Student workbook

BSBMKG434 Promote products and services

**TAFE NSW would like to pay our respect and acknowledge Aboriginal and Torres Strait Islander Peoples as the Traditional Custodians of the Land, Rivers and Sea. We acknowledge and pay our respect to Elders, past, present and emerging of all Nations.**

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**Get started**

## What will I learn?

This workbook covers the unit of competency BSBMKG434 Promote products and services.

Successfully completing this unit will give you the skills and knowledge to plan, coordinate and review a promotional plan for a new business.

In this workbook, you will learn to:

* promote your product or service
* identify market trends
* establish roles and responsibilities
* use contingency plans.

Each lesson includes opportunities to check your progress and understanding as well as practice activities that will prepare you for the formal assessments. Answers and feedback for the activities are at the end of this document.

There are 3 lessons to complete within this workbook. They are:

1. Create promotional strategies.
2. Manage promotional operations.
3. Assess and improve promotional activities.

If you are using a printed version of this workbook, links and URLs are in a table at the end. Type the URL into your browser to go to the link.

To complete this unit, we have put together some resources to assist in your learning journey. These include:

* A **Business directory and glossary**, which provides essential links, terms and definitions to build your understanding of business concepts.
* An introduction to **Artificial Intelligence** (AI), with links to tools you can use and the responsible use of AI.
* A guideline to the **Business venture** you should use throughout the unit.

Reviewing these resources will enhance your knowledge and prepare you for success in this unit.

#### Business directory and glossary

A [Business directory and glossary (pdf)](https://share.tafensw.edu.au/share/items/44493bae-4b5e-4254-b28d-6d714656dfb6/0/?attachment.uuid=e7433cba-0f03-4eac-b72b-0faafa5f1076) is available. This document has been created to assist you in your journey of entrepreneurship and small business. You will find links to useful websites and resources that provide assistance to business owners. This document also includes a glossary of business terms.

#### Artificial intelligence

Throughout this unit, you may have opportunities to use and experiment with Artificial Intelligence (AI) and Generative AI. You can access Microsoft Copilot through TAFE NSW’s Microsoft licence. You can also access Adobe Creative Cloud, including products that use generative AI, such as Adobe Firefly and Adobe Express. TAFE NSW students have access to Adobe Creative Cloud on campus and can log into the Creative Cloud Portal with their TAFE NSW credentials on their own device.

Visit the TAFE NSW [Technology for Learning library](https://tafensw.libguides.com/technology) guide for TAFE students for further information and links. For further instruction on how to use AI responsibly, you can utilise the TAFE NSW [Researching and Referencing: Generative AI](https://tafensw.libguides.com/research/artificial) library guide.

#### A business venture

The learning activities in this unit are designed to support you through your learning journey and help you to gain the required knowledge and skills. In completing the learning activities, you can choose to either:

**Use your own business or business idea**: If you already run a business or have a business idea you want to develop, you can use that for the learning activities. Make sure your idea is clearly defined and fits the project requirements. You might need to use business policies and procedures to complete the tasks. If your business doesn’t have the necessary policies and procedures you can use the documents available on the **Azure Beach Surf and Skate** [Intranet](https://share.tafensw.edu.au/share/items/1c89b5bb-2698-4ced-91d8-29a58efbaab2/0/?attachment.uuid=619dbebb-d353-4953-8e7a-775c44521322).

**OR**

Use the **TAFE NSW simulated organisation, Azure Beach Surf and Skate**: If you don’t have your own existing business or business idea, you can use [Azure Beach Surf and Skate](https://share.tafensw.edu.au/share/items/1c89b5bb-2698-4ced-91d8-29a58efbaab2/0/?attachment.uuid=74f8070a-c4c0-4c14-a007-aedc47689889).

## Azure Beach Surf and Skate

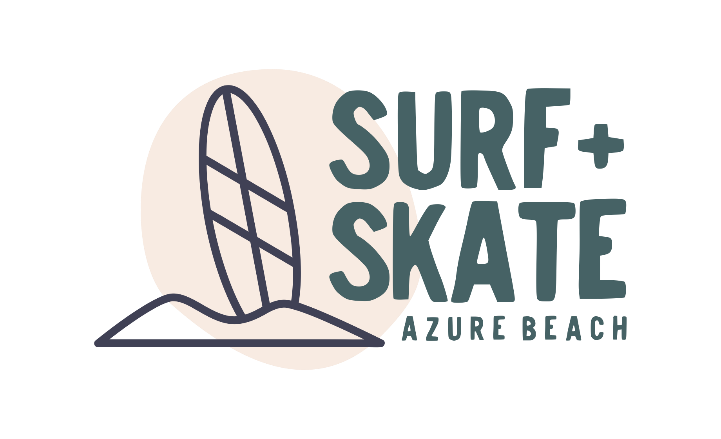


Figure 1: © TAFE NSW 2024

Azure Beach Surf and Skate provides a simulated environment that reflects a real business setting and real-life work tasks. It is a local retail and service business, selling a range of surfboards, skateboards, apparel, and accessories. It also offers surf lessons and skateboarding workshops. It serves local enthusiasts and tourists looking for high-quality gear and services. You can find all the details and documents you need on their website and intranet.

## Icon legend

Table 1: Icons

|  |  |
| --- | --- |
| Icon | Description |
|  | **Practice activity**  Complete these learning activities as they will help you to gain the knowledge and skills you need to complete your assessments. |
|  | **Resources**  Review resources that will enhance your learning and help you with your assessments. |
|  | **Library guide**  Access these guides for additional resources to help you with your learning and assessments. |
|  | **Video or audio**  Review video or audio for task demonstrations and to gain a deeper understanding of job roles and concepts. If you are using a printed version, you may need to type the URL into your browser. |
|  | **Self-check**  Complete these activities to check your learning progress. They help you identify where you may need to go back and revise your learning. Mark off the tasks you have learned. |

**Lesson 1:**Create promotional strategies

## Overview

This lesson focuses on establishing promotional strategies to develop a promotional action plan. When building a new business, it is essential to consider how you will externally communicate the presence of your products and services to your customers. What can your business offer in value? How does your business differentiate itself from other competitors?

Understanding how to develop a promotional activity plan is essential to ensuring your business meets your consumers’ needs alongside fulfilling your business goals and regulatory requirements.

In this lesson, you will learn to:

* promote based on business and market needs
* identify promotional ideas with stakeholders
* choose promotional activities
* create contingency strategies.

## Promote based on business and market needs

Promotional activity is any marketing activity that externally communicates a business’s product or service to generate customer awareness and interest. Promoting your products and services is necessary if your small business is newly established or has been in operation for a few years.

Having the best product or service isn’t enough if no one knows about it. Visibility is essential for attracting customers, as it builds trust and credibility. When people frequently know a brand through various marketing channels, they are more likely to consider it a reliable choice.

By investing in marketing, you can connect with your target audience, increase awareness and ultimately drive sales and growth.

The promotional activities you choose can depend on several factors surrounding your business and its market, so an effective marketing plan will help provide you with a more precise direction. A marketing plan allows you to identify what your small business does, what its current market needs are and how to establish promotional activities to satisfy those needs. To begin a marketing plan, you should reflect on what your business wants to communicate to its customers.

For example:

* Do you want them to know your business’s goals?
* Do you want them to understand the business as capable and reliable?

These questions can be answered by your business's standards to fulfil its requirements. You can identify your business’s requirements by examining its mission, vision, goals and objectives.

### Mission statement

A mission statement defines a small business's purpose, outlining what it does, who it serves and how it delivers value. It focuses on the present and clarifies the small business's primary objectives.

The mission statement of a business usually outlines its nature and purpose. It's the ‘We are here to do this’ statement. It answers the ‘Why’ question of your business’s existence.

### Vision statement

A vision statement articulates a small business's long-term aspirations. It serves to rally people and outlines what the small business seeks to achieve in the future.

For example, ‘To be the leading Pet Grooming Business in the state with large branches in every major city of the country by 2030’ (Bain & Company, 2023).

 Resources

For more information on how you can make your own vision and mission statement, review the article [How To Write Vision and Mission Statements](https://www.indeed.com/career-advice/career-development/how-to-write-vision-and-mission-statement).

### Goals

Business goals are broad, long-term aims that reflect the overall vision for your business. They provide direction and help align resources and efforts.

Goals can be considered financial and non-financial.

#### Financial goals

Financial goals are specific, measurable objectives focusing on a business's economic performance and sustainability. Common examples include:

* **Increase revenue** – Boost sales and income through various strategies such as expanding market reach or enhancing product offerings.
* **Enhance profit margins** – Increase the difference between revenue and expenses by improving operational efficiencies and reducing costs.
* **Improve cash flow** – Manage receivables and payables effectively to maintain liquidity and support day-to-day operations.
* **Reduce costs** – Identify areas to cut expenses without sacrificing quality, improving overall profitability.

These financial objectives are often measured using specific metrics, making them straightforward to assess and adjust as necessary (Clyne, 2022).

#### Non-financial goals

Non-financial goals encompass broader objectives that contribute to the overall vision and culture of the business but do not directly relate to financial performance. Common examples include:

* **Customer satisfaction** – Ensure high levels of customer service can lead to repeat business and positive referrals, which indirectly support financial growth.
* **Employee satisfaction** – Create a positive work environment enhances employee engagement, reduces turnover and boosts productivity.
* **Environmental sustainability** – Appeal to socially conscious consumers by setting goals to reduce their environmental impact.
* **Social responsibility** – Engage in community initiatives and ethical practices to improve a company’s public image and foster customer loyalty.
* **Market share** –Gain a larger portion of the market relative to competitors, which can enhance brand recognition and customer loyalty.
* **Brand equity** – Create a positive brand image to foster customer loyalty. Once you identify your brand equity, you can progress to building:
  + Brand loyalty involves cultivating a strong emotional connection with your customers and encouraging them to repeatedly choose your brand over competitors.
  + Brand awareness is the degree to which consumers recognise and recall your brand.
  + Brand associations are the attributes and qualities that consumers connect with your brand (Aaker, n.d.).

Balancing these non-financial aims with financial objectives is essential for long-term success. While financial goals focus on immediate profitability, non-financial goals contribute to sustainable growth by fostering a loyal customer base and a committed workforce (Clyne, 2022).

When defining your goals, consider these:

* **Align with mission and vision** – Ensure your goals align with your company’s mission and vision statements. This alignment helps maintain focus and consistency in your strategic planning.
* **Prioritise** – Identify which goals are most critical based on the current business climate and potential impact on profitability. For instance, a goal focused on increasing brand awareness may take precedence in a competitive market.

Examples of business goals can include:

* maintaining a net profit margin of at least 20% over the next 3 years
* increasing market share by 15% within 5 years
* boosting overall revenue by 25% through new customer acquisition within the next 2 years.

Include short-term, medium-term and long-term goals in your business plan. Long-term goals must be based on where you want to take your business months and years in the future, while short-term and medium-term goals will contribute to achieving the business's long-term goals. Short-term goals should act as milestones for achieving your long-term goals. Examples of short-term or medium-term business goals include:

* increasing sales of specific products or services
* gaining a certain number of followers on social media platforms
* expanding the areas where you do business, both online and in physical stores (Australian Government, 2024).

**For example:**

**Short-term goal:** Generate AUD 200,000 in sales revenue within the first 6 months by targeting health-conscious consumers in major Australian cities, focusing on organic food products.

**Mid-term goal:** Based on customer preferences and local sourcing opportunities, expand our product offerings to include 10 new organic items within the first year.

**Long-term goal:** Establish a network of 100 retail partnerships with local organic grocers across Australia within 18 months to increase distribution and brand presence.

### Objectives

Business objectives define specific parameters for a clear direction on how to accomplish the goals that the business has set out to do. Properly structured objectives are SMART: specific, measurable, achievable, relevant and time-bound.

Aside from what your business wants to achieve, your marketing activities should also have its own objectives. These marketing objectives are based on your business goals and overall business objectives. Marketing objectives serve as a benchmark for success, offering a clear vision for marketing a product or service and determining how to do it effectively.

### Marketing objectives

Objectives define the specific, measurable actions taken to achieve the overall goal. All objectives follow the SMART principle and are specific, measurable, achievable, relevant and time-bound (Corporate Finance Institute, n.d.).

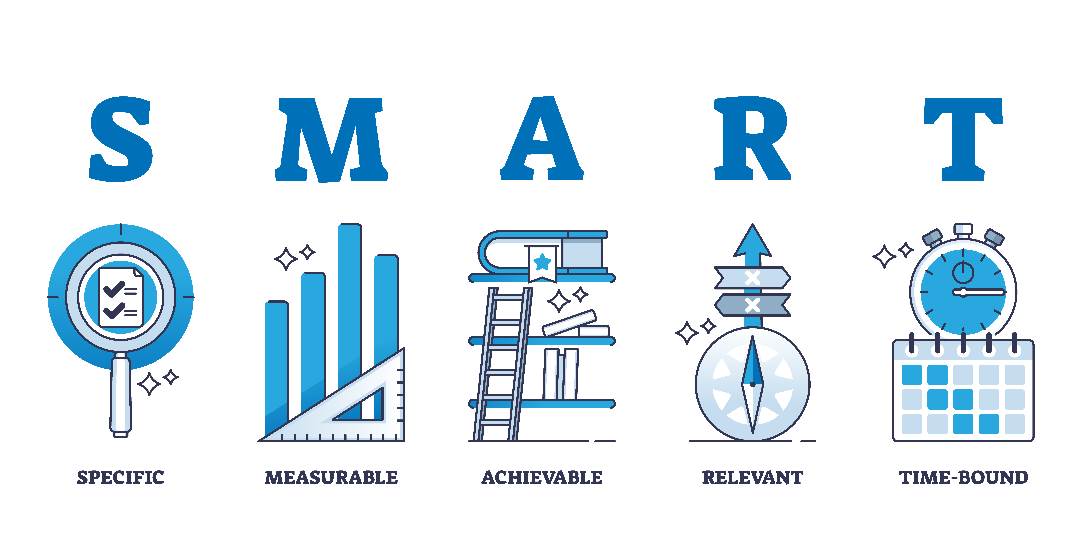


Figure 2: © Shutterstock copied under licence

To help create these SMART objectives, consider these:

Table 2: SMART objectives

| **SMART principle** | **Description** |
| --- | --- |
| **Specific** | Clearly define what you want to accomplish using specific numbers as benchmarks. For example, ‘Increase sales by 15% in the next quarter.’ |
| **Measurable** | Determine how you will measure progress toward your objectives, such as tracking sales figures or customer feedback. |
| **Achievable** | Set realistic objectives that can be accomplished with the resources available, assessing time, budget and personnel. |
| **Relevant** | Ensure that each objective aligns with your overall business goals and contributes meaningfully to your success. |
| **Time-bound** | Establish a timeline for achieving each objective, such as ‘Acquire 5 new clients within 6 months.’ |

SMART objectives are written in one statement that combines them all.

An example of objectives to achieve the overall goal of ‘Grow your brand awareness across Australia’ could be:

To demonstrate my success in enhancing brand visibility, the objectives for the social media marketing campaign are to achieve a 15% increase in all website traffic and a 7% increase in engagement from Instagram followers within 6 months.

### Identify organisation or market trends

Market needs refer to the specific requirements, preferences and problems consumers seek to address through products or services. Market trends refer to the general direction in which a market moves over time, indicating shifts in consumer behaviour, technological advancements and economic conditions.

By understanding market trends, you can address the needs of consumers that still need to be met.

There are 3 key market trends that can typically occur:

* Uptrend
* Downtrend
* Sideways trend

##### Uptrend

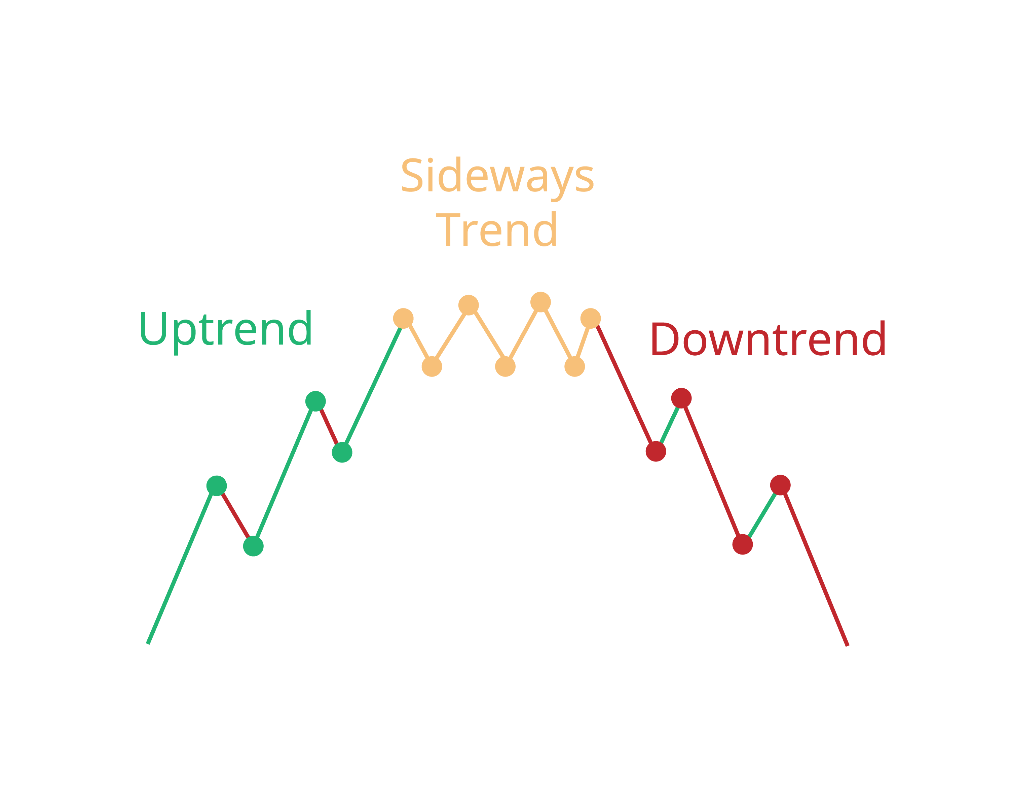


Figure 3: Shutterstock copied under licence

Uptrends indicate growth in demand or positive changes in consumer behaviour and they are often associated with economic expansion. For example, increased health consciousness may lead to a surge in demand for organic food products.

##### Downtrend

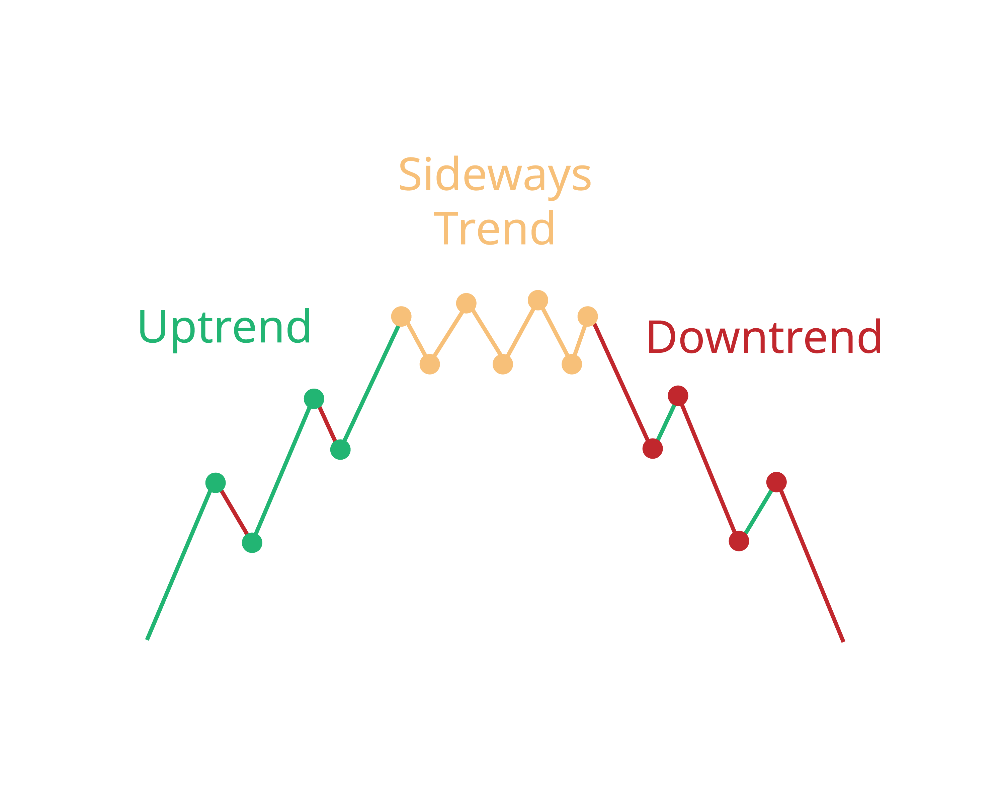


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Downtrends reflect declining interest or demand for specific products or services, which can signify economic contraction. Traditional retail stores, for example, are experiencing a downturn due to the rise of e-commerce.

