

An Introduction to Integrated Marketing Communications



Definition of Integrated Marketing Communications

A concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines and combines these disciplines to provide clarity, consistency and maximum communications impact.



Integrated Marketing Communications

A marketing communications planning concept that recognizes the value of a comprehensive plan.

A plan that evaluates the strategic roles of several communications disciplines:

- Media advertising
- Direct marketing
- Interactive/internet marketing
- Sales promotion
- Publicity/Public relations

Combines the disciplines to provide:

- Clarity
- Consistency
- Maximum communications impact



The Marketing & Promotional Mixes

Marketing Mix:

- Product or Service
- Pricing
- Channels of Distribution
- Promotion

Promotional Mix:

- Advertising
- Direct Marketing
- Interactive/internet marketing
- Sales Promotion
- Publicity/Public Relations
- Personal Selling



Reasons For Growing Importance of IMC

Shift from media advertising to other forms of marketing communication

Movement away from advertising focused-approaches that emphasize mass media

Shift in power from manufacturers to retailers

Rapid growth of database marketing

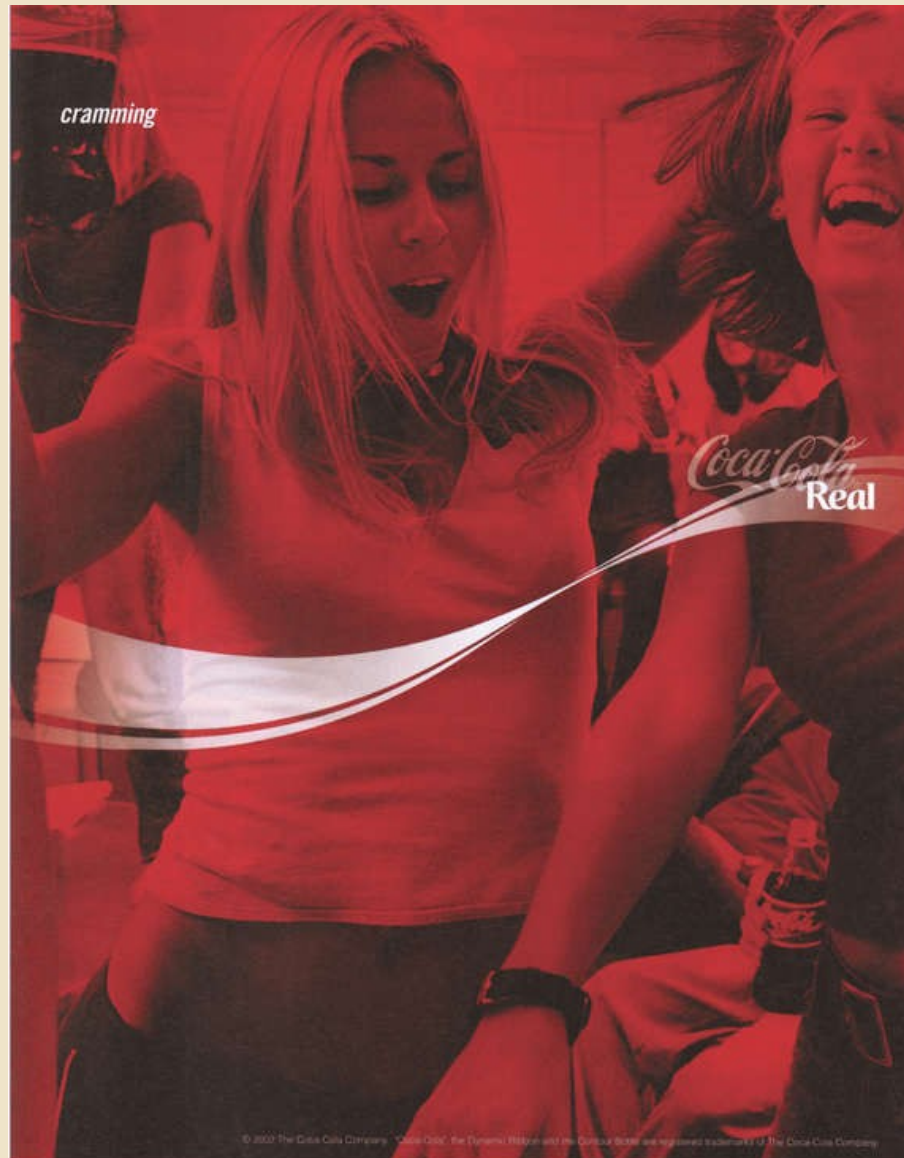
Demands for greater ad agency accountability

