



21 Moepel Str, Dalpark X5, Brakpan
Tel : (011) 915-8833
Web : www.silverlizzard.co.za
email : franchising@silverlizzard.co.za

Making the most of your promotional budget

Copyright by Nolan Clark (www.silverlizzard.co.za)
Extracted from his book '*So you want to start a business?*'

Isn't it amazing that when you go to a trade fair, it seems like some people are only there for the freebies? I know because I sometimes feel like I am one of those people. I am often willing to stand at a stall listening to a salesman's pitch for a few minutes just to be able to get my claws on the samples / gifts they are handing out, even though there is no possibility of me buying the product he is selling.

What is the point of promotional items then if they often end up in the hands of those that will never support your business? That sounds like a waste of money.

Far from it. You see promotional items form part of your branding strategy so are not meant to bring in an immediate sale. They are meant to put your name out there and more specifically in the minds of your potential customers.

Let's face it, you are not going to buy a R3000 home gym if you are not in the market for one, just because the salesman gave you a free pen worth R1. It simply isn't enough incentive. What you will do however is use the pen and keep seeing the branding on the pen. If that pen lasts for three months before you throw it away, that pen has over those three months manages to imprint the business' name in your mind. It has also helped to imprint the business' name in the minds of those that were with you every time you used the pen. Somewhere along the line you, someone you know or someone who saw you using the pen will want to buy a home gym. Who are you going to think of first, who are you going to tell your buddy to contact?

Wow so that single R1 pen could end up 'selling' a few home gyms over a long period of time. Just imagine how much business 5000 pens could generate?

Now compare that to say a standard flyer. What is the lifespan of a flyer? Zero seconds at worst, a week or two at best. Now you can start to see the amazing power of promotional items.

There are literally tens of thousands of promotional items to choose from with new ones coming out faster than the speed of lightning all the time.

Here are some situations where you could use promotional items effectively :

a) To get your business known

This works equally well with a new or old business and every business should always have some form or the other of promotional item on hand to give away.

These items should not cost too much as you want to hand them out left, right and center to everybody and anybody. Remember that the item may cost only a few Rands, and a whole batch maybe R5000, but even just a few sales generated from people remembering your business is quickly going to recoup that expense plus some more.

Why most businesses fail to use promotional items is because it is very difficult to directly measure the amount of sales they generate unlike a flyer or TV advert. The business owner then thinks that they have wasted their money. Promotional items

have a knock-on effect, the more you hand them out and over the longer period you continue to hand them out, the easier it becomes to see the results of the campaign.

b) To gain new customers

We all like to get something for nothing or feel that we have bought a bargain. As a businessman you need to tap into this powerful psychological weapon you have at your disposal. We have all seen the 'Buy this and you get that free, but wait there's more...' TV adverts. These guys are exploiting this phenomenon to the extreme, often only selling you the actual product, but breaking it down into its components to appear more. Here is an example :

'If you order your super duper 5 meter toilet roll now we will add the perforations at regular intervals for free, but wait there's more as a special bonus we will even throw in a special wrapper around the roll. The wrapper is guaranteed to keep your toilet paper on its roll and clean until you decide when it is time to remove it. The wrapper is tastefully decorated with a scientifically designed butterfly motif so you can even put the roll on the cistern as a decoration to impress you friends..... How much would you expect to pay for all this? R200, R100, even R50? No, if you call within the next hour we will throw in an extra eleven rolls, yes that's right folks – that's twelve super duper toilet rolls, with perforations and the decorative butterfly wrappers for the amazingly low price of only R30, but only if you call within the next hour.....

Pathetic you think, but it works. You can use promotional items to get the same effect. Let's use another example :

If you and your competitor are both selling the same video machine, at the same price, but you throw in a free video head cleaning kit that has been branded with your business' name. Who do you think is going to sell the most video machines? The extra cost of the head cleaning kit is quickly going to be made up by the extra video machines you will sell.

The big trick is to use a promotional item which adds a significant PERCEIVED value to the product, even though it may not cost much.

c) To thank existing customers

You need to keep your customers or your business is not going to last very long. How better way to keep them than to show them that you appreciate their business. Promotional items can be used for this.

There are many creative ways to do this, here are some of them :

- i) Hand each child a branded balloon when they leave / enter the store.
- ii) Hand each lady a branded mini hand cream that fits in their hand bag on Mothers Day.
- iii) Set up a rewards card where each Rand purchased builds up points. These points can then be exchanged for quality items that have been branded.

There are so many ways to reward your customers with promotional items, the possibilities are endless.

d) As teasers with invitations to events or product launches.

If your company is launching a new product or hosting an event, why just send out a boring invitation? Add a related promotional item to the invitation. If the product is still a secret, the promotional can be their clue. You can then tie in the teaser as part of the actual event.

You can even go one step further and make the teaser the actual invitation

e) To reward employees

Your employees work hard for you, often going beyond the call of duty. What better way to thank them than to reward them with quality promotional items. Make sure that they are items the employee will appreciate and use, otherwise they

will end up in the dustbin and you will have wasted your money. On top of that your employees will think you're a cheapskate.

f) To raise funds for charity

Every business has an obligation to plow back into the community that supports their business. But why just sponsor or donate to a charity when for a bit more of your time you can arrange a fund raising event with that charity. This way you will raise even more money for the charity and gain heaps of exposure for your business at the same time.

Here is an example :

Sponsor a common item that most people want and add your branding to it. Help the charity organize the sale of these items at 200% profit and the charity has doubled their money.

I am sure that after this you realize the potential of promotional items and gifts. If you follow these pointers your business will be racking in the profits sooner than you realize.

Contact Melanie Clark at silverlizzard.co.za on +27(11) 915-8833 today to set the promotional snow ball rolling in your business.

**Starting, Expanding & Promoting
Your Business is Our Business**