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**WHY PROMOTIONS ARE LIKE
AN ADDICTION
..AND HOW TO BREAK THE
HABIT**



**WE'RE HERE TO TALK ABOUT PROMOTIONS
ONE OF THE MOST POPULAR TOOLS OF THE MARKETER
BECAUSE THEY INSTANTLY BUILD SALES VOLUME
BUT THAT 'HIT' QUICKLY FADES
THEN YOU NEED ANOTHER
AND ANOTHER
AND ANOTHER
UNTIL THEY BECOME AN UNBREAKABLE HABIT**

**THE ADDICTION COMES IN TWO FORMS:
EXHIBIT A - THE PRICE PROMOTION
EXHIBIT B - THE ADDED VALUE PROMOTION**





EXHIBIT A- THE PRICE PROMOTION

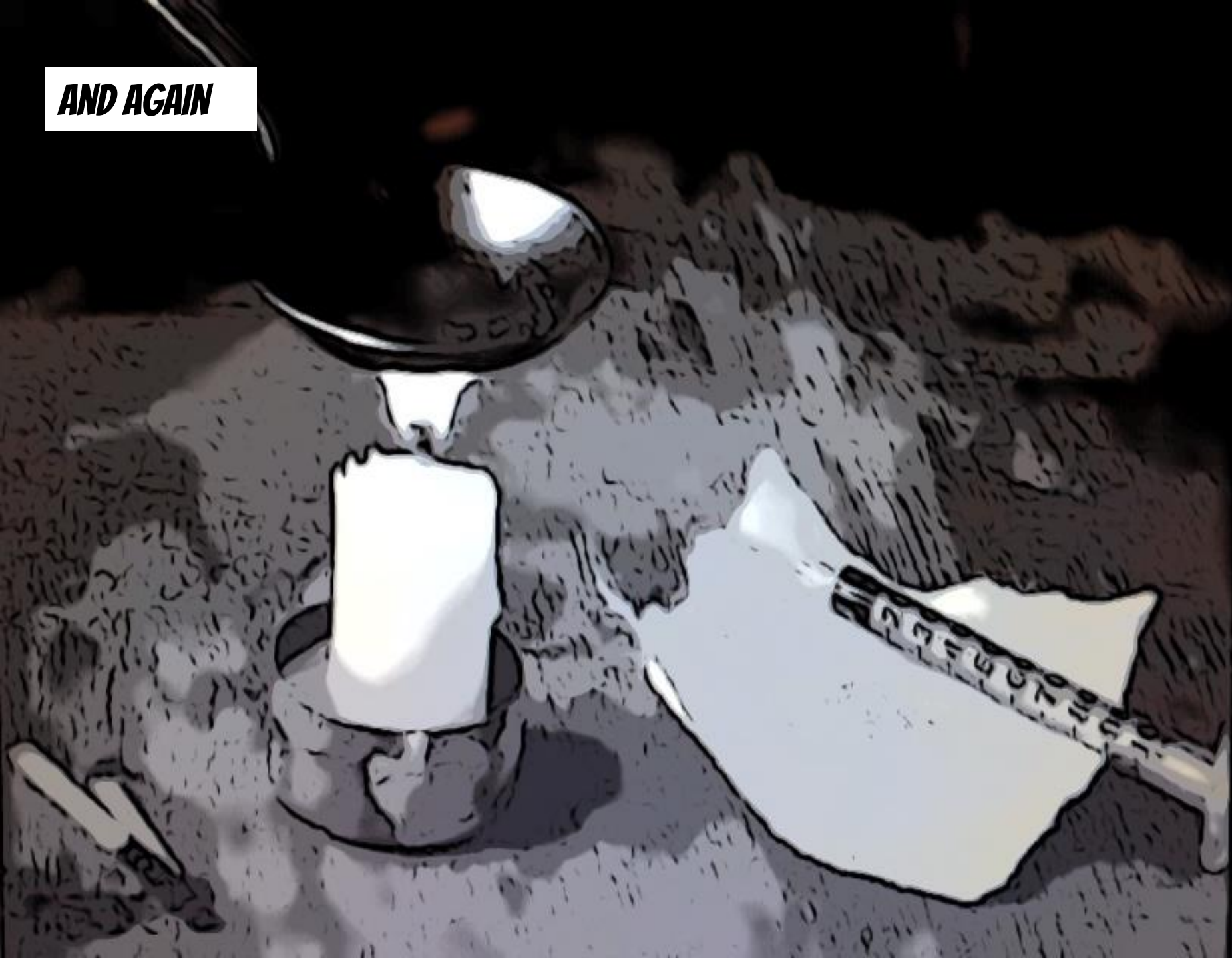
THE RECEIVED WISDOM IS THAT PRICE CUTS ATTRACT NEW CUSTOMERS TO A BRAND - IN THE HOPE THAT THEY MIGHT BUY AGAIN AT FULL PRICE IF THEY LIKE IT

