CHAPTER III

PROMOTIONAL MIX

3.1. PROMOTIONAL MIX

Promotion is all about communication and is the way in a business makes its products known to the customers, both current and potential. A specific combination of promotional methods used for one product or a family of products.

3.2. ELEMENTS OF PROMOTIONAL MIX

Integration of all the elements of promotion mix is necessary to meet the information requirements of all target customers. This simply means that the promotion mix is not designed to satisfy only the prospective buyer or only the regular buyer. Some elements of the mix may be aimed at the target customer who is unaware of the product, while others may be aimed at potential customers who are fully aware of the product and are likely to purchase it.¹

There are five main aspects of a promotional mix. These are:

- Advertising
- Personal Selling
- Sales Promotion
- Public Relations
- Direct Marketing

3.3. ADVERTISING

Advertising is a form of communication for marketing and used to encourage, persuade, or manipulate an audience (viewers, readers or listeners; sometimes a specific group) to continue or take some new action. Most commonly, the desired result is to drive consumer behavior with respect to a commercial offering, although
political and ideological advertising is also common. In Latin, ad vertebra means "to turn the mind toward." The purpose of advertising may also be to reassure employees or shareholders that a company is viable or successful. Advertising messages are usually paid for by sponsors and viewed via various traditional media; including mass media such as newspaper, magazines, television commercial, radio advertisement, outdoor advertising or direct mail; or new media such as blogs, websites or text messages.²

Commercial advertisers often seek to generate increased consumption of their products or services through "branding," which involves associating a product name or image with certain qualities in the minds of consumers. Non-commercial advertisers who spend money to advertise items other than a consumer product or service include political parties, interest groups, religious organisations and governmental agencies. Nonprofit organisations may rely on free modes of persuasion, such as a public service announcement (PSA).

3.3.1. History of Advertising

Egyptians used papyrus to make sales messages and wall posters. Commercial messages and political campaign displays have been found in the ruins of Pompeii and ancient Arabia. Lost and found advertising on papyrus was common in Ancient Greece and Ancient Rome. Wall or rock painting for commercial advertising is another manifestation of an ancient advertising form, which is present to this day in many parts of Asia, Africa, and South America. The tradition of wall painting can be traced back to Indian rock art paintings that date back to 4000 BC. History tells us that Out-of-home advertising and billboards are the oldest forms of advertising.
As the towns and cities of the Middle Ages began to grow, and the general populace was unable to read, signs that today would say cobbler, miller, tailor or blacksmith would use an image associated with their trade such as a boot, a suit, a hat, a clock, a diamond, a horse shoe, a candle or even a bag of flour. Fruits and vegetables were sold in the city square from the backs of carts and wagons and their proprietors used street callers (town criers) to announce their whereabouts for the convenience of the customers.

As education became an apparent need and reading, as well as printing, developed advertising expanded to include handbills. In the 18th century advertisements started to appear in weekly newspapers in England. These early print advertisements were used mainly to promote books and newspapers, which became increasingly affordable with advances in the printing press; and medicines, which were increasingly sought after as disease ravaged Europe. However, false advertising and so-called "quack" advertisements became a problem, which ushered in the regulation of advertising content.  

3.3.2. Advertising in 19th Century

Thomas J. Barratt from London has been called "the father of modern advertising". Working for the Pears Soap company, Barratt created an effective advertising campaign for the company products, which involved the use of targeted slogans, images and phrases. One of his slogans, "Good morning. Have you used Pears' soap?" was famous in its day and well into the 20th century. Under Barratt's guidance, Pears Soap became the world's first legally registered brand and is therefore the world's oldest continuously existing brand.
An advertising tactic that he used was to associate the Pears brand with high culture and quality. Most famously, he used the painting Bubbles by John Everett Millais as an advertisement by adding a bar of Pears soap into the foreground. (Millais protested at this alteration of his work, but in vain as Barrat had bought the copyright. Barratt continued this theme with a series of adverts of well groomed middle-class children, associating Pears with domestic comfort and aspirations of high society.