##### Sideways trend

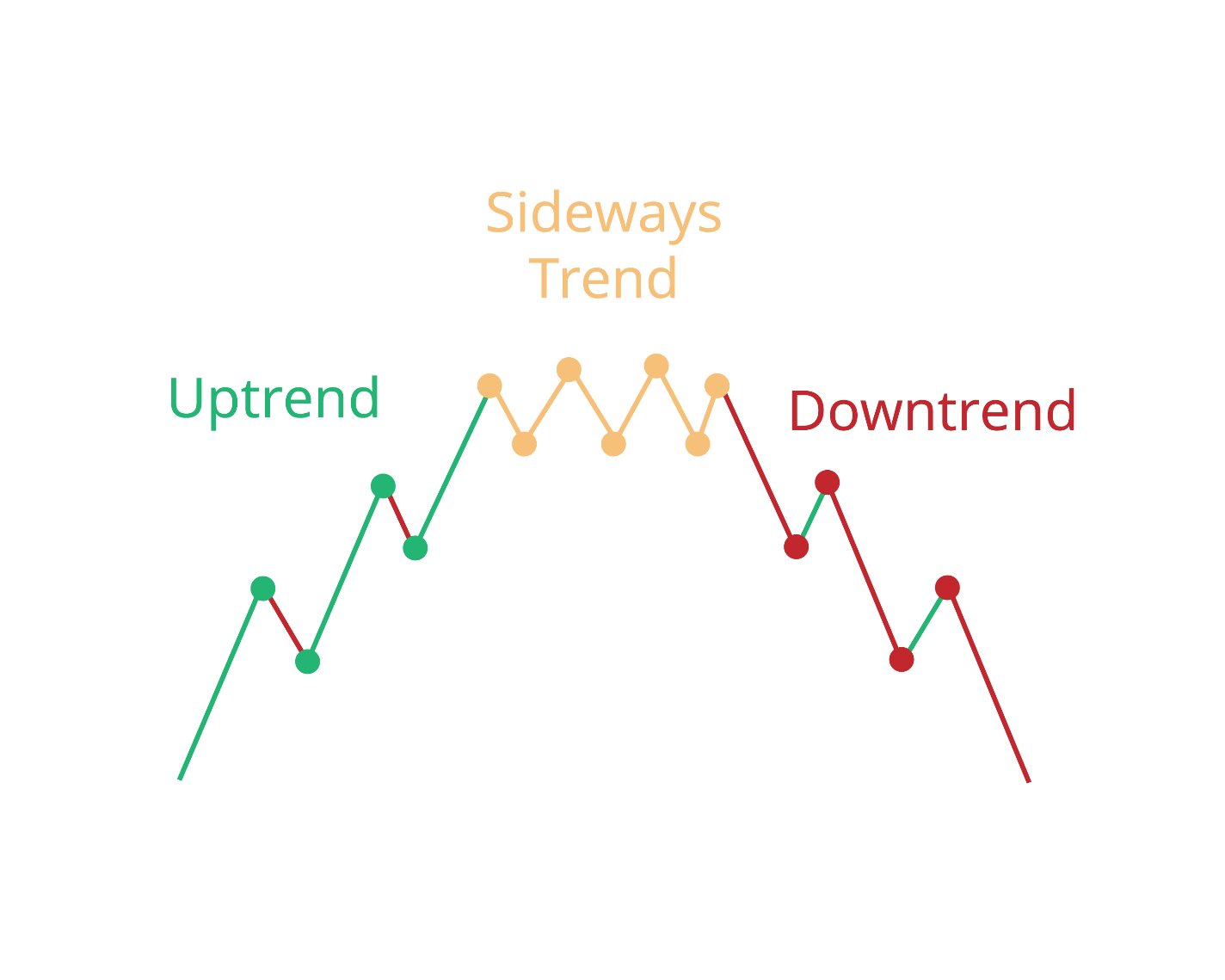


Figure 5: Shutterstock copied under licence

Sideways trends occur when prices and demand remain relatively stable, indicating market consistency. A horizontal trend also indicates market consistency. However, like other trends, it does not last long (Heath, 2024).

Market trends can also be categorised by their duration, including:

* **short-term trends** – lasting days or weeks, such as seasonal promotions or social media trends
* **intermediate trends** – lasting several weeks to months, often influenced by elections or fiscal deadlines
* **long-term trends** – spanning years and involving significant changes in consumer behaviour or technology, such as the shift towards remote work during the COVID-19 pandemic.

#### Identifying market trends

As a small business owner, identifying market trends is essential for staying competitive and relevant in today’s ever-evolving marketplace. Understanding the macro and micro environments provides a comprehensive view of the factors influencing your industry, enabling you to make informed strategic decisions.

##### Macro-environment

The macro-environment refers to the broader external factors that impact all businesses within a particular economy or industry. These factors are typically uncontrollable and can significantly influence an organisation's strategic decisions. The macro-environment can be analysed using the political, economic, social, technological, legal and environmental (PESTLE) framework.

**PESTLE analysis**

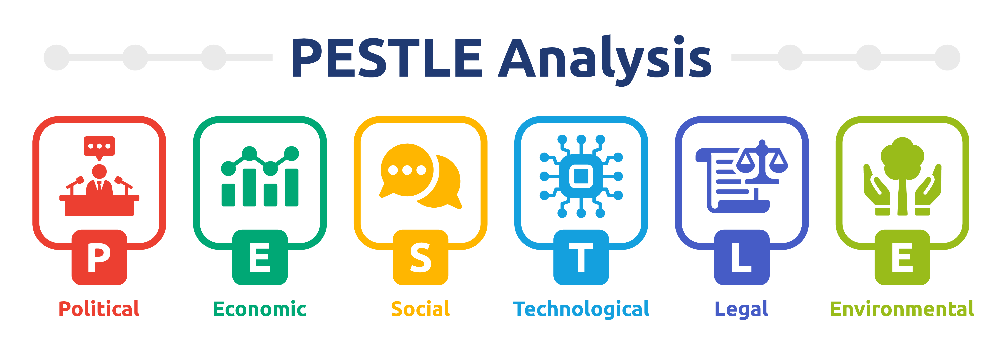


Figure 6: © Shutterstock copied under licence

A PESTLE analysis is a strategic tool to evaluate the external macro-environmental factors influencing an organisation's performance and decision-making. This analysis helps businesses understand the broader context in which they operate, allowing them to identify potential opportunities and threats.

Here is some additional information about PESTLE analysis.

Table 3: PESTLE

|  |  |  |
| --- | --- | --- |
| Factor | Description | Example |
| Political | Examines how government policies, political stability and regulations affect the business environment | Changes in trade tariffs affecting import costs |
| Economic | Assesses economic conditions such as inflation, exchange rates, economic growth and consumer spending patterns | A recession leading to decreased consumer spending |
| Social | Focuses on societal trends, demographics, lifestyle changes and cultural aspects that influence consumer behaviour | Increasing health consciousness driving demand for organic products |
| Technological | Evaluates the impact of technology on operations, innovation and market competitiveness | The rise of e-commerce platforms transforming retail shopping habits |
| Legal | Reviews the legal environment affecting the business, including laws related to employment, health, safety and consumer rights | New data protection laws impacting how companies handle customer information, such as the GDPR (General Data Protection Regulation) |
| Environmental | Considers ecological factors including sustainability, climate change and environmental regulations | Stricter regulations on carbon emissions affecting manufacturing processes |

By understanding these influences, businesses can better position themselves to respond to environmental changes, seize opportunities and mitigate risks effectively.

##### Micro-environment

The micro-environment refers to the immediate surroundings of your small business that directly influence its operations, performance and ability to serve customers effectively. This environment consists of various factors and stakeholders that impact your business on a day-to-day basis (Key differences, n.d.).

The micro-environment can include:

* **Customers** – Engaging with customers through surveys, feedback and social media can provide valuable insights into their expectations and help you tailor your offerings accordingly.
* **Suppliers** – Assessing supplier performance can help you maintain efficiency and manage costs effectively.
* **Competitors** – Identifying your competitors and analysing their strengths and weaknesses allows you to differentiate your offerings in the market.
* **Marketing intermediaries** – Establishing effective partnerships with these intermediaries can enhance your market reach and improve sales performance (Key differences, n.d.).

By understanding the micro-environment surrounding your small business, you can identify opportunities for growth and potential challenges that may arise. This analysis enables you to make informed decisions that align with customer expectations and market dynamics.

An example of this micro-environment analysis can be outlined in this example scenario:

Sarah, the owner of ‘Brewed Awakenings,’ a small coffee shop in a bustling urban neighbourhood, recognised the importance of understanding her micro-environment to enhance her business operations and identify market trends. She conducted a thorough analysis of key factors influencing her shop, including her customers, suppliers, competitors, market intermediaries and public perception.

In response to competitive pressures from a new coffee shop nearby, Sarah enhanced her loyalty programme and introduced unique events like open mic nights to differentiate her offerings. Additionally, she addressed supply chain issues by establishing reliable relationships with new suppliers and explored partnerships with multiple delivery services to improve customer satisfaction.

By actively managing these micro environmental factors, Sarah was able to adapt her strategies effectively, ensuring that ‘Brewed Awakenings’ not only met customer expectations but also positioned itself for sustainable growth in a competitive landscape.

## Explore potential ideas with stakeholders

Establishing clear promotional objectives is crucial for any business aiming to enhance its visibility and engagement with target audiences. Involving relevant stakeholders in this process not only enriches the objectives but also fosters a sense of ownership and collaboration among those impacted by promotional activities.

### Understand stakeholder consultations

Stakeholder consultation involves engaging with individuals or groups who are interested in or affected by the business's activities. These can include customers, employees, suppliers, community members and industry experts. By actively consulting these stakeholders, businesses can gather valuable insights that inform their promotional strategies, ensuring they align with market needs and expectations.

It is important to remember that each stakeholder group may have a preferred engagement method for consultation, even if they are in the same stakeholder category. For example, customers and employees are both primary stakeholders; however, the best way to engage with customers could be through social media and employees through in-person communication.

Stakeholders can be divided into 2 main categories: primary and secondary.

##### Primary stakeholders

Primary stakeholders are those who have a direct financial interest in your business's operations and outcomes, such as customers, employees, investors and suppliers. Their involvement is essential for your day-to-day activities and overall success (Pm column, 2022).

Some examples of primary stakeholders in your small business could include:

* **Customers** – They purchase your products or services and provide feedback that can shape your offerings.
* **Employees** – They contribute to the day-to-day operations and culture of your business; their satisfaction is crucial for productivity.
* **Investors or owners** – They provide the necessary capital for your business to operate and grow, expecting a return on their investment.
* **Suppliers** – They supply the goods and services you need; maintaining good relationships with them ensures reliability in your supply chain.

Primary stakeholder feedback and insights are crucial for shaping your products and services. Engaging with them helps ensure that your offerings align with market needs and expectations, which can lead to increased customer satisfaction and loyalty.

##### Secondary stakeholders

On the other hand, secondary stakeholders do not have a direct financial stake in your business. While they may not be involved in daily operations, their opinions and actions, such as those from regulatory bodies, local communities and competitors, can significantly influence your brand reputation and market position (Pm column, 2022).

Some examples of secondary stakeholders in your small business could include:

* **Local communities** – Their support can enhance your brand image; engaging with them can lead to valuable insights into market needs.
* **Regulatory bodies** – They enforce compliance with laws that affect how you operate; understanding their requirements is crucial for avoiding penalties.
* **Competitors** – They may be considered adversaries; monitoring their actions can help you position your business strategically in the market.
* **Media outlets** – They can influence public perception of your business; positive coverage can enhance your reputation.

Consulting secondary stakeholders offers broader perspectives to enhance your understanding of the market environment. Their diverse viewpoints can lead to innovative ideas and opportunities for growth that you might not have considered.

Each stakeholder group brings unique perspectives and expertise. It’s important for you to consider their input when creating your marketing strategy. By valuing their insights, you can develop a plan that aligns with the interests of all parties involved.

#### Steps to identify promotional objectives

To effectively guide a business's marketing efforts and ensure alignment with market demands, it is essential to follow a structured approach in the steps to identify promotional objectives that engage stakeholders and leverage their insights. These steps are:

1. **Review marketing objectives** – Begin by establishing clear marketing objectives that align with the overall business goals. This could include increasing brand awareness, generating leads, or improving customer retention. These objectives will serve as the foundation for developing specific promotional objectives and ensure that all efforts are strategically aligned.
2. **Define the purpose of consultation** – Begin by clarifying why stakeholder input is essential for developing promotional objectives. This could range from understanding customer preferences to assessing brand perception in the community. Clearly, articulated purposes help focus discussions and ensure relevant feedback is gathered.
3. **Identify key stakeholders** – Determine which stakeholders should be consulted based on their potential impact on or interest in the promotional strategies. This may involve segmenting stakeholders into categories such as customers, employees and community small businesses to tailor the consultation approach effectively.
4. **Develop clear promotional objectives** – Outline specific promotional objectives that the business aims to achieve. These could include increasing brand awareness, enhancing customer loyalty or launching a new product line. Engaging stakeholders in this process ensures that the objectives reflect a broader perspective and address real market needs.
5. **Select consultation methods** – Choose appropriate methods for engaging stakeholders based on their preferences and accessibility. Options may include surveys, focus groups, interviews or community meetings. The chosen methods should facilitate open dialogue and encourage honest feedback.
6. **Analyse feedback and refine objectives** – Gather and analyse the feedback from stakeholders to identify common themes and insights. Ensure objectives are realistic, measurable and aligned with stakeholder expectations.
7. **Communicate outcomes** – Share the refined promotional objectives with stakeholders to demonstrate that their input has been valued and considered this not only builds trust but also encourages ongoing engagement in future initiatives (Zepeda, 2024).

#### Benefits of stakeholder engagement in promotional planning

Maximising the effectiveness of promotional strategies requires understanding the benefits of stakeholder engagement in promotional planning. This approach fosters collaboration, enhances decision-making and builds trust among all parties involved. These benefits are:

* **Enhanced relevance** – Incorporating stakeholder perspectives, businesses can create promotional strategies that resonate more effectively with target audiences.
* **Increased buy**-**in** – Engaging stakeholders fosters a sense of ownership over promotional initiatives, leading to greater support and participation from those involved.
* **Improved brand reputation** – Being transparent in consultation processes can enhance a business’s reputation as a responsive and community-orientated small business.
* **Informed decision-making** – Leveraging stakeholder insights provides valuable data that helps inform strategic decisions, reducing risks associated with launching new promotions.

To help your stakeholder consultations, you can use AI tools such as [Microsoft Copilot](https://m365.cloud.microsoft/) to help with this interaction. An example of this can be outlined in the provided scenario.

**Prompt**

Help me prepare for an upcoming stakeholder consultation with my business mentor. I want to discuss key marketing opportunities for my business with them and seek their advice.

**Output**

**Preparation**

* Research and gather data.
* Analyse current market trends relevant to your business.
* Gather data on your target audience, including demographics, behaviour and preferences.
* Review your competitors’ marketing strategies and their performance.

**Identify key opportunities**

* Digital marketing – Social media campaigns, email marketing, SEO and content marketing.
* Partnerships – Collaborations with other businesses or influencers.
* Product Launches – Introducing new products or services.
* Customer engagement – Loyalty programs, feedback systems and community-building activities.

**Prepare questions and topics for discussion**

* What are the best channels to reach your target audience?
* How can you optimise your marketing budget for maximum impact?
* What new trends should you consider integrating into your strategy?
* How can you measure and analyse the success of your marketing efforts?

**Consultation agenda**

**Introduction**

* Brief overview of your business and current marketing efforts.
* Highlight the purpose of the consultation.
* Discussion on key opportunities
* Present the key marketing opportunities you've identified.
* Share data and research findings to support your points.

**Seek advice**

* Ask for feedback on your current strategies and the opportunities you’ve identified.
* Inquire about additional opportunities you might have missed.

**Next steps**

* Discuss actionable steps based on your mentor’s advice.
* Set goals and timelines for implementing new strategies.

**Presentation tips**

* Be concise – Stick to the key points and avoid overloading with too much information.
* Be visual – Use charts, graphs and visuals to make your points clearer.
* Be receptive – Be open to feedback and ready to discuss different viewpoints.

**After the meeting**

**Follow up**

* Send a thank-you note summarising the key points discussed and any agreed actions.
* Set regular check-ins to update your mentor on progress.

**Implement feedback**

* Take actionable steps based on the advice given.
* Monitor the outcomes and adjust your strategy as needed.

 Practice activity

### Activity 1: Consultation preparation

You are preparing for an upcoming stakeholder consultation, use [Microsoft Copilot](https://m365.cloud.microsoft/) to help you answer question.

1. What is the agenda for your consultation meeting?

### Legislation and policy relevant to promotional activities

Understanding the legislative framework governing promotional activities is essential for you as a small business owner. Compliance with these laws ensures that you engage effectively and ethically with your audience, promoting transparency and accountability in your marketing practices.

Complying with legislation related to promotional activities is vital for protecting your business from legal issues, building consumer trust, maintaining a positive brand reputation, ensuring financial stability, gaining a competitive edge, managing risks effectively and promoting ethical practices.

Some of these key pieces of legislation and regulations are explored in this section.

#### Intellectual property protection

Protecting your intellectual property (IP) is crucial as it safeguards your innovations and brand identity. You should consider registering trademarks, patents, or copyrights to prevent infringement by competitors. The [Copyright Act 1968](https://www.legislation.gov.au/C1968A00063/latest/text) (Cth) governs copyright law in Australia, ensuring that your original works of authorship, including promotional materials such as logos and advertisements, are protected.

This is particularly relevant if you have trademarks related to your brand name and logos. If other businesses were to copy your logo or business name, you could potentially seek legal action to protect your business.

Patents are essential if you have invented a new product or process. Applying for a patent protects your invention from being copied by others. Patents provide exclusive rights for a limited time, allowing you to commercialise your invention without competition. This can be particularly beneficial if your promotional activities involve innovative products that set you apart from competitors.

For example, ‘The Quick Flick’ was a new Australian invention to make women’s eyeliner application easier that featured on Shark Tank. This product was patented to ensure no other brands could copy this design.

#### Privacy laws

If you collect personal information from your customers, you must adhere to privacy laws to protect their data. The [Privacy Act 1988](https://www.legislation.gov.au/C2004A03712/latest/text) (Cth) regulates how personal data is collected, used and disclosed. In 2023, new privacy principles were introduced that specifically address the handling of personal information in promotional activities, especially in direct marketing.

A new set of privacy principles was introduced in 2023. The principles cover how a business handles personal information, including:

* handling and processing of personal information
* use of personal information for direct marketing purposes
* disclosure of personal information.

To understand the *Privacy Act 1988* (Cth) obligations that your business must comply with, you must also be aware of the business obligations under the [Australian Privacy Principles](https://www.oaic.gov.au/privacy/australian-privacy-principles) (APPs), which you can learn more about from the Office of the Australian Information Commissioner.

#### Competition and consumer laws

The [Competition and Consumer Act 2010](https://www5.austlii.edu.au/au/legis/cth/consol_act/caca2010265/) (Cth) is designed to promote fair trading and competition while protecting consumers from misleading conduct. This act encompasses the Australian Consumer Law (ACL), which sets out specific obligations regarding advertising practices.

To comply with the ACL provisions, regularly review all marketing materials to ensure they meet legal standards. Establish clear channels for customer feedback and complaints management to demonstrate your commitment to consumer rights.

#### Self-regulatory codes

The [Australian Association of National Advertisers](https://aana.com.au/) (AANA) provides self-regulatory codes that offer guidelines for ethical advertising practices. These codes help businesses navigate complex advertising landscapes while maintaining high ethical standards.

One key area addressed by AANA codes is advertising to children. It is vital to ensure that advertising directed at children is appropriate and does not exploit their inexperience or vulnerability. Avoid promoting unhealthy products or behaviours to young audiences.

Another important aspect involves making accurate environmental claims about your products. When promoting sustainability initiatives or eco-friendly products, ensure that any claims made are truthful and can be substantiated with evidence.

Here is a summary of your key legislative obligations:

Table 4: Key legislative obligations

|  |  |  |
| --- | --- | --- |
| Legislation | Description | Key requirements |
| *Competition and Consumer Act 2010* (Cth) | Regulates fair trading and competition to protect consumers and businesses | Comply with Australian Consumer Law |
| *Privacy Act 1988* (Cth) | Governs the handling of personal information by businesses and government agencies | Comply with privacy regulations |
| *Copyright Act 1968* (Cth) | Governs copyright law in Australia, protecting original works of authorship | Adhere to copyright regulations |
| Self-regulatory codes: Australian Association of National Advertisers (AANA) | Provides additional guidelines for ethical advertising practices | Covers areas such as advertising to children, environmental claims and responsible alcohol marketing |
| [Age Discrimination Act 2004](https://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/cth/consol_act/ada2004174/) (Cth) | Prohibits discrimination based on age in various areas, including employment | Ensure non-discriminatory practices based on age |
| [Human Rights and Equal Opportunity Commission Act 1986](https://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/cth/consol_act/ahrca1986373/) (Cth) | Establishes the Human Rights Commission to promote and protect human rights in Australia | Comply with human rights standards |
| [Disability Discrimination Act 1992](https://www.legislation.gov.au/C2004A04426/latest/text) (Cth) | Prohibits discrimination against individuals with disabilities in various areas, including employment | Ensure accessibility and non-discriminatory practices |
| [Racial Discrimination Act 1975](https://www.legislation.gov.au/C2004A00274/latest/text) (Cth) | Prohibits discrimination based on race, colour, descent or national or ethnic origin | Ensure non-discriminatory practices based on race |
| [Sex Discrimination Act 1984](https://www.legislation.gov.au/C2004A02868/latest/text) (Cth) | Prohibits discrimination based on sex, marital status, or pregnancy in various areas, including employment | Prevent sex discrimination in promotional activities such as making sexist or biased remarks |

#### Policies and procedures

The primary aim of marketing policies and procedures is to create a framework that guides how promotional resources are developed, used and monitored. This ensures that all marketing activities align with the organisation's strategic vision while adhering to legal and ethical standards.

Key documentation or procedures you may need when promoting your products or services include:

* promotional plan
* marketing action plan
* social media engagement policy
* promotional content and materials
* customer contact management system.

##### Promotional plan

A promotional plan outlines the specific strategies and tactics that will be used to communicate with target audiences about products or services. Key elements include:

* **Objectives** – Define goals for what the promotional activities aim to achieve, such as increasing brand awareness or driving sales.
* **Target audience** – Identify specific demographics and psychographics of the audience to be reached.
* **Evaluation or performance metrics** – Measure the performance of the promotional activities. These can include key performance indicators (KPIs) such as sales data, website traffic such as views or clicks, social media engagement and customer surveys.
* **Promotional strategies** – Select channels and methods for promotion, including advertising, public relations, social media and events.
* **Budget** – Allocate financial resources to different promotional activities.
* **Timeline** – Outline when each promotional activity will take place.

The promotional plan is often a subset of the broader marketing plan, focusing specifically on how to promote products effectively to achieve desired outcomes.

