**MARKETING 4.01 VOCABULARY**

**Promotion-**any form of communication a business or organization uses to inform, persuade, or remind people about its products and improve its public images.

**Promotional Mix-**a combination of different types of promotion. A business decides on a promotional mix that will be most effective in persuading customers or other businesses to purchase and support the business's products.

**Advertising-**any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor
**Personal Selling**- making an oral sales presentation to one or more potential buyers. On a per contact basis, personal selling is the most expensive form of promotion.

**Publicity-**placing newsworthy information about a company, product, or person in the media. Can be used to promote particular events and promote particular products. The main purpose of publicity is to build an image. Image - the way a business or organization is defined in people's minds.

**Sales Promotion-**All marketing activities, other than personal selling, advertising, and publicity, that are used to stimulate consumer purchasing and sales effectiveness

**Competition-**Designed to encourage customers to buy a product

**Product promotion-**used to convince potential customers to buy products from it instead of from a competitor

**Institutional Promotion-**Promotion used to create a favorable image for itself. Does not directly sell a certain product. However, may ultimately result in increased sales of a company's products.

**Trade Promotions-**sales promotion activities designed to gain manufacturers', wholesalers', and retailers' support for a product. More money is spent on promoting to businesses than to consumers

**Slotting allowances-**a cash premium paid by the manufacture to a retail chain for the costs involved in placing a new product on its shelves.

**Buying allowances-**special price discount given by manufacturers to wholesalers and retailers to encourage them to either buy a product or buy a larger quantity
**Trade Shows and Conventions**- designed to reach wholesalers

**Sales incentives-**awards given managers and employees who successfully meet or exceed their company's set sales quota.

**Licensing-**Organizations, such as manufactures, movie makers, sports teams, and celebrities, may license for a fee their logo, trademark, trade characters, names and likenesses, or personal endorsements to a business to be used in promoting the business's products.

**Promotional tie ins**- involve sales promotional arrangements between one or more retailers or manufacturers. They combine their resources (advertising and sales promotional activities) to do a promotion that creates additional sales for each partner

**Visual Merchandising-**the coordination of all physical elements in a place of business so that it projects the right image to its customers
**Displays**- visual and artistic aspects of presenting a product to a target group of customers.

**Premium-**higher-priced products given in contests or sweepstakes

**Incentives-**low cost items given away free to consumers as a condition of purchase.

**Internal Audiences-**groups within the organization

**Employee Relations-**goal is to keep your employees happy by using:

**External Audiences-**groups outside the organization

**News Release-**a pre-written story about the company that is sent to various media for publication. It usually contains information about the company's employees, stores, operations, products, corporate philosophy, or participation in an event or program. Can contain hard or soft news.

**Four Disadvantages of Advertising**

Cannot focus well on individual needs and Some forms of advertising can be too expensive for many businesses Sometimes advertising is wasteful and inefficient - message may be spent on non-potential customers and Advertising must be brief

**Advantages of Publicity**

Publicity is free; advertising is not, Can be used to create a positive image within the community, Viewed as being more credible or believable than advertising, Viewed as news, people more attention to publicity

**Disadvantages of Publicity-**Give up much of your control of your message, Not all publicity is positive

**Advantages of Sales Promotions-**Unique and has special appeal to a potential customer, Helps build customer loyalty

**Disadvantages of Sales Promotions**

Difficult to end without the customers becoming dissatisfied ,Store image and sales can suffer if the promotion is not properly planned and managed, Only designed to supplement other promotional efforts and cannot make up for poor products

**MARKETING 4.02 VOCABULARY**

**Word of Mouth Marketing-** Giving people a reason to talk about your products and services, and making it easier for that conversation to take place
ex. An example of Word of Mouth Marketing is like when I get a new iPhone and I love all of the apps and gps and stuff, so when my friend wants to get a new phone I rave about it to her.

**Buzz Marketing-** Using high-profile entertainment or news to get people to talk about your brand.
ex. For example if they get Shia LeBouf to use a Droid phone while filming Transformers.