Barrat established Pears Annual in 1891 as a spin-off magazine which promoted contemporary illustration and colour printing and in 1897 added the Pears Cyclopedia a one-volume encyclopedia. From the early 20th century Pears was famous for the annual "Miss Pears" competition in which parents entered their children into the high-profile hunt for a young brand ambassador to be used on packaging and in consumer promotions. He recruited scientists and the celebrities of the day to publicly endorse the product. Lillie Langtry, a British music hall singer and stage actress with a famous ivory complexion, received income as the first woman to endorse a commercial product, advertising Pears Soap.4

Barratt introduced many of the crucial ideas that lie behind successful advertising and these were widely circulated in his day. He constantly stressed the importance of a strong and exclusive brand image for Pears and of emphasizing the product's availability through saturation campaigns. He also understood the importance of constantly reevaluating the market for changing tastes and mores, stating in 1907 that "tastes change, fashions change, and the advertiser has to change with them. An idea that was effective a generation ago would fall flat, stale, and unprofitable if presented to the public today. Not that the idea of today is always better than the older idea, but it is different - it hits the present taste. As the economy
expanded across the world during the 19th century, advertising grew alongside. In the United States, the success of this advertising format eventually led to the growth of mail-order advertising.

In June 1836, French newspaper La Presse was the first to include paid advertising in its pages, allowing it to lower its price, extend its readership and increase its profitability and the formula was soon copied by all titles. Around 1840, Volney B. Palmer established the roots of the modern day advertising agency in Philadelphia. In 1842 Palmer bought large amounts of space in various newspapers at a discounted rate then resold the space at higher rates to advertisers. The actual ad - the copy, layout, and artwork - was still prepared by the company wishing to advertise; in effect, Palmer was a space broker. The situation changed in the late 19th century when the advertising agency of N.W. Ayer & Son was founded. Ayer and Son offered to plan, create, and execute complete advertising campaigns for its customers. 

By 1900 the advertising agency had become the focal point of creative planning, and advertising was firmly established as a profession. Around the same time, in France, Charles-Louis Havas extended the services of his news agency, Havas to include advertisement brokerage, making it the first French group to organize. At first, agencies were brokers for advertisement space in newspapers. N. W. Ayer & Son was the first full-service agency to assume responsibility for advertising content. N.W. Ayer opened in 1869, and was located in Philadelphia.
3.3.3. Advertising in 20th Century

At the turn of the 19th to 20th century, there were few career choices for women in business; however, advertising was one of the few. Since women were responsible for most of the purchasing done in their household, advertisers and agencies recognized the value of women's insight during the creative process. In fact, the first American advertising to use a sexual sell was created by a woman – for a soap product. Although tame by today's standards, the advertisement featured a couple with the message "The skin you love to touch".

Modern advertising was created with the innovative techniques used in tobacco advertising beginning in the 1920s, most significantly with the campaigns of Edward Bernays, which is often considered as the founder of modern, Madison Avenue advertising. The tobacco industry was one of the firsts to make use of mass production, with the introduction of the Bonsack machine to roll cigarettes. The Bonsack machine allowed the production of cigarettes for a mass markets, and the tobacco industry needed to match such an increase in supply with the creation of a demand from the masses through advertising.

In the early 1920s, the first radio stations were established by radio equipment manufacturers and retailers who offered programs in order to sell more radios to consumers. As time passed, many non-profit organisations followed suit in setting up their own radio stations, and included: schools, clubs and civic groups.

When the practice of sponsoring programs was popularized, each individual radio program was usually sponsored by a single business in exchange for a brief mention of the business' name at the beginning and end of the sponsored shows. However, radio station owners soon realized they could earn more money by selling
sponsorship rights in small time allocations to multiple businesses throughout their radio station's broadcasts, rather than selling the sponsorship rights to single businesses per show.  

