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Integrated Marketing Communication

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<p>After the introduction of Integrated Marketing Communication (IMC), it has developed into one of the most influential managerial structures and its importance has grown around the world. The aim of this research is to find out how marketing communication instruments and medias should be integrated to achieve best value through synergy? This topic has high importance because when implementing IMC correctly into company's business strategy, companies will have consistent brand image, distinctive messages, greater marketing precision and high-calibre consistent service.</p> <p>One of the main objective of this research is to create a definition for Integrated Marketing Communication, due to scholars not being able to agree on just one definition and have adapted the concept of IMC to fit their own market situation. Second objective is to give an overview of the most important marketing communication instruments and medias. Third objective is to show the most important steps of IMC process and last objective is to implement IMC strategy to the company Intel, in order to find a solution to the main problems Intel is facing at the moment.</p> <p>The research method chosen is exploratory and based only on secondary research as relevant books, journals and Internet articles, which are used to find an answer to the research question raised in this thesis. Exploratory research is suitable methodology for this type of research as it aims to understand and give insight of the main problems and solutions.</p> <p>Results of this research show that marketing communication instruments and media should be integrated to achieve best value through synergy by developing and carefully following an IMC process, which is based on 4 steps. These steps are: developing a strategic plan based on company's internal analysis; figuring out company's target audience; developing a communication message based on communication objectives and brand positioning; matching the knowledge gathered from previous steps to communication instruments and media channels.</p>	
Keywords	Integrated Marketing Communication, IMC, IMC process, communication instruments, media, internal analysis, target audience, message development, brand positioning, communication objectives

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1 Introduction

Integrated Marketing Communication (IMC) is not a new concept as it has emerged as early as 1980's. Since then IMC has developed into one of the most influential managerial structures and its importance has grown all around the world. At first, IMC was understood as simple managerial task, such as to align and coordinate messages through four areas: Sales promotion, DM communications (direct marketing), PR (public relations), and advertising. Main goal of a company is to present consistent and integrated whole, which would coordinate and influence consumers' throughout the communication and purchasing activities. (Percy 2008: 2; Kitchen & Burgmann 2010: 1; Schultz, Patti & Kitchen 2013: 1-50). In 1991, Schultz defined IMC as "the process of managing all sources of information about a product or a service to which a customer or prospect is exposed and which, behaviourally, moves the customer toward a sale and maintains customer loyalty" (Kliatchko 2005: 16).

After the introduction of IMC, many scholars have written about IMC and adapted the concept to fit their own market situation. Since the introduction of IMC everything has changed: consumers, communication, as well as IMC itself (Schultz, Patti & Kitchen 2013: 1-50). This is the reason why there are many different definitions of IMC. After a careful consideration and examination of these definitions (see table 1) a new definition of IMC was constructed to be used as the basis of this thesis. Adapted definition is: IMC is a process of strategic planning in order to determine the most consistent message and expose it to the target audience through the synergy of marketing communication instruments and media. To put this into simpler terms, IMC is a strategic process of using marketing communication instruments and media in such a way that they complement and reinforce each other in order to determine the correct message for target audience.

This topic is highly important because for a brand or an organisation it is essential to have a favourable and consistent image, and IMC can deliver that. When used correctly, organisations will have consistent brand image, distinctive messages, greater marketing precision and high-calibre consistent service. In addition, this research topic has high importance because, nowadays most of the organisations are trying to optimise operational efficiency and achieve better results in effectiveness, both which can be achieved by using IMC (Floor & Van Raaij 2011: 537).

1.1 Research question and objectives

The research question being raised in this thesis is: How marketing communication instruments and medias should be integrated to achieve best value through synergy? In order to answer this question, there are two sub questions that need to be answered first. These questions are:

- Which communication instruments and medias work best together?
- How an organisation needs to use communication instruments and medias in order to achieve the best outcome?

Following objectives are set in order to answer to the research question of this thesis. First objective is to create a definition for integrated marketing communication. Second objective is to give an overview of the most important marketing communication instruments and medias, which should also give a theoretical answer to the first sub question. Third objective is to show the most important steps in IMC process. Based on the knowledge gained from the previous objectives, the last objective is to find out main problems of a company and try to find solution to these problems through the process of IMC. This should provide good and well-researched answer to the research question raised in this thesis.

1.2 Methodology

This thesis is an exploratory study based only on secondary research. Exploratory research is suitable methodology to be used for this type of research that aims to understand and give insight of the main problems and solutions. This research is based on various relevant Internet articles, journals and books, on the basis of what is possible to give an answer to the research question. This research is divided into 2 parts: theoretical part and empirical part. Theoretical part is based on relevant literature, which gives a strong theoretical base for the empirical research. Empirical research is based on a company, Intel, as it is planning to shift its business from its main source of revenue. The empirical part is divided into 2 parts: first part focuses on finding out the main problems of Intel; second part focuses on finding the best way to use communication instruments and medias in order to achieve the best outcome and solve the problems Intel is facing.

2 Definition of IMC

As we can see in table 1, there are many different definitions when it comes to the concept of IMC. Even though IMC has become an essential part of communication strategy for many, difference in definitions might be confusing to the reader and it prevents IMC being developed and understood to a full extent (UK Essays 2015).

Table 1 – Definitions of integrated marketing communication

Author	Date	Definition
Schultz	1991	"The process of managing all sources of information about a product/service to which a customer or prospect is exposed and which, behaviourally, moves the customer toward a sale and maintains customer loyalty."
Schultz & Schultz	2003	"IMC is a strategic process used to plan, develop, execute and evaluate coordinated, measurable, persuasive brand communication programmes over time with consumers, customers, prospects and other targeted, relevant internal and external audiences."
Pickton & Broderick	2005	"IMC is bringing together of all marketing communications activities"
Kliatchko	2005	"IMC is the concept and process of strategically managing audience-focused, channel-centred and results-driven brand communication programmes over time."
Percy	2008	"IMC is planning a systematic way in order to determine the most effective and consistent message for appropriate target audiences."
Floor & Van Raaij	2011	"IMC is a process where all messages and methods are geared to each other in such way that they complement and reinforce each other, and that added value is the result"

Source: Adapted from Kliatchko 2005: 21

According to Schultz (1991) definition, "The process of managing all sources of information about a product/service to which a customer or prospect is exposed and which, behaviourally, moves the customer toward a sale and maintains customer loyalty", IMC is a process what manages all promotional messages and leads customers or prospects towards sale and nurtures customer loyalty (Kliatchko 2005: 16). Due to big changes in the mid 1990's, such as second digital revolution, definition of IMC got more complex and it was not used anymore as a tactical tool but as a strategic process (Kitchen & Burgmann 2010: 7-11). In 2003 Schultz & Schultz wrote a new definition, "IMC is a strategic process used to plan, develop, execute and evaluate coordinated, measurable, persuasive brand communication programmes over time with consumers,

customers, prospects and other internal and external audiences". This definition is much more explicit than what Schultz wrote in 1991. By this definition IMC is not just managing the promotional messages, in order to get customers toward sale, but it is managing the whole brand communication programmes, what can be measured and its doing this with consumers, customers and prospects, but also internal and external audiences (Kliatchko 2005: 21).

Pickton & Broderick (2005: 25) believe that their definition, "IMC is bringing together of all marketing communications activities", is just interlinking marketing communication activities even though their book "Integrated Marketing Communication 2005" clearly shows that IMC is not as simple as they define it but rather complex and difficult to fully understand. According to Kliatchko (2005: 21) definition, "IMC is the concept and process of strategically managing audience-focused, channel-centred and results-driven brand communication programmes over time", IMC is not only a strategic process but also a concept of managing brand communication programmes over time. Percy (2008: 5) defined IMC as "IMC is planning a systematic way in order to determine the most effective and consistent message for appropriate target audiences". By Percy (2008) IMC is a process of planning and its goal is to determine the most effective and consistent message for target audience. Last, according to Floor & Van Raaij (2011: 541) definition, "IMC is a process where all messages and methods are geared to each other in such way that they complement and reinforce each other, and that added value is the result", IMC is a process where all messages and methods are interlinked with each other in order to create synergy.

Based on definitions of IMC (see Table 1) and the analysis of these definitions, it is possible to conclude a definition that will serve the purpose of this thesis. The adapted definition of IMC is: IMC is a process of strategic planning in order to determine the most consistent message and expose it to target audience through the synergy of marketing communication instruments and media. New definition of IMC explained through four aspects:

1. Process of strategic planning – due to changes in the market, such as second digital revolution, IMC changed from being a tactical tool to strategic process and in order to be effective in implementing IMC, a strategic plan must be followed (Kitchen & Burgmann 2010: 7-11; Percy 2008: 3).

2. Determining the most consistent message – in order for a brand, product or service to have a favourable image a consistent and distinctive message is needed to ensure that all messages are “working” to each other’s benefit (Floor & Van Raaij 2011: 541-542; Percy 2008: 5; Pickton & Broderick 2005: 3-6).
3. Expose it to target audience – instead of IMC being limited only to consumers it is believed and proved that it is meant for all stakeholders such as customers, prospects as well as internal and external audiences (Duncan 2002; Kliatchko 2005: 21).
4. Through marketing communication instruments and media – American Association of Advertising Agency (4As) as well as many scholars believe that in order to develop awareness, build brand image and also have a behavioural response from target audience it is necessary to use all or most marketing communication tools (Nowak & Phelps 1994: 45-66; Floor & Van Raaij 2011: 540-541; Duncan & Caywood 1996: 13-34).

3 Marketing communication instruments

In the following chapter various marketing communication instruments will be discussed since they are the most important part of IMC amongst media channels. Each marketing communication instrument requires its own approach, what should match with product/brand, target audience and company’s strategic tactics. The communication instruments discussed are: advertising, traditional sales promotion, marketing public relations, direct marketing communication, sponsorship as well as personal selling and exhibitions.

3.1 Advertising

Advertising is one of the oldest if not the oldest marketing communication instruments as it can be dated back to Greek or Roman times. Main events in the history of advertising were printing a pamphlet in 1478 and releasing first newspaper in 1656. Nowadays companies such as Unilever, L’Oreal, Heineken and others are using billions eve-

ry year on advertising as it is most used for communicating with customers, prospects and other internal and external audiences (Floor & Van Raaij 2011: 274-278).

There are many different definitions about advertising as one of the most “general” one is by Kotler, Armstrong, Saunders and Wong (1999): “Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor” (Kotler, Armstrong, Saunders & Wong 1999: 793). Richards, Daugherty and Logan define advertising as “a paid, mediated, from an identifiable source, designed to persuade the reader to take some action, now or in the future”. This definition is much more specific as it says that a medium such as television transfers message from sender to receiver and it can be distinguished from anonymous communications such as unsolicited e-mails (Richards, Daugherty & Logan 2009: 1). Nowadays, many scholars have identified that advertisement uses mass media and it is considered to be an important aspect of advertisement. One example of definition including mass media is by Wells, Burnett and Moriarty (1992) who claim that advertising is “paid non-personal communication from an identified sponsor using mass media to persuade or influence an audience” (Pickton & Broderick 2005: 594-596).

Advertising has many benefits, as it is one of the oldest marketing communication instruments there is. The main benefits are: large coverage as it is an excellent way to reach mass audiences; cost per contact is low; advertiser can choose on the media pressure in order to reach target audience; good for nurturing customer relationship; and it is relatively efficient, effective and economical way to reach large groups of consumers and an excellent way of influencing the knowledge and attitudes of these groups (Shimp 2010: 188-190; Pickton & Broderick 2005: 595-596).

3.1.1 Types of advertising

Different authors discuss types of advertising in different ways. Pickton and Broderick (2005), for example, have extremely detailed view on types of advertising. Printed media for example has been broken down into 9 different aspects, such as double page spreads, ROP (run-of-paper), full display advertising and others (Pickton & Broderick 2005: 607-610). Percy (2008), Rossiter and Bellman (2005) and many other scholars in the other hand have a much broader view on types of advertising. Rossiter and Bellman (2005) believe that main types of advertising are: direct-response advertising; cor-

porate image advertising; brand advertising (ads placed in mass media); other company-oriented advertising (Percy 2008: 82-84). Based on the opinions of other scholars, four types of advertising can be pointed out:

1. Consumer advertising – this is brand focused advertising by the manufacturer or a service provider in order to increase brand awareness, strengthen brand image or value, or influence buying behaviour. Most people who hear the word “advertising” usually think of this type of advertising (Floor & Van Raaij 2011: 280).
2. Retail advertising – retail advertisement usually involves two brands: the store and the products or services it offers. The primary objective is to get more customers to come to the store because after all, this is the place where the value proposition must be realised. Other main objectives are to create positive attitude towards the store, raise awareness of the products it sells or to nurture customer relationship (Percy 2008: 88-89).
3. B2B advertising – this type of advertisement is aimed at the business market. This differs from consumer advertising by having the emphasis of the message on the technical and functional features of the product/service (Floor & Van Raaij 2011: 281).
4. Corporate advertising – this type of advertising is for particular target group what can range from consumer markets to governmental regulatory agencies or for personnel recruitment. This type of advertising seeks positive attitudes towards the company rather than its products or services (Percy 2008: 90-92).

