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IMC

Integrated Marketing Communication

NAREERAT KESARAPHONG, B.S

M.S.

**An Abstract Presented to the Faculty of the Graduate
School of Lindenwood College in Partial Fulfillment of the
Requirements for the Degree of Master of Business
Administration**

1998

Abstract

This thesis will focus on the Integrated Marketing Communication (IMC) in the United States and Thailand.

The new world of IMC provides a radically different way for companies to promote themselves. Throughout marketing history companies promoted a product by advertising. Advertising stated the "reason" people should purchase the product. You advertise it heavily. Consumers buy it. Advertising was king.

Integrated Communication and integrated marketing is good to reach the same amount of consumers that had been reached in the past. The vast amount of media available, such as the World Wide Web, trade shows, television, periodicals and outdoor advertising, make it necessary to reach consumers in several different ways. It is difficult to provide integrated marketing in 1997 because of the different aims that each marketing medium has.

The integration of marketing and marketing communications is inevitable, impelled by the technological revolution that is happening throughout the world. Two main factors underlie the need for integration, namely, the shift to a view of advertising that is reflective of holistic information systems and the diagonal movement of information technology

from the manufacturer to the retailer to the consumer. Marketers and advertisers should thus understand the integration process and adopt those approaches and concepts, which would allow them to maximize the return on integration.

Marketers find that it is difficult to develop an integrated marketing communications (IMC) program because they are not used to organizing from the outside in. Most marketing initiatives are usually based on what managers want to communicate and how much the company is willing to spend. Marketers then formulate messages and decide how they are going to be communicated. In IMC, communication is determined by an outside-in perspective so that what consumers want to buy takes precedence over what marketers want to sell. Marketing communication then becomes a dialogue between the buyer and seller instead of a monologue by the seller. Another barrier to the shift to IMC is the vertical structure of most organizations. Integration requires a horizontal set-up, which many companies find difficult to adopt.

A long-term partnership between a client company and a small number of advertising agencies is the best way to support integrated communications. Companies with multiple product lines or brands can consolidate the number of agencies using two approaches: One is to assign one agency for each communication medium and another is to assign one agency to each business

unit. The first approach integrates communication media “ horizontally” across business units while the second integrates business units “vertically” across communication media within the unit.

IMC

Integrated Marketing Communication

NAREERAT KESARAPHONG, M.S.

**A Culminating Project Presented to the Faculty of the
Graduate School of Lindenwood University in Partial
Fulfillment of the Requirements for the Degree of Master of
Business Administration
1998**

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Table of Contents

List of Figure	i
Abstract	ii
I. Introduction.....	1
Situation Analysis	6
Work Plan	7
Secondary Research	8
Primary Research.....	9
II. Overview of Traditional Marketing VS Marketing in the 21 st Century	10
The Evaluation of Marketing	11
Traditional marketing VS Marketing in the 21 st Century.....	14
III. What is Integrated Marketing Communications.....	21
The Definition of IMC	22
The new concept of Marketing Communication...23	
The Basic Development of an IMC Plan.....26	
The IMC Plan Model	33
Important IMC Rules	35
IV. Results – The Effect of IMC on Advertising Agency	45
Advertising Revolution	47
IMC Status in Advertising Agencies	50
The Barriers to Applying IMC in the Advertising Agency	51
V. Discussion – Possibility of Implementing IMC in Thailand.....	57
The Barriers to IMC in Advertising Agencies in Thailand	63
Conclusion	65
VI. Appendix A	70
VII. Appendix B	76

List of Figures

Figure 1	The Marketing Communication Continuum	...25
Figure 2	The elements of an internal function in customer/ prospect Database	...31
Figure 3	Integrated marketing Commuhication Planning Model	...32
Figure 4	The hierarchy of Effort Model	...37
Figure 5	One- Way Communication Liner Approach	...38
Figure 6	Inside- out Planning Model	...39

CHAPTER 1

Introduction

Integrated Marketing Communications (IMC) has become the new marketing trend in the 21st century. IMC is the new way of looking at the whole of communication. Basically, the marketers see only some parts of communication such as advertising, public relations, sales promotions, and so forth. It is realigning communication to look at it the way the consumer sees it – as a flow of information from indistinguishable sources. IMC refers to be people who buy or do not buy based on what they see, hear, feel, etc. – and is not just about products or services. It also means being accountable for result, not just readership scores or day after recall – delivering a return on investment, and not just spending a budget.

Integrated marketing communications is a process that involves strategic message coordination. It calls for a company to control and influence all the messages that affect its image or relationship with consumers and other stakeholders. It is an approach that “Advertising Age” has called “Marketing’s boldest Big Idea” because it “produces something greater than just mass media tonnage” (Advertising Age, 4)

That is especially important in a marketplace where the audience and media mixes are now more complex than they were in the past. What was once a single audience has fragmented and so companies must now communicate with many fractionalized groups in a wide variety of media. Consequently, there are more kinds of messages than ever before and they must all be strategically coordinated. But the “demassification” (Colorado University, online) of the audience is just one change that has necessitated by the rise of IMC. Another is product parity. Today, businesses can quickly duplicate each other’s products and services. Because most corporations can not offer truly unique products, they no longer have the power over consumers they once had. In fact, the positions have reversed. It means that companies can no longer have one-way conversations with their customers and other stakeholders. Rather, they must listen and respond. In short, to be successful they must initiate and maintain a dialogue that can lead to long-term relationships. IMC is critical to that process, because it provides the skills and new ways of thinking that are necessary if corporations are to create and successfully manage such a dialogue.

Otherwise, Integrated Marketing Communications provides a radically different way for companies to promote themselves. Throughout marketing history companies promoted a product by advertising. Ads stated the “reason” people should purchase the product. You advertise it heavily. Consumers buy

it. Advertising was king. Take cereal for example. A few years ago there were 50 brands of cereal on the grocer's shelf. Advertisers had fewer media choices and used newspapers, radio, television and magazines. Consumers went to the stores, remembered the clever slogans and bought the brands that were top-of-mind. The brands with the biggest ad budgets were usually the best sellers. On the contrary, today's marketplace has more than 300 competing cereal brands. Consumers are more informed and are not easily sold through clever slogans and animated characters. Many are more concerned about the product's fat and salt content or whether the box is made of recycled material. In addition, the number of media choices available to advertisers has exploded. One of the nation's largest ad agencies, Leo Burnett, identified 357 different forms of media available to today's marketers.

IMC recognizes this new complex marketing world. It is based on a big picture approach to planning marketing programs. The end result of IMC is a total communication package that blends traditional methods of communication, such as advertising, promotion, and public relations, with many non-traditional methods such as interactive media, direct marketing and innovative packaging. IMC agencies navigate their clients through this new environment. Agencies still rely on advertising to create an image and communicate the product's benefit.

There are six primary differences between IMC and traditional advertising:

1. IMC advertising does not address everyone. Rather, it targets very specific prospects. IMC marketers recognize that consumers have plenty of product choices. Advertising is created to position the product in this cluttered environment. Ad messages are tailor-made to address those consumers most likely to buy.
2. IMC recognizes that advertising is no longer a one-way process where advertisers talk to consumers. IMC advertising strives to build a two-way dialogue with the consumer, which is called "relationship marketing". If you develop a solid relationship with your prospects, they are more likely to buy. If you maintain a solid relationship with your customers, they will remain your customers.
3. IMC advertising uses traditional media in a new way. IMC advertisers use radio, TV and print advertising to do more than create an image. They prospect and sell. Ads are filled with phone numbers and web addresses that allow the consumer to become part of the company's database. Traditional ads are now used to begin the relationship between marketer and customer. New technologies have allowed IMC agencies to research effects of these traditional advertising methods.

4. IMC advertising uses a wider variety of media. In order to maintain this dialog with prospects and customers, interactive media must be carefully embraced.
5. IMC recognizes that barriers between traditional elements of the marketing mix have broken down. Advertising, PR and sales promotion are crossing the lines into merchandising, distribution, packaging and pricing. These elements form today's IMC equation. For example, web sites are being used as both a promotion tool and distribution method. Thousands of companies are launching sites every week. A well-designed web site can be the link between a prospect and a sales person. This is advertising, PR, sales promotion and merchandising all in one.
6. IMC ads are designed for measurable results. The effects of traditional advertising were almost impossible to accurately measure. Most IMC ads contain "calls to action" and many marketers are building databases capable of measuring the effects of marketing communications. Technology changed this game and it will never be the same.

These changes have enabled companies to market their products and services in a more streamlined, efficient manner to better penetrate their

target market. It is understandable that a small business can feel overwhelmed by the numerous media selections.

This study explores is how other countries can implement the IMC concept, especially in advertising agencies, this will be addressed by comparing between the United States and Thailand.

The questionnaire and interview were conducted as primary research for this study. Secondary research is based on articles from journals, textbooks and Thai newspaper.

