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The Impacts and Implementation of Integrated Marketing Communications

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**The Impacts and Implementation of Integrated Marketing
Communications**

Min-Fang Wu, BA

An Abstract Presented to the Faculty of the Graduate
School of Lindenwood University in the Practical
Fulfillment of the Requirements for the
Degree of Master of Mass Communications

1999

ABSTRACT

In the current market place, there are two points that occupy the marketer's attention. One is the necessity of integration; the other is the importance of communications. Integrated Marketing Communications (IMC) is the crystallization of the two thoughts.

Because the entire market place is changing so rapidly, factors that result in a successful business are too complicated. Integration of all kinds of market resources is no longer a marketing theory which is discussed by academics. It has become a necessary solution to business.

On the other hand, the popular issue of communication does not simply reflect the deep relationship of human beings, but the relationship of customers and enterprises in today's market place. It is strongly involved in brand building and loyalty maintenance, communications is regarded as a key point when people think of promotion and other market tactics. In fact, more and more companies are aware of the benefits of communication. They are trying to establish their communication system instead of focusing on the old main characters of 4P'S (price, place, product and promotion.)

Consequently, IMC is beginning to play a major role in the field of marketing. This study covers the meaning of IMC, including practical case examples illustrating, and the techniques of IMC. It also explores, more

broadly, the challenges that marketers face today, and the role that IMC plays in the marketplace.

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Dedication

This project is dedicated to my family, my friends, and all of my teachers at Lindenwood University. These are Michael Castro, Joe Silverio, Eric Zitelli, Tom Dehner, and Myron Kozman, and especially, to my American parents, Dr. David Williams and Rita Ludwig. Last but not least I wish to recognize my mother and grandmother in Taiwan.

Without family support, it is impossible to start the long trip oversea and complete it. And without all of my teacher's inspiration, I would have never known how to open my eyes to learn. In addition, no matter in Taiwan or in USA, all of my friends gave me so much love that has made me treasure every moment when I get together with these special peoples.

Education to me does not just happen in school but also in life. In fact, this project is evident that I have found myself in the U.S.A. Therefore, I am pleased I have been able to accomplish this major goal that I set for myself.

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Chapter I

Introduction

Integrated Marketing Communications (IMC) has become a magic word in the modern marketplace. Despite its brief history, it has established itself as an ambitious marketing process that is efficient and effective. The Oxford English Dictionary defines integration as “combination, completeness, unity, association”. Another dictionary describes it as meaning to “combine (part) into whole; bring or come into equal membership of society”(Clarke, 27)

In 1993, Schultz’s conceptual definition of IMC was:

IMC is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines (for example, general advertising, direct response, sales promotion, and public relations) and combines these disciplines to provide clarity, consistency, and maximum communication.

(Schultz et al., 7)

The Medill School of Journalism of Northwestern University, which now offers a master’s degree program in integrated marketing communications explains

IMC as” the process of managing all sources of information about a product which behaviorally moves the customer toward a sale and maintains customer loyalty (Caywood 91)

Looking back to World War II,

The media effort supporting all of this was pervasive and total. War dominated newspaper headlines, magazine covers, news on radio, and newsreels in movie theaters. Bulletin boards in classrooms, offices, and factories; pay envelope stuffers, posters, and billboards, store windows, cereal boxes—every print surface, moving image, or sound source went to war, just like Lucky Strike green. (Schultz, et al., 3)

When the war ended, the marketing concept hadn’t been formalized yet. The most important function of factories was manufacturing. Factories were placing an emphasis on quantity and producing more than ever before.

By the late 1950s, the initial surge of demand had been satisfied and the economy had begun to shift, yet production-oriented companies sought to maintain profitability by taking cost out of the manufacturing process. Efficiency experts often turned workers into machines; imagination and

initiative were discouraged. Cheaper materials reduced the quality engineers had designed into products.

(Schultz et al., 4)

During the 1990s, however, marketing has become more sophisticated. The current marketing trend involves media fragmentation connecting with micro markets. Price and quality are still important but the unique value of the product is more important. While high-tech is the engine that deeply impacts market trends, brand is the essential factor that wins and holds customers attention in countless parity products. Customer orientation is the basic principle. Accordingly, two-ways communication is more efficient than one-way.

The following discussion will explore these questions.

At this time, why has integrated marketing communications become so significant in the current marketing environment? What is the correlation between integrated marketing communications and marketing challenges today?

The Exploded Media

The first dramatic challenge to marketing is that channels of communication have exploded. Besides new digital media, since 1990 there has been a great deal of growth in TV channels, magazines, and radio. The report of Target Marketing in Oct 1997, mentioned that the current environment offers:

- 5 major television networks
- 11,000 magazines
- 10,000 newsletters
- 1,600 newspapers
- 5,000 radio station
- 7,000 cable systems
- 3,500 prime Web sites(11 million total Web sites)

“Add to these, the direct marketing industry which drops more than 700 pieces of mail a year to the average American. And including promotional, the telemarketing industry, and the digital media, the average American is exposed by more than 3,500 advertising messages daily” (McKim, 86).

The datum reflects an interesting phenomenon.

Fifteen years ago you could count on reaching at least one in four households on “The Cosby Show.” Today, the networks’ broadest-reaching vehicle, “Seinfeld,” barely reaches one in seven. Where did everybody go? Well, look around. We’re all but splinters, torn between work, airports, trade shows, magazines, pay TV, kids, Web sites, billboards, buses and then some. (Neisser, 26).

Because the entire media environment is so noisy and fragmented integrated marketing communications becomes a main research focus that experts and professionals need to explore and develop. Even though clever marketers know how to select the most profitable target, it is not easy to deliver messages to them. IMC is expected to develop its function of information control, which sends the right message to the right person, at the right time, and in the right place.

Brand Building—Long Term Benefits

Research on the subject of “Brand-building through integration” has pointed out that:

Customers today are each hit by around 13,000 commercial messages a day—to be the source of the few that are remembered and, more importantly, acted on, it is vital to have strong, attractive brand offering what the customer wants and needs, and to reach them via different routes simultaneously in order to strengthen the message (Clarke, 27).

Yes, if what marketers need to accept is the fact that they are standing in a very competitive marketplace, they must clearly know what is to their advantage. Otherwise, they will be out of running. From the research, we realize that every product or company has its own opportunity to build its brand, which can be an advantage, through the recognition factor, in conquering market barriers.

The market barrier that marketers face today is competition. Most manufacturers try to speed up their reaction in catching up with other competitive products. You can look around in the supermarket; there is no big differential in the price, place, and product. Even the promise and package are similar to each other. If

you watch something new on the TV commercial today, you can find another better option in next week's prime time ads.

Many research found that, brand is the key differential that can lead customers to make up their minds to buy your product in the parity market. And brand building is one of the important functions that integrated market communications can achieve. IMC's strengths lie in its ability to communicate by applying a database that can segment customer groups and base the approach on different groups' needs and wants. Such an application tends to strengthen the message and enhance the relationship between customer and company. When the buying and selling movement remains stable for a period of time, marketers can know that the customer has loyalty to the product, and that the brand name has been successfully established in the specific consumer's mind.

