INTEGRATED MARKETING COMMUNICATIONS

Bibliography:

Kotler and Keller (2016), Marketing Management, 15ed., Pearson, cap 19, 20 , 21 e 22.

Wirtz and Lovelock (2016), Services Marketing, 8th ed., Chapter 7.

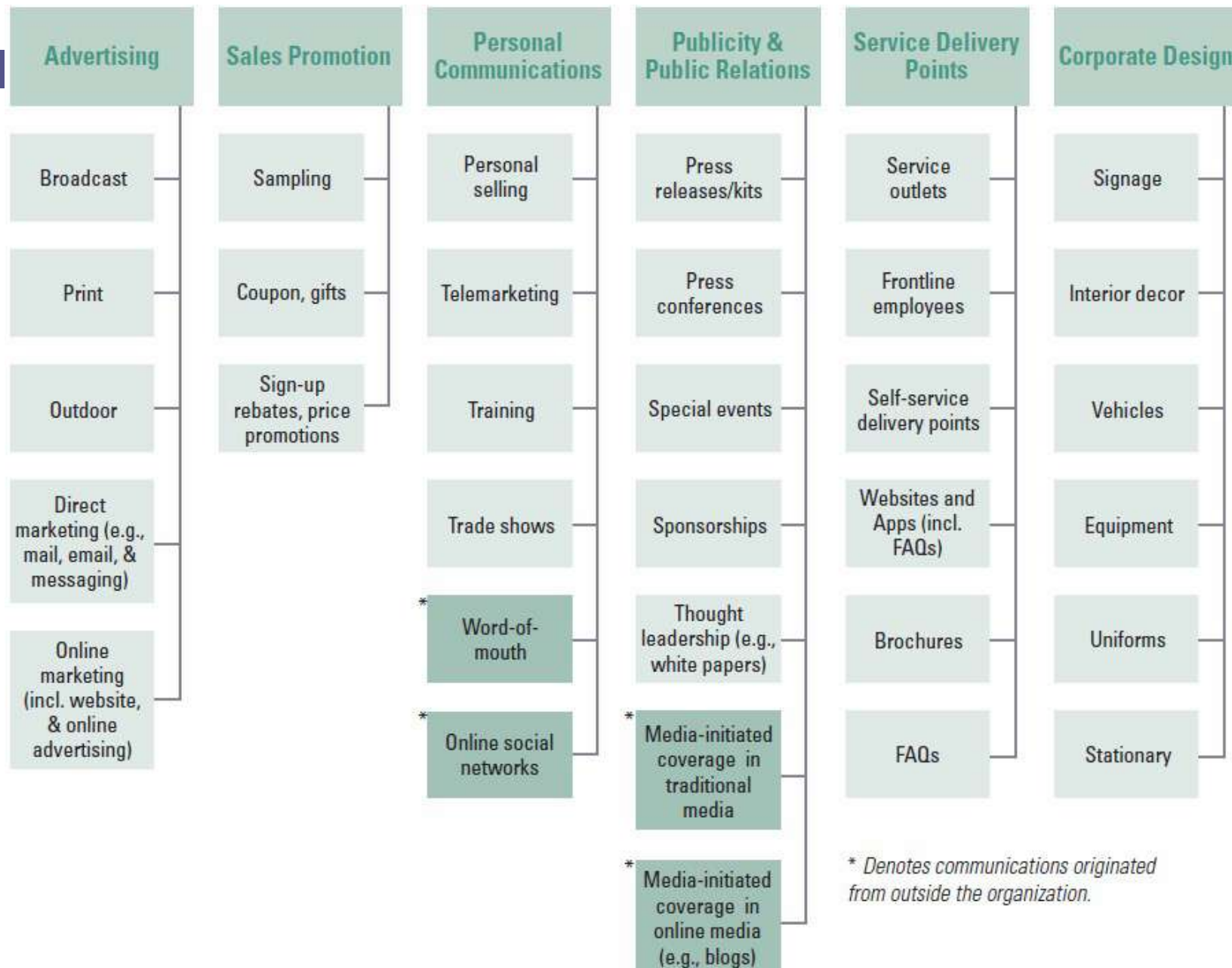# Integrated Marketing Communications

- Integrated Communications
  - A strategy that carefully integrates all external and internal communication channels to present a consistent message to customers

