Chapter 15
Designing and Managing Integrated Marketing Communications

Chapter Questions
- What is the role of marketing communications?
- What are the major steps in developing effective communications?
- What is the communications mix and how should it be set?
- What is an integrated marketing communications program and how is it managed?

Figure 15.1: Integrating Marketing Communications to Build Brand Equity
Marketing Communications Mix

- Advertising
- Sales promotion
- Events and experiences
- Public relations and publicity
- Direct marketing
- Interactive marketing
- Word-of-mouth marketing
- Personal selling

Developing Effective Communications

- Identify the target audience
- Determine the objectives
- Design the communications
- Select the channels
- Establish the budget
- Decide on the media mix
- Measure the results
- Manage integrated marketing communications
Identify the Target Audience

- Potential buyers of the company’s products
- Current users
- Deciders
- Influencers

- Can be:
  - Individuals
  - Groups
  - Particular publics
  - General public

- Image analysis
  - Profile the target audience in terms of brand knowledge

Determine the Communications Objectives

- Category need
- Brand awareness
- Brand attitude
- Brand purchase intention

Design the Communications

- Message strategy—what to say.
- Creative strategy—how to say it.
  - Informational appeal—elaborates on attributes or benefits.
  - Transformational appeal—elaborates on a nonproduct-related benefit or image.
- Message source—who should say it.
  - Factors underlying source credibility:
    - Expertise
    - Trustworthiness
    - Likeability
Select the Communications Channels

- Personal communications channels
- Nonpersonal communications channels
  - Media
  - Sales promotions
  - Events and experiences
  - Public relations
- Two-step process: from media to opinion leaders and from these to the less media-involved people

Establish the Total Marketing Communications Budget

- Affordable method
- Percentage-of-sales method
- Competitive-parity method
- Objective-and-task method

Factors in Setting the Marketing Communications Mix: Type of product market, Consumer readiness to make a purchase, Product life-cycle stage, Market rank

Measuring Communication Result

- Does the target audience recognize or recall the message? How many times did they see it? What points do they recall? How do they feel about the message? What are their previous and current attitudes toward the product and company?
- Marketer should also collect behavioral measures and audience response.

Integrated marketing communications (IMC) is a concept of marketing communications planning that recognizes the added value of a comprehensive plan.

- Multiple-vehicle, multiple stage campaign (Figure 15.5, page 278)
Chapter 16
Managing Mass Communications

Chapter Questions
• What are the steps in developing an advertising program?
• How should sales promotion decisions be made?
• What are the guidelines for effective brand-building events and experiences?
• How can companies exploit the potential of public relations and publicity?

Developing and Managing An Advertising Program
Deciding on Media Timing and Allocation

- **Continuity**—exposures appear evenly throughout a given period.
- **Concentration**—spending all ad dollars in a single period.
- **Flighting**—advertise for a period, followed by a period with no advertising, followed by a second period of advertising activity.
- **Pulsing**—continuous advertising at low-weight levels reinforced periodically by waves of heavier activity.

Evaluating Advertising Effectiveness

- **Communication-effect research** (called *copy testing*)—seeks to determine whether an ad is communicating effectively.
  - Pretesting—before an ad is placed.
  - Posttesting—after an ad is placed.
- **Formula for measuring sales impact of advertising**:
  - Share of expenditures
  - Share of voice
  - Share of mind and heart
  - Share of market

Sales Promotion

- A collection of incentive tools, mostly short term, designed to stimulate quicker or greater purchase of particular products or services by consumers or the trade.
- Objectives: Attract new users, reward loyal customers, increase repurchase rates, attract brand switchers.
Sales Promotion Tools

- Consumer promotions
  - Samples
  - Coupons
  - Cash refund offers
  - Price packs
  - Premiums
  - Frequency programs
  - Prizes
  - Patronage awards
  - Free trials
  - Warranties
  - Tie-in and cross promotions
  - Point-of-purchase displays and demonstrations

- Trade promotions
  - Price-off
  - Allowances
  - Free goods

- Business and sales-force promotions
  - Trade shows and conventions
  - Sales contests
  - Specialty advertising

Advertising vs. Promotion

- Reasons for decreasing advertising-to-sales-promotions ratios:
  - Top management acceptance of promotion
  - Increase in number of brands
  - Competitors use promotions frequently
  - Brands seen as similar
  - Consumers more price-oriented
  - Trade demands more deals
  - Declining advertising efficiency

Major Sales Promotion Decisions

- Establish objectives
- Select the tools
- Develop the program
- Pretest the program
- Implement and control program
- Evaluate the results
Events Objectives

- Identify with a particular target market or life style
- Increase awareness of company or product name
- Create or reinforce perceptions of key brand image associations
- Enhance corporate image
- Create experiences and evoke feelings
- Express commitment to the community or on social issues
- Entertain key clients or reward key employees
- Permit merchandising or promotional opportunities

Major Sponsorship Decisions

- Choosing event opportunities
- Designing sponsorship programs
- Event creation
- Measuring sponsorship activities

Public Relations Functions

- Press relations
- Product publicity
- Corporate communication
- Lobbying
- Counseling
Marketing Public Relations Roles

- Launching new products
- Repositioning a mature product
- Building interest in a product category
- Influencing specific target groups
- Defending products that have encountered public problems
- Building the corporate image in a way that reflects favorably on its products

Major Tools in Marketing PR

- Publications
- Events
- Sponsorships
- News
- Speeches
- Public-service activities
- Identity media

Major Decisions in Marketing PR

- Establish marketing objectives
- Choose messages and vehicles
- Implement and evaluate the plan