##### Marketing action plan

A marketing action plan is a detailed roadmap that outlines the steps necessary to implement marketing strategies and achieve overall business objectives. It typically includes:

* **Goals and objectives** – Specific, measurable targets that align with the organisation's strategic vision.
* **Strategies** – Broad approaches that will be taken to reach the goals, such as digital marketing or content marketing.
* **Tactics** – Specific actions required to execute the strategies, including campaigns, promotions and events.
* **Responsibilities** – Assignment of tasks to team members or departments, ensuring accountability for each action item.
* **Timeline** – A detailed schedule that specifies when tasks will be completed.
* **Performance metrics** – Criteria for measuring success, such as key performance indicators (KPIs) that track progress toward goals.
* **Monitoring and control** – Mechanisms to regularly assess performance against the established metrics. This includes refining strategies and tactics based on what is working or not working in real-time.

The marketing action plan is crucial for translating strategic objectives into actionable steps, ensuring that all team members are aligned and aware of their roles in executing the marketing strategy.

##### Social media engagement policy

A well-defined social media engagement policy is crucial for guiding interactions on social platforms. This policy should include:

* **Guidelines for interaction** – Clear expectations on how employees should engage with customers online, including tone and content guidelines.
* **Crisis management protocols** – Procedures for addressing negative comments or misinformation promptly and professionally.
* **Content release schedule** – A timetable for regular content updates to maintain engagement and relevance.
* **Monitoring tools** – Tools for tracking engagement metrics and responding to customer queries effectively.

An example of such a policy can be outlined by Azure Beach Surf and Skate, [Social Media and Online Conduct Policy and Procedure (pdf)](https://share.tafensw.edu.au/share/items/a4de0654-80ac-474c-b1b2-588f95e4ff1e/0/?attachment.uuid=bac353ae-471a-47fb-a7cf-c91828313410).

##### Promotional content and materials

Small businesses should invest in creating diverse promotional materials to enhance visibility and engagement. This includes:

* **Brochures and flyers** – Design informative print materials that highlight products or services to distribute at local events or in-store.
* **Social media content** – Create engaging posts tailored for platforms where the target audience is most active. This could include images, videos, or customer testimonials.
* **Email campaigns** – Develop email templates for newsletters and promotions to maintain regular communication with customers.

To help ensure your content and materials are consistent, you may also want to consider creating a content style guide with outlines key brand colours, tone of voice (how you speak to your audience) and other key rules to be aware of.

##### Customer contact management system

To efficiently manage customer interactions, small businesses should implement a system that includes:

* **Customer contact lists** – Maintain an organised database of customer information to facilitate targeted marketing efforts.
* **Email** **communication templates** – Create standardised templates for various communication scenarios (for example, thank-you emails and promotional offers) to ensure consistency in messaging.

As your business grows, you may invest in more complex customer relationship management software (CRM) such as Salesforce.

 Resources

For further insight on how to make your own policies and procedures related to your promotional activities, refer to these resources:

* Slide Team [Top 10 promotion plan templates with Examples and Samples](https://www.slideteam.net/blog/promotion-plan-templates-ppt)
* BusinessVictoria [Marketing action plan template](https://business.vic.gov.au/tools-and-templates/marketing-action-plan-template)
* Frontitude [What is a Content Style Guide?](https://www.frontitude.com/glossary-posts/what-is-a-content-style-guide)

## Choose promotional activities

Promotion involves all activities to make potential customers aware of a product or service.

This includes a variety of strategies, such as advertising, public relations, social media marketing, content marketing and sales promotions. Effective promotion communicates the product's value and encourages customers to purchase. A well-rounded promotional strategy often utilises multiple channels to reach a broader audience.

Your promotional objectives will depend on what you want to achieve after your promotional period. This can include brand awareness, an increase in sales or other key performance metrics. As discussed in Lesson 1, objectives are written in the SMART format. An example of this has been provided.

For example, increase sales of EcoBrew’s reusable coffee pods by 20% through a social media marketing campaign and partnerships with eco-influencers over the next 4 months.

Here is a summary of these potential promotional strategies with their strengths and weaknesses (Indeed, 2024):

Table 5: Summary of promotional activities

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Promotional strategy | Description | Example | Strengths | Weaknesses |
| Advertising | Paid promotions through various media channels to reach a wide audience | The Coffee Emporium uses local radio ads to promote its seasonal drinks and community events | High visibility; can effectively target specific demographics | Can be costly; may not guarantee immediate engagement |
| Public relations (PR) | Managing a brand's image and building relationships with the public and media | Muffin Break engages in community events, such as sponsoring local schools, to enhance its public image | Enhances brand credibility; fosters positive public perception | Results can be unpredictable and require ongoing effort |
| Sales promotions | Short-term incentives to encourage immediate purchases | Just Cuts offers a ‘first haircut free’ promotion for new customers to attract business | Drives quick sales; attracts new customers | Can reduce profit margins; may lead to customers waiting for discounts |
| Social media marketing | Engaging with customers on social platforms to build brand awareness and loyalty | Gelatissimo actively posts on Instagram featuring new gelato flavours and customer interactions | Direct interaction with customers; cost-effective marketing | Requires constant management; can lead to negative feedback if mishandled |
| Content marketing | Creating valuable content to attract and retain customers | Booktopia runs a blog with book reviews and author interviews to engage its audience | Establishes authority; improves search engine optimisation (SEO) and customer loyalty | Time-consuming; results may take time to materialise |
| Email marketing | Sending targeted emails to communicate with potential and existing customers | The Coffee Emporium sends out monthly newsletters featuring special offers and new menu items to subscribers | Direct communication; measurable results through analytics | Risk of being marked as spam; requires a clean email list |
| Influencer marketing | Collaborating with influencers to promote products to their audience | Lush Australia partners with local beauty influencers on Instagram to showcase their products and sustainability efforts | Leverages influencer credibility; reaches niche audiences | Can be expensive; effectiveness varies by influencer |
| Referral programs | Encouraging existing customers to refer new customers for rewards | Funtopia, an indoor play centre, offers discounts for parents who refer friends who book parties or visits | Builds trust through word-of-mouth; cost-effective growth strategy | Limited control over referrals; may require significant incentives |
| Event marketing | Hosting or participating in events to engage directly with customers | The Coffee Emporium hosts local art shows, inviting artists from the community to display their work in the café | Creates excitement and buzz; direct interaction with target audience | Resource-intensive; success depends on execution quality |
| Loyalty programs | Rewarding repeat customers to enhance retention and encourage repeat purchases | Muffin Break's loyalty card program gives customers a free coffee after every 10 purchases | Increases customer retention; encourages ongoing engagement | Can be costly to manage and may require complex tracking systems |
| Free trials or samples | Offering free trials or samples to allow potential customers to experience a product | Just Cuts provides complimentary hair consultations for first-time visitors, allowing them to experience the service before committing | Lowers barriers for new customers; encourages product trial | Costly for businesses; risk of attracting non-buyers only seeking freebies |
| Seasonal promotions | Special offers tied to holidays or seasons to boost sales during peak times | Gelatissimo runs a special promotion during summer, offering discounts on gelato cakes for parties | Drives traffic during peak shopping periods; creates urgency | May lead to inventory issues if not managed properly; can dilute brand value if overused |

Choosing the right promotional strategy requires thoroughly understanding your goals, audience, market conditions and available resources.

For example, suppose you have limited capital and resources. In that case, relying on social media promotional activities may be more cost-effective rather than large-scale advertising in videos and billboards.

### Tools of promotion

Promotion is about bringing your product or service to the attention of your target market and persuading customers to purchase that product or service.

Promotional methods to communicate your products or services to customers make up the promotional mix. These methods include:

* advertising
* sales promotion
* publicity and public relations
* personal selling
* direct or digital marketing.

#### Advertising

Advertising is a form of communication designed to persuade potential customers to choose your product or service over that of a competitor. Successful advertising involves making your products or services positively known by the section of the public most likely to purchase them. Advertising should be a planned, consistent activity that keeps the name of your business and the benefits of your products or services uppermost in the consumer's mind.

The objective of advertising is to increase your profit by increasing your sales. advertising also aims to:

* make your business and product name familiar to the market
* create goodwill and build a favourable image
* educate and inform the target market
* increase your market share
* increase your share of wallet
* offer specific products or services
* attract customers to find out more about your product or service.

Advertising can be undertaken through various forms of media including:

* **newspapers** – national, state or local
* **journals** – specific publications
* **magazines** – reaches a diverse audience
* **brochures or pamphlets** – details features and benefits
* **trade directories** – creates awareness of the business in the trade
* **community directories** – localised level
* **radio** – reaches different audiences
* **television** – has the advantage of visual and sound but can be very expensive
* **movie theatres** – visual impact on a large screen, captive audience, but can be expensive
* **outdoor advertising** – billboards or advertising on taxis or buses
* **direct mail** – the ability to target specific areas
* **point of sale** – the customer may be in a position to make a direct purchase
* **internet** – unlimited audience
* **social media** – unlimited audience.

For example, a small café in Sydney could use social media advertising on platforms like Facebook or Instagram to reach local customers, showcasing daily specials and events. This targeted approach can effectively increase foot traffic and brand awareness.

Understanding the wide range of advertising strategies available will allow you to use the one that is best for your business. You may find that using a combination of strategies gives you the strongest results.

**Advantages and disadvantages of advertising**

The advantages and disadvantages of advertising are:

Table 6: Advantages and disadvantages of advertising

|  |  |
| --- | --- |
| Advantages | Disadvantages |
| * Broad reach and mass-market appeal * A persuasive medium using a combination of visual and sound images * Opportunity to target specific audiences | * Expensive * Impersonal * Not as persuasive as face-to-face selling |

#### Sales promotion

A sales promotion is a short-term campaign that aims to encourage rapid purchases or trials of a product in a short period of time. Common sales promotions include:

* discounts
* ‘buy-one-get-one free’ deals
* free samples
* free trials, such as a free first-week pass for a new gym,
* other time-limited incentives to drive sales up quickly.

Sales promotions influence consumer behaviour through the ‘fear of missing out’ (FOMO), which is why sales promotions are often effective. Businesses can also combine sale promotions with other promotional activities.

For example, a business selling cosmetics or food can promote discounts on items under the incentive that consumers scan a QR code or subscribe to their social media platform. This can attract increased sales for the short term while building a potential loyal customer base for the long term.

The disadvantage of a sales promotion is that cheaper products and deals can create a negative perception of the quality of your offered products or services. Some customers may conclude that there is a different reason why these sales are offered. They tend to ask, ‘Are you doing this promotion because it did not initially sell well? Why?’. Be prepared for these questions.

Table 7: Advantages and disadvantages of sales promotion

|  |  |
| --- | --- |
| Advantages | Disadvantages |
| * Rapid growth of sales in a short period of time * Trial period are a safe opportunity to market research and build trust with new customers * Can be combined with advertising and other promotions | * Short-term focused, not suitable as a long-term strategy * Cheaper offerings risk creating the perception of poor quality or that the business is selling dead stock |

#### Publicity and public relations campaign

**Public relations or PR** is the practice of managing and guiding perceptions of your business to attract new customers and strengthen the loyalty of existing customers.

Unlike marketing and advertising, PR takes advantage of unpaid communication channels, such as local and regional media, the Internet, business networks and community and customer networks. PR involves communicating with your market to raise awareness of your business, build and manage your business' reputation and cultivate relationships with consumers. While marketing focuses on promoting actual products and services, public relations focus on promoting awareness, attitudes and behavioural change.

A good PR strategy is designed to gain public understanding and acceptance of your business by evaluating public attitudes and identifying policies and procedures with a public interest.

Public relations can involve activities such as:

* word of mouth communications between customers
* sponsorship of various groups
* press releases containing information about business activity and policies on issues such as the environment and consumer protection
* hosting special events
* lobbying.

For example, a new eco-friendly product line from an Australian skincare brand could generate publicity by hosting an event that invites local influencers and journalists. This event can lead to media coverage that highlights the brand’s commitment to sustainability, enhancing its reputation without direct advertising costs.

Table 8: Advantages and disadvantages of publicity and public relations

|  |  |
| --- | --- |
| Advantages | Disadvantages |
| * Has high credibility * Relatively low cost and in some cases, it is free, if managed by the owners or staff * Builds a positive image of the business and your products and services | * Generally, have very little control over the publicity you get * Can be positive or negative * May not occur at the right time * PR agencies can be expensive, not promise results and lack transparency in their activities |

#### Personal selling

Personal selling is direct person-to-person, voice-to-voice, digital-to-digital communication designed to explain how products, services or ideas best fit the needs of a prospective customer.

As a personal seller you are giving the customer your:

* knowledge and expertise
* enthusiasm and friendliness
* willingness to listen to customers' needs and wants
* interest in the customer
* prompt and reliable follow-up.

Steps in successful personal selling:

1. Identify prospective customers.
2. Physically approach the customer based on step 1.
3. Present and demonstrate the features and benefits of your product or service.
4. Listen and accept the customers' views.
5. Get the customer to agree to a purchase.
6. Thank the customer for their support.

For example, A local boutique may employ sales staff who engage customers personally, offering styling advice based on the customer's preferences. This approach not only helps in making a sale but also fosters customer loyalty through personalised service.

The disadvantage of personal selling is that it can be labour and time-intensive.

#### Direct or digital marketing

**Direct or digital marketing** is a strategic approach aimed at eliciting an immediate response from consumers, encouraging them to take specific actions such as making a purchase, signing up for a newsletter, or engaging with a brand. This type of marketing is particularly effective for small businesses looking to boost engagement and conversion rates.

Direct or digital marketing will have these elements:

* **Customer centricity** – Focus on the needs and interests of your customers rather than just promoting your brand. Offer valuable resources, such as white papers or informative newsletters, to engage potential customers and build trust.
* **Personalisation and targeting** – Understand your customers' preferences and segment your audience to tailor your marketing messages.
* **A clear call-to-action (CTA)** – Ensure your direct response ads include a singular, clear and compelling CTA that guides consumers to the next steps. For example, ‘Call us now’.
* **Urgency** – Create a sense of urgency to inspire quick consumer actions. Techniques like emphasising scarcity, setting time limits, or introducing competition can motivate customers (Marketing evolution, 2022).

For example, a small health food store, Healthy Bites, implements a direct response marketing campaign through targeted email marketing to engage its local customers and drive immediate sales. By focusing on customer centricity, Healthy Bites addresses common health concerns and offers valuable content, such as nutrition tips and gluten-free recipes.

The store segments its email list to personalise messages, sending tailored offers to customers based on their purchase history. Each email features clear calls-to-action, like ‘Get 20% Off Your Next Purchase,’ and creates urgency with phrases like ‘Sale ends Sunday!’

### Identify your target audience

For small business owners, understanding the target market and positioning a product or service effectively is essential for reaching the right customers. These steps help focus marketing efforts, making them more efficient and impactful. This understanding informs product development, marketing efforts and overall business strategy.

As you pursue your potential business opportunity, you must correctly identify your ideal customer. Doing this accurately will help you boost your profitable growth and overall potential for success. You will need to be able to modify your product or service idea according to the needs of potential customers and to do this, you will need to gather as much information as possible. The ideal process to meet these specific requirements would be to develop a customer profile.

### Customer profiles

A customer profile works well for all kinds of businesses. Once in place, it will give you a competitive edge because you can precisely match your product or service to the customer. This will assist you in communicating effectively and providing targeted information to your customers throughout the selling process.



Figure 7: © Shutterstock copied under licence

When segmenting markets, it's essential to differentiate between consumer markets and business-to-business (B2B) markets. Each market type employs distinct segmentation variables tailored to their unique characteristics and decision-making processes.

#### Consumer markets

Consumer market segmentation typically includes 4 main variables:

* **Demographic** – involves dividing the market based on observable characteristics such as age, gender, income, education and occupation.
* **Geographic** – categorises consumers based on their physical location. It recognises that people in different regions may have distinct needs and preferences.
* **Psychographic** – focuses on the lifestyle, personality traits, values, interests and opinions of consumers.
* **Behavioural data** – categorises consumers based on their behaviours related to the product or service. It considers purchasing habits, brand loyalty and usage rates.

For example, a company selling high-end outdoor gear might target affluent individuals aged 30 to 50 who enjoy hiking and outdoor activities.

Understanding these characteristics helps in crafting targeted marketing messages that resonate with the audience.

#### Business markets

In contrast, business-to-business (B2B) market segmentation involves different criteria that reflect the complexities of business purchasing decisions. The key segmentation variables expand beyond the consumer market and in addition, will include:

* **Firmographic segmentation** – This involves categorising businesses based on attributes such as company size (number of employees or revenue), industry type and geographical location.
* **Technographic segmentation** – This focuses on the technology preferences and usage patterns of businesses, including the software and tools they use.
* **Intent-based segmentation** – This relies on understanding consumer intent through signals like search queries, website behaviour and content engagement metrics.
* **Segmentation by buyer journey stage** – This strategy segments customers based on their position in the buyer journey such as awareness, consideration, decision-making, retention, or advocacy.
* **Persona segmentation** – This focuses on personal characteristics of decision-makers within businesses, such as traits like extraversion or introversion or openness to experience (Demand base, n.d.).

These segmentation variables allow B2B marketers to develop targeted strategies that align with the unique characteristics and needs of business customers.

For example, a local cleaning service specialises in providing comprehensive cleaning solutions for office environments, catering to businesses of various sizes. The cleaning service identifies potential clients based on the size of the business (small, medium, large) and the type of industry (such as corporate offices, coworking spaces and law firms).

Small businesses should understand what their customers truly need or value. This includes knowing the problems customers want solved or the benefits they’re looking for. Understanding customer needs helps create marketing messages that resonate and feel relevant.

You can create a customer profile using these steps:

1. **Collect customer data** – Start by gathering relevant data about your ideal customers. This includes demographic information (age, gender, income, education), geographics (their physical location), psychographics (interests, values) and behavioural data (purchasing habits, brand loyalty) from understanding which customers your business will appeal to and will be attractive for you to serve.
2. **Analyse data** – Once you have collected the data, analyse it to identify patterns. Look for common characteristics among your customers that can help you segment them into distinct groups.
3. **Identify customer segments** – Based on your analysis, segment your customers into groups with similar attributes. This segmentation can be based on demographics, behaviours or psychographics.
4. **Share customer data** – Finally, ensure that the insights gained from the customer profiles are shared across your organisation (Haan & Main, 2024).

Your customer profiles may differ slightly depending on whether you are business-to-customer (B2C) or business-to-business (B2B).

An example of a B2C customer profile is provided.

**Business overview**

This business focuses on selling premium outdoor gear, including high-performance hiking equipment, durable camping supplies and stylish outdoor apparel, primarily targeting affluent outdoor enthusiasts.

**Customer profile**

**Name**: Adventure-Seeking Alex

**Demographics**: Male and female, aged 30 to 50, with an income of $100,000 to $150,000, living in suburban or urban areas with access to outdoor recreational activities.

**Geographics**: Primarily living in suburban or urban areas with easy access to outdoor recreational activities.

**Psychographics**: Values quality and performance in outdoor gear, enjoys hiking, camping and adventure travel. Prefers brands that are known for innovation and sustainability and appreciates products that enhance their outdoor experiences.

**Behaviours**: Frequently shops online for high-end outdoor products, follows outdoor brands on social media for inspiration and product updates, engages in community events such as outdoor festivals or adventure races and is willing to invest in premium gear that promises durability and functionality.

**Pain points**: Struggles to find high-quality gear that meets both performance needs and aesthetic preferences. Concerned about the environmental impact of their purchases, they seek brands that align with their values of sustainability and ethical manufacturing practices.

By understanding this customer profile, the business can tailor its marketing strategies to resonate with customer’s values and preferences, enhancing engagement and driving sales.

An example of a B2B customer profile is provided.

**Business overview**

This local cleaning service offers tailored cleaning solutions for various office environments, including corporate offices, coworking spaces and law firms. The service focuses on delivering high-quality, reliable cleaning while prioritising eco-friendly practices.

**Customer profile**

Name – Professional Office Manager Pam

**Firmographic segmentation**

Targets small to medium-sized businesses and larger corporations across various industries, including corporate offices, coworking spaces and healthcare facilities.

Geographical location – Operates primarily in urban and suburban areas with a high concentration of businesses.

**Technographic segmentation**

Technology preferences – Identifies businesses that use specific scheduling and management software to coordinate cleaning services. Understanding the technology stack helps tailor service offerings to integrate with existing systems.

**Segmentation by buyer committee role**

Roles – Engages with multiple stakeholders in the purchasing process, such as office managers (users), finance departments (budget owners) and executives (decision-makers). This segmentation helps tailor communication to address the specific concerns of each role.

**Value-based segmentation**

Perceived value drivers – Values reliability, thoroughness and eco-friendliness in cleaning services. Pam is willing to pay a premium for services that align with her values of sustainability and quality.

**Intent-based segmentation**

Intent signals – Monitors inquiries about eco-friendly cleaning options and requests for quotes through the company website. Engages with content related to workplace cleanliness and employee health.

**Segmentation by buyer journey stage**

Stages – Recognises where potential clients are in their buyer journey–awareness (learning about cleaning services), consideration (comparing options), or decision-making (finalising a contract). Tailors marketing materials accordingly.

**Needs-based segmentation**

Shared needs – Divides businesses based on functional needs (for example, regular cleaning schedules), emotional needs (feeling secure about cleanliness) and social needs (maintaining a professional image).

**Personality-based segmentation**

Characteristics – Understands the personality traits of decision-makers, such as being detail-oriented or environmentally conscious, to tailor messaging that resonates with their preferences.

**Pain points**

Pam struggles to find a reliable cleaning service that consistently meets quality standards while adhering to eco-friendly practices. She is also concerned about how cleanliness impacts employee productivity and well-being.

This comprehensive B2B customer profile provides a detailed view of the target audience for the local cleaning service by incorporating various segmentation variables. This approach allows the business to tailor its marketing strategies effectively to meet the specific needs of its business-based clients.

 Video

Review the video [How to Identify Target Audience for Business Marketing](https://www.youtube.com/watch?v=piTUa1BLQPo) (YouTube, 9:26 min) to gain a better understanding of how you can use market segmentation to identify your target market.