BUT THERE'S LITTLE EVIDENCE THIS ACTUALLY HAPPENS. IN FACT, ALMOST EVERYONE WHO BUYS A BRAND DURING A PRICE PROMOTION HAS BOUGHT THE BRAND BEFORE SPECIFICALLY, THOSE WHO BOUGHT IT WHEN IT WAS LAST DISCOUNTED

IN BETWEEN, THEY HAVE BOUGHT OTHER BRANDS, AND LARGELY FORGOTTEN ABOUT YOURS. UNTIL IT'S DISCOUNTED AGAIN

***IN OTHER WORDS - AFTER THE PROMOTION, IT'S AS IF NOTHING HAPPENED.
NOTHING.
SO YOU HAVE TO DO IT AGAIN TO GET THE SAME RESULTS***

AND AGAIN



AND AGAIN





ALL THE WHILE, CUTTING DEEPLY INTO PRECIOUS PROFIT MARGINS

BRIBERY IS NOT THE ROUTE TO BRAND GROWTH.....

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**EXHIBIT B -THE ADDED VALUE
PROMOTION
YOU KNOW, WHERE YOU
SPONSOR SOMETHING, RUN A
COMPETITION OR GIVE AWAY
SOMETHING FREE WITH
PURCHASE, OR REPEAT
PURCHASE**

**BUT LIKE MOST RECEIVED WISDOM
THIS IS NOT THAT WISE
AND DOESN'T STAND UP TO WHAT HAPPENS IN REAL LIFE**



**BECAUSE IT STILL ENCOURAGES THOSE WHO WON'T BUY AT FULL PRICE ALONE
LEADING TO THE SAME VICIOUS CIRCLE -IT'S STILL BRIBERY**

**ALSO, THOSE THAT TEND TO NOTICE A BRAND'S MARKETING
ARE THE ONES WHO ALREADY BUY
PROMOTIONS ARE MOSTLY PICKED UP BY PEOPLE ALREADY
LOOSELY INTERESTED IN BUYING YOU**

**OF COURSE, THIS IS FINE FOR SOME
BECAUSE THEY'RE HAPPY TO 'BUILD LOYALTY'**

BUT 'BUILDING LOYALTY' IS MOONSHINE.....

**BECAUSE THE ROUTE TO BRAND GROWTH IS NOT LOYALTY
ITS PENETRATION. ATTRACTING NEW BUYERS
THERE ISN'T TIME TO GO THROUGH THE CONSIDERABLE EVIDENCE HERE
JUST READ BYRON SHARP'S 'HOW BRANDS GROW' - IT'S AN EYE OPENER
AND SUPPORTS THE WIDER ARGUMENTS IN THIS PRESENTATION TOO**