**Viral Marketing-** Creating entertaining or informative messages that are designed to be passed along in an exponential fashion, often electronically or by email
ex. YouTube, chain emails.

**Community Marketing-** Forming or supporting niche communities that are likely to share interests about the brand (such as user groups, fan clubs, and discussion forums); providing tools, content, and information to support those communities.
ex.Book clubs, Chris Brown fan club and now they are huge stars.

**Grassroots Marketing-** Organizing and motivating volunteers to engage in personal or local outreach.
ex. People running for office, and get people involved like volunteering

**Evangelist Marketing-** Cultivating evangelists, advocates, or volunteers who are encouraged to take a leadership role in actively spreading the word on your behalf.
ex. Jehovah's witness, Mormons.

**Product Seeding-** Placing the right product into the right hands at the right time, providing information or samples to influential individuals.
ex. For example in NY when its winter and you place snow shovels in all your shops

**Influencer Marketing-** Identifying key communities and opinion leaders who are likely to talk about products and have the ability to influence the opinions of others.
ex.Teachers are influencers who can persuade you to think a certain way about a company.

**Cause Marketing-** Supporting social causes to earn respect and support from people who feel strongly about the cause.
ex. Like breast cancer awareness, supporting people for voting into office. COPD walk, all sorts of things.

**Conversation Creation-** Interesting or fun advertising, emails, catch phrases, entertainment, or promotions designed to start word of mouth activity.
ex. Send out those emails or commercials that are really funny and make you think and start a conversation.

**Brand Blogging-** Creating blogs and participating in the blogosphere, in the spirit of open, transparent communications; sharing information of value that the blog community may talk about.

**Referral Programs-** Creating tools that enable satisfied customers to refer their friends.
ex. For example at my orthodontist if we referred a friend we got twenty tokens to use to get gift certificates to different places.

**Social Networks-** A web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system.
ex. Businesses can use social networks to help attract customers by creating pages that they can like to get deals or more information on your project.

**Organic Marketing-** Occurs naturally when people become advocates because they are happy with a product and have a natural desire to share their support and enthusiasm.

**Amplified WOM-** occurs when marketers launch campiagns designed to encourage or accelerate WOM in exisitng or new communities.

**Organice WOM-** occurs naturally when people become advocates because they are happy with a product and have a natural desire to share their support and enthusiasm.

**MARKETING 4.04 VOCABULARY**

**Advertising Support Programs**- In addition to offering promotional support in the form of physical displays, marketers can attract channel members' interest by offering financial assistance in the form of advertising money. These funds are often directed to retailers who then include the company's products in their advertising. In certain cases the marketer will offer to pay the entire cost of advertising, but more often, the marketer offers partial support known as co-op advertising funds.

**Audio/Video Releases-**Audio taped, or video taped matter about a book, event, person, product, or program, presented by its promoters or principals to the media for editorial comment and free coverage. Also called media release or news release.

**Community Relations-**A business or organization's efforts to create goodwill between it and the
people in the community.

**Contests-**Promotional scheme in which (unlike in a sweepstake) participants compete for prizes by accomplishing something that requires skill.

**Co-op Advertising-**Advertising funded by two or more destinations and /or suppliers.

**Coupons-**A sales promotion activity that involves the use of printed certificates which entitle the holder to a reduced purchase price.

**Crisis Management-**A public-relations strategy that involves the ongoing managing, planning, and
coordinating of resources in the event that undesirable circumstances occur.

**Dealer Loaders-**Incentive or premium aimed at getting the retailer or wholesaler to buy, stock or display a brand. Sometimes termed 'Dealer Incentive'.

**Demonstrations-**A sales promotion activity that shows a product in use.

**Free Products-**Products that can be obtained without money.

**Free Standing Insert (FSI)-**Advertising brochure, card, or leaflet inserted in a newspaper or magazine, usually to serve as a reply coupon or discount voucher. Printed advertisement inserted, but not bound, into a publication.

