

Promotion Meaning:-

Promotion is a marketing tool, used as a strategy to communicate between the sellers and buyers. Through this, the seller tries to influence and convince the buyers to buy their products or services. It assists in spreading the word about the product or services or company to the people.



IMPORTANCE OF PROMOTION



1. Sales of the goods in imperfect market:-

Promotion helps in the sales of the goods in imperfect market. In the imperfect market conditions, the product cannot be sold easily only on the basis of price differentiation. It is the promotional activity that provides information about the differences, characteristics and the multi-use of the products of various competition in the market. The customer is attracted to purchase the goods on the basis of such information successfully



HORIZON CLASSES

WISDOM BEGETS KNOWLEDGE

2. Filling the gap between producers and consumers:-

Promotion helps in filling the gap between producers and consumers. Due to the tough market condition, mass selling is quite impossible without promotional activities. The distance between producers and consumers has so widened in present days to get them touched with the product that promotional activities are necessary.



3. Facing intense competition:-

Promotion helps in facing intense competition in the market. When a manufacturer increases his promotional spending and adopts an aggressive strategy in creating a brand image, others are also forced to follow the suit. This leads to 'promotional war'. Without promoting the goods, the competition is not possible in the market. So, it is necessary to face the competition in the market with the help of promotional activities.



4. Large Scale Selling:-

Promotion helps in the large selling of goods and services. Sales promotion is the result of large-scale production. It can be achieved only by appropriate methods of large scale selling. Large scale selling is possible with the help of promotional activity. Due to the large selling of goods, there will be more chance of promotion of goods. So, it is necessary to sell lot of goods in the market for promotional activities.



5. Higher Standard of Living:-

Promotion helps in the rising standard of the people. The promotional activities increase the standard of living by providing the better goods at a lower rate due to large scale production and selling. It help to increase the standard of living in a good way. People can raise their standard of living with the help of promotional activity.



6. Promotion creates Employment:-

Promotion involves various functions like buying, selling, financing, risk bearing, transportation etc. In each functions different activities are performed by a large number of individuals and bodies. This promotion gives employment to many people.



7. Increased speed of Product Acceptance:-

Promotion helps to increase the speed of the products acceptance. Most of the sales promotion devices such as contests, premium coupons, etc. can be used faster than other promotion methods such as advertising. The increase in rapid speed of product acceptance has occurred with the help of promotional activities. As the promotional activities are done, there will be direct effect in the increment of a speed of the product.