3.2 Traditional sales promotion

Within marketing communication instruments, sales promotion (or simply promotion) is a growing area. During the last 30 years, there have been many academic papers on the topic of sales promotion. Many consulting companies and experts have made a lot of progress in applying sales promotion as well as take the topic even further (Blattberg & Briesch 2012: 2-3).

Before going any further, it is important to define sales promotions. Blattberg and Nesrin (1990) believe that sales promotion can be defined as “an action-focused marketing event whose purpose is to have a direct impact on the behaviour of the firm’s customer”. Blattberg and Nesrin (1990) say that promotions are temporary and for customer it takes action to react to promotions in a specific time. The goal is to have a direct impact on customer’s behaviour psychologically (Blattberg & Briesch 2012: 2-3). Shimp (2010) defines sale promotions as follows “sales promotion (or simply promotion) refers to any incentive manufactures, retailers, and even not-for-profit organisations use that serve to change a brand’s perceived price or value temporarily”. Shimp (2010) refers also that there is a need for incentives (i.e., price discounts or other type of rewards) and that it is only temporary in order for customers to take action and buy products faster, more frequently, in larger quantities etc. (Shimp 2010: 446-447). American Marketing Association (AMA) defines sales promotion as “The media and non-media marketing pressure applied for a pre-determined, limited period of time at the level of consumer, retailer, or wholesaler in order to stimulate trial, increase consumer demand, or improve product availability (American Marketing Association 2017). For AMA sales promotion is pre-determined promotion through media and non-media in order to stimulate customers to try or buy the product/service as well as increase demand or improve the availability of the product.

There are a number of benefits when it comes to promotion. The most important of them are: attract new customers; retain existing customers; increase spending; stimulate product trial; expand sales outlets; increase/diminish stocks; improve trade relations; increase merchandising space; and enforce advertising (Shimp 2010: 454-458).

3.2.1 Types of sales promotion

When thinking about sales promotion, people usually think of consumer promotion, but sales promotions are targeted for different target audiences for different purposes. That is why there are at least 3 types of promotions: consumer promotion, retail promotion and trade promotion.

More than 90% of all sales promotions are done through consumer sales promotion. The main goal for promotion is to get customers to purchase the product or use the service. When talking about consumer markets the basic objectives of promotion are:

attracting new customers; nurturing customer relationship; stimulate product trial; support particular marketing communication message; and introduce new brands (Floor & Van Raaij 2011: 364-366). Based on scholars such as Shimp (2010: 447-448), Floor & Van Raaij (2011: 367-368), Pickton & Broderick (2005: 641-642) as well as Internet articles such as Chron¹ (2017) and Forbes¹ (2017) it is possible to conclude that there are 6 main types of consumer sales promotion. As we can see in table 2, these types are: coupons and refunds; temporary discounts; sampling and demonstrations; premiums; loyalty programme; and sweepstakes.

Table 2 – Main incentives of consumer promotions

Promotion	Examples
Coupons	Coupons for reduced price delivered through magazines, newspapers, direct mail or distributed by hand
Refunds	After a purchase if the customer is un-happy about the product, he/she submits a proof of purchase and gets a refund
Sampling and demonstrations	Products are demonstrated in stores/trade fairs and a customer is able to have a free trial of a product or if its lotion, perfume etc., small samples are given to customers
Premiums	Product associated items such as clothing line in every car company. When purchasing a product you will get a bonus/prise
Loyalty programme	Continuity programmes such as frequent flyer
Sweepstakes	Competition where is the chance to win a prize using the promoted brand or taking a specific action
Temporary discounts	Lowering the price of a product/service in order to get more visibility and customers. Frequently used at retail stores

As pointed out in the previous paragraph the main communication objective is to get the customers to purchase the product or use the service. All marketing communication as well as incentive promotion must focus on brand attitude and awareness. A well-made promotion campaign will improve brand equity through positive brand attitude, which is consistent with brand positioning (Percy 2008: 103-104). All incentives in table 2 offer opportunities for building a strong positive brand attitude.

The success of consumer promotion is to a great extent because of the cooperation between retailers. A brand does not have a lot of success if a retailer gives too little attention to it. This is the reason why there might be a trade sales promotion for the retailers. A trade promotion is a deal that is offered to retailers in order to stimulate buying behaviour or promote a brand. Usually retailers are given discounts, give-aways, sampling opportunities and business gifts. The most important objectives of trade promotion are: Improving trade relations; increasing stock; expanding sales outlets; and having trade support for consumer actions (e.g. getting a better shelf spot) (Floor & Van Raaij 2011: 370).

3.3 Marketing Public Relations

Harris (1993), Kotler and Mindak (1978) as well as other scholars have said that the role of public relations (PR) as a part of IMC process has changed significantly during past years. The traditional role of PR has been strengthened by marketing orientated approach (Belch & Belch 2007: 17-19).

According to Kotler and Armstrong (2004), public relations means “building good relations with the company’s various publics by obtaining favourable publicity, building up a good corporate image, and handling or heading off unfavourable rumours, stories and events” (Kotler & Armstrong 2004: 399). Flynn, Gregory and Valin (2008) believe that “public relations is the strategic management of relationships between an organisation and its diverse publics, through the use of communication, to achieve understanding, realise organisational goals, and serve the public interest” (Seaman 2009). After checking how famous scholars have defined PR, it is possible to conclude that they are similar and their definition serves the same purpose: building good relations with its diverse audiences and achieve company’s goals as well as public interests.

Definition for marketing public relations varies widely, mostly due to different opinions on integration of marketing. On a basic level, Harris (1991) has defined MPR as: “MPR is new promotional discipline which comprises specialised application techniques to support marketing activities and which is referred to by some theorists and authors as product publicity” (Scriven 2001: 34-35).

Floor and Van Raaij (2011: 331-333) believe that in practice, MPR is mainly used for 5 things:

- Introducing new products or services. A good example is an introduction of a new car where journalists are invited for a test drive in order to hopefully get some good reviews and positive articles about the car.
- Disseminate product features about existing products. For example a company has a health related product on their store shelves for years and at some point healthy products are becoming really popular. MPR is a really cheap and good way to reach these target audiences.
- Celebrating special events to promote the company, product or service. For example a beer company opening a 50th factory.
- Strengthening an advertising campaign or establishing relationships with important customers and prospects. For example during sports events business partners (sponsors) as well as possible prospects are invited to nurture the relationship and gain trust and interest from new prospects.

Based on the existing literature, it is indisputable that relevance of MPR to marketing communication has been established. There are advantages as well as disadvantages in MPR. According to Percy (2008: 140), Pickton and Broderick (2005: 556-558) advantages include such things as: low cost; reach specific target groups; avoid confusion about product/service; avoid message credibility. Low cost because PR is much less expensive than other communication tools. The reason for this is that there are no direct media costs involved. PR has ability to reach specific target audiences effectively. PR avoids confusion what advertising-like messages can cause and due to message not coming through advertising it is more credible for people. However there are disadvantages. Biggest problem is the lack of control over the editorial coverage, which can be altered by other editors (Percy 2008: 140; Pickton & Broderick 2005: 556-558).

3.4 Direct marketing communication

Direct Marketing (DM) communication makes it possible for a company to aim the communication only at a target group. One of the unique characteristics in DM communication is that a company is using people's personal data to get in touch with them. Since DM communication can aim only to the target group, there is less waste than

with mass communication and it makes it possible to analyse the effects of DM communication. Even though the ultimate goal of having DM communication is to get a response from customers, DM communication programmes contribute also to other communication instruments (Belch & Belch 2007: 21-23).

So what is direct marketing? According to Schultz and Keller (2011) “direct marketing is the use of consumer-direct (CD) channels to reach and deliver goods and services to customers without using marketing middlemen” (Kotler & Keller 2011: 535-536). American Marketing Association (AMA) defines direct marketing as “the total of activities by which the seller, in effecting the exchange of goods and services with the buyer, directs efforts to a target audience using one or more media (direct selling, direct mail, telemarketing, direct-action advertising, catalogue selling, cable selling, etc.) for the purpose of soliciting a response by phone, mail, or personal visit from a prospect or customer” (American Marketing Association 2017). AMA’s definition has the same meaning as Kotler and Keller’s but it is just explained in more detail. Kotler and Armstrong (2012) define DM as “direct marketing consists of connecting directly with carefully targeted consumers, often on a one-to-one, interactive basis” (Kotler & Armstrong 2012: 496). Based on these three definitions it can be concluded that they are similar and have the same purpose: connecting directly with customers or prospects through several IMC activities in order to get more sales and nurture customer relationship.

There are many advantages and also disadvantages when dealing with DM communication. DM can be a really good way to communicate with customers and prospects depending on a brand or product. The principal reasons for choosing DM communication are:

- Saving costs: eliminating the retail trade can give an efficient and alternative way to reach customers (Kotler & Armstrong 2012: 498-499; Floor & Van Raaij 2011: 399).
- Individual adaption: due to using people’s personal database it is possible for a company to adapt and personalise products and services to specific customer tastes (Kotler & Armstrong 2012: 498-499; Kotler & Keller 2011: 536; Floor & Van Raaij 2011: 399).
- Confidentiality: due to there being products what people might not want to buy in front of others (e.g. pornography), DM is a good way to reach these custom-

ers (Kotler & Armstrong 2012: 497-498; Kotler & Keller 2011: 536; Floor & Van Raaij 2011: 400).

- Continuous relationship: DM communication is a good way to reach existing customers for example parents receiving periodic e-mails describing new clothes for children. Also through the individual adaption it is a good way to nurture customer relationship for a company (Kotler & Armstrong 2012: 498-499; Kotler & Keller 2011: 536; Floor & Van Raaij 2011: 400).

There are many forms of DM communication such as direct mail, telecommunication etc. and they all share 4 characteristics: it is confidential, adaptable, instantaneous and interactive (Business Queensland¹ 2017). Before implementing DM communication, marketers try to find out as much information as possible about the customers and prospects. Most direct marketers use RFM analysis (see Appendix 1) in order to find out how long time ago and how many times customers last purchased company's products and how much they have spent on the company's products since becoming a customer (Kotler and Keller 2011: 538).

Before contacting a customer or prospect, it is also important to identify customers and prospects by age, sex, income, education and occasion. Identification of customers and prospects is gathered through internal and external sources (see table 3). This is why DM communication is a really good way to build and nurture customer relationships (Percy 2008: 153-155).

Table 3 – Sources of information

	Information database
Internal	<ul style="list-style-type: none"> • Salesmen • Sales promotion action • Response advertising • Customer data • Accounts administration • Correspondence
External	<ul style="list-style-type: none"> • Customers • Dealers • Retailers • Commercial data • Telephone directories • Address books

	<ul style="list-style-type: none"> • Membership lists • E-mail lists • Internet sites
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Source: Adapted from Floor & Van Raaij 2011: 412

3.5 Sponsorship

Sponsorship as a way to reach customers has been growing rapidly over the last decade. In fact, expenditure of sponsorship has almost doubled from 37,9 billion dollars in 2007 to over 60 billion dollars in 2016 (Statista¹ 2014). After 1980 sponsorship has become more professional and beneficial for both, sponsor and the sponsored. Sponsorship is nowadays accepted as business-related behaviour rather than philanthropic sponsorship what it was before (Cornwell & Maignan 1998: 11-12). Amis, Slack and Bennett (1999) believe that if sponsorship is given the necessary attention, it is possible to assist the company to secure a sustainable competitive advantage. Due to this, more people are being aware of the advantages of sponsorship what is leading for a more professional approach (Amis, Slack & Berrett 1999: 250-272).

