

34 Lecture - MGT301

Important Subjective

- 1. What is the difference between consumer promotions and trade promotions?**
Answer: Consumer promotions are aimed at the end-users or consumers, whereas trade promotions are targeted towards retailers, wholesalers, or distributors.
- 2. What is the purpose of a loyalty program?**
Answer: The purpose of a loyalty program is to encourage repeat purchases by offering incentives or rewards to customers who frequently buy from a particular company.
- 3. What are the advantages of using sales promotions?**
Answer: Sales promotions can help boost sales, create brand awareness, encourage customer loyalty, and differentiate a company's products from its competitors.
- 4. What is a point-of-purchase display?**
Answer: A point-of-purchase display is a marketing tactic that involves displaying a product or products at the point of sale, such as at the checkout counter or on an endcap in a store.
- 5. What is a rebate, and how does it work?**
Answer: A rebate is a sales promotion tactic that involves offering a cash refund to customers who purchase a product or service. Customers typically need to fill out a form and submit proof of purchase to receive the rebate.
- 6. How do trade promotions differ from consumer promotions in terms of their goals?**
Answer: Trade promotions are typically aimed at increasing sales by encouraging retailers or wholesalers to stock and promote a particular product. Consumer promotions, on the other hand, are aimed at increasing sales by encouraging end-users or consumers to purchase a particular product.
- 7. What is a premium, and how is it used in sales promotions?**
Answer: A premium is a sales promotion tactic that involves offering a free item or gift with the purchase of a product or service. This can help incentivize customers to make a purchase and can also help differentiate a company's products from its competitors.
- 8. What is the purpose of a sweepstakes?**
Answer: The purpose of a sweepstakes is to create excitement and interest around a particular product or brand by offering a chance to win a prize.
- 9. What is the difference between push and pull strategies in sales promotions?**
Answer: Push strategies involve promoting a product or service to retailers or wholesalers, with the goal of getting them to push the product out to consumers. Pull strategies, on the other hand, involve promoting a product or service directly to consumers, with the goal of creating demand that will pull the product through the supply chain.
- 10. What is the role of incentives in sales promotions?**
Answer: Incentives are used in sales promotions to encourage customers to make a purchase, often by offering a discount, a free gift, or some other type of reward or incentive for taking

action.