

A Retail Evaluation of Promotional Tactics in the Food Industry

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In an effort to ease communication between packaged goods manufacturers and retailers, this study investigates food retailers' preferences concerning the various promotional programs used in their stores. Through the use of a mail survey, retail executives from supermarket companies shared their perceptions of 22 specific promotional programs regarding each program's use, effectiveness, and attractiveness for future support. According to retailers, clear and consistent promotional performers include *targeted direct mail*, *shipper displays*, *in-store coupons*, *in-ad coupons*, and *in-store demos and sampling*. It is noted, however, that the use and perceived effectiveness of these programs may not always seem consistent. For example, retailers felt that *promotions tied to local charities* are relatively ineffective for increasing product movement or overall store sales, and yet this promotional tool is used by 92 percent of surveyed retailers. On the other hand, frequent shopper programs received favorable marks regarding program effectiveness, and yet they are not commonly used by retailers in this survey. Ultimately, the value that a retailer places on any given promotion is a function of that promotion's ability to meet stated retail objectives, which may extend beyond any hard sales statistics.

Introduction

The retail food industry has historically seen increases in the level of sales that have more or less paced the inflation of food prices (*Progressive Grocer*, 1999). In such times of limited budgets and market growth, a food manufacturer seeks opportunities that are most likely to increase category growth and share of category sales. To achieve this, food manufacturers seek to increase the brand equity of new product introductions as well as existing products through the use of media advertising (for example, print and television advertisements) and promotional activities (that is, offers that provide incentive for trial) (Green, McLaughlin, and Park, 1998).

By way of example, Procter & Gamble and Philip Morris—both of which have a significant presence in the grocery industry—are consistently among the top three leading national advertisers, spending \$2.7 billion and \$2.0 billion, respectively, for media advertising in 1998 (*Advertising Age*, 1999). As impressive as these expenditures may seem, they represent only a portion of a food and packaged goods manufacturer's total marketing budget. In fact, the trend has been for packaged goods manufacturers to spend an increasing share of their total marketing budget on promotional activities. While 58 percent of marketing

spending was for promotional activities in 1977, this number rose to 65 percent in 1987 and to 78 percent in 1997 (AC Nielsen, 1998). To put this in perspective, AC Nielsen estimates that food and consumer packaged goods manufacturers have spent about \$70 billion annually on trade promotions alone since 1990.

Due to food manufacturers' increased reliance on promotion, it is increasingly important for them to understand the promotional landscape of their retail partners. Unlike advertising, promotional efforts necessitate the cooperation and support of retailers. Unfortunately, the marketing development processes within many packaged goods companies do not accommodate an accurate and regular flow of information from the field sales organization regarding promotional preferences of their retail customers. Because many account-level marketing programs are designed without the input and perspective of the retailer, an increasing number of them receive a cool reception at retail or miss the mark completely. The result is that manufacturers devote a tremendous amount of time and money to promotional campaigns that may never see widespread use.

This disconnect is further exemplified by the contrasting goals that manufacturers and retailers set for the same promotion. According to AC Nielsen, the top three reasons that manufacturers engage in trade promotion are: (1) to increase sales volume; (2) to maintain volume/share; and (3) to increase market share. These motivations are in stark contrast to the most important reasons that retailers give for implementing promotions: (1) to increase store traffic; (2) to improve cate-

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gory profitability; and (3) to increase customer loyalty. The promotional program of a packaged goods manufacturer, therefore, may readily achieve the manufacturer's stated goals and still not achieve the goals established by the retailer. Thus, if the retailer is dissatisfied with the promotion, just how effective will the promotion be at its intent of reaching the customer?

In 1993, the packaged food industry proposed a cooperative effort by which such inefficient business processes could be removed from the food distribution system. This joint initiative, dubbed the Efficient Consumer Response (ECR), was estimated to create about \$30 billion of savings industry-wide. A specific need identified by ECR is that of efficient promotion. In fact, industry analysts projected that about one-half of the \$30 billion savings would come from efforts directed toward efficient promotion and efficient new product introduction (King and Phumpiu, 1998). Such efforts would generally include improvements in the evaluation of promotional campaigns. In contrast to the typical focus on this subject, this study specifically investigates the practices of food retailers regarding their use of promotional tools. As such, this study represents a unique contribution to the somewhat limited literature on a topic that is clearly mandated by ECR.