There are many different definitions of sponsorship depending on scholar's view of the topic. However, they all have many similarities. American Marketing Association (AMA) defines sponsorship as "advertising that seeks to establish a deeper association and integration between an advertiser and a publisher, often involving coordinated beyond-the-banner placements". In AMA's website they have a second definition of sponsorship that was defined by IEG in 1982 as "a cash and/or in-kind fee paid to a property (typically sports, entertainment, non-profit event or organisation) in return for access to the exploitable commercial potential associated with that property" (American Marketing Association 2017). Olkkonen (2001) defines sponsorship as "in general, sponsorship can be illustrated as a mutually beneficial business relationship between two parties being named as sponsor (usually companies) and sponsored (e.g. actors in the field of arts, sport, education)" (Olkkonen 2001: 311-312).

On the basis of other authors opinions, such as Olkkonen (2001: 310-311), Kotler and Keller (2011: 526) as well as Cornwell & Maignan (1998: 13-15), key objectives and possible benefits in sponsorship are; increasing brand awareness; strengthening brand image; increasing turnover; reaching specific target groups; adding value to a product;

management interests and motivate company's own employees. Importance varies by a type of sponsorship (sports, cultural and community), but increasing brand awareness and strengthening brand image are dominated in these 3 categories (see table 4) (Cornwell & Maignan 1998: 1-27).

As said in the previous paragraph, increasing brand awareness is one of the most important objectives for a company. Through sponsorship it is possible to gain top-of-mind awareness (TOMA) among customers. The best place to gain brand awareness is during sports events due to the large media coverage (Olkkonen 2001: 310-311; Kotler & Keller 2011: 524-525). Sponsorship can strengthen brand image by improving perceptions in order to build, change or improve brand image (Kotler & Keller 2011: 524-525). Positive characteristics of an event are straight away connected to the mind of the people (Floor & Van Raaij 2011: 346). Increasing turnover is another important aspect in sponsorship for a company. After a person has awareness towards a brand and a positive brand image it is more likely that he/she will purchase the product over competitors. Through sponsorship specific target groups are easier to reach. Customers can be targeted geographically, demographically or behaviourally according to events (Kotler & Keller 2011: 524-525). Adding value to a product in customers mind is possible for example through association with a celebrity, for example Nike using Michael Jordan (Amis Slack & Bernett 1999: 250-272). Through sponsorship it is important and possible to follow company's own interests such as showing its responsible social roles (Floor & Van Raaij 2011: 346-347). Last, sponsorship is a good way to motivate its own employees. Sponsorship events can build morale or serve as an incentive for employees (Kotler & Keller 2011: 524-525).

Table 4 – Sponsorship objectives

Objective	Sports	Culture	Community
Brand awareness	++	+	++
Brand image	++	++	+
Turnover	++	+	-
Specific target groups	++	++	+
Value adding	++	+	-
Management interests	+	+	-
Motivate employees	++	+	+

(- : not used, + : used, ++ : more used) Source: Adapted from Floor & Van Raaij 2011: 346

3.6 Personal selling & exhibitions

Personal selling and exhibitions, unlike advertising or promotion, involves direct relationship between the seller, customer or prospect (Peter & Donnelly 2001: 146). Personal selling is one of the most effective forms of promotion because it allows the salesperson to approach a customer or a prospect the way they see fit. Yet, most marketing communication scholars ignore the area of personal selling, because within a typical organisational structure this is a very separate function (The Chartered Institute of Marketing 2009: 2; Pickton & Broderick 2005: 689). Personal selling can be defined as “a two-way communication between a potential buyer and a salesperson that is designed to accomplish at least three tasks: (1) identify the potential buyer’s needs; (2) match those needs to one or more of the firm’s products or services; (3) convince the buyer to purchase the product” (Peter & Donnelly 2001: 146). This definition explains what it is and what are personal selling main goals. The more common definition of personal selling is “selling that involves a face-to-face interaction with the customer” (AMA 2017).

Companies spend nowadays millions every year in order to train its sales-force. The sales-force is mainly taught the SPIN method to build long-term relationships with customers and prospects, with 4 types of questions (see Appendix 2). These questions are: situation questions; problem questions; implication questions; need pay-off questions (Rackham 1988: 17). Donaldson (1990) describes selling as a personal selling that consists a series of elements (Pickton & Borderick 2005: 690-691). To be exact, there are 6 elements, which can be seen on figure 1 p.19.

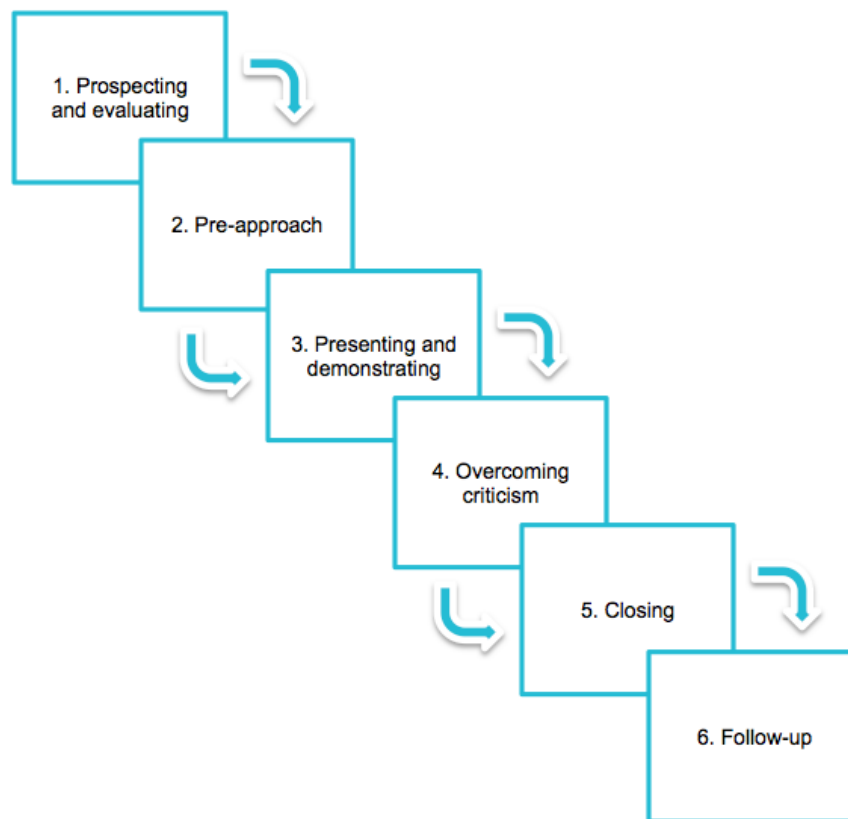


Figure 1 – 6 steps of effective selling (source adapted from Peter & Donnelly 2001: 150)

Prospecting and evaluating, which is done by sales-people, can happen in a lot of places (e.g. exhibitions, trade shows and stores). Nowadays, more companies are taking the responsibility to find new prospects in order for sales people to be able to sell them their products or services. Before approaching customers and prospects the sales representative must understand the purchasing process and decide how to approach the customer (Kotler & Keller 2011: 525). During the presentation and/or demonstration, the sales representative will try to discover the customer's needs in order to meet these needs with products, by explaining the product features and benefits.

After the presentation/ demonstration, customer may give some criticism about the product or service what the sales representative needs to overcome. The best way how to do this is through positive approach (Pickton & Broderick 2005: 690-691). First the sales representative may ask the buyer to clarify the objection, denies the validity of the criticism, or turn it into reason to buy the product or service (Kotler & Keller 2011: 523-525). Sales representatives have several techniques when it comes to closing. They

can offer their help to write and order agreement, ask whether the prospect wants product 1 or product 2, get the prospect to make choices such as size or colour, or tell what the prospect will lose by not placing the order. The final step of effective selling is to follow-up in order to know if the customer is satisfied. By doing this, it is easier to contact the customers later and try to sell them even more products (Kotler & Keller 2011: 523-524; Pickton & Broderick 2005: 680; Peter & Donnelly 2001: 150).

3.6.1 Exhibitions

Exhibitions are complex marketing communication instruments that include many other instruments (e.g. personal selling, promotion). Due to the need for personal interaction, they provide a chance to meet prospects and nurture customer relationship with old customers (Percy 2008: 134-135; Floor & Van Raaij 2011: 461-462). There are mainly two major groups of exhibitions: public exhibitions and trade fairs. Public exhibitions are focusing on consumers as trade fairs are mainly meant for professional groups (Floor & Van Raaij 2011: 461-462). By the Global Association of the Exhibition Industry (UFI) research made, there was 31 000 exhibitions with 260 million visitors in 2014 and by 2017, the amount of exhibitions as well as turnover made by companies in the world have grown between 5-10% (the Global Association of the Exhibition Industry 2017).

There are a number of benefits as well as risks of exhibitions. Main benefits of exhibitions include the possibility to advertise to target market and create brand awareness. Also it is a great way to promote company's product or service to people who may not have knowledge of company's product and services. In exhibitions it may be possible to carry out market testing to gain knowledge of opinions about the product or service and it is a good way to gain B2B partners (Business Queensland² 2017; Floor & Van Raaij 2011: 461-462).

4 Media types

Various marketing communication instruments were discussed and after the selection of communication instruments that serve best the company's communication strategy, comes the need for selecting the proper media channels through what the marketing

communication message is to be transferred to the target audience. In this chapter, the most important media types in marketing communication will be explained, among with their benefits and risks. Overview of the most used media for each communication instrument will be shown below, in table 5.

Table 5 – Frequently used media in marketing communication

Marketing communication instruments	Frequently used media
Advertising	TV, magazine, newspaper, radio, press release, speciality media, individual approach, e-mail, outdoor media, displays, telephone, Internet, hostesses, sales staff, demonstrators, brochures, exhibition stands, leaflets, direct mail
Public relations	
Sales promotion	
Direct marketing communication	
Sponsorship	
Personal selling & exhibitions	

Source: Adapted from Floor & Van Raaij 2011: 478

Advertising is mostly used with medias such as TV, magazines, newspapers, radio, outdoor media (e.g. billboards) or Internet. In the case of advertising message being action focused and directed to influence customers and prospects behaviour, newspapers or Internet are chosen. When a thematic message is chosen in order to change customers or prospects attitude towards a brand or a company, TV and magazines are usually chosen, but if the main goal is to get more brand awareness, radio and outdoor media are chosen for this (Entrepreneur¹ 2017; The Balance¹ 2016; Floor & Van Raaij 2011: 478).

Sales promotion may be used with various medias such as, magazines, newspapers, e-mails, direct mails, demonstrators, hostesses, specialty media, exhibition stands or Internet. Because promotion can be used for many things such as: to attract more customers; increase spending; stimulate product trial; retain customers; improve trade relations etc., there are different medias used. When sales promotion is done through coupons, magazines or newspapers, direct mail or Internet is used. When a new product is demonstrated in exhibitions, demonstrators are used as well as exhibition stands and specialty media might be used to attract more customers and nurture customer relationship (Marketing Teacher 2017; Shimp 2010: 446).

Public relations are usually used with medias such as press release, speciality media, individual approach, demonstrators, brochures and leaflets. When company is introducing a new product or service demonstrators, brochures, leaflets and press release is used. When a specific target market is the focus (e.g. possible B2B partners), an individual approach might be the most suitable or if the main goal is to strengthen the advertisement campaign speciality media (e.g. pens, mugs, watches with an advertisement message on them) is used (Management Study Guide¹ 2017; Public relations 2012).

Direct marketing communication is used most often with medias such as direct mails, e-mails, telephone, magazines, newspapers and Internet. Magazines and newspapers are used to collect personal data of a prospect. After this, these prospects may be contacted through medias such as direct mails, e-mails or telephone and Internet might be used for example to match the customer requirements for a specific product (Management Study Guide² 2017; Floor & Van Raaij 2011:478).

Sponsorship may come in different forms such as sports, community and culture (Cornwell & Maignan 1998: 1-27). Large proportion of sponsorship is done through sports sponsorship what means that mostly used medias are TV, outdoor media and displays in order to gain brand awareness and positive attitude towards a company or a brand (Floor & van Raaij 2011: 478; The Balance², 2017).

Personal selling and exhibitions are both used mainly with medias such as sales staff, hostesses and demonstrators. This type of selling is usually complemented by medias such as exhibitions stands, brochures, leaflets, displays etc. Sales people are used when the main goal is to increase turnover. However when the goal is to gain brand knowledge and influencing attitudes of prospects and customers, hostesses and demonstrators may be used (Ekhlassi, Maghsoodi & Mehrmanesh 2012: 761-764; Floor & Van Raaij 2011: 478).

