer to buy the same brand of product or service repeatedly over time rather than buying from multiple manufacturers within the category.

**Brand name:** Words, letters or numbers that can be spoken to identify an item. Trademark is synonymous but is derived from the legal rights on how to sue those words, letters, or numbers as your exclusive identity description.

**Brand personality:** The image or psychological profile that the manufacturer intends to convey to the public as opposed to the brand image, which refers to the consumer's perception and the image the consumer has of a brand.

**Brand switching:** The tendency of consumers to switch from one brand of product to another.

**Bulk mail:** A large mailing of identical pieces that is delivered to the post office in bulk to qualify for reduced-rate postage.

**Burst:** A printed graphic device that is used to draw attention, used either in and/or on a package or in point of sale. Example: "New"

**Buy One Get One Free (BOGO):** An offer to a consumer or retailer of a free unit with the purchase of one unit of the same product.

**Buying power:** A term found in economic psychology that refers to the income available for discretionary spending among segments of the population. It is a measure of the ability and willingness to buy goods or services.

**Captive market:** The potential clientele of retail or service businesses in a locale where consumers do not have reasonable alternative sources of supply. Example: Posters in a subway car

**Card-base marketing:** A term used by retailers for their database marketing efforts drawn from their frequent-shopper card database.

**Carrier-route presort:** Sorting mail into nine-digit ZIP code sequence so it is ready to be distributed to individual U.S. Postal Service carriers. Saves additional postage over five-digit code sequencing.

**Category Development Index (CDI):** The sales-volume ratio of the sales of an entire category versus a specific set population, either in a given area or nationally.

**Cause-related marketing:** The use of a tie-in with a charity or not-for-profit organization to support a promotion.

**Channel marketing/management:** The method of developing different marketing efforts by trade class to fit its particular needs. Examples: drug, mass merchandise, food, etc.

**Co-branding:** A tactic that merges two or more brands into a joint promotional/advertising campaign. Also called partnership marketing.

**Column inch:** A unit of space used by magazines and newspapers that is one column wide by 1 inch deep (14 agate lines).

**Co-marketing:** Promotional events where manufacturers join with key retailers to accomplish joint objectives.

**Controlled circulation:** The distribution of a newspaper or magazine, usually free, to selected individuals who are members of an audience that's of special interest to advertisers.

**Copyright:** A copyright offers the owner of original work that can be printed, recorded, or "fixed" in any manner the sole right to reproduce and distribute the work, to display or perform it, and to authorize others to do so during the author's lifetime and for fifty years thereafter.

**Cost in the Mail (CIM, ITM):** The total cost associated with any individual unit mailing. This normally includes the costs of postage, printing, the item mailed, handling, etc.

**Cost per Thousand (CPM):** The cost of advertising needed to reach one thousand persons, homes, or other audience units. With periodicals, the advertising rate or actual advertisement cost is divided by the circulation, interpreted as the estimated number of readers or ad notaries. With television, radio, and online ads, the rate charged for commercial placement is divided by the average number of persons or homes tuned in, expressed in thousands.

**Courtesy days:** The days on which stores extend to credit customers the privilege of making purchases at sale prices in advance of public advertising of the sale. Popular with department stores.

**Demographics:** The study of total size, gender, territorial distribution, age, composition, and other characteristics of human populations; the analysis of changes in the makeup of a population.

**Designated Marketing Area (DMA):** A geographical definition of a shopping area within a metropolitan statistical area (MSA). Each MSA contains a population of 50,000.

**Direct-mail advertising:** The use of mail delivered by the United States Postal Service or other delivery service, such as e-mail or fax, as an advertising media vehicle.

**Direct marketing:** A form of retailing in which customers are exposed to merchandise through an impersonal medium and then purchase the merchandise by telephone, computer, or mail.

**80/20 rule:** A fairly accurate business theorem that states 20 percent of your consumers account for 80 percent of your sales.

**Economic indicator:** Data collected by government and private organizations on a regular basis that are used to analyze and measure current economic activity and general business conditions.

**Effective frequency:** An advertiser's determination of the optimum number of exposure opportunities required to effectively convey the advertising message to the desired audience or target market.

**Event marketing:** Brand marketing or promotion that takes place at an event. Example: sporting event, country fair.

**Federal Communications Commission (FCC):** A federal regulatory agency that determines the rules and requirements for many promotional and advertising tactics, such as those used on sweepstakes, games, new product copy, etc.

**Free Standing Insert (FSI):** A four-color insert containing multiple pages of advertising that's inserted into Sunday newspapers.

**Frequent-shopper programs:** Card-based incentive systems that reward loyal and frequent shoppers, usually through price cuts granted automatically at checkout time.

**Frequency:** The number of times a person, household, or member of a target market is exposed to a media vehicle or an advertiser's media schedule within a given period of time. This number usually is expressed as an average frequency (average number of exposures during the time period) or as a frequency distribution (the number of people exposed once, twice, three times, etc.)

**Gatefold:** A brochure or an ad that folds upon itself toward the gutter. When opened, it creates a large billboard effect.

**Gross Rating Point (GRP):** A unit of measure of audience size for television, radio, or outdoor advertising that is equal to one percent of the total potential audience universe. Used to measure the exposure of one or more programs or commercials, without regard to multiple exposure of the same advertising to individuals. Also, the product of media reach times exposure frequency.

