

## SALES PROMOTION TOOLS FEATURES

M. IŠORAITĖ

*Vilnius kolegija/University Applied Sciences, Didlaukio str.49, Vilnius, Lithuania  
misoraitė@gmail.com***Abstract**

*The article analyzes that sales promotion is the totality of customer-oriented actions aimed at increasing sales by facilitating the purchase of goods. In order to achieve sales growth, not only end users but also salespeople can be encouraged. Sales promotion can have three strands: end-user promotion, merchant promotion, sales staff promotion. Businesses, based on business model, product and service specifics, and potential customer segments and their behavioral motives, refine sales promotion strategies that enable existing and prospective customers to create the best experience, uncover competitive advantage and increase sales throughout the customer journey. Companies also clarify a specific action plan to drive sales at all points of contact with the customer: post office, soc. networks, websites, presentations, commercial offers, media, and of course, physical outlets.*

**Key words:** *sales promotion, sales promotion tools, sales promotion advantages and disadvantages.*

**JEL Classification:** *M31, M37*

**I. INTRODUCTION**

Sales promotion is very important nowadays, because the company has to implement a number of measures, such as promotions and discounts, coupon distribution, product tasting, loyalty programs, in order to ensure effective product sales ensuring physical distribution of production, active price policy, and after-sales service. The company, its sales agents and salespeople use a variety of sales promotions. Nowadays there is an increasing focus on sales and sales promotion. Every day, we interact with sellers who offer a wide range of goods. Sales promotion is needed to sell goods and services faster and more efficiently. It is very important to choose the right sales promotion tools. Sales promotion is the most important tool to increase sales of a product or service. The main purpose of sales promotion is to encourage the buyer to purchase the item as soon as possible. These tools are used by wholesalers, retailers. Sales promotion is needed to attract new customers and retain existing ones. Sales promotion is sought through various competitions through social networks, e.g. facebook, instagram, discounts, exhibitions, demos, auctions, games via social networks, special offers.

Sales promotion is a short-term measure aimed at facilitating the acquisition of goods and services by increasing their sales.

**II.SALES PROMOTION DEFINITION**

Sales promotion is used by merchants: both wholesalers and retailers. It is very important to stand out and compete on value, not price. Traders gather information about about shoppers, their habits, hobbies, and lifestyle trends. It is very important to make predictions about customer buying trends, identifying customer segments can be used to generate individual offers and communicate through various channels. Having a loyalty program with personalization capabilities can help a merchant increase profits through the buyer, increase the efficiency and profitability of their marketing efforts. In order to speed up the sales process, it is important to follow the sales cycle, ensure fast communication and analyze results. Sales promotion helps you track every sales opportunity, share information about successful and lost transactions with your team, and measure results. Sale place design helps to make goods more attractive and to make it easier for the buyer to find them. Sale advertising draws the attention of the buyer to the distinctiveness of the various promotions and the benefits they offer. The excellent form of communication between advertising and product characteristics is reflected in the design of the packaging. The order of the buyer and the expediency of advertising are determined by the orderly display of the product in the right place, the right quantity on the shelf, the timely provision of correct information and other factors guaranteed by the goods maintenance work. Tastings and presentations effectively reveal certain product features and communicate in two directions: both shoppers learn a great deal and manufacturers receive first-hand feedback. Lotteries, games and a number of other promotional activities attract attention and make a significant contribution to the customer's decision to purchase the products . The information collected at the point of sale helps to make invaluable decisions and drive sales.

Sales promotion is an element of the marketing mix that informs, persuades and reminds the market about the organization and / or its products. Sales promotion covers all the ways in which an organization

communicates with potential consumers. Sales promotion efforts try to influence consumers' feelings, beliefs, and behaviors.

Table 1 present different definition about sales promotion. Kotler, P., Keller, K. L. (2006) state that sales promotion is diverse a set of promotional tools to encourage consumers or merchants to run faster. Pajuodis, A. (2002) define that sales promotion is the totality of short-term actions directed at buyers. Sūdžius, V. (2002) state that sales promotion takes the form of communication with the consumer or potential buyer through various means sales methods.

