Role of Integrated Marketing Communications

Overview



A Definition

Integrated Marketing Communication....
is a process for planning, executing & monitoring the brand messages that create customer relationships

Duncan, Principles of Advertising & IMC, 2005:17



Integrated Marketing Communication (IMC)

IMC "is the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program that maximizes the impact on consumers and other end users at a minimal cost" (Clow & Baack, 2007, p. 8).



Mont Blanc use a variety of marketing mix elements, including price, product, design, brand name and distribution strategy to create high-quality, upscale usage image for its pens.



Mont Blanc



Impact of IMC

IMC plays a role in all:

- Business-to-business (B2B) interactions.
- Marketing channel communications.
- Customer-focused communications.
- Internally directed communications.



The Goal of IMC

As with all marketing activities, the goal of IMC is to build brands.

Brands that are well known and liked are more likely to be purchased → increase profit margins.

Brand Equity: "the intangible value of a brand – value added to a product or service that derives from a perception in customer's minds" (Duncan, 2005, p. 8).



Benefits of IMC

IMC provides greater:

- Brand differentiation.
- Accountability within a firm.
- Trust among consumers.
- Levels of effectiveness in cutting through message clutter than single strategies.



The Changing World of MC

Old World

New World

"Talking At" Consumers

Two-way Dialogue With Consumers

Focus on Winning New Customers

Focus on Building Long Term Relationships With Consumers

Marketers Relied Primarily on Advertising and Promotions

Marketers Use and Coordinate
Many Different Forms of
Communication With Consumers



IMC – The Evolution

Mass Marketing
Using mass communication

to

Relationship Marketing
Using integrated marketing communication with a focus on interaction



What trends are driving integration?

External

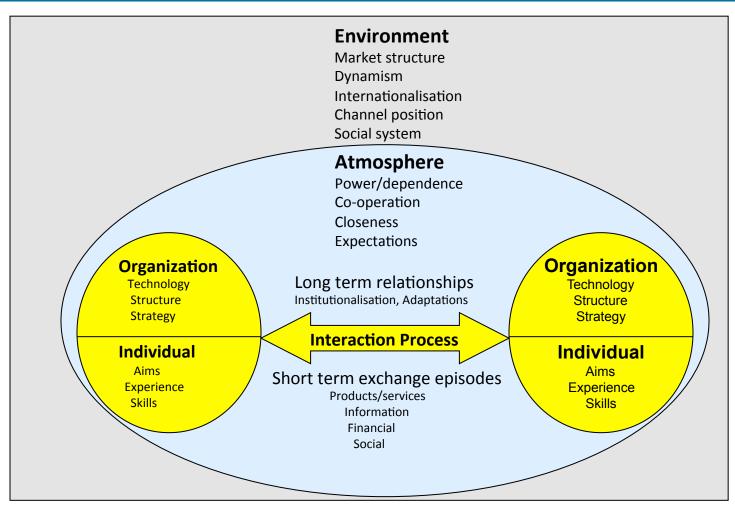
- Brand & product proliferation
- Customisation
- Decreasing brand loyalty
- Price sensitivity
- More demand, less trust
- Clutter
- Service Economics
- Rising Costs & Accountability

Internal

- Expertise
- Corporate missions
- Communication technology
- Benefits to be gained

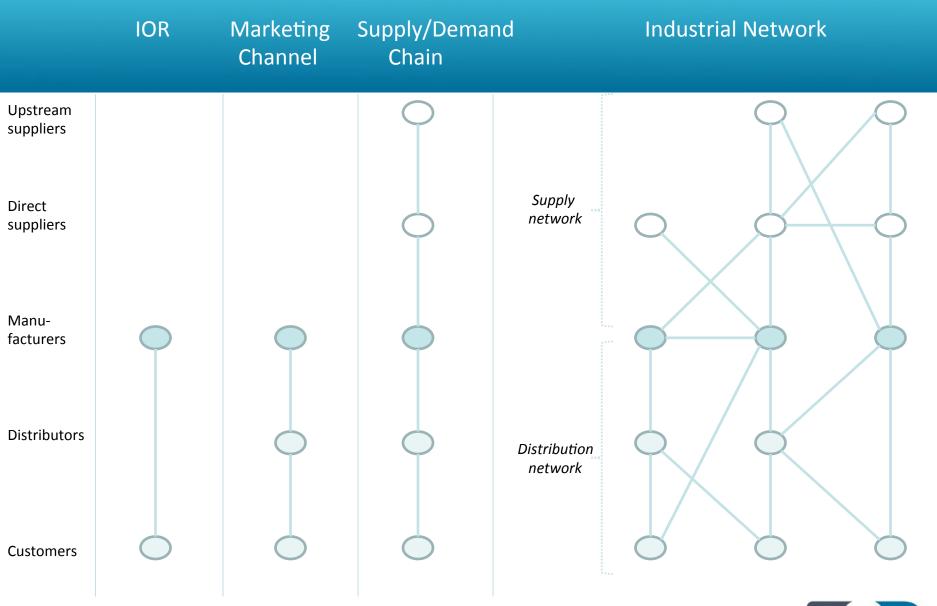


Interaction Model



Source: Adapted with permission from Håkansson (1982, p24)