- This means coordination across:
  - Sales and service people
  - Broadcast (TV, Print, Radio)
  - Internet & Mobile
  - Other forms of tangible communication including the servicescape

Marketing Communications Mix

Advertising	Sales Promotion	Personal Communications	Publicity & Public Relations	Service Delivery Points	Corporate Design
Broadcast	Sampling	Personal selling	Press releases/kits	Service outlets	Signage
Print	Coupon, gifts	Telemarketing	Press conferences	Frontline employees	Interior decor
Outdoor	Sign-up rebates, price promotions	Training	Special events	Self-service delivery points	Vehicles
Direct marketing (e.g., mail, email, & messaging)		Trade shows	Sponsorships	Websites and Apps (incl. FAQs)	Equipment
Online marketing (incl. website, & online advertising)		* Word-of-mouth	Thought leadership (e.g., white papers)	Brochures	Uniforms
		* Online social networks	* Media-initiated coverage in traditional media	FAQs	Stationary
			* Media-initiated coverage in online media (e.g., blogs)		

* Denotes communications originated from outside the organization.

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Source: Wirtz and Lovelock (2016), Services Marketing, 8ed.

Advertising

- Paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor
    - Print media (newspapers, magazines, direct mail), broadcast media (television, radio), display media (billboards, signs, posters), network media (telephone, wireless), and electronic media (e-mail, web page).

- Allows to build a long-term image for a product or service, or to trigger quick sales.
    - Enables the reach geographically dispersed buyers.
    - Pervasiveness – permits the seller to repeat a message many times.
    - Impersonality – one way communication.

Advertising Objectives

Inform

Persuade

Reinforce

Remind

Viral Power of Advertising

A UK "Life's for Sharing" ad for T-Mobile in which 400 people break into a choreographed dance routine in the Liverpool Street Station was shown exactly once on the Celebrity Big Brother television show, but it was watched more than 15 million times online when word about it spread via e-mail messages, blogs, and social networks.

Old Spice's Advertising Campaign

Uploaded onto YouTube and other social networking sites, the ad was viewed over 10 million additional times.

Old Spice's Facebook page included a Web application called "My Perpetual Love," which featured Mustafa offering men the opportunity to be "more like him" by e-mailing and tweeting their sweethearts virtual love notes.

https://www.youtube.com/watch?v=iS-4WxmKBNI

Sales Promotion

- **Sales Promotion** - short term incentive tools, designed to stimulate quicker or greater purchase of products or services

- Defined as "**communication attached to an incentive**"
  - Samples, coupons, discounts, gifts, cash refund offers

- Should be **specific** to a time period, price, or customer group

- **Motivates customers** to use a specific service sooner, in greater volume with each purchase, or more frequently

- Provides a "**competitive edge**" during periods when demand would be weak

- **Speeds up** introduction and acceptance of new services

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Sales Promotion Objectives

Product trial

Increase repurchase

Brand switching

Reward

Direct and digital marketing

☐ The use of consumer-direct channels to reach and deliver goods and services to customers without using marketing middlemen.

Customized and interactive

Consumers

Direct and digital Marketing

Web Sites

Interactive TV

Telemarketing

Mobile Devices

Catalogs and Kiosks

Direct Mail

Personal selling

- **Personal selling** is the interaction between firms sales force and potential or current customers, to present and communicate the firms offerings.
  - Sales force presentations, trade shows, visits to the customers…

- Personal selling is especially effective in B2B markets and at the final stages of consumer decisions.
  - Personal interaction
  - Engage customers
  - Response to customers requests and questions
  - Building personal relationships

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Public Relations

- **Public relations** (PR) includes a variety of programs to promote or protect a company's image or individual products.

- **Stimulating positive interest** in an organization and its products/services through third parties
  - Press conferences,
  - News releases,
  - Exposure through sponsorships

Events and experiences

- Sponsorship of activities related to the service or the image the firm wants to convey.

- Objectives:
  - Identify with target market
  - Increase exposure to brand name
  - Reinforce brand image / enhance corporate image
  - Evoke feelings / express commitment
  - Entertain clients / reward employees
  - Merchandising/promotional opportunities

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Events and Experiences

Festivals

Sports

Cause Marketing

The Arts

Entertainment

Communications Through Service Delivery Channels

☐ **Service Outlets**

   ❑ Both planned and unintended messages reach customers through the medium of the service delivery environment itself.

