

## **PROMOTION AS INSTRUMENT OF MARKETING MIX**

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### **ABSTRACT**

The term "promotion" means the process of communication between companies and customers in order to create positive attitudes about products and services that lead to their favor in the process of buying in the market. It is a permanent process of communication between the company and existing and potential customers. Promotion is the most defined as a process of mass communication with customers to increase sales of products or services. The promotion covers all the instruments of communication that a message can be transmitted to the target group of consumers. In this paper it is shown to promote the brand of wine "TERRA LAZARICA".

**Key words:** promotional activities, consumer, industrial advertising

### **1. INTRODUCTION**

Promotional activities as an element of marketing communication processes are continuous exchange of information messages and inform the company with immediate and wider environs. Promotion is the process of communication between the company and the environment (consumers) in order to create positive attitudes about products and services that lead to their favor in the process of buying the market. Communication can be mass and individual, personal and impersonal, according to which the promotional activity involved in the process of communicating with certain recipients. The company wants to communicate with your current and future customers, the people who sell and offer its products and services, with distributors, their employees, friends, relatives, employees, suppliers, vendors, business partners, creditors, socio-political entities, cultural, sports and other workers, with the public at large - so the promotional activities, we mean a combination of different activities which the company interacts with individuals, groups or the public in the form of personal and impersonal messages to coordinate the mutual interests and needs.

### **2. TERM AND DEFINITION**

Rarely for which the term in marketing there are so many different definitions as to promote the notion that the Anglo-Saxon word or Latin origin. This concept could be difficult to directly translate into our language, but it should be understood as a "promotion" improvement, or as a system of communication between producers and consumers. Very often mixed concepts and essence, that is activities in this field. Thus, at one point (60's) appeared in the literature a wide range of concepts in which the naive people was very difficult to distinguish and distance itself an action and terms of others.[4] Promotion practically is defined as a communication system or set of methods, forms and shapes that convey information about products, services and general consumers on the activities of enterprises and the wider environment.

#### **2.1. Identifying target groups**

As the first in a series of tasks in the development of promotion is to identify target groups that will focus advertising. The target group is the existing and future potential buyers. Depending on the

time and financial constraints, the target group for the advertising program is the target markets for the products the company, which is identified by market research. The more you know about the profile of the target group (the style of life, their attitudes and evaluations), the more easily develop a program of advertising. So, you need to know that the media target group than seeing, hearing or reading that they could choose the same.

## ***2.2. Identifying target groups***

When the company specifies the objectives of advertising you need to decide how to allocate funds for implementation of the plan. Defining the exact amount of funds is very difficult because there is no precise way to measure the effect of approximately correct (score) of invested funds.[6]

When determinations funds can apply different methods:[5]

- The percentage of sales - the funds in this way are determined as a percentage of sales (in the previous period or planned sales) per unit. In this way, it is easy to include the cost of advertising in the product price
- Competitive parity - according to this method, assets are determined in proportion to the amount of funds spent in the competition for these purposes by market share
- Anything that can be given for this purpose - as the words say what they themselves can afford for that purpose after the pay off all other obligations, unless of course you keep the funds
- Amounts set tasks and goals - this is the best approach in determining the funds because, conditioned by the amount of funds required for execution goals and objectives that the company has brought in advertising. This means that the company has defined what it wants to achieve and to specified targets

## ***2.3. The role of promotion***

Attitudes towards the promotions of the different situation. Some think that promotional activities, particularly advertising and personal selling, create a distorted picture of reality because they supply the consumer only selected information's [3]. I find that the promotional activities are unnecessary and wasteful and that the promotional costs (particularly advertising) high -resulting in high prices. Still others have a positive outlook: that advertising messages often generate useful values such as love, generosity, or that advertising as a powerful economic forces, can rid the country of poverty by means of communicating information.The role of promotion is to communicate with individuals, groups or organizations and to facilitate the exchange of informing and reassuring one or more target groups to accept a product organization. L.A. Gear, for example, won the Michael Jackson that would have broadcast the benefits of their shoes. Rock Against Drugs - RAD (Rock against Drugs), a nonprofit organization, engages rock musician popular, such as Lou Reed, to teenagers and other young people the message of anti-drug. As L.A. Gear and RAD, companies are trying to communicate with the audience about your company and its products, services and ideas, in order to facilitate the exchange.[9]

Viewed from a broader perspective, the promotion can play an important communication role. Some promotional activities, such as publicity and public relations, can be directed at helping the company to justify its existence and maintain positive, healthy relationship between him and the various groups in the marketing environment. Companies to record vinyl records, compact discs and tapes, television stations, media and individuals have given their services free to the world to facilitate the development of activities to raise money Live Aid in the world.