The conclusion of this study is that there are some differences in implementation of IMC between Thailand and the United States, however; the IMC concept and process are similar.

SITUATION ANALYSIS

The evolution of marketing has changed over time because of the sophisticated consumers, the changing of lifestyle, and technology development. In the past decades, the marketers developed their marketing objectives regardless of consumers' needs and wants. Today the markets have to be focused on the customers rather than to be concentrated on the products since the customers have a variety of options to choose the best media or

communication technology. Therefore, Integrated Marketing Communications is a new marketing trends in the 1990s.

IMC is defined as a process of developing and implementing, various forms of persuasive communications tools to send a seamless communication theme to consumers and prospects. In short, the entire process of IMC starts and ends with a database. Information about customers and prospects is collected; the customer base is segment; marketing objectives are set, and a marketing program is tailored to each segmented; and results from the marketing program are fed back into the database for the next cycle.

The database is the core value in implementing IMC. By using this database system, it could be possible to begin to move marketing and communication program away from mass media and into two ways communication systems. At the same time, the two way communication can build the relationship between customers and products, so these kinds of relationship will leads to the creation of brand loyalty.

Because IMC is becoming popular outside North America, it raises questions arias about how other countries have adopted and implemented on IMC program. In this paper, this question is focused on two countries, which are the United States—the originator of the theory of IMC, and Thailand. In addition, this study concentrates on the side of advertising agencies rather than the side of marketing.

Work Plan

The focus of this paper is an aspect of Integrated Marketing Communications (IMC) that is based on advertising agencies. IMC is explored as to how to apply it for advertising agencies in each country is explored, and discusses related the similar components (such as advertising, public relations, direct marketing, sales promotion, and on line communication), and the different factors (such as culture, lifestyle, country's development) are discussed. My approach assumes that there are similar components in IMC in Thailand and the United States; however there are some different factors to show that how Thai advertising agencies apply this IMC concept through media vehicle selection. The most appropriate IMC concept for an agency to adopt depends upon the structure that the agency already has in the environment in which it does business, its size, and a number of other variables.

Secondary Research

The most appropriate sources in secondary research were divided into two parts: First, the articles were from journals in marketing public relations, and advertising such as “The Journal of Advertising Research”, “Marketing News”, etc. Moreover, some articles are from weekly newspaper such as “Advertising Age”. Secondary, some articles are from Thai daily newspaper. Thai business newspapers were used as supporting information. In addition, this research topic was related to the IMC concept, so textbooks in Integrated Marketing Communications area (both English and Thai versions) and the new marketing paradigm were used for secondary research.

Primary Research

Because this research paper requires real and updated information from people in Thai advertising agencies, a qualitative study were needed for primary research. An interview and a questionnaire were combined and selected because of the long distance communication obstacle.

The questionnaire technique is used because it was quite easy for respondents to answer. In addition, I had a pre- selected group of respondents, and asked only the respondents who know some thing of the IMC concept. By using this method, I may have both quality questionnaires and efficient long distance communication.

The qualitative questionnaire method is built on my concept of outlining the differences or similarities in IMC between Thailand and the United States. Thus, it is deemed important to ask people from different disciplines and from different kinds of advertising agencies in an attempt to discover the broadest IMC data and point of view. Twenty responders are selected for research. Nine questionnaires will be made at large agencies, seven at medium- sized agencies, and four at smaller agencies.

CHAPTER 2

Overview of Traditional Marketing VS Marketing in the 21ST century

The meaning of marketing is described in various ways. Whatever definition one gives, there are some basic similarities in terms of processes and fundamental goals. For example,

“Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products of value with others”(Kotler, 6). Or, the another way to define marketing is “the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, services, organization, and events to create exchange that satisfy individual and organizational objectives”(Boone and Kurtz,9). In addition to a variety of marketing definitions, the marketing concept is quite important to consider for marketers. “Marketing concept is a managerial philosophy that an organization should endeavor to satisfy the needs and want of customers through a coordinated set of activities that also allows the organization to achieve its goals at a profit. The marketing concept is not a second definition

of marketing. It is a management philosophy guiding an organization's overall activities"(Pride and Ferrel, 9-10).

The evolution of marketing should be analyzed in order to clearly understand the importance of customers' needs. In the recent past, business people centered the marketing plan on product sales and profits. Now the focus is on the customers' needs and wants.

The Evaluation of Marketing

During the 1960s, consumers were viewed as a mass audience. They were not segmented into small units, according to demographics, lifestyle, or behaviors. During that time, everyone was considered to have the same wants and needs. In addition, the Four P's Theory, emphasizing product, price, place, and promotion was developed by Michigan State University. "It was a time that the manufacturer decided to make a product because it could, priced it to cover costs and to yield as much profit as possible. The media were similarly mass- oriented, driven by advertising dollars"(Schultz and Lauterborn, 5). As mentioned earlier, business people deemed this mass consumer as brainless.

By the end of 1980s, it was clear that the mass market no longer existed. The diversity of each subgroup was clear, and consumers have come to stress individuality and celebrate diversity. " Marketers began to see and

divide what various consumer groups need and want and how they might be better satisfied; this is called market segmentation.”(Arens, 135) Moreover, the growing interest in lifestyle and behavior segmentation has become the common divider that marketers use to define their customers in the marketplace.

Currently, marketers can group segmentation variables into four categories: (Pride, 231-234)

1. ***Demographic Variables*** : age, gender, race, ethnicity, income, social class....
2. ***Geographic Variables*** : region, country size, market density, climate.....
3. ***Psychographic Variables***: personality attributes, motives, and lifestyles.
4. ***Behaviorist Variables*** : volume usage, end use, benefit expectations, brand loyalty....

When marketers using different criteria divide each subgroup of consumers, each unit becomes the target attracted by marketers and media. Thus, niche marketing, a benefit from market segmentation, is one of the supports helping marketers break through the clutter of people and bring messages to reach directly to each group of customers.

Consumer segmentation is helpful yet not enough; marketers have to be able to gather, analyze, and act on additional information taking place in each segment. This has led to the empowerment period. "Empowerment means that people do not only choose what they wish to listen to. They make themselves heard."(Schultz and Lauterborn, 10)

Moreover, consumers in the 1990s not only desired exercise more choices what they want to do, but also more sophisticated than the ones in the past. Because of the progress of technology, they explore options more thoroughly and are better equipped to target value in the age of information. Additionally, in the advertising world, technology has brought consumers to the New World of media. Marketers have a variety of media to reach their target segmentation, such as traditional media, and non-traditional media. Thus, innovative non-traditional media develops everyday for example; advertising panels on lifeguard towers were developed to be beach media.

As mentioned before, consumers in this decade have a better opportunity to obtain only favorite media or select only beloved brand names. So, the marketing trend has changed again. The president from the Arbitron Company, Stephen B. Morris, said, "we see five distinct forces that are shaping marketing today. In broad terms, these are a movement from mass to micro, from the broad and undifferentiated to a multiplicity of the distinct and identifiable. From the marketplace to the factory, from the distribution

network to the media, the movement has been and continues to be from the one to the many.”(Corbin, 41)

Traditional Marketing VS Marketing in the 21st century

As mentioned earlier, mass marketing does not exist any longer. Then, what is the replacement of mass marketing? The answer is Integrated Marketing communications (IMC). Before the details of IMC are presented in the next chapter, it is necessary to know why mass marketing does not work anymore, as well as the differences between mass marketing and marketing in the 21st century.

In the age of information, the world has changed, lifestyles have changed, and consumers have completely changed. Consumers are sophisticated therefore, “marketers are supposed to be good at dealing with new audiences and their new attitudes, with new type of messages that need to be delivered, and with new ways of delivering them”(Belch, 36).

These new ways replacing traditional marketing comprise the new marketing paradigm, the details of which follow.

1. Relationship Marketing

Today's affluent, sophisticated consumers and/or other consumers can choose from a variety of products and services offered by producers located around the world. As a result, customer relationships in which the sale is the only beginning will be the key strategy basis for the success of the 21st century business (Arens, 432). This means the more customers are satisfied, the more brand loyal they become. Nowadays, marketers cannot differentiate their products by quality anymore: instead pricing competition and sales promotion are the new ways for marketers. As a result, consumers have become price-conscious, they are easily influenced to switch brands by discount coupons, buy one get one free strategy, bonus packs, premiums, etc.