4.1 Television

Television advertising is the best way to reach mass audiences. It does not matter what target audience the company is after, every TV station reaches every audience daily (Shimp 2010: 375-376; Entrepreneur² 2017). For most consumers television is the

main source of news as in average a person watches TV 2-3 hours a day (Statista² 2015). Television is a media channel with impact, due to the combination of moving images, colours, sounds and emotions (Floor & Van Raaij 2011: 487-488).

TV advertising is a really good way to demonstrate company's product or service while still reach mass audiences. No other channel can reach mass audiences through auditory and visual senses and this generates high levels of awareness. TV advertisements are a good way to interact through colours, sounds, sight and emotions in order to ensure that the message what a company wants to convey will be strong and persuasive. The greatest advantage of using TV advertising, however, is the ability to achieve impact to activate consumers. Last, TV advertisements are also effective with company's own sales force and its retailers (trade). For sales staff it is easier to sell their products or services to retailers when a major advertisement campaign is planned (Chron² 2017; Shimp 2010: 379, All Business¹ 2017).

However, there are a couple limitations such as rapidly growing advertisement costs for example the most expensive airtime is during super bowl, and it can cost around 2,7 million dollars in average (Bloomberg 2017). Nowadays, advertisers cannot expect to attract large homogeneous audiences when advertising during a specific program due to a huge amount of programs being available (Shimp 2010: 380; All Business¹ 2017). Attention to commercials is limited due to the fact that there are so many TV programs. This makes it easy for a consumer to switch channels whenever TV program is airing advertisements (Pickton & Broderick 2005: 113). Due to TV advertisements need to be conveyed in a really short time (approximately 20-30 seconds) it might be difficult to convey the intended message (Floor & Van Raaij 2011: 489; Chron² 2017).

4.2 Magazines

The goal of magazine advertising is mostly about capturing and sustaining brand image, so it is important to consider your brand image and how you want to portray that image to target audience (All Business² 2017). Yearly world wide magazine advertisement expenditure has fallen during last years but it is still around 22 billion U.S. dollars (Statista³ 2014).

Magazine advertising's main benefit to a company is the higher quality images than in newspapers or direct mails. This allows a clearer picture of your image and gives public a better idea of the company. In addition, magazines usually target a specific target groups, and this almost guarantees a company to reach its intended audiences. Also magazines advertisements will be relevant for a longer time than newspaper because they are kept for a longer time and last (Chron³ 2017; All Business² 2017; Pickton & Broderick 2005: 114).

Main disadvantages magazine advertisements have are: take time to schedule; may be limited geographically; ads may be put together into one section (Floor & Van Raaij 2011: 486-487; Chron³ 2017; All business² 2017; Shimp 2010: 367). Magazines usually need advertising material well in advance (minimum of 2 weeks) and this might cause problems for a company (Floor & Van Raaij 2011: 486-487; All Business² 2017). Another disadvantage is that magazines might be limited geographically, or even if its not, the advertisements in the magazines might be geographically put in place (Shimp 2010: 367; Chron³ 2017). In some magazines all advertisements are put together into one section. This however, is bad for a company because a consumer can just skip these pages or not notice the advertisement due to the large amount of advertisements (Floor & Van Raaij 2011: 486-487; Pickton & Broderick 2005: 114; Shimp 2010: 367).

4.3 Newspapers

Newspaper advertising is the longest advertising form and it is still one of the most important ones as the main goal is to get more and more customers. Also this is a good way to reach mass audiences, especially people who are over 45 due to the fact that they read newspapers more frequently than younger demographic groups (Entrepreneur³ 2017). Even though newspaper advertisements expenditure has fallen approximately 5-10% in the last 10 years, it is still high. In 2015 worldwide expenditure spent on newspaper advertisements was 60,57 billion U.S. dollars (Statista⁴ 2017).

Main benefit in newspaper advertising is that it covers mass audiences. It is a good way to reach customers with temporary sales promotions (Floor & Van Raaij 2011: 480-482; Shimp 2010: 362; Chron⁴ 2017). Also it is possible to target company's advertisements to appropriate markets through sections such as sports, lifestyle or business (Entrepreneur³ 2017). Newspapers have a really short lead-time, what ables compa-

nies to submit their advertisements one or two days before the publication (Pickton & Broderick 2005: 114; Shimp 2010: 362).

Newspaper advertisements have also disadvantages or limitations. Low younger demographic readership is one of them, due to the popularity of Internet (All Business³ 2017; Floor & Van Raaij 2011: 482; Chron⁵ 2017). Another disadvantage is that the print quality is poor, so the company cannot give the same visuals as they can in magazines (All Business³ 2017; Pickton & Broderick 2005: 114). And last, short shelf life, due to what companies may need to advertise more than just once and that can be costly (Chron⁵ 2017).

4.4 Radio

According to Radio Advertising Bureau, radio is still a strong media channel with continued growth in advertising expenditure. Due to the radio being available also in smart phones and Internet, it gives advertisers access to audiences with new mobile phones as well as traditional audience (Chron⁶ 2017). The worldwide expenditure in radio advertisements has stayed relatively same during last years. In 2016 radio advertisements worldwide expenditure was 29,39 billion U.S. dollars (Statista⁵ 2017). Radio divides audiences into different age groups (18-34, 18-49, 25-54, 45+ etc.) and also in gender. Each station delivers to a specific audience and after a company knows the age and gender of its target prospects and customers, it is possible to serve the target audience (Entrepreneur⁴ 2017).

Main advantages of radio advertisements are: extensive reach to mass audiences; relatively cheap; brand awareness; different target groups; sponsoring possibility; short lead times (Floor & Van Raaij 2011: 492; Shimp 2010: 372-373; Pickton & Broderick 2005: 113; Chron⁶ 2017; All Business⁴ 2017). Radio advertisements reach out to over 2,5 billion people yearly (Dia Mun Dial Radio 2013). Also producing a radio advertisement as well as airing it is relatively cheap (Pickton & Broderick 2005: 113; Floor & Van Raaij 2011: 492). Radio advertising is a good way to generate brand awareness in a short time (Chron⁶ 2017; Pickton & Broderick 2005: 113). Radio is a easy way to deliver company's advertisement message to target audiences, once the company knows the gender and age of the desired target market (Shimp 2010: 372-373; Entrepreneur⁴ 2017). Also there are sponsoring opportunities, just as in a television (Floor & Van Raaij 2011: 492). And last, due to radio advertisements being relatively cheap and

scheduling deadlines short, changes can be made quickly to take advantage of the developments and changes in the marketplace (Shimp 2010: 372-373).

However, couple of disadvantages can be identified in radio advertisements. Advertisers are limited to audio, as there is no visual product or service to support it (Website Marketing Plan 2017; Shimp 2010: 373-374; Pickton & Broderick 2005: 113). Need to air the advertisement many times in order to achieve an extensive coverage and strong effect (Floor & Van Raaij 2011: 492). Usually it is not possible to reach many different audiences at the same time due to the radio stations being divided into groups based on age and gender (Shimp 2010: 373-374).

4.5 Outdoor media

While some traditional advertising media are in decline, outdoor advertising is still growing and in 2016 it was approximately 35 billion U.S. dollars (Statista⁶ 2017). Outdoor advertising is a good way to promote your products in specific geographic areas. Often, the first thing a prospect sees is an outdoor sign, so it needs to catch attention, be sufficiently bright and it should contain enough information about the product or the company (Entrepreneur⁵ 2017). There are two types of outdoor advertising: static outdoor advertising (e.g. billboards and posters) and moving outdoor advertising. Billboards and posters are highly eye-catching when done correctly and it does not require prospects to do anything to access it (Marketing Donut¹ 2017). Billboards and posters can be found at sport events, next to the roads, bus and tram shelters, inside busses and trams etc. Moving outdoor advertising can be found on public transport (e.g. taxis, busses) or during events such as World Rally Championship (WRC) you can find advertisement on the rally cars (The Balance³ 2017; Inspiria Media 2015; Entrepreneur⁵ 2017).

The main advantages in using outdoor media are: reaches broad and diverse audiences; high contact frequency at relatively cheap price; may be used geographically, for example they may be used in areas next to the store (360 Degree Marketing Group 2015; Chron⁷ 2017). The main disadvantages are vandalism and damage (e.g. posters might get stolen or ruined by graffiti artists) and the message must be brief because on average a person puts his/hers attention to billboards only for 3 seconds in average (Chron⁷ 2017; Picton & Broderick 2005: 115).

4.6 Internet

The newest growing global media channel for communicating and selling directly to customers is Internet. Internet has many marketing functions such as building demand, conducting transactions, filling orders, providing customer service and it provides advertisers a cost-effective way of reaching its customers (Chron⁸ 2017; Kotler & Keller 2011: 123-124; Shimp 2010: 394). Advertising on Internet is almost necessary for companies in 21st century who do business outside their local area. Companies spent approximately 200 billion U.S. dollars in 2016 on Internet advertisements (Statista⁷ 2017). Consumers use the Internet for a lot more than entertainment as they use it to assist them in many aspects of life, providing advertisers with a lot of opportunities to target their messages (Chron⁸ 2017).

Internet has two key features: individualisation and interactivity. Individualisation means that Internet users have control over the amount of information they want to access and this leads advertisements and promotions that are relevant to the consumers. Interactivity allows users to perceive whatever information they decide to perceive and for a company it gives the ability for a two-way communication (Entrepreneur⁶ 2017; Shimp 2010: 394-395). The Internet advertisers use different advertising formats in order to reach their customers. Even though e-mail and search engine advertising is used most in Internet advertising, table 6 lists the main forms of Internet advertising.

Table 6 – Forms of Internet advertising

Main forms of Internet advertising	
E-mails	Search-engine advertisements
Interstitial webpage	Social Networks
Video advertisements	Pop-ups
Blogs	Advertising through behavioural targeting

Source: Adapted from Shimp 2010: 396

Main advantages Internet advertising has are: possible interactivity; large audience potential; high information content possibility; messages can be changed quickly; it is cost efficient (Chorn⁸ 2017; Know Online Advertising 2015; Pickton & Broderick 2005: 114). There may be a large audience coverage due to information in Internet is availa-

ble world wide regardless of the time or geographical position (Know Online Advertising 2015). Internet gives a possibility for a two-way communication between the company and prospects/customers (Pickton and Broderick 2005: 114). It is possible to have a lot of detailed information on a website or an email or whatever format advertiser uses and this is extremely good when a highly technical products are sold (Chron⁸ 2017; Know Online Advertising 2015). It is also possible to change the information quickly based on the market situation and it may be really cheap to get an advertisement on a website or to create a website itself (Chron⁸ 2017; Pickton & Broderick 2005: 114).

5 IMC process

Definition of IMC has been established and main marketing communication instruments and medias have been discussed. On the basis of what communication instruments and medias are, what are their benefits and how are they used, the answer for the first sub question of this research can be concluded based on chapter 3 and 4.

For the second sub question we need to know the main steps of IMC process. First step of IMC process is to outline main relevant market issues what might affect the product or brand's communication through internal analysis of the company. After the relevant market issues are known the second step of the IMC process will be to determine the target audience or audiences. Third step of IMC process is to develop a message what should match with target audience and company's intended image. Probably the most important step of IMC process is to establish brand positioning and setting company's communication objectives. After these steps of IMC process have been followed, it is time to choose the appropriate communication instruments and medias in order to reach the target audience and fulfil the communication objectives (Kotler & Keller 2011: 479; Percy 2008: 245)

5.1 Internal analysis

First step in the IMC process is to figure out relevant market issues what may affect the whole IMC process. The best source of information is the company's marketing plan, since company's communication needs to support the marketing plan (Pickton & Broderick 2005: 294; Prism Global Marketing Solutions 2017; Chron⁹ 2017). Based on

Percy (2008: 245-247) and articles of Entrepreneur² (2017) and Chron¹⁰ (2017) before it is possible to think specifically about IMC plan it is necessary to answer at least 5 questions:

1. What is being marketed? What is the concept of the product and which consumer needs it satisfies?
2. What is known about the market of the product/brand? The information about the market of the product or brand needs to be updated at least once a year in order to maintain insights on market growth, new competitors and innovations.
3. What is known about the main competition? Strategies of the main competitors (e.g. marketing plan) needs to be understood in order to gain knowledge about what has made them successful and what differentiates you from the competition.
4. How will the sales be gained? This step defines target audience and gives insights to which IMC options are most suitable for them. Question where the customers come from is at most importance.
5. How marketing communication should contribute to the marketing objectives? Marketing communication should bring a number of contributions to a company and its marketing objectives. Through this the managers will know how many communication instruments and medias need to be used in order to fulfill all the marketing objectives.