The ultimate purpose of this research is to provide marketers with a better summary understanding of the marketing and promotional preferences of retailers. A manufacturer would be greatly served by an understanding of retailer perceptions, preferences, and use of the available promotional tactics. The ultimate goal, of course, is to help marketers and retailers build co-marketing programs that better achieve their joint business objectives. Thus far, industry research on ECR has included little or no work in the area of efficient promotion and only slightly more in the area of new product development (*Progressive Grocer*, 1998). This study seeks to address this lack of knowledge.

Methodology

A mail survey of retail food company executives was conducted from January through June of 1998. The development of this survey included personal interviews with various retail executives to develop a meaningful line of questions. After

completion of this pre-test, the resulting survey was distributed to a proprietary list of executives in the retail food industry. In the course of developing the survey, it became evident that familiarity with the terminology involved with promotional use can vary from one retailer to the next. Furthermore, the meaning of some terms may be situational. Thus, executives who responded to the survey were also presented with a glossary of terms (see appendix).

The key executives who responded to this survey represent 45 companies and divisions and are responsible for more than 13,000 retail stores operating in all 50 U.S. states. Responses were elicited from these executives regarding 22 specific promotional programs used in retail stores. The following programs were investigated: chain-wide sweepstakes; co-op radio advertising; co-op television advertising; frequent shopper programs; in-ad coupons; in-store advertising; in-store coupons; in-store demos and sampling; instant redeemable coupons; Internet programs; manufacturer-purchased display space; manufacturer shelf-talkers; national sweepstakes; near-pack offers; paperless coupons; premium giveaways; promotion tied to a local organization or charity; retailer cross-ruff; retailer shelf-talkers; shipper displays; targeted direct mail; and tear pads.

Specifically, executives answered questions concerning the use, effectiveness, and support of these promotional tools. The goal of this survey, then, was threefold: (1) to identify current retail practices in terms of promotion; (2) to evaluate the various forms of promotions for their ability to affect product movement and overall store sales; and (3) to identify the promotional programs that retailers would like to receive increased support. Surprisingly, responses to these three issues may be quite different. A comparison of results then will provide a more complete view of retail promotional preferences. After survey results were tabulated, further discussions with industry executives provided additional insights and validation. Obviously, this study owes its success to the generous time spent by these retail executives at all stages of the survey process.

Results

The reader deserves a word of caution in the interpretation of these results: By no means are these results meant to quantify the performance of

one promotional tool over another. Rather, these results offer trends and insights that are crucial to understanding the way that retail executives value the promotional programs offered by their manufacturer partners.

Promotional Use

First, we examine the actual use of specific promotions. Retailers were asked to indicate which of the 22 promotional programs were used in their stores. Their responses are exhibited in Table 1. The most prevalent programs used in retail stores are co-op radio, shipper displays, and in-store demonstrations and sampling, with 95 percent of executives indicating that their companies use these programs. These programs were closely followed by retail shelf-talkers and promotions tied to local charities, with 92 percent of executives indicating that their companies use these programs. Eighty-nine percent of respondents indicated that their companies use in-store coupons. Further, 86 percent indicated that their companies use targeted direct mail, and 84 percent indicated that they use in-store advertising. Looking toward the bottom of the list, we find that nationwide sweepstakes are among the promotions that are least commonly used by the retailers in this survey.

Promotional Effectiveness

Next, respondents were asked to evaluate the performance of the various promotional programs. The promotions were evaluated according to their ability to move product and to increase overall store sales. Each promotional program was rated on a five-point scale, where 1=ineffective and 5=extremely effective, for each of these two performance criteria. Their responses, which rate the programs in terms of product movement, are shown in Table 2. Three programs—frequent shopper programs, shipper displays, and targeted direct mail—tied for the top rating, each with an average score of 4.1. In-store demonstrations and sampling, and paperless coupons follow closely, each with an average score of 4.0. Manufacturer-purchased display space and retail shelf-talkers were next, with average scores of 3.8 and 3.7, respectively. Again, nationwide sweepstakes fall to the bottom of the list, with an average score of 2.0.

In terms of a program's ability to increase overall store sales, average responses are listed in Table 3. The top rated program in this regard was targeted direct mail with an average score of 4.2. Frequent shopper programs, paperless coupons, in-store demonstrations and sampling, and retailer shelf-talkers followed with average scores of 4.0, 3.9, 3.8, and 3.8, respectively. Once again, nationwide sweepstakes fall to the bottom of the rankings.

Table 1. Percentage of Respondents Indicating Use of Specific Promotions.