Thus, as consumers who have no brand loyalty anymore, marketers have to focus on managing the loyalty among carefully cultivated customers. According to Lester Wunderman, the founder of Cato Wunderman Johnson (the second largest direct response agency in the world), "90 percent of a manufacturer's profit comes from repeat purchase; only 10 percent comes from trail or sporadic purchasers." (Belch, 320) Therefore, marketers and advertisers realize that the best way to keep their customers' brand loyalty customers is to build relationship marketing. Such a marketing approach can be psychological or symbolic as well as personal (Belch, 431). With this kind of marketing, marketers begin to participate in the new marketing paradigm,

Integrated Marketing Communications (IMC). Importantly, relationship marketing is a consequential element in the IMC process because the IMC is how you create relationship marketing. According to Don Schultz, one of the architects of the seven-step IMC planning model, "IMC is what makes relationship marketing possible." (Belch, 432)

2. Database Marketing

With technologies of the 1990s, much of the materials have been created to support the marketers to classify and better understand their prospects' interests and customers' interests, potential needs and wants. Therefore, the best way for marketers is to build their database system, and then to start to plan their database marketing.

Based on the advantages of database marketing, marketers can know how to base what they say to each customer on what they know about their work, families, likes and lifestyles. Additionally, marketers can predict their market on the basis of appeals that they can confidently assume will drive the consumers to buy, because those circumstances have driven him to buy before (Corbin, 39). So, marketers and advertisers are able to individuate customers, recognize them, empower them, and develop a dialogue with them in order to build a brand loyalty (Moriarty, 42).

Not surprisingly, databases and new media technologies are making it possible to enter through the two-way communication systems that will indeed support relationship marketing. And databases also expand the power of consumer behavioral data that forms the basis of success in using IMC.

3. Four P's turn to Four C's

In our time of rapid change in most areas of life, in marketing mass communication is being displaced by targeted media, and mass market is now being replaced by niche marketing. With these changes, the old theory, Four P's, has changed to the new and updated theory, which is based on Four C's.

- Thinking about the Consumers instead of Product first, means that marketers need to understand consumers' needs and wants as well. In the past, manufacturers were interested in what they wanted to sell and to make the maximum profits. This idea does not work anymore. The starting point for selling is not product for marketers today, but what someone particularly wants to buy. (Schultz and Lauterborn, 12)

- Considering consumer's Cost instead of Price, the price of an individual product is not as important as the satisfying of consumers' needs and wants. Marketers need to understand that the new generation of consumers regard dollars as only one part of the cost. Sophisticated consumers have begun to look at the overall product; the first fast food restaurant may be cheaper than the second restaurant. But the second one

might have a better service, friendlier employees, and cleaner restroom than the first. "Value is no longer the biggest burger for the cheapest price, it is a complex equation with as many different correct solutions as there are subsets of customers."(Graeff, 28)

- In the new marketing thinking about Convenience has become more important than Place, In the 1990s consumers have not much time to go out any place and to find whatever they wish. With highly-complicated technologies, people use these high technological advantages to make their lives easy and worthwhile. Most customers will select the most convenient way to buy product or to place their commands. Not only do the marketers need to understand their targeted consumers' behavior, they also have to create the appropriate channels for their distributions.

- Finally, marketers today think in terms of Communication instead of Promotion. In fact, at the fundamental level all marketing is communication. Consumers communicate their wants, needs, and desires through several forms of marketing research. At the same time, marketers communicate information about their products through different ways of promotion. The contemporary marketing theory has blended marketing and communication together. In order to achieve an effective communication plan, only one discipline is not sufficient. The solution is Integrated

Marketing Communications (IMC). "Everything has to be integrated and communicated in a seamless theme to consumers."(Belch, 219)

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CHAPTER 3

What is Integrated Marketing Communications (IMC) ?

This chapter will explain the definition of Integrated Marketing Communications (IMC), as well as, analyze the essential components of IMC that will lead to a better understand of this contemporary trend.

IMC is the most popular new trend in the marketing and also in the advertising fields. A new Sales and Marketing Management survey of marketing executives shows the remarkable result that IMC has a high awareness and acceptance in many companies, especially among the large companies. For example, 54 percent of the 179 samples are enforcing some concepts of IMC, and 75 percent of large companies surveyed are applying IMC as well. (Yarbrough, 68)

However, there is some confusion about how to develop and to apply IMC to a maximum degree of efficiency and effectiveness. "Nearly three fourths of the companies surveyed report using a database to better target their customers, as an essential part of implementing IMC, but only thirty percent said they were doing extensive profiling and segmenting of customers' buying habits by using a database."(Belch, 94) This response

indicates that many companies have not yet approached a full implementation of IMC.

There still may be some confusion about the IMC concept because it requires specialists to integrate and implement many disciplines in communication mix in order to gain the maximum profits. Without a doubt, individuals apply and implement IMC somewhat differently depending upon their experience, point of view, and a kind of business. Lou Wolter, a professor of Mass Communications at Drake University said, "We are all jumping on different parts of bandwagon with our own point of view" (Wolter, 12).

The Definition of IMC

Until now, there have been many definitions of IMC. If defined broadly, "IMC is the process of building and reinforcing mutually profitable relationships with employees, customers, other stockholders, and the general public by developing and coordinating a strategic communications program that enables them to make constructive contact with the company or brand through a variety of media."(Arens, 199) In short, IMC can be described as a process that creates the true accountability by maximizing resources and linking communications activities directly to organizational goals, and including meeting "bottom line" needs to achieve a profit.

Additionally, IMC can be easily understood as the marketing plan that starts the cycle by collecting ultimate information about consumers through developing a database. Next, marketers use that data to target specific customers through marketing strategies, which can include advertising, sales promotion, direct mail, etc. And finally, marketers complete the circle by evaluating the effectiveness of those strategies so that the next cycle is even more successful.

The new concept of Marketing Communication

Basically, the theme of Integrated Marketing Communications is based on the needs of a continuous exchange of information and experience between the marketer and the customer. That means the main foundation of IMC is related to two areas: marketing and communication. Both concepts support and influence each other.

“ In a parity marketplace, the only real differentiating feature that a marketer can bring to consumers is what those consumers believe about the company, product, or service and their relationship with that brand.” (Belch, 45) Absolutely, the only place that the value of the product or brand exists is in the customers' minds, because other factors of marketing, packaging, pricing, and product benefits can be imitated by competitors. However, the product value can not be copied. It is the perception. It is the way that consumers believe, not the truth; the way that consumers want, not

availability. So, the point is how marketers build their product values. To lure and retain consumers' attention, marketers and advertisers need to deliver a clear, compelling and creative messages to boost their products (Corbin, 41). This is why marketing and communication are inseparable. And IMC is an interesting approach which represents a new way concept in marketing communications. Furthermore, in the age of information, marketers have to be concerned about brand value in the consumers' mind, rather than only selling their products to consumers. "Today the perceived value is different and the consumer communication is different"(Schultz and Lauterborn, 45). For example, distribution is a form of communication and quite important to brand value. Cosmetics that are sold in supermarkets and offering discount coupons in fashion magazines. They are certainly perceived in a completely different ways from those sold only in the leading department stores. As mentioned earlier, the communication is different, which leads to different product/brand values in consumers' minds (Belch, 82).

Ideally, the way to conceive the importance of communication is to examine the steps in the marketing of products.

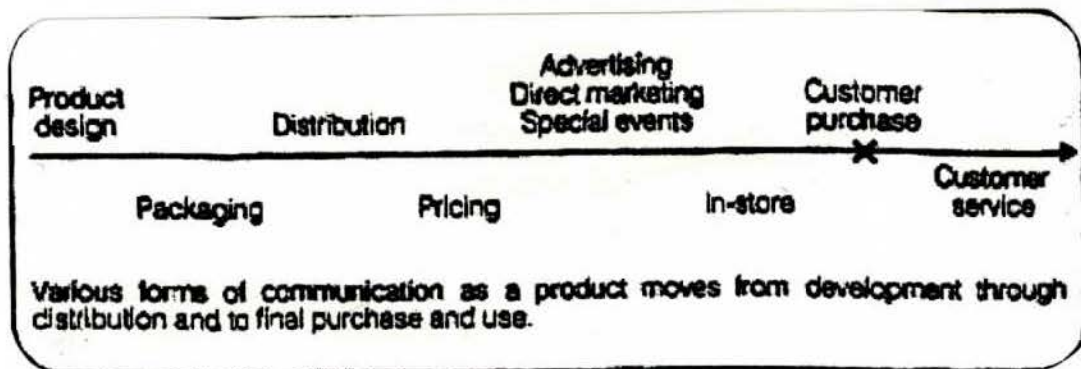


Figure 1: *The Marketing Communications Continuum*

Figure 1 shows the whole process of product development. Almost every step relates to some form of communication to customers and prospects, from product design to packaging. Obviously, consumers can establish a sense of the value of the product from each process. For example, if the marketer sold his product only at the leading department stores in the

selected cities, then advertising, direct mail, public relations and special events can be launched in the same time. Additionally, the kind of customer service associated with the product can be established in the messages with the promise that established satisfaction is guaranteed. All these forms of communication can result in value added to the product are as a positive perception in customers' minds. To sum up, "the entire concept of IMC is based on the way consumers store and categorize, product and brand information."(Belch, 52)

The basic Development of AN IMC Plan

We have analyzed the definitions and concepts of the IMC, marketers need to analyze and understand some more disciplines in order to develop the most effective IMC plan.

