SOME ASPECTS REGARDING THE IMPORTANCE OF POINT OF PURCHASE COMMUNICATIONS IN THE MARKETING COMMUNICATIONS MIX

Chițu Ioana Bianca
Transilvania University of Brașov, Faculty of Economic Sciences, Prundului street no. 37, Brașov, tel. no. 0740 050 894, e-mail: ioana.chitu@unitbv.ro

Tecău Alina Simona
Transilvania University of Brașov, Faculty of Economic Sciences, Tâmpei street no. 12, staircase C, ap.1, Brașov, tel. no. 0722 730 891, e-mail: alina_tecau@yahoo.com

Abstract: In our days, corporate managers are becoming more and more aware of the important benefits of relationship marketing and integrated marketing communications. Point of purchase communications are a powerful marketing tool, because they reach the consumer at the moment when, and the place where, they taking decision. This paper tries to present some aspects such as objectives, tools and effectiveness of point of purchase communications.

Key words: point of purchase communications, interior displays, store imagine

Introduction
One reason for today’s increased focus on consumer sales promotions is the change in TV viewing habits. Advertising audience is more and more fragmented and manufacturers and retailers must turn on to new methods to reach these moving targets. Usual consumer sales promotion techniques include point of purchase materials, coupons, electronic coupons and convenience cards, cents-off promotions, refunds, rebates, premiums, sampling, combination offers, contests, sweepstakes a.s.o. A successful integrated marketing campaign may include several of these techniques along with media advertising, public relation, publicity and direct marketing. Thus, point of purchase communications must reflect what consumers have seen on television or on billboards ads and correspond with public relations efforts or direct marketing. It has been shown that when advertising and point of purchase communications are combined, as compare to using advertising only, sales increase by more than 100%.

In 2004 The Point of Purchase Advertising Institute (POPAI) conducted a consumer buying habits study in several European countries (like UK, France, Italy, Netherlands, Denmark and Belgium). This institute used entry-exit interviews, so the consumers were interviewed twice, once before entering in the store (to measure the planned budget and the planned purchases) and again after leaving the store (to measure the budget spent, the actual purchase and the perception of point-of-purchase materials). The result was that the purchase can be classified in four main categories: specifically planned purchase (the consumer has bought the specific product and brand), generally planned purchase (the purchase of not specific brand), substitute product or brand purchase (the consumer intended to buy a specific product or brand, but actually purchase another product and brand), unplanned purchase. In Europe an average of 67,2% of brand purchase decisions are made in the store, witch is comparable to the in-store decision rate of 72% for American consumers. The number of in-store decisions is highest for younger and higher-income consumers, larger households and consumer accompanied by children. This figure may be a little bit exaggerated because all consumers have specific needs, but they did not think of in advance and these are also including as unplanned. But, in any case, point of purchase communications can be very effective, with a great impact over the consumers.

Point-of-purchase communication techniques
Point of purchase communications can be defined as any promotional materials placed at the point of purchase such as interior displays, printed materials at shop counters or windows displays. It also includes in-store broadcasts, video screen demonstrations, shopping-trolley advertising, shelf talkers, coupon dispensers, wastepaper baskets and interactive kiosks (device by means of which the consumer can
interactively retrieve information about the shop and the supply). Thus, both retailers and manufacturers make use of in-store media, retailers control the point-of-purchase displays and manufacturers packaging. Recently, static signs have begun to give way to electronic, dynamically updated point-of-purchase displays that present targeted product information, instant coupons, and more. The software used to control these dynamic point of purchase displays typically allows for near-real time content updates, allowing brand managers to run instant marketing experiments, geographically targeted promotions campaigns a.s.o. Dynamic point of purchase displays can vary greatly in size, from a 6” shelf-mounted LCD to 42” (or larger) plasma and projection displays, helping deliver targeted marketing content to shoppers at the point-of-decision.

Besides these specific communications instruments, also very important factors in point of purchase communications are store imagine, store organization, store atmospherics, product presentation and product’s package.