3.3.4. Commercial Television in the 1950s

This practice was carried over to commercial television in the late 1940s and early 1950s. A fierce battle was fought between those seeking to commercialize the radio and people who argued that the radio spectrum should be considered a part of the commons – to be used only non-commercially and for the public good. The United Kingdom pursued a public funding model for the BBC, originally a private company, the British Broadcasting Company, but incorporated as a public body by Royal Charter in 1927. In Canada, advocates like Graham Spry were likewise able to persuade the federal government to adopt a public funding model, creating the Canadian Broadcasting Corporation.

However, in the United States, the capitalist model prevailed with the passage of the Communications Act of 1934 which created the Federal Communications Commission (FCC). However, the U.S. Congress did require commercial broadcasting companies to operate in the "public interest, convenience, and necessity". Public broadcasting now exists in the United States due to the 1967 Public Broadcasting Act which led to the Public Broadcasting Service (PBS) and National Public Radio (NPR).

In the early 1950s, the Dumont Television Network began the modern practice of selling advertisement time to multiple sponsors. Previously, DuMont had trouble finding sponsors for many of their programs and compensated by selling smaller blocks of advertising time to several businesses. This eventually became the standard
for the commercial television industry in the United States. However, it was still a common practice to have single sponsor shows, such as The United States Steel Hour. In some instances the sponsors exercised great control over the content of the show-up to and including having one's advertising agency actually writing the show. The single sponsor model is much less prevalent now, a notable exception being the Hallmark Hall of Fame.  

3.3.5. Media Diversification in the 1960s

In the 1960s, campaigns featuring heavy spending in different mass media channels became more prominent. For example, the Esso Gasoline Company spent hundreds of millions of dollars on a brand awareness campaign built around the simple and alliterative theme Put a Tiger in Your Tank. Psychologist Ernest Dichter and DDB Worldwide copywriter Sandy Sulcer learned that motorists desired both power and play while driving, and chose the tiger as an easy–to–remember symbol to communicate those feelings.

The North American and later European campaign featured extensive television and radio and magazine ads, including photos with tiger tails supposedly emerging from car gas tanks, promotional events featuring real tigers, billboards, and in Europe station pump hoses "wrapped in tiger stripes" as well as pop music songs. Tiger imagery can still be seen on the pumps of successor firm Exxon Mobil.

3.3.6. Cable Television from the 1980s

The late 1980s and early 1990s saw the introduction of cable television and particularly MTV. Pioneering the concept of the music video, MTV ushered in a new type of advertising: the consumer tunes in for the advertising message, rather than it being a by-product or afterthought. As cable and satellite television became
increasingly prevalent, specialty channels emerged, including channels entirely devoted to advertising, such as QVC, Home Shopping Network, and Shop TV Canada.

3.3.7. On the Internet from the 1990s

With the advent of the ad server, marketing through the Internet opened new frontiers for advertisers and contributed to the "dot-com" boom of the 1990s. Entire corporations operated solely on advertising revenue, offering everything from coupons to free Internet access. At the turn of the 20th to 21st century, a number of websites including the search engine Google, started a change in online advertising by emphasizing contextually relevant, unobtrusive ads intended to help, rather than inundate, users. This has led to a plethora of similar efforts and an increasing trend of interactive advertising.

A recent advertising innovation is "guerrilla marketing", which involves unusual approaches such as staged encounters in public places, giveaways of products such as cars that are covered with brand messages, and interactive advertising where the viewer can respond to become part of the advertising message. Guerrilla advertising is becoming increasingly more popular with a lot of companies. This type of advertising is unpredictable and innovative, which causes consumers to buy the product or idea. This reflects an increasing trend of interactive and "embedded" ads, such as via product placement, having consumers vote through text messages, and various innovations utilizing social network services such as Facebook or Twitter.9
3.4. TYPES OF ADVERTISING