1. One-way to Two-ways communications.

As mentioned before marketers had used only one way communication in the era of mass marketing, seeking to influence consumers mainly through mass media. When the manufacturers controlled the entire market places, this system worked well. Marketers could select a variety of media forms such as network television, network radio, and national magazines to reach a large group of consumers or prospects at the same time. Additionally, in the past a lot of new products were launched in the

marketplace and consumers could obtain only necessary information from the one-way source.

Information sources and marketplaces have increased, since the 1960s, causing the change in marketing trend. Therefore, the ability of the one-way communication to influence consumers through mass media alone has declined. Now in the mid 1990s, it is clear that one-way communication is no longer effective in terms of trying to influence consumers. The media systems have changed dramatically and now two-ways systems are required. Two-ways communication, has become a form of "relationship marketing", as described in chapter 2. Relationship marketing means that there is a one-on-one relationship between a buyer and a seller. Typically, they exchange information and responses with each other. In order to obtain effective two-way communication, marketers need to classify their consumers and prospects and know what information consumers have. In turn, the customers let the marketers know what they need or expect from product. Thus, marketers can respond to them in the appropriate way.

2. The era of database

From above, the most useful and effective way to build the two-ways relationship communication system is through database marketing. If marketers know how to apply the database marketing with high-technology materials they will obtain the ultimate information. For instance, previously,

marketers started out with mass segmentation via age and sex demographics and broad groups like women age 18-49. Later, they came into lifestyle segmentation, and descriptions of social, economic and educational groups based on census variables such as at the zip code or block group coding. Currently, many marketers are collecting a detailed database of transactional information for each household or individual. In the near future with complicated database marketing tools, marketers will be able to image their customers and appeal direct to this individual based on specific knowledge about her.

Basically, the database is the key factor in an IMC plan because the IMC cycle starts with the consumers' information in the database system. In this approach, database helps marketers seek out all consumers' ends and wants as well as behaviors through the media channels. Then consumers respond their needs via a reply card of direct mail, a telephone call, of even an E-mail by electronic medium. Next, marketers store all response information in their database system, enabling them to create customized persuasion programs for each customer based on what marketers know about each one.

Furthermore, marketers can involve the customers in a dialog so these customized programs constantly update as customers' needs change. Marketers are able to listen to consumers and respond to their needs as well as to send all suitable materials that are of interest, and offer customers

services that target their individual wants. "So, in fact database marketing is not only to encourage loyalty but to neutralize competitive considerations." (Corbin, 96)

The real world case study, Del Monte Database Delivery, is presented as the perfect explanation of why marketers must use database marketing in this decade. Del Monte began using database marketing tools to help in its new strategy of reaching retail channels and consumers. Del Monte has invested about \$75,000 into databases since January 1996. And now it can hold information about all of the nearly 55,000 grocery stores, chain drug stores and mass merchandisers that are currently Del Monte customers. With the database, Del Monte analyzes the buying patterns at each store and provides a profile of the store's most frequent customers- whether they are seniors, large families single parents, blue-collar workers, or upper income consumers. Moreover, the database can tell the different buying pattern of its customers' stores and, more importantly, can quickly determine if each store is living up to the buying potential Del Monte expects.

For example, knowing that canned fruits were most popular with large families and with lower income groups, Del Monte heavily launched the products to selected stores that most serve those customers. Furthermore, Del Monte used its database to help launch its new product and develop marketing strategies. It gives the database information to its sale forces to help them

better target the product to specific regions and stores. And it also gives the information to its retail stores to help them better understand their customers and Del Monte's customers. By doing this, Del Monte develops stronger relationships with channels. According to the Manager of Category Management at Del Monte, Mark Resnick, "We have changed the whole way we go to market. We are able to provide value added information to all our trading partners."(Yarbrough, 70) This successful case study can help marketers better understand why they need to apply IMC and database.

The method to integrate a database for an IMC was mentioned in Marketing News by Don E. Schultz. (Schultz, 200)

First, a customer and prospect database becomes the focus of the organization. The customer is the element around which all internal functional groups can combine.

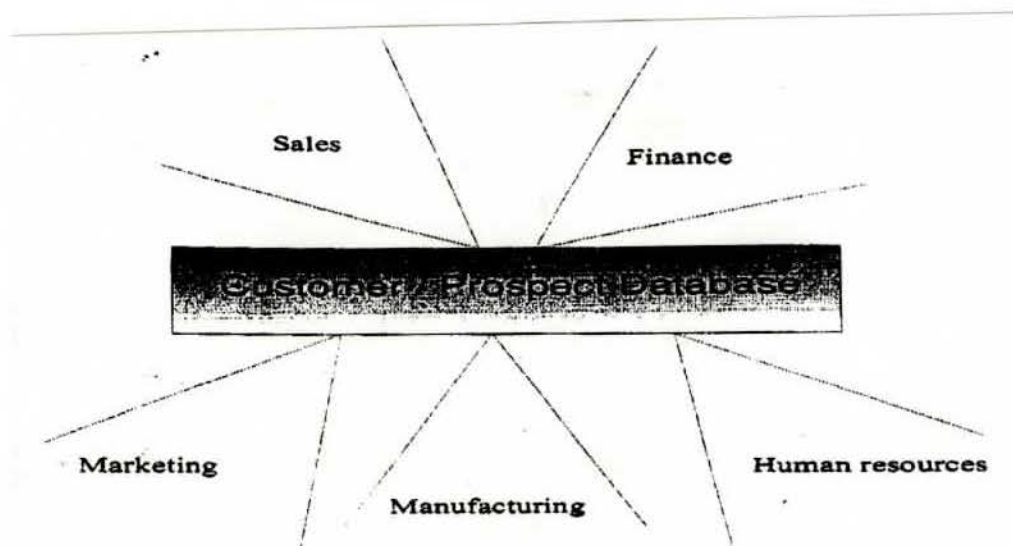
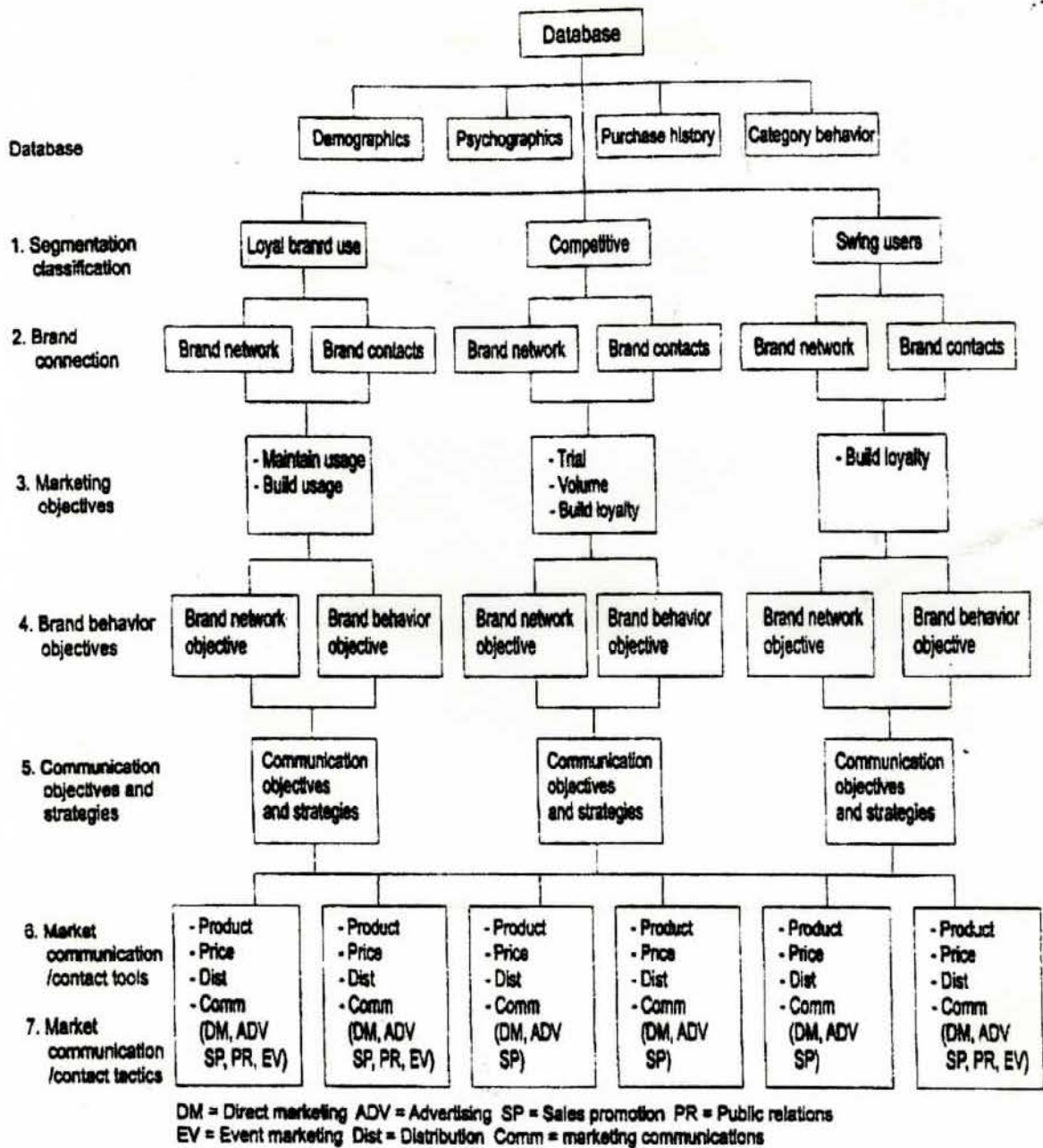


Figure 2 : *The elements of an internal function in customer/prospect Database*

After a company establishes the database the customer becomes a core value of the organization. The database helps all departments seek out those customers who have the needs, the propensity, and the money to buy a certain product. This approach forces a change from a sales orientation to one in which every department focuses on building customer relationships

Integrated marketing communications planning process.