Promotional Program	Percent of Customers Using Program in Their Stores
Co-op Radio	95
In-Store Demonstrations and Sampling	95
Shipper Displays	95
Promotion Tied to a Local Organization or Charity	92
Retailer-Generated Shelf-Talkers	92
In-Store Coupons	89
Targeted Direct Mail	86
In-Store Advertising	84
Tear Pads	81
Co-op Television	73
Instant Redeemable Coupon (IRC) Stickers	73
Manufacturer-Purchased Display Space	73
In-Ad Coupons	70
Near-Pack Offers	70
Frequent Shopper Programs	68
Internet Programs	67
Paperless Coupons	59
Chain-Wide Sweepstakes	58
Premium Giveaways	57
Retailer Cross-Ruff	45
Manufacturer-Generated Shelf-Talkers	42
Nationwide Sweepstakes	42

Table 2. Promotional Programs Rated for Ability to Move Product.

Promotional Program	Mean Response ^a
Frequent Shopper Programs	4.1 (0.85)
Shipper Displays	4.1 (0.68)
Targeted Direct Mail	4.1 (0.73)
In-Store Demonstrations and Sampling	4.0 (0.82)
Paperless Coupons	4.0 (1.00)
Manufacturer-Purchased Display Space	3.8 (0.64)
Retailer-Generated Shelf-Talkers	3.7 (0.83)
In-Ad Coupons	3.6 (1.15)
In-Store Coupons	3.5 (0.76)
Co-op Television	3.4 (0.96)
Instant Redeemable Coupon (IRC) Stickers	3.4 (0.89)
Co-op Radio	3.3 (0.87)
Promotion Tied to a Local Organization or Charity	3.1 (0.73)
Chain-Wide Sweepstakes	2.9 (0.89) ^b
In-Store Advertising	2.9 (0.79)
Near-Pack Offers	2.9 (0.77)
Manufacturer-Generated Shelf-Talkers	2.8 (0.94)
Premium Giveaways	2.8 (0.83)
Retailer Cross-Ruff	2.8 (0.54)
Tear Pads	2.6 (0.76)
Internet Programs	2.2 (0.67)
Nationwide Sweepstakes	2.0 (0.89)

^a1=ineffective, 5=extremely effective.

^bStandard deviations are reported in parentheses.

Table 3. Promotional Programs Rated for Ability to Increase Overall Store Sales.

Promotional Program	Mean Response ^a
Targeted Direct Mail	4.2 (0.51)
Frequent Shopper Programs	4.1 (1.06)
Paperless Coupons	3.9 (0.90)
In-Store Demonstrations and Sampling	3.8 (0.82)
Retailer-Generated Shelf-Talkers	3.8 (0.75)
In-Store Coupons	3.5 (1.09)
Shipper Displays	3.5 (0.97)
Co-op Radio	3.4 (1.00)
In-Ad Coupons	3.4 (1.35)
Co-op Television	3.3 (1.01)
Instant Redeemable Coupon (IRC) Stickers	3.2 (1.20)
Manufacturer-Purchased Display Space	3.2 (1.03)
Promotion Tied to a Local Organization or Charity	2.9 (0.73)
Chain-Wide Sweepstakes	2.8 (0.90) ^b
In-Store Advertising	2.6 (1.08)
Manufacturer-Generated Shelf-Talkers	2.6 (1.12)
Internet Programs	2.5 (0.90)
Retailer Cross-Ruff	2.5 (1.17)
Near-Pack Offers	2.4 (0.95)
Tear Pads	2.4 (1.22)
Premium Giveaways	2.2 (0.98)
Nationwide Sweepstakes	1.8 (0.81)

^a1=ineffective, 5=extremely effective.

^bStandard deviations are reported in parentheses.

Promotional Funding

Finally, respondents were asked to indicate their preferences regarding the current allocation of manufacturer promotional dollars to these specific programs. Specifically, they were asked to indicate which of the 22 promotions would lead them to negotiate a change in funding and also the direction (increase or decrease) of that change.

The percentage of respondents who indicated that they would negotiate increased funding for each of the promotional choices is shown in Table 4. There was a general consensus on the subject, with targeted direct mail and in-store demonstrations and sampling receiving the most votes for increased funding.

Table 4. Percentage of Respondents Indicating Choice for Funding.