Creating Customized Customer Communication

Most customers have a hard time enduring the one direction conversation that comes from the seller. What they need is a real dialogue between the buyer and seller.

In the old days, the communication was started by an inside- out system.

Typically, we gather the managers in a room, make a list of what we want to communicate, decide how much we can spend, develop our messages, select

our media or delivery systems, and 'let her rip!' we decide what we want to say, to whom, in what promotion form, during what timeframe, and at what investment or scheduling level (Schultz, 6).

However, "Integration, is driven by an outside-in view. We must determine what the customer wants or needs from us, not what we want to sell. It is this switch from monologue to dialogue that seems to be one of the most difficult challenges for most organizations"(Schultz, 6).

In other words, marketing planning is no longer controlled by a relatively few top managers, but by a clearly integrated database which includes individual or consumer group perceptions, consumer attitudes, demographics, personality and life-style that can be used in an analysis of the consumer's behavior. In order to have an effective program, marketers are required to put more effort on understanding customers, the profits provider, before they sit in a meeting room.

Four P's Theory Turned into Four C's

The traditional marketing knowledge of 4P's (product, price, place and promotion from 1960) is not enough for the quickly changing market. At the end of the 1990's, the basic sense of market is 4C's, which is "Customer Needs, Cost to meet

those needs, Convenience to purchase and Communication (dialogue between field sales, the corporate office and the customer” (Reich, 26) These have replaced the traditional 4P’s of product, price, place, and promotion.

The new catechism says:

“Forget product. Study consumer wants and needs. You can no longer sell whatever you can make. You can only sell what someone specifically wants to buy” (Schultz et al, 12).

With the IMC concept, the customer is always the target of communication. The communication process has just for one simple purpose: understand the customer’s needs and wants.

Generally, marketers in the past used a survey for understanding customer’s needs and wants before the product went on the market. This is helpful to design a new product or develop an effective strategy.

In an IMC project, what marketers can continually to do is interact with customers. The interaction benefits marketers to understand customers’ needs and wants and extend the product’s life cycle.

“Forget Price, Understand the customer’s cost to satisfy that want and need.” (Schultz et al, 12)

In the age of the mass market, price was the only concern when the customer bought a product. In the age of IMC, cost translates to value, which could be love and passion, partnership and intimacy, and self-concept. For example, when people bought

a prestige product like a Porsche, the value it offered was not only that of a high quality car but also a self-concept of high social status.

Therefore, cost here is not a specific price; it is an intangible value.

Understanding what kind of value that customer needs and wants is equal to understanding the cost that customer is willing to pay.

“Forget Place. Think Convenience to buy” (Schultz et al, 13).

There are two cases, which can explain convenience.

First of all is the vending machine. In the old days, when you wanted to buy something, the old corner grocery store probably was one of the few places that you could choose.

Today, standing on the corner of a street is not only a store but also several vending machines. These machines offer daily items like newspapers, sodas, crackers, and even condoms.

Secondarily, and not time and space limited, is shopping on the Internet.

Developed in recent years, it is becoming the most creative contribution that high-tech has provided. Without traveling around, or any complicated procedure, Internet shopping gives you freedom to shop globally.

The success of Internet companies like Amazon.com indicates that convenience is becoming an extremely important factor for consumers.

“Finally, forget Promotion. The word in the ‘90s is communication.” (Schultz et al, 13)

Promotion is a market tool that stimulates customers to purchase.

The dominant word to win the market contest in the '90s is communication. As the factor of price has lost its dominant position, relatively, promotion has lost its power. Purchasing behavior consists of many factors. Promotion is a temporary irritant while, on the contrary, Integrated Marketing Communications is a permanent interaction between customer and company. Through the healthy conversation, both customer and company will be aware of each other. In other words, communication is the key to improving the relationship between the consumer and the product.

Indistinct Relationships

The famous advertising proverb of Philadelphia Merchant John Wanamaker said: "I know that 50 percent of my advertising dollars are wasted; trouble is, I don't know which 50 percent." (Schultz, et al, 5)

This statement not only reflects most advertisers' sentiment, but also shows the problem that marketers lack an efficient method of measurement that can help them to realize the connection between the sender, content, channels and receivers.

This involves complicated relationships between manufacturers, advertising department or agencies, media and intermediaries departments for product distribution, and customers. Senders usually include manufacturers, for profit or not for profit service providers and retailers. Content refers to messages that the sender

wants to communicate with the receiver. Visual, audio, and text messages alone and in combination form the expression to deliver content. Easier to explain, channels are media. Through TV commercials, print ads, or the World Wide Web, marketers can depend on visual communication to talk to the audience. Through radio, language, music and voice they stimulate the audience's desire. By advertising in the print media, e.g. in the newspapers and magazines, they can reach audiences who are their target and potential customers.

The most important element of the entire communication link are receivers. They are the audiences and the customers. The "FOCUS" theory (Schultz et al, 5), developed General Electric's huge advertising and sales promotion operation, postulates that "all good advertising begins with a fundamental understanding of the receiver." (Schultz et al, 7).

Receivers are defined as people whose behavior the advertising is intended to influence. Thus, the efforts of marketers are for one basic reason: to affect the audience to be their customers and to move them to the market to become the purchaser.

The indistinct chain also involves a heavy issue of IMC, which is database. The argument is:

Even within fast-moving consumer goods organizations, there is substantial customer (channel) data which could provide the basis for the development of a consumer (enduser) database, Unfortunately, it is the lack of connection or cooperation between marketing, sales, and research which prevents the use of this system wide data (Schultz, 7).

However, the IMC picture is “in favor of integration, centers on rapidly diffusing information technologies which are impacting the marketplace, consumers, media, and distribution of product and service”(Schultz, 7).

Purpose of the Research

IMC is a new marketing field that was developed within the past ten years:

Schultz (1990) formalized the IMC discussion in the United States by arguing that nothing (in the United States) had received as much publicity and discussion at scholarly meetings while seeing little real implementation as had the concept of IMC in 1990. At that time most manufactures and marketing organizations in the United States were still trying to sort out the need for and value of IMC (Schultz 7).

In 1996, the Journal of Marketing Communications devoted a special issue to IMC. They found that “virtually all the papers dealt with theory building and /or identification of key issues - in other words IMC still appear to be in a pre-paradigm as opposed to a post- paradigm state”(Schultz, 9).

However, as the market changed rapidly, more and more experts and practitioners began to emphasize communication instead of the promotion mix. Communication here is not simply to employ the most outstanding communications practices, but also to employ people who can effectively relate internally to employees and externally to customers and suppliers. “Communication is a major key to marketing success.”(Freeman, 6-7) It requires a company to develop a message about itself that can earn its client’s attention and trust. In brief, it is an issue of what should I say? When should I say it? Where to talk? How to talk? And to whom should I talk?