Store imagine can be defined as “an individual’s cognitions and emotions that are inferred from perception or memory inputs that are attached to a particular store and which represent what that store signifies to an individual”, it consists of both affective and cognitive factors. Related to store imagine is “store personality”. While store imagine refers to a mental representation of all dimension that are associated with a store, store personality is limited to dimension that reflect human traits. This concept consists in several factors like enthusiasm (welcoming, enthusiastic, lively and dynamic), sophistication (chic, high class, elegant, stylish), unpleasantness (annoying, irritating, loud and superficial), genuineness (honest, sincere, reliable and true) and solidity (hardy, solid, reputable, thriving). Different consumer segments appreciate a different store personality and a different store image.

The way a store is organized can have an impressive implication for marketers. The way that total space of a store is divided into areas or departments can have a great impact on its profitability. In the first place, the retailer should try to maximize the space dedicated to selling activities and minimize the non-selling space.

In the second place, the retailer has to decide where to place the different merchandise groupings in the store. The main criteria for merchandise location are the consumer buying behaviour and the merchandise compatibility. Also, studies shows that particular store layouts are very attractive to consumers, consumers seem to walk through the store in a counter-clockwise direction, they usually tried to avoid turns and like to continue to walk in the direction they are going, also, they look and buy products situated on their right-hand side, broad aisles on the walls are most preferred and, are more visited by the majority of the consumer.

The product presentation is not an easy thing; the most aspects that have to be considered are the product assortment, the space allocated to each product and the shelf position. No doubt, the retail assortment has to match consumer (target) needs. A common practice in shelf management is that shelf space is allocated according to the market share or retail margin. On the other hand, space allocation based on market share is an example of circular reasoning, since shelf space depends on market share, which in itself partly depends on shelf space.

Recent shelf space allocation models also include product profitability for each item, demand interdependencies (a fixed amount of shelf space requires that an increase in the space of item A may raise the sales of A, but the decreased shelf space of item B may, at the same time, cause a fall in the sales of B) inventory levels and product stock-outs. There are some best options regarding shelf position, like at eye level or to the right of the brand leader.

Atmospherics can be defined as the effort to design buying environments to produce specific emotional effects in the buyers that enhance their purchase probability, since atmosphere is apprehended through the senses. The dimensions of store atmosphere are visual dimension (colour, brightness, size and shapes), aural dimension (volume, dimension), olfactory dimension (scent, freshness) and tactile dimension (softness, smoothness, temperature). The majority of the atmospherics research seems to support the relationship between store atmospherics, emotions and consumer behaviour. A good understanding of store atmospherics and store dynamics is very important, both for the manufacturer and the retailer.

The product’s package is a component of the product element and also an exhibitive medium that can determine the outcome of retail shelf competition. Package designers must make the package exciting, appealing and in the same time functional. A recent research revealed that packaging can influence consumers behavior long time after the actual purchase has been made (for instance, it appears that larger pack sizes encourage greater usage volume per usage occasion, or induce to consume the product more frequently, simply because of the presence of the product in the household inventory).
The objectives, strengths and weaknesses of point of purchase communications

Point of purchase communications involve all the aspects of the store and the store environment that can signal something to customers about the quality, price or product assortment, whether is initiated by the retailer or by the manufacturer.

The primary objective of using in-store communication techniques is to direct attention of shoppers and to stimulate them to make purchase, but point of purchase communications can serve various objectives like

- **Attract consumer attention** and differentiate the store from the competition through an attractive exterior and interior store design, so increasing the likelihood that the consumer will enter the store.

- **Remind** consumers of ongoing or previous advertising or other forms of promotion like public relations, sales promotions, or other previous campaign, reinforcing, thus, the communications message.

- **Inform** consumers about the product, the store a.s.o

- **Persuade** consumers to enter in the store or to buy some specific products, to influence their decision-making at the point of sale and to trigger impulse purchase.

- **Building an image**, point-of-purchase communication also can serve to help with building an image for the retailers and for the manufacturers.

In order to draw some conclusions the point-of-purchase communication are good at attracting attention and providing information. Their ability to persuade is potentially strong, as these displays can highlight particular product attributes at a time when shoppers have devoted their attention to the purchase decision process. Form managers point of view, the absolute and relative costs of point-of-purchase communication are low, more than that, management can easily fine tune point-of-purchase communication to reflect changing conditions.

