

## Promotion, Integrated Marketing Communication

When non-marketers hear someone talk about “promotion” they frequently believe the person is talking about advertising. While advertising is the most visible and best understood method of promotion, it is only one of several approaches a marketer can choose to promote their products and services.

Many view promotional activities as the most glamorous part of marketing. This may have to do with the fact that promotion is often associated with creative activity undertaken to help distinguish a company’s products from competitors’ offerings. While creativity is an important element in promotion decisions, marketers must also have a deep understanding of how the marketing communication process works and how promotion helps the organization achieve its objectives.

Promotion is a form of corporate communication that uses various methods to reach a targeted audience with a certain message in order to achieve specific organizational objectives. Nearly all organizations, whether for-profit or not-for-profit, in all types of industries, must engage in some form of promotion. Such efforts may range from multinational firms spending large sums on securing high-profile celebrities to serve as corporate spokespersons to the owner of a one-person enterprise passing out business cards at a local businessperson’s meeting.

An effective promotional strategy requires the marketer understand how promotion fits with other pieces of the marketing puzzle (e.g., product, distribution, pricing, target markets). Consequently, promotion decisions should be made with an appreciation for how it affects other areas of the company. For instance, running a major advertising campaign for a new product without first assuring there will be enough inventory to meet potential demand generated by the advertising would certainly not go over well with the company’s production department (not to mention other key company executives). Thus, marketers should not work in a vacuum when making promotion decisions. Rather, the overall success of a promotional strategy requires input from others in impacted functional areas.

Under the concept of **Integrated Marketing Communication** marketers attempt to develop a unified promotional strategy involving the coordination of many different types of promotional techniques. The key idea for the marketer who employs several promotional options (we’ll discuss potential options later in this tutorial) to reach objectives for the product is to employ a consistent message across all options. For instance, salespeople will discuss the same benefits of a product as mentioned in television advertisements. In this way no matter how customers are exposed to a marketer’s promotional efforts they all receive the same information.

### Targets of Marketing Promotion:

- *Members of the Organization’s Target Market* – This category would include current customers, previous customers and potential customers, and as noted, may receive the most promotional attention.
- *Influencers of the Organization’s Target Market* – There exists a large group of people and organizations that can affect how a company’s target market is exposed to and perceives

a company's products. These influencing groups have their own communication mechanisms that reach the target market and the marketer may be able utilize these influencers to its benefit. Influencers include the news media (e.g., offer company stories), special interest groups, opinion leaders (e.g., doctors directing patients), and industry trade associations.

- *Participants in the Distribution Process* – The distribution channel provides services to help gain access to final customers and are also target markets since they must recognize a product's benefits and agree to handle the product in the same way as final customers who must agree to purchase products. Aiming promotions at distribution partners (e.g., retailers, wholesalers, distributors) and other channel members is extremely important and, in some industries, represents a higher portion of a marketer's promotional budget than promotional spending directed at the final customer.
- *Other Companies* – The most likely scenario in which a company will communicate with another company occurs when the marketer is probing to see if the company would have an interest in a joint venture, such as a co-marketing arrangement where two firms share marketing costs. Reaching out to other companies, including companies who may be competitors for other products, could help create interest in discussing such a relationship.
- *Other Organizational Stakeholders* - Marketers may also be involved with communication activities directed at other stakeholders. This group consists of those who provide services, support or, in other ways, impact the company. For example, an industry group that sets industry standards can affect company products through the issuance of recommended compliance standards for product development or other marketing activities. Communicating with this group is important to insure the marketer's views of any changes in standards are known.

### **Objectives of Marketing Promotion:**

The most obvious objective marketers have for promotional activities is to convince customers to make a decision that benefits the marketer (of course the marketer believes the decision will also benefit the customer). For most for-profit marketers this means getting customers to buy an organization's product and, in most cases, to remain a loyal long-term customer. For other marketers, such as not-for-profits, it means getting customers to increase donations, utilize more services, change attitudes, or change behavior (e.g., stop smoking campaigns).

The type of customer the marketer is attempting to attract and which stage of the purchase process a customer is in will affect the objectives of a particular marketing communication effort. And since a marketer often has multiple simultaneous promotional campaigns, the objective of each could be different.