Extending communication to integrated marketing communications, IMC is a comprehensive way of thinking which involves the fields of marketing, public relations, advertising, and the specific issues of brand managing, consumer behavior, database marketing, and customer relationships.

Whether IMC is a powerful theory and method that benefits a business with the ability to evaluate complicated situations and solving problems, or a theoretical idea that is an empty word, are all subjects that will be discussed and examined in the

thesis.

Moreover, we will address whether IMC is a fad such as some people claim, whether it is simply old wine in a new bottle, or whether it is valuable knowledge and a meaningful tool to those companies who have IMC's experience.

It is the intent that the evaluation of the research on IMC will offer directions that can help companies to build their successful IMC process.

Chapter II

Review of Literature

Basically, IMC is a new marketing field that has gained recognition the past ten years. Therefore, most of the literature of this research is adopted from marketing periodicals.

Based on IMC's character of integration, the subject of IMC is discussed in different communication fields, which are advertising, marketing, and public relations. Most of the people in these fields believe IMC is important to the development of marketing. Some start with the topic of consumers' behavior and focus on information control. Others are emphasized on database and brand management.

Because IMC itself is a complicated project, depending on different situations, it combines several marketing tools to conquer the marketing problems and achieve business goals. This research is trying to approach the most valuable part that IMC has considered and executed.

Traditional Marketing vs. Modern Marketing

- **Separate and Integrate**

The individual power of advertising, public relations, and sales promotion to

growing a business's success is no longer enough. Traditionally, when products have the problem of awareness, most business managers would talk directly to the advertising manager, or the advertising agency they work with. Because they believe the problem is directly related to advertising, the only way they believe they can find the solution is by depending on this single unit.

Today, the boundary-line among each field is blurred. In the competitive marketplace, products and organizations could be shifted to any possible status very quickly. To achieve success, however, managers are required to have many fresh ideas, new strategies, and new tactics.

At this time, networking and coordination across different departments are necessary, and integrated business strategies are on the rise. Integration is not a trend; it is happening in every organization. Moreover, to react rapidly to market conditions, working teams that consist of members of many departments in an organization are necessary. (Yarbrough, 68-75)

In fact, a single business problem could result from many factors besides advertising. For example, a company's good image could possibly come from salesmen, customer service, product quality or the relationship with distribution. Consciously managing these elements can maximize and monitor their impacts. Such integration means an organization must apply teamwork. Externally, the relationship with an ad agency, co-corporations or retailers is also needed to develop a fully integrated approach.

(Elliott III, 30-34)

- **Mass Marketing and Micro Marketing**

Media explosion has created media fragmentation. Audiences are spread out in front of the countless media. Meanwhile, the mass market has begun to break up into several small markets called micro markets. The micro market doesn't simply refer to smaller market share. It refers to groups of customers and their different interests, tastes, life styles, and purchasing histories. In the age of mass marketing, you can sell one product only by one strategy. For example, lower the price or raise the quality. In micro marketing, business needs to be concerned about the marketing segmentation and product position, which includes customer behavior and demographic characteristics such as age, income, family size, geography, education, personality, life-style, culture, and social class.

In short, marketing is not an addition question, but a multiplication question. In addition, it is a big challenge for one company to satisfy those hundreds of splintered customer groups. Should they produce more products to cater to consumers' needs? Or should they just focus on one product and tightly catch one single group of customers? The reason that all of these questions become so complex is because the micro market has replaced the mass market.

The Mode of Communication

“Modern marketing calls for more than just developing a good product, pricing it attractively, and making it available to target customers. Companies also must communicate with their customers and what they communicate should not be left to chance. For most companies, the question is not whether to communicate, but how to spend and in what way” (Kotler, 427). In past days, manufacturers thought product and price are the main topic that they should communicate with customers; indeed, in the mass market, the only thing that customers cared about was the price. The primary factor for purchasing was how cheap the product was.

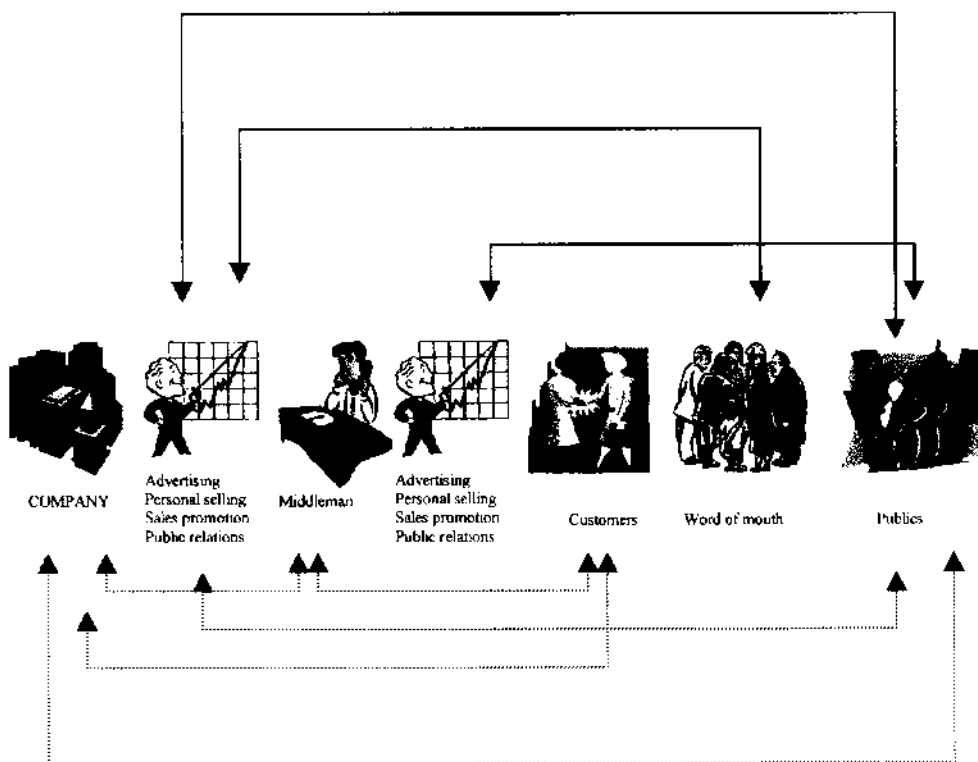
Conversely, in modern life the purchaser always looks for something unique in the parity marketplace. Is this product’s performance better than another product’s? Where is it made? Does it have a famed brand? Does it have the additional value? What is the reputation of this company?

Yes, price could be one of the questions but not the only concern. To customers, buying the product is not a simple trade, it is more like marrying somebody. They hope they can get more information about the product to prevent them from being disappointed.