**Games-**Consumers play a game associated with the promoted product.

**Loyalty Programs-**Structured marketing efforts that reward, and therefore encourage, loyal buying behavior - behavior which is potentially beneficial to the firm. In marketing generally and in retailing more specifically, a loyalty card, rewards card, points card, advantage card, or club card is a plastic or paper card, visually similar to a credit card or debit card, that identifies the card holder as a member in a loyalty program.

**Matte Release-**This is a press release which is written like a complete news story.

**Personal Appearances-**An in-person or personal appearance by someone of interest to the target market.

**Philanthropy-**Desire to promote the welfare of others, expressed esp. by the generous donation of money to good causes.

**Point of Sale Displays-**Specialized form of sales promotion that is found near, on, or next to a checkout counter (the "point of sale") and the previous conveyor belt. They are intended to draw the customers' attraction to products, which may be new products, or on special offer, and are also used to promote special events, e.g. seasonal or holiday-time sales. POS displays can include shelf edging, dummy packs, display packs, display stands, mobiles, posters, and banners.

**Premiums-**An item a business offers free to the purchaser of a particular product.

**Press Kits-**A set of articles and pictures provided to the media in order to obtain publicity.

**Promotional Products-**Sometimes nicknamed swag or schwag, are articles of merchandise (often branded with a logo) used in marketing and communication programs. They are given away to promote a company, corporate image, brand, or event. These items are usually imprinted with a company's name, logo or slogan, and given away at trade shows, conferences, and as part of guerrilla marketing campaigns.

**Pull Strategies-**A promotional strategy that involves a producer promoting its products directly to the ultimate consumer or industrial user; intermediaries then purchase the products from the manufacturer to meet customer demand.

**Push Money-**A manufacturer's incentive to wholesalers to actively market their products. Usually payments are based on the number of cases sold. Also called promotion money or a spiff.

**Push Strategies-**A promotional strategy that involves a producer promoting its products to
intermediaries; intermediaries then promote the products to customers.

**Rebates-**A return of part of the price a customer pays for a good or service; usually offered by the product's manufacturer.

**Samples-**Free trial size of a product that is sent through the mail, distributed door-to-door, or through retail stores and trade shows.

**Special Events-**Any happening arranged for a specific reason or occasion.

**Sponsorships-**An agreement that allows a company to pay a fee to a team or an event for the right to affiliate itself with that team or event. The provision of financial or other support to an entity in exchange for public exposure. A partnership in which a company pays a fee to affiliate itself with a team, league, or event.

**Sweepstakes-**A game of chance in which a customer wins a prize.

**Trade Allowances-**The allowance or refund given by a manufacturer to a retailer or distributor who participates in a sponsored advertising or promotion campaign.

**Trade Shows-**Events where businesses display and/or demonstrate their products to build sales leads and interest.

**Trade-In Promotions-**Allow consumers to obtain lower prices by exchanging something the customer possess, such as an older product that the new purchase will replace.

**Website Press Room-**The webpage on a website from which media can obtain electronic copies of press releases and other media information about a company.

**RSS Feed-**Uses a family of standard web feed formats to publish frequently updated information: blog entries, news headlines, audio, & video.

**Point of Purchase (POP) Displays-**A specialized form of sales promotion that is found near, on, or next to a checkout counter (the "point of sale") and the previous conveyor belt. They are intended to draw the customers' attraction to products, which may be new products, or on special offer, and are also used to promote special events, e.g. seasonal or holiday-time sales.

**4.06**

 **Acquire foundational knowledge of marketing-information management to understand its nature and scope. (Foundation)**

*Knowledge****/****Skill Statement*: Understands the concepts, systems, and tools needed to gather, access, synthesize, evaluate, and disseminate information for use in making business decisions

*Level*: Career-sustaining.