Promotional Program	Percent Who Prefer		
	Decreased Funding	No Action	Increased Funding
In-Store Demonstrations & Sampling	3	11	86
Targeted Direct Mail	3	11	86
Co-op Radio	11	16	73
Shipper Displays	11	16	73
Co-op Television	19	11	70
Frequent Shopper Programs	8	22	70
Paperless Coupons	16	19	65
Manufacturer-Purchased Display Space	22	22	57
Retailer-Generated Shelf-Talkers	14	30	57
Internet Programs	11	35	54
Instant Redeemable Coupon (IRC) Stickers	24	27	49
In-Store Coupons	30	24	46
Promotion Tied to a Local Organization or Charity	27	30	43
In-Ad Coupons	38	22	41
Chain-Wide Sweepstakes	54	24	22
In-Store Advertising	46	32	22
Manufacturer-Generated Shelf-Talkers	54	24	22
Near-Pack Offers	51	30	19
Retailer Cross-Ruff	38	43	19
Tear Pads	54	30	16
Premium Giveaways	57	32	11
Nationwide Sweepstakes	70	27	3

Eighty-six percent of executives indicated that they would negotiate increasing funds for these two programs. The next most common responses (73 percent of respondents) were co-op radio and shipper displays. Meanwhile, 70 percent of executives indicated that they would negotiate to increase funds for co-op television advertising and frequent shopper programs. There was also one promotion, more than any other, for which respondents indicated that they would negotiate a decrease in funding—namely, nationwide sweepstakes.

In this manner, three basic indicators of retail promotional preferences were obtained: use, effectiveness, and funding. To aid in the interpretation of these results, respondents were also asked to indicate which three programs were most likely to obtain a retailer's display support, providing a "bottom line" choice (Table 5).

Table 5. Percentage of Respondents Indicating That a Promotion is Most Likely to Obtain Display Support.

Promotional Program	Percent Placing Among the Top 3
Manufacturer-Purchased Display Space	49
In-Ad Coupons or In-Store Coupons	38
Shipper Displays	38
Co-op Television	30
In-Store Demonstrations & Sampling	30
Frequent Shopper Programs	19
Targeted Direct Mail	16
Co-op Radio	14
Chain-Wide Sweepstakes	11
Paperless Coupons	11
Retailer-Generated Shelf-Talkers	8
Instant Redeemable Coupon (IRC) Stickers	5
Near-Pack Offers	5
Promotion Tied to a Local Organization or Charity	5
Manufacturer-Generated Shelf-Talkers	3
Premium Giveaways	3
Tear Pads	3
In-Store Advertising	0
Internet Programs	0
Nationwide Sweepstakes	0
Retailer Cross-Ruff	0

Retailer Comments

A summary of the overall results is provided in Table 6. The rankings of the various promotions are summarized in regards to use, effectiveness, and retail support. Just a brief glance at the table is required to identify those programs that are valued by retail executives. Clearly, targeted direct mail, shipper displays, in-store demonstrations and sampling, and frequent shopper programs stand out from other promotional programs in the minds of retail executives as valued promotional programs.

The promotions that stand out in this survey tend to build and strengthen ties between retailer and customer. Retailers want more than to sell their product—they want to bring customers into their stores week after week to do their shopping. Not surprisingly, customers are a central part of the promotional philosophy expressed by retailers. In general, the programs being used and supported by the retail executives in this survey share a common theme: customer relationships. In the course of our survey, the comments of a number of retailers supported this point.

“We need to convert monies available to go directly to the customer in order to generate store traffic.”

“The canned programs do very little to allow a retailer to differentiate itself from all other competitors.”

“Customers are looking for value. We have to make it easy for them to achieve the value on savings.”

“Sweepstakes are nice, but most customers don’t see a value. Keep the customer in mind.”

“Keep the customer in mind” seems to be an appropriate motto for retailers who do not care as much about which specific products their customers buy as they do about where and when their customers buy them. Further, these retailers are seeking to become the preferred shopping destination for their customers. They desire to differentiate themselves from competitors across all channels of trade, and so, they are increasingly seeking a customized approach to promotion from their manufacturing partners. As one retailer said, “Promotions need to be channel- and chain-specific.”

Implications

The survey elicited responses on the “effectiveness” of the various promotional tools. Our analysis of effectiveness does not involve a comparison of actual sales or profitability but the opinion of retail executives. As such, it is not meant to provide an empirical evaluation of promotional programs as much as it describes their comparative use by retailers. In addition, what retail executives report as “effective” may not correspond to what they use or where they want to devote their future resources.