In the meantime, what the company should do is count on the timing, and feed the proper information to the customer, opinion leaders, and any channels through

which the potential buyer could be reached. Thus, modern company managers are facing a complex marketing communication system (See Figure1-1)

Figure1-1 The Marketing Communication System

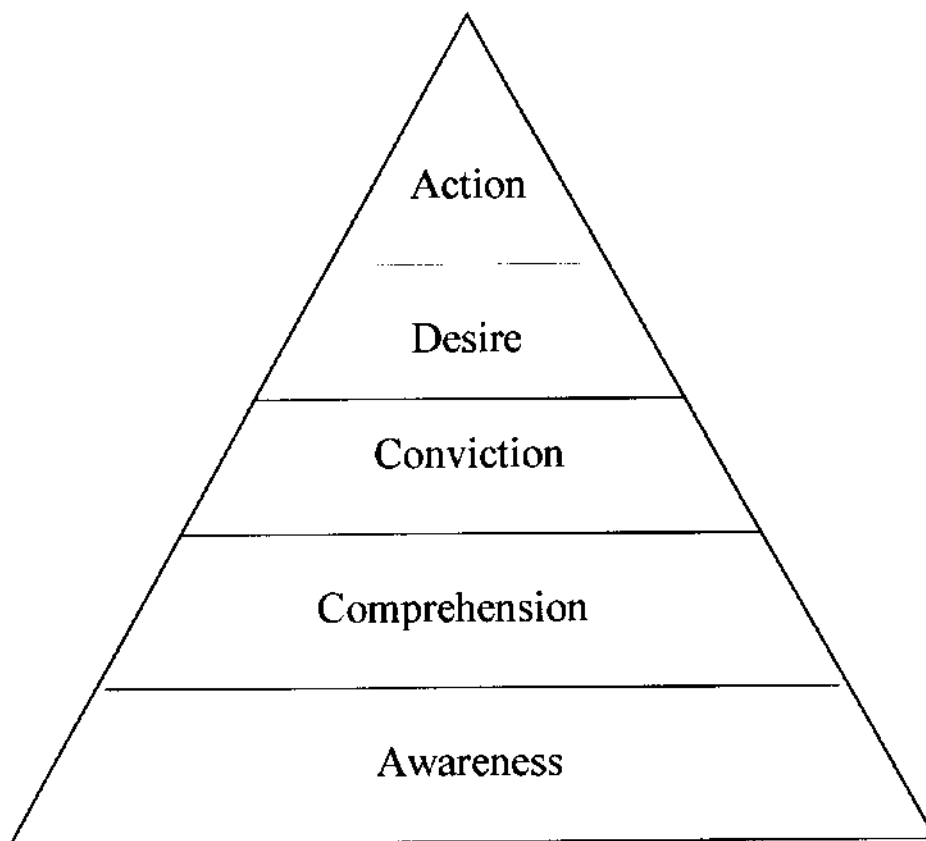


Source: (Kolter, 428)

Moreover, the old advertising pyramid (Figure 1-2) in the mass market is no longer working. Because the old fashioned relationship of father and son has changed to a partnership. In this partner dialog, the structure is transferred from upside down to a feedback circle. (Figure 1-3)

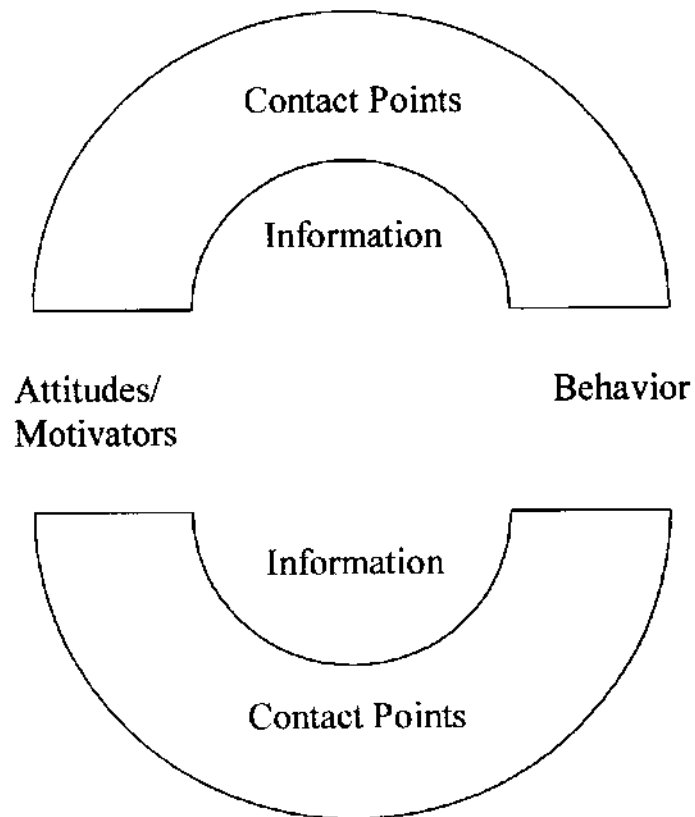
The feedback circle means “message goes to the customer through advertising and other communication channels’ messages come back via direct response, survey, and a purchase behavior database. The marketer’s message can evolve based on this feedback” (Arens, 205)

Figure 1-2 The Old Advertising Pyramid



Source: (Arens, 204)

Figure 1-3 The Feedback Circle



Source: (Arens, 205)