Virtually any medium can be used for advertising. Commercial advertising media can include wall paintings, billboards, street furniture components, printed flyers and rack cards, radio, cinema and television adverts, web banners, mobile telephone screens, shopping carts, web popups, skywriting, bus stop benches, human billboards and forehead advertising, magazines, newspapers, town criers, sides of buses, banners attached to or sides of airplanes ("logojets"), in-flight advertisements on seatback tray tables or overhead storage bins, taxicab doors, roof mounts and passenger screens, musical stage shows, subway platforms and trains, elastic bands on disposable diapers, doors of bathroom stalls, stickers on apples in supermarkets, shopping cart handles (grabertising), the opening section of streaming audio and video, posters, and the backs of event tickets and supermarket receipts. Any place an "identified" sponsor pays to deliver their message through a medium is advertising.\(^\text{10}\)

3.4.1. Television Advertising / Music in Advertising

The TV commercial is generally considered the most effective mass-market advertising format, as is reflected by the high prices TV networks charge for commercial airtime during popular TV events. The annual Super Bowl football game in the United States is known as the most prominent advertising event on television. Virtual advertisements may be inserted into regular television programming through computer graphics. It is typically inserted into otherwise blank backdrops or used to replace local billboards that are not relevant to the remote broadcast audience. More controversially, virtual billboards may be inserted into the background where none exist in real-life. This technique is especially used in televised sporting events. Virtual product placement is also possible.\(^\text{11}\)
3.4.2. Infomercials

An infomercial is a long-format television commercial, typically five minutes or longer. The word "infomercial" is a portmanteau of the words "information" & "commercial". The main objective in an infomercial is to create an impulse purchase, so that the consumer sees the presentation and then immediately buys the product through the advertised toll-free telephone number or website. Infomercials describe, display, and often demonstrate products and their features, and commonly have testimonials from consumers and industry professionals.

3.4.3. Radio Advertising

Radio advertising is a form of advertising via the medium of radio. Radio advertisements are broadcast as radio waves to the air from a transmitter to an antenna and a thus to a receiving device. Airtime is purchased from a station or network in exchange for airing the commercials. While radio has the limitation of being restricted to sound, proponents of radio advertising often cite this as an advantage. Radio is an expanding medium that can be found not only on air, but also online. 12

3.4.4. Online Advertising

Online advertising is a form of promotion that uses the Internet and World Wide Web for the expressed purpose of delivering marketing messages to attract customers. Online ads are delivered by an ad server. Examples of online advertising include contextual ads that appear on search engine results pages, banner ads, in text ads, Rich Media Ads, Social network advertising, online classified advertising, advertising networks and e-mail marketing, including e-mail spam.
3.4.5. New Media

Technological development and economic globalization favors the emergence of new and new communication channels and new techniques of commercial messaging.

3.4.6. Product Placements

3.4.6.1. Covert Advertising

Covert advertising is when a product or brand is embedded in entertainment and media.

3.4.6.2. Press Advertising

Press advertising describes advertising in a printed medium such as a newspaper, magazine, or trade journal. This encompasses everything from media with a very broad readership base, such as a major national newspaper or magazine, to more narrowly targeted media such as local newspapers and trade journals on very specialized topics. A form of press advertising is classified advertising, which allows private individuals or companies to purchase a small, narrowly targeted ad for a low fee advertising a product or service. Another form of press advertising is the Display Ad, which is a larger ad (can include art) that typically run in an article section of a newspaper.

3.4.6.3. Billboard Advertising

Billboards are large structures located in public places which display advertisements to passing pedestrians and motorists. Most often, they are located on main roads with a large amount of passing motor and pedestrian traffic; however, they can be placed in any location with large amounts of viewers, such as on mass transit vehicles and in stations, in shopping malls or office buildings, and in stadiums.
3.4.6.4. In-Store Advertising

In-store advertising is any advertisement placed in a retail store. It includes placement of a product in visible locations in a store, such as at eye level, at the ends of aisles and near checkout counters (aka POP—Point Of Purchase display), eye-catching displays promoting a specific product, and advertisements in such places as shopping carts and in-store video displays.

