**Level 2 Lesson 7: Sales Strategies**

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| **1. Description Content** |
| Welcome to Lesson 7! In this lesson, you will be able to explore some ways to promote your businesses online with some of the most basic sales promotions that you can quickly adopt to your businesses.  Shall we start?ດ  **Button:** Yes! |

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| **2. Description Content** |
| Let’s start off with the definition.  Sales Promotion is a set of activities that you do to let people be aware of your business / products / service and discounts in some way. Some customers then become interested and may buy from you because of the incentives you provide.  When to use it?  It depends, but generally sales promotion is considered short term strategy because you are sacrificing potential profit margin in exchange for other goals through discounts.  Click next to find out potential goals.  **Button:** Next. |

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| **3. Description Content** |
| These are the potential goals from sales promotion:   * Promote your business/products/service * Promote your new business/products/service * Attract new customers * Engage current customers * Meet sales target * Clear items/storage/rooms * Boost your business reputation (e.g. Buy this and 10% of total sales go to a dog shelter)   This is the first step in the sales promotion strategy that you need to think about when you want to start your sales promotion strategy.  Next, we will look at the rest of the elements of sales promotion: occasion, sales items, marketing methods, sales target, and sales statement.  **Occasions:**  Customers are likely to be skeptical and start to question your business or the quality of your products or service if you just suddenly announce your sales promotion out of the blue.  Therefore, sales promotion do much better in major occasions such as New Year, Valentine’s Day, Mother’s Day and so on. It is important that you help customers make some kind of purchasing decision. The most basic and effective way is to have an expiry date attached to the sales events.  **Sales Items:**  Once you have selected your sales goals and the occasion, you can start identifying what items you would like to promote that match the occasion.  Alright, shall we move on to marketing methods?  **Button:** Yes! |

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| **4. Description Content** |
| Once you have identified your sales goal, occasion, and items, it’s time to learn about marketing methods.  There are so many methods out there, but here are three most common ones:   * **Percentage Discount:**   A simple, straightforward message that communicates: you can save your money if you buy these items now! E.g. 30% OFF, 50% OFF, 90% OFF!   * **Buy One, Get One Free:**   This tactic aims to move stocked items as fast as possible while trying to maintain some profit margin. Variation includes: Buy 2, Get 1 Free. Buy 4, Pay for 3. This will allow your customers to think of clever ways to take advantage of the opportunity such as buy in bulk to stock up, get someone to share cost, or take it as an occasion for a family eat-out. When that happens, you also get more sales, retain existing customers, and gain new customers.   * **Free Gifts:**   You sell your items at full price, but then you offer additional item/service as gifts. For example, if you buy a pair of shoes, we will give free wrapping; or if you buy this brand of pencil, we will give you an eraser for free. This is a great way to offer a complementary service for convenience sake or to introduce new products/service to the customers.   * Other marketing methods includes bundles, limited edition, wholesales, loyalty cards, earn points to win prizes and more.   Now, shall we move onto **Sales Target**?  **Button:** No, go back.  **Button:** Yes! |

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| **5. Description Content** |
| **What is a Sales Target?**  A Sales Target is a set of concrete goals you want to achieve from your sales promotion.  You can start by breaking down the sales goal into specific numbers. For example, Sales Goal is to sell outdated school bags. Your marketing strategy is to use Buy 1, Get 1 Free. You have 210 bags to get moved. Therefore, you will need to sell 105 bags.  **BUT!** Would selling 105 bags with a Buy 1, Get 1 Free marketing method is make you enough revenue and profit? This is where calculations come in.  Say, if one school bag costs $5, and your retail price is $10 dollars. Buy 1, Get 1 Free strategy will get you $10 dollars in revenue while your product costs is also $10 dollars ($5 x 2 bags = $10). Essentially, you make no profit.  What if you try Buy 2, Get 1 Free instead? That means you will received $20 while it costs you $15 for 3 school bags. You make $5 profit in this case.  If you get all 210 schools moved (sold 140 bags, plus 70 bags giveaway), you will make: 140 bags x $10 = $1,400 in revenue, and $1,400 - (210 x 5) = $350 profit.  After you calculate you can ask yourself: will this potential profit be worthwhile? Or should you keep changing your marketing method to maximize your Sales Target and Goal?  You see? Plans can be adapted back and forth so that you find the most effective way to conduct your sales promotion.  But for now, shall we move onto the last element of the plan?  **Button:** No, start from Sales Goal again.  **Button:** No, back to marketing methods.  **Button:** Yes, please. |

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| **6. Description Content** |
| Yay! Finally you are here at the last step of creating your sales promotion: sales statement.  **But, what is a Sales Statement?**  Sales Statement is a few short sentences describing your sales pitch that can make customers want to buy from you.  **An example of a sales statement:**  NEW YEAR SALES! Keep your adorable toddlers warm with our awesome winter wears. All the animal print collections are now 50%. Sales is on until 03/01/2021. Hurry! We have only 100 items in stock!  In this sales statement, it includes all the elements of the planning of a sales promotion such as the occasion, sales items, a marketing method, and limited time offer to make customers make quick decision.  Now you are ready to craft your own sales statement!  Below is the template. You can just fill them in and keep editing until you like your sales promotion plan.  **Template:**  1. Sales Goal:  2. Occasion:  3. Sales Until:  4. Sales Items:  5. Marketing Methods:  6. Sales Target:  7. Sales Statement:  You have come so far! We hope to see you in Lesson 8 where you will learn how to make your products/service photos more engaging to your potential customers.  But for now, what would you like to do?  **Button:** Start from Sales Goal again.  **Button:** Back to Marketing Methods.  **Button:** End this lesson. |