**Video summary**

* Mis-targeting audiences can harm a brand's reputation, while accurate targeting optimises marketing spend and increases return on investment (ROI).
* The video outlines steps such as defining products, conducting market research, analysing demographics and psychographics, creating buyer personas and identifying customer needs.
* Continual refinement through competitor monitoring, A/B testing and customer feedback helps improve targeting accuracy and campaign effectiveness.

### Identify customer needs

Customer-focused companies are generally far more profitable because they understand their customer better and can align products or services to match what customers are looking for.

The main needs of a customer include:

* **Price** – Customers seek fair and competitive pricing for products and services.
* **Quality** – Customers expect items to meet their standards of durability, effectiveness and overall performance.
* **Choice** – Customers appreciate having a variety of options available to them.
* **Convenience** – Customers prefer shopping experiences that minimise effort, such as fast shipping, user-friendly websites and efficient customer service interactions (BBC, n.d.).

Customers want a product or service to be of a certain level of quality irrespective of the price. If your customers were to buy shoes for $30, they might expect them to last several months, but if they are paying $200 for shoes, the expectation of durability would be much higher.

A choice is also important and a range of products or services may be required. Again, if you are offering shoes, you would want to be offering different styles and colours and a variety of sizes. Convenience can be linked to price as customers will often pay a premium if something is easier to use, so consider how much simpler you can make like for a customer and price accordingly.

Once you are aware of this detail, you are more likely to be able to satisfy the customer’s needs.

The next steps to help identify your customer’s needs include:

1. **Identify** – What are the specifics of what your customer needs? You can discover this with the use of social media, groups, surveys or interviews. Review Lesson 1 primary research for more guidance.
2. **Distribute** – Once you have identified customer preferences, you can distribute this information to the right team or department.
3. **Create** – Craft the product to meet the needs of the customers.
4. **Collect feedback** – Collect customer feedback to confirm that your work meets their expectations.

For example, consider **FreshFizz Lemonade**, a small business that sells freshly made, natural lemonades at local markets, events and online.

Here is a summary of target segments identified by the owner of FreshFizz Lemonade:

Table 9: Target segments for FreshFizz Lemonade

|  |  |  |  |
| --- | --- | --- | --- |
| Segment | Demographics | Psychographics | Needs |
| **Health-conscious consumers** | Ages 25 to 40, moderate to higher income | Prioritise natural, low-sugar drinks and are mindful of ingredients | Healthy, refreshing drinks with natural ingredients and low sugar |
| **Families with young children** | Parents aged 30 to 45, with children under 12 | Seek kid-friendly beverages for family outings and events | Fresh, safe and fun drink options for kids |
| **Event planners and caterers** | Ages 28 to 50, professionals who organise events | Look for unique, natural beverages to offer at events | Bulk ordering, customisable flavours, attractive presentation |
| **Young adults seeking trendy experiences** | Ages 18 to 30, active on social media | Value trendy, unique food or drink experiences; enjoy visually appealing products | Instagram-worthy flavours and packaging for social media sharing |

### Create a unique selling point

Articulating a clear and compelling value proposition is essential for businesses aiming to connect effectively with their target audience. A well-defined value proposition communicates the unique benefits of a product or service and differentiates the company from its competitors.

A value proposition is a succinct statement that encapsulates why a customer should choose a particular product or service over others. It highlights the specific benefits customers can expect and addresses their needs and challenges. The goal is to convey how the offering solves a problem or improves the customer's situation. This is also known as the unique selling proposition (USP) or unique value proposition (UVP).

There are 2 critical components to a value proposition:

1. target market
2. value (solution or benefit).

These are further expanded in the value proposition components and examples.

Table 10: Value proposition components and examples

| **Component** | **Description** | **Key questions to answer** | **Example** |
| --- | --- | --- | --- |
| **Target market** | The specific group of consumers that your product or service is designed to serve. | * Who are my ideal customers? * What are their demographics (age, gender, income), geographics, psychographics and how do they behave? * What are their behaviours and preferences? | Busy parents looking for safe cleaning alternatives. |
| **Value** (solution or benefit) | The unique advantages or benefits that your product or service provides to the target market. | * What problems does my product solve? * What are the key benefits my customers will experience? * How does my offering differ from competitors? | Non-toxic ingredients that ensure safety for children and pets (b2b International, n.d.). |

Now that you understand what the value proposition should address, here are the steps to help draft your own value proposition.

Table 11: Steps to create a value proposition

| **Step** | **Description** |
| --- | --- |
| 1. Identify the problem | Determine the specific challenge your product or service addresses. Ask yourself why your startup exists and what urgent issue it solves for customers. |
| 2. Define your solution | Clearly outline how your offering solves the identified problem. Focus on the benefits rather than just features – what will customers gain from using your product? |
| 3. Understand your audience | Research your target market to understand their needs, preferences and pain points. This ensures that your value proposition resonates with potential customers. |
| 4. Analyse competitors | Look at what competitors are offering and identify what makes your solution unique. Highlight your unique value proposition that set you apart in the market. |
| 5. Craft your value proposition statement | Use a simple formula to create a concise statement, such as: ‘We help [target customer] do [what] by [how].’ This should capture the essence of your value in a clear and compelling way. |

An example of a value proposition statement and steps can be outlined for the business ABC GreenClean Solutions, which specialises in eco-friendly kitchen cleaning products.

**Step 1: Identify the problem**

Many traditional cleaning products contain harsh chemicals that pose health risks to families, especially children.

**Step 2: Define your solution**

ABC Green Clean Solutions offers a range of eco-friendly kitchen cleaning products made from natural ingredients. Our products are designed to clean surfaces effectively without harmful chemicals.

**Step 3: Understand your audience**

Our primary customers are environmentally conscious families, particularly parents aged 25 to 45 who prioritise health and safety in their homes. They seek effective cleaning solutions that do not compromise their family's well-being or the environment.

**Step 4: Analyse competitors**

The market for eco-friendly cleaning products is growing, with several established brands offering similar solutions. However, many of these products still contain harmful ingredients or need more transparency in their formulations.

**Step 5: Craft your value proposition statement**

‘We help environmentally conscious families maintain a clean and safe kitchen by providing eco-friendly cleaning products made from natural ingredients.’

 Video

Review the video [Articulate your value proposition](https://www.linkedin.com/learning/creating-a-business-plan-2/articulate-your-value-proposition?u=1504) (LinkedIn Learning, 2:54 min) to learn how to create your value proposition.

This LinkedIn Learning video will open in a new tab within your browser. You can access the full video by logging in with your TAFE NSW username and password. You can access a transcript of the video on the transcript tab within LinkedIn Learning. When you're finished, simply close the tab and return to your course.

**Video summary**

* Clearly outline your product or service's benefits, such as cost savings, time efficiency or improved quality.
* Apply the ‘what do you have to believe’ method for less tangible benefits. This involves prompting customers to consider realistic, minor improvements.
* Show customers the payback period for their investment by calculating how quickly they’ll recover the cost through the benefits they gain.

Now that you understand your target audience and your unique value proposition for your product or service, you can put this together to help ensure you are meeting your customers' needs for your promotional activities. The provided scenario illustrates this.

EcoBrew is a fictitious business that focuses on providing environmentally friendly coffee products, specifically organic fair-trade coffee beans and reusable coffee cups.

**Name of the product**

Reusable Coffee Pods

**Unique selling point**

EcoBrew's reusable coffee pods are designed to significantly reduce waste generated by single-use pods. They are made from durable, eco-friendly materials that can be used multiple times, providing a sustainable alternative for coffee lovers.

**Target audience**

The primary target audience consists of environmentally conscious coffee and tea drinkers who want to enjoy their beverages without contributing to plastic pollution. This includes individuals who are passionate about sustainability and seek convenient yet eco-friendly options for their daily routines.

**How the product meets consumer needs**

These reusable pods allow customers to enjoy their favourite brews while actively participating in reducing waste. By choosing EcoBrew’s products, consumers can enjoy high-quality coffee without the guilt associated with disposable pods, thus contributing to a cleaner planet.

## Create contingency strategies

In the dynamic landscape of small business operations, it is essential to determine contingency strategies for your selected activity options to effectively prepare for unforeseen challenges and ensure operational resilience. If you proactively identify potential risks associated with business activities such as product launches, service delivery or marketing campaigns you can develop tailored contingency plans that outline specific actions to mitigate disruptions.

### Understand contingencies and contingency plans

A **contingency** refers to a potential future event or circumstance that may occur but is not guaranteed to happen. In the context of your small business, these events can range from minor disruptions to significant crises that threaten the viability of operations. A **contingency plan** is a proactive strategy designed to outline the actions a business will take in response to these unforeseen events. It serves as a roadmap for maintaining operations and minimising disruptions when challenges arise.

The primary goal of a contingency plan is to ensure **business continuity**, which is the ability to keep your small business running smoothly despite unexpected setbacks. This involves identifying critical business functions and developing strategies to protect them from potential risks. A well-structured contingency plan can help businesses respond effectively to crises, thereby reducing the impact on revenue and reputation.

#### Benefits of developing contingency strategies

Here are the benefits of developing contingency strategies and plan.

##### ****Rapid response****

The development of a contingency plan and strategy allows your small business to react quickly to negative events, minimising downtime and operational disruption. By including predefined actions in your business, employees can focus on execution rather than panic during an operational crisis.

##### **Risk mitigation**

By anticipating potential risks, your business can implement measures to reduce the likelihood or severity of these damaging events. For example, maintaining backup systems or alternative supplies can safeguard your business against supply chain disruptions.

##### **Enhanced recovery**

In the aftermath of a disruptive event, a contingency plan provides clear guidelines on how to restore normal operation efficiently. This can include communication protocols, resource allocation and recovery times.

##### **Improved stakeholder confidence**

Having a robust contingency plan can enhance trust among stakeholders including employees, customers and investors. It also demonstrates that your business is prepared for uncertainties and committed to maintaining service quality even during crises.

##### **Continuous improvement**

Regularly reviewing and updating contingency plans encourages businesses to stay vigilant about emerging risks and changing circumstances, fostering a culture of continuous improvement in risk management practices.

**Example scenario for contingency strategies:**

**Brewed Awakenings is a small, locally owned coffee shop that prides itself on offering high-quality, artisanal coffee and a cozy atmosphere for customers. With a loyal customer base and a commitment to community engagement, the shop has become a favourite spot for both locals and visitors. However, like many small businesses, Brewed Awakenings faces various risks that could disrupt its operations.**

**Identified risks:**

**Supply chain disruptions – This coffee shop relies on several suppliers for its coffee beans, pastries and other ingredients. Any disruption in the supply chain could lead to shortages of essential products.**

**Equipment failure – The coffee shop’s espresso machines and grinders are critical to daily operations; a breakdown could halt service and lead to lost revenue.**

**Natural disasters – As a business located in an area prone to severe weather events, such as storms or flooding, Brewed Awakenings must be prepared for potential closures or damages.**

**Staff shortages – Staff absences due to illness or other reasons can significantly impact operations, leading to reduced service quality or even temporary closures.**

**Contingency strategies developed:**

**Supplier diversification – To mitigate supply chain risks, Brewed Awakenings has established relationships with multiple suppliers for key ingredients. This ensures that if one supplier faces disruptions, the shop can source products from another vendor without significant delays.**

**Regular equipment maintenance – The coffee shop has implemented a routine maintenance schedule for all equipment, including espresso machines and grinders. Additionally, they have partnered with a local technician who can provide rapid repairs when needed. In case of major equipment failure, they have purchased a backup machine for immediate use.**

**Emergency preparedness plan – Brewed Awakenings has developed an emergency preparedness plan that includes protocols for severe weather events. This plan outlines steps for securing the premises, communicating with staff and customers and determining when to close the shop safely.**

**Staff training and communication – All employees are trained on contingency plans so they know their roles during emergencies. Regular meetings are held to review these strategies and ensure everyone is prepared for potential disruptions.**

**Cross-training employees – To address the risk of staff shortages, Brewed Awakenings has implemented cross-training programs that allow employees to perform multiple roles within the shop. This flexibility ensures that essential functions can continue even when some staff members are absent.**

**Outcome:**

**By proactively developing these contingency strategies, Brewed Awakenings has enhanced its resilience against various risks. When a recent storm threatened to disrupt operations, the coffee shop was able to implement its emergency plan effectively, securing the premises and communicating promptly with customers about any change in hours of operation. Additionally, when a key supplier faced delays due to shipping issues and storms, the coffee shop quickly sourced alternative products from its backup suppliers without impacting service quality.**

**As a result of these preparations, Brewed Awakenings not only maintained its reputation for reliability but also strengthened customer loyalty by demonstrating its commitment to service continuity even in challenging circumstances. This scenario illustrates how developing contingency strategies can empower small businesses to navigate uncertainties successfully and thrive in their communities.**

 Practice activity

### Activity 2: Contingency strategies

Think about your own business or [Azure Beach Surf and Skate](https://share.tafensw.edu.au/share/items/1c89b5bb-2698-4ced-91d8-29a58efbaab2/0/?attachment.uuid=74f8070a-c4c0-4c14-a007-aedc47689889) and answer the questions.

1. What are 3 potential risks for your business or Azure?
2. What are 3 strategies you could use to address these contingencies?
3. Evaluate your chosen solutions. Do you think they will mitigate challenges?

 Self-check

### How did you go?

You have completed the lesson: **Create promotional strategies**. Check the boxes for the tasks you feel confident you can complete.

I can promote based on business and market needs.

I can explore potential ideas with stakeholders.

I can choose promotional activities.

I can create contingency strategies.

**Lesson 2:**Manage promotional operations

## Overview

This lesson focuses on coordinating promotional activities in an action plan. When you are building a new business, it is important to consider how you will coordinate your resources so that your customers and stakeholders have a great business experience. This section will question how you can look after your employees, stakeholders and business partners.

Understanding how to coordinate promotional activities in your plan is essential to ensuring your business supports your consumers’ needs alongside fulfilling your business goals and regulatory requirements.

In this lesson, you will learn to:

* establish roles and responsibilities
* review promotion progress
* manage potential challenges
* use established contingency strategies.

## Establish roles and responsibilities

To effectively initiate the implementation of your action plan and deliver promotional services and activities, it is essential to allocate roles and responsibilities as outlined in your action plan to the appropriate individuals or external marketing organisations. Roles and responsibilities encompass the job descriptions and duties associated with each promotional activity.

When designating these roles, several key considerations should be considered:

* **Align skills with the experience of the individual** – When assigning roles, ensure that tasks are matched to individuals or external partners that possess the relevant strengths and expertise.
* **Understand the availability of each individual** – Consider the availability and current workload of internal team members or external partners. It is crucial to ensure that additional responsibilities do not overwhelm anyone involved, allowing for balanced management of existing duties alongside new tasks.
* **Provide training and support** – Account for any training or support that may be necessary for employees or external partners to fulfil their roles effectively. Identifying and addressing skill gaps is vital for ensuring the smooth execution of the action plan.
* **Leverage external expertise** – Recognise that promotional tasks may be best handled by external marketing organisations rather than internal employees. When allocating responsibilities, evaluate whether certain activities would be more effectively managed by these external partners, leveraging their specialised expertise and resources.

**By thoughtfully considering these factors, you can enhance the likelihood of successful implementation of your promotional action plan, whether through internal team members or external marketing organisations.**

### ****Roles and responsibilities key considerations****

**When you are allocating these roles and responsibilities, it is important to take key considerations into account.**

#### Human resources

In your action plan, you should have indicated any human resources required for your promotional activity. Part of this should include their skills with their strengths and weaknesses. You should be able to identify what competencies the people working on the promotional activity should have. To better organise this information, ask yourself:

* What skills do these promotional activities require?
* Can these skills be grouped together?
* Is it possible for a single person to have this many skills?
* Is it reasonable for only a single person to be relied on for these skills?

#### Allocation of task steps

Your action plan should already include essential information regarding roles and responsibilities. To ensure the effective execution of your promotional activities, revisit the task steps associated with these activities and verify that the listed human resources align with them.

It is also important to view the timeframes for each task. It is possible that there are tasks that can ideally be done by a single person, but the workload would be far too great to bear alone. You must consider if your matching of task steps to skills is not only ideal but also feasible in a real-world setting.

#### Relevant personnel available

Identifying who is available to participate in this project will allow you to check if you have enough human resources to make the promotional activity a success. There may be times when a small business is undertaking multiple activities, including different aspects of marketing and other operational duties. It is important that personnel allocated to an activity has the necessary skills and knowledge to undertake the task in to order to achieve the best possible outcome for the activity and your business.

When delivering promotional activities, there are numerous task steps that are involved, from producing the concepts to the actual launch or delivery of the activity. Examples of personnel involved in promotional activities include:

##### Internal marketing team

As your business grows, the establishment of an internal marketing team can become a valuable asset. While small businesses may not initially have a dedicated marketing team, understanding the various roles that could be included is beneficial for future planning.

These potential future roles could include:

* **Promotional officers** – These individuals focus on creating and executing promotional strategies to enhance brand visibility and drive customer engagement.
* **Content specialists** – They are responsible for developing compelling content across various platforms, content specialists ensure that your messaging resonates with your target audience.
* **Social media officers** – These officers manage your online presence, engage with customers, and promote your brand across different channels.

By keeping these roles in mind, you can better prepare for a time when investing in an internal marketing team becomes feasible and required for your business growth.

##### External stakeholders

It was discussed earlier that external stakeholders are those who are still involved in the planning and delivery of promotional activities, even though they are not part of your business. It may have occurred to you that your business might have a relationship with existing contractors and consultants for creating your promotional materials, for instance when your internal marketing team does not have the required capabilities for your identified promotional activities.

These contractors are probably working on several other projects simultaneously. You will want to contact these people as early as possible and involve them in the planning to ensure that they are ready and able to meet any deadlines.

### How allocation works

Allocation is the process of distributing task steps among personnel. While it may appear straightforward, challenges can arise if prior discussions and considerations are overlooked. This is particularly relevant for small businesses, where resources may be limited and the owner often takes on multiple roles. This section further outlines the allocation process.

#### Define the task step

Start by identifying the specific task steps that need to be completed. In a small business, this often means recognising tasks that you or your few employees can manage together. Documenting these task steps is crucial to avoid redundancy in assignments. When each task is assigned once, promotional activities can proceed efficiently, minimising wasted time and talent.

#### Identify the corresponding role and responsibility

#### Once you have outlined the task steps, determine which roles or responsibilities they correspond to. In a small business setting, roles may not be as clearly defined as in larger organisations, so it’s essential to clarify:

* What are the key responsibilities for each role? This includes understanding each team member's duties, obligations and accountabilities.
* Are there any gaps? Identifying any missing roles or responsibilities early on can prevent confusion and ensure that your promotional activities run smoothly.

#### Allocating your time

With a clear understanding of your tasks and responsibilities in place, the next step is to allocate your time wisely. Creating a daily or weekly schedule can be immensely beneficial in this regard. By dedicating specific time blocks to different tasks, you can prevent overwhelm and ensure that all areas of your business receive adequate attention.

#### Assess ability and training need

Evaluating your skills can help identify both strengths and areas where improvement is needed. Take some time to reflect on the various aspects of your business. Are there areas where you feel less confident?

Once you've identified these areas, seek out training or resources that can help you develop those skills further. Online courses, workshops, or even networking with other entrepreneurs can provide valuable insights and knowledge.

#### Communicate

Now that you have organised your tasks and responsibilities, the next crucial step is to establish effective communication strategies, especially if you plan to expand your business or collaborate with external organisations. Clear communication is vital not only for managing your current workload but also for ensuring that any future partnerships or growth initiatives are successful.

Begin by articulating your plans and objectives clearly. If you are considering bringing in external partners or expanding your operations, it is essential to define your goals and expectations.

### How to communicate allocated roles and responsibilities

Allocating and communicating these roles and responsibilities is the first step in implementing your action plan for the delivery of promotional activities. Making these communications clear from the onset will allow the smooth progression of your planned promotional activities. If everyone understands what is expected of them, then there is no room for doubt or misinterpretation of the work involved.

To ensure clear communications, you should go through:

* identify what you had planned
* explain the reasons
* state the required results
* consider resources required including:
  + agreeing on deadlines
  + outlining methods of checking and controlling.

#### Identify what you had planned

Go through your process of allocation with the personnel you are communicating with. State the roles and responsibilities assigned to them and all associated task steps associated.

#### Explain the reasons

As you state the assignment to them, explain why it was delegated to them. If the assignment requires a new venture or opportunity, state how it will benefit them as a member of your small business. Share the importance and relevance of the allocated roles and responsibilities to the overall promotional activity and their growth as part of the small business. Include your assessment of skills and any training needs so that they can appropriately prepare for what lies ahead.

#### State required results

This is another crucial aspect of communication. You and the person you are communicating with should clearly understand what is expected from them. This will measure their capability to handle the assigned tasks and give a method of checking the overall progress of the promotional activity. Make sure they know how you intend to decide that the job is being successfully done.

#### Consider resources required

Discuss and agree on what is required to get the job done. Consider people, location, premises, equipment, money, materials and other related activities and services. While you may have already indicated these in your action plan, allow the person you are communicating with to discuss anything you might have missed. This marks the beginning of their responsibility.

Agreeing on deadlines

When must the job be finished? Or if an ongoing duty, when are the review dates? When are the reports due? And if the task is complex and has parts or stages, what are the priorities?

At this point, you may need to confirm understanding with the other person of the previous points, getting ideas and interpretation. As well as showing you that the job can be done, this helps to reinforce commitment.

##### Outlining methods of checking and controlling

Methods of checking and controlling must be agreed upon with the other person. Failing to agree in advance, will cause a lack of trust. It is important to:

* **Support and communicate** –To ensure effective communication and support, monitor the situation carefully but avoid appearing intrusive. It's important to identify and inform all key stakeholders about the ongoing situation. Involve others in discussions to help them understand the bigger picture beyond the immediate issue. Do not leave the person with new responsibilities to inform your peers; handle that yourself. Warn them about any potential political or protocol issues they might face. If the task is significant and highly visible, make sure to inform your boss. Managing communication properly is crucial to ensuring that promotional activities proceed smoothly.
* **Provide feedback** –It is essential to let the person know how they are doing and whether they have achieved their aims. If not, you must review with them why things did not go to plan and deal with the problems. You must absorb the consequences of failure and pass on the credit for success.

