

Should you insure your promotion?

By [Robin Uys](#), issued by [VCG PromoRisk](#)

24 Feb 2021

People are funny, we are hard to predict and, at times, behave strangely.

This makes the cost of promotional marketing campaigns so hard to forecast.

Every marketer wants to have the best results when running a promotion no matter the size or scale of what the budget can provide. Some campaigns just resonate with consumers and are wildly successful while other others just don't get the traction targeted.

Great ideas and excellently executed promotions aren't a guarantee of success but getting it right can mean big gains for the brand, huge consumer uptake but also massive overspends on budget.

In today's tough economy with brands expected to get the maximum return on all spend, there is even a downside to having a successful campaign. Having an overspend on a campaign even if successful, is a hard conversation to have with the finance team. I've been there, I know. When this happens, something's got to give and that means either sacrificing future campaigns or having to implement a diluted promotional plan for the rest of the year. Either way, it's not a good result for the brand or your consumer.

Why not eliminate any uncertainty by using fixed fee promo insurance with VCG PromoRisk?

If your campaign demands consumer response, which is linked to a redemption rate of any sort that comes at a cost to you, leaves you exposed. No one knows how many consumers will enter/redeem or collect a prize or incentive in a promotion. We can use historical data, trends and insights to predict this but we just don't know.

A fixed fee solution will carry that risk for you.

A brand owner can sleep easy knowing that all promotional costs, up to 100% redemption, are included in one pre-agreed fixed fee.

When is a fixed fee right?

A fixed fee covers everything from instant wins to gifts with purchase and collectors; from coupons to cash-backs. Any campaign where the ultimate cost is linked to redemption rate and where that redemption rate is not known.

At worst, a fixed fee solution will make your day-to-day job of delivering a promotion to the consumer a lot easier. At best, it will protect you from the worry and significant risk of over-redemption.



About VCG

VCG is the world's leading promotional marketing insurance company, with nine offices across the globe. With their fixed fee insurance cover, they have supported and enhanced almost 4,000 campaigns over the last 16 years.

Contact robin@vcgpromorisk.co.za for enquiries.

About Robin Uys

Robin Uys is currently vice president: Africa for VCG PromoRisk.

He is an experienced and respected business leader who has worked across multiple markets with extensive experience in sub-Saharan Africa and the UK.

He has held executive ad agency roles as a former board member of Ogilvy and MD of Geometry Global, occupied senior marketing roles at Heineken as GM, Brandhouse as GM: commercial marketing and RCL Foods as marketing executive. Internationally, he led a full-service agency based in Lagos, Nigeria.

He is also the co-founder of Think Global Institute, a globally accredited digital marketing online education platform.



For more, visit: <https://www.bizcommunity.com>