The possible objectives for marketing promotions may include the following:

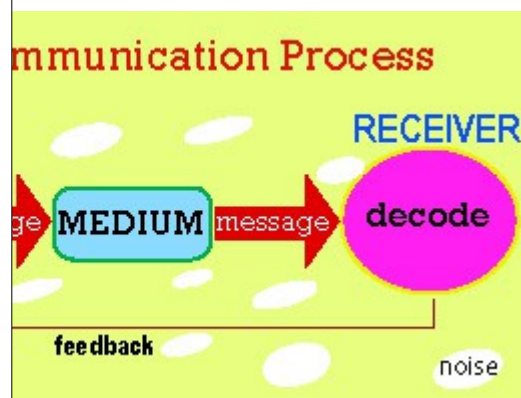
- *Build Awareness* – New products and new companies are often unknown to a market, which means initial promotional efforts must focus on establishing an identity. In this situation the marketer must focus promotion to: 1) effectively reach customers, and 2) tell the market who they are and what they have to offer.

- Moving a customer from awareness of a product to making a purchase is a significant challenge. As we saw with our discussion of consumer and buying behavior, customers must first recognize they have a need before they can consider a purchase. The focus on creating messages that convince a need exists has been the hallmark of marketing for a long time with appeals targeted at basic human characteristics such as emotions, fears, sex,

*Information* – Some promotion is designed to assist customers in the search stage of the buying process. In some cases, such as when a product is so novel it creates a new category of product and has few competitors, the information is simply intended to inform the customer of the product and may not mention any competitors. In other situations, where a product competes in an existing market, informational promotion may be used as part of a product positioning strategy. As we discuss in the Targeting Markets tutorial, various promotional means, including direct comparisons with competitor's products, inform customers to mentally distinguish the marketer's product from those of competitors.

*Incentive* – The right promotion can drive customers to make a purchase. In the cases where a customer has not previously purchased or has not purchased in a long time, promotional efforts may be directed at getting the customer to try the product. This is often seen on the Internet where software companies allow for free or even free downloadable trials of their products. For products with an established customer-base, promotion can encourage customers to increase their purchases by providing a reason to purchase products sooner or purchase in greater quantities than they normally do. For example, a pre-holiday newspaper advertisement encourages customers to stock up for the holiday by purchasing more than they typically do during non-holiday periods.

*Retention* – Once a purchase is made, a marketer can use promotion to help build a relationship that can lead to the purchaser becoming a loyal customer. For example, retail stores now ask for a customer's email address so that follow-up promotional messages, additional product information or even an incentive to purchase other products from the retailer can be sent in order to strengthen the customer-marketer relationship.



In general, communication is how people exchange meaningful information.

**Integrated Marketing Communication (IMC)** is the application of consistent **brand** messaging across both traditional and non-traditional **marketing channels** and using different **promotional** methods to reinforce each other.

4 A defined IMC as "an approach to achieving the objectives of a **marketing** campaign through a well-coordinated use of different promotional methods that are intended to reinforce each other."

#### **IMS shifts:**

From Traditional Marketing to Digital/Interactive Marketing

From Mass Media to Specialized Media

From Low Accountability in Marketing Spend to High Accountability in Marketing Spend

From Limited Connectivity to Pervasive Connectedness

#### **Components of IMC:**

IMC weaves diverse aspects of business and marketing together. These include:

- Organization culture
- The organization's vision and mission
- Attitudes and behaviors of employees & partners
- Communication within the company

Four C's:

Consumer

Cost

Convenience

## Communication

- Advertising

Broadcasting/mass advertising: broadcasts, print, internet advertising, radio, television commercials

Outdoor advertising: billboards, street furniture, stadiums, rest areas, subway advertising, taxis, transit

Online advertising: mobile advertising, email ads, banner ads, search engine result pages, blogs, newsletters, online classified ads, media ads

- Direct marketing: direct mail, telemarketing, catalogs, shopping channels, internet sales, emails, text messaging, websites, online display ads, fliers, catalog distribution, promotional letters, outdoor advertising, telemarketing, coupons, direct mail, direct selling, grassroots/community marketing, mobile

- Online/internet marketing

E-commerce

Search engine optimization (SEO)

Search engine marketing (SEM)

Mobile Marketing

Email marketing

Content marketing

Social Media (Facebook, Twitter, LinkedIn, Google +, Foursquare, Pinterest, YouTube, Wikipedia, Instagram)

- Sales & customer service

Sales materials (sell sheets, brochures, presentations)

Installation, customer help, returns & repairs, billing

- Public Relations

Special events, interviews, conference speeches, industry awards, press conferences, testimonials, news releases, publicity stunts, community involvement, charity involvement & events

- Promotions

Contests, coupons, product samples (freebies), premiums, prizes, rebates, special events

- Trade shows

Booths, product demonstrations

- Corporate philanthropy

Donations, volunteering, charitable actions

When these diverse aspects of business and marketing are weaved together properly an effective campaign can be achieved. Effective campaigns are demonstrated on the Integrated Brands showcase which recognizes brands that are innovative, strategic and successfully growing their sales. By effectively leveraging each communication channel greater impact can be achieved together than achieved individually.