3.4.6.5. Street Advertising

This type of advertising first came to prominence in the UK by Street Advertising Services to create outdoor advertising on street furniture and pavements. Working with products such as Reverse Graffiti, air dancer's and 3D pavement advertising, the media became an affordable and effective tool for getting brand messages out into public spaces.

3.4.6.6. Sheltered Outdoor Advertising

This type of advertising opens the possibility of combining outdoor with indoor advertisement by placing large mobile, structures (tents) in public places on temporary bases. The large outer advertising space exerts a strong pull on the observer, the product is promoted indoor, where the creative decor can intensify the impression.

3.4.6.7. Celebrity Branding

This type of advertising focuses upon using celebrity power, fame, money, popularity to gain recognition for their products and promote specific stores or products. Advertisers often advertise their products, for example, when celebrities share their favorite products or wear clothes by specific brands or designers. Celebrities are often involved in advertising campaigns such as television or print adverts to advertise specific or general products.
3.4.6.8. Consumer-Generated Advertising

This involves getting consumers to generate advertising through blogs, websites, wikis and forums, for some kind of payment.

3.4.6.9. Aerial Advertising

Using aircraft, balloons or airships to create or display advertising media.  

3.5. PERSONAL SELLING

Personal selling is a process in which a seller attempts to persuade a buyer to make a purchase. It is a process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an oral presentation. It includes sales presentations, sales meetings, sales training and incentive programmes for intermediary salespeople, samples, and telemarketing. It can also be face-to-face selling or via telephone.

3.6. TYPES OF PERSONAL SELLING

3.6.1. Retail Selling

Retail selling the product to consumers through retail store or door to door visit. In door sales persons work at the store and they deal with the customers visiting the stores and outdoor sales personal visit the potential customers in their homes or offices and persuade them to buy the product.

3.6.2. Trade Selling

It involves selling the product to the retailers and wholesalers trade sales personal made regular contact to the wholesalers and retailers and received bulk order from them, trade sales personal work either for wholesalers or manufactures.
3.6.3. Missionary Selling

In missionary selling missionary sales personal create demand for the product they do not directly sell the product. They visit retail stores and encourage them to place orders from the dealers and wholesalers they work for manufactures.

3.6.4. Industrial Selling

It involves selling the capital item like equipment, machineries to the industrial users. Industrial sales personal are usually very well educated experience and train people they provides technical information and assistances.\textsuperscript{14}

3.7. SALES PROMOTION

Media and non-media marketing communication are employed for a predetermined, limited time to increase consumer demand, stimulate market demand or improve product availability. Sales promotions can be directed at the customer, sales staff, or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called consumer sales promotions. Sales promotions targeted at retailers and wholesale are called trade sales promotions.

Sales promotion includes several communications activities that attempt to provide added value or incentives to consumers, wholesalers, retailers, or other organisational customers to stimulate immediate sales. These efforts can attempt to stimulate product interest, trial, or purchase. Examples of devices used in sales promotion include coupons, samples, premiums, point-of-purchase (POP) displays, contests, rebates, and sweepstakes.\textsuperscript{15}
3.7.1. Consumer Sales Promotion Techniques

The consumer sales promotional techniques are as follows.

- **Price deal**: A temporary reduction in the price, such as 50% off.

- **Loyal Reward Program**: Consumers collect points, miles, or credits for purchases and redeem them for rewards.

- **Cents-off deal**: Offers a brand at a lower price. Price reduction may be a percentage marked on the package.

- **Price-pack deal**: The packaging offers a consumer a certain percentage more of the product for the same price (for example, 25 percent extra).

- **Coupons**: coupons have become a standard mechanism for sales promotions.

- **Loss leader**: the price of a popular product is temporarily reduced in order to stimulate other profitable sales.

- **Free-standing insert (FSI)**: A coupon booklet is inserted into the local newspaper for delivery.

- **On-shelf couponing**: Coupons are present at the shelf where the product is available.

- **Checkout dispensers**: On checkout the customer is given a coupon based on products purchased.