Changes in agency compensation

Rapid growth of the Internet

Increasing importance of branding

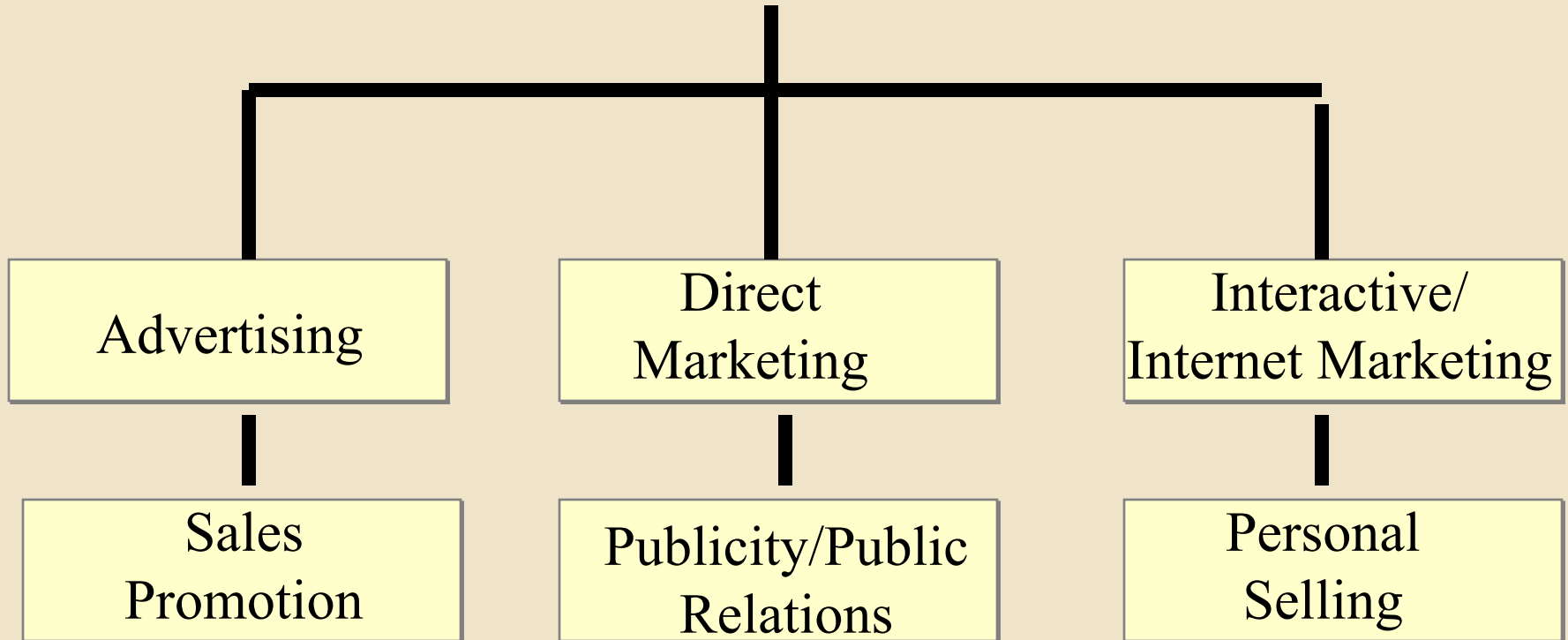
Coca-Cola is the world's most valuable brand



Source: Courtesy The Coca-Cola Company

IMC Communication Tools

IMC Communication Tools



Advertising

Any paid form of nonpersonal communication about an organization, product, service, idea or cause by an identified sponsor.

Advantages of advertising

- Advertiser controls the message
- Cost effective way to communicate with large audiences
- Effective way to create brand images and symbolic appeals
- Often can be effective way to strike responsive chord with consumers

Disadvantages of advertising

- High costs of producing and running ads
- Credibility problems and consumer skepticism
- Clutter
- Difficulty in determining effectiveness



Classifications of Advertising

Advertising to Consumer Markets

National advertising

Retail/local advertising

Advertising to increase demand

- Primary demand for the product category
- Selective demand for a specific brand

Business & professional advertising

- Business-to-business advertising
- Professional advertising
- Trade advertising

An example of a business-to-business ad

An advertisement for Honeywell aviation systems. The main image shows two pilots in a cockpit at night, with city lights visible through the windshield. The cockpit is illuminated by various instruments and screens. Three red horizontal bars with white text are overlaid on the top half of the image. At the bottom, there is a red bar with white text, followed by the Honeywell logo and website address on a white background.

Airborne systems help planes fly well.

Takeoffs and landings are enhanced by
advanced ground systems and lighting.

Honeywell aviation systems soar around the world.

Honeywell
www.honeywell.com

Source: Courtesy Honeywell.



Direct Marketing

A system of marketing by which organizations communicate directly with target customers to generate a response and/or a transaction.