- **Information Forming Process**

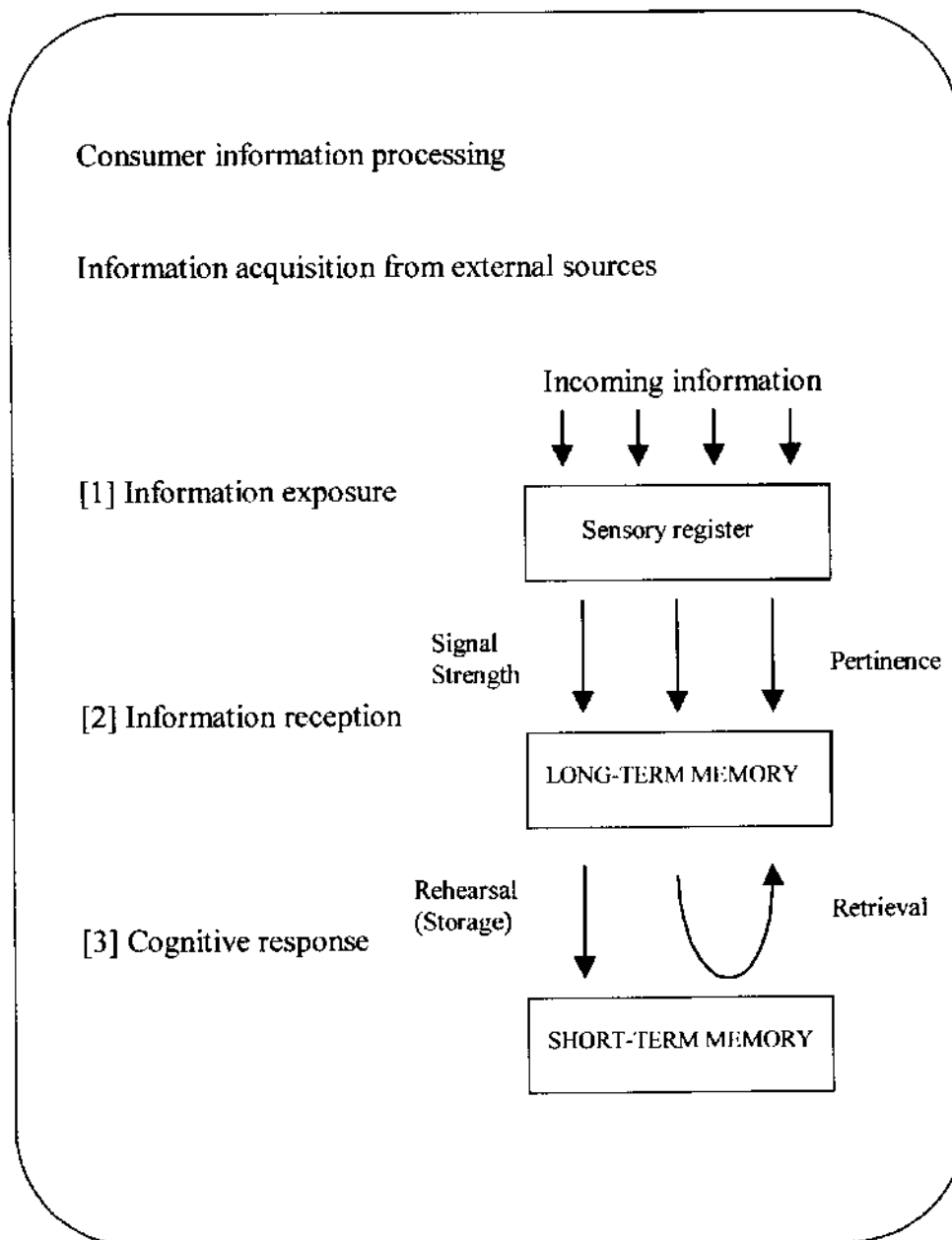
“As the number of media increase, the noise in the channels grow. Thus greater numbers of the marketer’s messages don’t get through or are lost in the system.”

(Schultz et al, 29) Thus, the significant challenge for the marketer in customer behavior is how to form the information in the customer’s mind.

When some of the research discusses memory and information processing, it suggests that “Information is the primary raw material that works with in influencing consumers. Therefore, a knowledge of the perception process is an essential guide to marketing strategy” (Hawkins, Roger J. Best, Kenneth, 235). The useful strategies mentioned are relative to seven items which are retail strategy, brand name and logo development, media strategy, advertising and package design, advertising evaluation, regulation of advertising and packaging, with regulation of advertising aimed at children.

On the surface, it seems a strategy-oriented issue especially focuses on advertising. On the contrary, it is the complex issue involving the human memory forming process. Therefore, it is important to understand the information-processing mode, (Figure 1-4) if we want to install a clear, effective message into the consumer’s brain.

Figure 1-4 Information Process Model



Source: (Schultz, 33)

Based on information exposure, information reception, and cognitive response, this model explains the path of how the information from the outside environment can be moved to the long-term memory inside a human's brain.

The mode shows three purposes. "First, all incoming information whether auditory or sensory is transduced so patterns can be recognized. Second, the sensory register holds the information for short periods of time for further processing. Third, it alerts higher brain centers about the presence of these patterns so that the information can be further transformed and processed." (Schultz ET al., 33-34) To marketers, the better the understanding about the information-processing concept, the more they know how to control the message with the lowest budget and the highest target rate.

- **Customer's Perception and Decision Making**

The tough issue for the marketer is not to create fashion of exciting messages, but to explore "how consumers select, take in, process, store, and recall information from the marketplace"(Schultz, et al 23). Besides, "there is increasing evidence that customers and prospects are basing most of their purchasing decisions on what they perceive to be important or true or what they think is right or correct rather than on solid, rational, economically derived information" (Schultz et al., 22).

Unfortunately, the learn-feel –do mode of the traditional advertising pyramid is no longer the standard means of customer’s perception and decision making. In Modern Marketing, the mode of do-feel-learn also works. Moreover, depending on different kinds of product or distributions, one customer could follow any kind of mode to make his/her purchase decision.

Advantages of IMC to affect customers’ perceptions and decisions making can be stated as follows:

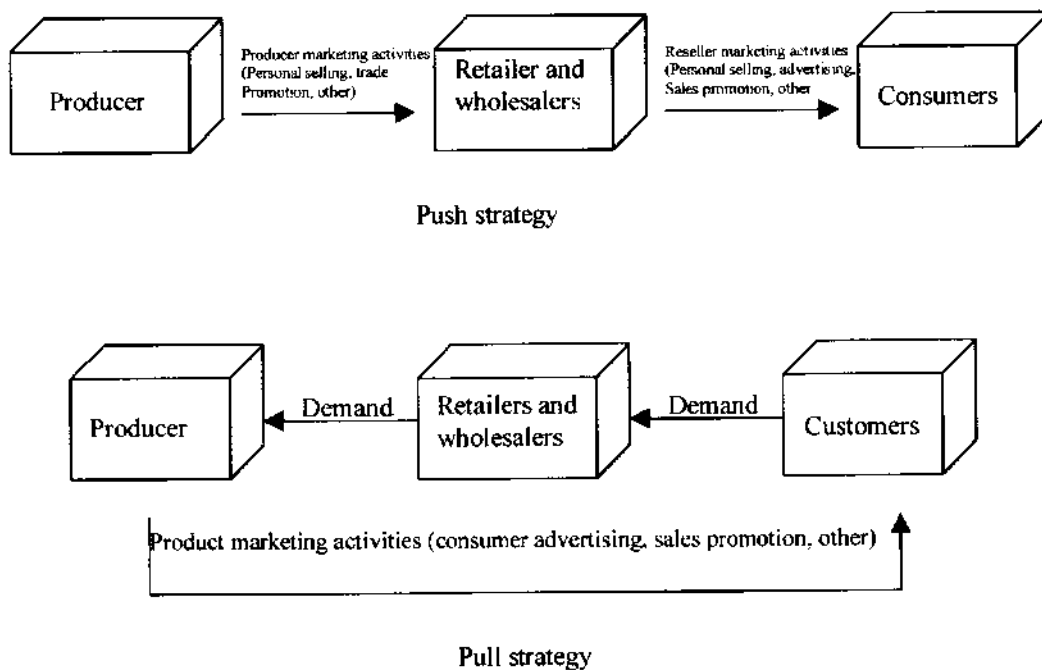
In the course of making a buying decision, business customers need a lot of information, and the IMC tactics can give the buying process a boost by offering details about product specifications and uses, availability, buying incentives, and other data (Wood 11).