- **On-line couponing**: Coupons are available online. Consumers print them out and take them to the store.

- **Mobile couponing**: Coupons are available on a mobile phone. Consumers show the offer on a mobile phone to a salesperson for redemption.

- **Online interactive promotion game**: Consumers play an interactive game associated with the promoted product.
• Rebates: Consumers are offered money back if the receipt and barcode are mailed to the producer.

• Contests/sweepstakes/games: The consumer is automatically entered into the event by purchasing the product.

• Point-of-sale displays:
  - Aisle interrupter: A sign that juts into the aisle from the shelf.
  - Dangler: A sign that sways when a consumer walks by it.
  - Dump bin: A bin full of products dumped inside.
  - Glorifier: A small stage that elevates a product above other products.
  - Wobbler: A sign that jiggles.
  - Lipstick Board: A board on which messages are written in crayon.
  - Necker: A coupon placed on the 'neck' of a bottle.
  - YES unit: "your extra salesperson" is a pull-out fact sheet.

• Kids eat free specials: Offers a discount on the total dining bill by offering 1 free kids meal with each regular meal purchased.

• Sampling: Consumers get one sample for free, after their trial and then could decide whether to buy or not.

3.7.2. Trade Sales Promotion Techniques

The trade sales promotional techniques are as follows.

• Trade allowances: short term incentive offered to induce a retailer to stock up on a product.

• Dealer loader: An incentive given to induce a retailer to purchase and display a product.
• Trade contest: A contest to reward retailers that sell the most product.

• Point-of-purchase displays: Used to create the urge of "impulse" buying and selling your product on the spot.

• Training programs: dealer employees are trained in selling the product.

• Push money: also known as "spiffs". An extra commission paid to retail employees to push products.

Trade discounts (also called functional discounts): These are payments to distribution channel members for performing some function.

3.7.3. Retail Mechanics

Retailers have a stock number of retail 'mechanics' that they regularly roll out or rotate for new marketing initiatives.\textsuperscript{16}

• Buy x get y free a.k.a. BOGOF for Buy One Get One Free

• Three for two

• Buy a quantity for a lower price

• Get x% of discount on weekdays.

• Free gift with purchase

3.8. PUBLIC RELATIONS

It is a Paid intimate stimulation of supply for a product, service, or business unit by planting significant news about it or a favorable presentation of it in the media. The role of public relations professionals is changing because of the shift from traditional to online media. Many PR professionals are finding it necessary to learn new skills and to examine how social media can impact a brand's reputation. It mainly includes such as newspaper and magazine articles/reports, TVs and radio presentations, charitable contributions, speeches, issue advertising and seminars.
The typical activities include publicity events, speaking opportunities, press releases, newsletters, blogs, social media, press kits and outbound communication to members of the press. Video and audio news releases (VNRs and ANRs) are often produced and distributed to TV outlets in hopes they will be used as regular programme content.

Building and managing relationships with those who influence an organization or individual’s audiences has a central role in doing public relations. After a public relations practitioner has been working in the field, they accumulate a list of relationships that become an asset, especially for those in media relations.\(^{17}\)

### 3.9. DIRECT MARKETING

Direct Marketing is a channel-agnostic form of advertising that allows businesses and nonprofits to communicate straight to the customer, with advertising techniques such as mobile messaging, email, interactive consumer websites, online display ads, fliers, catalog distribution, promotional letters, and outdoor advertising. Direct marketing messages emphasize a focus on the customer, data, and accountability. Characteristics that distinguish direct marketing are:

1. Marketing messages are addressed directly to the customer and/or customers. Direct marketing relies on being able to address the members of a target market. Addressability comes in a variety of forms including email addresses, mobile phone numbers, Web browser cookies, fax numbers and postal addresses.

2. Direct marketing seeks to drive a specific "call to action." For example, an advertisement may ask the prospect to call a free phone number or click on a link to a website.

