Integrated Marketing Communication Strategy

Definition

The 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
  - Media fragmentation is increasing
  - Improvements in information technology are facilitating segmentation

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

The Need for Integrated Marketing Communications

- The Web alone cannot be used to build brands; brand awareness potential is limited
- Web efforts can enhance relationships

Figure 14-1: 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
- Effective communication requires knowledge of how communication works

**Figure 14-2: Elements in the Communication Process**

- Sender
- Encoding
- Media
- Decoding
- Feedback
- Noise
- Receiver's field of experience
- Sender's field of experience

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

**Figure 14-3: Buyer-Readiness Stage**

- Awareness
- Knowledge
- Liking
- Preference
- Conviction
- Purchase

- Liking: feeling favorable about the product or service
- Preference: Preferring the product or service to other brands
- Conviction: Believing that the product or service is the best for them
Developing Effective Communication

Step 3: Designing a Message
- AIDA framework guides message design
- Message content
  - Rational
  - Emotional appeals: fear, humor, guilt, shame, love
  - Moral appeals

Humor has long been used in the advertisements. These ads use humor to attract attention.
Step 4: Choosing Media

- Personal vs. nonpersonal communication channels

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

Step 5: Selecting the Message Source

- Highly credible sources are more persuasive
- A poor choice of spokesperson can tarnish a brand

Step 6: Collecting Feedback

- Recognition, recall, and behavioral measures are assessed
- May suggest changes in product/promotion

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

Revlon emphasizes advertising while Avon emphasizes personal selling.

Setting the Promotional Budget and Mix

Nature of Each Promotional Tool
- 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

Nature of Each Promotional Tool
- 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

Nature of Each Promotional Tool
- Advertising
- Personal Selling
- Sales Promotion
- Public Relations
- Direct Marketing

- May be targeted at the trade or ultimate consumer
- 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

Nature of Each Promotional Tool
- 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

Nature of Each Promotional Tool
- Advertising
- Personal Selling
- Sales Promotion
- Public Relations
- Direct Marketing

- Many forms: Telephone marketing, direct mail, online marketing, etc.
- Four characteristics:
  - Nonpublic
  - Immediate
  - Customized
  - Interactive
- Well-suited to highly targeted marketing efforts
Figure 15-4: Push vs. Pull Promotion Strategy

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.

Discussion Question

Have you noticed TV ads for prescription drugs? Pharmaceutical firms are now using pull-oriented marketing techniques. Does such a strategy help patients or does it interfere with the doctor-patient relationship?

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
  - Bait and switch advertising
  - Trade promotions can not favor certain customers over others
  - Use advertising to promote socially responsible programs and actions

State Farm uses advertising to promote socially responsible programs and actions.
Personal Selling
- Salespeople must follow the rules of “fair competition”
- Three day cooling-off rule protects ultimate consumers from high pressure tactics

Socially Responsible Communications

Personal Selling
- Business-to-business selling
  - Bribery, industrial espionage, and making false and disparaging statements about a competitor are forbidden