

The owner should get ready to launch the business formally after acquiring physical and financial resources, providing for infrastructural facilities and hiring the people needed.

Meaning of Promotion

Promotion is a type of communication between the buyer and the seller. The seller tries to persuade the buyer to purchase their goods or services through promotions. It helps in making the people aware of a product, service or a company. It also helps to improve the public image of a company. This method of marketing may also create interest in the minds of buyers and can also generate loyal customers.

It is one of the basic elements of the market mix, which includes the four P's: price, product, promotion, and place. It is also one of the elements in the promotional mix or promotional mix or promotional plan. These are personal selling, advertising, sales promotion, direct marketing publicity and may also include event marketing, exhibitions, and trade shows.

Types of Promotion

Advertising

Advertising means to advertise a product, service or a company with the help of television, radio or social media. It helps in spreading awareness about the company, product or service. Advertising is communicated through various mass media, including traditional media such as newspapers, magazines, television, radio, outdoor advertising or direct mail; and new media such as search results, blogs, social media, websites or text messages.

Direct Marketing

Direct marketing is a form of advertising where organizations communicate directly to customers through a variety of media including cell phone text messaging, email, websites, online adverts, database marketing, fliers, catalog distribution, promotional letters and targeted television, newspaper and magazine advertisements as well as outdoor advertising. Among practitioners, it is also known as a direct response.

Sales Promotion

Sales promotion uses both media and non-media marketing communications for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability.

Personal Selling

The sale of a product depends on the selling of a product. Personal Selling is a method where companies send their agents to the consumer to sell the products personally. Here, the feedback is immediate and they also build a trust with the customer which is very important.

Public Relation

Public relation or PR is the practice of managing the spread of information between an individual or an organization (such as a business, government agency, or a nonprofit organization) and the public. A successful PR campaign can be really beneficial to the brand of the organization.

Features for business

Characteristics are the features which are necessary to classify the business. Therefore let's have a look at them.

Economic Activity

Business necessarily has to be an economic activity. But what exactly is an economic activity? Any activity that gives a monetary return is an economic activity. For example, if your friend's father picks you up and drops you at college every day, he is doing this act out of kindness. But if he starts a transportation service of picking up and dropping by charging money then it's an economic activity.

Production or Trading of Good or Services for Sale

If a business plans on selling a product, it has to either manufacture that product or purchase it and add a profit margin to it and sell it further. Business is interested in every activity that is concerned with the production or purchase of goods for selling, this makes it one of the most important characteristics of a business. Services for sale include transportation, housekeeping, and security. Whereas, goods are mostly consumable items.

Sale or Exchange of Goods and Services

The third and crucial one of the characteristics of business after production or procurement is to sell that product for the money. The way to sell a product or service is by launching it in the market or to offer it for sale. A sale or exchange must take place between the seller and the buyer.

Regularity in Dealings

Business is a repeatable economic activity that generates money. For example, if you sell your old bike and it generates money. Also, it's an economic activity but is you doing this on a regular basis? No. As it has no regularity in it, it cannot be accepted as a business activity. Similarly, there is a dealer who deals in the purchase and sells of second-hand bikes. For him, it's a business activity as there is a regularity in his dealing. A single transaction of purchase or sale cannot be classified as a business.

Profit Earning

The sole purpose of business is the maximization of profit. It steps into the market with the main objective of earning a profit. For the survival of business in a market, generating profit is extremely necessary. If a business can't produce profit, it is expected of it to go downhill financially. Therefore the businessman does all the possible tricks to maximize its profits by increasing the volume of sales or decreasing the costs