Sales promotion is shor run sales promotion tools directed to potencial users.

**Table 1. Sales promotion definition**

Author	Definition
Kotler, P., Keller, K. L. (2006)	Sales promotion is diverse a set of promotional tools to encourage consumers or merchants to run faster and larger purchases of products or services.
Belch, G. E., Belch, M. A. (2003)	Sales promotion are direct incentives that offer additional value or product incentive merchants, suppliers, or end users in order to make an immediate purchase.
Pajuodis, A. (2002)	Sales promotion is the totality of short-term actions directed at buyers that, once concluded facilitating the acquisition of goods, the aim is to increase sales.
Sūdžius, V. (2002)	Sales promotion takes the form of communication with the consumer or potential buyer through various means sales methods, direct contacts, product exposure, information and other tools, public opinion-forming, active consumer opinion on the firm and its products
Čereška, B. (2004)	Sales promotion - a whole set of short term promotions tools and techniques that encourage buying or selling at additional discounts.
Albrechtas J. (2006)	Sales promotion - there is information for consumers about what is on the market products and services to persuade them that they need to be purchased.
Grubor A., Djokic N., Milicevic N. (2015)	Sales promotion is a significant part of a firm's marketing activities, especially in modern economies where prices are rising fast, consumers are becoming more sensitive to price changes.

Sales promotion provides information on product availability, features, benefits, and price. Even the best product is worthless if the consumer is unaware of its existence, point of sale, price, features, and so on. Sales promotion involves a variety of short-term measures of emotional impact on the buyer. Sales promotion adds value to the product or promotes the behavior you want. The main purpose of sales promotion is to support sales in a relatively short period of time. Consumers face sales promotion every day when buying goods and services. Recent developments have been related to sales promotion and its tools. In the current age, goods and services are changing and technology is improving. New goods are being created and demand for new goods is increasing. Increasingly, new, additional commodity components are being added to existing commodities as the development of new technologies encourages commodity companies to adapt to market conditions. Goods have a connection with consumers, thus becoming a value and a profit that compete with each other. To stand out from the competition, a great deal of effort is needed to stay in touch with consumers. Consumers can only decide to buy a product if they have sufficient knowledge of it. The consumer must be informed about the product or service being sold, the price, the place and time of delivery, and the consumer must be encouraged to buy the product. In this case, sales promotion tools are used.

Sales promotions are used to attract new buyers, to encourage existing buyers. Sales promotions often attract shoppers, as shoppers who prefer another brand are less likely to be impacted by sales promotions. Buyers who change brand name pay attention to lower product price, its usefulness. Sales promotion increases short-term sales growth. Sales managers estimate the costs associated with sales promotion. When a company frequently uses sales promotions, customers become accustomed to buying at a discounted price and interest in buying at a normal price disappears. Sales promotion does not attract new shoppers because the sale attracts price sensitive consumers who change their preferences as soon as the opportunity to buy another product at a lower price becomes available. Sales promotion at a price only has a short-term effect.

### III.SALES PROMOTION TOOLS

According to Kotler, P., Keller, A. (2007) sales promotion is the most important element of marketing communication, consisting of various (mostly short-term) measures that encourage consumers or traders to try and buy a particular product more often and in larger quantities. Promotional activities may be targeted at consumers (samples, coupons, refunds, discounts, bonuses, prizes, consumer awards, free trial of goods, warranties, extras, combined promotion, product promotion and product demonstration); to merchants (price

reductions, promotional allowances and free merchandise) and corporate sales staff (sales exhibitions, sales representative courses and special advertising).

Sales promotion is a short-term means of communication, although it serves the long-term goals of the company. In addition, the goals are detailed into: increasing the sales volume of needs; attract new consumers of industrial goods; Achieve more repeat purchases to achieve faster recognition of a new product; increase consumer loyalty to company products.