3. Direct marketing emphasizes trackable, measurable responses from customers - regardless of medium.
Direct marketing is practiced by businesses of all sizes - from the smallest start-up to the leaders on the Fortune 500. A well-executed direct advertising campaign can prove a positive return on investment by showing how many potential customers responded to a clear call-to-action. General advertising eschews calls-for-action in favor of messages that try to build prospects’ emotional awareness or engagement with a brand. Even well-designed general advertisements rarely can prove their impact on the organization’s bottom line.18

3.10. DIRECT MARKETING CHANNELS

Any medium that can be used to deliver a communication to a customer can be employed in direct marketing, including19

3.10.1. Email Marketing

Sending marketing messages through email or Email marketing is one of the most widely used direct-marketing methods. One reason for email marketing’s popularity is that it is relatively inexpensive to design, test, and send an email message. It also allows marketers to deliver messages around the clock and to accurately measure responses.

3.10.2. Online Tools

With the expansion of digital technology and tools, direct marketing is increasingly taking place through online channels. Most online advertising is delivered to a focused group of customers and has a trackable response.

- **Display Ads** are interactive ads that appear on the Web next to content on Web pages or Web services. Formats include static banners, pop ups, videos, and floating units. Customers can click on the ad to respond directly to the message or to find more detailed information.
• **Search:** Internet ads go to search, in which advertisers pay for prominent placement among listings in search engines whenever a potential customer enters a relevant search term, allowing ads to be delivered to customers based upon their already-indicated search criteria. Marketers also use search engine optimisation to drive traffic to their sites.

• **Social Media Sites**, such as Facebook and Twitter, also provide opportunities for direct marketers to communicate directly with customers by creating content to which customers can respond.

3.10.3. Mobile

Through mobile marketing, marketers engage with prospective customers and donors in an interactive manner through a mobile device or network, such as a cell phone, smart phone, or tablet. Types of mobile marketing messages include:

• **SMS:** (short message service) — marketing communications are sent in the form of text messages, also known as texting.

• **MMS:** (multi-media message service) — These messages use elements such as images, video, and audio;

• **Mobile Applications:** Smart phone-based mobile apps contain several types of messages. Push Notifications are direct messages sent to a user either automatically or as part of a campaign. They include transactional, marketing, geo-based, and more. Rich Push Notifications are full HTML Push Notifications. Mobile apps also contain Interactive ads that appear inside the mobile application or app;
• **Location-Based Marketing:** marketing messages delivered directly to a mobile device based on the user's location;

• **QR Codes** (quick-response barcodes): This is a type of 2D barcode with an encoded link that can be accessed from a smartphone. This technology is increasingly being used for everything from special offers to product information.

• **Mobile Banner Ads:** Like standard banner ads for desktop Web pages but smaller to fit on mobile screens and run on the mobile content network

### 3.10.4. Telemarketing

Another common form of direct marketing is telemarketing, in which marketers contact customers by phone. The primary benefit to businesses is increased lead generation, which helps businesses increase sales volume and customer base. The most successful telemarketing service providers focus on generating more "qualified" leads that have a higher probability of getting converted into actual sales.

### 3.10.5. Voicemail Marketing

Voicemail marketing emerged out of the market prevalence of personal voice mailboxes, and business voicemail systems. Voicemail marketing presented a cost effective means by which to reach people directly, by voice. Abuse of consumer marketing applications of voicemail marketing resulted in an abundance of "voice-spam," and prompted many jurisdictions to pass laws regulating consumer voicemail marketing. More recently, businesses have utilized guided voicemail (an application where pre-recorded voicemails are guided by live callers) to accomplish personalized business-to-business marketing formerly reserved for telemarketing. Because guided voicemail is used to contact only businesses, it is exempt from Do Not Call regulations in place for other forms of voicemail marketing. Voicemail courier is a
similar form of voicemail marketing with both business-to-business and business-to-consumer applications.