However, these messages are usually directed at the consumers who are already committed, at least partly, to purchasing the product or one from their evoked set. Point-of-purchase communication messages fail to reach those not actively engaged in the shopping activity. Another weakness of point-of-purchase communication is that there can be difficulties maintaining message continuity across a large number of outlets, unless rigorously controlled by store management, the large amount of point-of-purchase communication materials can lead to clutter and deterioration in the perception shoppers have of a retail outlet.

**Conclusions**

As a push technique, good dealer displays may induce a retailer to carry a certain line or to promote a new product. However, point-of-purchase communication is primarily a pull technique consisting of advertising or display materials at the retail location to build traffic, advertise the product and promote impulse buying. Point-of-purchase communication tools have increased in importance with the trend toward self-service retailing (more and more retailers use this form of sales in Romanian stores). With a fewer and less knowledgeable salespeople available to help them, customers are forced to make purchasing decision on their own. The proliferation of point-of-purchase communication displays has led retailers to be more discriminating in what they actually use. Most of them like hypermarkets (Carrefour, Cora, Real), and other supermarkets or discount markets are beginning to insist on well-designed, attractive materials that will blend nicely with their store atmosphere. In our country, retailers, a great part of them, recognize the importance of point-of-purchase communication, but, unfortunately they experience many shortcomings in current practice.

**Bibliography:**

THE COMPETITIVE ADVANTAGES OF SMALL AND MEDIUM ENTERPRISES

Ciochină Iuliana
„Constantin Brancoveanu” University Pitesti, Faculty of Management Marketing in Business Affaires
Rm. Valcea, 39, Nicolae Balcescu Boulevard, Rm. Valcea, iulianaciochina@yahoo.com, 0724.256.330

Manole Daniel Sorin
„Constantin Brancoveanu” University Pitesti, Faculty of Management Marketing in Business Affaires
Rm. Valcea, 39, Nicolae Balcescu Boulevard, Rm. Valcea, danielsorinmanole@yahoo.com, 0723.530.672

Decuseară Răzvan
„Constantin Brancoveanu” University Pitesti, Faculty of Management Marketing in Business Affaires
Rm. Valcea, 39, Nicolae Balcescu Boulevard, Rm. Valcea, dec_vl@yahoo.com, 0721.535.451

The changes in the competitive environment determined the small and medium enterprises to identify new ways to satisfy their clients and to offer them constantly value in a way much more efficient than their competitors. In order to gain competitive advantage, the firms must choose the type of competitive advantage that she is trying to obtain and the field in which she will obtain it. The choice for the competitive field or for the activities of the firm can play an important role in determining the competitive advantage because the firm aims to establish a profitable and sustainable position against the forces that determine the competition in its field of activity. The survival of small and medium enterprises in a highly globalized and competitive environment suggests that these firms have different competences and they use them efficiently.

Keywords: competitive advantage, strategic competitive advantage, small and medium enterprises

1. Small and Medium Enterprises situation and competitive advantage

The changes in the competitive environment determined the small and medium enterprises to identify new ways to satisfy their clients and to offer them constantly value in a way much more efficient than their competitors. In order to achieve these they must be competitive that is to have the capacity to increase their income by raising their sales and / or profit margins on the market they are operating on so they can protect their positions in the next competitive rounds as their products and processes evolve.

According to the European Union classification the small enterprises represent those firms that have less than 50 employees and maximum ten millions Euros revenues; the medium enterprises represent those firms that have less than 250 employees and maximum fifty millions Euros revenues.

OECD (Organisation for Economic Co-operation and Development), in its report regarding Small and Medium Enterprises presented some of their characteristics:

- **Small and Medium Enterprises represent a large part of the economic sector**
  - Small and Medium Enterprises will continue to represent a large part of the economic sector and will generate most of the profit. Even so the sector of Small and Medium Enterprises is characterized by highly dynamism and a powerful entrepreneurial activity, it must be kept in mind that many of them are small mature enterprises that serve the local market, many of them struggling to remain competitive.

- **Small and Medium Enterprises represent an important source of innovations**
  - According to the last researches approximately 30-60% from the small and medium enterprises from the production sector from OCDE countries can be characterized as innovative. Smaller firms tend to be more and more innovative, engaging step by step in efforts for research and development and innovation in fields related to commercialization of