

Session 16

Integrated Marketing Communications & Advertising

Text: Chapters 14, 16

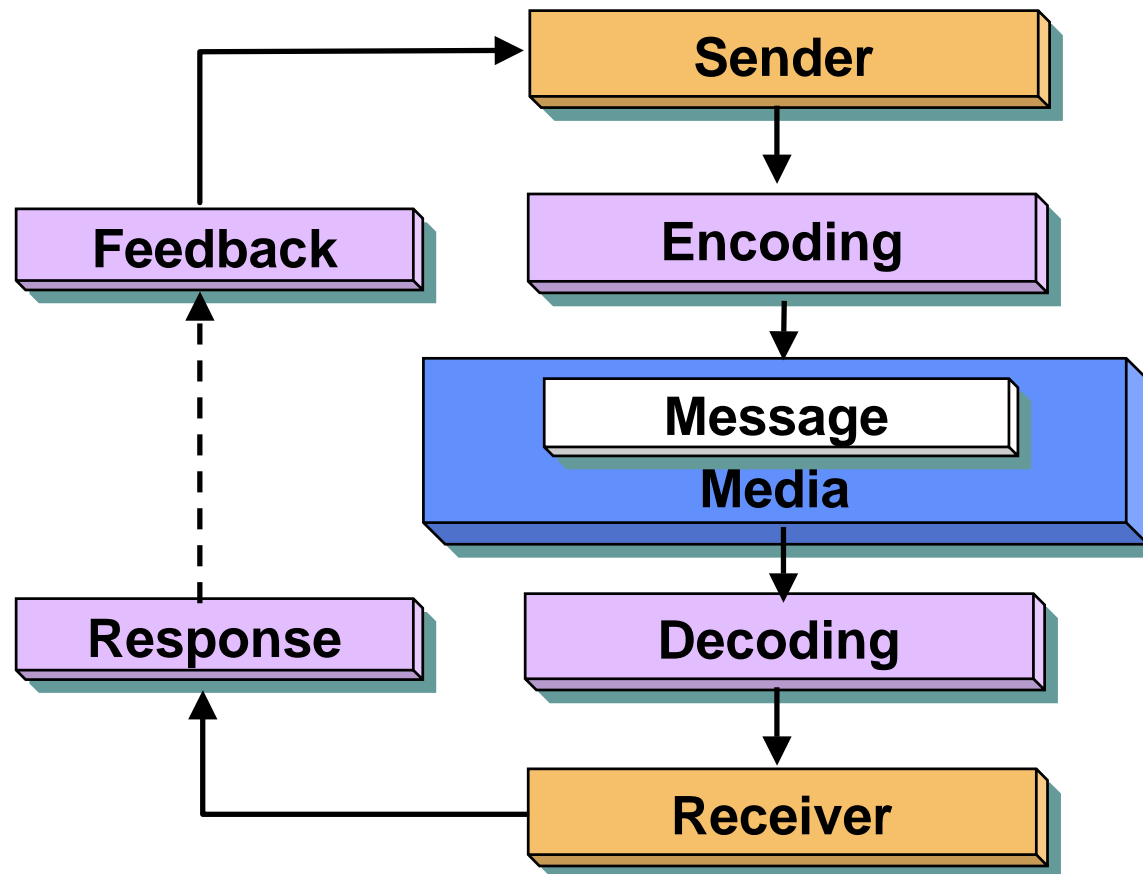
- I. The Communication Process**
- II. Integrated Marketing Communications**
- III. Advertising**