Source: William F. Arens, *Contemporary Advertising*, 6th ed. (Irwin: Time Mirror Higher Education Group, 1996), 201.

Figure 3 : Integrated Marketing Communication Planning Model

The IMC Plan Model

The basis for an effective integrated marketing communication program is the planning model as shown in Figure 3

Fundamentally, the IMC planning process is based on database information of consumers and prospects, not on the companies' profit goals.

The database should store at a minimum, information, such hard data as demographics, psychographics, and purchase history. Additionally, attitudinal information such as the customer's category network and how consumers associate with the products are used in a complete IMC approach.

The first step is to segment the customers and prospects in the database, for example, classifying by the brand loyalty, as shown in Figure 3, or by some other purchase behavior. By using data that targets consumer behavior, marketers have a clearer way to predict what a person will do in the future than can be provided by other intentions or attitudinal approaches.

The second step involves brand connection. This step is based on the idea of examining all information on customers and prospects in order to better understand their attitudes, their history, and how they contact with the brand or product. In short, this step is to decide how and when the customers and prospects contact can be made most effectively.

Then comes developing the marketing objectives. Marketers define the specific marketing objectives that relate to each of segments.

Next, "the marketers identify what brand contacts and what changes in attitude will be required to support the consumer's continuous or change of purchase behavior." (Arens, 200)

The following step is to develop communication objectives and strategies. Marketers need to state the objective of the communication and what responses are expected from the consumers and prospects.

With the sixth and seventh steps, marketers have to select which marketing tools (direct marketing, advertising sales promotion and so on.....) and what other elements of the marketing mix (product, price, and distribution) can be applied to and also meet marketing objectives. The key point for this step is to select appropriate marketing tools that will achieve the communication objectives. By and large, most of these marketing tools are used in some combination.

However, there is an outstanding difference between the new IMC planning approach and basic traditional marketing communication planning programs as follows.

The new IMC planning focuses on the customers or prospects, not on the organization's sales or profit goals. Moreover, all marketing organizations are completely dependent on their customers and their prospects for their

volume and profit success. Again, in the 1990s, “marketing organization should have to serve customers.” (Schultz, 55)

Next, the new marketing generation uses customer and prospect behavior whenever as possible as the first segmentation approach. Without a doubt, highly brand loyal users have a different category and brand network from competitive users or swing users.

This understanding can come from using behavioral data such as scanner, consumer research or other sources.

To sum up, the major factor in this IMC planning process is based on an understanding how marketers contact their consumers or prospects, what media marketers used to contact their consumers or prospects, and what marketers want to communicate. “All forms of marketing are turned into communication, and all forms of communication into marketing. Marketers have built a seamless stream of communication with the customers.” (Belch, 58)

Important IMC Rules

1. All marketing efforts should be customer driven.

In the era of IMC, the targeted media is now displacing Mass Communication. For example, the big three networks have been supplemented by a variety of cable television and specialized broadcasts. So,

customers have a lot of choices and they are more sophisticated. Nowadays, information technology enables marketers to switch from mass production to mass customization. More recently, products can be tailored to the customers' needs at all level of production. For example, personal computers are now being built to a customer's specifications. Additionally, marketers try to develop every way to meet and increase their customers' needs, wants, and satisfactions, such as previously, everyone knows and drinks the same regular cup of coffee. Nowadays there is hazelnut, French roast, decaffeinated, and so on. At the turn of this century, everything is possible by the high technology and human imagination. And the emphasis of new marketing plan is on who buys the product, or to whom the product is being sold to and what that person wants.

2. Outside-in planning.

Before the detail of Outside-in planning will be presented, marketers should know some background about one-way communication planning and Inside-out planning in advance. Traditionally, marketers not only had little information about their target consumers, but marketers also seemed to believe that their sales volume came from marketing efforts. So, they used the Hierarchy of Effort Model (Figure 4) developed in 1960 to interpret the action of consumers.

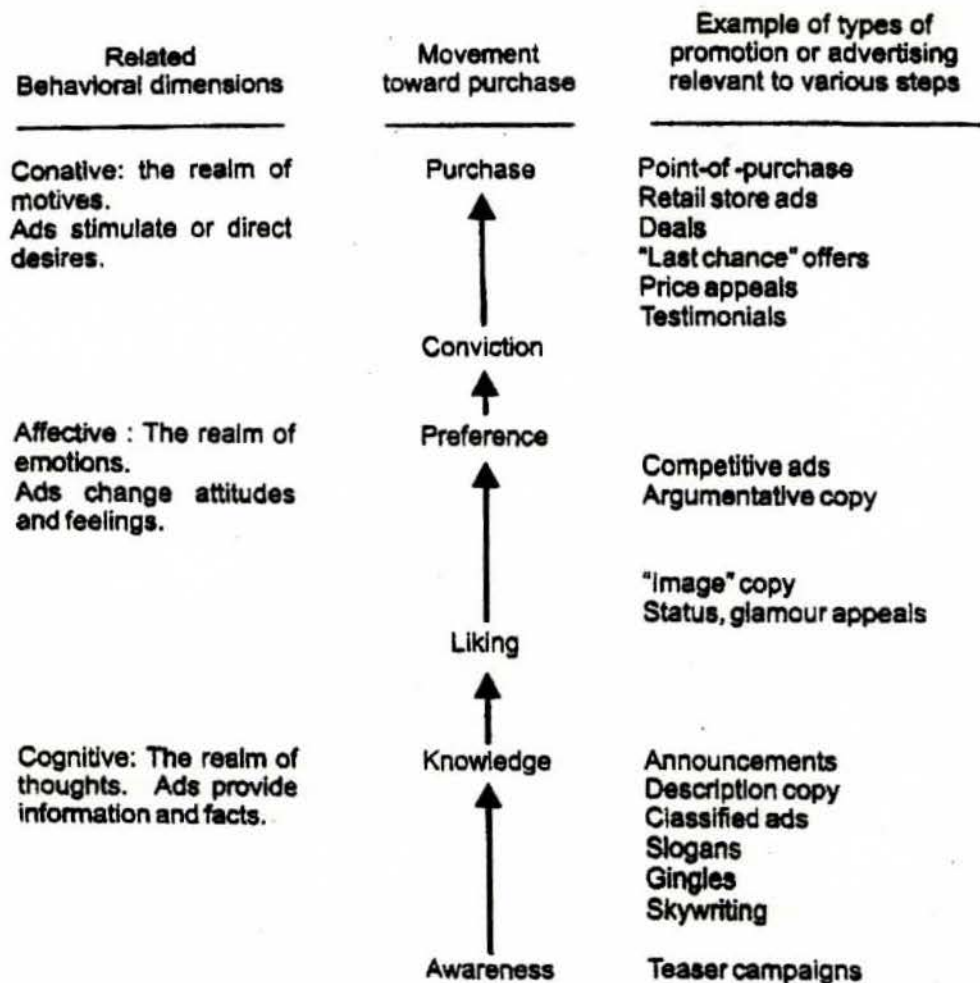


Figure 4 : The Hierarchy of Effort Model

Source : Robert Gentleman, Lavidge and Gary A. Steiner, *Journal of marketing*

(October 1963):61

With this model, marketers concentrated only on what they want to sell and do to customers, and also use traditional mass media to reach them. Normally, marketers were to be the beginner of the communication process,

and delivering message to their customers and prospects. The objective of this model is to try to influence consumers' attitudes in a certain way, and finally to lead them to behave: purchase or repurchase. Therefore, marketers and advertisers generally develop advertising campaigns that try to influence consumers' attitude. Figure 5 shows that the One-way communication is on linear approach which attempts to build a positive attitude on a further purchasing decision.