In fact, retailers use various promotional programs even though the promotions do little to improve sales or traffic. There is evidence from this survey that promotions tied to local organizations and charities fall into this category. While a promotion that ties in with local charities is the third most commonly used promotion of the 22 included in this survey, retailers rate this promotion relatively low in terms of its effectiveness either in increasing individual product movement or in increasing overall store sales. Tear pads and in-store advertising have similar characteristics—the programs are commonly used, but retailers are reluctant to provide in-store support for them.

However, the reasons that retailers use these programs in spite of their lack of effectiveness differ. Retailers use charitable promotions to play the role of good citizens and to participate in the affairs of the communities in which they operate. In-store advertising is used as an additional source of revenue. Further, tear pads are often allowed as a service or convenience to customers.

It is also important to note that some programs are rated relatively high in terms of performance, and yet they are not commonly used, perhaps because of the technology or expertise required to effectively execute these promotional vehicles. Paperless couponing and frequent shopper programs are chief among programs of this type. It should be noted, however, that retailers were relatively supportive of increasing funds for these programs. In this regard, paperless coupons and frequent shopper programs represent growing opportunities for co-marketing activities among retailers and manufacturers.

In-ad and in-store coupons were rated relatively high in terms of their performance, and yet retail executives did not show the same level of interest in increasing funds for these programs.

Table 6. Summary of Results.

Promotional Program	Program Characteristics				
	Commonly Used	Effective at Product Movement	Effective at Increasing Store Sales	Would Negotiate to Increase Funds	Most Likely to Obtain Retail Support
Chain-Wide Sweepstakes					+
Co-op Radio	+++		+	++	+
Co-op Television	+	+	+	++	++
Frequent Shopper Programs		+++	++	++	+
In-Ad Coupons		+	+		++
In-Store Advertising	+				
In-Store Coupons	+	+	+		++
In-Store Demonstrations and Sampling	+++	++	++	+++	++
Instant Redeemable Coupon (IRC) Stickers	+	+			
Internet Programs				+	
Manufacturer-Purchased Display Space	+	+		+	+++
Manufacturer-Generated Shelf-Talkers					
Nationwide Sweepstakes					
Near-Pack Offers					
Paperless Coupons		++	++	+	+
Premium Giveaways					
Promotion Tied to a Local Organization or Charity	++				
Retailer Cross-Ruff					
Retailer-Generated Shelf-Talkers	++	+	++	+	
Shipper Displays	+++	+++	+	++	++
Targeted Direct Mail	+	+++	+++	+++	+
Tear Pads	+				

Key: + Ranked in the top 10.

++ Ranked in the top 5.

+++ Ranked first.

Retailers are apparently comfortable administering these programs on their own. On the other hand, retailers showed interest in one program with seemingly sub-par performance—namely, Internet programs. While this relatively new form of marketing has yet to be proven, it is generating interest among retail executives who would like to explore its potential.

While receiving a moderate rating in terms of ability to increase overall store sales or to obtain a retailer's support, chain-wide sweepstakes were rated relatively low in all other categories. The concern, as one retailer stated, is that the sweepstakes need to reward the shoppers in each store. In other words, a retailer with multiple stores wants a sweepstakes that awards shoppers in each store.

In-ad and in-store coupons were found to be solid performers and rated very favorably with retail executives. These programs continue to be a promotional mainstay of the industry. In retailers' eyes, they could easily be placed in the top five promotions overall.

In-store advertising is commonly used although it is rated relatively low in terms of increasing overall store sales. So, why do retailers use this type of promotion? It can generate revenue from otherwise unusable store space (for example, shopping carts or uniforms). This practice exemplifies the opportunistic mentality of retailers trying to maximize revenue from a fixed amount of store space.

In-store demonstrations and sampling continues to be a very commonly used promotion that is also viewed as a good performer. There are no indications that use of in-store demonstrations and sampling will lessen. Often, retail excitement can be generated with such a tactic. Even so, retailers have expressed concern that the benefits to the manufacturer may exceed those to the retailer. While demonstrations and sampling may affect sales of an individual product, retailers recognize that it may not be a promotion that will bring customers into the store and keep them coming back.

While instant redeemable coupons are somewhat effective at moving products, this type of promotion was not rated high overall. Even so, retail executives indicated some interest in more funding for instant redeemable coupons. However, as one retailer pointed out, the use of this type of promotion is often at the discretion of the manufacturer whose representatives may apply such stickers without retailer consent. Thus, retailers feel that they have little control over this promotional activity.