5.2 Determining target audience

The second step is to determine company's target audience. Determining the target audience is really important in order to know what to say, how to say it, when to say it and where to say it (Kotler & Keller 2011: 474). Also it is necessary to know the target groups demographics (e.g. men, 18-25 years, with university training) and psychographics (e.g. lifestyle, spending habits, hobbies etc.) (Marketing Donut² 2017; Quick Sprout 2017; Caemmerer 2009: 526).

5.3 Message development

Until now, broader issues of IMC plan have been addressed. Next step is to establish a marketing communication message what would contribute to the marketing objectives. In order to develop an effective and consistent message, it is necessary to establish brands position within its market and after this set communication objectives (Caemmerer 2009: 528-529; Percy 2008: 256-257).

5.3.1 Setting communication objectives

Marketing communication objectives are intended to grow the value of the brand over time through different marketing campaigns. Communication objectives succeed when you consistently reinforce to customers that your brand has benefits they want and need more than the ones of the competitors (AZ Central 2017). Setting clear communication objectives is perhaps the most important aspect of IMC plan. All aspects of IMC work on basic communication effects what are shown in Table 7.

Table 7 – Marketing communication effects

Category need	Perception that a product/service is required to satisfy a need.
Brand awareness	Ability to recognise the brand and associate it with the category need.
Brand attitude	Overall evaluation of a brand.
Behavioural intention	Audience's instructions to immediately respond to the message.

Source: Adapted from Percy 2008: 225

Category need mean to establish a product or service category to satisfy desired motivational state. First a demand for a product or service must be created, so it must be clear what benefits the new products or service offers to the prospect or customer. This is why first marketing campaigns are about general possibilities as they contain information about the features, benefits and possibilities of the product or service (Kotler & Keller 2011: 482-483; Chron¹¹ 2017).

Brand awareness means active or passive awareness of a brand. In the case of active brand awareness or brand recall, a customer can name the brand from memory. This is

also called TOMA (top-of-mind-awareness). Active brand awareness is needed in situations where a customer needs to make a decision. In case of passive brand awareness brand recognition is sufficient for the prospect or customer. In order to recognise a product (e.g. in supermarket), the name of the product may not be needed at all. It may also be the colour, packaging, logo etc. (Kotler & Keller 2011: 482-483; AZ Central 2017).

Brand attitude means preference towards a specific brand. There are two possible attitudes: negative brand attitude and positive brand attitude. Brand attitude is usually based on brands awareness of features, benefits and possibilities. In order to change the brand attitude more positive among prospects and customers communication messages are presented in a way that they are favourable, responsible and effective (AZ central 2017; Chron¹¹ 2017; Kotler & Keller 2011: 482-483).

Behavioural intention is moving consumers to behave in a certain way, usually to purchase a product or service but it might be also to visit store, trade fair showroom etc. Category need is a necessary part of behavioural intention because during promotional offers like coupons, if a consumer have not been exposed to a category need it is very unlikely for a consumer to purchase the product. Behavioural intention and category need may be also expressed simultaneously (e.g. Coca-Cola advertisements may stimulate thirst) (Floor & Van Raaij 2011: 128; AZ Central 2017).

5.4 Matching communication instruments and media options

Once the objectives have been decided on, it is time to match communication instruments and medias in order to fulfill objectives. It is important to examine all major communication instruments and medias (chapter 3 and 4). After that, all communication instruments what will be used need to be integrated into unified strategy in order to create synergy between them and add added value to the brand (Percy 2008: 263-264; Floor & Van Raaij 2011: 539).

When selecting marketing communication instruments, a number of factors need to be taken into account, such as objectives and the size and type of the business (Self Growth 2017; Percy 2008: 263-264). Based on the examination of all major communi-

cation instruments, the usage of communication instruments varies depending on the communication objectives as it is shown in table 8.

Table 8 – Marketing communication instruments and objectives

Objectives	Marketing communication instruments						
	1	2	3	4	5	6	7
Category need	++	-	++	+	-	-	++
Brand awareness	++	++	+	+	++	-	+
Brand attitude	++	+	+	++	++	+	+
Behavioural intention	-	++	+	++	-	++	+

(++: more used; +: less used; -: not used) 1. Advertising, 2. Sales promotion, 3. Public Relations, 4. Direct marketing communication, 5. Sponsorship, 6. Personal selling, 7. Exhibitions

Source: Adapted from Floor and Van Raaij 2011: 549

Rossiter and Bellman (2005) believe that depending on the size of a company and its market, the primary media will be different as they have four groups to consider: large-audience advertisers (including both B2B and consumer); small audience local retail advertisers; small audience B2B advertisers; direct response advertisers (Percy 2008: 82-84). Based on chapter 4, table 9 has been constructed in order to show the frequent usage of different media channels among 4 advertising groups.

Table 9 – Media channels and advertising groups

Advertising groups	Frequently used media channels
Large audience advertisers	TV, magazines, newspapers, outdoor media, Internet
Small audience retail advertisers	Magazines, newspapers, outdoor media, direct mail, sales staff, demonstrators, brochures, leaflets, exhibition stands, displays
Small audience B2B advertisers	Magazines, newspapers, direct mail, speciality media
Direct response advertisers	Direct mail, telephone, newspapers, magazines, outdoor media, Internet

6 Company case: Intel Corporation

Intel Corporation (also known as Intel) is multinational corporation and technology company, located in Santa Clara, California. Intel is the biggest chipmaker company in the world and the creator of microprocessors, which can be found in most Personal Computers (PC's). Intel also manufactures many other computing and communication devices as it has been and still is one of the biggest innovators in communication technology and computing technology industry (Funding Universe 2017; Intel¹ 2017).

Intel was founded by Bob Noyce & Gordon Moore in 1968. Intel's started off by introduction of its first product: 3101 Schottky bipolar random access memory (RAM). By 1972 Intel had grown its product line and due to the rapid growth of the company they went public, raising 6,8 million dollars. In 1979 Intel makes a debut on the Fortune 500 list and by 1992 Intel became nr.1 semiconductor supplier in the world. Since the introduction of Intel's first product, they have introduced every year new innovative products such as motherboard chipsets, network interface controllers, flash memory and other communication and computing devices. The unique thing about Intel is that they do not sell anything themselves but instead they sell everything as platforms and use their partners (such as Microsoft, Dell etc.) to do so (Intel¹ 2017; Sports Pro 2016).

Due to PC market being in a continuance decline, Intel has been desperately trying to shift its focus from PC's towards data centres for cloud (see chapter 6.1.1 paragraph 2) and connected devices (Business Insider 2016). Brian Krzanich (CEO of Intel Corporation) said in April 2016: "Our strategy itself is about transforming Intel from a PC company to a company that powers the cloud and billions of smart, connected computing devices." Intel's strategy is based on 5 main points:

- Data Centres
- Variation of connected devices
- Memory and programmable solutions
- Connectivity
- Using Moore's Law (see Appendix 3)

Intel is currently having hundreds of business partners from which there are over a hundred Cloud service providers who use Intel Cloud technology. Biggest cloud pro-

viders who use Intel's Cloud technology are Fujitsu, HP Cloud and Amazon Web Services. Since Intel is moving further away from PC market, which is their main source of revenue and concentrating on other aspects of business, new IMC strategy needs to be put in place in order to be successful in this huge shift in business and gain competitive advantage over its competitors (Intel Newsroom¹ 2016; Forbes² 2016).

6.1 Internal analysis

As it was shown in chapter 5, in the process of IMC there are certain steps, which need to be taken. In chapter 6.1 the main goal is to outline relevant market issues that might affect Intel's communication. This is done through Internal analysis of Intel's company.

6.1.1 What is being marketed?

Datacentres for cloud are believed to be the main strength and selling point of Intel in the future, because by 2024, 80% of workload will be run on cloud technology. Due to this, it is necessary to understand cloud itself, the datacentres and what customer needs they satisfy (Intel² 2017).

Cloud (or cloud computing) is a general term for the delivery of hosted services over the Internet. Having cloud enables company's use Internet, applications, storage systems etc. as a utility, without having a need to build and maintain computing infrastructures within a company (Tech Target¹ 2017). Data centres for cloud are for allowing users to provision workloads and other resources on-demand, without information technology (IT) administration. Intel Data Centre Blocks for Cloud are preconfigured and fully validated to simplify the transition to cloud (Intel² 2017; Tech Target¹ 2017).

Main benefits of Data Centre Blocks for Cloud are:

- Reducing expenditures with open-standard-based hardware and software
- Increasing utilisation of a current infrastructure
- Automating manual provisioning to improve management efficiency & quality of service
- Increasing flexibility & agility of IT department and services

- Limiting the need for specialised knowledge through open interfaces

There are 3 types of cloud services Intel provides for its customers through datacentres: private-, public- and hybrid cloud. In order to get a good understanding what are the differences and benefits of different clouds see table 10 (Intel³ 2017; Tech Target² 2017).

Table 10 – Different types of Clouds

Types of Clouds and their differences	
Private Cloud	<ul style="list-style-type: none"> • One tenant • Customisable for tenants needs • Used mostly by small companies for R&D, ERP, Supply Chain, Analytics and other applications.
Public Cloud	<ul style="list-style-type: none"> • Pay for what you use (like electricity) • For companies who do not mind giving up some control • Mostly used for applications such as E-mails, HR, WEB, CRM and other business supportive applications
Hybrid Cloud	<ul style="list-style-type: none"> • Benefits of private- and public cloud • Possible to create new innovative applications • Possible to deploy applications into private side of cloud which can automatically be using public side during demand spikes

Private cloud is to create high degree of isolation, customisation and control. Mostly used by small businesses or when IT department must maintain control of strategic assets. A software-defined infrastructure (SDI) provides maximum flexibility for companies (Intel³ 2017).

Public clouds allow for greater flexibility and scalability. It is giving the opportunity to strategically shift workloads, quickly provide additional IT assets and maintain maximum agility (Intel³ 2017).

Hybrid cloud ensures flexibility, scalability, customisation and high degree of control. Private and public clouds are integrated in a way that it allows workloads to be moved more dynamically and services to be deployed quicker (Intel³ 2017).

6.1.2 Market analysis

For marketing analysis it is necessary to find out the market situation of the product. Best place to find out about it is the marketing plan. Due to Intel's marketing plan not being available, Internet sources will be used to get the best market overview. Datacentres for cloud are believed to be the main strength and selling point of Intel in the future, so market analysis is based only on datacentre market (Intel Newsroom¹, 2016).

Datacentres are highly competitive field as it is expected to be the fastest growing semiconductor segment. Until now Intel has been dominating this market with more than 98% market share, but companies such as IBM, AMD and Nvidia have launched new products to the market to challenge Intel's dominance (Market Realist¹ 2017). Intel has also been showing growth in datacentre market. In the 3rd quarter of 2016, Data Center Group revenues grew 10% to \$4,5 billion (see Appendix 4), which was driven by Cloud, Networking and Storage, Telco, and Adjacencies (Market Realist² 2017). Based on Cisco's research hyper scale datacentres market will grow from 259 in 2015 to 485 by 2020, which will represent approximately 50% of all datacentres. From these datacentres, cloud data centres will process 92% of workloads and 8% by traditional datacentres (Cisco 2016). Also, construction market for datacentres will be growing from \$14,59 billion to \$22,73 billion by 2019, what is 9,3% growth (Datacenter Dynamics 2015). Market for cloud computing is also growing year by year. Public cloud Infrastructure as a Service hardware and software (IaaS) reached \$38 billion in 2016 and is expected to grow to \$173 billion in 2026. Software as a Service (SaaS) and Platform as a Service (PaaS) are projected to reach \$55 billion by 2026 (Forbes³ 2016; Statista⁸ 2017).

The biggest innovation in datacentre market is artificial intelligence (AI). In the coming years, it is expected that IT teams will be supported by AI to help manage their IT environment and storage. In artificial intelligence, computers are assembled into networks that emulate the learning process of humans. This process requires a lot of data storage as well as speed in computing, which is the reason why the leading players have moved from traditional CPU servers to other servers such as cloud (Data Center Frontier 2017). Based on this information, market is definitely growing, but it will get more difficult for Intel to keep its high share in datacentre market.

