Promotions:
Integrated Marketing Communication Strategy

The Changing Communications Environment
Marketers Have Shifted Away From Mass Marketing
Less Broadcasting
Two Factors are Changing the Face of Today’s Marketing Communications:
Improvements in Information Technology Has Led to
Segmented Marketing More Narrowcasting

The Need for Integrated Marketing Communications
With Integrated Marketing Communications (IMC), the Company Carefully Integrates and Coordinates Its Many Communications Channels to Deliver a Clear, Consistent, and Compelling Message About the Organization and Its Product or Service.

A View of the Communications Process
Marketers View Communications as the Management of the Customer Relationship Over Time Through the Following Stages:
Preselling
Selling
Post-Consumption
Consuming

Elements in the Communication Process
Steps in Developing Effective Communication

Step 1. Identifying the Target Audience

Step 2. Determining the Communication Objectives

Buyer Readiness Stages
- Awareness
- Knowledge
- Liking
- Preference
- Conviction
- Purchase

Steps in Developing Effective Communication

Step 3. Designing a Message

Message Content
- Rational Appeals
- Emotional Appeals
- Moral Appeals

Message Structure
- Draw Conclusions
- Argument Type
- Argument Order

Message Format
- Headline, Illustration, Copy, & Color
- Body Language

Steps in Developing Effective Communication

Step 4. Choosing Media

- Personal Communication Channels
- Nonpersonal Communication Channels

Step 5. Selecting the Message Source

Step 6. Collecting Feedback

Steps in Developing Effective Communication

Setting the Total Promotion Budget

One of the Hardest Marketing Decisions Facing a Company is How Much to Spend on Promotion.

Affordable
- Based on What the Company Can Afford

Objective-and-Task
- Based on Determining Objectives & Tasks, Then Estimating Costs

Percentage of Sales
- Based on a Certain Percentage of Current or Forecasted Sales

Competitive-Parity
- Based on the Competitor’s Promotion Budget

Setting the Promotion Mix

Advertising
- Reach Many Buyers, Repeat Message Many Times, Impersonal, Expensive

Personal Selling
- Personal Interaction, Relationship Building, Most Expensive Promo Tool

Sales Promotion
- Wide Assortment of Tools, Rewards Quick Response, Efforts Short-Lived

Public Relations
- Very Believable, Dramatize a Company or Product, Underutilized

Direct Marketing
- Nonpublic, Immediate, Customized, Interactive
Advertising

Advertising is centuries old. U.S. advertisers spend in excess of $250 billion each year; worldwide spending exceeds $500 billion.

Advertising is used by:
- Business firms,
- Nonprofit organizations,
- Professionals, and
- Social agencies.

What is Advertising?

Advertising is Any Paid Form of Nonpersonal Presentation and Promotion of Ideas, Goods, or Services by an Identified Sponsor.

Major Advertising Decisions

- Objectives
  - Setting objectives
  - Sales Objectives
- Budget Decisions
  - Affordable Approach
  - Percent of sales
  - Competitive priority
  - Objective and task
- Message Decisions
  - Message Strategy
  - Message Execution
- Media Decisions
  - Reach, Frequency, Impact
  - Major Media Types
  - Specific Media Types
  - Media Timing
- Campaign
  - Communication Impact
  - Sales Impact
- Setting Advertising Objectives

Informative Advertising
- Inform Consumers or Build Primary Demand
  - i.e. CD Players

Persuasive Advertising
- Build Selective Demand
  - i.e. Sony CD Players

Advertising Objective
- Specific Communication
- Task
- Accomplished with a Specific
- Target Audience
- During a Specific Period of Time

Comparison Advertising
- Compares One Brand to Another
  - i.e. Avis vs. Hertz

Reminder Advertising
- Keeps Consumers Thinking About a Product
  - i.e. Coca-Cola
Developing Advertising Strategy

Advertising Strategy Consists of Two Major Elements and Companies are Realizing the Benefits of Planning These Two Elements Jointly.

Creating the Advertising Messages

Selecting the Advertising Media

Developing Advertising Strategy: Creating Ad Messages

Plan a Message Strategy
General Message to Be Communicated to Customers

Develop a Message Focus on Customer Benefits

Creative Concept “Big Idea”
Visualization or Phrase Combination of Both

Advertising Appeals Meaningful Believable Distinctive

Developing Advertising Strategy: Message Execution

Turning the “Big Idea” Into an Actual Ad to Capture the Target Market’s Attention and Interest.

Advertising Strategy: Selecting Advertising Media

Step 1. Decide on Reach, Frequency, and Impact

Step 2. Choosing Among Major Media Types
Media Habits of Target Consumers, Nature of the Product, Types of Message, Cost

Step 3. Selecting Specific Media Vehicles
Specific Media Within a Given Type, i.e. Magazines, Must Balance Media Cost Against Media Factors: Audience Quality & Attention, Editorial Quality

Step 4. Deciding on Media Timing
Scheduling of Advertising Over the Course of a Year Pattern of Ads: Continuity or Pulsing

International Advertising Decisions

Adaptation of Global Advertising

Advertising Media Differ Considerably in Availability and Cost

Regulation in Advertising Practices

Comparison Ads Not Acceptable in All Countries

Programs Must be Matched to Local Cultures and Customs
Socially Responsible Marketing
Communication

- Advertising and Sales Promotion
  - Companies must avoid false and deceptive advertising.
  - Sellers must avoid bait-and-switch advertising.
  - Trade promotion activities are also closely regulated.
- Personal Selling
  - Salespeople must follow the rules of “fair competition”.
  - Three-day cooling-off rule
  - Salespeople must not disparage competitors.