☐ **Frontline Employees**

   ❑ Communication from frontline staff takes the form of the core service and a variety of supplementary services, including providing information, giving advice etc.

☐ **Self-Service Delivery Points**

   ❑ ATMs, vending machines, websites, and service apps can be used effectively in communications with current and potential customers.

Online Communications

☐ **Company's Website**

　◘ Creating consumer awareness and interest.

　◘ Providing information and consultation.

　◘ Allowing two-way communications with customers through email and chat rooms.

　◘ Encouraging product trial.

　◘ Enabling customers to place orders.

　◘ Measuring the effectiveness of specific advertising or promotional campaigns.

☐ **Online Advertising**

　◘ Banner Advertising

　◘ Search Engine Advertising

Example: Starbucks website

- The website provides a lot of information, for example shows how coffees beans are cultivated, harvested and produced.

- This reinforces the company communication and value proposition.
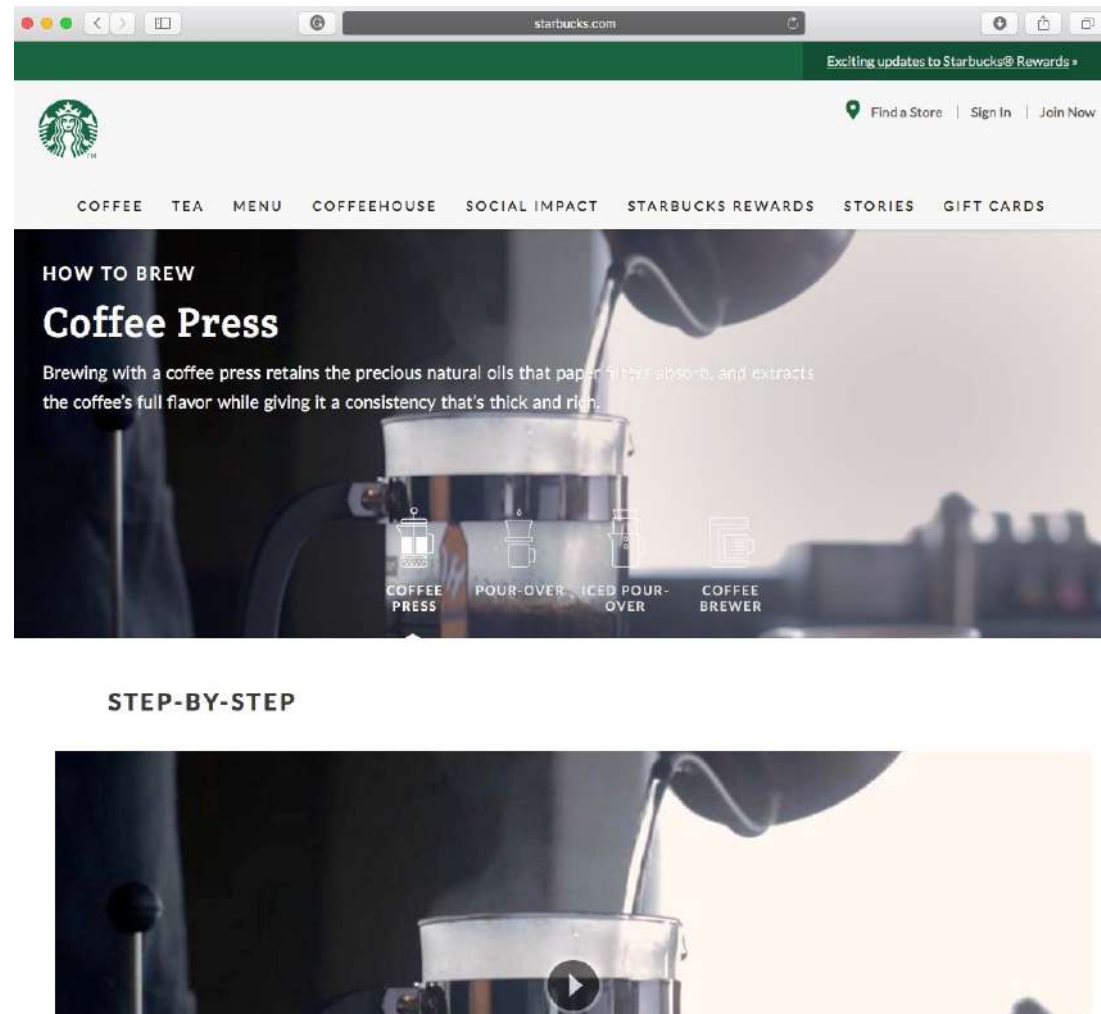
Online Communications From Outside The Organization

