Agri-Inputs Advertising and Sales Promotion

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IFDC
WHAT IS SALES PROMOTION

The use of different modes of communication, such as personal dialogue, advertisement & publicity, extension methods, and sales incentives, to increase the sale of specific products in the target market area.
Key Components

- Advertisement and publicity
- Sales incentives to dealers/customers
- Agri-extension methods
Agri-Inputs Products

- Relatively new and wide range of products
- Less educated and poor customers
- Fragmented markets with inadequate access to mass media
- Government controls and policy implication on distribution & pricing
- Products are not directly consumed by customers
- Product performance is dependent on several factors
Risk factors in sales promotion

- Results may not correspond with claims made through advertisement.
- Improper timings and use methods may affect the product performance.
- Customers may not agree/understand on what is stated in the advertisement considering it as a sales gimmick.
Media Mix Approach to Sales Promotion

To minimize risks, adoption of a media mix approach is considered more effective. Allocation of adequate resources to radio and extension methods is necessary in developing markets.
Advertising

Paid communication through which a marketing enterprise informs the customers emphasizing the benefits and value of its products
Users of Advertising

- Commercial companies
- Input Manufacturers & Marketers
- Non-commercial organizations
- Agro dealers trade associations
- Wholesale and retail dealers
- Individuals
Commercial companies

- JAL: Japan Airlines
- Pepsi
- Ford
- Kraft Foods
Non Commercial Organizations
Individual advertisers

- TV celebrities
- Physicians
- Lawyers
- Marketing consultants
- Management consultants
Constraints in agri input advertisement

- Farmers have a restricted access to mass media.
- Messages are too brief or difficult to understand all relevant details.
- Ads mainly promote brand image.
- Needs to be consumer friendly
Logo & Brand Publicity

Promotion of Corporate image through company Logo

Promotion of product image through brand name
Company Logos

- General Electric (GE)
  - *We bring good things to life.*

- United States Department of Agriculture (USDA)

- U.S. Agency for International Development (USAID)
  - *From the American People*

- Panasonic
Brands Names

- HYDRO
- IFFCO
- UREA
- SHIKAR
- Sonatex

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Logos and Brands

Logos & brands Create:
- Perception in minds of customers
- Feelings and emotions
- Desire and wants

Logos & brands should be:
- Authentic and relevant
- Uniform and consistent
- Distinct yet simple
- Easy to recognize and remember

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What can build brand image:

- Freshness
- Appealing package
- Guaranteed analysis
- Correct weight
- Free-flowing product
- Easy availability
- Competitive pricing
- After sales service
Other Brand Image building factors

**Slogans**
Concise and simple statements about company’s capabilities

**Tunes and jingles**
Catchy music/ jingles that can be identified with the company and its products:

**Colors**
Use of same colors for logos, brands, buntings, brochures:
Safe-Guarding Image

- Registration
- Misuse by self
- Misuse by others
Corporate and Brand Images Are Very Important Assets of Any Organization
Planning agri inputs Advertising

**Basis**
- New company
- Ongoing project
- Nature of market
- Type of products
Steps in Preparation

- Define objective
- Identify target audience
- Determine message to be communicated
- Determine timing
- Select media
- Develop budget
- Prepare the material
- Implement
Fertilizer Advertising
Objectives

- Introduction of company and products/services
- Launching of new product
- Entering a new market
- Conducting special sales campaigns
- Constant reminders
- Recapturing markets/customers
- Improvement of market participation in specific areas
- Countering competitive activities

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Select target audience

- All farmers or opinion leaders only
- Farmers cultivating all crops or only particular crops
- Farmers all over the country or only in certain regions
- Extension department staff
- Who else
Select Message carefully

- Focus on the objective
- Must be simple
- Must have few topics or subjects
Time & frequency of advertisement

In Agri business time & frequency is critical
Select one or both of the following

- Pre-season
- During season
Selection of appropriate media

↓ List of available media ↓

TV
Cinema Slides
Radio
Print
POP
Billboards/hoardings

↓ Wall painting ↓
↓ Direct mail ↓
↓ Giveaways ↓
↓ Telemarketing, Internet ↓
Basis of Selection of Media

- Objective
- Target audience
- Cost effectiveness
Budget Allocation

Basis:

- As percent sales
- Industry average
- Meet competition
- Activity based
- Historicals plus
Preparation of Material

- Review objectives
- Select theme
- Allocate budget
- Preliminary discussions with agency
- Review of initial material
- “Canning” of final version
- Review before release
Use of Extension Methods

Agri-Extension Methods

- Create awareness
- Develop interest
- Help in evaluation & decision making
Consider Farmer Behavior

- Innovators
- Early adopters
- Early majority
- Late majority
- Late adopters
Field extension methods

- Field demonstrations
- Farmer meetings
- Farm visits
- Soil testing
- Radio/TV farm programs
- Farmers’ training
- Printed material
- Field days
conclusion .......

Remember, even the best advertising and promotional effort will not be able to sustain a bad product or poor service for long.

The best advertising takes place when a satisfied customer talks with other people about how good the product or the service really is.