**Image-related:** Refers to promotions that work to enhance a brand's name, use, or perceived quality.

**Impulse purchase:** A purchase typically made in-store with little or no decision-making effort. An unplanned consumer purchase.

**In-ad coupon:** A coupon placed in a store's or chain's own retail advertisement, redeemable on the specified product only at the particular store or chain.

**Integrated marketing communications:** A communication process designed to assure that all brand contacts received by a customer or prospect for a product, service, or organization are consistent and unified.

**Linage:** A measurement of newspaper advertising space. A full-page ad equals 2,400 lines.

**Loyalty:** A measurement of consumer commitment to a brand.

**Loyalty programs:** Promotional programs designed to develop and maintain loyalty to a brand.

**Market penetration:** A measure of the percentage of a market reached by a particular product. An often-sought goal is to increase a product's market penetration.

**Market potential:** An estimate of the maximum possible sales of a commodity, a group of commodities, or a service for an entire industry in a market during a stated period.

**Market profile:** A breakdown of a facility's market area according to income, demographic, and life cycle.

**Market share:** The proportion of total sales in a market obtained by a given facility or chain.

**Marketing:** The process of planning and executing the conception, pricing, promotion, and distribution of goods and services.

**Marketing mix:** The mix of controllable marketing variables that the firm uses to achieve the desired level of sales in the target market. The most common classifications are the "four Ps"- price, product, promotion, and place.

**Marketing plan:** An annual document that sets the objectives, strategy, and tactics for the year. Within this plan, budgets are detailed for each of the elements.

**Metropolitan Statistical Area (MSA):** An area that contains a city of 50,000 population, or an urban area that contains 50,000 persons within a metropolitan area of at least 100,000 persons.

**National brand:** A brand that is marketed nationwide, as opposed to regionally or locally. Usually advertised and owned by a manufacturer.

**Niche strategy:** A marketing plan employed by a firm that specializes in serving particular market segments in order to avoid clashing with the major competitors in the market.

**Overlay:** Any sheet, image, printed matter, etc. superimposed on an existing design or piece of artwork.

**Overrun:** A number of additional copies of a printed piece in excess of those required for general circulation.

**Perceived-value pricing:** A method of pricing in which the seller attempts to set the price at the level at which the intended buyers value the product.



**Point-of-purchase (POP):** Promotional materials placed at the point of sale to attract consumer interest by calling attention to a special offer or other attention-getting device.

**Point-of-purchase advertising:** Advertising, usually in the form of window and/or interior displays, in establishments where a product is sold to the ultimate consumer.

**Point of sale (POS):** Material, usually in printed form, that is displayed at retail to attract consumer attention.

**Position:** In marketing strategy, the consumer perception of a product's or service's benefit or benefits, in comparison to its competition, which the manufacturer attempts to create and encourage via advertising, packaging, and/or promotion.

**Promotion:** Marketing that stimulates the purchaser to buy the product or service being promoted.

**Promotion Marketing Association (PMA):** The trade association for the promotion industry.

**Psychographics:** The study of the lifestyle and behavioral traits of a target audience for potential use in a marketing campaign.

**Publicity:** A marketing tool that attempts to gain editorial coverage in the media for increased public awareness.

**Qualitative:** A research term used to describe a non-projectable quality or performance.

**Quantitative:** A research term that refers to data or testing that is projectable.

**Rate card:** A printed listing of the charges associated with different amounts of time or space, different placements in the vehicle, and other conditions of sale.

**Rating:** The percentage of the total potential audience that is exposed to a particular media vehicle.

**Reach:** The number of people or households exposed to a particular advertising media vehicle or media schedule during a specified period of time.

**Relationship Marketing:** Marketing with the conscious aim of developing and managing long-term and/or trusting relationships with consumers, distributors, suppliers, etc.

**Relationship Marketing:** Marketing with the conscious aim of developing and managing long-term and/or trusting relationships with consumers, distributors, suppliers, etc.

**Repositioning:** Altering the message or formulation of a product or device to broaden consumer appeal, energize the brand, or counter competitive claims.

**Return on Investment (ROI):** The difference between the gross revenue generated by a program and the total of all costs associated with it.

**Run of Press (ROP):** Refers to daily newspapers that carry advertising along with editorial and news reporting.

**Sales Aids:** Devices produced to help a salesperson sell a product or program. Example: brochures, videos.

**Sales Demonstration:** An in-person showing of a product to one or more consumers to demonstrate how the product works and the benefits it offers to the customer.

**Share:** The percentage of total retail purchase, in terms of dollars or units, for a given category of product that is enjoyed by any one brand in that category.

**Share Point:** Once percent of the total market or audience.

**Specialty Advertising:** The placement of advertising messages on a variety of items of interest to the target market. Example: calendars, pens.

**Standard Advertising Unit (SAU):** A formula applied to newspaper space advertising that standardizes ad space, thus compensating for different production formats.

**Target-Market Identification:** The process of using the income, demographic, and lifestyle characteristics of a market together with census information for small areas to identify the most favorable locations.

**Trademark:** A legal term that's synonymous with brand. A trademark identifies a seller's product and differentiates it from the products of other sellers.

**Traffic:** The number of shoppers who visit a retailer's store.

**Traffic Builder:** A promotional activity that generates increased store visits by shoppers.

**Value-added:** Refers to a promotional technique perceived by the consumer to add value to the product purchase.