- **Word-of-Mouth (WOM)**
  - Viral marketing ("word-of-mouse")
  - Referral reward programs work well for close friends & family (ex: Weight Watchers, Dropbox)
- **Blogs, Twitter, Instagram, and other social media as a type of online WOM**
  - Firms monitor blogs and view them as a form of immediate market research and feedback
- **Media coverage**
  - Traditional media coverage of firms and their services is often through a firm's PR activity. Even today, this sector in the firm promises a wide reach.

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Example: Budget Carriers Using Online Channels to Drive Ticket Sales

Airlines' mobile app that includes messaging and other functions, including loyalty programs and mobile boarding passes

Potential customers searches keywords such as "budget airlines" using search engines (e.g., Google)

Advertising in traditional media, including TV and print

Mobile apps

Search engine optimization

Offline traditional marketing to drive traffic

Advertising on portal sites such as Yahoo! and CNN

Click-through traffic

Budget airline's website where customers buy tickets

Social media and viral marketing

Significant presence on social networking sites (e.g., Facebook, Twitter, LinkedIn) and blogs

Cross-selling

Online promotions

Strategic collaborations that allow referrals across firms (e.g., between airlines and car rental firms, or music streaming services and café chains)

Online direct marketing

Contests and promotions

Timely messages (e.g., via email, text and WhatsApp) and subscribers to newsletters

Source: Wirtz and Lovelock (2016), Services Marketing, 8ed.

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Source: https://datareportal.com/reports/digital-2022-global-overview-report

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Source: https://datareportal.com/reports/digital-2022-global-overview-report

The World's Most-Used Social Platforms — Jan 2022. Ranking of social media platforms by global active user figures (in millions).

Platform	Users (millions)
FACEBOOK[1]	2,910
YOUTUBE[2]	2,562
WHATSAPP[1]*	2,000
INSTAGRAM[2]	1,478
WECHAT[1]	1,263
TIKTOK[1]	1,000
FB MESSENGER[2]	988
DOUYIN[3]	600
QQ[1]	574
SINA WEIBO[1]	573
KUAISHOU[1]	573
SNAPCHAT[2]	557
TELEGRAM[1]	550
PINTEREST[1]	444
TWITTER[2]	436
REDDIT[1]*	430
QUORA[1]*	300

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Online Marketing

Advantages	Disadvantages
• Can offer or send tailored information/messages	• Consumers can screen out most messages
• Can trace effects by UVs (unique visitors) clicks on a page/ad	• Ads can be less effective than they appear (bogus clicks)
• Contextual placement	• Lost control over online messages via hacking/vandalism
• Can place advertising based on search engine keywords	

Social Media

☐ Means for consumers to share text, images, audio, and video information with each other and with companies, and vice versa

Online communities/forums

Blogs

Social networks

Online and mobile communications

- **Online and social media marketing**
  - Rich
  - Interactive
  - Up to date

- **Mobile marketing**
  - Timely
  - Influential
  - Pervasive

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Online and Mobile Presence Optimization

☐ Refers to a more "holistic" view of a business' **Internet visibility**

Example: Oreo

Oreo followers:

- 41M+ on Facebook
- 14M+ on YouTube
- 3,1M+ on Instagram
- 946K+ on Twitter

Example: #thedress

Good Morning America @GMA   1h
What color is the dress, America?

RT for #whiteandgold
FAV for #blueandblack …

Example: #thedress

Cirque du Soleil ✓
@Cirque   🐦 Follow

We see it as blue and yellow, but we may be a tiny bit
biased. #TheDress

10:26 PM - 26 Feb 2015

205 RETWEETS 344 FAVORITES

↰ in reply to @Cirque

IKEA USA @IKEAUSA   10m

You're not the only ones @Cirque! We
see blue & yellow too :) #TheDress

Example: #thedress

LEGO ✔
@LEGO_Group

⚙ Follow

#whiteandgold or #blackandblue? We found a way around science- you can have both! #TheDress #dressgate

↩ ♺ ★ ⬩ ...