Measures to promote sales include:

1. Consumer Promotion Orientation Measures: Free Product Samples; sale of samples of goods; gifts, bonuses; competitions, lotteries; vouchers; yatinga price (short-term price reduction); the lower the cost of a larger package (larger number of items).

2. Merchant Promotion Orientation Measures: Initial Lot Discount; quantity (turnover) discounts; in-kind discounts; sponsorship appropriations; cooperative sponsorship; point-of-sale advertising; training of merchants; merchant contests.

Bakanauskas, A. (2012) suggested sales promotion tools:

**Discounts.** This is the most common monetary method of sales promotion. Thanks to him the price reduction. Discounts are a faster way to attract customers, encourage customers to buy products at a lower price, and then buy in larger quantities. The Opera and Ballet Theater applies these discounts:

1. For groups (over 15 people) tickets are sold at a 15% discount.
2. One hour before the performance, full-time students, schoolchildren, teachers, faculty and seniors over the age of 65 will receive a one-off ticket to the performance for that day at a 70% discount.
3. On the occasion of the birthday, a ticket to the performance of the day is given to the soloist. 20% off tickets for his guests.

**Money back and discounts.** This tool can help you attract new consumers, encourage you to choose your product, and buy again. Refunds can be perceived as quick savings.

**Coupons.** These are cards or slips that give the cardholder an incentive to purchase the item. The rewards are expressed as a percentage or a specific amount, and most often the coupon's expiration date.

Electronic Gift Voucher is a quick way to find the best gift idea. All you have to do is choose the price you want to purchase and immediately after payment, the voucher will be sent to your specified e-mail - all you need to do is print it and deliver it to the addressee in a beautifully packaged way. So this is a bold choice when you have no idea what would make your closest friend the most happy.

Dams would love lingerie gift cards, beauty products, while men would be fascinated by sports or new technology attributes, but you wouldn't have to decide in advance which category to look for. Our e-shop offers an extremely wide range of products, so gift vouchers will be suitable for children, men, women and anyone who wants to spend their leisure time actively taking care of themselves, home or loved ones. Gift certificates for fishermen are also a good choice, as we have a large selection of items for this activity, and without knowing the specifics of fishing, choosing a useful item can be quite difficult.

**Bonus packs.** It is a means of offering consumers a larger quantity of the product at the usual price by giving them a larger box or additional units. This promotional value adds value, protects against the influence of competitors' promotional measures or helps to introduce a new brand.

**Examples of goods.** It's an effective, yet expensive, promotional tool that offers free or partially paid samples of a new product. Accessories are a form of gift for a particular product or service as an additional incentive to purchase a basic product.

**Contests, lotteries.** They are attractive and have a passion. The competition requires participants to demonstrate some knowledge, and the prize draw is dominated by chance. For example brand Žalioji rūta apply lottery: guest game - lottery. You can create lottery text of your own, as well as the layout design can be customized, adapted to the theme of your celebration and other layouts. Here are just examples. When three identical characters are found, the ticket is lucky. There may be a few lucky tickets, and get the prize invented by the young. Lottery tickets can only have one scrubbing layer behind which the prize is hidden. This lottery wins smart prizes. The more interesting they are, the more fun they will be. The prize draws from a special prepared box or bag that needs to be prepared in advance. Lottery tickets can only have one scrubbing layer concealing the prize. This lottery wins smart prizes. The more interesting they are, the more fun they will be. The prize list must be sent, examples are given.

**Loyalty programs.** These incentives encourage consumers to re-purchase the same product or goods from the same company.

The THANK YOU loyalty program is designed to bring benefits and added value to you and our business:

to enable loyal customers to purchase goods and / or services on favorable terms, to provide them with promotions and discounts and other benefits;

retaining existing and attracting new customers, maintaining long-term relationships with them;

to know and understand the buyer, the Program participant, their needs and expectations;

to develop MAXIMA stores according to customer needs, offering what customers need and making MAXIMA the most convenient shop for customers.

