

# GET THE MOST FROM YOUR Q4 PROMOTIONAL SPEND



At NDL, we help high profile brands create impactful promotional activity. Our activation team handles complex entry mechanics, ensuring every aspect is 100% compliant, delivering a slick customer experience as well as easily accessible management reporting.

To help ensure your Q4 spend is focused on achieving maximum return, we've put together a short summary of some of our tried and tested mechanics.

## CASHBACK PROMOTIONS

Offering cashback with online redemption is a proven mechanic that allows brands to maintain their value proposition at full price, while rewarding customers with a cash payout in return for their proof of purchase. There are benefits for everyone involved:

- Customers feel rewarded with added value, but are encouraged to purchase at full price
- Price sensitive customers can be swayed away from the competition
- Retailers can run a promotion without dropping prices, a more profitable option than tactical discounting
- Brands successfully maintain their value proposition, while also gaining VAT benefits on the cashback amount
- Full price sales rather than ad hoc discounting, inspires longer term consumer confidence in the marketplace, which in turn benefits retailers, brands and consumers alike

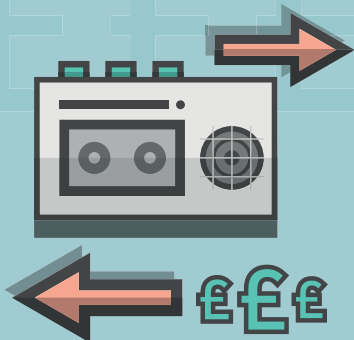


## TRADE IN PROMOTIONS

Encouraging a customer to trade-in an older product when buying a new product, by offering financial reward, is a promotional mechanic that has gained momentum in the last few years.

This widens the sales opportunity to customers whose existing product still works, but who are willing to upgrade for a lower price.

Trade-in promotions are financially rewarding for brands as traded-in products have a potential value that can be recouped, and once again, with online redemption collecting valuable customer data, further direct marketing opportunities can be planned to ensure a longer-lasting customer relationship.

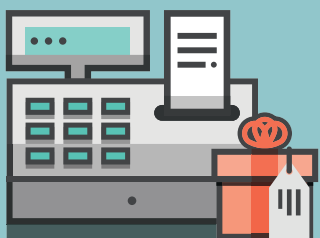


## GIFT WITH PURCHASE PROMOTIONS

Receiving something for free when a product is purchased is a great motivator. However, rather than offering the gift immediately at the point of purchase, we help brands deliver added value on redemption using a proof of purchase, which offers numerous benefits:

- Online redemption is more cost effective, as redemption rates will be lower than 100%
- Gifts dispatched on proof of purchase is more economical than sending items to retailers
- Customers enjoy the ease of receiving their free gift sent directly to their home
- Data-capture opportunity is not available with gifts offered with purchase in retailers

Offering a free gift with purchase also gives a brand the chance to demonstrate great understanding of the target audience, tapping into their hobbies or interests. For example, for TomTom fitness watches, we recently supported a series of free gifts with purchase, driven by insight around health and fitness products such as headphones, rucksacks and fitness subscriptions.



**In summary, selecting the right promotional mechanic for your brand activity is just as important as allocating the budget.**

It's worth considering where the customer is on their purchasing journey, and which behaviour you are trying to influence. For example, a trade-in promotion can appeal to a customer who isn't really looking, whereas a gift with purchase can be the final trigger that prompts the sale.