

# **CHAPTER 16: DESIGNING AND MANAGING INTEGRATED MARKETING COMMUNICATIONS**

Marketing communications are the means by which firms attempt to inform, persuade, and remind consumers, directly or indirectly, about the products and brands they sell.

### Marketing communication mix

- 1) Advertising - Any paid form of non-personal presentation and promotion of products by an identified sponsor.
- 2) Sales promotion - A variety of short-term incentives to encourage trial or purchase of a product or service including consumer promotions (such as samples, coupons, and premiums), trade promotions (such as advertising and display allowances), and business and sales force promotions (contests for sales reps)
- 3) Events and experiences - Sports activities, entertainment activities, arts, etc.
- 4) Public relations and publicity - Programs directed internally to employees. If it is external then it can be directed towards consumers, other firms, government, etc.

- 5) Direct marketing - Use of mail, telephone, , e-mail, etc to communicate directly with specific customers or prospects
- 6) Interactive marketing - Online activities and programs designed to engage the customers or prospects either directly or indirectly.
- 7) Word-of-mouth marketing - From one person to another in oral or written mode. Can happen through electronic mode as well.
- 8) Personal selling - Face to face interaction with one or more customers or prospective purchasers

# MACROMODEL OF COMMUNICATION PROCESS

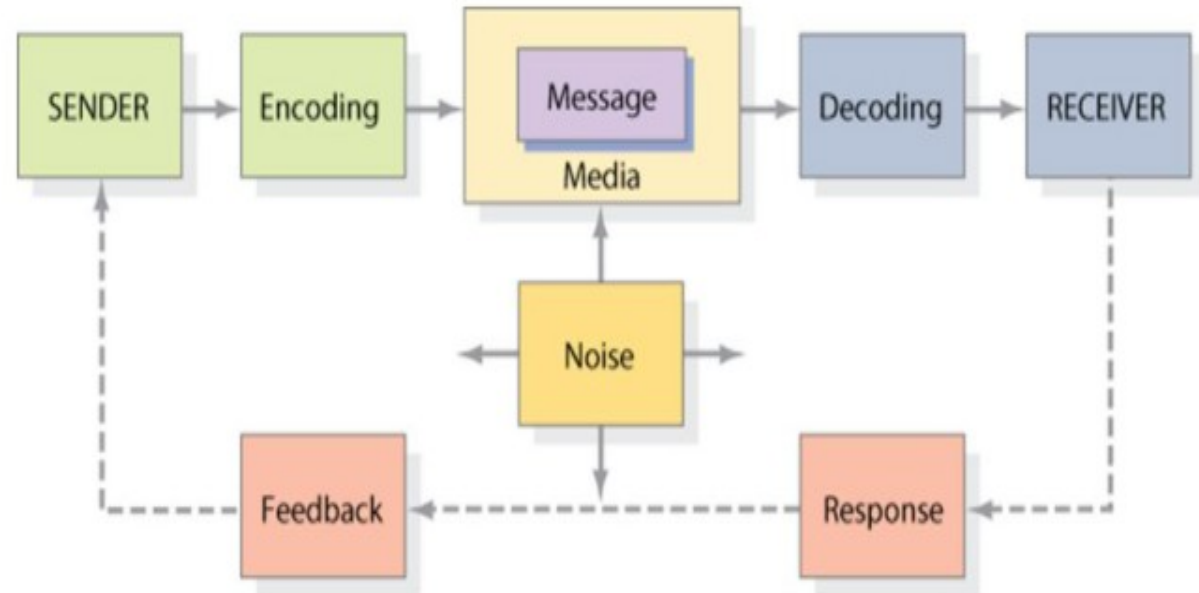
Macro-model consists of nine key factors in effective communication.

Two represent the major parties -- sender and receiver.