By signing up for the Loyalty Program THANK YOU, you will receive special promotions, discounts, offers and other Program benefits at all MAXIMA stores, as well as Program Partner product and service locations.

You can participate in the program if you are a natural person at least 18 years of age. You participate in the program until you cancel your membership or while your THANK YOU card is active.

Sales promotion advantages and disadvantages

#### **IV. SALES PROMOTION IN PRACTICE**

Nowadays, sales are increasing, and as the economy grows, consumers' purchasing power increases. Thousands of shoppers come across sales and sales every day. Speeding up sales requires sales promotion. Sales promotion includes a number of tools that provide information to the target market. The mesh market depends on the product for the intended users, just for whom the product is intended. Sales promotion is a way to increase sales of a product or service. The main purpose of sales promotion is to get the buyer to buy the item as soon as possible. Sales promotion is designed to attract new customers, retain existing customers. Promotional items such as promotions, contests, discounts, exhibitions, tastings, games are used. Sales promotion is a short-term means of communication where certain actions aim to facilitate the acquisition of goods by increasing their sales.

Sales promotion measures are applied in many Lithuanian companies. In these times of competitive globalization, only those who use properly selected sales promotion tools that spend their company money on advertising, brochures, catalogs, leaflets, loyalty programs, coupons, promotions, discounts, and sample samples are profitable. Promotions and discounts attract the attention of buyers. To compete successfully in the market, you need to look for new sales promotion tools. Correctly selected sales promotions are the way to successful business.

Senukai Shopping Center has its loyalty card Myliausia. Myliamusia loyalty card, which gives you a variety of benefits when shopping at the Senukai and Loyalty Program Mylimiausia affiliate marketplaces. There are two types of this card:

SEB Mylimiausia MasterCard is a payment card issued by SEB Bank, which is also a card of discount and loyalty programs at the points of sale of Čili Holdings UAB, Gintarinė vaistinė UAB, Circle K Lietuva UAB, Kesko Senukai Lithuania UAB;

Mylimiausia loyalty card is the general loyalty and discount card of UAB Čili Holdings, UAB Gintarinė vaistinė, UAB Circle K Lietuva, UAB Kesko Senukai Lithuania.

The favorite benefits of a loyalty card are:

1. Accumulate and Use Your Mylimiausia Euro is now available jointly with any of our three Loyalty Program partners: AMBER Pharmacy, SENUKAI (excluding Franchise Partner UAB Keliukai) and ČILI.
2. For loyalty program participants, their Mylimiausia card will receive 1% return on each purchase receipt (including promotional items).
3. In SENUKAI shopping centers with discount card MYLIMIAUSIA and bank discount card SEB MYLIMIAUSIA MASTERCARD, discounts and special offers valid at the point of sale are available.
4. Accumulated Favorite Euro can pay up to 75 percent other purchase values (including stock).
5. 1 Mylimiausia value of the euro is 1 euro.

Shopping center Senukai have CLASSIC loyalty card. Loyalty card promotions are not valid for online purchases, and loyalty points do not accrue.

CLASSIC points (1% of your purchase amount) accrue on your card account each time you shop with a CLASSIC card.

CLASSIC points can be used to pay up to 50% of the purchase value.

CLASSIC points accrue if CLASSIC points are settled.

CLASSIC points accrue on stock purchases.

CLASSIC points do not accrue and cannot be charged if purchased under a special kit.

CLASSIC points do not accrue and cannot be paid for items marked EXTRA.

CLASSIC points accrue but cannot be paid for items in other promotions.

CLASSIC points do not accrue and cannot be used for tobacco products, sugar, alcoholic beverages, other excise goods, third-party services (lottery tickets, prepaid calling cards and goods purchased in supermarket tenants' shops).

CLASSIC points do not accrue and cannot be paid for with GOLD discount card wholesaler discount cards.

CLASSIC points can be settled when at least one CLASSIC point has been accumulated.

Your accumulated CLASSIC points can be seen on the cashier's receipt.

