Summary of Research on Evaluation of Enterprise Promotion Activities

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Abstract. This paper sorts out relevant literature and studies on the effect evaluation of enterprise marketing activities. Among them, four marketing tools, namely advertising, public relations, sales promotion and personal selling, are used to understand the research content of effect evaluation of each tool. Combined with the existing enterprise marketing performance evaluation research, found that the evaluation system has shortcomings. Finally, the author puts forward the prospect and Suggestions for the effect evaluation of marketing activities.

Introduction

In the actual marketing activities of enterprises, the common marketing activities are around advertising, public relations, sales promotion and personnel promotion. Therefore, the comprehensive evaluation of the four marketing tools should be considered when marketing performance evaluation is carried out.

Study on the Effect Evaluation of Four Common Promotional Tools

Evaluation of Advertising Effect

The research on the mechanism of advertising effect first appeared in the late 19th century. Among them, the hierarchical model of advertising effect has attracted the attention of different scholars in many countries. This model is considered to be a classic model that is common and can well explain the impact of advertising on consumers. The emergence of the hierarchical model provides a new perspective for the measurement of advertising effect, and the prediction process of consumers’ purchasing behavior is based on the consumer psychology and behavior level. At the same time, the model is considered to be able to help enterprises make effective advertising plans.

The single factor evaluation of advertising effect gradually develops to the later multi-factor comprehensive evaluation, and begins to focus on quantitative evaluation. Wei Mu (2006) established an indicator system for the communication effect and psychological effect of advertising, and proposed that the advertising effect index consists of advertising rate, advertising structure, advertising awareness and advertising memory. Dong-po Wang (2006) divided the whole process of advertising information transmission into three stages, among which he believed that the information processing stage occurred in the thinking reaction of consumers when they came into contact with advertisements. Shuang Cheng (2004) believes that the psychological effect of tourism advertising is the degree of the psychological response of tourism advertising to tourism consumers, and the psychological effect of tourism advertising is the prerequisite for the economic effect of tourism advertising. He proposed that the psychological effect of tourism advertising should take into account the indicators of such as awareness, familiarity, liking, preference and action.

Evaluation of Sales Promotion Effect

Foreign research on the effect of sales promotion has been rich and systematic. Regarding the measurement of sales promotion effect, Kotler (2003) pointed out that sales data, consumer survey and experience are common methods used by manufacturers to measure the promotion effect. Promotions can be very effective if they attract customers from competitors to try out better products and convert them permanently.
From the perspective of research content, Chun-sheng Shi (2004) summarized several evaluation methods of promotion effect: before-and-after comparison method, market survey method and observation method. Many researches focus on the specific effects of a certain sales promotion policy, and the purpose is to find the optimal sales promotion strategy. Yan-ping GONG et al. (2006) discussed the effectiveness of coupon promotion, and concluded that the attributes of coupons themselves, the types of products using coupons and the characteristics of consumers are closely related to the promotion effect of coupons. Guang-jun Han (2001) believes that under the same external environment, the change of sales volume or market share reflects the effectiveness of promotional activities.

From the perspective of research objects, there are mainly two types of domestic research on the effect of sales promotion. The other is from the perspective of the enterprise, through the inspection of the enterprise's previous sales data and draw a conclusion. If the research from the perspective of enterprises is to summarize the past promotion behaviors of enterprises, the research from the perspective of consumers is to put forward Suggestions for the future promotion strategies of enterprises, so both of these studies are necessary (Nan Zhao, 2009).