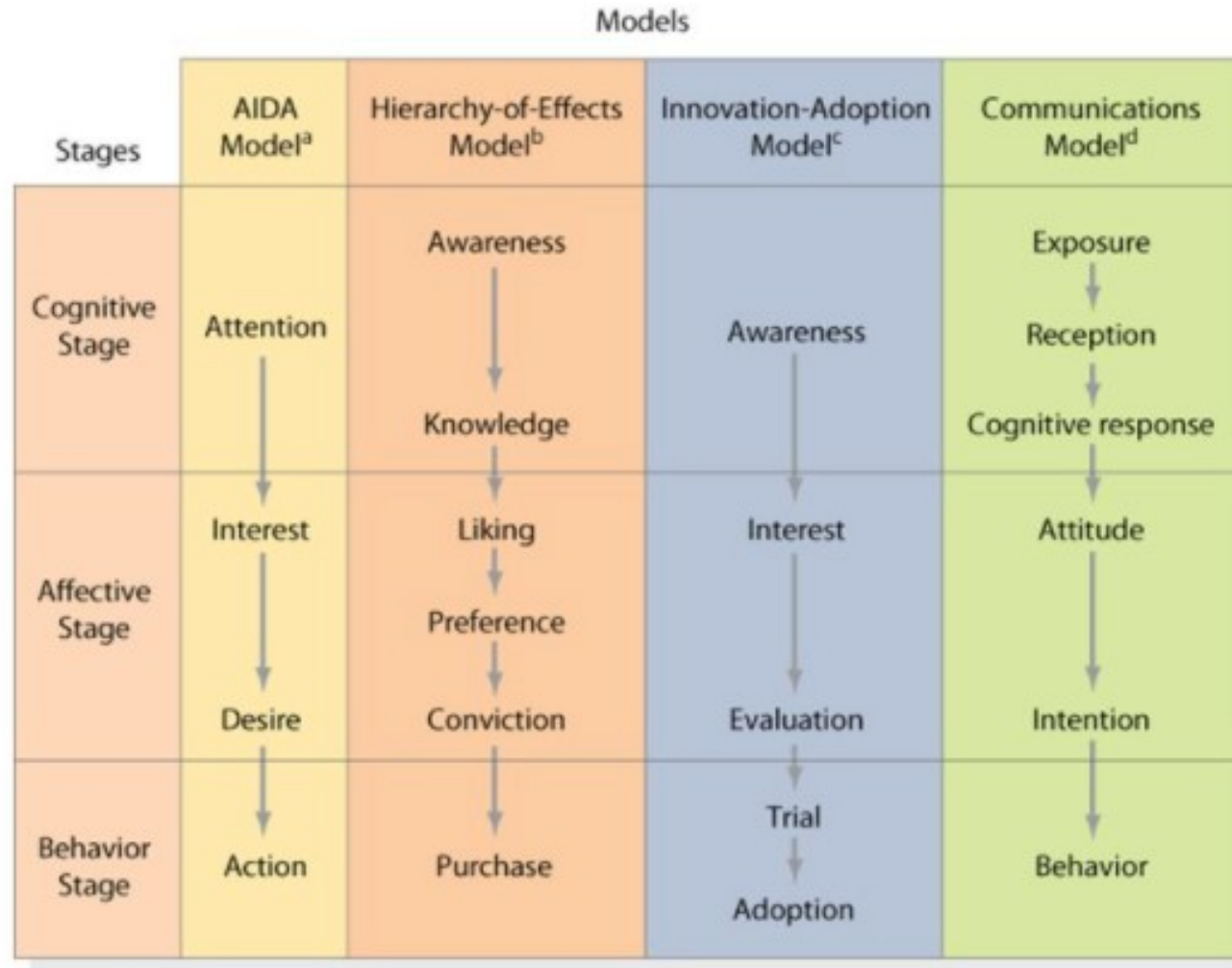
Two represent the major tools -- message and media.

Four represent major communication functions -- encoding, decoding, response, and feedback.

The last element is noise, random and competing messages that may interfere with the intended communication.



# Micro-model of consumer responses



# **Developing effective communications**

- 1) Identifying the target audience
- 2) Determining the communication objectives
- 3) Designing the communications
- 4) Select the communication channels
- 5) Establish the Total Marketing Communications Budget
- 6) Deciding on the marketing communications mix
- 7) Measuring communication results
- 8) Managing Integrated Marketing Communications

## **1) Identifying the target audience**

Potential buyers of the company's products such as current users, deciders, or influencers, and individuals, groups, particular publics, or the general public.

## **2) Determining the communication objectives**

Category Need—Establishing a product or service category as necessary

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

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

Brand Purchase Intention—Moving consumers to decide to purchase the products of a brand or take purchase-related action.