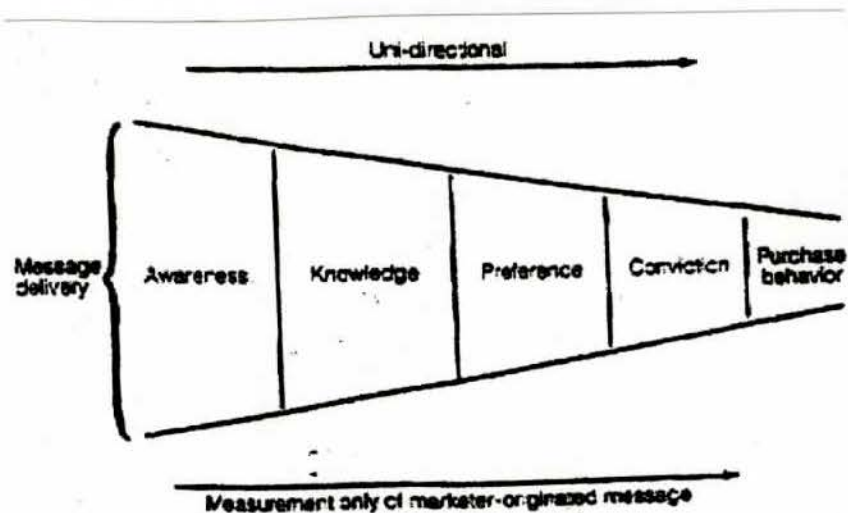


Figure 5: *One-Way Communication Linear Approach*

This basic model is the one-way communication by which marketers send out messages. The final process of this plan is when consumers buy the products additionally, marketers assume that an individual will follow this overall communication process from awareness to making a purchase.

Furthermore, both models, as shown above, are examples of the traditional one-way communication process. This process has the impact of the typical Inside-out planning model, figure 6.



Figure 6 : Inside-out Planning Model

This inside-out planning is all done within the organization. It begins with financial analysis, including sales, marketing, and even profit goals, then set an inside view. Therefore, this model implies that "Here's what we want to do to those customers or prospects" rather than "Let's learn what customers and prospects want done to them." (Belch, 160) Today, many marketers believe that this Inside-Out marketing, one way communication is unrealistic and inefficient for today's marketplace.

On the other hand, today's marketers can come up with two-way communication which is customer-centered. (Schultz, 12) This IMC approach is called "Outside-In" planning. When profit goals are set internally, the urge is to go out and find customers to help meet these goals. (Gonring, 48) Marketers must learn to start with customers first. Learning to work backwards insures an IMC program that can be linked to the bottom line. The Outside-In approach comes from the IMC planning, figure 3, described earlier.

3. **Zero Based Planning**. (Moriarty, 44)

The major different factor between IMC planning and traditional communication planning is that IMC planning first identifies the communication objective and then matches that objective to the communication tools that can best deliver success. That means marketers have no longer any set communication vehicle, but they need to consider the

communication objectives first. Thus, at this level of planning, any communication tools are the same in that they all have their own strengths and can be used effectively to solve certain types of communication problems. Typically, nearly all of communication plans focus on advertising vehicles; for example, in earlier times, advertising always received three fourth of the budget because it need in the past and the other tools got pieces of what's left. Today, zero based planning is the new choice for marketers since it has to start over, using the new marketing and communication objectives, and not following the previous plan. The major and minor communication tools depend on the objectives and circumstances.

For example, if the communication objective is created to widen the consumers' awareness of the new product, then advertising might be the appropriate tool to lead the effort. If it is to build believability, especially about corporate image then public relations should lead. If marketers want to increase sales volume, then perhaps sales promotion should lead the effort. In addition, the other communication tools are not forgotten, because they provide support in strengthening the main message strategy.

4. Internal and External Integration.

IMC has as its main purpose providing the bases to get external communications programs organized and integrated. This means how to combine advertising, sales promotion, direct marketing, public relations, and

so on, to yield a seamless communication theme. Moreover, external integration is also as important as internal.

The executives should start to think about how to integrate all employees in every department of an organization. Everyone has to know what process his/ her organization is using, as well as how he/ she can best become involved in the process. In general, internal integration is often difficult because many groups and functional organizational areas have little contact with each other. When the organization has practiced traditional marketing for a long time, communication across departments has never been done before.

5. **IMC must start at the top.** (Schultz, 48)

Integration must start with the top management. The middle managers or the other levels of the organization cannot achieve it. And also it cannot be just a memo from the top executives. Similarly, IMC can not be started at the bottom and work its way up. That means top-down direction and the support of top management is vital. IMC requires an organization to change its structure in order to yield better communication within the organization. Therefore, the major responsibility should belong to top management who

has the widespread power to adapt the organization's structure when using IMC.

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CHAPTER 4

RESULT

THE EFFECT OF IMC ON THE ADVERTISING AGENCY

This chapter will first define the four basic types of service used in advertising agencies. Then, it will identify some of the factors that force the agencies to reconstruct or update their advertising techniques in order to survive in this market. Third, it will show how IMC can work well in the advertising agencies. Last but not least, it will indicate some of the problems and barriers to using IMC.

The American Association of Advertising Agencies (AAAA). It defines an advertising agency as “ an independent organization of creative people and business people who specialize in developing and preparing marketing and advertising plans, advertisements, and other promotional tools (Arens, 71). Most of its main revenue comes from the media commission that the agency receives from developing and purchasing the advertising plans, advertising spaces and times for its clients. Therefore, we can say that the advertising agency is made of two components: a client and the agency.

However, in the sense of the real business world, we classify the advertising agency based on its type of service. They are:

1. **Full-Service Agency:** referred as “one-stop shopping service.”

Within the agency, there are different services, such as the advertising, promotion, public relations, direct marketing, and research for its clients to choose from. Such an agency, to be competitive, is updating its service and technology constantly, in order to stay on the cutting edge of the advertising world. As an example, interactive media, the most recently non-traditional media, is under examination and in use among many of these largest advertising agencies.

2. **General Consumer Agency:** Most of its revenue comes from commissions – a service charge for buying media spaces and times from the media like TV, radio, newspapers and magazines. We can find this type of agency mostly within the big international groups that have their headquarters located in many different business cities around the world such as New York, Los Angeles, Chicago, London, Tokyo, and Toronto (Belch, 72).

3. **Business-to-Business Agency:** serves clients by selling products to other businesses. This type of agency focuses on the trade magazines or other business publications.
4. **Specialized service agencies:** In the age of information, every type of business, including the advertising industry, is moving itself into niche markets. Nowadays, most companies seem to be following a trend of becoming specialized in something the company is best at rather than trying to do everything.

In summary, when marketers want to sell their product to consumers, they rely only on advertising to promote and sell their products to their potential customers. However, this old method may not work well in this rapid market. Therefore, there are increasing numbers of agencies using the IMC to satisfy their clients' requests.

Advertising Revolution (Messinger, 17)

Today, advertising agencies have adapted themselves to the new marketing trend by responding the clients' needs and wants. In the old traditional advertising, the primary jobs for the agency were to create, develop, and place its ads on the broadcast and print media. However, with IMC, the agency incorporates traditional advertising into a broader market

with an unlimited range of possibilities in communication. This versatility becomes the most essential element for every agency's marketing plans. The following will explain why it is necessary for advertising agencies to rethink or reconstruct their marketing and advertising techniques in a competitive world.

1. **New technologies.** Now in the age of information, a variety of technologies are created everyday. Some of them are applied well in the business world. For example, marketers pay more attention to develop the most efficient database system in their organizations. Furthermore, marketers have become comfortable with new marketing tools – database analysis, database integration and new interactive media. Thus, advertising agencies are absolutely changing themselves to do the full- service for their clients. Most of the agencies have to expand their research department for two reasons. First, with the development of IMC capabilities, the research area becomes the best supporter for developing database marketing. Secondly, as has been shown recently, the research department can help increase the agencies' revenues.

2. **Media's Fragmentation.** Currently, even though the marketing budget has been allocated from traditional advertising to new media and behavior-oriented disciplines, such as sales promotion, direct marketing and direct-response advertising (Gronstedt and Esther, 48), advertising agencies are still skeptical about the benefits, such as increasing revenue, of applying this new media over the traditional ones. It is because advertising agencies receive about 15% commission from traditional media; whereas, the new media and some of the IMC approaches are getting at the bottom line.
3. **Audiences' Fragmentation:** In the age of information, media and its audiences have become increasingly fragmented into their own niche market. Without any doubts, this trend causes advertising agencies to work harder in order to match the right medium with the right market.
4. **Media Commission and Markup.** It is generally known between the advertising agency and its clients that at least 15% of the clients' budget is paid for the agency's commission, which in turn becomes the agency revenue.