RETWEETS 3,653 FAVORITES 2,940

5:30 AM - 27 Feb 2015

M&M'S® Brand ✔
@mmschocolate

⚙ Follow

Why does everyone keep calling us Gold and White now? What's going on, Internet?! #TheDress #WhatColorsAreThisDress

↩ ♺ ★ ⬩ ...

RETWEETS 82 FAVORITES 71

7:46 PM - 26 Feb 2015

Example: Companies using events to engage with followers in social media

American stylist copies portuguese traditional sweater "camisola poveira" and other compnies use social media to show support for the portuguese brand and promote awareness and engamente with their own brand

Licor Beirão social media

Bordallo Pinheiro social media

Communication strategy objectives

□ The communication strategy aims at increasing the customer perceived value, reinforcing the firm's positioning.

- ❑ To inform, persuade, and remind consumers about the products and brands they sell
- ❑ Establish a dialogue and build relationships with consumers
- ❑ Increased awareness of product/service or brand
- ❑ Enhance the image of the firm's product/service or brand
- ❑ Better positioning the brand in the target segments
- ❑ Create positive responses to the product/service or brand

Steps in Developing Effective Communications

1. Identify target audience

2. Determine objectives

3. Design communications

4. Select channels

5. Establish budget

6. Decide on media mix

7. Measure results

8. Manage Integrated Marketing Communications

1. Identify target audience

- The target audience is a critical influence on the communicator's decisions about what to say, how, when, where, and to whom:

  - Current or potential customers

  - Deciders or influencers

  - B2C or B2B

  - Specific customer segments

2. Determine Communication Objectives

Brand Purchase Intention

Category Needs

Positive ☐

Negative ☐

Brand Attitude

Brand Awareness

2. Determine Communication objectives

Category Need

➢ Establishing a product or service category as necessary to remove or satisfy a perceived discrepancy between a current motivational state and a desired motivational state.

Brand Awareness

➢ Fostering the consumer's ability to recognize or recall the brand within the category, in sufficient detail to make a purchase.

Brand Attitude

➢ Helping consumers evaluate the brand's perceived ability to meet a currently relevant need.

Brand Purchase Intention

➢ Moving consumers to decide to purchase the brand or take purchase-related action.

3. Design Communications

What to say?
(Message Strategy)

Who should say it?
(Message source)

How to say it?
(Creative Strategy)

3. Design communications

- ☐ Message strategy: What to say?
    - ❑ Searches for appeals, themes, or ideas that will tie in to the brand positioning and help establish points-of-parity or points-of-difference.

- ☐ Creative strategy: How to say it?
    - ❑ *informational appeal* that elaborates on product or service attributes or benefits.
    - ❑ *transformational appeal* that elaborates on a nonproduct-related benefit or image.

- ☐ Message source: Who says it?
    - ❑ Source's credibility is crucial to a message's acceptance
        - ■ Sources of credibility: expertise, trustworthiness, and likability

Tomo Calcitrin
há muito tempo.
Reforça os meus ossos
e torna-me mais forte.

Sinto-me bem com
Calcitrin RAPID

Simone de Oliveira

FRIZE
ÁGUA COM GÁS
NATURAL

Dê um presente
ao ambiente e
a todas as mulheres
portuguesas

Recicle as embalagens usadas de plástico, metal,
papel, cartão e vidro e ajude a Associação Laço na
luta contra o cancro da mama. Por cada tonelada
de embalagens recicladas, a Laço recebe 1,5€ para
a compra de duas unidades móveis de rastreio. Por
isso, quanto mais reciclar mais ajuda. Vai fazer
toneladas de diferença!

sociedade pontoverde   Laço

4 SUPERPOWERS
FOR FLAWLESS
HOME LINEN.

REMOVES STAINS
WHITENS WHITES
REMOVES 99.9% GERMS*
BRIGHTENS COLOURS

Vanish

4. Select Communication Channels

Personal Communications

Nonpersonal (Mass) Communications

4. Select communication channels

- ☐ **Personal communication channels**
  - ☐ **two or more persons communicate face-to-face or person-to-audience through a phone, surface email, or e-mail, include:**
    - ■ direct marketing
    - ■ personal selling
    - ■ word of mouth