Although the company can focus one type of communication - such as advertising - the many groups of audience, it is often precisely shape the communications for the particular target market. The company often carries several messages simultaneously, each for a different group. For example, McDonalds can be directed to consumers a message to Big Mac, investor funds second message on a stable growth company and the third message to the society in general, relating to public awareness of the company for helping the organization Ronald McDonald houses in

America, who obtains assistance for families of children with cancer. How many companies contribution promotion to maintain positive relations to a large extent depends on the quantity and quality of information that the organization receives? For example, the panic in the UK due to contamination of baby food has led to the producers began to inform consumers about the specially designed safety caps. The problem was that consumers could see when canned food was bad and it is more difficult with food that is sold in glass containers.

#### **2.4. Promotion strategies**

While developing a promotional strategy is necessary to start from the marketing of their derived promotions goals and characteristics of some forms of promotion. Then create a mix of alternative strategies of promoting and choose the cheapest strategy. On this basis, it creates a tactical plan for implementation of selected strategies. Starting from the promotional goals is necessary to identify tasks that are necessary to achieve the objectives for each task should be considered role of some forms of promotion and to determine the means to achieve them. Finally, the individual plans of some form of promotion will be aggregated to get a plan promotional mix. Like other tools of marketing promotions to target market products and communicate the concept to eliminate the transactional barriers of time, place, ownership, perceptions, and evaluation. The organization can go to the presentation of the product as superior (single) when used in addition to highlighting the generic goes to highlight the superiority of the product. This strategy is suitable for emerging markets where competition exists. Once the promotion underlines the general benefits that the buyer has the product, without emphasis on its superiority. This happens when the brand is synonymous with the product category. Insisting on brand image, which is based on psychological differentiation of products, is suitable strategies. If an organization is going to create more strategy for its product then it is good that the promotion is a direct comparison with competitors and de they bring in a defensive position.

The strategy of promoting change during life cycle. Before introducing a new product on the market it is necessary to inform the target market about the upcoming appearance of a new product. In the introduction stage the aim is to increase awareness, stimulate trial and acceptance of products. In the growth stage the aim is to ensure full awareness and create brand preference. The decline phase objective is to achieve the revitalization of the product or ensure its withdrawal from the market. There are two alternative promotional strategies: a) a strategy of pushing demand and b) strategies to attract demand. The critical difference is in a role - whether it is active or passive. In a strategy to attract a manufacturer takes the responsibility to create demand for the final product through advertising and personal activities aimed at selling the final user. In the strategy of pushing through personal sales, stimulate the demand at all levels of marketing channels, the broker is responsible for creating demand, and not primarily to meet demand as the strategy of attracting.

Under present conditions of organizations are faced with a range of phenomena covered by the term online (on-line) approach to marketing which is the essence of the introduction of new parameters of marketing behavior and the necessity of establishing interactive relationships between all the key factors important for the marketing behavior of the organization. In this context, the promotional mix is experiencing many changes that make it more complex and strategically important. Online, web or internet marketing is not only to promote but also includes the research activities of marketing and sales (online sales).

### **3. DIVISION OF PROMOTION**

The promotional activities include: advertising, promotion, advancement (promotion) sales, personal selling and promotional activities publicity. U we can include the public relations and limit promotional activities, such as: service, design and packaging.

### ***3.1. Advertising***

Economic propaganda (advertising) is the primary promotional activity. As a form of promotion, advertising is the way mass media company with bundles. Because the company finances the transfer of information about themselves and produces out of its range, which is realized through a variety of communication channels / media (newspapers, magazines, radio, TV, etc.) advertising is usually defined as a paid form of (mass) communication with the market.[1]Advertising is a form of promotion of the creative communication process, in conformity with the interests and needs of consumers, producers and society as a whole. It is a way of mass communication that is intended to convey information, develop a tendency to incite to action in favor of products and Services Company.

Advertising is to inform about new products, suggests a new use of the product, inform on changing prices of products and explains how the functioning of the product. Convincing economic propaganda is important for producing companies have strong competition from the products of other manufacturers. Recalling propaganda is involved in the maturity stage of products that consumers continue to think about the product.