One CLASSIC point equals one euro.

GOLD loyalty card is used by wholesales.

Loyalty Cards are only valid at Ermitažas stores. Loyalty card promotions are not valid for online purchases, and loyalty points do not accrue.

GOLD points (2% of your purchase amount) accrue on your card account each time you shop with a GOLD card.

GOLD points can be used to pay up to 50% of the purchase value.

Points earned on invoice purchase are transferred to the card once a month, until the 10th of the current month.

GOLD points accrue if settled in GOLD points.

GOLD points also accrue when buying stock.

GOLD points do not accrue and cannot be settled if purchased according to spec. kit.

GOLD points do not accrue and cannot be charged for items marked EXTRA.

GOLD points accrue but cannot be paid for items in other promotions.

GOLD points do not accrue and cannot be used to pay for tobacco products, sugar, alcoholic beverages, other excise goods, and third party services (lottery tickets, prepaid calling cards, and merchandise purchased from supermarket tenants).

GOLD points do not accrue and cannot be claimed with CLASSIC card discounts.

GOLD points can be settled when at least one GOLD point has been accumulated.

Your accumulated GOLD points can be seen on the cashier's receipt.

One GOLD point equals one euro.

## V. CONCLUSIONS

In order to encourage shoppers to visit shopping centers more often, sales promotions should be more frequent. Buyers are most encouraged by discounts and promotions. Discounts and promotions should be visible and quickly noticeable. They should be distinguished from other prices by color and even size. When applying sales promotion measures, it is necessary to take into consideration the interests of the buyers, the interest of the customers, and the feedback with the customers. Shoppers are more likely to notice advertisements on TV and the Internet, so you should think about what kind of advertisements to present. When arranging promotions and discounts, it is necessary to procure these goods in advance before announcing the promotions. This would reduce the number of dissatisfied buyers and make them more satisfied. In order to encourage shoppers to visit stores more often, sales promotions should be used more frequently. Discounts should be visible and quickly noticeable. It is also recommended that you advertise more on business promotions. Businesses must take into account what interests buyers and provide them more effectively when applying sales promotion. Doing so would attract more buyers. Consumers are more likely to notice advertisements over the Internet as well as television. When arranging promotions, it is necessary to procure these commodities in advance and only then announce the promotions. This would reduce the number of dissatisfied buyers.

## VI. REFERENCES

1. Bakanauskas, A. (2012). Integruotosios marketingo komunikacijos. Mokomoji knyga [interaktyvus]. Kaunas: Vytauto Didžiojo universitetas.
2. Belch, G. E., Belch, M. A. (2003). Advertising and Promotion: An Integrated Marketing Communications Perspective. McGraw-Hill.
3. Čereška, B. (2004). Reklama: teorija ir praktika. Vilnius.
4. Grubor, A., Djokic, N., Milicevic, N. (2015). Sales promotion activities in the global marketing concept.
5. Kotler, P., Keller, K. L. (2006). Marketing Management. New Jersey, Pearson Education.
6. Pajuodis, A. (2002) Prekybos marketingas. Vilnius: Eugrimas.
7. Sūdžius, V. (2002) Pardavimų valdymas: principai ir praktika.
8. [https://www.sorbum.eu/lithuania/lt/paslaugos/?gclid=EAlaIQobChMIs5TbvZSy5QIVxawYCh0h3wegEAAYAiAAEgKhGfD\\_BwE#!pirkimo-vietoje](https://www.sorbum.eu/lithuania/lt/paslaugos/?gclid=EAlaIQobChMIs5TbvZSy5QIVxawYCh0h3wegEAAYAiAAEgKhGfD_BwE#!pirkimo-vietoje)
9. <https://www.pigu.lt>
10. <https://www.zaliosrutos.lt/gimtadienio-loterija>
11. <https://www.senukai.lt>
12. <https://www.ermitazas.lt>
13. <http://www.studijoms.lt/marketingo-planas-2.htm>