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| Course: | COURSERA---  MARKETING IN DIGITAL WORLD | USN: | 4AL16EC061 |
| Topic: | * MODULE 2  BASIC CONCEPT: PROMOTIONVIEW FROM THE QUADDIGITAL CONCEPT 1: USER GENERATED CONTENTCASE STUDY: GO PRODIGITAL CONCEPT 2: DOPPELGANGER BRANDSEXERCISE: WIKIPEDIA.ORGMODULE 2 REVIEW QUIZHONORS ASSIGNMENT: WIKIPEDIA.ORG | Semester & Section: | 8TH B |
| Github  Repository: | Safiya-Courses |  |  |

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| The second of the four P's is promotion.  This aspect of the marketing mix covers the methods of  communication that a marketer uses  to provide information about his products.  Typically, we think of  this information as being persuasive in  nature with a goal of getting  customers to buy your product instead of its competitors.  This information, it can be built verbal and visual.  Thus, a promotional strategy can influence  consumers by appealing to  either their intellect, or their emotions.  For example, Coke has  built an incredible degree of awareness and  interest in its brand  via century of effective promotional campaigns.  Coke spends about four billion dollars  on advertising each and every year,  most of this on television ads.  Through a 100 years of successful promotions,  Coke is one of the world's most recognizable brands,  and the world's most popular soft drink.  As indication of it's promotional success,  the word Coke, there it is.  It's the second most recognized word on  the planet, just after "OK".  Please take a look at the in-video link  to get a sense of the history of Coke's advertising.  If you take a close look at these ads,  you'll see that Coke has historically  focused more on the visual than the verbal,  in it's attempts to build  an emotional bond with it's customers.  The promotion part of the marketing mix has  a number of key concepts including personal selling,  sales promotion, and word of mouth.  In this module, we'll focus on  two fundamental concepts, advertising and persuasion.  Over the past 100 years,  the most popular promotional technique  has been advertising,  with television advertising accounting for  the largest portion of most firms' promotional budgets.  Today, digital advertising exceeds  traditional advertising, but not by much.  However, television advertising is still  a major element in many firms advertising budgets.  For example, many large firms pay  over five million dollars for  a 30-second advertising spot during the Super Bowl.  Now, most advertising is targeted  towards existing and potential customers.  However, advertising can also be  directed to refer distribution channel partners,  so does retailers, and also to  build morale among its employees.  The goal of advertising is  to elicit some type of response.  Now, there are different types of  responses that a firm may seek.  For example, a new brand may  focus on developing awareness,  while an established brand may  focus on changing perceptions.  Most ads are carefully planned and developed.  Usually a firm will hire  a professional advertising agency  to create an advertising campaign,  and then will carefully pretest  these ads before they're shown.  Once a advertising campaign is launched,  a firm will usually have  a professional marketing research company track  the ad to assess its effectiveness and  help decide when it needs to develop a new campaign.  As noted earlier,  the main goal of most promotional campaigns  is to persuade customers to buy  a firm's products instead of its competitors.  Thus, marketers often think of  promotion as a form of persuasion,  and employ a number of  persuasion tactics such as celebrity endorsements,  humor, or scientific claims.  The most popular theory about how persuasion works is  the Elaboration Likelihood Model, ELM for short.  This model suggests that there are  two main routes to persuasion.  First, the central route,  which is marked cognitive in nature, and second,  the peripheral route, which is more emotional in nature.  According to this theory,  the central route is effective when customers have  the ability and motivation  to process a persuasion message.  Persuasion will occur when they find  that information to be newsworthy and believable.  In contrast, the peripheral route is more effective with  customers lack ability and  motivation to process a message.  Persuasion will occur when they perceive the provider of  the message to be credible, or attractive.  These two ads are  good examples of these two different persuasion routes.  Regardless of which route is employed,  persuasion tactics focus strongly on  trying to convince customers that a product is appealing,  and is based on the premise that a firm  needs to find the right message, or message provider.  Historically, most large firms have  devoted most of the promotion budget to advertising.  For the bulk of this expenditure,  focus on television ads  developed by professional advertising agency.  This top-down approach is starting to break  down due to the democratization of digital tools.  For example, most large automobile companies have  historically spent billions of dollars a  year to advertise their products.  In contrast, Tesla, which is a truly digital company,  has built a successful automobile company  without spending a single dollar  on traditional advertising.  Instead, approaches brands via social media.  For example, Tesla has  over four million Twitter followers and Elon Musk,  the CEO, has nearly 30 million. In contrast, General Motors, which was once the largest company in the world,  has less than 700,000 Twitter followers.  In addition to making effective use of  social media, the Tesla brand,  as well as its products is widely promoted  by thousands of fans via Twitter postings,  YouTube videos, and other forms  of user generated content.  Thus, by leveraging the power of the  digital and not engaging in traditional advertising,  Tesla is able to effectively tell potential  customers a story without  appearing like is trying to sell them something.  So this new digital environment,  marketing is moving from  selling products to telling stories.  In this module, we'll discuss how  new digital tools are changing this element  of the marketing mix and redefining how  we think about promotion. |