3.10.6. Broadcast Faxing

Broadcast faxing, in which faxes are sent to multiple recipients, is now less common than in the past. This is partly due to laws in the United States and elsewhere which regulate its use for consumer marketing. In 2005, President Bush signed into law S. 714, the Junk Fax Prevention Act of 2005 (JFPA), which allows marketers to send commercial faxes to those with whom they have an established business relationship (EBR), but imposes some new requirements. These requirements include providing an opt-out notice on the first page of faxes and establishing a system to accept opt-outs at any time of the day. Fax senders must begin complying with these new requirements, which are described in this fact sheet. Also, due to the popularity of a variety of digital communication methods, the overall use of faxes is less than in the past.

3.10.7. Couponing

Couponing is used in print and digital media to elicit a response from the reader. An example is a coupon which the reader receives through the mail and takes to a store's check-out counter to receive a discount.

3.10.8. Digital Coupons

Manufacturers and retailers make coupons available online for electronic orders that can be downloaded and printed. Digital coupons are available on company websites, social media outlets, texts, and email alerts. There are an increasing number of mobile phone applications offering digital coupons for direct use.

Daily Deal Sites offer local and online deals each day, and are becoming increasingly popular. Customers sign up to receive notice of discounts and offers,
which are sent daily by email. Purchases are often made using a special coupon code or promotional code. The largest of these sites, Groupon, has over 83 million subscribers.

### 3.10.9. Direct Response TV

Direct marketing via television (commonly referred to as DRTV) has two basic forms: long form (usually half-hour or hour-long segments that explain a product in detail and are commonly referred to as infomercials) and short form, which refers to typical 30-second or 60-second commercials that ask viewers for an immediate response (typically to call a phone number on screen or go to a website). TV-response marketing -i.e. infomercials- can be considered a form of direct marketing, since responses are in the form of calls to telephone numbers given on-air. This allows marketers to reasonably conclude that the calls are due to a particular campaign, and enables them to obtain customers' phone numbers as targets for telemarketing.

### 3.10.10. Direct Mail

The term "direct mail" is used to refer to communications sent to potential customers or donors via the postal service and other delivery services. Direct mail is sent to customers based on criteria such as age, income, location, profession, buying pattern and son on.

Direct mail includes advertising circulars, catalogs, free-trial CDs, pre-approved credit card applications, and other unsolicited merchandising invitations delivered by mail to homes and businesses. Bulk mailings are a particularly popular method of promotion for businesses operating in the financial services, home computer, and travel and tourism industries.
3.10.11. Direct Response Radio

In direct response radio, ads contain a call to action with a specific tracking mechanism. Often, this tracking mechanism is a "call now" prompt with a toll-free phone number or a unique Web URL. Results of the ad can be tracked in terms of calls, orders, customers, leads, sales, revenue, and profits that result from the airing of those ads.

3.10.12. Insert Media

Another form of direct marketing, insert media are marketing materials that are inserted into other communications, such as a catalog, newspaper, magazine, package, or bill. Coop or shared mail, where marketing offers from several companies are delivered via a single envelope, is also considered insert media.

3.10.13. Out-of-Home

Out-of-home direct marketing refers to a wide array of media designed to reach the consumer outside the home, including transit, bus shelters, bus benches, aerials, airports, in-flight, in-store, movies, college campus/high schools, hotels, shopping malls, sport facilities, stadiums, taxis-that contain a call-to-action for the customer to respond.


Magazine and newspaper ads often include a direct response call-to-action, such as a toll-free number, a coupon redeemable at a brick-and-mortar store, or a QR code that can be scanned by a mobile device-these methods are all forms of direct marketing, because they elicit a direct and measurable action from the customer.
3.10.5. Grassroots/Community Marketing

The door-to-door distribution of flyers and leaflets within a local community is a business-to-consumer form of direct marketing used extensively by restaurants, fast food companies, and many other business focusing on a local catchment. Similar to direct mail marketing, this method is targeted purely by area and community, and costs a fraction of the amount of a mails hot, since it is not necessary to purchase stamps, envelopes, or address lists with the names of home occupants.