The Integrated Marketing Communications

Integrated marketing communication is a popular issue for marketers in recent years. It is “the concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent, and compelling message about the organization and its product”(Kotler, 450). Generally, business activities combine with push strategy and pull strategy. Push strategy means “a promotion strategy that calls for using the sales force and trade promotion to push the

product through channels. Pull strategy is defined as a promotion strategy that calls for spending a lot on advertising and consumer promotion [based on feedback from sellers and customers] to pull the product through the channel". (See figure 1-5)

Figure 1-5 Push versus Pull promotion strategy



(Source: Kotler, 439)

The Integrated Marketing Communication process, from marketing's viewpoint is to send messages by any possible channel, through the Push and Pull activities to achieve the business goal of selling product and making profits.

Public relations professionals adapted the definition of IMC as:

The process of managing all sources of information about a product/service to which a consumer, prospect, or stakeholder is exposed which behaviorally moves them toward a sale and/ or relationship and maintains consumer/ stakeholder loyalty. (Caywood xx)

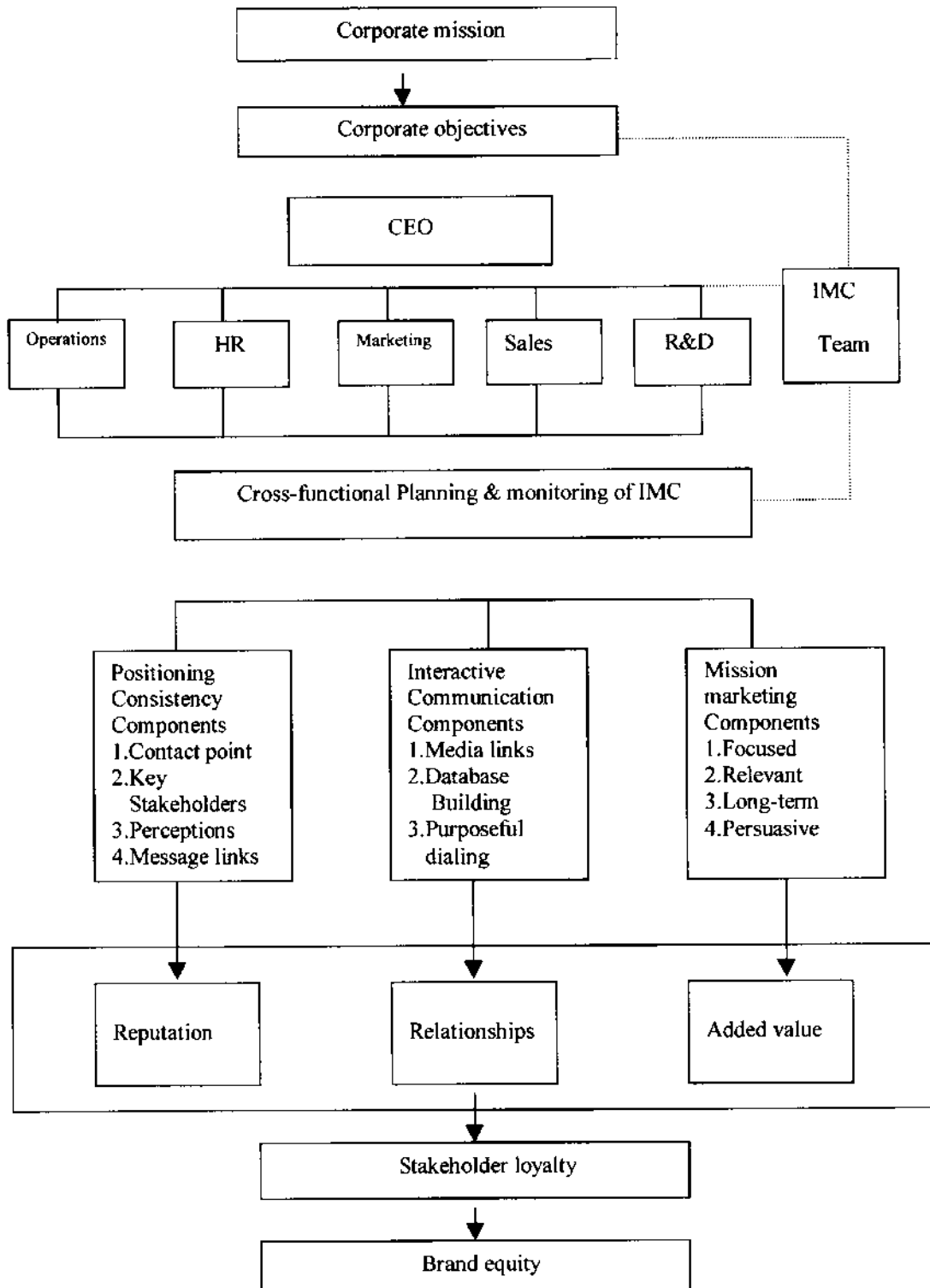
In other words, the PR practitioner is more focused on information management and brand management. Therefore, in their vision, IMC is useful knowledge and a skill that devotes itself to improved their relationship with customers, co-corporate partners, and other stakeholders. Meanwhile, Tom Duncan, director of the IMC graduate program at the University of Colorado at Boulder, points out “ the bottom line for all IMC efforts is an enhanced relationship with customers and other stakeholders, which leads to stakeholder loyalty and, finally, brand equity”(Arens, 432).

After establishing the definition of IMC to marketing and public relations, the advertising field evaluated IMC broadly:

Integrated marketing communication is the process of building and reinforcing mutually profitable relationships with employees, customers, other stakeholders and the general public by developing and coordinating a strategic communications program that enables them to make constructive contact with the company/ brand through a variety of media. (Arens, 198-199)

Obviously, the third angle of IMC's explanation is emphasizing contact and media, which is also the most important function of advertising. In fact, Tom Duncan also points out that IMC is a process in which communication becomes the driving, integrating force in the marketing mix and throughout the organization. (Arens, 432) And in his IMC macro model (See Figure 1-6) Duncan clearly shows a whole picture of how to operate an IMC program in an organization. Combining those opinions, IMC could be described as the leverage tool for three essential issues: information, brand management and relationship maintenance.

Figure 1-6 IMC macro model



Source: (Arens, 433)

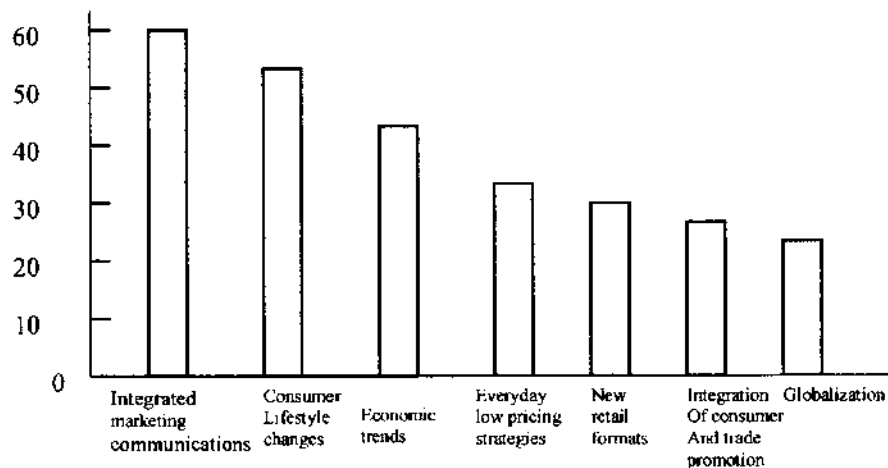
Chapter III

The Importance of IMC

In a survey of one hundred company marketing executives, most of them thought “integration of advertising, promotion, public relations, and other communications activities would influence companies’ marketing strategies more in the next three to five years than economic trends, globalization, and even pricing “ (See Figure 1-7)

This evidence shows that integrated marketing communication has become an important issue among a number of top management. (Arens, 202) On the surface, it is a communication link that combines advertising, promotion, and public relations. Furthermore, it relates to information control, database marketing, and brand management, which are the effective aspects in the current trend in marketing.

