I.                Pricing (Chapter 11)

a.     In starting to set a final price, think about your customers and research your competitors’ prices then set three possible prices.

b.     Using your best judgment select one of the three prices as your final price – provide justification for your choice.

II.             Promotion Strategy (Chapter 14 ) - Please note this is from Chapter 14, so you will need to look ahead to unit 4.

1. Specify and justify the promotion objectives for your project. (These should be based on the goals previously set and considering where your product is in the Product Life Cycle)

*In your first project, many of you provided “image goals.”*

*Whether you did or not: notice the promotional objectives section in the text, on p. 379-380. It explains that advertising can be concerned with awareness, interest, evaluation, trial, and adoption. Ideally, you would like your promotional objectives to reflect one or more of these stages. In addition, you want your promotion and advertising to capture an image that you wish to convey. Suppose that you were developing a marketing plan for Starbucks, instead of the project that you selected. If you selected Starbucks, you might have one of the following “image goals”—*

* + *A “new and different” social experience during every visit.*
  + *Uncompromising concern for nutrition and health.*
  + *“A real ‘Cheers Bar’ image” where you can get away and everyone will know your name personalized experience.*

*A promotional objective captures both of the considerations, “what stage” (awareness, interest, …) you wish to stress, and the image that you want to convey in this stage. Suppose that you believe that the first statement (new and different social experience) is important to you so that consumers develop interest in Starbucks; that concern for nutrition and health is relevant to get awareness in Starbucks; and, that “a real ‘Cheers Bar’ image” assists adoption of Starbucks, to you.*

*To convert these goals to promotion objectives, merely begin the image by stating the stage that you wish to stress. For example, for a ‘new and different’ social experience, your first promotion objective may be: develop interest in Starbucks through the image that it is a “new and different” social experience during every visit.*

*How many should you have? The textbook would argue that you should have objectives for each of the awareness, interest, evaluation, trial, and adoption stages. In this project, I do not need you to have objectives for each of these stages. Yet, I think that you should have more than one objective. This is because most consumers have more than on consideration in mind when making decisions. Yet, image goals and promotion objectives are very important. They provide you with the basis to determine what you wish to communicate in your promotional campaign. In my above Starbuck’s example, I listed three goals and I would have developed three promotion objectives for the project. Minimally, for this project, you should have at least two promotion objectives that give your brand a distinctive competence in the eyes of your consumer.*

b.      Select the promotional elements (pp. 372-375) that you wish to emphasize.

-       Identify which promotional elements you will utilize and provide rationale.  You do not need to elaborate, as you will cover this more in-depth in the next section.

c.     Schedule the promotion.

            - Identify what order each promotional tool (vehicle) will be introduced and determine the

most effective timing for their use.

             d.    Describe how each of your promotion tools will be integrated to provide a consistent

message– what cohesive message will be utilized as part of your IMC plan.

*You want to make sure that the different promotion tools “integrate together” and communicate*

*the message you want consumers to appreciate.*

*Thus, II.d.is concerned about: [1] the cohesive message that will be utilized. (In the section,*

*II.d, It is fully acceptable to come up with a single image or message, or use the different*

*promotional objectives you wrote earlier.)*

*It is also concerned about: [2] how each of your promotion tools will be integrated to*

*communicate such a message. “How your promotional tools will be integrated” involves two*

*possible issues. First, what, at least in general, should each of your promotion tools*

*communicate so that you have a message that consistently communicates the image that*

*you want to get across? Secondly, how you will get people to be exposed to a particular*

*promotional tool, once they are exposed to another tool? To illustrate: suppose that you*

*wish to get across a personalized image, for Starbucks, as though “people know your name.”*

*Thus, you could explain that you want the web pages to show pictures of smiling people*

*interacting with each other. You may also explain how the other promotion tools you select*

*will communicate a personalized image. How will you get people to be exposed to one of the*

*promotions, after being exposed to a different one? If one promotion tool is a radio ad, and*

*another involves the web pages, you could indicate that you will ask people to “check out”*

*the web pages in radio ads.*