Therefore, most companies, particularly those with the huge spending on their advertising budget, are likely to choose to contract media companies directly in order to decrease the expense. Moreover, advertising agencies generally add a markup – to a variety of services or materials from outside suppliers- into the clients' bill. It is typically 17.65 percent (Arens, 83). This is another reasons that cause many companies to think about or set up their own in house- advertising department.

IMC Status in Advertising Agencies

Currently, many major advertising agencies are restructuring their operations to fit the new integrated marketing paradigm. The advertising agencies also are making efforts to help clients appreciate precious marketing and advertising services in their agencies. All of these are the reason why many advertising agencies have begun creating and developing their own IMC concept that will work effectively in their organizations.

Although many advertising agencies cannot provide the full services of IMC to the client right now, they try to accomplish as much as they can to satisfy their clients. The following are samples of different agencies that are using or applying IMC:

- *Leo Burnett* has been applying the IMC concept for at least five years. In 1991, *Leo Burnett* developed “Integrated Communication,” and in 1993, “IPMC (Integrated Plan and Communication).” Recently, the new implementation was developed again in 1995 with the theme of “Total Brand Support.” The theme’s goal is to use strategic communications that can give or produce the maximum effectiveness with a limited budget.
- *Lintas* has also developed its own IMC concept, but concentrating more on consumer behavior.
- *Spa Advertising Inc.*, implemented its IMC concepts that measures consumer responses.

The Barriers to Applying IMC in the Advertising Agency

Even though the concept of IMC has been adapted and used in the advertising agencies around the world for many years, the agencies still encounter many problems that limit them in utilizing the full benefits of IMC. The following are the some of the current problems most agencies are facing with IMC:

1. **Control and Power.** Within the advertising agency, each department has its own responsibilities to handle and control its

tasks. However, under the IMC, individual departments cannot make the ultimate decision or handle their responsibilities by themselves. Each department has to share his/ her authority with other departments. As a result, many advertising agencies attempt to resolve this problem by advocating that employees from different departments incorporate and work as a team temporarily joined under the same project. Moreover, they hold different seminars in promoting, explaining, and updating their employees on how to use IMC effectively, and also creating a strong network among the employees. For example, when I trained in an advertising agency in Thailand, my agency held the one- day seminar. Everyone learned how to work in a little group working on a project team for one client. Therefore, the intend is not to decrease an ego, but to take advantage of different perspectives and the synergy of group input. If done properly, self esteem for all improves.

2. **Career advancement.** This problem seems to be especially pronounced in the creative department. Even though the top executives of advertising agencies attempt to apply the IMC concept and hire people who has both marketing and communication skills, the creative directors are reluctant to hire or

promote anyone who have the IMC skills. This is because unlike with the traditional media, the print ads and television commercials, the creative directors think it is difficult to get recognition for their creative effort under the auspices of public relations, sales promotion, and direct marketing. For example, a creative director at one of the New York agencies stated, "TV is still our bread and butter. So good TV is what I look for and what I reward." (Robbs and Taubler, 4) So, the solution is similar to the first problem; multidisciplinary teams are created and everyone must work together. Then, teams are rewarded for creating strong overall campaigns, not strong individual pieces.

3. Low level of understanding and comfort. Another barrier in applying the IMC concept is advertising people have little experience with other communication areas such as direct marketing and sales promotions. And since they are unfamiliar with these areas and concepts, they are uncomfortable creating and developing assignments. And so, these advertising people prefer to stick to what they already understand (Belch, 5). So, to overcome this barrier, most advertising experts suggest that the agencies must change the amount of their creative people. One of the experts is Don E. Schultz, a professor of integrated marketing

communications at Northwestern University. He suggests four factors that an agency must resolve to become the IMC expert agency in the 21st century (Marketing News, 12).

- 1) Becoming experts on the consumer. This will allow the agencies to add value to their services with an unexpected of the consumers in order to develop an effective communication program for their clients.
- 2) Moving away from being driven by media commission. Advertising agencies should set the new remunerative criteria as success. The top executives should review revenue from promotion, direct marketing or public relations work; and also consider some equity position within the agency.
- 3) Recognizing new forms of creativity. The creative people should not limit their creative efforts only to the television commercial or print ad, but expand to some other alternative ways such as packaging, or distribution channel to help build brand awareness in the potential consumers' minds.

- 4) Learning something about marketing, especially distribution. In fact, the real consideration the consumer product organization is facing is how to work with retailers. Most agencies know very little or nothing about distribution. Therefore, advertising people should have some knowledge about distribution in order to apply it for the clients' benefits or to develop some IMC activities using this channel.

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CHAPTER 5

DISCUSSION

Possibility of Implementing IMC in Thailand

The IMC concept is implemented not only in the US by marketers and advertising agencies, but it has also gained popularity in the other countries, by both international and local agencies.

The following details about implementation of IMC in Thailand come from different sources. First by the personal advertising experience of the author, who worked at Ogilvy & Mather Public Relations (Thailand) as a Media Executive and then transferred to Wunderman Cato Johnson (Thailand), as an Account Executive. Second from the primary research, the questionnaires that were completed by 20 advertising people in different departments (detail in appendix B). And the last sources of IMC data come from several business newspapers.

Implementing IMC in Thailand

Although there is an increasingly global marketplace for the multinational companies selling their products across national boundaries, there are some certain issues being discussed for which an appropriate approach should be applied to each marketplace or country based on its needs, wants, values,

traditions, languages and economic variables (Zandpour and Katrin, 325). For instance there is the concern regarding whether or not the agency should or could be standardized. However, there is no absolute right or wrong answer for these issues. So the appropriate approach depends upon local market conditions (Belch, 54).

For the marketing and advertising worlds, a new frequent question asked by many marketers about IMC is "Will it work outside North America?" (Schultz, 12) From my experience and data, I can indicate that the IMC concept works in Thailand. Many large advertising agencies in Thailand began to adapt this IMC concept to their agencies. Some international agencies have obtained their unique IMC approach from their headquarters in North America or Europe. Some local advertising agencies have applied the IMC concept from the IMC theory in the United States. The two outstanding universities that have the IMC focussed graduate in the United States are The University of Colorado, whose program was developed program by director Tom Duncan, and Northwestern University's Medill School of Journalism's program developed by Don E. Schultz

Lintas (Thailand), the largest advertising agency in Thailand, has applied the IMC concept from Lintas Campbell Ewald in the USA for six years. The

overall approach of Lintas is similar to the basic IMC concept. Both are starting with the customer and prospect and then working back to determine the methods and communication tools, which are developed for each target group. And most important, Lintas uses Zero- Based planning, the details as described in chapter 3. However, Lintas cannot apply the IMC process for every product because of three reasons. The first reason occurs within agency, where some employees do not clearly understand integrated marketing. As a result, they are still sticking with traditional media. To overcome this problem, Lintas cooperated with Lintas headquarters in the USA, by sending executives and creatives to gain some knowledge about direct marketing as well as database development. The second problem Lintas encountered occurred on the clients' side. Traditional advertising is still playing an important role in the marketing plan, so the advertising agency is responsible to this part. On the other hand, clients handle other communication areas. And they believe that they can do these areas better than agency. For instance, the marketers believe that they can build the better relationship between their company and retailers. Lintas' third major problem has been that the revenue from IMC services cannot support the agency's expense, because Lintas charges only IMC fee.

The USA service's payment system, which applies an hourly charge, is different than in Thailand. Each department has an unequal rate, such as hourly rate for creative department is normally higher than others. Consequently, most of clients in Thailand, however, do not accept "hourly system" (Krung Thep Turakij, 7-8). From my own experience, this problem happened once at Wunderman (Thailand) at the beginning period because clients believed that the hourly rate was much more expensive than usual rate. Moreover, the clients did not understand that the creative job took so much time. They believed that it was done in a few hours. And some direct mail pieces had to be revised again and again; therefore the hours were added up. Finally, the solution was to adjust The American hourly rate to a typical rate in the Thailand market.

According to my primary research, the result showed some confusion by Lintas in implementing the IMC concept. By using open and ended questions about what the concept of IMC meant to the individual responding, all replies varied in detail (see appendix B). Unbelievably, no one mentioned about database, relationship or even two- way communication. Everyone knew only that the IMC concept was mixed media or using a variety of communication tools. From these answers it can be inferred that Thai advertising people understand and implement IMC concept in limited ways. All these answers

suggest a big problem in the advertising industry; a low level of understanding and comfort with a potentially very valuable tool. This creates a problem the agency may suggest their clients applying IMC approach to their marketing plan, but client service does not clearly understand IMC enough to explain it and persuade their clients to apply IMC. They will not have confidence in it, or may demand a more traditional approach.

Almost all of the respondents believed that clients who use IMC will experience more success. In contrast, only four respondents thought that IMC knowledge is now important to their career success. From my point of view, some advertising people still believe that IMC planning should be handled and implemented by marketers, not agency people. In fact, both the agency and the marketers' clients should be the good partners.