Figure 1-7 Factors influencing marketing strategies



Source; (Arens, 202)

Information Control

One of the important functions of IMC is information control. As Penrice said:

Information process has dominated most approaches to marketing communication, which suggests that communication can be managed or controlled. If marketers understand the complex chain of mental events they can integrate different ways of communicating their messages to ensure that

the necessary mental events take place in the most effective information environment. (Penrice, 13)

Driving on the explosive information super highway, thousands of bits of information on products and services are competing to get into peoples' brains. The problem is that most people are facing the situation of information overload. For example, some surveys show that "ads repeat from first to sixth, the rate of consumer's memory raising from 27% to 74%." (5nan, 112)

Maybe, repetition is a good way to stimulate a customer's memory. But this approach risks having a negative impact if the customers don't like the ad. The truth is that whenever customers would be reached by these messages, they would leave negative impressions with some.

As the result, the more contacts, the more the negative impact increases. IMC is a tool to help the sender to find the best way to link media and audience by information. It contributes a lively interactive dialogue between business and its prospects and customers (Sec Figure 1-3).

Database Marketing

The database is the most important puzzle piece of IMC:

IMC is an aggressive marketing plan that captures extensive information about customers through a database and other means, uses that data to target specific customers through marketing strategies—advertising, promotions, direct mail, etc—and then completes the circle (Figure 1-8) by evaluating the effectiveness of those strategies so the next cycle is even more successful (Yarbrough, 68).

Figure 1-8 The circle of database in IMC



The Effort of Database to IMC

- **The Best Advisor**

A relational database is an essential tool for integrated marketing communications, and the best advice is to go ahead and get started building one. “The database is crucial to the successful development and implementation of integrated marketing communication. It has the power to align the whole organization and make it customer-oriented” (Schultz,14) .

In fact, the database could be separated to three levels. First of all, most organizations expect a database of wholesalers or distributors. To manufacturers the first level means a window which can sell the product to those customers who are wholesalers and distributors. Manufacturers need to have a database that includes their purchasing records (Schultz,14-16).

It is similar to peeling an onion. When manufacturers control the actual database of wholesalers and distributors, naturally they hope to know more detail about them and explore them. For instance, a popcorn manufacturer might sell through distributions such as theatres, schools and vending machines.

Perhaps the business objective is to create its own new brand. In this case, the existing information about distribution is not sufficient or available. What they want to understand is specific information, such as price, location, sales, and promotion. Thus,

the second level of the database includes not only the wholesaler or distributor, but also the retailer.

The third level includes databases of distributors, wholesalers, retailers, and consumers, or end users. It is the major factors that reflect the whole market place.

An example of a level three marketer is a manufacturer of desktop printers for computer applications. This company sells through major distributors, who sell to various types of retailers, such as computer superstores, mass merchandisers, and office product retailer. The company has a number of distribution channels, each appealing to a difference segment of the consumer or end user market. Of course, the critical ingredient for success is understanding the various channels, but the end users are also important (Schultz, 14).

- **Treasure Box for Measuring, Analysis, and Strategy**

What IMC can offer to the marketer is “maximizing resources and linking communication activities to organizational goals and resulting bottom line”(Advertising, 432). And the basic role that the database plays in the maximizing and linking process is establishing a foundation.

The article, "Business to Business Database Marketing: the Future is Now!" by Randall B. Bean in Direct Marketing, Dec 1997 clearly points out:

Business marketers are increasingly relying on the power of marketing databases to selectively target their best business development opportunities, to allocate resources in proportion to the potential of those opportunities, and to reduce or eliminate redundant or low-payback marketing activities. Executed in combination, these actions help companies cost-effectively maximize their customer base, as well as prospective customers. (Bean, 43)

From databases, marketers can recognize which group is the most profitable or offers the most profit potential. They help marketers to correctly select targets, and greatly reduce or even eliminate merge/ purge cost of advertising and promotion. For instance, in direct marketing, the function of a database can prevent mailers from high duplication of mailing.

On the other hand, by use of the database, businesses can monitor the most profitable customer groups, realize their purchasing record, and develop the best strategy for service. Use of database also expresses the character of IMC, which emphasizes two way communications.

Through the database dialogue, marketers can construct an even better customer marketing database, "since past behavior has always tended to be the best

predictor of future behavior”(Bean, 43). And every discovery in the dialogue could be treated as creating potential business opportunities. Measuring those opportunities, analyzing the product, advertising, and service’s strengths and weaknesses. The database helps marketers to plan a complete and thoughtful strategy to achieve business goals.

- **Establish Strong Relationship**

The most meaningful point of IMC is two-way communication. In the communication process, the database is a key point in impacting the strength of the relationship. The relationship with wholesalers or distributors, retailers and consumers or end users will dominate what results as an overall profit income of an organization in the coming age of relationship marketing.

The golden rule of business is: “The top 20 percent probably give you between 60 percent and 80 percent of your business. The bottom 20 may cost you more than they are worth”(Hughes, 172). The banking business strongly supports the rule, because “80 percent of all business activities results from 20 percent of current customers. And in the small business banking, this ratio is even more extreme—with fewer than 10 percent of a bank’s relationships producing 90 percent of its activity” (Bloomquist, 18).

Sometimes, the problem for most banks is they don't have an effective system that can identify the most profitable customer whose loss could have a major impact on overall profits. The database contributes to a business by helping it design marketing programs and building deeper relationships with existing customers. By understanding prospects' and customers' needs and wants, interests, purchasing history, and life style, businesses and organizations can narrow their sources and invest in the right target, thus improving the relationship with their focus group.(Bloomquist, 18-22)

In the end, all business organizations' purpose is making profits. In IMC, profits do not simply mean a specific amount of money; it also means good relationships. In other words, to achieve the asset of gaining business automatically and consistently relationship building is one of the most important factors. And the database is the solid assistant of relationship building.

The database has such a sophisticated position in IMC because it offers both a broad vision and results analysis, which can benefit businesses and organizations by helping them to move in the right direction.