### **Importance of IMC:**

Integration has become an essential concept in marketing because technological advances have changed how business stakeholders interact. Marketing theory that was established during the discipline's formative years has been overtaken by the complexities of real-time, multimodal, multi directional communication.

A few examples help illustrate the growing importance of integration:

*Search marketing:* When someone is considering buying a product or service they will often conduct an online search. What they find, on Google and other search engines, as well as information from news sites, review sites, directories, videos and place-based searches, are

presented together, so like it or not, there is a level of integration. The online experience will affect their attitudes towards a brand and their behavior. Marketers therefore need to concern themselves with making sure their brand is found ahead of competitors' and then ensuring their audience has a positive and helpful experience.

*Accessibility and convenience:* Consumers expect information and services that relate to a brand to be conveniently accessible via its website. For instance when a consumer visits makemytrip.com they are able to book a flight, manage their money, hotel, cab, or find up-to-date news about the company.

*Aggregation of information and services:* The traditional demarcation between a company, its suppliers and customers has become confused. For instance the Apple iTunes app store aggregates software and information from app makers, along with reviews provided by consumers. Product promotion, delivery, service and information from many different sources are seamlessly presented together.

*Social media:* Traditionally businesses were largely in control of their brand communications. Now brand communications are multidirectional as consumers can easily share, comment and create content. Brands can use this to their advantage by creating appealing content. For instance Unilever's campaign for Dove, The Dove Real Beauty Sketches went viral with over 54 million views on YouTube.

*Growth of mobile:* The growing penetration of smartphones with fast internet connectivity means that marketers need to take into consideration integration between the online experience and place-based experiences. For instance when a consumer downloads the Target app they are able to receive coupons to their mobile phone and redeem them at the checkout by presenting the coupon barcode to the cashier

## **The concept of designing marketing communications programs**

That coordinates all promotional activities—

- advertising,
- personal selling,
- sales promotion,
- public relations
- direct marketing

To provide a consistent message across all audiences

### **Benefits of IMC:**

Although Integrated Marketing Communications requires a lot of effort it delivers many benefits. It can create competitive advantage, boost sales and profits, while saving money, time and stress.

IMC wraps communications around customers and helps them move through the various

stages of the buying process. The organisation simultaneously consolidates its image, develops a dialogue and nurtures its relationship with customers.

This 'Relationship Marketing' cements a bond of loyalty with customers which can protect them from the inevitable onslaught of competition. The ability to keep a customer for life is a powerful competitive advantage.

IMC also increases profits through increased effectiveness. At its most basic level, a unified message has more impact than a disjointed myriad of messages. In a busy world, a consistent, consolidated and crystal clear message has a better chance of cutting through the 'noise' of over five hundred commercial messages which bombard customers each and every day.

At another level, initial research suggests that images shared in advertising and direct mail boost both advertising awareness and mail shot responses. So IMC can boost sales by stretching messages across several communications tools to create more avenues for customers to become aware, aroused, and ultimately, to make a purchase

Carefully linked messages also help buyers by giving timely reminders, updated information and special offers which, when presented in a planned sequence, help them move comfortably through the stages of their buying process... and this reduces their 'misery of choice' in a complex and busy world.

IMC also makes messages more consistent and therefore more credible. This reduces risk in the mind of the buyer which, in turn, shortens the search process and helps to dictate the outcome of brand comparisons.

Un-integrated communications send disjointed messages which dilute the impact of the message. This may also confuse, frustrate and arouse anxiety in customers. On the other hand, integrated communications present a reassuring sense of order.

Consistent images and relevant, useful, messages help nurture long term relationships with customers. Here, customer databases can identify precisely which customers need what information when... and throughout their whole buying life.