**SO WHAT TO DO?
WELL ALL IS NOT LOST**



**BECAUSE TRADITIONAL PROMOTIONS TEND TO DO ANOTHER VALUABLE JOB
THEY KEEP THE BUYERS IN BIG RETAIL CHAINS HAPPY
RETAILERS LOVE A GOOD PROMOTION
SO PROMOTIONS HELP MAINTAIN AND SPREAD DISTRIBUTION
WHICH IS ONE OF THE TWO CORE WAYS TO BUILD YOUR BRAND**

**SO TRADITION PROMOTIONS SERVE A PURPOSE
'PHYSICAL AVAILABILITY' AS BYRON SHARP WOULD SAY
NOT THE PURPOSE MANY ASSUME THOUGH!**

**BUT WE CAN DO MORE - BY LOOKING AT THE OTHER ROUTE TO GROWTH TOO
'MENTAL AVAILABILITY' - BEING THE BRAND PEOPLE EASILY REMEMBER AND
FEEL GOOD ABOUT, WITHOUT THINKING TOO HARD**

**NOT SHORT TERM SALES,; LONG TERM GROWTH BY ATTRACTING NEW BUYERS
BY PUNCTURING THEIR INDIFFERENCE
THROUGH NOT JUST 'SAYING' SOMETHING INTERESTING
BUT DOING SOMETHING INTERESTING**





**AND THE IPA DATABANK TELLS US THAT CAMPAIGNS BUILT ON 'FAME' STRATEGY
ARE THE MOST EFFECTIVE**

THEY RAISE QUALITY PERCEPTIONS

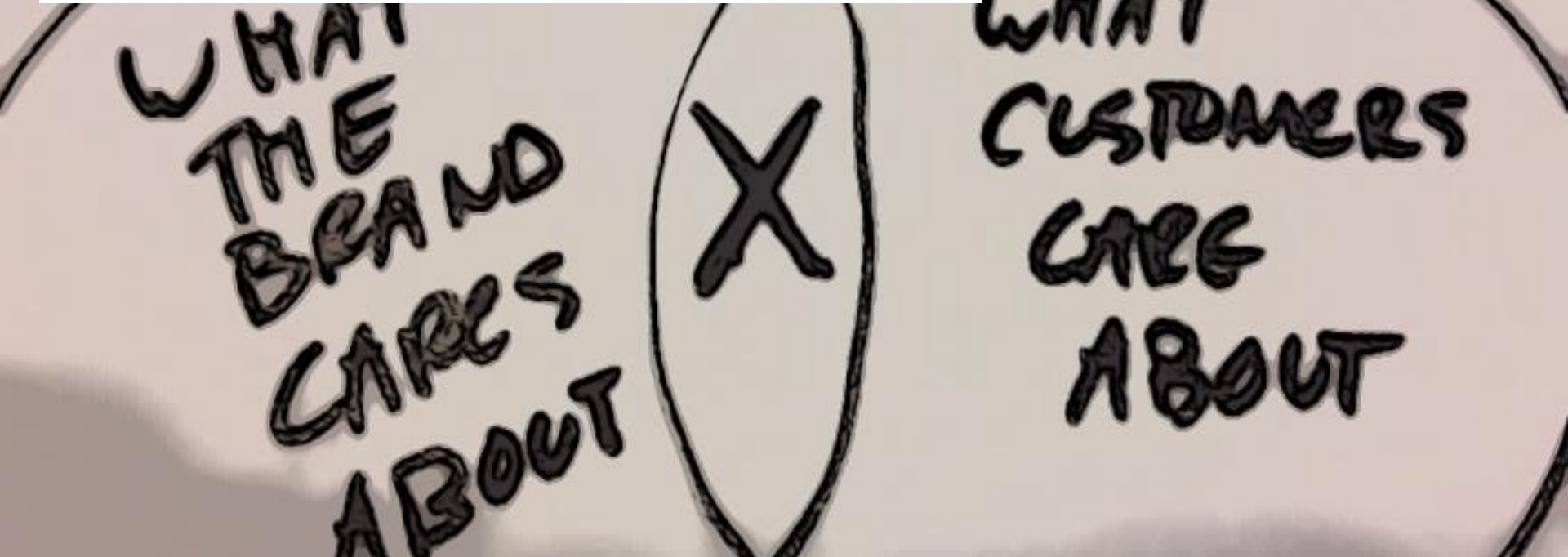
BY MAKING THE BRAND BE SEEN TO LEAD THE CATEGORY

BY GETTING TO THOSE PEOPLE WHO JUST DON'T CARE

HOW?