6.1.3 Competitors

Due to Intel being in so many markets as they make and sell communication technology, software's, platforms, business running datacentres, silicon components, and communication devices, they also have a lot of competitors. As its been said already earlier in this chapter this IMC plan is concentrated on the biggest revenue market in the future, datacentres for cloud (Intel Newsroom¹ 2016).

Even though Intel owns 98% of datacentre market, they still have competitors who are trying to gain bigger market share as well as new companies with new innovative technologies. Main competitors in this field are AMD (Advanced Micro Devices) and NVIDIA, who is the market leader in AI technology and who is using this technology in order to gain a competitive advantage over Intel in datacentre market (Market Realist¹ 2017; Data Center Frontier 2017). Table 11 was constructed to show the main strengths and weaknesses of Intel in comparison of its competitors.

Table 11 – Asset Assessment Tool

	Intel	AMD	NVIDIA
Financial	+	-	-
Performance	-	=	+
Environment	+	=	=
R&D	+	-	-
Marketing	=	=	=

+ – Best, = – As good as the best, - – Not as good as the best

Financial: Intel has the biggest financial leverage, with revenue of ~ \$60 billion in 2016. Nvidia revenue in 2016 was ~ \$7 billion and AMD revenue was ~ \$4 billion. This shows clearly that Intel is having huge advantage over its competitors, as they are able to spend more than others on important areas of business (Intel Corporation 2017; Yahoo Finance¹, 2017; Yahoo Finance² 2017; Yahoo Finance³ 2017).

Performance: This is based on how these companies were doing during 2016 compared to previous year. Nvidia increased their revenue ~ 38% and earnings ~ 172%. Intel grew its revenue ~ 7% but earnings went down ~ 1%. AMD did well in 2016 com-

paring to year before by growing its revenue ~ 7% and earnings ~ 24%, but it's the only company who is dealing with losses in its earnings (in 2016, AMD losses in earnings were \$497 million) (Yahoo Finance¹ 2017; Yahoo Finance² 2017; Yahoo Finance³ 2017). Based on the performance of 2016, it is clear that Nvidia and AMD are both huge threat to Intel on datacentre market. This is because Nvidia partnered up with Tesla and made Tesla GPU accelerators for datacentres (see Appendix 5) what are based on AI technology and are running on cloud. Also, AMD has developed their version of AI GPU accelerator which is expected to come to market in 2017 and is the reason why AMD did so well compared to its last years performance (Next Platform 2015; Forbes⁴, 2016).

Environment: Based on the companies CSR (corporate social responsibility) reports, Intel has an advantage over its competitors, followed by other companies. Intel has won an environmental sustainability award already 8 years in a row as they have been developing energy-efficient products and reducing environmental footprint (Intel⁴ 2016). Even though other companies are all focusing on "green energy" and environmental sustainability, the main reason why Intel is doing better in this area is because of their financial leverage, as it takes a lot of money to go "green" (Chron¹² 2017; NVIDIA¹ 2017; AMD 2017).

R&D: Company who spent most on R&D in 2016 was Intel. Intel spent during 2016 over \$12 billion on R&D, (YCharts¹ 2017; YCharts² 2017; YCharts³ 2017). Intel has huge leverage over its competitors due to the amount of money they are able to spend on R&D, but Nvidia and AMD are big threat for Intel because of being leaders in developing AI technology for datacenters, which have skyrocketed Nvidia and AMD stocks (The Verge 2017).

Marketing: Intel's marketing strategy is to achieve and maintain competitive advantage and grow their market share. Intel's general marketing strategy is based on innovations, quality and features that differentiate their products from competitors and Intel's growth strategy is based on new differentiated technology in products that shape the industry and attract target customers (Panmore 2017; Sports Pro 2016). Nvidia is looking to gain market share in datacenter market and it is showing huge growth, as their revenue in datacenter market grows faster than the industry itself. Nvidia's data center business growth in third quarter of 2017 was 59%, whereas Intel showed only 11,7%

growth. This is due to Nvidia's competitive advantage over Intel, as Nvidia is a key beneficiary in datacenter industry's shift to AI (Market Realist³ 2017; The Motley Fool 2017). AMD has had some difficult times by losing its market share to Nvidia and Intel in 2014 and 2015. However, in 2016 AMD stocks skyrocketed due to the same reasons as Nvidia, as they both are seen as companies with huge future potential in datacentre market. This is because Nvidia and AMD are leaders in developing AI technology for datacentres. AMD marketing strategy for 2017 is to start targeting high-end customers in order to compete with its competitors Nvidia and Intel (Market Realist⁴ 2016; Market Realist⁵ 2016; The Verge 2017). Based on all the information gathered, Nvidia and AMD have a huge competitive advantage over Intel in datacentre market, however, due to Intel having a huge financial leverage it is still possible to compete with both companies (Intel Newsroom¹ 2017; Yahoo Finance¹ 2017; Yahoo Finance² 2017; Yahoo Finance³ 2017).

6.1.4 Sales

Intel offers its products as platforms and makes its sales through three customer segments: Original Design Manufacturers (ODM's) and Original Equipment Manufacturers (OEM's); PC & network communication product users (e.g. individuals, businesses and service providers); and Industrial and communication equipment manufacturers. Intel is the only huge company in the industry who does not sell to its end customers, but instead they use their business partners for this (e.g. Microsoft, Dell etc.) (Revenues and Profits 2016; Intel³ 2017; Intel⁵ 2016). Because Intel wants to shift its business towards datacentre market, its main customers will be service providers, businesses and individuals (the end users), who are willing to give up some control over their business in return of saving money as well as flexibility and agility (Intel³ 2017).

6.1.5 Marketing communication contribution

Marketing communication should make many contributions to Intel's strategic planning and marketing. Since Intel is trying to shift its business towards datacentres for cloud markets, it is important to maintain its market share, increase its customer base in datacentre industry, and gain a competitive advantage what will clearly not be "a walk in the park" due to Intel's two main competitors Nvidia and AMD. The main contributions

marketing communication should bring to Intel are consistent and favourable image, greater marketing precision, distinctive messages, and high calibre consistent service (Market Realist⁴ 2016; Market Realist⁵ 2016; Floor & Van Raaij 2011: 541; Intel Newsroom¹ 2016).

6.2 Determining target audience

Once the general market is known, it is necessary to focus specifically to whom the marketing communications should be targeted. This should include the demographics and relevant psychographics of the target audience but also, in order to be sure that IMC will be successful in long term it is also necessary to “think ahead” and figure out who will be important for the future business of Intel (Percy 2008: 247).

Due to Intel’s biggest customer base being other big businesses, we need to consider in customer demographics and psychographics people who are in decisive roles in buying process. These people are initiators, influencers, deciders, purchasers and users (Percy 2008: 252; Floor & Van Raaij 2011: 132). These people are usually over 35 years old business professionals who are highly educated. Also, they are usually highly technical people and spend most of their dealing with technology, especially computers. This is because the industry demands them to be technical and also they enjoy everything technical. Relevant demographics and psychographics of the main target audience will be shown in table 12.

Table 12 – Relevant demographics and psychographics

Demographics & Psychographics	
Gender	Male and Female
Age	35 – 70 years old
Income	High income
Education	Highly educated
Occupation	Business and IT professionals
Buying motivation	High
Lifestyle	Spends most of the day with technology

The biggest potential buyers of Intel's cloud technology and datacentres for cloud are car manufacturers, retail industry and other industries that are going or have gone automated/ digital, for example:

Automated cars: in up-coming years, more and more self-driving cars will hit the road. This means car technology needs to rely on a fast, reliable network. Intel is working closely with BMW to provide autonomous cars that would be self-learning and would work solely on Intel's cloud technology to store and exchange huge amounts of data and 5G wireless network that should become available by 2020 (Intel⁶ 2017; Fortune 2017).

Retail tech revolution: Many experts such as Jamie Gutfreund (global CMO of Wunderman), Rachel Mushahwar (general manager of Intel's Americas Sales for Retail) and Karenann Terrell (Wal-Mart's chief information officer) believe that the youngest generation are driving retailers to use data technologies that merge in-store with online shopping. Cloud gives businesses increased control, faster deployments and servers for increasing demands for real time data (Intel⁷ 2017; Wired 2017).

Healthcare: transforming health care to the cloud is about the benefits of being able to connect medical centres and cloud users for sharing patients' health information over the Internet and it enables doctors to access medical information from anywhere. In healthcare cloud computing and datacentres can offer on-demand hosted services and SaaS infrastructure which will provide them with fast access to applications, IaaS can offer large storage for medical facilities and on-demand computing, and PaaS can offer to the medical industry secure environment for web services and deployment of applications (Innovative Architects 2017; Intel⁸ 2017; Tech Target² 2017).

6.3 Message development

Until now, we have managed to figure out the general market where Intel competes as well as the target audience to whom it is necessary to develop an effective and consistent message. To do this, it is fundamental to establish how Intel positions itself in relations to other brands in the perception of customers and what are the main communication objectives of Intel (Caemmerer 2009: 524-538; Percy 2008: 255-256). This chapter is not meant to be an example of what the content of the message should be,

but to show what is important in developing a consistent message, which would work in the eyes of the target audience.

6.3.1 Establishing brand position

In order to position Intel brand correctly, it is necessary to bring out the key features and benefits of datacentres for cloud compared to its competitors Nvidia and AMD. Based on the market- and competitor analysis it is possible to conclude that the key benefits in comparison Intel's competitors are: Intel owns 98% of datacentre market in the world; Intel has an old and successful history; Intel is the most environmentally sustainable company compared to its main competitors; Intel is one of the biggest spenders on R&D in the world.

Based on the demographics and psychographics of the target audience it is possible to say that Intel needs to position itself in the eyes of target audience as informational brand. This positioning strategy is used with brands, which are problem solving as the benefits of using the brand is linked to the features of the product. This strategy is also used when the target market is motivated to process a lot of information as its clearly stated in chapter 6.2 that the target market of Intel is really well educated and they know a lot about technology, so processing information is a necessity before making any buying decisions. Intel has many options how to sell their brand to their target market such as best brand with unique feature, technical proof of their benefits, brand suitable for specific persons, favourable price-quality ratio etc. (Floor & Van Raaij 2011: 158-159).

6.3.2 Communication objectives

Since Intel's positioning has been established it is necessary to figure out the communication objectives and put them into order of importance. In order to have a successful IMC plan, good communication objectives are probably the most important part of IMC plan. As Abraham Lincoln once said: "If we could first know where we are, and whither we are tending, we could then better judge what to do, and how to do it" (Brainy Quote 2017). This quote can be used in marketing communication in a way such as: once its

known what needs to be achieved and what effects are aimed for, it is known what to do and how to do it in order to have a successful communication campaign.

The best way to set up communication objectives is straight through the four basic communication effects: category need, brand awareness, brand attitude and behavioural intention. Since these are the main effects of marketing communication, it is necessary to establish the importance of each effect to the communication strategy (Percy 2008: 260).

Category need is really important objective for Intel since demand for Intel datacentres and cloud has decreased comparing to its competitors Nvidia and AMD. By stimulating products features and benefits it is possible for Intel to generate high sales and keep its market share (Yahoo Finance¹ 2017; Percy 2008: 260).

Brand awareness is always an objective because whenever a customer makes a purchase, brand awareness will arise along recall or recognition. Recall brand awareness means that a customer knows the name of the brand or the product before going to store and purchasing it whereas recognition brand awareness means when a customer is in store and recognises the brand or a product and connecting it with company's marketing communication. Intel has a high level of brand awareness as well as high brand equity due to being one of the biggest and oldest innovative tech company's (Percy 2008: 260; Chron¹³ 2017).

Brand attitude means how is the attitude towards a brand in customers mind. Brand attitude is mostly based on features and benefits of the brand or its products. Since Intel is selling high involvement cognitive transformational products, customers need to have a lot of information about the products and usually they make the purchase if the products will pay off in short-term and are innovative or necessary for business. Main goal for Intel would be that the target audience would have a positive brand attitude resulting in brand preference. This is very helpful in planning an advertisement plan but it can be also used for promotion. When its used in a promotion plan, usually a short-term increase in sales is the aim, but it can also be used to create a long-term relationship with its customers, for example the use of coupons (Floor & Van Raaij 2011: 146; All Business⁵ 2017).