### ***3.2. Sales Promotion***

Sales promotion is essential when introducing new products for domestic consumption. Activity is directed towards the trade to accept the new product and keep the necessary stock and his important role in actions that will lead to consumer interest. Stimulating consumer is done through free samples, sweepstakes and premiums. The purpose of free samples is to induce consumers to try the product. It is used in low-value products that are consumed in large quantities during the year. The sample must be large enough that the consumer be able to determine the quality of products. Contests (competitions) are a method of sales promotion, which should enable the rapid expansion of the product.[2]

### ***3.3. Personal selling***

Personal selling is a form of promotion in which we make direct contact between seller and buyer. The seller may also directly examine the effect of their promotional messages, and that during the communication process - from monitoring (verbal and nonverbal) customer reaction - modifies and adapts to each individual participant.

### ***3.4. Publicity***

Publicity is defined as the publication of positive information about the company and its products and services in the media that are not funded by the company.

### ***3.5. Economic Propaganda***

Of advertising is paid form of presentation (and promotion) of certain ideas, products and services in the means of public communication, which does not involve personal contact and by implementing identified sponsor. This is typically a series of activities to acoustic, visual, or combined services through public media, potential customers and inform, persuade (or remind assure) the products or services. Economic propaganda, as one of the methods of promotions, to communicate with large circles of potential customers.[7]

#### **4. BRAND PROMOTION - WINE "TERRA LAZARICA"**

In promoting their brand, the company uses different means of communication, television and radio, magazines, newspapers, catalogs, brochures, posters, etc. The number of spots aired during the period 01-31.01.2005.god. For wines Lazarica Terra, Terra Lazarica black and white is 176 times the total length of 3567 seconds, and the number of spots aired during the period 01-14.2.2005. 137 times, with a total length 3166 seconds. Were analyzed spots New Year's greetings and SMS lottery game. The greatest realization of all the wines Terra Lazarica was in December and January, which is expressed as a reflection of seasonal sales of wine. Increased sales of these products at the time of fame, New Year and Christmas holidays. At that time, realized the intense promotional campaign by using various forms and means of promotion. In this way the company operates in two ways consumer awareness, consumer perception and its commitment to purchase.[8] The video was broadcast on TV: Pink, BK, B92, RTS, SOS, Belle Amie, Spectra etc. Are given in articles in various magazines for wine promotion Terra Lazarica. Cost of promotion in the media amounted to 213,579.00 din. Besides of advertising were used and various sales promotion activities for brand Terra Lazarica. The total cost of the project for 2004. mounted to 16,626,180.00 din. As support for the promotion of brands were used and sales promotion activities. Promotions are carried out at restaurants all over Serbia, which are classified into three categories:[8]

- I group - the largest, which includes restaurants mass type;
- II group - were selected quality restaurants;
- Group III - the most exclusive restaurants (VIP Facilities)

In restaurants and groups carry promotional activities were selected girls, promo Loader and managers. In the second group promoting the restaurant, had a key role as managers and leaders who are in agreement with the restaurant owners provided information and invitations are guests and friends of the restaurant to hold promotions.

Special attention was paid to the third group of restaurants. Promotional activities in this area were carried out in the presence of enologists Company. Plan activities included between 300 and 350 restaurants.

To create brand awareness are very important communication effects. In addition to communications, were evaluated and commercial effects, which are determined according to the analysis of changes in sales, volume brands Terra Lazarica under the influence of promotional activities. One of the conditions of effective promotion, especially advertising message is that consumers notice and remember. Information provided by respondents about the visibility of messages are very important for the development of the brand. They show that the goal of propaganda, informing consumers about the benefits of the product was realized. Activities of advertising combined with personal selling, sales promotion, public relations and marketing X connections are a precondition for the successful creation of valuable brand Terra Lazarica and its differentiation in relation to competing products.

#### **5. CONCLUSION**

Promotion is one of the strongest weapons in marketing and product placement services to market. In modern and contemporary society is unthinkable in the market to function without a well thought out promotion, therefore, no serious player would dare to no promotional activity - promoting the conquering markets. A well-designed promotion is half way to the success of the company and gaining customers. It is important to promote a positive influence on consumer awareness and to demonstrate the product and the company in the best possible light, and drawing attention to their attributes. It is very important for promotion to pay attention to the target group of consumers. Any modern and successful company has to pay attention to the promotional

opportunities because it is the only way to achieve the desired goal of the company - it is the best marketing that product to market. Otherwise we may fail immediately waiting around the corner.

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