I. The Communication Process



I-1 The Communication Process

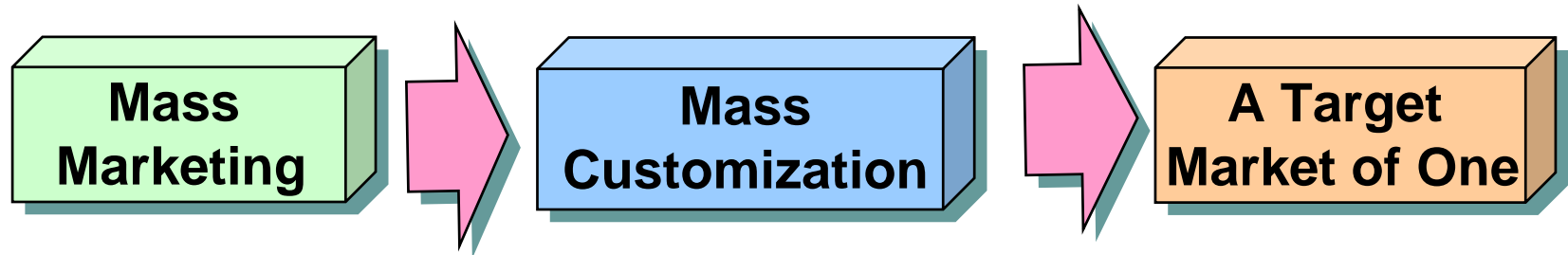
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I-2 Paradigm Shift in Marketing Communications

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Information Age



Asynchronous
Advertising

Database
Marketing

Synchronous
or Interactive
Marketing

Trade Promotion

Sales Promotion

II. Integrated Marketing Communications



II-1 Definition of IMC

16-7

*...a concept of marketing communications planning that recognizes the added value of a **comprehensive plan** that evaluates the strategic roles of a variety of communication disciplines—for example, general advertising, direct response, sales promotion, and public relations—and **combine these disciplines** to provide clarity, consistency, and **maximum communications' impact**.*

-- AAAA



II-2 Functions & Focus of IMC

- IMC helps an organization focus on **the best mix** of promotional disciplines for their needs
- A way of planning using a **holistic** approach
- Being used successfully in **both** the consumer and B-to-B markets
- Focus on the **process** of marketing, not the parts

II-3 How IMC Works

16-9

- *Move from inside-out to outside-in planning and implementation*
- *View your activities as an inter-related system of marketing and communication*
- *Expect different responses from different audiences*
- *Create synergy among communication techniques*
- *Develop a marketing information system to track results and give feedback on programs (i.e. marketing database)*



II-4 Development Stages of IMC

16—10

- 1. Awareness of the need for integration***
 - 2. Image integration***
 - 3. Functional integration***
 - 4. Coordinated integration***
 - 5. Consumer-based integration***
 - 6. Stakeholder-based integration***
 - 7. Relationship management integration***
- M. Joseph Sirgy***



II-5 Promotion Mix

16-11

➤ Advertising

Reach many buyers, repeat the message, impersonal, expensive

➤ Personal Selling

Personal interaction, relationship building, most expensive

➤ Sales Promotion

Assortment of tools, rewards quick response, effect short-lived

➤ Public Relations

Believable, dramatize a company or Product

➤ Direct Marketing

Nonpublic, immediate, customized, interactive



Issues for Setting the Promotion Mix

- **Stage in PLC**
- **Type of Market**
- **Push or Pull**
- **Buyer Readiness State**

II-7 Promotion Mix Strategies

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Pull Strategy

Calls for Spending A Lot on Advertising and Consumer Promotion to Build Up (**Pull**) Consumer Demand.

Strategy Selected Depends on:

Type of Product-Market &

Product Life-Cycle Stage

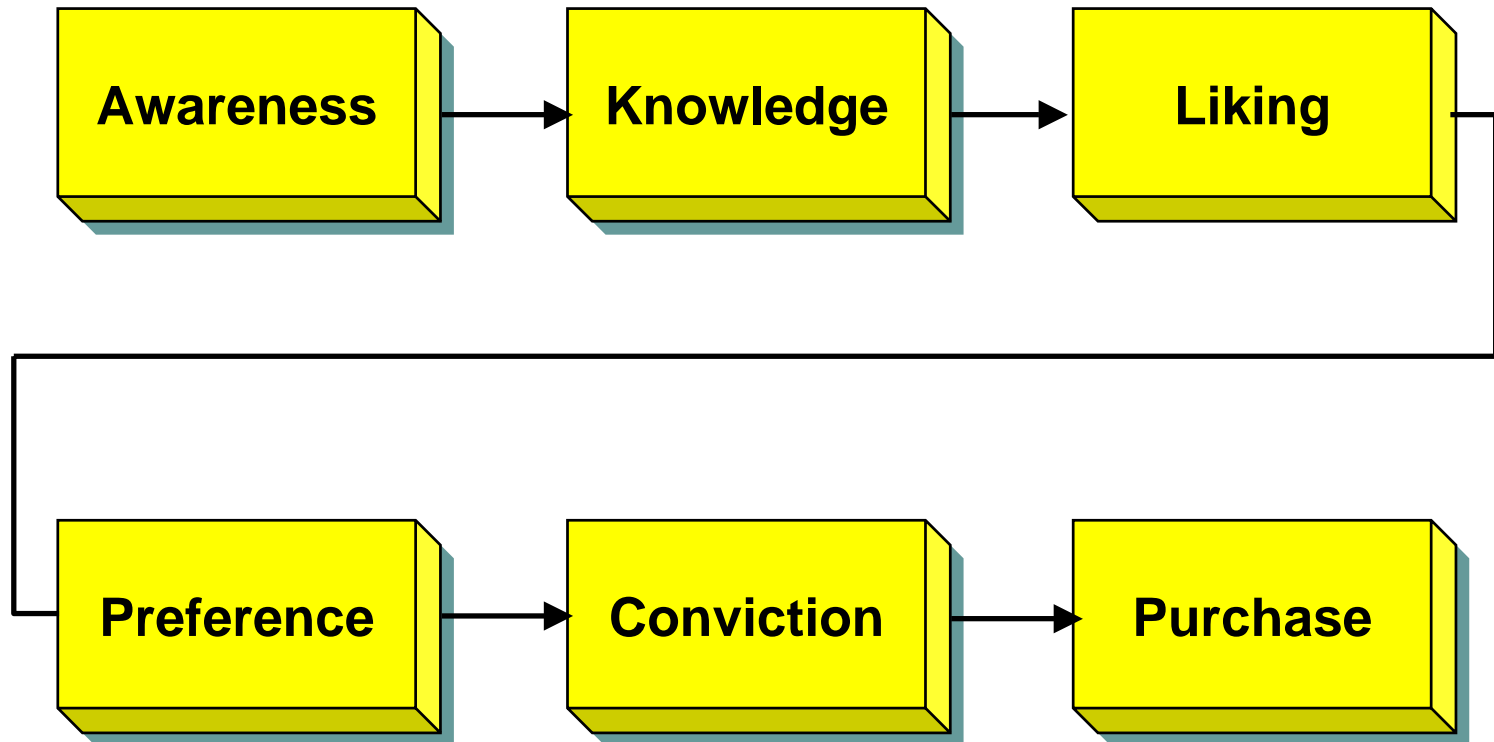
Push Strategy

Calls for Using the Salesforce and Trade Promotion to **Push** the Product Through the Channels.



II-8 Buyer Readiness States

16-14



- **Mass media**
- **Targeted media**
- **In-store media**
- **One-to-one media**

II-10 Developing Integrated Marketing Communications Program

14—16



II-11 An Integrated Marketing Communications Planning Model

Review of marketing plan



Analysis of promotional program situation



Analysis of the Communications Process



Budget Determination



Develop Integrated Marketing Communications Program

Methods for Budgeting Promotion

- **Affordable**
- **Percentage of Sales**
- **Competitive Parity**
- **Objective Task**

- 1. What's the serious problem a company would encounter when it begins to adopt IMC program?***
- 2. How to solve this problem?***