Finally, IMC saves money as it eliminates duplication in areas such as graphics and photography since they can be shared and used in say, advertising, exhibitions and sales literature. Agency fees are reduced by using a single agency for all communications and even if there are several agencies, time is saved when meetings bring all the agencies together - for briefings, creative sessions, tactical or strategic planning. This reduces workload and subsequent stress levels - one of the many benefits of IMC.

### **Barriers to IMC:**

Despite its many benefits, Integrated Marketing Communications, or IMC, has many barriers.

In addition to the usual resistance to change and the special problems of communicating with a wide variety of target audiences, there are many other obstacles which restrict IMC. These include: Functional Silos; Stifled Creativity; Time Scale Conflicts and a lack of Management know-how.

Take functional silos. Rigid organisational structures are infested with managers who protect both their budgets and their power base.

Sadly, some organisational structures isolate communications, data, and even managers from



each other. For example the PR department often doesn't report to marketing. The sales force rarely meet the advertising or sales promotion people and so on. Imagine what can happen when sales reps are not told about a new promotional offer!

And all of this can be aggravated by turf wars or internal power battles where specific managers resist having some of their decisions (and budgets) determined or even influenced by someone from another department.

Here are two difficult questions - What should a truly integrated marketing department look like? And how will it affect creativity?

It shouldn't matter whose creative idea it is, but often, it does. An advertising agency may not be so enthusiastic about developing a creative idea generated by, say, a PR or a direct marketing consultant.

IMC can restrict creativity. No more wild and wacky sales promotions unless they fit into the overall marketing communications strategy. The joy of rampant creativity may be stifled, but the creative challenge may be greater and ultimately more satisfying when operating within a tighter, integrated, creative brief.

Add different time scales into a creative brief and you'll see Time Horizons provide one more barrier to IMC. For example, image advertising, designed to nurture the brand over the longer term, may conflict with shorter term advertising or sales promotions designed to boost quarterly sales. However the two objectives can be accommodated within an overall IMC if carefully planned.

But this kind of planning is not common. A survey in 1995, revealed that most managers lack expertise in IMC. But its not just managers, but also agencies. There is a proliferation of single discipline agencies. There appear to be very few people who have real experience of all the marketing communications disciplines. This lack of know how is then compounded by a lack of commitment.

### **Golden Rules:**

Despite the many benefits of Integrated Marketing Communications (or IMC); there are also many barriers. Here's how you can ensure you become integrated and stay integrated - 10 Golden Rules of Integration.

(1) Get Senior Management Support for the initiative by ensuring they understand the benefits of IMC.

(2) Integrate At Different Levels of management. Put 'integration' on the agenda for various types of management meetings - whether annual reviews or creative sessions. Horizontally - ensure that all managers, not just marketing managers understand the importance of a consistent message - whether on delivery trucks or product quality. Also ensure that Advertising, PR, Sales Promotions staff are integrating their messages. To do this you must have carefully planned internal communications, that is, good internal marketing.

(3) Ensure the Design Manual or even a Brand Book is used to maintain common visual standards for the use of logos, type faces, colours and so on.

(4) Focus on a clear marketing communications strategy. Have crystal clear communications objectives; clear positioning statements. Link core values into every communication. Ensure all communications add value to (instead of dilute) the brand or organisation. Exploit areas of sustainable competitive advantage.

(5) Start with a Zero Budget. Start from scratch. Build a new communications plan. Specify what you need to do in order to achieve your objectives. In reality, the budget you get is often less than you ideally need, so you may have to prioritise communications activities accordingly.

(6) Think Customers First. Wrap communications around the customer's buying process. Identify the stages they go through before, during and after a purchase. Select communication tools which are right for each stage. Develop a sequence of communications activities which help the customer to move easily through each stage.

(7) Build Relationships and Brand Values. All communications should help to develop stronger and stronger relationships with customers. Ask how each communication tool helps to do this. Remember: customer retention is as important as customer acquisition.

(8) Develop a Good Marketing Information System which defines who needs what information when. A customer database for example, can help the telesales, direct marketing and sales force. IMC can help to define, collect and share vital information.

(9) Share Artwork and Other Media. Consider how, say, advertising imagery can be used in mail shots, exhibition stands, Christmas cards, news releases and web sites.

(10) Be prepared to change it all. Learn from experience. Constantly search for the optimum communications mix. Test. Test. Test. Improve each year. 'Kaizen'.

7 Cs of communication are:

1. Clear.
2. Concise.
3. Concrete.
4. Correct.
5. Coherent.
6. Complete.
7. Courteous.