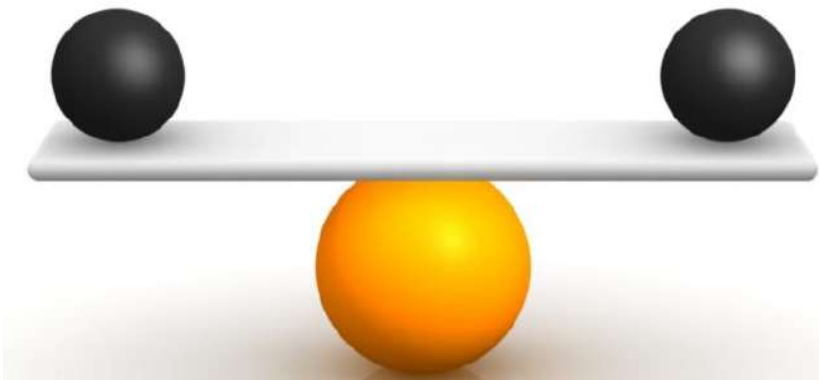- ☐ **Mass communication**
  - ☐ **communications directed to more than one person and include:**
    - ■ Media
    - ■ Sales promotions
    - ■ Events
    - ■ Public relations

5. Establish Communication Budget

Competitive-Parity

Affordable Method

Objective-and-Task

Percentage-of-Sales

5. Establish communication budget

- **Competitive-parity method**: set budget to achieve share-of-voice parity with competitors.

- **Affordable method**: set budget at what the company can afford.

- **Percentage-of-sales method**: set expenditures at a specified percentage of current or anticipated sales or of the sales price.

- **Objective-and-task method**: develop budgets by defining specific objectives, determining the tasks that must be performed to achieve these objectives, and estimating the costs of performing them. The sum of these costs is the proposed communication budget.

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6. Marketing Communications Mix

Characteristics

Measuring

Factors

Marketing Communications Mix characteristics

Advertising — Pervasive, Amplified, Control

Sales Promotion — Attention-getting, Incentive, Invitation

Public Relations — High Credibility, Reach, Dramatization

Events & Experiences — Relevant, Engaging, Implicit

Direct & Interactive — Customized, Up-to-date, Interactive

Word-of-Mouth — Influential, Personal, Timely

Sales Force — Personal interaction, Cultivation, Response

Mobile marketing — Timely, influential, pervasive

Online media and social marketing — Rich interactive, up to date
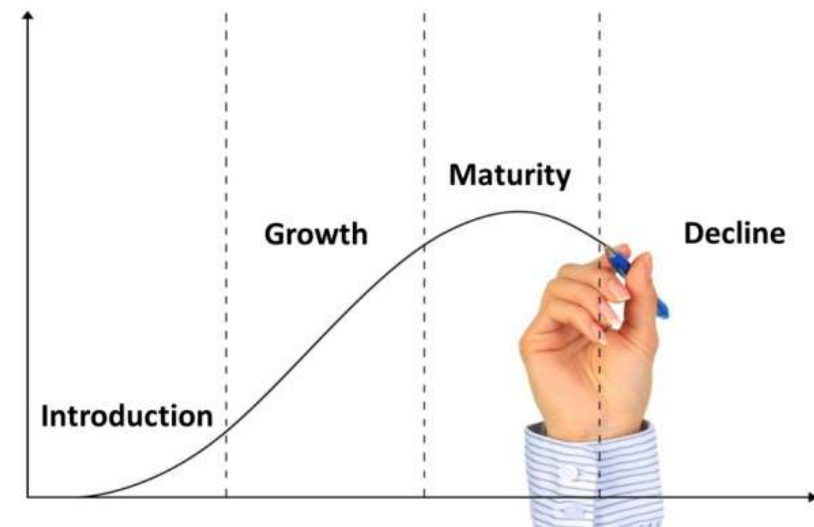
Factors in Setting the Mix

Type of Product Market

Buyer-Readiness Stage

Product Life-Cycle Stage

7. Measuring Communication Results

Reach

Frequency

Attitudes

Awareness

8. Integrated Marketing Communications

- Integrated marketing communications (IMC)
  - "A planning process designed to assure that all brand contacts received by a customer or prospect for a product, service, or organization are relevant to that person and consistent over time" (Kotler and Keller, 2016)

- The communications from different media and communications approaches all become part of a single overall message about the service firm and its products.

Integrated Marketing Communications

The New Marketing Communications Model

- Consumers are better informed

- More communication

- Less mass marketing

- Changing communications technology

Coordination and Implementation

Stage 1

Stage 2

Stage 3

Promotions

Direct Sales