

Sales Promotion

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Definition of Sales Promotion

Activities or materials that support the purchase or sale of products or services. Typically irregular and focused on achieving immediate, short-term effects.

- * Uses direct stimuli or advantages to influence decision-making.
- * Appeals to saving money or gaining something valuable.
- * Short-term effectiveness: consumer behavior returns to normal after the promotion ends.

Examples of Sales Promotion

- * More favorable prices/discounts.
- * Free goods.
- * Monetary prizes in competitions.
- * Coupons.
- * Samples.
- * Premiums.
- * Consumer competitions.
- * Product demonstrations.
- * Gifts.
- * Exhibition equipment.

Disadvantages of Sales Promotion

- * Can damage the image of the company if it constantly offers sales.
 - * Frequent promotions may lead consumers to only buy when there's an incentive.
- * Consumers may only be buying because of the discount, not the product itself.

Purpose of Sales Promotion

It's a form of marketing communication that uses additional incentives to stimulate interest in the sale of products.

The goal is to increase sales in the short term by offering a limited-time benefit and encouraging an immediate purchase reaction.

Goals of Sales Promotion

- * To induce a purchase (e.g., free samples).
- * To stimulate repeat purchases (e.g., loyalty cards).
- * To differentiate products from competitors.
- * To build and improve company image.
- * To increase distribution efficiency (e.g., coupon collection).
- * To inform about future sales (e.g., assortment changes).
- * To appeal to the integration of other parts of the communication mix.

Types of Sales Promotion Goals

- * Horizontal: To increase the customer base and the number of retailers selling the product.
- * Vertical: To encourage existing customers to buy more frequently or outside of the typical

Forms of Sales Promotion

Classified according to the target subject:

- Trade-oriented,
- sales personnel-oriented,
- or consumer-oriented.

Sales Promotion Tools Oriented to the Consumer

- 1. Product samples
 - 2. Loyalty rewards
 - 3. Rebates
 - 4. Premiums
 - 5. Promotional gifts
 - 6. Coupons
 - 7. Competitions and lotteries
 - 8. Trade fairs and exhibitions
 - 9. Merchandise presentation