Effect Evaluation of Public Relations

Since the late 1970s, measurement and evaluation of public relations have been regarded as an important research and practical issue (McElreath, 1980, 1989; Synnott & McKie, 1997; Watson & Noble, 2007). From the beginning of the 20th century, when "public relations" began to be widely used to describe a set of communication activities, the application of its measurement could be determined (Tom Watson, 2011). Some scholars, especially Lindenmann (2005), believed that the first academic work to measure and evaluate public relations programs was the book effective public relations by Scott Cutlip and Alan Center (1952). In later versions, Scott Cutlip and Alan Center also introduced the PII (preparation, implementation, action) model they used to measure public relations initiatives. The model was widely admired until the late 1990s. Lindenmann (2006) ’s paper on the measurement of public relations has been widely used in the United States, escribed in the research methods of public relations by Broom and Dozier (1990).

Most domestic scholars have put forward that effective evaluation should run through the whole process of public relations activities. As for the evaluation of the effect of public relations, Shui-gen HU (1995) believes that there are three methods: the evaluation method of the number of the public receiving information and the measurement of the number of the public receiving information; A methodology for assessing the number of members of the public who have changed their attitudes; An assessment of the number of members of the public who produce behavior.

Evaluation of Personal Selling Effect

Most of the research on the evaluation of marketing effect is carried out from the aspect of performance assessment, mainly including the quantitative and qualitative indicator systems. The quantitative indicators mainly include: performance indicators, cost indicators, etc. Qualitative indicators mainly include team indicators, information system establishment indicators, work attitude indicators, etc. (Qiu-zhi Jia, 2012). The research on the assessment of salesmen, according to the content of salesmen performance, usually includes sales results, customer relations, work knowledge, enterprise internal relations and personality characteristics. According to the nature of assessment indicators, it can be divided into quantitative indicators and qualitative indicators, among which the quantitative indicators include input assessment indicators, output assessment indicators and the combination of the two. Qualitative indicators include sales skills, relationship with customers, self-organizing ability, product knowledge, cooperation and attitude. Ming Lei (1997) proposed that both quantitative and qualitative indicators should be used in the evaluation of salesmen.
Foreign marketing performance evaluation has gone through three development stages: the first stage is from financial evaluation to non-financial evaluation; the second stage is from output evaluation to input evaluation. The third stage is from single index evaluation to multi-index evaluation. Among them, the four evaluation structures of enterprise marketing performance include non-financial evaluation, simple financial evaluation, investment evaluation and multi-dimensional evaluation.

In addition, Shu-ying Sun (2006) retrieved the abroad five mainstream marketing journals and literature, through sorting and statistics, obtained several abroad is most commonly used measure of enterprise marketing performance including sales, gross margin, market share, the main indices such as output. Davidson (1999) tested 47 indicators from the four dimensions of analysis, management, economy and practicality, so as to investigate the importance of enterprise marketing performance evaluation indicators.

Both in theory and in practice, the research on marketing performance evaluation in China started relatively late. Lin-sheng SI et al. (1997) established an evaluation index system covering eight aspects, including commodity circulation effect, marketing efficiency, financial effect, competition effect, public effect, service effect, safety effect and social orientation, in the comprehensive evaluation index system of marketing efficiency of commercial enterprises.

Chun-you WU (2000) established the input index and output index to evaluate the marketing effect of enterprises. The former mainly includes advertising and publicity expenses, personnel promotion expenses, business promotion expenses, public relations expenses, new product development and research expenses, sales service fees, marketing management expenses and other expenses; Marketing output indicators include sales revenue, sales profit, customer satisfaction, customer loyalty and other indicators.

Summary

The evaluation indexes of advertising, public relations, sales promotion and personal selling are relatively mature. Considering the overall factors, most of them start from the perspective of enterprises and focus on financial indicators, and pay more attention to the final sales effect of promotion. The evaluation of marketing performance is mainly based on financial indicators, and the emphasis on results while ignoring the process, which easily leads to the one-sided evaluation of marketing performance. In addition, although there are some studies on formative influencing factors in the above literature, they have not been integrated into the evaluation system of corporate promotional activities to obtain a formative overall evaluation.

In a word, it can be seen that the existing evaluation system of enterprise promotion effect is decentralized, and most of them are resultant financial indicators, with a particular emphasis on financial assessment.

References