 Practice activity

### Activity 3: Communicating roles and responsibilities

Think about your own business or [Azure Beach Surf and Skate](https://share.tafensw.edu.au/share/items/1c89b5bb-2698-4ced-91d8-29a58efbaab2/0/?attachment.uuid=74f8070a-c4c0-4c14-a007-aedc47689889) and answer the questions

1. How would you communicate allocated roles and responsibilities to your employees or contractors?

### Communication channels to allocate roles and responsibilities

In the modern age, there are a variety of communication channels that you can make use of when sharing these roles and responsibilities with the assigned personnel. Despite this variety, here are the commonly utilised channels for communicating roles and responsibilities in the workplace.

#### Verbal discussions

Meetings and face-to-face conversations are common methods of verbally communicating allocated roles and responsibilities. These allow you to connect with the relevant personnel to gauge their response towards the assigned roles and responsibilities. This method of communication is also very personal and allows for 2-way communication to immediately clear up any misinterpretations that may occur.

#### Emails

In the age of the Internet, communication and coordination of roles and responsibilities have been made simple through email. By sending a well-constructed message including all the information you want to communicate, it allows for a quick and seamless relay of allocated roles and responsibilities. This also provides a paper trail of what was discussed so that you and the person you are communicating with have a reference during feedback and evaluation.

#### Specific collaboration tools or applications

While email is already very efficient with the dissemination of information, software developers wanted more streamlined, specific tools or applications for this task. Certain small businesses have preferred or required tools and applications developed by third-party sources, while others opt to create their own. Nonetheless, communicating roles and responsibilities through these channels allows for a quick and easy experience for both parties.

Take into consideration the previously mentioned systems, policies and procedures which differ across small businesses. Make sure that your chosen channel is aligned with what your small business uses and that your use of such channels adheres to your small business’s specific policies and procedures.

## Review promotion progress

After communicating roles and responsibilities, you may begin with the actual implementation of your action plan. It is important to note that part of implementation is the process of monitoring the progression of all task steps involved. This ensures that promotional activities are going as scheduled in the action plan and that you will be able to successfully meet the objectives of your planned promotional activities.

Monitoring is done for at least 2 instances during the implementation of your action plan. It involves checking if your progress is aligned with what is indicated in the timeline and individual timeframes. It is important to closely monitor a promotional activity’s progress to ensure that you are following the planned schedule and make any changes if otherwise. You may also find that monitoring is also concerned with the quality of your promotional activity and will allow you to check on personnel involved in making the promotional activities a success.

The basic process of monitoring involves these key steps:

1. **Identify planned performance** –Determine planned performance using your prepared action plan. This is in the form of expected dates for performing certain task steps, as part of the timeframes and your expectations towards relevant personnel who will be handling these tasks. It is important that you have a strong reference or basis as to how your promotional activity will be implemented, as this provides you with a standard to compare with the actual progression observed during monitoring.
2. **Check the actual progression of task steps** –Check on the current outcomes of the task steps. Are they ahead of or on schedule? Are any of them behind? Are your personnel performing as intended? Are there any missed submissions, deadlines or content that is required for the continuous progression of the promotional activity? You can check these by comparing them with the information that you have gathered in the previous step.

The actual progression also includes checking the quality of your promotional activity during implementation. Similar to campaign pre-testing discussed in the previous chapter, there are methods of collecting data to receive feedback and monitor the progress of promotional activities. More on this will be discussed in the next subsection.

1. **Note variations between planned and actual performance** – Clearly note and document any differences encountered. This will serve as your reference when identifying issues in the next section. This documentation can also serve as proof during the review and evaluation to be done at the end of the promotional activity.

### Methods of checking progress and quality of promotional activities

There are a few methods that can be used to check the progress and quality of the business’s promotional activities to ensure that the promotional activity has reached the intended target audience and response from that message.

By receiving feedback on the promotional activity through relevant resources and current products of your promotion, you will be able to determine any changes to be made to ensure the success of your promotional activity. Such sources of information can be obtained.

#### Focus groups

Focus groups are a source of feedback that can help the business ensure that its reputation and positive image are not tarnished during the promotional activity.

A focus group is a small-group discussion guided by a trained leader. It is used to learn about opinions on a designated topic and to guide future action. Because focus groups are structured and directed, but also expressive, they can yield a lot of information in a relatively short time.

Focus groups help people learn more about specific group opinions and needs. Responses in a focus group are typically spoken, open-ended, relatively broad and qualitative. They have more depth, nuance and variety. Non-verbal communication and group interactions can also be observed. Focus groups can, therefore, get closer to what people are thinking and feeling, even though their responses may be harder to score on a scale.

#### Social media

While social media promotion is a common type of promotional activity, it can also serve as a method of checking progress because of its ability to feed and discover new content. Social media can also help build links that support search engine optimisation (SEO) efforts. Many people also perform searches on social media sites to find social media content. Social connections may also impact the relevancy of some search results, either within a social media network or at a ‘mainstream’ search engine.

The progress of a promotional activity can be checked through social media by website traffic or attention to your promoted products or services through social media sites. Both quantitative and qualitative information can be gathered, such as number of hits your small business has on a search engine and feedback received through social media platforms, respectively.

#### Testing during campaign

Testing concurrently with the campaign may seem counter-intuitive, but it is very useful in gaining knowledge for future campaigns. Especially since the promotion is likely to be fresh in people’s minds – so any research conducted is likely to bring about good reactions. There are 3 methods of testing during the campaign.

##### Day after recall

Put simply, day after recall (DAR), research attempts to measure the number of people who recall seeing a promotional activity the day after it is delivered. This method of research is useful in that it provides a quantitative measure of the reach of the campaign: how many people saw and remember seeing it.

Generally, DAR is conducted by telephone and is used to assess the effectiveness of the test commercial and identify its strengths and weaknesses. Recall can be further broken down into 2 parts:

1. **Claimed recall** – This measures the percentage of respondents who recall seeing the ad.
2. **Related recall** – This measures the percentage of respondents who can accurately describe the specific advertising message and elements of the advertising to the researcher.

Unfortunately, DAR measures are not found to be as entirely useful, 4 of the major reasons for this are:

1. Recall only measures whether an advertising message has been received, not whether the audience accepts the message.
2. Recall is biased in favour of younger consumers – who, by being younger, have a better memory.
3. A good recall score does not imply any increase in sales. Being memorable is not linked to increasing sales.
4. They are biased against commercials that use emotion to sell. They are more memorable, but often the message overpowers the brand.

DAR research has been improved with the use of the Internet. Photo boards showing images from the advertisement are shown, and then questions regarding the brand and message are asked. This allows a measure of related recall, which can significantly increase the amount of information received during the interview. While this can also be done by mail, this defeats the purpose of ‘day after’ testing. By showing the images, you are likely to generate more positive responses simply due to your memory being jogged by the images.

##### Phone surveys

Telephone surveys can also be used for concurrent progress monitoring. When a promotional campaign is running, monitoring can be conducted on the promotion while it is fresh in the minds of the consumers. Telephone surveys generally have the problem of low response rates, the need for a large sample to be representative and difficulties in explaining commercials. However, they do allow the consumer to recall advertising and give their opinions without being prompted for answers, as online research tends to do.

#### Sales feedback

Sales feedback is a broad source of information on how a promotional activity is currently performing. This can give you a better understanding of client interests, needs and habits while a promotional activity is ongoing. Some examples of sales feedback include formal and informal conversations with customers about their satisfaction with promotional activities.

#### Sales data

Sales data is a quantitative source of information for the performance of your promotional activity. This indicates how well the promoted product or service is selling while the promotional activity is ongoing. This information can help correlate the quality of the promotional activity with the number of sales it has produced. It can also give you a glimpse of whether the conducted plans are truly effective towards your target audience.

## Manage potential challenges

Even with good planning and preparation, there is still no 100% guarantee that issues will not occur during the implementation of any type of venture, whether it is in business or otherwise. Things can and will go wrong; that is just how the universe works. Promotional activities are no exception to this. However, issues do not signal the failure of a promotional activity. Most of the time there is still an opportunity to correct and address these issues and still be able to complete the objectives that the promotional activity was set to achieve.

Some of the issues are identified as problems that occur when promotional activity is conducted. Issues are tackled as early as in planning and preparation, to give you a sense of what may happen during implementation. Some issues that can occur during implementation are:

### Lack of necessary resources

There may be times during a promotional activity when something you need is not available. This could mean that a raw material, such as paper for printing advertising brochures, was not taken into account during planning. This could also refer to a sudden reassignment of human resources, in the event of new promotional activities being conducted and your business needs to reallocate its personnel. There may also be times when environments, such as venues for product launches, become unavailable due to natural disasters or lack of approval from corresponding authorities.

When done right, this type of issue can be easily identified during planning and you already have a corresponding contingency strategy for it.

### Delays in the schedule of promotional activity

Are the task steps being done in a timely manner? Or are deadlines being pushed back, resulting in a mess of a schedule? It is important to make a note if everything is being accomplished on time since most task steps rely on the results of others. Delays in schedule create a domino effect that will make a big impact on the final results of a promotional activity.

### Mishandling of action plans

Were the action plans discussed among those involved thoroughly? Do the relevant personnel know the correct extent of their roles and responsibilities? Mishandling of action plans can result in a scattered, confusing implementation. This is likely caused by miscommunication on what needs to be done and who needs to do it. These issues are easily solved with a short meeting to regroup and realign the objectives and priorities of the promotional activity.

### Different reception to promotion

Even with very thorough market research, trends can still go not as expected. There may be times when the actual reaction to your promotional activities is markedly different from your expectations based on market research. Nowadays, trends can be very volatile and result in drastic changes in what’s in and what’s not. Being updated with current data can help you address any issues related to this.

### Errors in monitoring

Small businesses often take a different approach to creating and implementing promotional activities than larger small businesses. They typically operate with a more streamlined structure, where the owner or a small team is directly involved in strategy development and client interactions. This close-knit environment can facilitate quicker decision-making and more direct communication. However, it also presents unique challenges.

For small businesses, the absence of clear expectations and follow-up mechanisms can lead to misunderstandings or misalignments in promotional efforts. Without a formalised action plan, it’s easy for team members to interpret objectives differently, resulting in inconsistencies in messaging or execution. Additionally, small businesses may lack the extensive monitoring systems found in larger small businesses, making it crucial to identify and address any issues promptly.

Identifying problems early in the promotional process is essential for minimising disruptions. The sooner these issues are recognised, the more swiftly solutions can be implemented, reducing potential negative impacts on overall promotional activities. Small businesses can leverage documentation, such as tracking expected versus actual outcomes to monitor their initiatives effectively.

However, simply recognising these discrepancies is not enough; small business owners must also develop actionable strategies to resolve them. This might involve conducting team meetings to clarify objectives, revising promotional materials for consistency, or implementing simple tracking tools that allow for real-time feedback on promotional performance. By fostering an environment of open communication and proactive problem-solving, small businesses can navigate challenges effectively and enhance the success of their promotional activities.

### Address issues within your scope of responsibility

For new entrepreneurs, understanding how to effectively address issues within their scope of responsibility is essential for successful promotional activities. This involves ensuring that the individuals undertaking tasks possess the appropriate knowledge and skill sets necessary for executing these responsibilities.

The scope of responsibility refers to the specific duties and tasks assigned to an individual or team within a promotional activity. Clearly defining this scope helps in identifying the skills needed to fulfil these roles effectively. A well-defined scope prevents confusion and miscommunication especially for those with team members at the stage of their business growth.

As mentioned earlier in Lesson 1, promotional activities encompass various tactics aimed at communicating the value of products or services to potential customers. These activities can include:

* **Advertising** – Creating awareness through various media channels.
* **Sales promotions** – Short-term incentives to encourage purchases.
* **Public relations** – Building a positive image and managing communication with stakeholders.
* **Social media marketing** – Engaging with customers through social platforms.
* **Content marketing** – Providing valuable information to attract and retain customers.

Each of these areas requires specific skills and knowledge, making it essential for entrepreneurs to ensure that the right people are in place to execute these tasks effectively.

When determining the skills and competencies required for the promotional activities, you can consider:

* identifying required skills
* training and development
* using external experts.

#### Identify required skills

Before assigning promotional tasks, it’s essential to identify the specific skills needed for each activity, for example:

* **digital marketing** – knowledge of SEO, PPC advertising and analytics
* **content creation** – strong writing and design skills
* **social media management** – understanding of engagement strategies and platform algorithms

#### Participate in training and development

To ensure you or your team members have the necessary skills, consider enrolling in training programs tailored to promotional activities.

For example, LinkedIn Learning offers courses on topics like email marketing, SEO and content strategy that can enhance specific skill sets.

This can help address knowledge gaps and help expedite promotional activities.

#### Use external experts

As a new business owner, it is not always possible to do everything yourself or have the resources to hire permanent full-time staff. If you lack certain skills in-house, consider hiring external marketing professionals or agencies.

This can allow you to:

* access specialised knowledge without long-term commitments
* benefit from fresh perspectives and proven strategies that can enhance your promotional efforts.

Effectively addressing issues within your scope of responsibility not only enhances operational efficiency but also strengthens your business’s ability to navigate challenges in a competitive environment. By focusing on clear definitions of roles, skill development, external collaboration and continuous improvement, you can manage and grow your business’s promotional activities.

Resources

The article details more information on how to [Assess and manage risk](https://business.gov.au/risk-management/risk-assessment-and-planning/how-to-manage-risk) in business. It provides a set of steps that you may follow when identifying and addressing risks and issues that you may encounter in your business, including the conduct of promotional activities.

 Practice activity

### Activity 4: Potential challenges

Think about your own business or [Azure Beach Surf and Skate](https://share.tafensw.edu.au/share/items/1c89b5bb-2698-4ced-91d8-29a58efbaab2/0/?attachment.uuid=74f8070a-c4c0-4c14-a007-aedc47689889) and answer the questions

1. What is a potential challenge you have identified in your area?
2. How can you address this potential challenge?
3. Evaluate how you responded to the identified challenges.

## Use established contingency strategies

To create a marketing contingency plan for a new small business, it’s essential to consider various scenarios that could impact your promotional efforts. This approach not only prepares you for unexpected challenges but also enhances your ability to adapt and thrive.

How do you know if the issue identified corresponds to a risk that you are prepared to face? Ask these questions:

Table 12: Risk identification questions

|  |  |
| --- | --- |
| Question | Description |
| What were the risks identified during planning and preparation? | Before you can figure out if the issues happening are related, you have to take a step back and review the information that you have previously gathered. Look at your action plan, specifically the section indicating your contingency strategies. Take time to check the specific details of each risk that you listed down. Issues may not obviously be related to the pre-determined risks. |
| What specific issues did you encounter during implementation? | Go through your monitoring and documentation to list any issues you have encountered. Include the nitty-gritty details. Remember that issues can be broken down into smaller problems and these smaller problems may be the ones identified in your pre-determined risks. |
| Are these issues related to the earlier identified risks? | It is time to go through all the details that you have currently listed down. Try to view them from different perspectives. It is possible that current issues were born from identified risks. You may also seek help from your peers in figuring out if these issues are related. Associations may not be evident at first glance and you will likely need an extra pair of eyes to aid your thinking. |
| Is the content of your contingency strategies close to the issues identified? | If you are unable to determine if the issues are related, you may also check the content of the contingency strategies. Do you think that the application of such strategies will solve the issue at hand or even a part of it?  Even if the identified contingency strategies are not directly or remotely related, after further investigation, it may be an option to still apply the contingency strategy. Check whether a part of the issue will be addressed, following the application of such contingency strategies. By addressing even part of the issue, you will be able to lessen the burden of finding new solutions during a sensitive time, such as ongoing implementation of a promotional activity. |

Here is an example of using contingency plans for promotional activities:

Table 13: Contingency plan example

|  |  |  |
| --- | --- | --- |
| Scenario | Trigger event | Contingency plan actions |
| Low engagement on promotions | Poor response to a promotional campaign | * Revise promotional messaging and visuals based on customer feedback. * Test alternative offers or incentives. * Increase social media engagement through interactive content (for example, polls and questions and Answers). |
| Budget constraints | Unexpected reduction in marketing budget | * Shift focus to low-cost promotional strategies (for example, social media, email marketing). * Collaborate with local businesses for joint promotions. * Prioritise organic reach through word-of-mouth. |
| Product availability issues | Delays in product delivery | * Communicate proactively with customers about delays and offer alternatives (for example, similar products). * Consider offering pre-orders with discounts. * Adjust promotional timelines accordingly. |
| Negative customer feedback | Increased negative reviews or complaints | * Develop a rapid response plan for addressing customer concerns publicly and privately. * Highlight positive customer testimonials in future promotions. * Offer special promotions to dissatisfied customers as a goodwill gesture. |
| Market trend shifts | Changes in consumer preferences | * Monitor market trends closely and adapt promotional strategies accordingly (for example, new product features, eco-friendly options). * Conduct quick surveys to gather consumer insights. * Launch targeted campaigns that align with current interests. |
| Technology failures | Website or social media outages | * Maintain backup communication channels (for example, email, phone) to keep customers informed. * Use offline marketing strategies temporarily (for example, flyers and local events). |
| Natural disasters or emergencies | Severe weather or public health crises | * Activate a crisis communication plan to inform customers about changes to promotions or operations. * Shift marketing efforts to online platforms if physical locations are affected. * Adjust messaging to reflect the current situation sensitively. |

As a small business owner, having well-defined contingency plans for your promotional activities is crucial. These plans empower you to respond swiftly to unexpected challenges, ensuring that your marketing efforts remain effective even in the face of adversity.

By anticipating potential issues such as low engagement, budget constraints, or shifts in consumer behaviour you can implement proactive strategies that keep your business resilient and adaptable.

An example of when you might use your contingency plan can be outlined in the provided scenario.

Imagine you are the owner of EcoGlow, a small business that specialises in environmentally friendly candles. You’ve been planning a promotional event to launch your new line of scented candles made from sustainable materials. You’ve invested in marketing through social media, local flyers and email campaigns and you expect a good turnout at the event scheduled for Saturday afternoon.

However, just 2 days before the launch, you receive alarming weather forecasts predicting a severe storm with heavy rain and strong winds that could disrupt your plans and deter customers from attending.

Based on the scenario, you could consider potential options such as relocating the event to an indoor venue such as your store or a community hall. This would ensure the safety and comfort of attendees while maintaining the promotional atmosphere.

 Video

Review [Contingency Planning Explained](https://www.youtube.com/watch?v=91K8qgU9IwY) (YouTube, 5:10 min). This resource offers valuable insights for contingency planning that can be applied to small business settings in Australia.

**Video summary**

* **A contingency plan is a ‘plan B’ for critical business functions to ensure continuity during service disruptions. It involves strategies such as relocating IT operations, using alternative equipment, or a variety of manual processes.**
* **Key roles in a contingency plan team include the coordinator, damage assessment leader, legal team leader and server recovery team leader. It is important to note that in a smaller business, each role can be done by one or multiple people.**
* **The training emphasises understanding responsibilities, collaboration and National Institute of Standards and Technology (NIST) guidelines. It outlines the 5 phases of contingency planning are notification or activation, mobilisation, recovery, reconstitution and lessons learned to improve for future preparedness.**

 Self-check

### How did you go?

You have completed the lesson: **Manage promotional operations**. Check the boxes for the tasks you feel confident you can complete.

I can establish roles and responsibilities.

I can review promotion progress.

I can manage potential challenges.

I can use established contingency strategies.

**Lesson 3:**Assess and improve promotional activities

## Overview

In this lesson, you will learn how to assess the efficiency of your business plans, a vital skill for optimising your entrepreneurial ventures. By analysing costs and timelines, you will gain insights that enable you to allocate resources effectively and keep projects on schedule. You will also explore how to identify potential improvements and gather feedback, which are crucial for refining your strategies.

In this lesson, you will learn to:

* assess the efficiency of the plan
* analyse costs and timelines
* outline possible improvements
* gather and share feedback
* form conclusions and recommendations.

## Assess the efficiency of the plan

The review of your promotional activities should begin with the beginning of the promotional activity itself – the planning and preparation stage. Remember that good planning and preparation should ideally give way to positive results for promotional activities. While there are multiple areas to look at, you should focus on planning processes that were able to produce measurable results such as:

* identification of objectives
* figuring out necessary resources
* development of the schedule.

Feedback and data during promotional activities can yield measurable results. Feedback refers to the process of obtaining the opinions of those involved in planning the promotional activity. It gives a sense of how they feel about the work done to prepare for promotions. Feedback at this stage is typically sought from the relevant stakeholders who were involved during initial consultations about promotional activities.

While feedback is a process, data is the result. Data are typically information, facts or statistics collected from a variety of sources, such as results from feedback and research done before and during promotional activities.

Both feedback and data will be able to support any claims on whether or not the planning processes were able to yield promotional activities that are aligned with the multiple objectives they are based on – promotional objectives, marketing objectives and overall business objectives.

### Obtain relevant feedback and data

Feedback and data should be taken from all 3 stages of promotional activities: before, during and after promotion. The main sources of feedback would be the relevant stakeholders who were part of consultations on the promotional activities and personnel who were part of the delivery of these corresponding promotional activities, while data can be gathered from points during and after a promotional activity.

Gathering feedback and data is crucial at all stages of promotional activities–before, during and after the promotion. This process involves engaging both primary and secondary stakeholders to ensure a comprehensive understanding of the promotional efforts' effectiveness.

#### Feedback from primary stakeholders

Primary stakeholders include individuals directly involved in or affected by the promotional activities, such as customers, employees and partners. Their feedback is essential for assessing the effectiveness of the planning and execution processes.

Feedback from primary stakeholders helps determine if the initial planning was aligned with the promotional outcomes. It provides insights into what worked well and what needs improvement.