Behavioural intention is a communication objective what should lead a customer to behave in a certain way. Usually the behaviour companies are looking for is the buying intention but there might be other behavioural intentions such as visiting a store, trade fair, or a showroom, making test runs and taking a subscription. This is really important for Intel due to the competition. Intel may need to give some discounts, get companies to try their products and finally to make customers purchase the products instead of its competitors. However, Intel has such a long history and has built a strong brand image what improves perception of benefits and quality, reduces perceived risk so the customer will evaluate products mostly on the basis of price (Floor & Van Raaij 2011: 147; Chron¹⁴ 2017).

Now, it is important to establish the importance of each communication effect to the Intel's overall communications strategy and the importance of each communication objective. On the basis that Intel is trying to keep its market share and get more customers in datacentre industry, from the highest to the lowest the most important communication effects what Intel should stimulate are: behavioural intention, brand attitude, category need and brand awareness.

6.4 Matching communication instruments and media options

As a next step the results of Intel's internal analysis, - market analysis, - target audience, - brand positioning and - communication objectives need to be matched to communication instruments and media options.

Intel has a huge financial leverage over its competitors what allows them to use more money in important departments (e.g. marketing and R&D) and try to get ahead of its competitors Nvidia and AMD (Intel Newsroom² 2016; Yahoo Finance¹ 2017; Yahoo Finance² 2017; Yahoo Finance³ 2017). Based on the knowledge gathered about Intel, its competitors, its target market, brand positioning and its communication objectives, Intel should divide its integrated marketing communication efforts into 4 different sections. Based on the importance of objectives from highest to lowest it can be seen in table 13, which communication instruments Intel should use to grow its customer base in datacentre market and keep its high market share.

Table 13 – Intel IMC strategy

Objectives	Marketing communication instruments			
	1	2	3	4
Behavioural intention	++	++	++	+
Brand attitude	++	+	+	+
Category need	+	-	++	++
Brand awareness	+	++	+	+

(++ – More used, + – less used, - – not used), 1. Direct marketing communication, 2. Sales promotion, 3. Personal selling & exhibitions, 4. Public relation

Because Intel's 2 main communication objectives are to get more customers and keep its high market share, the most effective way to market Intel's products and brand would be through DM communication. When using DM communication, Intel can also save costs due to eliminating the retail trade and DM communication also stimulates other communication instruments and objectives. Due to Intel products being really technical, it is necessary to get target audiences full attention to let them know about Intel brands unique features, benefits, price-quality ratio etc. (Kotler & Armstrong 2012: 489-499; Kotler & Keller 2011: 536; Floor & Van Raaij 2011: 399-400). Main steps Intel should take while using DM communication are: check through the Internet does the customer requirements match to a specific product; contact the prospects and customers in decisive roles within the company through DM communication medias (direct mails, e-mails, magazines) in order to get the maximum attention (Management Study Guide² 2017; Floor & Van Raaij 2011: 478).

Due to Nvidia and AMD both being ahead in development of AI technology for datacentre industry, they are seen as companies with huge future potential and this gives them an edge over Intel (Market Realist¹ 2017; The Verge 2017). In order for Intel to keep its market share in a growing industry, datacentres, Intel needs to nurture customer relationship and get new customers (Market Realist² 2017; The Verge 2017). The most logical way for doing this is by using promotions such as free trials, loyalty programs or small discounts through DM communication medias such as direct mails and e-mails or through personal selling in trade fairs, because promotion is ideal way to stimulate objectives like buying behaviour and brand attitude (Floor & Van Raaij 2011: 364-366).

Third most important communication instrument what fulfils the main communication objectives for Intel, is personal selling & exhibitions. This is because personal selling and exhibitions allow direct relationship between Intel's sales force, prospects and customers. Due to the complexity and technicality of Intel products it is much better to have a direct conversation with prospects, as this enables Intel to actually find out the needs of the prospects, match these needs to Intel products or services, overcome criticism and questions what prospects may have and then convince prospects to purchase the product (Peter & Donnelly 2001: 146, 150; Pickton & Broderick 2005: 689-691).

Exhibitions include many communication instruments (e.g. personal selling and promotion), which allow Intel to stimulate not only the main communication objectives but also other communication objectives (Percy 2008: 134-135; Floor & Van Raaij 2011: 461-462). Since Intel's target audience is other businesses it is necessary to attend on as many trade fairs as possible (Floor & Van Raaij 2011: 461-462). Main benefits for Intel from attending in exhibitions are: nurturing customer relationships; advertising to target market; good way to gain B2B partners; get knowledge and opinions of new trends; create brand awareness (Business Queensland² 2017; Floor & Van Raaij 2011: 461-462). Personal selling, exhibitions as well as DM communication all are perfect tools to aim at target audience, which also makes it possible to analyse the effects, and it gives knowledge to Intel if there is a need for something to be changed or if they are doing everything the way they should (Floor & Van Raaij 2011: 478; Belch & Belch 2007: 21-23).

Last communication instrument Intel should use is public relation. Public relation is an easy and cheap way to enforce Intel's unique features, benefits and its IMC message. Re-enforcing IMC message through PR is going to be more credible and a great way to build and nurture good customer relationships as well as get good attention from possible prospects. Also, due to Intel's products being technical and need to be explained in detail before purchasing the products, PR should enforce Intel brand or products unique features, benefits, price-quality ratios etc. (Kotler & Armstrong 2013: 489-499; Kotler & Keller 2011: 536; Floor & van Raaij 2011: 399-400).

7 Conclusion

The goal of this thesis was to find an answer to the following research question: how marketing communication instruments and medias should be integrated to achieve best value through synergy? In order to answer as accurately as possible to this question, several steps were taken. Before getting into communication instruments and media channels a definition was created by combining the opinions of several other scholars. Definition which was concluded serves the basis of this thesis: IMC is a process of strategic planning in order to determine the most consistent message and expose it to the target audience through the synergy of marketing communication instruments and media. The next steps was a thorough research of the most important communication instruments and media channels to find out each instruments own approach to IMC strategy and the way different media channels are being used with each instrument in order to create synergy and match them with the brand, target audience and company strategy.

All the major steps in the process of IMC were researched and implemented to a company Intel Corporation in order to find out how to use communication instruments and media in a way to achieve synergy and to bring the most value to the company. Intel Corporation was chosen due to PC market, what is also their main source of revenue is in a continuous decline. Due to this, Intel is planning to shift their business from the PC market towards datacentres for cloud. On the basis of the research conducted, an IMC plan was created for Intel to bring value and solve problems Intel is facing in datacentre industry. Main problem identified was to maintain its high market share and grow its business while its main competitors Nvidia and AMD are ahead in developing AI technology for datacentre industry. Due to this, the competitors are having huge future potential in the eyes of the customers.

After carefully following the IMC process and conducting different analyses it can be concluded that Intel needs to stimulate buying behaviour and brand attitude through communication instruments such as DM communication, sales promotion, personal selling, exhibitions and public relations. These communication instruments will complement and reinforce each other through various media channels such as direct mail, e-mail, demonstrators, sales staff etc. It was concluded that this is the best way for Intel to move forward and shift its business towards datacentre industry.

Due to every industry, market place, company, company's situation and objectives being different, there is no single answer to the question: which communication instruments and media channels to use? Marketing communication instruments and media should be integrated to achieve best value through synergy by developing and carefully following an IMC process. IMC process is based on 4 steps, from which the first step is a strategic plan based on knowledge about company's internal analysis. Second step is to figure out company's target audience and third step is to develop a message based on communication objectives and brand positioning. Last step of IMC process is to match the knowledge gathered from previous steps to communication instruments and media channels. By having all the relevant information and carefully following all the steps of IMC process, it is possible to integrate marketing communication instruments and media to create synergy and develop a consistent communication message, brand image, have a greater marketing precision and high-calibre consistent service.

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Appendix 1. RFM analysis

DEFINITION

RFM analysis (recency, frequency, monetary)

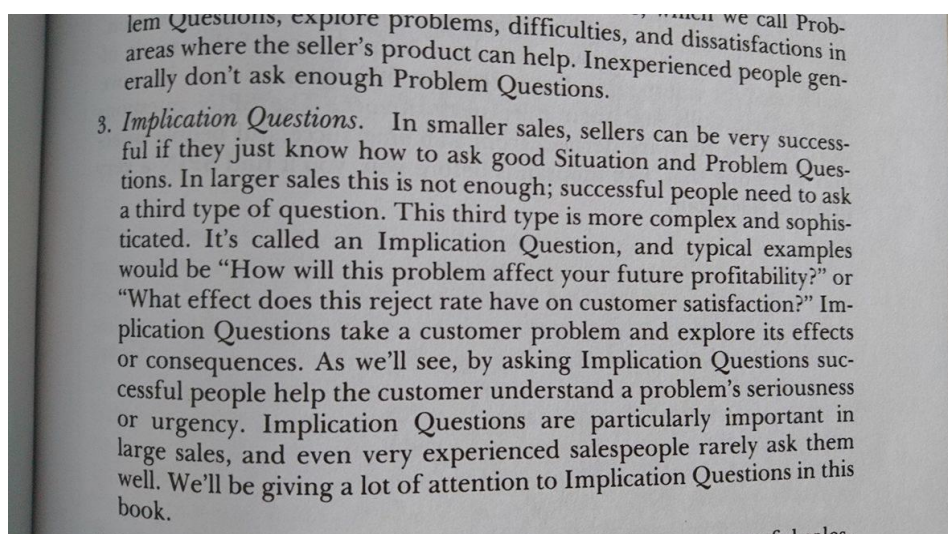
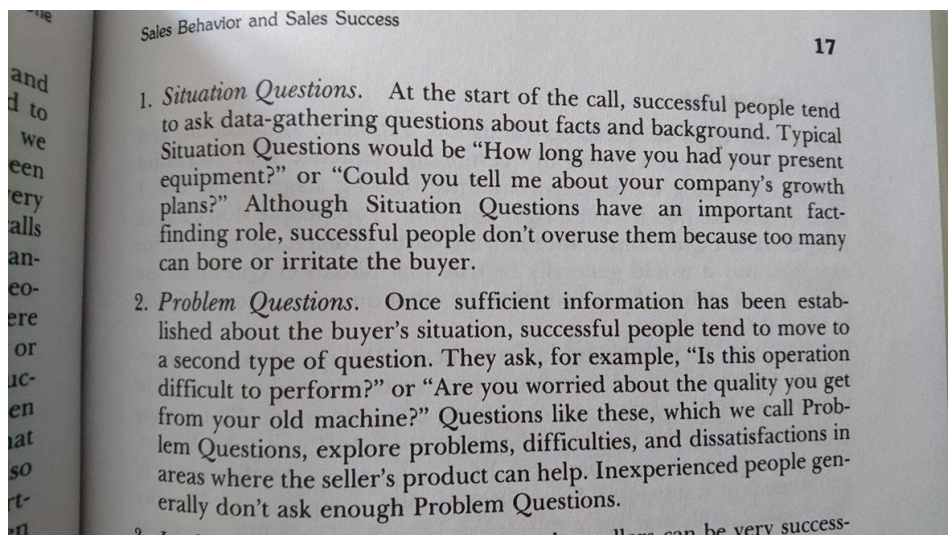
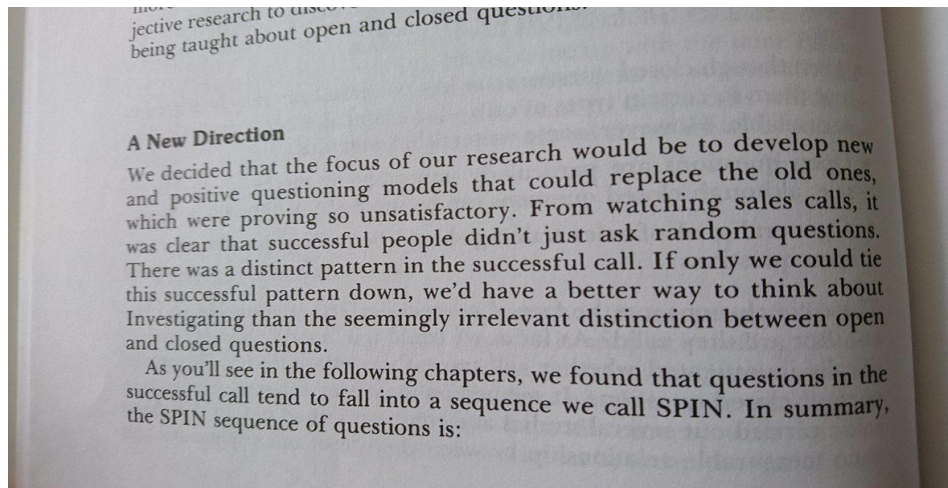
RFM (recency, frequency, monetary) analysis is a marketing technique used to determine quantitatively which customers are the best ones by examining how recently a customer has purchased (recency), how often they purchase (frequency), and how much the customer spends (monetary). RFM analysis is based on the marketing axiom that "80% of your business comes from 20% of your customers."