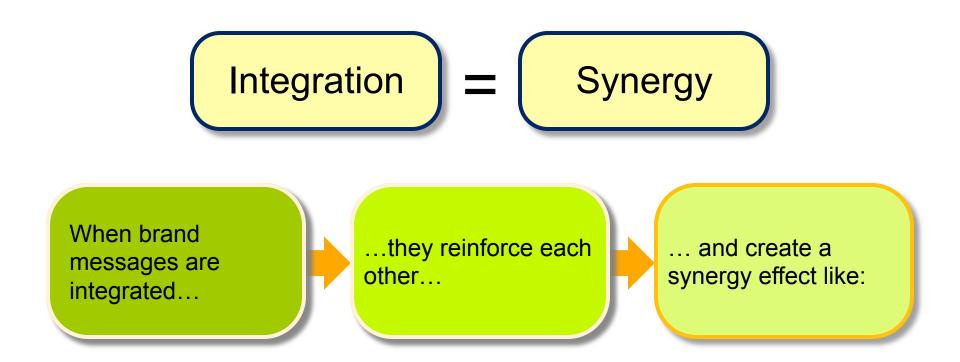


IMC & the need for integration

- Covers a number different media and strategies
- TV, radio, Direct, PR, social media etc
- Selective combination of appropriate types of communication
- Meeting a common set of objectives for the brand
- Integration over time with regard to customers
- Integration provides synergy



Integration and Synergy





The Marketing Communication Matrix

Ballantyne, Luxton, Powell (2004) Introduction to Marketing: A value exchange approach ed Gabbott, Pearson:381

	Mass Market	Segmented/Mass Customisation	Individual
2-way communication An interactive approach (listening & learning including informal dialogue initiated by planned messages)			
1-way communication Conventional mass marketing			



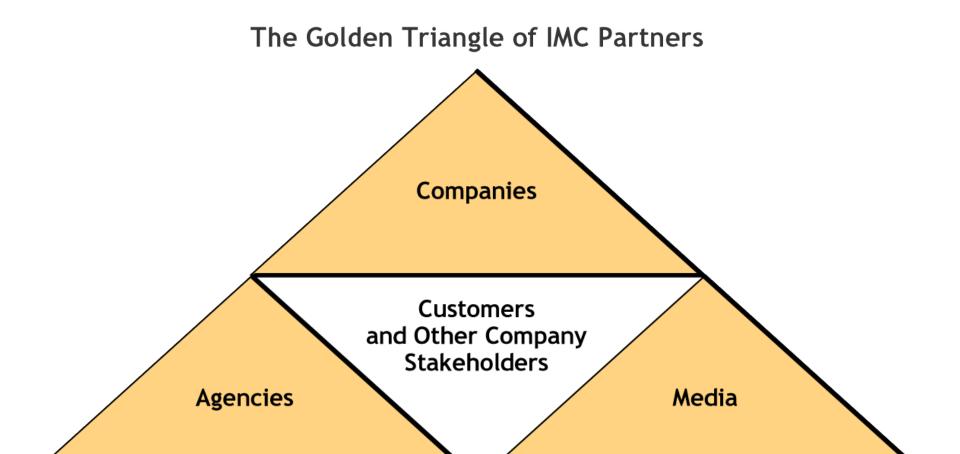
The Importance of Integration

- Integration begins with the way a company and its agencies organise the process for creating and delivering brand messages.
- All participants involved in creating and delivering brand messages must work together:
 - The company,
 - Company agencies,
 - The media,
 - Channel members, and
 - MC support services.