**For example:**

**In preparing for 'Sustainable Style Month,' EcoChic Boutique engaged with primary stakeholders, including staff, customers and local influencers, to shape the campaign. After the event, follow-up consultations revealed that staff felt their suggestions regarding event timing and content were effectively implemented, leading to increased customer engagement. Customers provided valuable insights on their preferences for promotional materials and expressed satisfaction with the overall experience. However, some local influencers noted that while the promotional materials resonated well with their audiences, there were concerns about low attendance at certain events, indicating a need for improved outreach strategies.**

#### Feedback from secondary stakeholders

Secondary stakeholders encompass individuals or groups indirectly impacted by promotional activities, such as suppliers, investors and community members. Their perspectives can provide a broader context for evaluating promotional strategies.

Engaging secondary stakeholders can reveal insights into market trends and community perceptions that may not be evident from primary stakeholder feedback alone.

**For example:**

**EcoChic Boutique gathered feedback from secondary stakeholders involved in the 'Sustainable Style Month' initiative to assess the overall impact and effectiveness of the campaign. These stakeholders included local community organisations, environmental advocacy groups and local government representatives who were not directly involved in the implementation but had a vested interest in the event's outcomes.**

**After the event, consultations revealed that community organisations appreciated the boutique's commitment to sustainability and noted that the promotional materials effectively communicated the environmental benefits of the campaign. However, some environmental advocacy groups expressed concerns about the event's carbon footprint and suggested more sustainable practices for future promotions. Local government representatives highlighted the positive community engagement but pointed out that better collaboration with local businesses could enhance outreach and participation.**

### Data during monitoring

Monitoring is essential for a reason. The information that you gather from people involved may or may not be reliable since they are coming from various sources who were all busy focussing on their own task steps. By conducting a monitoring of the promotional activity, you will have data on-hand that will affirm the feedback from stakeholders and personnel. This data can also serve as a summary of your what has occurred during the promotional activity, since the results are not the only basis of actual performance.

**For example:**

**Monitoring during ‘Sustainable Style Month’ was crucial for EcoChic Boutique to gather reliable data on promotional activity. While feedback from stakeholders and personnel provided valuable insights, the monitoring process yielded concrete data on attendance, sales figures and social media engagement, helping to validate this feedback. This data served as a comprehensive summary of the campaign, highlighting both outcomes and overall performance. By analysing this information, EcoChic Boutique gained a clearer understanding of successes and areas for improvement for future campaigns.**

### Results of promotional activities

The end products of promotional activities should also be considered. These reflect not only the initial planning stages but also any additional action items needed to address issues during implementation. The results of promotional activities provide the best insight into whether or not the planned objectives were achieved.

This information can be gathered through a variety of ways, which can depend on your business systems, policies and procedures. Some methods of gathering feedback and data include:

* surveys and questionnaires
* interviewing colleagues
* personal and reflective behaviour strategies
* formal or informal performance appraisals
* routine business methods for monitoring promotional activities
* specific business methods for monitoring work performance.

Ensure that whichever method you choose is acceptable in your organisation and adheres to the standards that your business has set.

**For example:**

The results of EcoChic Boutique's ‘Sustainable Style Month’ were essential for evaluating the effectiveness of the promotional activities and determining if objectives were met. Various methods were used to gather this information, including surveys, interviews with colleagues and routine performance appraisals. The data revealed strong attendance at workshops but noted that some events underperformed due to scheduling conflicts. Feedback also indicated a positive response to social media efforts, although some posts did not resonate as intended. Overall, analysing these results confirmed certain expectations while highlighting areas for improvement, allowing for refinements in future promotional activities.

### How to analyse the effect of the planning processes

Effective planning is evident when a plan is followed closely with little to no derivation. This means that you were able to accurately foresee what was going to happen during the implementation of an action plan. In order to analyse the effectiveness of your planning process, there are 5 steps to follow.

Table 14: Analysing the planning process steps

|  |  |  |
| --- | --- | --- |
| Step | Description | Example |
| 1. Collect feedback and data | Gather information on how well your promotional activities performed. This is the basis for your analysis. | Just Cuts collects customer feedback through online surveys after service appointments to assess satisfaction. |
| 2. Organise feedback and data | Sort the feedback into expected outcomes versus actual outcomes to make comparison easier. | Jim's Mowing categorises feedback into ‘Service Quality’ and ‘Customer Retention’ to differentiate between anticipated and actual results. |
| 3. Compare information | Check if the actual outcomes match the expected ones. Note any differences. | Just Cuts compares expected customer wait times against actual wait times to identify areas needing improvement. |
| 4. Identify variations | Find areas where results differed from expectations and understand why these differences occurred. | Jim's Mowing discovers that customer retention was lower than expected in certain regions due to increased competition, prompting a review of marketing strategies. |
| 5. Summarise results | Document your findings, noting successes and areas needing improvement for future reference. | Just Cuts creates a report summarising customer feedback trends, highlighting successful service aspects and areas for operational adjustments in future campaigns. |

By following these steps, you’ll be able to effectively analyse your planning processes and make informed decisions that will help your business thrive.

## Analyse costs and timelines

The benefits that your business will gain from conducting promotional activities should be part of your review and evaluation. The point of promotional activities should hinge on positive results for your business. This should be evident in the objectives you have set during planning and preparation. Benefits refer to advantages or profits that result from the completion of promotional activities.

### Methods of cost control

As a new entrepreneur, managing costs effectively is crucial for the sustainability and growth of your business. Implementing robust cost control methods can help you optimise your resources, improve profitability and ensure that you are prepared for unexpected expenses.

Common cost control methods can include:

* proper budget planning
* monitoring expenses with checkpoints
* change control systems
* time management
* tracking earned value (Indeed, 2024).

#### Proper budget planning

Proper budget planning is the foundation of effective cost control. It involves creating a detailed budget that considers all aspects of a project, including labour, materials and potential unexpected costs. This ensures that entrepreneurs have a clear financial roadmap to follow.

For example, a new café owner plans to open their business and estimates the costs involved, including renovations, equipment, initial inventory and employee wages. By allocating funds for unexpected expenses, such as additional repairs or delays in equipment delivery, the owner can avoid financial strain and ensure the café opens on schedule without overspending.

#### Monitoring expenses with checkpoints

Monitoring expenses through checkpoints involves regularly reviewing project costs against the budget. This method allows entrepreneurs to identify discrepancies early and make necessary adjustments to stay on track.

For example, a small marketing agency launches a digital advertising campaign with a budget of $10,000. The agency sets weekly checkpoints to review spending and campaign performance. If they notice that ad spend is exceeding expectations, they can adjust their strategy or reallocate funds to more effective channels before the budget is depleted.

#### Change control systems

Change control systems are structured processes used to manage and document any alterations made to a project that could significantly impact the budget, timeline, or scope. These systems ensure that all changes are carefully evaluated, approved and recorded to maintain project integrity and financial performance. This method ensures that all changes are documented and necessary adjustments to the budget are made accordingly.

For example, a local construction firm is working on a residential project when the homeowner requests additional features not included in the original plan. The firm implements a change control system to assess the impact of these changes on labour and material costs. By documenting these changes and adjusting the budget accordingly, they can maintain profitability while meeting client expectations.

#### Time management

Effective time management is crucial for keeping project expenses down. Delays can lead to increased costs due to extended use of resources and labour.

For example, an event planner organises a proposal event for a couple with a strict timeline. By creating a detailed schedule with milestones leading up to the event, the planner ensures that all tasks are completed on time. If any tasks fall behind schedule, they can quickly address them to prevent additional costs associated with last-minute arrangements or overtime pay.

#### Tracking earned value

Tracking earned value involves measuring project performance by comparing the planned progress against actual progress and costs incurred. This method helps predict future financial outcomes based on current performance (Indeed, 2024).

For example, a software development startup is working on a new application with a budget of $50,000 and an expected completion time of 6 months. After 3 months, they calculate that 60% of the work is completed but at 70% of the budgeted cost. By tracking earned value, they can assess whether they are on track to complete within budget and make informed decisions about resource allocation for the remaining development phase.

#### Return on investment

Return on investment (ROI) analysis is a financial metric used to evaluate the profitability of an investment relative to its cost. It helps entrepreneurs assess whether an investment is worthwhile by providing a clear measure of returns.

You can calculate ROI using this formula:

Return on investment (ROI) = (

* **Net profit** = the total revenue generated from the investment minus the total costs associated with it. (Total revenue – total investment).
* **Total Investment** = includes all costs incurred in making the investment.

For new entrepreneurs, leveraging ROI in marketing is not just about measuring success; it’s about making strategic decisions that drive growth and efficiency. By understanding and applying ROI principles, they can optimise their marketing efforts, manage budgets effectively and ultimately build a successful business foundation (Vipond, n.d.).

An example of calculating the ROI can be outlined in the example scenario.

**Business**: An online boutique selling handmade accessories.

Investment: The entrepreneur decides to invest in a targeted social media advertising campaign to increase sales during the holiday season.

**Total investment:** $5,000

**Expected revenue**: Based on previous campaigns and market research, the entrepreneur expects the campaign to generate additional revenue of $15,000.

To find the net profit generated from the investment, we use the formula:

Net profit = Total revenue – Total investment

Plugging in the numbers:

Net profit = $15,000 – $5,000 = $10,000

ROI = = 200%

Based on this example, an ROI outcome of 200% means that for every dollar invested in the advertising campaign, the entrepreneur earned $2 in return.

 Practice activity

### Activity 5: Return on investment

Emily runs a small online bakery called ‘Sweet Treats,’ specialising in custom cakes and pastries. To boost her sales during the upcoming holiday season, she decides to invest in a targeted social media advertising campaign. Emily allocates a total of $3,000 for this campaign, which includes costs for graphic design, ad placements and promotional materials. Based on her previous marketing efforts and market research, she expects this campaign to generate an additional $9,000 in revenue from new and returning customers.

After the campaign concludes, Emily wants to evaluate its effectiveness by calculating the return on investment (ROI). She needs your help to determine whether this marketing effort was worthwhile.

1. What is the return on investment for Emily?

### Timelines and schedules

Effective planning and scheduling of marketing activities are essential for ensuring that campaigns are executed smoothly and align with strategic goals. Utilising the right tools and methods can help your small businesses organise their marketing efforts, allocate resources efficiently and track progress over time.

There are a number of tools you can use when planning marketing activities these are:

#### Gantt charts

Gantt charts are visual tools that provide a timeline view of marketing activities, allowing teams to understand the start and end dates of various tasks at a glance. They help in identifying dependencies between tasks and ensuring that everyone is aware of deadlines.

Creating a Gantt chat involves several steps to help visualise project tasks over time, showing their start and end dates, duration and dependencies. The steps you can take to create a Gantt chart are:

* **Define project scope and tasks** – In this step, you need to outline the entire scope of the project and list all major tasks or subtasks needed for project completion.
* **Establish task durations and deadlines** – In this section, you need to determine how long each task will take. You will also need to assign start and end dates for each task based on the overall project timeline.
* **Organise tasks into a hierarchy** – In this step, you will need to arrange tasks in order of completion. You can use summary tasks to group related subtasks together.
* **Identify task dependencies** – In this section, you will need to determine which tasks are dependent on others. You will then need to link these tasks to show their relationships.
* **Create the Gantt chart –** In this step, **once all other steps are complete, you can use project management software tools like Microsoft Project and Excel** or online platforms like Monday.com. You will need to input your tasks, duration and dependencies into the software to generate the chart.

**For example:**

A small event planning company might use a Gantt chart to outline all the activities leading up to an upcoming event, such as securing a venue, promoting the event on social media and coordinating with vendors. This visual representation helps the team stay on track and adjust timelines as necessary.

**Project overview**

Event date: 15 December 2024.

Duration: 6 weeks prior to the event

**Key activities**

• Secure venue

• Coordinate with vendors

• Promote event on social media

• Design event materials

• Finalise guest list

• Send invitations

• Prepare event logistics

• Conduct final checks.

Here is the Gantt chart for the example scenario:

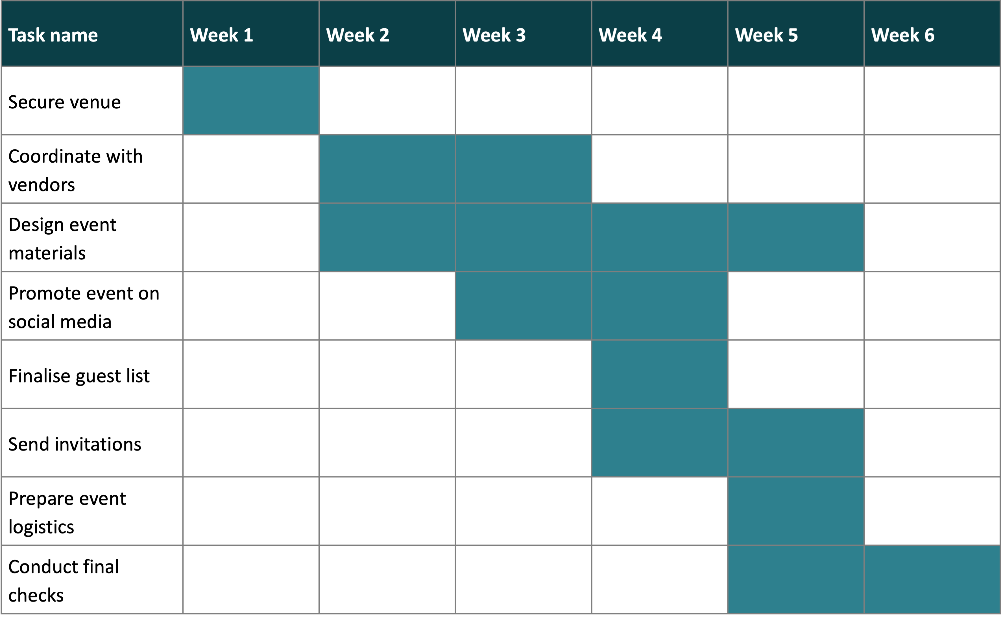


Figure 8: © TAFE NSW 2024

This Gantt chart visually represents the timeline of key activities for planning an event scheduled for 15 December 202X. Each row outlines a specific task, while the columns represent the 6 weeks leading up to the event.

* Week 1 focuses on securing the venue, which is crucial as it sets the foundation for subsequent activities.
* Week 2 involves coordinating with vendors and starting the design of event materials, indicating that these tasks can occur simultaneously.
* Week 3 sees a significant push in marketing efforts with social media promotion beginning and finalising the guest list, both critical for ensuring attendance.
* Week 4 is marked by sending out invitations and continuing logistics preparations, ensuring that all details are in place.
* Weeks 5 and 6 are dedicated to final checks and logistical preparations, culminating in readiness for the event.

This structured approach allows the planning team to monitor progress effectively, ensuring that all tasks are completed on time and that adjustments can be made as necessary.

#### Timelines

Timelines offer a straightforward way to map out marketing campaigns over specific periods. They can be created using simple tools like spreadsheets or specialised software that allows for more detailed planning.

**For example:**

**A local bakery planning a holiday marketing campaign might create a timeline that includes key dates (1 November 202X to 7 January 202X) for launching promotions, social media posts and email newsletters. This ensures that all marketing activities are coordinated and executed in a timely manner.**

Table 15: Example timeline

|  |  |  |  |
| --- | --- | --- | --- |
| ****Activity**** | ****Start date**** | ****End date**** | ****Duration**** |
| **Plan holiday promotions** | 1 November | 7 November | One week |
| **Design promotional materials** | 8 November | 14 November | One week |
| **Launch social media campaign** | 15 November | 31 December | 6 weeks |
| **Send email newsletter 1** | 20 November | 20 November | One day |
| **Send email newsletter 2** | 5 December | 5 December | One day |
| **Launch special holiday promotions** | 1 December | 31 December | One month |
| **Post holiday recipes on blog** | 10 December | 20 December | 11 days |
| **Analyse campaign performance** | 1 January | 7 January | One week |

#### Project management software

Tools like Trello, Asana, or Monday.com enable teams to manage tasks collaboratively. These platforms allow users to assign tasks, set deadlines and track progress in real time.

**For example:**

A small digital marketing agency could use Asana to manage multiple client projects simultaneously. Each project can have its own board with tasks assigned to different team members, complete with due dates and priority levels, ensuring accountability and transparency.

#### Editorial calendars

An editorial calendar is specifically designed for planning content marketing activities. It helps businesses schedule blog posts, social media updates and other content initiatives in advance.

**For example:**

Media promotions and email newsletters – This structured approach allows for consistent content delivery and helps maintain audience engagement.

#### Weekly marketing budget schedules

A weekly marketing budget schedule allows businesses to closely monitor their marketing expenditures and make timely adjustments based on performance and changing priorities. This approach is particularly beneficial for campaigns with short-term goals or ongoing initiatives. The components of a weekly marketing budget schedule are:

* **Income overview** – Summarise any income generated from marketing efforts, such as sales from a specific promotion or campaign.
* **Expense tracking** – List all marketing expenses incurred during the week, categorising them into fixed costs such as software subscriptions and variable costs such as advertising spend and promotional materials.
* **Campaign allocation** – Allocate budget amounts to specific campaigns or activities planned for the week, ensuring that spending aligns with strategic priorities.
* **Performance review** – Review the effectiveness of marketing activities against the budget at the end of the week. Assess which campaigns performed well and which may need adjustments.

Here is an example of a weekly marketing budget schedule:

Table 16:Weekly marketing budget schedule

|  |  |  |
| --- | --- | --- |
| Day | Activity | Budget (AUD) |
| Monday | Social media ads | $20 |
| Tuesday | Google Ads | $15 |
| Wednesday | Email marketing | $10 |
| Thursday | Local sponsorships | $10 |
| Friday | Print flyers | $5 |
| Saturday | Social media ads | $20 |
| Sunday | Contingency | $20 |
| **Total** | blank cell | **$100** |

#### Monthly marketing budget schedules

A monthly marketing budget schedule provides a broader view of overall marketing expenditures and helps businesses plan for upcoming campaigns and initiatives. This approach is ideal for tracking long-term strategies and assessing overall performance. The components of a monthly budgeting schedule are:

* **Projected income** – Estimate any revenue expected from marketing initiatives for the month, such as sales from seasonal promotions.
* **Fixed expenses** – List all fixed monthly marketing, such as salaries for marketing staff, software subscriptions and ongoing advertising contracts.
* **Variable expenses** – Estimate variables expenses like event costs, promotional materials and additional advertising spend based on planned campaigns.
* **Savings goals** – Set aside a portion of the budget for future marketing initiatives or unexpected opportunities that may arise during the month.
* **Review and adjust** – Review actual spending against the budget at the end of the month. Identify trends in spending and areas where adjustments may be needed for future months.

**Here is an example of a monthly marketing budget schedule for a small business:**

Imagine you own a cosy local café named ‘Bean & Brew’ in a bustling neighbourhood. To boost foot traffic and sales, you’ve devised a monthly marketing budget with consistent engagement and high-impact promotional activities.

In Week 1, you start with $20 on social media ads to promote a limited-time offer, followed by $15 on Google Ads targeting local searches. You spend $10 on an email newsletter highlighting weekly specials and events and $10 sponsoring a local community event. On Friday, you distribute $5 worth of flyers offering a buy-one-get-one-free deal. Saturday involves another $20 on social media boosts and Sunday sets aside $20 for contingencies. The total for Week 1 is $150.

Week 2 follows the same pattern: $50 on social media ads, $30 on Google Ads, $20 on email marketing, $15 on local sponsorships, $10 on print flyers and $25 for contingencies. This consistency ensures ongoing engagement and brand recognition. The total is again $150.

In Week 3, you maintain the same strategy and budget: $50 for social media ads, $30 for Google Ads, $20 for email marketing, $15 for local sponsorships, $10 for print flyers and $25 for contingencies. By now, your customer base is steadily growing. The total is $150.

Week 4 ramps up efforts: $20 on social media ads, $15 on Google Ads, $20 on an email newsletter announcing an event, $15 on sponsoring a local fair, $10 on flyers for a live music night and $20 on social media boosts. Additionally, $100 is allocated for contingencies. You also invest $100 in event sponsorships and $150 in influencer marketing, collaborating with a local food blogger to engage their followers. A larger $100 contingency fund is set aside for unforeseen expenses. The total for Week 4 is $475.

By following this structured plan, Bean & Brew sees a steady increase in foot traffic and online engagement. Consistent weekly activities maintain a strong presence, while strategic end-of-month investments create significant buzz. Contingency funds ensure flexibility for unexpected opportunities, maximising the marketing budget's effectiveness. This scenario demonstrates how careful planning and strategic budgeting can drive growth and visibility for a small business.

Table 17: Monthly marketing budget schedule

|  |  |  |
| --- | --- | --- |
| Week | Activity | Budget AUD |
| Week 1 | Social media ads | $50 |
| blank cell | Google Ads | $30 |
| blank cell | Email marketing | $20 |
| blank cell | Local sponsorships | $15 |
| blank cell | Print flyers | $10 |
| blank cell | Contingency | $25 |
| Total | blank cell | $150 |
| Week 2 | Social media ads | $50 |
| blank cell | Google Ads | $30 |
| blank cell | Email marketing | $20 |
| blank cell | Local sponsorships | $15 |
| blank cell | Print flyers | $10 |
| blank cell | Contingency | $25 |
| Total | blank cell | $150 |
| Week 3 | Social media ads | $50 |
| blank cell | Google Ads | $30 |
| blank cell | Email marketing | $20 |
| blank cell | Local sponsorships | $15 |
| blank cell | Print flyers | $10 |
| blank cell | Contingency | $25 |
| Total | blank cell | $150 |
| Week 4 | Social media ads | $50 |
| blank cell | Google Ads | $30 |
| blank cell | Email marketing | $20 |
| blank cell | Local sponsorships | $15 |
| blank cell | Print flyers | $10 |
| blank cell | Event sponsorships | $100 |
| blank cell | Influencer marketing | $150 |
| blank cell | Contingency | $100 |
| Total | blank cell | $475 |
| Monthly total | blank cell | $925 |

This monthly budget has broken down the costs of a small business week by week for the entire month. From this, you should be able to think about your business's total marketing expenditure and how you can budget towards your main marketing goals and achievements.