For more than 30 years, direct mailing marketers for non-profit organizations have used an informal RFM analysis to target their mailings to customers most likely to make donations. The reasoning behind RFM was simple: people who donated once were more likely to donate again. With the advent of [e-mail marketing campaigns](#) and [customer relationship management](#) software, RFM ratings have become an important tool. Using RFM analysis, customers are assigned a ranking number of 1,2,3,4, or 5 (with 5 being highest) for each RFM parameter. The three scores together are referred to as an RFM "cell". The database is sorted to determine which customers were "the best customers" in the past, with a cell ranking of "555" being ideal.

Although RFM analysis is a useful tool, it does have its limitations. A company must be careful not to oversolicit customers with the highest rankings. Experts also caution marketers to remember that customers with low cell rankings should not be neglected, but instead should be cultivated to become better customers.

Source: Tech Target³ 2015

Appendix 2. SPIN model



book.

4. *Need-payoff Questions.* Finally, we found that very successful salespeople ask a fourth type of question during the Investigating stage. It's called a Need-payoff Question, and typical examples would be "Would it be useful to speed this operation by 10 percent?" or "If we could improve the quality of this operation, how would that help you?" Need-payoff Questions have several uses, as we'll see in Chapter 4. For now, perhaps the most important one is that they get the customer to tell *you* the benefits that your solution could offer. Need-payoff Questions have a very strong relationship to sales success. It's been common, in our studies, to find that top performers ask more than 10 times as many Need-payoff Questions per call as do average performers.

18

Chapter One


The SPIN Model

These four types of questions—Situation, Problem, Implication, and Need-payoff—form a powerful questioning sequence that successful people use during the all-important Investigating stage of the call. I must emphasize that it's not a rigid sequence. Top people don't ask all their Situation Questions before moving on to Problem Questions, for example. But it would generally be true that Situation Questions are mostly asked early in the call and that the other questions broadly follow in the S-P-I-N sequence.





In this book I'll be looking closely at these SPIN questions and showing you ways to use them to improve your success in major sales. I'll be drawing on Huthwaite's research studies, but even more, I'll be using the experience of my training colleagues, Dick Ruff and John Wilson, who have designed programs that have helped tens of thousands of major-account salespeople from Fortune 500 companies to improve their selling skills and their sales performance. The SPIN questions work because they are derived from watching successful people in action. We hope that, like thousands before you, you'll find SPIN a very practical sales tool.

Source: Rachkam 1988: 16-18

Appendix 3. Moore's Law and Intel


[Newsroom](#)
[Top News Sections](#)
[News By Category](#)
[All News](#)

[Facebook](#)
[Twitter](#)
[Email](#)
[RSS](#)

Editorial
 April 26, 2016
 Share this Article




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Fifth is Moore's Law. Moore's Law is fundamentally a law of economics, and Intel will confidently continue to harness its value. The law says that we can shrink transistor dimensions by roughly 50% at a roughly fixed cost, thus driving twice the transistors for the same cost (or the same number of transistors for half the cost). This concept has fueled the technology revolution all of us have lived through. Intel's leadership in Moore's Law has driven the products delivering massive computing power growth and increasingly better economics and pricing. In my 34 years in the semiconductor industry, I have witnessed the advertised death of Moore's Law no less than four times. As we progress from 14 nanometer technology to 10 nanometer and plan for 7 nanometer and 5 nanometer and even beyond, our plans are proof that Moore's Law is alive and well. Intel's industry leadership of Moore's Law remains intact, and you will see continued investment in capacity and R&D to ensure so.

Putting it all together, Intel is uniquely positioned to power the cloud and drive the increasingly smart, connected world. We see tremendous opportunity in the growth of this virtuous cycle – the cloud and data center, the Internet of Things, memory and FPGAs all bound together by connectivity and enhanced by the economics of Moore's Law – which will provide a strong and dynamic future for Intel.

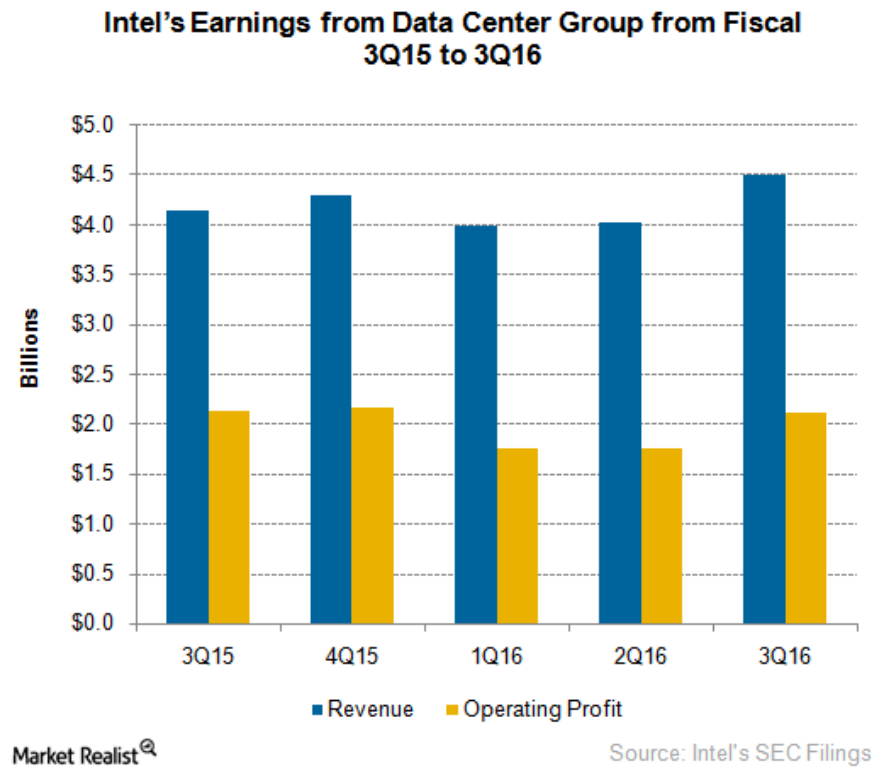
We are in a time when technology is valued not just for the devices it produces, but for the experiences it makes possible. Intel will lead in this new era by remaining true to our history as inventors and makers, as a global leader in manufacturing, as world class innovators. We will also lead by becoming a company with a broader focus, and with sharper execution. In doing so, we will create lasting value for our customers, partners and shareholders, and achieve our mission to lead in a smart, connected world.

It is an incredibly exciting time for Intel as we accelerate our strategy, and our impact. The work we do at Intel today will change this company, our industry and the world.

Brian Krzanich is the chief executive officer of Intel Corporation.

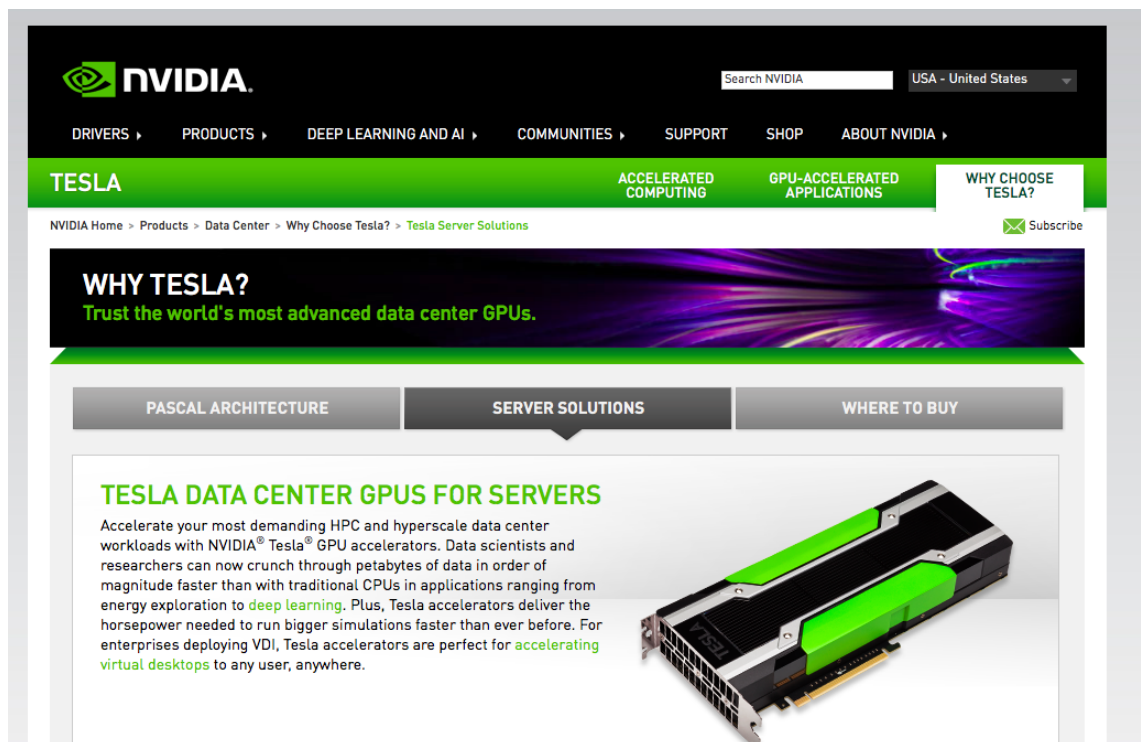
Tags: [5G](#), [Brian Krzanich](#), [Intel](#), [Internet of Things](#)

Source: Intel Newsroom¹ 2017

Appendix 4. Intel's Earnings from Data Center Group

Source: Market Realist² 2017

Appendix 5. Tesla Data Center GPU's for Servers



The screenshot shows the NVIDIA website's Tesla section. At the top is the NVIDIA logo and a navigation bar with links: DRIVERS, PRODUCTS, DEEP LEARNING AND AI, COMMUNITIES, SUPPORT, SHOP, and ABOUT NVIDIA. Below this is a green header with 'TESLA' on the left and 'ACCELERATED COMPUTING' and 'GPU-ACCELERATED APPLICATIONS' on the right. A breadcrumb trail reads: NVIDIA Home > Products > Data Center > Why Choose Tesla? > Tesla Server Solutions. A 'Subscribe' button is also present. The main content area features a banner titled 'WHY TESLA?' with the tagline 'Trust the world's most advanced data center GPUs.' Below the banner are three tabs: 'PASCAL ARCHITECTURE', 'SERVER SOLUTIONS' (which is active), and 'WHERE TO BUY'. The 'SERVER SOLUTIONS' tab contains the heading 'TESLA DATA CENTER GPUS FOR SERVERS' and a paragraph of text. To the right of the text is an image of a Tesla V100 GPU accelerator card.

NVIDIA

Search NVIDIA USA - United States

DRIVERS > PRODUCTS > DEEP LEARNING AND AI > COMMUNITIES > SUPPORT SHOP ABOUT NVIDIA >

TESLA ACCELERATED COMPUTING GPU-ACCELERATED APPLICATIONS WHY CHOOSE TESLA?


NVIDIA Home > Products > Data Center > Why Choose Tesla? > Tesla Server Solutions [Subscribe](#)

WHY TESLA?
Trust the world's most advanced data center GPUs.

PASCAL ARCHITECTURE **SERVER SOLUTIONS** WHERE TO BUY

TESLA DATA CENTER GPUS FOR SERVERS

Accelerate your most demanding HPC and hyperscale data center workloads with NVIDIA® Tesla® GPU accelerators. Data scientists and researchers can now crunch through petabytes of data in order of magnitude faster than with traditional CPUs in applications ranging from energy exploration to **deep learning**. Plus, Tesla accelerators deliver the horsepower needed to run bigger simulations faster than ever before. For enterprises deploying VDI, Tesla accelerators are perfect for **accelerating virtual desktops** to any user, anywhere.



Source: NVIDIA² 2017