Advantages of direct marketing

Changes in society have made consumers more receptive to direct-marketing

Allows marketers to be very selective and target specific segments of customers

Messages can be customized for specific customers.

Effectiveness easier to measure

Disadvantages of direct marketing

Lack of customer receptivity and very low response rates

Clutter (too many messages)

Image problems – particularly with telemarketing

Direct marketing methods

- Direct mail
- Catalogs
- Telemarketing
- Direct response ads
- Direct selling
- Internet



Interactive/Internet Marketing

A form of marketing communication through interactive media which allow for a two-way flow of information whereby users can participate in and modify the content of the information they receive in real time.

Advantages of interactive/ internet marketing

Can be used for a variety of IMC functions

Messages can be tailored to specific interests and needs of customers

Interactive nature of the Internet leads to higher level of involvement

Can provide large amounts of information to customers.


Disadvantages of interactive/ internet marketing

- Internet is not yet a mass medium as many consumers lack access
- Attention to Internet ads is very low
- Great deal of clutter on the Internet
- Audience measurement is a problem on the Internet


Use of the Internet as an IMC Tool

- As an advertising medium to inform, educate and persuade customers
- As a direct sales tool
- To obtain customer database information
- To communicate and interact with buyers
- To provide customer service and support
- To build and maintain customer relationships
- As a tool for implementing sales promotion
- As a tool for implementing publicity/public relations programs

The Internet is an important IMC tool for American Airlines



It's **3 a.m.**
do you know
where your
current mileage
balance is?



Welcome, Pete Forman!
You Have 76,430 AAdvantage Miles.

AA.com®. It's all new. And now, it's all yours. Like exactly how many AAdvantage® miles you have at any given moment displayed at a glance, on your own personalized home page, and instant access to account information that's not just up to date - it's up to the minute. There's online travel planning that's faster than ever. Travel packages inspired by your interests and preferences. And, as always, our exclusive Jet Setter Specials.® So visit the new AA.com today. But around you, there's truly no other site quite like it.

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Source: Courtesy American Airlines.



Sales Promotion

Marketing activities that provide extra value or incentives to the sales force, distributors, or ultimate consumers and can stimulate immediate sales.

Consumer-oriented

– Targeted to the ultimate users of a product or service

- Coupons
- Sampling
- Premiums
- Rebates
- Contests
- Sweepstakes
- POP materials

Trade-oriented

– Targeted toward marketing intermediaries such as retailers, wholesalers, or distributors

- Promotion allowances
- Merchandise allowances
- Price deals
- Sales contests
- Trade shows



Sales Promotion Uses

Introduce new products

Get existing customers to buy more

Attract new customers

Combat competition

Maintain sales in off season

Increase retail inventories

Tie in advertising & personal selling

Enhance personal selling efforts



Publicity

Nonpersonal communication regarding an organization, product, service, or idea not directly paid for or run under identified sponsorship.

Advantages of publicity

- Credibility
- Low cost (although not totally free)
- Often results in word-of-mouth

Disadvantages of publicity

- Not always under control of organization
- Can be negative



Publicity Vehicles

News Releases:

- Single-page news stories sent to media who might print or broadcast the content.

Feature Articles:

- Larger manuscripts composed and edited for a particular medium.

Captioned Photos:

- Photographs with content identified and explained below the picture.

Press Conferences:

- Meetings and presentations to invited reporters and editors.

Special Events:

- Sponsorship of events, teams, or programs of public value.



Advertising Versus Publicity

<u><i>FACTOR</i></u>	<u>ADVERTISING</u>	<u>PUBLICITY</u>
<i>Control</i>	Great	Little
<i>Credibility</i>	Lower	Higher
<i>Reach</i>	Achievable	Undetermined
<i>Frequency</i>	Schedulable	Undetermined
<i>Cost</i>	Specific	Unspecified/low
<i>Flexibility</i>	High	Low
<i>Timing</i>	Specifiabile	Tentative



Public Relations

The management function which evaluates public attitudes, identifies the policies and procedures of an individual or organization with the public interest, and executes a program of action to earn public understanding and acceptance.

Tools used by Public Relations

- Publicity
- Special publications
- Community activity participation
- Fund-raising
- Special event sponsorship
- Public affairs activities



Personal Selling

Direct person-to-person communication whereby a seller attempts to assist and/or persuade perspective buyers to purchase a product or service.

Advantages of personal selling

- Direct contact between buyer and seller allows for more flexibility
- Can tailor sales message to specific needs of customers
- Allows for more direct and immediate feedback
- Sales efforts can be targeted to specific markets and customers who are best prospects.

Disadvantages of personal selling

- High costs per contact
- Expensive way to reach large audiences
- Difficult to have consistent and uniform message delivered to all customers