### **3) Designing the communications**

**Message Strategy:** In determining message, management searches for appeals, themes, or ideas in line with the brand positioning to help establish points of parity or points of differences. •

**Creative Strategy:** Creative strategy are how marketers translate their message into a specific communication:

Informational Appeals: elaborate on product or service attributes or benefits. They assume very rational and logical processing of the communication on the part of the consumer.

Transformational Appeals: elaborate on a non-product-related benefit or image. They often attempt to stir up emotions that will motivate purchase. Design The Communications

**Message Source:** Messages delivered by attractive or popular sources can achieve higher attention and recall, which is why advertisers often use celebrities as spokespeople.

Three most identified sources of credibility are

- a) Expertise: The specialized knowledge the communicator possess to back the claim
- b) Trustworthiness: Describes how objective and honest the source is perceived to be
- c) Likability: Describes the source's attractiveness



#### **4) Select the communication channels**

Personal Communications Channels involve two or more persons communicating directly face-to-face, persons-to-audience, over the telephone, or through e-mail or through video conference. They derive their effectiveness from individualize presentation and feedback, include direct and interactive marketing, word-of-mouth marketing, and personal selling.

The kinds of personal communications channels are:

- Advocate channels consist of company salespeople contacting buyers in the target market.
- Expert channels consist of independent experts making statements to target buyers.
- Social channels consist of neighbors, friends, family members, and associates talking to target buyers.

Non-personal Channels are communications directed to more than one person and includes: Media advertising, sales promotions, events and experiences and public relations

Integration of Communications Channels: Although personal communication is often more effective than mass communication, mass media can turn into major means for stimulating personal communication. Mass communications affect personal attitudes and behavior through a two-step process. Ideas often flow from radio, television, print and internet medias to opinion leaders, and from these to those who focus less on medias.

## **5) Establish the Total Marketing Communications Budget**

**Affordable Method:** Set the promotion budget at what they think the company can afford.

**Percentage of Sales Method:** Set promotion expenditures at a specified percentage of sales (either current or anticipated) or of the sales price.

**Competitive Parity Method:** Set the promotion budget to achieve share-of-voice parity with competitors.

**Objective and Task Method:** The objective-and-task method calls upon marketers to develop promotion budgets by defining specific objective, determining the tasks that must be performed to achieve these objectives, and estimating the costs of performing these tasks. The sum of these costs is the proposed promotion budget.

## **6) Deciding on the marketing communications mix**

Companies must allocate the marketing communications budget over the eight major modes of communication—advertising, sales promotion, public relations and publicity, events and experiences, direct marketing, interactive marketing, word-of-mouth marketing and personal selling.

Factors in setting the marketing communications mix

a) Type of product market

Consumer markets – Mainly Advertising and sales promotion

Business markets – More focus on personal selling

However advertisements turn out to be fruitful even in business markets and personal selling in consumer markets as well.

## b) Buyer-readiness stage

Awareness building stage – Advertising and publicity plays the most important role

Comprehension stage – Advertising and publicity plays the most important role

Conviction stage – Personal selling plays the most important role

Order stage/Closing the sale stage – Personal selling and sales promotion plays the most important role

Reorder stage – Most effected by sales promotion then by personal selling.

## c) Product life-cycle stage

Introduction stage – Advertising, publicity, events and experiences.

Growth stage – Word of mouth and interactive marketing along with advertising, publicity, events and experiences.

Maturity stage - Advertising, Personal selling, events and experiences

Decline stage – Sales promotion continues to be strong where as other tools gets reduced.

## **7) Measuring communication results**

In order to measure the Communication results/impact, members of the target audience can be asked through surveys or interviews:

- whether they recognize or recall the message
- how many times they saw it
- what points they recall
- how they felt about the message
- what are their previous and current attitudes toward the product and the company.

The communicator should also collect behavioral measures of audience response, such as how many people bought the product, liked it and talked to others about it. Measuring Communication Results

## **8) Managing Integrated Marketing Communications**

Integrated Marketing Communication (IMC) is a concept of marketing communications planning that recognizes the added value of a comprehensive plan and evaluates strategic roles of various elements of communication mix such as advertising, sales promotion, etc. It ensures that all forms of communications and messages are carefully linked together to provide clarity, consistency and maximum impact.

It involves

- a) Coordinating the media
- b) Implementing IMC

**Thank you**