

# ***Integrated Marketing Communications***



## **Lesson 10**

# Definition

- **Marketing Communications Mix**
  - The specific mix of advertising, personal selling, sales promotion, and public relations a company uses to pursue its advertising and marketing objectives.

# Integrated Marketing Communications

- **The Marketing Communications Environment is Changing:**
  - Mass markets have fragmented, causing marketers to shift away from mass marketing to target marketing
  - Improvements in information technology are facilitating segmentation
  - Media fragmentation has occurred with companies doing less broadcasting and more narrowcasting

# Integrated Marketing Communications

- **The Need for Integrated Marketing Communications**
  - **Conflicting messages from different sources or promotional approaches can confuse company or brand images**
    - The problem is particularly prevalent when functional specialists handle individual forms of marketing communications independently

# Integrated Marketing Communications

- **The Need for Integrated Marketing Communications**
  - The Internet must be integrated into the broader IMC mix
  - Best bet is to wed traditional branding efforts with the interactivity and service capabilities of online communications

# Integrated Marketing Communications

- **Integrated Marketing Communications**
  - The concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent, and compelling message about the organization and its products.

# The Communication Process

- **Communications efforts should be viewed from the perspective of managing customer relationships over time.**
- **The communication process begins with an audit of all potential contacts a customer might have with the brand.**
- **Effective communication requires knowledge of how communication works.**



# The Communication Process

## Elements in the Communication Process

EDUCATION BEYOND BORDERS

- Sender
- Message
- Media
- Receiver
- Encoding
- Decoding
- Response
- Feedback
- Noise

# Developing Effective Communication

- **Step 1: Identifying the Target Audience**
  - Affects decisions related to what, how, when, and where message will be said, as well as who will say it
- **Step 2: Determining Communication Objectives**
  - Six buyer readiness stages

# Buyer-Readiness Stages



Awareness

Knowledge

Liking

Preference

Conviction

Purchase

# Developing Effective Communication

- **Step 3: Designing a Message**
  - AIDA framework guides message design
  - Message content contains appeals or themes designed to produce desired results
    - Rational appeals
    - Emotional appeals
      - Love, pride, joy, humour, fear, guilt, shame
    - Moral appeals

# Developing Effective Communication

- **Step 3: Designing a Message**
  - **Message Structure:** Key decisions are required with respect to three message structure issues:
    - Whether or not to draw a conclusion
    - One-sided vs. two-sided argument
    - Order of argument presentation
  - **Message Format:** Design, layout, copy, colour, shape, movement, words, sounds, voice, body language, dress, etc.

# Developing Effective Communication

- **Step 4: Choosing Media**
  - **Personal communication channels**
    - Includes face-to-face, phone, mail, and Internet chat communications
    - Word-of-mouth influence is often critical
    - Buzz marketing cultivates opinion leaders
  - **Nonpersonal communication channels**
    - Includes media, atmosphere, and events

# Developing Effective Communication

- **Step 5: Selecting the Message Source**
  - Highly credible sources are more persuasive
  - A poor spokesperson can tarnish a brand
- **Step 6: Collecting Feedback**
  - Recognition, recall, and behavioural measures are assessed
  - May suggest changes in product/promotion

# Setting the Promotional Budget

- **Setting the Total Promotional Budget**
  - **Affordability Method**
    - Budget is set at a level that a company can afford
  - **Percentage-of-Sales Method**
    - Past or forecasted sales may be used
  - **Competitive-Parity Method**
    - Budget matches competitors' outlays

# Setting the Promotional Budget

- **Setting the Total Promotional Budget**
  - **Objective-and-Task Method**
    - Specific objectives are defined
    - Tasks required to achieve objectives are determined
    - Costs of performing tasks are estimated, then summed to create the promotional budget

# Setting the Promotional Mix

- **Setting the Overall Promotion Mix**
  - Determined by the nature of each promotion tool and the selected promotion mix strategy

# Setting the Promotional Budget and Mix

## Promotion Tools

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- *Advertising*
  - *Personal Selling*
  - *Sales Promotion*
  - *Public Relations*
  - *Direct Marketing*
- Reaches large, geographically dispersed audiences, often with high frequency
  - Low cost per exposure, though overall costs are high
  - Consumers perceive advertised goods as more legitimate
  - Dramatizes company/brand
  - Builds brand image; may stimulate short-term sales
  - Impersonal; one-way communication

# Setting the Promotional Budget and Mix

## Promotion Tools

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- *Advertising*
  - *Personal Selling*
  - *Sales Promotion*
  - *Public Relations*
  - *Direct Marketing*
- Most effective tool for building buyers' preferences, convictions, and actions
  - Personal interaction allows for feedback and adjustments
  - Relationship oriented
  - Buyers are more attentive
  - Sales force represents a long-term commitment
  - Most expensive of the promotional tools

# Setting the Promotional Budget and Mix

## Promotion Tools

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- *Advertising*
  - *Personal Selling*
  - ***Sales Promotion***
  - *Public Relations*
  - *Direct Marketing*
- Makes use of a variety of formats: premiums, coupons, contests, etc.
  - Attracts attention, offers strong purchase incentives, dramatizes offers, boosts sagging sales
  - Stimulates quick response
  - Short lived
  - Not effective at building long-term brand preferences

# Setting the Promotional Budget and Mix

## Promotion Tools

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- *Advertising*
  - *Personal Selling*
  - *Sales Promotion*
  - *Public Relations*
  - *Direct Marketing*
- **Highly credible**
  - **Many forms: news stories, news features, events and sponsorships, etc.**
  - **Reaches many prospects missed via other forms of promotion**
  - **Dramatizes company or benefits**
  - **Often the most underused element in the promotional mix**

# Setting the Promotional Budget and Mix

## Promotion Tools

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- *Advertising*
  - *Personal Selling*
  - *Sales Promotion*
  - *Public Relations*
  - *Direct Marketing*
- Many forms: Telephone marketing, direct mail, online marketing, etc.
  - Four distinctive characteristics:
    - Nonpublic
    - Immediate
    - Customized
    - Interactive
  - Well-suited to highly targeted marketing efforts

# Setting the Promotional Budget and Mix

- **Promotion Mix Strategies**
  - **Push strategy:** trade promotions and personal selling efforts push the product through the distribution channels.
  - **Pull strategy:** producers use advertising and consumer sales promotions to generate strong consumer demand for products.

# Setting the Promotional Budget and Mix

- **Checklist: Integrating the Promotion Mix**
  - Analyze trends (internal and external)
  - Audit communications spending
  - Identify all points of contact
  - Team up in communications planning
  - Make all communication elements compatible
  - Create performance measures
  - Appoint an IMC manager

# Socially Responsible Communications

- **Advertising and Sales Promotion**
  - Avoid false and deceptive advertising
  - No bait-and-switch advertising
  - Trade promotions can not favour certain customers over others
  - Use advertising to promote socially responsible programs and actions

# Socially Responsible Communications

- **Personal Selling**

- Salespeople must follow the rules of “fair competition”
- Three-day cooling-off rule protects ultimate consumers from high pressure tactics
- Business-to-business selling
  - Bribery, industrial espionage, and making false and disparaging statements about a competitor are forbidden