

## ➤ Using promotion to boost sales and brand value

### Introduction

Kellogg's has 42% of the UK market for breakfast cereal. This makes it the market leader. It splits its market into six parts. This helps it to target each part. Parts are named for the consumers in them. They include "Mum Approved" brands such as Rice Krispies, "Tasty Start" brands such as Corn Flakes and "Inner Health" brands such as All-Bran.

### Promotion

Promotion is part of the marketing mix. The other parts are price, product and place. Kellogg's need a good product at the right price. It must be available to buy (place).

Promotion does two jobs, it:

- \* tells consumers that a product exists
- \* persuades them to buy it.

To do this it uses above and below-the-line methods. Above-the-line methods are directly paid for. These include TV and press adverts. Below-the-line methods include public relations (PR), price reductions and special offers.

The three key parts of a good promotion are to:

- \* attract consumers
- \* have a clear strong message
- \* encourage the retail trade to support the event.

### Effective promotion

At Kellogg's promotions are called 'events'. Two recent events show how the key parts are brought together. The target of the first was families. The key link was with Star Wars TM movies. The event included a TV commercial, special packs with free gifts and online support. Success was shown by Kellogg's share of the target market rising from 40-45% to 53%.

The second event was aimed at adults. It promoted Kellogg's Crunchy Nut. This event was based on a competition to win gold coloured Minis apologising for the irresistibility of Crunchy Nut. This was also a success.

### Target spending

Kellogg's targets below-the-line spending at consumers and the retail trade. The Star Wars event had special pack inserts for the consumer. It also had value-added offers brought to consumers via the retail trade.

All parts of an event must be effective. They must also be legal, honest and truthful.

Co-ordination at Kellogg's  
Events must be carefully managed.

All Kellogg's departments must work together. These include:

- \* Finance, to provide a budget.
- \* Packaging, to ensure good design.
- \* Legal, to handle contracts and make sure adverts are legal and truthful.

Events are managed by the Consumer Promotions Team. It manages communication, original ideas and the delivery of the event.

### **Conclusion**

Kellogg's events need to be exciting and effective. This takes good and well managed teamwork. Kellogg's check the market to see if an event is a success. For instance, over 800,000 extra households bought one of the Star Wars<sup>®</sup> brands. This is a good measure of success and shows effective teamwork.

STAR WARS<sup>®</sup> TM is a trademark of Lucasfilm Ltd, and its affiliate. All STAR WARS property<sup>®</sup> 2005 Lucasfilm Ltd. All rights reserved.