FIND THE CONNECTION BETWEEN:

- 1. WHAT THE PEOPLE YOU'RE SELLING TO CARE ABOUT**
- 2. AND WHAT THE BRAND CARES ABOUT**



**RATHER THAN FOUNDING YOUR ACTIVITY ON A 'JUST A MECHANIC'
FOUND IT ON A PROVOCATIVE POINT OF VIEW ABOUT WHAT YOU BOTH CARE ABOUT
THAT THEY CAN GET INVOLVED IN. THAT WILL BE INFECTIOUS
THAT WILL GET THEM TALKING. THAT ADDS TO THE EXPERIENCE
THAT AMPLIFIES THE BRAND'S ROLE IN THEIR LIVES**



**SO THEY WANT TO SHARE IT WITH EVERYONE THEY KNOW
AND MAKE SURE YOU GIVE THEM THE TOOLS TO DO THAT
IN OTHER WORDS, MOBILISE FANS TO REACH NEW BUYERS**

**THIS IS IMPORTANT, THIS MATTERS
PEOPLE ARE GETTING WISE TO MARKETING- BRANDS NEED TO DO WHAT THEY SAY
PROMOTIONS DONE WELL BUILD CREDIBILITY**

**AND SOCIAL MEDIA IS POINTLESS UNLESS WE USE THE PARTICIPATION OF THE
ENGAGED FEW TO CAPTURE THE IMAGINATION OF THE INDIFFERENT MANY
BECAUSE 'LOYALTY IS A FALSE GOD'
PENETRATION IS THE ONLY STRATEGY IN TOWN**

FOR EXAMPLE.....

**HELP MUMS, WHO ARE ANXIOUS ABOUT KIDS
PLAYING TOO MANY VIDEO GAMES, TO GET THEIR
KIDS OUTSIDE**



**CREDIBLY
DEMONSTRATE, TO
PEOPLE WHO WOULD
RATHER BE OUTSIDE,
THAT ORIGINAL SOURCE
IS WORTH GETTING
DIRTY FOR**





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HOME HOW TO PLAY

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TO RUN YOUR CITY

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GET RUNN

No walking. No
Cheat and you'll



RUN BETWEEN PHONE BOXES

There are Grid phone boxes in every postcode. Find one. Dial
08000 141312
and enter your unique game code to start a run.



START AND END IN THE SAME POSTCODE

Get to another Grid phone box and dial in to end your run.
EC1 to EC1 counts. EC1 to EC2 doesn't count.

n6 n19 n4
nw3 nw5 n7 n5 n16 E5



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IN CONCLUSION

***TRADITIONAL PROMOTIONS ONLY BUILD SHORT TERM SALES
WITH PEOPLE WHO ALREADY BUY YOU
AT BEST, THEY HELP WITH DISTRIBUTION***

***HOWEVER, THEY CAN GET THE BRAND NOTICED
FOR WHAT IT DOES, RATHER THAN WHAT IT SAYS
AND INSPIRE THOSE ALREADY ENGAGED TO PARTICIPATE
TO HELP US REACH INDIFFERENT MANY
THE LIFEBLOOD OF BRAND GROWTH***



THAT'S ALL FOLKS

FURTHER READING

HOW BRANDS GROW , BYRON SHARP

[HTTP://WWW.THINKBOX.TV/SERVER/SHOW/NAV.1005](http://www.thinkbox.tv/server/show/nav.1005)