III. Advertising



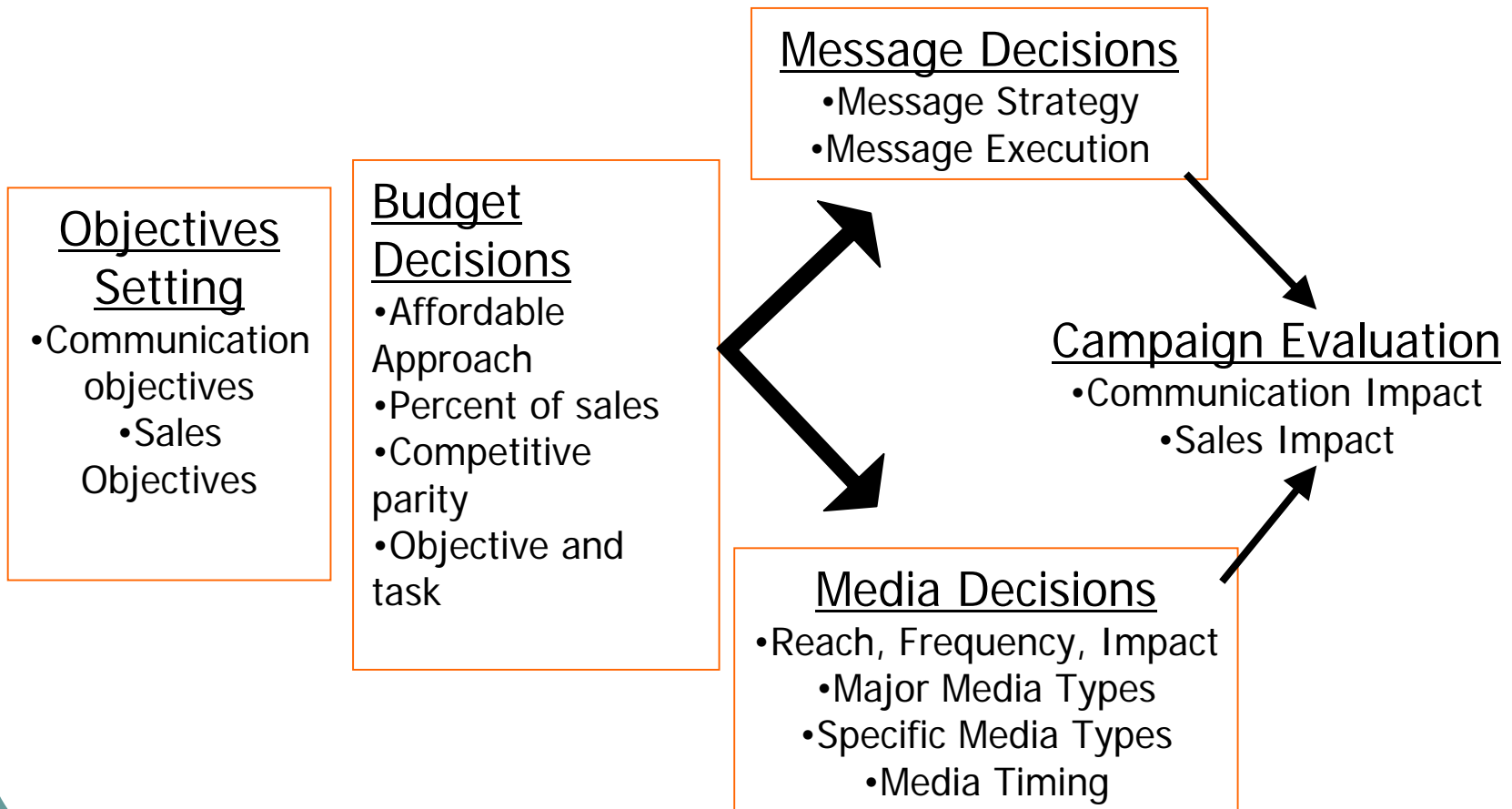
III-1 What is Advertising?

Advertising is any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.



III-2 Major Advertising Decisions

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- **Informative Advertising**

Inform Consumers or Build Primary Demand
i.e Digital Camera

- **Persuasive Advertising**

Build Selective Demand
i.e Lenovo Digital Camera

- **Reminder Advertising**

Keeps Consumers Thinking About a Product
i.e. Coca-Cola

III-4 Budget Decisions

Considerations When Setting Advertising Budgets

- **Product Differentiation**
- **Stage in PLC**
- **Advertising Frequency**
- **Market Share**
- **Competition and Clutter**

Message Content Decisions

- **Rational Appeals**
- **Emotional Appeals**
- **Moral Appeals**

III-6 Message Structure

Key Message Structure Decisions

- **Draw Conclusions**
- **Argument Type**
- **Argument Order**

III-7 Message Execution

Typical Message Execution Styles

- Testimonial Evidence
- Scientific Evidence
- Technical Expertise
- Personality Symbol
- Musical
- Mood or Image
- Fantasy
- Lifestyle
- Slice of Life

➤ Personal Media

- Word of
- Mouth Opinion
- Leaders

➤ Nonpersonal Media

- Major
- Media
- Events
- Atmospheres

Key Issues in Selecting Media

- **Media Timing**
- **Reach**
- **Media Vehicles**
- **Frequency**
- **Media Impact**