The IMC Process Model **Brand Manager** Communicated by Advertising, Sales Promotion, Direct Response, Packaging, Customer Service, Sponsorships, etc. One- and Two-Way Media **Evaluating** Radio, Newspapers, TV, Outdoor and Boards, Events, and **Planning** Sponsorships, Mail, Phone, Internet, Packaging, etc. Customers' **Brand Experiences Weak Brand Relationships** Strong Brand Relationships Lose Customers, Sales, and Increased Sales, Customers, and **Brand Equity Brand Equity**

The Key Players in the IMC Process





Organisations: Nike as an example





Nike's Relationship with shoe retailers like Foot Locker



Niketown stores selling shoes directly to consumers

The 8 Key Functions of Marketing Communication

- Advertising
- Direct marketing
- Publicity (public relations)
- Sales promotion
- Personal selling
- Internet/ Social media
- Events and sponsorships
- Packaging



What is Advertising?

- Consumer & B2B different
- Refers to space/time for which a price is paid by the advertiser to the media owner
- Refers to messages over which the medium exercises no editorial control (other than accept/ reject)
- Media=TV, radio, cinema, newspapers & mags, outdoor, digital & ambient
- Is conventional advertising under threat?



What is Direct Marketing?

- Selected & selective distribution & communication channel
- Direct Response & interactive
- Media involved
 - Print
 - TV (digital)
 - Telemarketing
 - Internet (includes viral, blogging)
- Is junk mail Direct Marketing?
- Where does podcasting fit in?
- Are online social networks the most direct?



Publicity & Public Relations

"Publicity is stories and brand mentions delivered by the mass media without charge" (Duncan, 2005, p. 10).

Public Relations "are communication activities that help an organization and its publics adapt mutually to each other" in an effort to gain the support and cooperation of those publics" (Duncan, 2005, p. 10).

What is Brand Public Relations?

- All the company's efforts to foster better relations with its various publics or stakeholders, beyond relationships necessitated by sales transactions
- Is it the same as publicity?



What is Sales Promotion?

- Can take many forms (samples, bonus packs, sweepstakes, coupons, competitions etc etc)
- Targeted at trade & customers
- Short term focus
- Are "Price Offs" sales promotion?



Personal Selling?

- Social selling
- Customer retention
- Customer acquisition
- Referrals and Cross selling



Internet / Social Media

- True One on Marketing
- Co-creating with customer
- I.e. Face book, twitter, Utube, Linkedin, Slideshare etc



Events & Sponsorships

- Events: A highly targeted brand-associated activity designed to actively engage customers and prospects and generate publicity
- Example: Harley Owners Group motorcycle rallies.
- Sponsorships: Financial support for an organisation, person, or activity in exchange for brand publicity and association
- Example: Nike's sponsorship of Tiger Woods.



Packaging

- Communicates value and quality
- Protects product
- Ways of differentiating product
- Visually impactful



Message Clutter and IMC

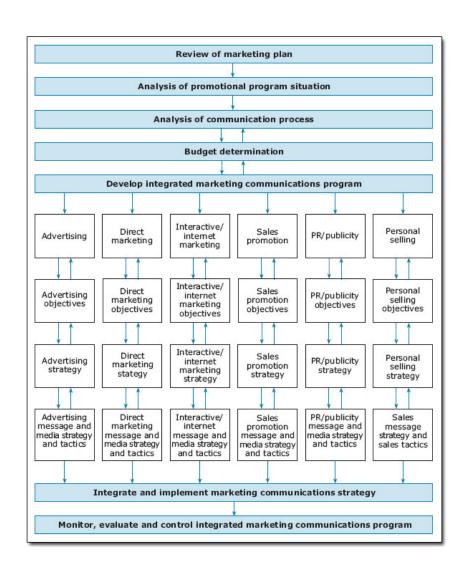


Developing the Integrated Marketing Communication Program

- Being critically aware of the planning process as a process
- Evaluating the outcomes
- Monitoring and Control
 - Eg. continuous tracking



Integrated Marketing Communications Model





Key Success Factors in IMC

Smith (1996) put forward a summary of the guidelines for effective integration:

- Ensure senior management understanding & support for IMC implementation
- Ensure IMC is implemented horizontally
- Ensure common visual standards are maintained
- Have clear communications objectives, clear positioning statements, & link core brand values into every communication
- Start with a zero budget and build communications plan around objectives
- Design communications around the customer's buying process
- Ensure all communications help to develop stronger relationships and brand values with customers
- Develop a good marketing information system
- Share artwork & other media
- Be prepared to change it all



Summary

- A Definition
- Trends influencing IMC
- Elements of IMC & Definitions
- The Marketing Communication Planning Process



Conclusion

- Don't think too narrowly
 - Communication is not merely advertising
- Think outside the box
 - What does the brave new world of the 21st century hold for us?





You are welcome to contact Nigel Bairstow at B2B Whiteboard your source of B2B Asia / Pacific marketing advice

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