***Performance Indicator***: Describe the need for marketing data (IM:012, IM LAP 12)

*Objectives*:

1. Define the following terms: facts, estimates, predictions, relationships, and marketing information.
	1. Facts – verifiable, accurate information. “Facts are true, provable, observable, measurable, recorded, confirmed, indisputable.”
	2. Estimates – best guess based on facts. “[To](http://ardictionary.com/To/4489) [judge](http://ardictionary.com/Judge/965) [and](http://ardictionary.com/And/5818) [form](http://ardictionary.com/form/5208) [an](http://ardictionary.com/An/5460) [opinion](http://ardictionary.com/Opinion/1740) [of](http://ardictionary.com/Of/869) [the](http://ardictionary.com/The/2611) [value](http://ardictionary.com/Value/247) [of,](http://ardictionary.com/Of/869) [from](http://ardictionary.com/From/6446) [imperfect](http://ardictionary.com/Imperfect/1286) [data,](http://ardictionary.com/Data/561) [either](http://ardictionary.com/Either/1005) [the](http://ardictionary.com/The/2611) [extrinsic](http://ardictionary.com/Extrinsic/7237) [(money),](http://ardictionary.com/Money/6372) [or](http://ardictionary.com/Or/1924) [intrinsic](http://ardictionary.com/Intrinsic/6482) [(moral),](http://ardictionary.com/Moral/6944) [value;](http://ardictionary.com/Value/247) [to](http://ardictionary.com/To/4489) [fix](http://ardictionary.com/Fix/2935) [the](http://ardictionary.com/The/2611) [worth](http://ardictionary.com/Worth/3987) [of](http://ardictionary.com/Of/869) [roughly](http://ardictionary.com/Roughly/7750) [or](http://ardictionary.com/Or/1924) [in](http://ardictionary.com/In/1915) [a](http://ardictionary.com/A/1) [general](http://ardictionary.com/General/1233) [way;](http://ardictionary.com/Way/1282) [as,](http://ardictionary.com/As/9128) [to](http://ardictionary.com/To/4489) [estimate](http://ardictionary.com/Estimate/5016) [the](http://ardictionary.com/The/2611) [value](http://ardictionary.com/Value/247) [of](http://ardictionary.com/Of/869) [goods](http://ardictionary.com/Goods/3166) [or](http://ardictionary.com/Or/1924) [land;](http://ardictionary.com/Land/686) [to](http://ardictionary.com/To/4489) [estimate](http://ardictionary.com/Estimate/5016) [the](http://ardictionary.com/The/2611) [worth](http://ardictionary.com/Worth/3987) [or](http://ardictionary.com/Or/1924) talents [of](http://ardictionary.com/Of/869) [a](http://ardictionary.com/A/1) [person.](http://ardictionary.com/Person/4420)”
	3. Predictions – guesses of the future based on facts, estimates and experience
		1. “Predictive marketing helps businesses better understand customer desires, needs, and behaviors for a greater return on investment”
		2. “Predictive marketing can help improve customer service practices”
		3. “While attractive, using predictive marketing to define new products and services is still in the conceptual stage for many industries”
	4. Relationships – how information is interacts with each other
	5. Marketing Information – information on customers, competitors, the external environment (government regulations, economy, social changes)
		1. Information collected has value only when used to make better decisions.
		2. Data must be understandable and accessible to be used.
		3. Managers must not allow bias to enter their perspective of research results.
		4. Outcomes can be construed in multiple ways, so managers and researchers must work together to interpret research results and develop conclusions.
2. Identify types of information used in marketing decision-making.
	1. Primary: Information collected for the specific purpose at hand
		* 1. *Observational research*: The gathering of primary data by observing relevant people, actions, and situations. Examples: watching shoppers in a grocery store, observing traffic patterns, and developing a lab (e.g. Fisher Price toy lab) to watch people react to and interact with products
				1. Monitors exterior reactions but fails to yield an understanding of feelings, attitudes, and/or motives
				2. *Ethnographics*: Consumer research that reveals the unspoken cultural and social patterns that shape consumer behavior and attempts to capture these personal characteristics.
			2. *Survey research*: The gathering of primary data by asking people questions about their knowledge, attitudes, preferences, and buying behavior. This method is the most flexible and best suited for gathering descriptive information.
			3. *Experimental research*: The gathering of primary data by selecting matched groups of subjects, giving them different treatments, controlling related factors, and checking for differences in group responses.
	2. Secondary: Information that already exists, having been collected for another purpose.
		1. Secondary research involves the study of information already generated and collected, it can be internal or external
			1. daily, weekly, monthly, and annual sales reports, broken down by geographical area, by product line, or even by product
			2. accounting information (e.g., spending and profitability)
			3. competitive information gathered by the sales force
		2. Includes sources like:
			1. Customer surveys
			2. Actual sales figures
			3. Company financial reports (income, balance, etc.)
			4. Observations of customers buying preferences
			5. Government. Examples: SBA, stat-usa.gov, and census.gov
			6. Commercial providers. Examples: compuserve.com, Hoovers Online, CNN, and demographics.com
			7. Outside suppliers
			8. Commercial online databases: Computerized collections of information available from online commercial sources or via the Internet. Examples: Dialog and LEXIS-NEXIS
3. Identify types of marketing information useful to marketers.
	1. Who are my existing and potential customers?