Following my thesis statement, I would like to compare the difference of how to apply IMC concept between in Thailand and the USA. The result showed that almost all respondents thought Thailand is earlier in its development than the United States. Moreover, I asked for some comments from a professor in the school of Journalism at Bangkok University in Thailand about this topic. From his point of view, Thailand is only a good follower because Thailand lacked a specialist in IMC.

In Thailand, I believe we can apply the entire concept of IMC the same as in the USA. But the difference is in the detail. On the questionnaire, there was one question asking what factors of IMC are different between Thailand and the USA. "Lifestyle" was the first ranked as the factors that make the most difference in implementing of IMC. I totally agree with this factor because generally marketers use Psychographic variables (detail in chapter 2) such as personality characteristics, motives and lifestyles, to segment markets (William and Ferrell, 95). Because different countries show different cultures specifically, different lifestyles exist, and this lifestyle information is crucial for the IMC planning. So the study of psychography in order to acquire this information is necessary.

Currently, the studies of lifestyle by the Standford Research Institute's Value and Lifestyle Program (VALS) are becoming popular. This program surveys American consumers to select groups with identifiable values and lifestyles. Marketers can use the VALS studies to create products as well as to segment markets. Moreover, VALS characteristics are also used to select media and determine advertising content (Belch, 119). Unsurprisingly, these 'lifestyle' details can be the best supporter for marketers in order to concentrate only on the right market. However, in Thailand, the area of research and data is not as well

developed as in the USA. Additionally, some Thai marketers have a negative view about research as well as database.

Then, the other factors that are somewhat different and present challenges to the IMC concept are education, media & technology and a country's development, respectively.

The Barriers to IMC in Advertising Agencies in Thailand

As explained in earlier chapters, despite the fact that the IMC concept and the IMC implementation yields many benefits to both marketers and an advertising agencies, the possibility of utilizing the IMC in a real world business is not quite easy. There are many significant barriers to IMC in advertising agency in Thailand as follows;

Lack of database development. As established earlier, database is the core part of the IMC process and planning. In order to get the most effective result from IMC, the database must be updated and accurate. And also new technologies have made everything easier. However, in Thailand, although database and research are known in the narrow market, most of marketers and agencies do not ensure the accuracy and capability by continually updating it of the Database Company.

Low Level of Understanding and Comfort. As described earlier, even advertising people do not feel comfortable explaining the normal questions raised by clients. What is IMC? Why do I need to apply it on my marketing plan? Why is the database is so important? Not all of advertising people can give the perfect answer. Many clients still did not trust in the agencies' ability to apply the IMC process effectively. In the era of IMC, the person who has both knowledge of marketing and advertising has some advantages on others. As David Ogilvy noted, IMC calls for "a completely new breed of account executives, who are trained in all the disciplines." (Schultz, Stanley, and Robert, 15)

Conclusions

Because IMC fundamentally begins with the database of consumers and prospects, marketers are urged to face the relationship between marketing and database marketing. The more that marketers can capture and access that information, the more the IMC plan will be planned effectively and efficiently. In developing countries, such as Thailand, advertising agencies have followed IMC trend from the USA. However, the implementation of the IMC is different because these agencies have to adapt other interesting ideas to use in their business climates. And also most of agencies need time to make an agency revolution and provide a truly integrated approach.

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_____ Media

_____ Others (please specify) _____

IMC Data

8. Are you familiar with the concept of Integrated Marketing Communications (IMC) ?

_____ Yes

_____ No

9. What does the concept of IMC mean to you?

10. How did you learn about IMC? (please be specific)

11. Does your agency currently use IMC as a client service?

_____ Yes

_____ No

12. What types of your clients use IMC?

_____ International Client _____ Local client
_____ Both

13. Could you provide some detail about the clients who apply IMC into their marketing plan?

P r o d u c t n a m e

What type of IMC activities are used in the media plan?

14. Have your agency held a seminar or meeting about an IMC?

_____ Yes _____ No

Personal Viewpoints

15. Which agency in Thailand is the primary expert in IMC? And why?

16. Rank your agency's development and use of IMC with others.

_____ Higher _____ Same _____ Lower

17. Compare the development of IMC in Thailand with that of the United States of America?

Thailand: _____ Higher _____ Same _____ Lower

18. What factors of IMC are different between Thailand and USA? (selecting the choices that apply)

_____ Education	_____ Nationality
_____ Race	_____ Religion
_____ Client/Product	_____ Lifestyle
_____ Country's Development	_____ Media & Technology
_____ Economic level	_____ Psychographics
_____ Others (be specify)	

Please check the appropriate box that apply to your answers

	Strongly	Strongly	Agree	Disagree
	disagree	a g r e e	s o m e w h a t	a g r e e
19. My client know a lot about IMC	_____	_____	_____	_____
20. IMC is more important for my clients that the traditional media (TVC, Print ad., etc.)	_____	_____	_____	_____
21. IMC knowledge is now important to my career success,	_____	_____	_____	_____
22. Clients who use IMC will experience more success in marketing their products.	_____	_____	_____	_____

Additional Comments:

If you have any additional comments about the use of IMC in your agency, please respond further.

Thank you for your corporation for taking your time to complete this questionnaire.

Appendix B
QUESTIONNAIRE

General Data

1. Gender 9 Male 11 Female

2. Age

22-26 years:8 persons

27-30 years:8 persons

30-35 years:4 persons

3. Formal Education

0 Some college or technical school

12 Bachelor's degree

8 Graduate degree

4. Approximate number of years spent in advertising industry

2-5 years.

5. What type is your agency? 11 International

9 Local

6. What is the size of your agency? 3 Small (under 20 employees)
8 Medium (between 20-60 employees)
9 Large (over 60 employees)

7. In what department are you working?

- 6 Creative
6 Client Service
5 Media
3 Others (please specify) Public Relation, Marketing.

IMC data

8. Are you familiar with the concept of Integrated Marketing Communications (IMC) ?

20 Yes 0 No

9. What does the concept of IMC mean to you?

- Kind of integrate all ways and media that think will "work" into applying to make the client happy.
- The communication which use many kinds of media in order to get the most effectiveness.

- The use of coordination all marketing efforts into a single and prospects through the target with single message by the mix of communications.
- Marketing that target to a very selective target group for the most effective marketing campaign.
- The house unit or department which dealing with below – the – line jobs.
- The concept of IMC is mixed media marketing communications.
- To communicate to the market by using on innovative communication tools.
- Many types of marketing communications are planned together and directed to the same way (goal).
- Communication channels combination.
- The implementation of all marketing strategies for selling the products such as Advertising, Public Relations, Promotion and others.
- It is a way that advertisers use to communicate or convey the messages to their target market by using the combination of marketing tools.
- IMC is to implement the marketing communication at full level, apart from advertising alone.

10. How did you learn about IMC? (please be specific)

Universities, Newspapers, Company trainings, working Experiences, Friends, Clients' Marketing Plans.

11. Does your agency currently use IMC as a client service?

17 Yes 3 No

12. What types of your clients use IMC?

8 International Client 0 Local client 10

Both

13. Could you provide some detail about the clients who apply IMC into their marketing plan?

- Product name _____
- What type of IMC activities are used in the media plan?

14. Have your agency held a seminar or meeting about an IMC?

8 Yes 12 No

Personnal Viewpoints

15. Which agency in Thailand is the primary expert in IMC? And why?

16. Rank your agency's development and use of IMC with others.

5 Higher 11 Same 4 Lower

17. Compare the development of IMC in Thailand with that of the United States of America?

Thailand: 0 Higher 4 Same 16 Lower

18. What factors of IMC are different between Thailand and USA? (selecting the choices that apply)

13 Education 4 Nationality 3 Race

14 Religion 9 Client/ Product 16 Lifestyle

14 Country's Development 8 Psychographics

12 Media & Technology 10 Economic level

Please check the appropriate box that apply to your answers

	Strongly agree	A g r e e somewhat	Disagree	Strongly disagree
19. My clients know a lot about IMC.	3	10	8	0
20. IMC is more important for my clients than the traditional media (TVC, Print ad, and etc.)	3	12	5	0
21. IMC knowledge is now important to my career success	13	5	2	0
22. Clients who use IMC will experience more success in marketing their products.	5	13	2	0

Additional Comments:

If you have any additional comments about the use of IMC in your agency, please respond further.

- The clients should recognize the use of IMC.
- The excellent IMC plan will not work unless we have a good team to deliver it.
- Thailand needs more researches and information about the consumers.
- Our agency has had a future plan to apply IMC. And this will absolutely be very helpful for us in achieving the marketing products.
- Most of the clients in Thailand usually have a sort term marketing plan, therefore; the agencies have to push and show the important of using IMC to the clients' benefits.

***Thank you for your cooperation for taking your time to complete this
questionnaire.***