Basically, retailers felt that manufacturer-purchased display space was an effective means of moving products, but little else. And yet they indicated that a manufacturer would be very likely to obtain a retailer's support when purchasing display space. Again, retailers are mindful that a profitable store takes advantage of revenue-generating activities beyond the customer.

Paperless coupons appear to be an up-and-coming type of promotion. Retailers gave them good ratings overall. Further, with the potential connections to Internet programs or frequent shopper programs, paperless coupons could be an increasingly attractive promotional tool.

Retailer-generated shelf-talkers also received solid marks overall. As opposed to manufacturer-

generated shelf-talkers, they provide the retailer with a consistent, corporate appearance throughout the store and the flexibility to adapt promotions to individual stores.

According to the retailers responding to this survey, one of the most high-performing promotions is the shipper display. These promotions are easily placed to take advantage of impulse purchases. Further, larger chains are likely to reap the most benefits from shipper displays as they develop the ability to cross-dock ready-made displays.

On the down side, five programs have the unfortunate distinction of being the least attractive promotional programs studied in this survey—namely, manufacturer shelf-talkers, nationwide sweepstakes, near-pack offers, premium giveaways, and retailer cross-ruff. Aside from their effectiveness (or lack thereof), they may represent awkward promotional logistics for the retailer, or they may fail to provide enough of a value to the retailer's immediate customers, contributing little to customer loyalty.

Conclusion

As food and packaged good manufacturers have sought to expand their businesses in recent years, they have increasingly turned to the use of promotion. Unlike advertising efforts, successful manufacturer promotional efforts require the cooperation and support of retailers. Typically, these promotional efforts are conceived and designed without consulting the retail operator who will be ultimately responsible for its execution. Unfortunately, such practices are often overlooked as a source of inefficiency targeted by ECR.

Thus, this study has examined the promotional practices and preferences of food retailers by way of a nationwide mail survey. Not only has it been successful in the identification of effective promotional tactics (targeted direct mail, shipper displays, coupons, and demonstrations) but also in the identification of some tactics that manufacturers should consider avoiding altogether (manufacturer shelf-talkers, nationwide sweepstakes, near-pack offers, premium giveaways, and cross-ruff). From these results and insights gained from retailer comments, we find that retailers use and value those promotions that build and strengthen relationships with their customers. It is hoped that, in sharing these findings, food and packaged good manufacturers are enabled to establish better, more efficient promotional campaigns through a better understanding of their retail partners.

Appendix

chain-wide sweepstakes – a sweepstakes promotion offered in all stores through a retail chain

co-op media – promotional advertising for a manufacturer's product that appears on a retailer's television or radio ad and is funded by the manufacturer

frequent shopper programs – the support by manufacturers of promotions offered by the retailer through its loyalty card program (that is, discounts—paperless coupons, etc.)

in-ad coupons – coupons for manufacturers' products that appear in the print ad of **one** retail company and are redeemable only through that one company

in-store advertising – point of sale advertising in the retail store; on shopping carts, aisle markers, in-store radio, or TV, etc.

in-store coupons – coupons that are distributed in the retail store

in-store demos/sampling – the sampling of products in the retail store

instant redeemable coupons (IRC) – coupons that are attached to products in the retail store

Internet programs – promotional programs that are offered to consumers through the retailer's web page

manufacturer-purchased display space – special displays built in the retail store in space that is paid for by the manufacturer

national sweepstakes – a sweepstakes promotion advertised and promoted by a national organization and available through various types of retail stores throughout the country

near-pack offers – premiums that are offered by manufacturers as an incentive for purchasing a product, available in the store

paperless coupons – coupons that are made available to consumers through a frequent shopper program or some type of card marketing program

premium giveaways – any promotion that offers a premium to consumers as an incentive for the purchase of a product, often a mail-in offer. This promotion can also be one that offers a premium to a store or department manager

promotion tied to local organization or charity – a special promotion where the retailer and manufacturer agree to contribute a portion of the sales to a local group

retailer cross-ruff – promotions or coupons delivered on one product (national brand) that are good on another product (retailer brand)

shelf-talkers – point-of-sale signage designed to hang over the edge of a shelf, delivering a promotional message; may be produced by the retailer (usually price-oriented) or the manufacturer (usually product-oriented)

shipper displays – product that arrives at the store in its own display unit

targeted direct mail – promotional mailings sent to specific customers or a retail store encouraging the purchase of a specific product or brand

tear pads – promotional information in the form of a tear pad that is posted in the store, either by the product or at a central location such as a bulletin board

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