#### Ensure activities contribute to marketing objectives

Making sure that all marketing activities relate or contribute to marketing objectives in some way is of paramount importance. Always ask yourself the simple question: will carrying out this marketing task contribute to achieving marketing goals? If the answer isn't a clear 'yes' then you may need to consider investing time and energy in another, more suitable, marketing activity.

Remember, it is likely that you would have a limited a marketing budget, so it is important to ensure that money is not wasted on marketing campaigns that make little or no difference to business performance. This is especially important in a small business, where budgets may be considerably smaller than that of big corporations.

### Understand promotional activity benefits

Generally, benefits can be identified using the objectives that were used to form the promotional activities. These benefits are dependent on the type of promotional activity that was conducted. Some examples of these benefits include:

#### Creating awareness

For promotional activities that aim to promote a new product or service offered by your business, creating awareness would be the main benefit of these activities. Making a name for these new products or services and the business itself leads to other benefits that future promotional activities will incur.

**For example:**

GreenClean Co. is launching a new line of eco-friendly cleaning products and aims to create significant brand awareness through various promotional activities. The marketing plan includes a social media campaign costing $5,000 over 4 weeks, local community events with a budget of $3,000 for 2 weekends, a $2,000 press release and media outreach one week before the launch and a $1,000 email marketing campaign over 3 weeks.

These activities represent a total investment of $11,000 and span approximately 6 weeks. The primary goal is to increase awareness of the new products, which will help establish the brand and facilitate future marketing efforts focused on customer retention. Direct engagement with consumers will also provide valuable insights into preferences and foster relationships that encourage repeat business.

In summary, by carefully evaluating costs and timelines, GreenClean Co. positions itself to effectively promote its eco-friendly cleaning products, aiming for increased visibility and sustained growth.

#### Creating differentiation

Being different is not typically appreciated. However, for products or services that have a thriving competition, being different can be seen as a benefit. If your clients or customers are able to single out your business-offered products or services, there is a high chance that these products or services will be their choice during purchase.

**For example:**

SnackTime Delights, a new gourmet snack brand, is entering a competitive market dominated by established players. To stand out, the company focuses on unique flavour combinations and high-quality, locally sourced ingredients, offering innovative options like lavender-infused sea salt chips and spicy mango coconut clusters. To promote its distinct offerings, SnackTime Delights shares its brand story through engaging content, organises tasting events at local markets, collaborates with local chefs for limited-edition flavours and invests in eye-catching, eco-friendly packaging.

These differentiation strategies quickly gain traction as customers appreciate the unique flavours and quality, leading to increased sales as they choose SnackTime Delights over traditional snacks. This approach highlights how being different can be a significant advantage in a crowded marketplace, fostering customer loyalty and positioning the brand for long-term success.

#### Ensuring customer loyalty

By creating promotional activities that cater to your target market, you are able to address their needs accordingly. Customers appreciate it when they are seen and heard and promotional activities are no exception. These customers will flock to products or services and organisation’s offering them because they are recognised.

**For example:**

SnackTime Delights, a new gourmet snack brand, aims to ensure customer loyalty in a competitive market by implementing targeted promotional activities. By offering unique flavours like lavender-infused sea salt chips and spicy mango coconut clusters made from high-quality, locally sourced ingredients, the brand resonates with health-conscious consumers.

To foster loyalty, SnackTime Delights shares its brand story on social media, organises tasting events at local farmers' markets and collaborates with local chefs for limited-edition flavours that reflect regional tastes. Eye-catching, eco-friendly packaging further enhances the brand's appeal. These customer-centric strategies help SnackTime Delights build a loyal customer base that feels recognised and valued, leading to increased sales and long-term success in the gourmet snack industry.

#### Clearing inventory

There may be times when an earlier promotion did not go so well. This results in a surplus of stock that needs to be cleared in order to receive some return on investment. By making space, you can consider the production of other products that have a more positive impact on your organisation.

**For example:**

When a previous promotion fails to generate expected sales, businesses like SnackTime Delights may find themselves with surplus inventory that needs to be cleared to recoup some return on investment. To address this challenge, the brand can implement targeted clearance promotions, such as offering discounts on overstocked items or bundling them with popular products.

By creating limited time offers and promoting them through social media and email campaigns, SnackTime Delights can attract customers looking for deals while making space for new products that are likely to have a more positive impact on the organisation. Clearing out excess inventory not only helps recover costs but also allows the brand to focus on producing items that align better with customer preferences and market trends, ultimately supporting long-term growth and success.

#### Creating training opportunities

Promotional activities do not solely serve your business, but also its members. Promotional activities create chances for team members to engage in other aspects of their job description or grow and develop themselves as part of the business.

**For example:**

SnackTime Delights recognises that promotional activities benefit not only the business but also its team members by creating valuable training opportunities. By involving employees in various aspects of promotional campaigns, such as organising tasting events, managing social media outreach and collaborating with local chefs, the brand allows staff to develop new skills and gain hands-on experience. For instance, during a promotional event, team members can learn about customer engagement and product presentation, enhancing their confidence and competence.

Additionally, SnackTime Delights encourages employees to share their ideas for new flavours or marketing strategies, fostering a culture of innovation and collaboration. These training opportunities not only empower team members but also contribute to a more motivated workforce, ultimately driving the brand's success as it grows alongside the business.

#### Creating testing opportunities

New products or services may or may not be a hit with your target market. Promotional activities can help gauge interest and determine whether or not your business can pursue these products or services on a larger scale.

**For example:**

SnackTime Delights understands that not all new products will resonate with its target market, so it leverages promotional activities as testing opportunities to gauge customer interest. By organising tasting events and offering limited-time releases of innovative flavours, such as lavender-infused sea salt chips or spicy mango coconut clusters, the brand can collect valuable feedback from consumers. These events allow customers to share their opinions and preferences, helping SnackTime Delights assess which products have the potential for large-scale production.

Additionally, the brand utilises social media polls and surveys to further engage its audience and gather insights on new ideas. By effectively testing new offerings through these promotional activities, SnackTime Delights can make informed decisions about product development, ensuring that it invests in items that align with customer preferences and market demand. This approach not only minimises risk but also fosters a sense of community as customers feel involved in the brand's evolution.

#### Growing revenue

Revenue is the core of any business. It is the financial aspect of benefits gathered in a promotional activity that is, more often than not, the main purpose of marketing. Revenue can be observed in different aspects of a business. Further details will be discussed in the next subsection.

**For example:**

For SnackTime Delights, growing revenue is a primary goal that drives its promotional activities. By launching targeted marketing campaigns that highlight unique products like lavender-infused sea salt chips and spicy mango coconut clusters, the brand aims to attract new customers and increase sales. Promotional strategies such as limited-time discounts, bundle offers and engaging social media content are designed to create urgency and encourage purchases.

Additionally, SnackTime Delights tracks customer response to these promotions to identify which strategies yield the highest returns. By focusing on revenue growth through effective marketing initiatives, the brand not only enhances its financial stability but also positions itself for future expansion and product development. This commitment to increasing revenue ensures that SnackTime Delights can continue to innovate and meet the evolving needs of its customers while sustaining long-term success in the competitive gourmet snack market.

### How to analyse benefits

Simply gaining benefits cannot assure that your promotional activity has successfully completed its objectives. You need to know which benefits were gained, what is the extent of these benefits and how these benefits will affect future promotional activities.

While methods of analysis vary across businesses due to differing systems, policies and procedures, a general method of analysis would be comparing results against key performance indicators (KPIs).

#### Key performance indicators

Key performance indicators (KPIs) are essential metrics that help small business entrepreneurs measure progress toward specific business objectives. They provide a clear framework for evaluating the effectiveness of promotional activities and overall business performance.

You can set your own KPIs for your promotional activities using these steps:

* **Identify business objectives** – Determine what you want to achieve with your promotional activities (For example, increase sales, enhance customer engagement).
* **Select relevant KPIs** – Choose KPIs that directly relate to your objectives. For example, if your goal is to increase sales, relevant KPIs might include monthly revenue and customer acquisition rates.
* **Set targets** – Define specific targets for each KPI based on historical data or industry benchmarks.
* **Monitor progress** – Regularly track and review KPI performance to assess progress toward goals.

Here is a sample scenario:

A small coffee shop wants to evaluate the effectiveness of its promotional activities over 6 months, focusing on increasing customer traffic and sales through a loyalty program.

**Selected KPIs**

* Customer retention rate: Percentage of customers who return after their first visit.
* Average transaction value: Average amount spent by customers per visit.
* New customer acquisition: Number of new customers gained during the promotional period.
* Promotional redemption rate: Percentage of customers who redeem loyalty rewards or promotions.
* Customer feedback score: Average score from customer feedback surveys regarding their experience.

These key performance indicators were measured and the results are outlined in the examples.

Table 18: Key performance indicator examples

|  |  |  |
| --- | --- | --- |
| Metric | Before the promotional plan | After 6 months |
| Customer retention rate | 45% | 60% |
| Average transaction value | $7.50 | $9.00 |
| New customer acquisition | 150 | 300 |
| Promotional redemption rate | 10% | 10% |
| Customer feedback score | 4.0 stars | 4.5 stars |

The evaluation of key performance indicators (KPIs) for the small coffee shop's promotional activities reveals significant improvements across several metrics, indicating the effectiveness of their promotional strategies.

The increase in customer retention rate from 45% to 60% demonstrates enhanced loyalty, while the rise in average transaction value from $7.50 to $9.00 suggests successful upselling and promotion of higher-value purchases.

Additionally, new customer acquisition rose impressively from 150 to 300, reflecting successful outreach efforts. However, the promotional redemption rate remained unchanged at 10%, highlighting an area that requires further attention to encourage more customers to take advantage of loyalty rewards.

Finally, an improvement in customer feedback scores from 4.0 to 4.5 stars reflects heightened customer satisfaction.

Based on the metrics, the coffee show has made significant improvements with their business since implementing their promotional activities. However, promotional redemption rate stays unchanged indicating a need for improvement.

To investigate the promotional redemption rate metric, the owner of the coffee shop asked some of their customers about their experiences with the loyalty program. A few of their responses can be outlined.

‘I love getting points for my purchases, but I often forget about the rewards. I wish there were reminders or clearer information on how to redeem them.’

‘While I enjoy earning points, the rewards don’t feel significant enough for me to bother redeeming them.’

‘I tried to use my rewards once, but the process was confusing and I ended up giving up.’

Overall, these insights indicate that while customers appreciate the concept of a loyalty program, its current execution fails to meet their needs.

## Outline possible improvements

Now that you have undertaken your promotional activities and have key metrics to analyse, this is the stage where you examine your promotional activity outcomes and determine areas of improvement.

### Identify areas for improvement

Identifying areas for improvement in promotional activities is crucial for small business owners aiming to enhance their marketing effectiveness. This can determine where you went wrong and how to fix it for future instances.

Some key considerations during this stage include:

* analysing what went well
* identifying underperforming areas
* setting specific goals for improvement.

#### Analysing what went well

Highlighting key achievements allows you to understand which aspects resonated with your audience. This could include high engagement rates, increased sales, or positive customer feedback. Gathering testimonials and comments from customers can further illuminate their satisfaction with the promotion, providing insights into what worked effectively. Additionally, evaluating the performance of different marketing channels is crucial. By assessing which channels–such as social media, email marketing, or in-store promotions–yielded the best results, you can allocate resources more effectively in future campaigns.

For example, referring back to the previous coffee shop example:

In Sarah's evaluation (the coffee shop owner), she identifies several key achievements from her promotional activities. For instance, the customer retention rate improved from 45% to 60%, indicating that more customers are returning after their initial visit. This increase suggests that the loyalty program successfully encouraged repeat business.

Additionally, the average transaction value rose from $7.50 to $9.00, which implies that Sarah's upselling strategies, such as promoting higher-value items or combo deals, were effective.

Furthermore, Sarah notes that new customer acquisition doubled from 150 to 300 during the promotional period, reflecting successful marketing outreach efforts. Customer feedback also improved, with scores rising from 4.0 to 4.5 stars, indicating enhanced customer satisfaction with their experiences at the café.

#### Identifying underperforming areas

Look for trends in low engagement rates, poor conversion rates, or minimal reach to understand where improvements are needed. Customer feedback plays a vital role in this process; paying attention to negative comments or suggestions can provide valuable insights into potential shortcomings. Additionally, examining whether your promotional activities effectively reached the intended audience is crucial. Misalignment in targeting can indicate a need for refinement in your audience criteria. Reviewing how well you segmented your audience may reveal that certain segments underperformed due to a lack of tailored messaging or offers.

Despite these successes, Sarah also recognises areas needing improvement, particularly concerning the promotional redemption rate, which remained stagnant at 10%. This lack of change indicates that while customers are engaging with the loyalty program to some extent, they are not fully utilising their rewards.

#### Setting specific goals for improvement

Finally, setting specific goals for improvement is critical to driving future success. Establishing measurable objectives using the SMART goals framework – specific, measurable, achievable, relevant and time-bound – will provide clarity and focus for your promotional efforts. For example, you might aim to increase conversion rates by a certain percentage within a defined timeframe based on your analysis of past performance. It is also essential to identify which metrics will be most important to track in future campaigns and set benchmarks for improvement accordingly.

Based on her analysis of what went well and where improvements are needed, Sarah sets specific goals to enhance her loyalty program's effectiveness. Using the SMART framework – specific, measurable, achievable, relevant and time-bound – she establishes clear objectives. For example, she aims to increase the promotional redemption rate from 10% to 25% within 6 months by implementing a reminder system for customers about their rewards and simplifying the redemption process at checkout. To achieve this goal, Sarah plans to send monthly email reminders detailing customers' points balances and how they can redeem rewards.

By analysing what went well in your promotional activities, identifying underperforming areas such as the promotional redemption rate and setting specific goals for improvement using the SMART framework, you can significantly enhance your marketing effectiveness.

 Video

Review the [Auditing your current marketing efforts](https://www.linkedin.com/learning/content-strategy-for-marketers/auditing-your-current-marketing-efforts?u=1504) (LinkedIn Learning, 2:50 min) to learn more about how you can analyse your current promotional efforts.

This LinkedIn Learning video will open in a new tab within your browser. You can access the full video by logging in with your TAFE NSW username and password. You can access a transcript of the video on the transcript tab within LinkedIn Learning. When you're finished, simply close the tab and return to your course.

**Video summary**

* List all marketing tactics you're using (for example, social media, email newsletters, blogging) and identify their goals, mapping each tactic to its stage in the marketing funnel (awareness, consideration or conversion).
* Analyse which stages of the funnel are underperforming or unsupported and use available data (for example, traffic and conversion rates) to assess areas where content can strengthen your marketing approach.
* Decide whether to use content to enhance top-of-funnel awareness, middle-of-funnel consideration, or bottom-of-funnel conversion efforts based on your audit findings and strategic goals.

## Gather and share feedback

As previously mentioned, feedback is an important part of any review and evaluation process. Feedback looks at aspects of the promotional activity that you might have missed. This provides an opportunity to gather information from different people with varying perspectives on the promotional activity, those involved in planning and implementation, to even the target audience of the activity.

With any piece of information, there is a certain structure that ensures all your bases are covered. This structure dictates key pieces of information to look out for including:

* highlights
* lowlights
* areas for improvement.

### Highlights

Highlights focus on the positive aspects of the promotional activity. It basically determines what went right and which parts did not have any issues. It could also include information on the promotional activity that went above and beyond what it was striving to do based on the objectives. The highlights allow you to take note of the good things for you to keep in mind during the next time you, or any other person in your business, work on promotional activity.

**An example scenario for highlights is:**

In October 2024, EcoChic Boutique, a small sustainable fashion store, launched a successful promotional campaign titled ‘Sustainable Style Month.’ This month-long initiative aimed to boost brand awareness and sales while engaging the local community through workshops and events focused on sustainable fashion. The boutique hosted weekly workshops on topics like upcycling and the impact of fast fashion, attracting local influencers and eco-conscious consumers. Collaborations with local artists for pop-up events enhanced the boutique's offerings and increased foot traffic.

The campaign generated significant social media buzz, resulting in a 40% increase in followers and a surge in user-generated content through the hashtag #EcoChicStyle. Sales during this period rose by 30% and new loyalty program sign-ups increased by 50%, indicating strong customer engagement and retention. Feedback from participants was overwhelmingly positive, with 85% feeling more connected to the brand after attending events.

While the campaign was largely successful, there were lessons learned for future promotions. Some workshops were scheduled during busy weekdays, limiting attendance, so future events will be planned for weekends or after work hours. Additionally, popular items sold out quickly, highlighting the need for better inventory management. Overall, ‘Sustainable Style Month’ exceeded its objectives and provided valuable insights for upcoming campaigns, ensuring continued growth and customer satisfaction for EcoChic Boutique.

### Lowlights

These are the direct opposite of highlights. They focus on actual outcomes of the promotional activity that did meet expectations based on the initial action plan. Although this part of the feedback looks at the downsides of the promotional activity, it is important that you receive it well. Understanding these provides a basis for identifying what should not be done in future promotional activities.

**An example scenario showing lowlights is:**

In October 2024, EcoChic Boutique launched ‘Sustainable Style Month,’ aimed at boosting brand awareness and sales while engaging the community. However, several shortcomings emerged that need to be addressed for future campaigns.

Attendance at some workshops was low due to scheduling them on busy weekdays, highlighting the need to choose better times for events. While social media engagement increased, not all posts resonated with the audience, indicating a need for more targeted messaging.

Although sales grew by 30%, popular items sold out quickly, disappointing some customers and emphasising the importance of improved inventory management. Additionally, a few customers raised concerns about pricing, suggesting a disconnect between the boutique’s sustainable pricing strategy and customer expectations.

Overall, these insights into what went wrong will help EcoChic Boutique refine its strategies for future promotional activities, ensuring greater customer satisfaction and engagement.

### Areas for improvement

These usually come at the end of the feedback as a summary of things you need to look out for. Areas for improvement would be the main talking point in the next promotional activity that you will conduct. These are based on the lowlights of your work performance and would serve as an added expectation or responsibility in your work tasks moving forward.

**An example of areas of improvement is:**

In October 2024, EcoChic Boutique launched ‘Sustainable Style Month,’ aimed at boosting brand awareness and community engagement. While the campaign had successes, several areas for improvement emerged for future promotions.

First, workshop attendance was lower than expected due to scheduling conflicts on busy weekdays. Future events should be planned for weekends or evenings to increase participation.

Second, while social media engagement rose, some posts did not resonate with the audience. A more targeted content strategy will be essential to enhance interaction moving forward.

Additionally, popular items sold out quickly, leading to customer disappointment. Improved inventory management is necessary to ensure that high-demand products are adequately stocked during promotions.

Lastly, some customers expressed concerns about pricing, indicating a need for clearer communication about the value of sustainable products.

In summary, focusing on event scheduling, content targeting, inventory management and pricing communication will be crucial for EcoChic Boutique’s next promotional activity, ultimately enhancing customer satisfaction and engagement.

### Communicate findings

You may need to communicate your findings with relevant stakeholders such as business mentors. An example of how you might communicate this can be outlined in the example email provided using the same coffee shop scenario.

Hi [Mentor's Name],

I hope you’re well.

I am writing to share some key highlights about the performance of our loyalty program since its launch 6 months ago:

Our customer retention rate has increased from 45% to 60%.

The average transaction value rose from $7.50 to $9.00.

We successfully acquired 300 new customers, doubling our previous total of 150.

Customer feedback scores improved from 4.0 stars to 4.5 stars.

Overall, the promotional activities have been well-received. Customers particularly enjoyed the loyalty points system, but I did receive some feedback regarding the promotional redemption rate, which remained unchanged at 10%. Many customers mentioned they often forget about their rewards and find the redemption process confusing.

While I am pleased with the positive trends, I have identified several areas for improvement, particularly in enhancing communication about the rewards and simplifying the redemption process.

I look forward to discussing these insights further with you and would appreciate any advice you might have!

Kind regards,

Sarah

 Practice activity

### Activity 6: Drafting an email

You are the business owner of a local fitness studio called ‘FitLife Gym.’ After launching a new membership referral program 3 months ago, you have gathered data on its performance and feedback from members. You need to communicate your findings to your business partner, Alex, to discuss the program's success and areas for improvement.

Key highlights to include in your email:

* The number of new memberships acquired through the referral program.
* The percentage increase in overall membership since the program launched.
* Feedback from members about the referral program, both positive and negative.
* Suggestions for improving the referral process based on member feedback.

1. Using [Microsoft Copilot](https://m365.cloud.microsoft/), draft an email to your business partner Alex.

### How and where to collect feedback

Now that you have an understanding of the purpose of feedback, you will need to figure out where to get it or how to go about it. There are many methods of collecting feedback and each method depends on who the feedback is from. Feedback from promotional activities can come from many sources.

#### Relevant stakeholders

These people refer to those involved during the initial consultation of promotional activity. These people know the planning process better than anyone and should be able to judge whether the actual results are at par with what was expected.

Stakeholders in this category include both internal and external people who have a say in coordinating promotional activities, such as those part of your business’s marketing team and any outsourced members who provided the organisation with the necessary resources for the promotional activity to take place. You can gather feedback from these people through:

* post-activity surveys
* evaluation meetings
* personal or group interviews.

#### Relevant personnel

These people were involved in the actual conduct of the promotional activity. They will be able to provide information on implementation and monitoring, as well as the final results at the end of the promotional activity. Feedback from these personnel can be collected through:

* formal or informal performance appraisals
* personal, reflective behaviour strategies
* evaluation meetings or interviews.

#### Clients or customers

These are the most important people involved in any promotional activity. Your business’s clients or customers hold the key in figuring out if your promotional activity was a success since most, if not all, objectives are geared towards their favour. The information you gather from them will be the main source when determining the verdict on how well your promotional activity has performed. You can get feedback from clients or customers in a number of ways such as:

##### Surveys

Recall that feedback about the promotional activity is gathered both before and during a promotional activity. The end of promotional activity is no exception. Research should still be done to measure a variety of your target audience’s opinion on the conducted promotional activity. Such measurements include:

* consumer opinions on a product
* likelihood of purchase
* opinions of brand
* likeability of promotional activity
* attitudes to brand.