Research approaches

* 1. Am I offering the kinds of goods or services my target customers want?
	2. Are my prices competitive?
	3. Are my promotional activities reaching my target audience?
	4. What is my business image?
1. Describe ways that marketers use marketing information. See <http://tutor2u.net/business/marketing/research_uses.asp>
	1. Customer segmentation
	2. Buying patterns
	3. What are the business risks?
	4. What are the current trends and potential problems in the market?
	5. What is the best plan of action?
2. Explain the impact of marketing information on marketers.
	1. Information is generated in vast quantities through technology.
	2. Not all information is relevant and marketing managers must sort through the volume to get to quality, useful data.
	3. Information must be controlled effectively to provide marketing information in the right form, at the desirable time.
	4. New and existing businesses alike need timely information in order to make good decisions.

*Level:* Specialist*.*

***Performance Indicator****: Identify data monitored for marketing decision making (IM:184, IM LAP 11)*

1. Define the following terms: request and complaint reports, lost sales reports, call reports, and activity reports.
	1. request and complaint reports are ways to track customer requests (for information or products) or complaints
	2. lost sales reports track information as to why a sale didn’t close (for example; price, the product, competitor, etc.)
	3. call reports track the calls made to customers (date, time, who, what was discussed, etc.)
	4. activity reports track what has happened with an account (customer) and current status
2. Explain information contained in sales and expense reports that is monitored for marketing decision-making.

There are different ways to define a sale. Has a sale occurred when the order is taken? When the product has been shipped or delivered? Or when the customer has paid? However you define it, the data must be recorded consistently

* 1. throughout the company, or sales volume analyses are likely to be inaccurate. You’ll also need to decide what units of measure to use.
	2. Sales reports contain dollar amounts and units sold. By measuring sales in more than one way, companies can analyze sales volume as accurately as possible.
	3. Expense reports show how much money is being spent to secure the order from the customer. Expenses such as dinners, gifts, trips, etc. are tracked and compared.
1. Describe information in reports provided by salespeople that is monitored for use in marketing decision-making. Sales figures can be considered:

• By territory

• By salesperson

• By product or product line

• By distribution method

• By customer group or type

• By order size

• By method of sale (online, catalog, in-store, etc.)

1. Discuss information about customers that is monitored for marketing decision-making.
	1. Length of history as a customer
	2. Size and frequency of orders
	3. Complaints and returns
	4. Potential for growth
	5. Lost sales and reasons
2. Explain information about competitors that is monitored for marketing decision-making.

• Sales volume data

• Market share data

• Insights into the company’s strengths and weaknesses

• Insights into the company’s future plans (new products, new marketing campaigns, etc.)

• Financial records (for public corporations)

1. Demonstrate procedures for identifying information to monitor for marketing decision-making.
	1. A company must look at the whole picture of what is going on (internally and externally)
	2. The objective is to be successful
		1. What does the company need to know about:
			1. Current customers and potential customers
			2. Current and potential competitors
			3. Changes in government regulations or tax laws
			4. Internal communications, are they effective or constrained?
			5. Who is retiring? Who is in over their head?
			6. How is technology changing?