This form of research can even be conducted in such a way that you gather information about all these areas of the promotional activity. The survey instrument that you use is entirely up to the researcher and can be adapted to suit specific aspects of your promotional activities target audience.

##### Focus groups

Focus groups, like what has already been mentioned, are a specialised qualitative method that allows you to discuss the effects of the promotional activity with a selected group of people. Led by a moderator, this form of promotional evaluation is useful for following up on information that is gained using other methods. While surveys can be close-ended and unable responses to questions that your clients might have, focus groups are open and allow participants to discuss in detail their feelings about the promotional. Based on the feedback that you receive, you can determine where changes need to be made.

##### Market share

This refers to the share of sales in the market that your organisation has. While this is difficult to measure, it often correlates to market sales feedback and data.

### Provide feedback

Feedback should not simply be taken and received. You should also be able to provide feedback to those who were involved in the promotional activities. This is an opportunity for your business to take into consideration all the stages that have so far while planning, implementing and reviewing these promotional activities which reflect their business as a whole.

While there are many ways of providing feedback, it is efficient to do this as a group. The circumstances where feedback is collected can also provide opportunities to provide feedback. These include:

* evaluation meetings
* personal or group interviews
* performance appraisals
* routine organisational methods for evaluating promotional activities.

Note that these methods vary across businesses and are dependent on business systems, policies and procedures. Ensure that whichever method you make use of is in accordance with your business standards.

Although variation is to be expected among business procedures, a general process can be followed when it comes to providing feedback about a promotional activity. This process includes these steps:

* collect relevant information
* organisation information
* identify highlights, lowlights and areas of improvement
* provide documentation of the discussion.

#### Collect relevant information

Take all the information that you have gathered, from planning to implementation to analysis and review all documentation related to them. This information will serve as the foundation of any feedback that you will be providing.

#### Organise information

Information is meaningless when it is not organised in an understandable manner. Distribute the information you have collected to figure out which are positive and negative results of your promotional activity. You will be able to sort through this information much easier if you have all the relevant information on hand and labelled accordingly.

#### Identify highlights, lowlights and areas of improvement

Once information is organised, you can begin to structure the feedback that you will be providing. Sorted information should fall under one of the 3 parts of feedback:

* highlights
* lowlights
* areas of improvement.

By classifying the information, you will have a much easier time when sharing this among your peers.

#### Relay information to relevant personnel

What good is information if it is not shared among your peers? Discuss your findings with people who were involved in the planning and implementation of your promotional activities. Make sure to go through each part of the feedback thoroughly and answer any questions that they might have. Remember that the feedback you provide is a chance for your whole business to improve. Remind them that feedback is given to provide opportunities for growth and development of both them and the promotional activities that they will conduct in the future.

#### Provide documentation of the discussion

Similar to all analyses, discussions and consultations done up to this point, there should be a document that references your findings and what was talked about when feedback was provided. It may be evident that additional feedback was discussed and this new feedback warrants further analysis after this discussion. The documentation should also provide a reference for those involved in conducting future promotional activities of your business.

## Form conclusions and recommendations

At the end of every business activity, there should be a collection of what was planned, what has occurred and what the results were. Conclusions and recommendations should be made because a promotional activity does not end after it has been conducted. It truly ends when a complete review and evaluation has been made.

Conclusions refer to statements that summarise findings of promotional activities. They ultimately judge whether or not a promotional activity has achieved its target objectives. On the other hand, recommendations refer to suggestions that can enhance future promotional activities. Both conclusions and recommendations are based on analyses done during review and evaluation. They both deal with information on the planning and delivery of promotional activities.

When preparing conclusions and recommendations, you need to analyse the information.

### Prepare conclusions

It is essential to prepare well-structured conclusions that summarise key insights and guide the next steps for the analysis of planning processes.

#### Analysis of planning processes

What were the expected results of your promotional activities? Were you able to utilise your action plan as intended? Review documentation on your analysis of planning processes. This will prove useful in providing a definition conclusion regarding the planning stages of your promotional activities. You can analyse if you:

* defined clear objectives
* identified the target audience
* used data to drive insight
* monitored market trends
* implemented continuous improvement.

**For example:**

PureSkin Naturals, a small skincare business specialising in affordable organic products, is preparing to launch a new line of natural moisturisers. To effectively reach their target audience and increase brand awareness, the marketing team sets a clear objective to boost brand awareness by 25% within 6 months. They develop detailed buyer personas, identifying key segments such as environmentally conscious young adults aged 18 to 25 and parents seeking safe products for their children.

Before launching the campaign, the team conducts market research on different ad creatives, discovering that messaging emphasising organic ingredients and affordability resonates best with their audience. They also monitor industry trends and highlight their commitment to sustainability by showcasing recyclable packaging. Throughout the campaign, they establish key performance indicators (KPIs) like social media engagement rates and website visits, allowing them to assess effectiveness.

After 3 months, they observe a 30% increase in website traffic and a significant rise in social media followers.

Based on ongoing feedback, they refine their messaging to better communicate the benefits of their new moisturisers by incorporating customer testimonials and clearer calls-to-action. As a result of this structured planning process, PureSkin Naturals successfully launches its new product line with an effective advertising campaign that boosts brand awareness and positions the company for sustained growth in the competitive skincare market.

#### Identified pain points

Addressing pain points effectively requires identifying issues and formulating actionable strategies to prevent their recurrence in future campaigns.

As discussed in the previous topic, feedback can be gathered in various ways, such as customer surveys. These methods of feedback can indicate potential pain points with key stakeholders.

Some of these could include:

* lack of brand awareness
* inconsistent messaging
* poor customer service
* unclear terms and conditions.

**For example:**

Scenario: Bella's Boutique

To enhance its promotional effectiveness, Bella's Boutique, a small fashion retailer known for its unique clothing and accessories, recently launched a summer sale campaign. However, after the campaign concluded, the owner, Lisa, realised that customer feedback highlighted several pain points that needed addressing.

**Identified pain points**

Confusing promotion details:

Customers expressed confusion regarding the specifics of the promotion. The signage in-store did not clearly indicate which items were included in the sale, leading to misunderstandings.

Example: A customer was disappointed to find that their desired dress was not part of the 20% off promotion, despite being prominently displayed in promotional materials.

Inadequate communication across channels:

Lisa discovered that while social media posts were made to promote the sale, email notifications to loyal customers were overlooked. This inconsistency led to some customers feeling uninformed.

Example: Regular customers who typically receive updates via email felt neglected and missed out on the sale entirely.

Overwhelmed staff during peak times:

The boutique experienced a surge in foot traffic due to the promotion, resulting in long wait times for customers at checkout. This negatively impacted the shopping experience.

Example: Customers reported waiting over 15 minutes in line, leading to frustration and some deciding to leave without making a purchase.

Limited stock of popular items:

Bella's Boutique underestimated the demand for certain items included in the promotion. As a result, popular sizes and styles sold out quickly, leaving many customers disappointed.

Example: A sought-after handbag was sold out within hours of the promotion starting, causing potential buyers to leave empty-handed.

#### Feedback

What did people have to say about your promotional activity? Were stakeholders satisfied with how it was conducted? Were personnel able to exercise their skills during delivery? Did the clients or customers react positively towards the promotion? The feedback that you have gathered will serve as useful references when conducting discussions on your findings.

Feedback could be:

* customer reactions to promotional activities
* stakeholder satisfaction
* engagement metrics and customer feedback.

**For example:**

To assess the effectiveness of its recent promotional activities for the new organic moisturiser line, PureSkin Naturals conducts an evaluation focusing on customer reactions, stakeholder satisfaction and engagement metrics. After launching the advertising campaign, the marketing team gathers feedback through surveys distributed via email and social media. Results indicate that 85% of respondents found the ads appealing and informative, though some expressed confusion about specific ingredients, prompting the team to consider clearer messaging in future promotions.

In a debriefing session with stakeholders, including investors and suppliers, the marketing team presents campaign results and feedback. While stakeholders are generally satisfied with the execution, they raise concerns about resource allocation, encouraging the team to refine their strategies for future campaigns.

To complement qualitative insights, PureSkin Naturals analyses engagement metrics such as click-through rates, social media interactions and event attendance. The data reveals a 40% increase in website traffic during the campaign and significant growth in social media followers. Positive customer comments further reinforce the effectiveness of the promotional activities. This comprehensive evaluation provides valuable insights that inform future marketing strategies and strengthen relationships with customers and stakeholders.

#### Results of promotional activities

What were the objectives of the promotional activities? Did the results correspond to these objectives? These results and comparisons with objectives can also serve as a point of reference when discussing findings made about your promotional activities.

**For example:**

PureSkin Naturals, a small skincare business, launched a promotional campaign for its new line of organic moisturisers with the objectives of increasing brand awareness by 25%, generating excitement for the products and achieving a 15% increase in sales within 3 months. After the campaign, the marketing team found that brand awareness had risen by 30%, exceeding their goal, as reflected in increased social media followers and website traffic. Customer surveys confirmed that many learned about the brand through the campaign. Engagement metrics showed a 50% increase in interactions related to the new products, indicating strong consumer interest. However, sales data revealed only a 10% increase, falling short of the targeted 15%. Further analysis indicated that while customers were excited about the products, some hesitated to purchase due to confusion about specific ingredients and pricing.

By comparing these results with their initial objectives, PureSkin Naturals identified both successes and areas for improvement. The rise in brand awareness and engagement demonstrated effective promotional activities, but the shortfall in sales highlighted the need for clearer communication regarding product benefits.

Moving forward, the team plans to refine their messaging and consider additional tactics to better convert interest into sales. This evaluation will inform future marketing strategies and strengthen connections with customers.

#### Analysis of benefits

What did your organisation gain from this experience? How will this impact future promotional activities? Your analysis of the results and corresponding benefits will provide a foundation for any recommendations that you will make on increasing the benefits of future activities.

Each piece of information contributes to the overall perspective on the performance of promotional activity. Essentially, the information will allow you to paint a picture of how your promotional activity has fared throughout planning and implementation.

Conclusions are made mainly to summarise findings for future reference, while recommendations contain specific suggestions to be applied in future activities. Recommendations include.

##### Specific action items

Which processes or task steps delivered a positive result on the promotional activity? You should be able to suggest specific processes or task steps that can serve as the focus of future promotional activities.

##### Basis of action items

Why did you make these suggestions? Ensure that your recommendations are backed up by your findings over the course of the promotional activity. Having reasonable recommendations gives you a solid stand on why these action items should be implemented in future activities.

##### Projected results

What does the future promotional activity stand to gain from these recommendations? How does the organisation profit from these recommendations? Prepare additional proof of why your recommendations are feasible and how they will benefit future promotional activities. These projected results can be based on observations on findings of your recently completed promotional activity.

### Communicate recommendations

Recommendations serve no use if they are kept locked up in a drawer, away from the eyes of future handlers of promotional activities. You should be able to share your findings and suggestions with other members of the business and ensure that these suggestions may find their way in future activities that your organisation may choose to conduct.

However, a general set of steps may be followed when sharing your findings:

1. **Prepare feedback, data and analyses** – Gather all the information that you currently have about the recently conducted promotional activity. You will be using these as your basis in forming conclusions and recommendations like earlier discussed.
2. **Organise information** – Sort the information similar to how your feedback is structured: according to highlights, lowlights and areas of improvement. This would allow you to collate information in an easier and more efficient manner.
3. **Set up a method of communication** – Consider your business’s specific systems for these types of communication and ensure that you adhere to your organisation’s policies and procedures when communicating.
4. **Discuss findings** – Discuss during a for findings and where members of the team are able to share their own findings.
5. **State conclusions and recommendations** – Identify a summary of the promotional activity using the conclusions and recommendations that you have developed. Ensure that your participants are able to add to your conclusions.

 Self-check

### How did you go?

You have completed the lesson: **Assess and improve promotional activities**. Check the boxes for the tasks you feel confident you can complete.

I can assess the efficiency of the plan.

I can analyse costs and timelines.

I can outline possible improvements.

I can gather and share feedback.

I can form conclusions and recommendations.

# Answers and feedback

## Lesson 1

Activity 1: Consultation preparation

1. What is the agenda for your consultation meeting?

Answers may vary but can include:

**Introduction**

Welcome participants and outline the purpose of the consultation.

Briefly explain the project and its potential environmental, social and economic impacts.

**Stakeholder identification**

Discuss the stakeholders involved, their roles and how they are affected by the project.

**Presentation of key project information**

Provide detailed information about the project, including objectives, expected outcomes, and methodologies.

**Discussion session**

Open the floor for stakeholders to share their perspectives, concerns and suggestions regarding the project.

Encourage dialogue on potential impacts and improvements.

**Feedback mechanism**

Explain how feedback will be documented and integrated into the project planning process.

**Next steps**

Outline the timeline for incorporating feedback and any follow-up actions required from stakeholders.

**Closure**

Summarise key points discussed and thank participants for their contributions.

Activity 2: Contingency strategies

1. What are 3 potential risks for your business or Azure?

Answers may vary but can include:

**Supply chain disruptions**: The surf and skate industry is susceptible to supply chain issues, which can lead to delays in receiving inventory, affecting product availability and sales. Events such as natural disasters or global crises can exacerbate these disruptions.

**Seasonal demand variability**: Customer demand for surf and skate products often fluctuates with the seasons, leading to potential overstock or stockouts. This variability can impact cash flow and profitability if not managed properly.

**Negative online reputation**: In today's digital age, a single negative review or social media post can significantly damage a brand's reputation. This risk can deter potential customers and lead to decreased sales.

1. What are 3 strategies you could use to address these contingencies?

Answers may vary but can include:

**Diversification of suppliers**: By establishing relationships with multiple suppliers, Azure Beach Surf and Skate can reduce dependency on any one source, ensuring a more resilient supply chain that can better withstand disruptions.

**Implementing data-driven inventory management**: Utilising advanced inventory management systems will help track sales trends and adjust stock levels accordingly, allowing the business to respond effectively to seasonal demand fluctuations.

**Proactive reputation management**: Developing a comprehensive social media strategy that includes monitoring brand mentions and promptly addressing customer feedback will help mitigate the risk of a negative online reputation. Engaging with customers positively can enhance brand loyalty.

1. Evaluate your chosen solutions. Do you think they will mitigate challenges?

Answers may vary but can include:

The strategies identified are likely to be effective in mitigating the respective challenges faced by Azure Beach Surf and Skate. Diversifying suppliers will provide greater flexibility in managing inventory levels during disruptions, ensuring that the store remains stocked with popular products. Implementing data-driven inventory management will facilitate better decision-making regarding stock levels, ultimately leading to improved cash flow and reduced waste from unsold items. Lastly, proactive reputation management will not only help in addressing negative feedback swiftly but also foster a positive brand image, encouraging customer loyalty. Overall, these solutions are well-suited to enhance the resilience and sustainability of the business in a competitive market environment.

## Lesson 2

Activity 3: Communicating roles and responsibilities

1. How would you communicate allocated roles and responsibilities to your employees or contractors?

Answers may vary but can include:

I would start by clearly defining each role within the team, outlining specific tasks, duties and expectations associated with each position. This would involve creating detailed job descriptions that I would share during onboarding and regularly update as needed. I would ensure that everyone understands how their role contributes to the overall goals of the business, emphasising the importance of each position within the team.

I would foster an environment of open communication where my team feels comfortable discussing their roles and responsibilities. Regular check-ins and feedback sessions would help clarify any uncertainties and encourage collaboration. This approach not only promotes transparency but also builds trust within the team, allowing for a more cohesive work environment.

Activity 4: Potential challenges

1. What is a potential challenge you have identified in your area?

Answers may vary but can include:

One potential challenge I have identified for Azure Beach Surf and Skate is seasonal demand variability. The surf and skate industry often experiences fluctuations in customer interest based on the time of year, with peak sales typically occurring during warmer months and holidays. This variability can lead to overstock during off-peak seasons, tying up capital in unsold inventory, or understock during peak times, resulting in missed sales opportunities.

1. How can you address this potential challenge?

Answers may vary but can include:

To address this challenge, I would implement data-driven inventory management systems. By analysing historical sales data and current market trends, I can better forecast demand for different products throughout the year. Additionally, I would establish promotional strategies during off-peak seasons to encourage sales of slower-moving items and consider offering seasonal discounts or bundled deals to attract customers.

1. Evaluate how you responded to the identified challenges.

Answers may vary but can include:

I believe that these strategies will effectively mitigate the challenges posed by seasonal demand variability. By leveraging data analytics, I can make informed decisions about stock levels, reducing the risk of overstocking and ensuring that popular items are available when demand peaks. Furthermore, proactive promotions can help clear out inventory that might otherwise linger, freeing up capital for new stock. Overall, these measures should enhance operational efficiency and improve cash flow, allowing Azure Beach Surf and Skate to thrive despite the inherent fluctuations in customer demand.

## Lesson 3

Activity 5: Return on investment

1. What is the return on investment for Emily?

Answers may vary but can include:

Emily's ROI for the social media advertising campaign is 200%. This indicates that for every dollar spent on the campaign, she expects to earn 2 dollars in return, making this marketing effort a worthwhile investment.

Activity 6: Drafting an email

1. Using Microsoft copilot, draft an email to your business partner Alex.

Answers may vary but can include:

Hi Alex,

I hope this message finds you well. I wanted to share some key findings regarding the membership referral program we launched 3 months ago at FitLife Gym.

New Memberships Acquired: Since the program's inception, we have successfully acquired 50 new memberships through referrals. This is a promising start and indicates a positive response from our current members.

Percentage Increase in Overall Membership: Overall, our membership has increased by 15% since launching the referral program. This growth aligns with our expectations and demonstrates the effectiveness of incentivising our existing members to bring in new clients.

Member Feedback: I've gathered feedback from members about the referral program. On the positive side, many members appreciate the rewards for referring friends, stating it makes them feel valued and encourages them to promote the gym. However, some members expressed concerns about the complexity of the referral process, suggesting it could be streamlined for a better user experience.

Suggestions for Improvement: Based on this feedback, I recommend simplifying the referral process by reducing the number of steps required to refer a friend and ensuring that rewards are clearly communicated. Additionally, we could consider increasing the incentives for both referrers and new members to further motivate participation.

I believe these insights will help us refine our approach and enhance the program's success. Let’s discuss this in more detail during our next meeting.

Best regards,

[Your Name]

Owner, FitLife Gym

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## Image attributions

Table 19: Image attributions

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# Appendix: Links

Below is a list of all URLs linked in this workbook.

Table 20: URLs

|  |  |
| --- | --- |
| Link title | URL |
| Business directory and glossary (pdf) | https://share.tafensw.edu.au/share/items/44493bae-4b5e-4254-b28d-6d714656dfb6/0/?attachment.uuid=e7433cba-0f03-4eac-b72b-0faafa5f1076 |
| Technology for Learning library | https://tafensw.libguides.com/technology |
| Researching and Referencing: Generative AI | https://tafensw.libguides.com/research/artificial |
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| Azure Beach Surf and Skate | https://share.tafensw.edu.au/share/items/1c89b5bb-2698-4ced-91d8-29a58efbaab2/0/?attachment.uuid=74f8070a-c4c0-4c14-a007-aedc47689889 |
| Microsoft Copilot | https://m365.cloud.microsoft/ |
| Adobe Creative Cloud | https://www.adobe.com/au/creativecloud.html |
| Technology for Learning library | https://tafensw.libguides.com/technology |
| Researching and Referencing: Generative AI | https://tafensw.libguides.com/research/artificial |
| How To Write Vision and Mission Statements | https://www.indeed.com/career-advice/career-development/how-to-write-vision-and-mission-statement |
| Copyright Act 1968 (Cth) | https://www.legislation.gov.au/C1968A00063/latest/text |
| Privacy Act 1988 (Cth) | https://www.legislation.gov.au/C2004A03712/latest/text |
| Australian Privacy Principles | https://www.oaic.gov.au/privacy/australian-privacy-principles |
| Competition and Consumer Act 2010 (Cth) | https://www5.austlii.edu.au/au/legis/cth/consol\_act/caca2010265/ |
| Australian Association of National Advertisers | https://aana.com.au/ |
| Age Discrimination Act 2004 (Cth) | https://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/cth/consol\_act/ada2004174/ |
| Human Rights and Equal Opportunity Commission Act 1986 (Cth) | https://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/cth/consol\_act/ahrca1986373/ |
| Disability Discrimination Act 1992 (Cth) | https://www.legislation.gov.au/C2004A04426/latest/text |
| Racial Discrimination Act 1975 (Cth) | https://www.legislation.gov.au/C2004A00274/latest/text |
| Sex Discrimination Act 1984 (Cth) | https://www.legislation.gov.au/C2004A02868/latest/text |
| Social Media and Online Conduct Policy and Procedure (pdf) | https://share.tafensw.edu.au/share/items/a4de0654-80ac-474c-b1b2-588f95e4ff1e/0/?attachment.uuid=bac353ae-471a-47fb-a7cf-c91828313410 |
| Top 10 promotion plan templates with examples and samples | https://www.slideteam.net/blog/promotion-plan-templates-ppt |
| Marketing action plan template | https://business.vic.gov.au/tools-and-templates/marketing-action-plan-template |
| What is a Content Style Guide? | https://www.frontitude.com/glossary-posts/what-is-a-content-style-guide |
| How to identify target audience for business marketing (YouTube, 9:26 min) | https://www.youtube.com/watch?v=piTUa1BLQPo |
| Articulate your value proposition (LinkedIn Learning, 2:54 min) | https://www.linkedin.com/learning/creating-a-business-plan-2/articulate-your-value-proposition?u=1504 |
| Assess and manage risk | https://business.gov.au/risk-management/risk-assessment-and-planning/how-to-manage-risk |
| Contingency Planning Explained (YouTube, 5:10 min) | https://www.youtube.com/watch?v=91K8qgU9IwY |
| Auditing your current marketing efforts (LinkedIn Learning, 2:50 min) | https://www.linkedin.com/learning/content-strategy-for-marketers/auditing-your-current-marketing-efforts?u=1504 |