- **Saving Time and Encouraging Team Spirit**

The Integrated Marketing Communication project is an overall teamwork project. While it can be a waste of time to bring a number of outside and inside

professionals together to hash out a common plan, each relying on their own domain's priorities; with a database they all work with a common set of data, and unified objectives move smoothly and effectively. In other words, when running an IMC project in the database environment, time is gained and the team spirit is encouraged.

Brand Management

During a conference on "Integrated Marketing Communications" sponsored by the Chicago chapter of the American Marketing Association, the IMC forerunner, Don Schultz said: "The next decade will be the decade of the brand!" In his viewpoint, "general progress in technology, production, distribution and information will deny marketers any competitive advantage in these areas, so marketers will rediscover The Brand and make it their primary competitive tool" (Chevron, 22). At this time, IMC will be the most functional tool to achieve the goal of brand management.

- **Values Creator**

Before we know brand, we had better understand what brand management is. "When an enterprise communicates the unique qualities of itself and its products carefully and consistently over a long period of time, that is called the brand

management”(Elliott III, 30). All of the unique qualities of products, and services that come together can be defined as values. Those values usually transfer to many images in customers’ perception. The more positive images there are, the higher the value of the brand.

The combination of those mostly positive images contributes to creating a strong overall brand image like McDonald’s®, a leading value creator.

McDonald’s for instance, evokes enough images to cover many pages: from Ray Kroc buying out the brothers McDonald, to Ronald McDonald, the Big Mac, the Ronald McDonald House, Special Olympics and special sauce (on a sesame seed bun), the Hamburger, “we do it all for you,” Double Dutch tournaments, lawsuits against it for its scalding coffee, lawsuit it brought against environments in the U.K., other restaurants using the “Mc” prefix, etc., etc (Chevron, 22).

The combination of those images contributes to a strong brand, which is McDonald’s, a value creator.

- **The Highly Quality Relationship**

Other research at the Harvard Business School in Boston, Massachusetts, translates brand as a relational partnership with customers that can resolve or address important personal issues for the customer.

The project leader, Susan Fournier mentioned:

In real life, people relate to one another in a host of different ways, and the same is true of how people relate to the product they buy. To reduce it to a matter of loyalty or lack of loyalty is like saying that you either marry everybody you meet or they will never be a meaningful part of your life (Gifford Jr et al., 9).

In this research, they pinpointed seven essential attributes for the overall brand-relationship quality. The seven attributes of brand-relationship quality are as follows:

1. Love and Passion.

The consumer feels affection or passion for the product or is obsessed with it—and can experience separation anxiety if the product is not available.

2. Self-Concept Connection.

Using the brand helps the consumer address a life issue, such as a need to or a fear of growing old.

3. Interdependence.

The brand is inextricably woven into the consumer's daily life and routine.

4. Commitment.

The consumer sticks with the product through good and bad times either in his or her life or in the product's life cycle.

5. Intimacy.

The consumer describes a sense of deep familiarity with the product and an understanding of its attributes.

6. Partner Quality.

The customer seeks certain positive traits in the brand, such as dependability, trustworthiness, and accountability—the same qualities one would look for in a best friend.

7.Nostalgic Attachment.

The brand brings back memories either because it was used at an earlier time in life or because it associated with loved ones. (Gifford Jr et al, 9)

The seven attributes not only express the relationship between brand and customer but also give directions for companies to manage their brand effectively.

- **A Great Intangible Asset**

Not just a tangible asset, brand also can be a great intangible asset. For instance, a large share of Coca-Cola's® market capitalization is accounted for by its intangible asset of brand name recognition. On December 31, 1997, Coca-Cola's market capitalization was \$ 165 billion, while its book value excluding goodwill was \$16.2 billion- less than 10 percent of the total.”(Desmet et al, 106) This is evidence that proves the assumption that brand is a great intangible asset, because as much as 90 percent of Coca-Cola's® value is intangible.

IMC Accomplishes Brand

Brand management requires many sides' paths, long term effort, and teamwork. Without the integrated approach, even a perfect advertising campaign can result in failure to achieve the desired market share.

One example is a profitable European packaged goods company, which was gradually losing its market dominance, despite heavy spending on a new advertising campaign. In public response, the campaign was successful in the sense of creating a popular catch phrases; however, the product itself was stuck between a fashionable, premium-priced alternative and an inexpensive own-label competition. What is the

problem? If running more TV advertising was the only answer why did the loss occur? In response to this problem, IMC probably will be a good starting point.

- **Many Side Paths**

IMC satisfies the need of established brands, because it combines the mixable marketing tools. The advantage of IMC is not only in offering an opening map, but also in providing a gatekeeper offering many paths that can help one build the road to the ideal goal.

A legendary brand, Body Shop® provides a useful example. Anita Roddick built the Body Shop into a major brand with no advertising at all. Instead, she traveled the world on a relentless quest for publicity. By pushing her ideas about the environment, she stimulated a torrent of newspaper and magazine articles, plus radio and TV interviews that literally created the Body Shop brand. Wal-Mart® Stores became the world's largest retailer, ringing up sales approaching \$100 billion, with very little advertising. In addition, Wal-Mart's sibling, Sam's Club®, averages \$45 million per store with almost no advertising. On the Internet, Yahoo! Amazon.com and Excite became powerhouse brands with virtually no advertising.

What these cases reflect is not that advertising is useless, but they correct the mistake that advertising is the only answer for brand building. Any situation, no matter how bad, can lead to successful brand building. For instance, when faced by the threat

on Tylenol®, Johnson & Johnson opted to recall the product. It appears that the value priority that J&J set was customer before its profits. At the same time, the act of public disclosure and concern for the customer welfare won back a respectable brand image. The incident could have cost J&J multi-millions of dollars without achieving the same communication effect. By dealing with the crisis, it achieved the communication effect of doing the right thing and built a successful brand image.

What is the role that IMC could play in this situation? As an overall communication system, IMC wouldn't limit itself to any particular path. It provides a checklist to benefit the company by helping it prevent or compensate for mistakes. The most important aspect of IMC is flexible thinking that offers many side paths.

- **Long Term Effort**

You wouldn't expect any early returns from this kind of effort," says analyst David S. Berry. With Keefe Bruyette & Wood Inc. "Brand is fairly important, but it takes an awfully long time to build (Cline, 62).

Forming a brand, like managing a relationship with a friend, takes time to enhance trustworthiness, dependability and accountability. A well selling product couldn't guarantee next time's success because the situation changes all the time.

“If you fail in one product, the risk is that you can really mess up the marketability of other products.” As a former executive vice president now retired from Chase, Wright Elliott said. (Cline, 62) In fact, the greatest risk in the long term is execution. From production line to promotion activities, including advertising, public relations, and marketing, IMC could save a lot of effort to accomplish entirely integrated activities.

IMC is a long term project and commitment, because it is a consistent project that focuses on interaction between the customer and the company itself over time. When the circular process is running properly, marketers continue to examine the strengths and weaknesses of the product and all activities surrounding it and then repair any tiny hole that’s detected.

- **Team Work**

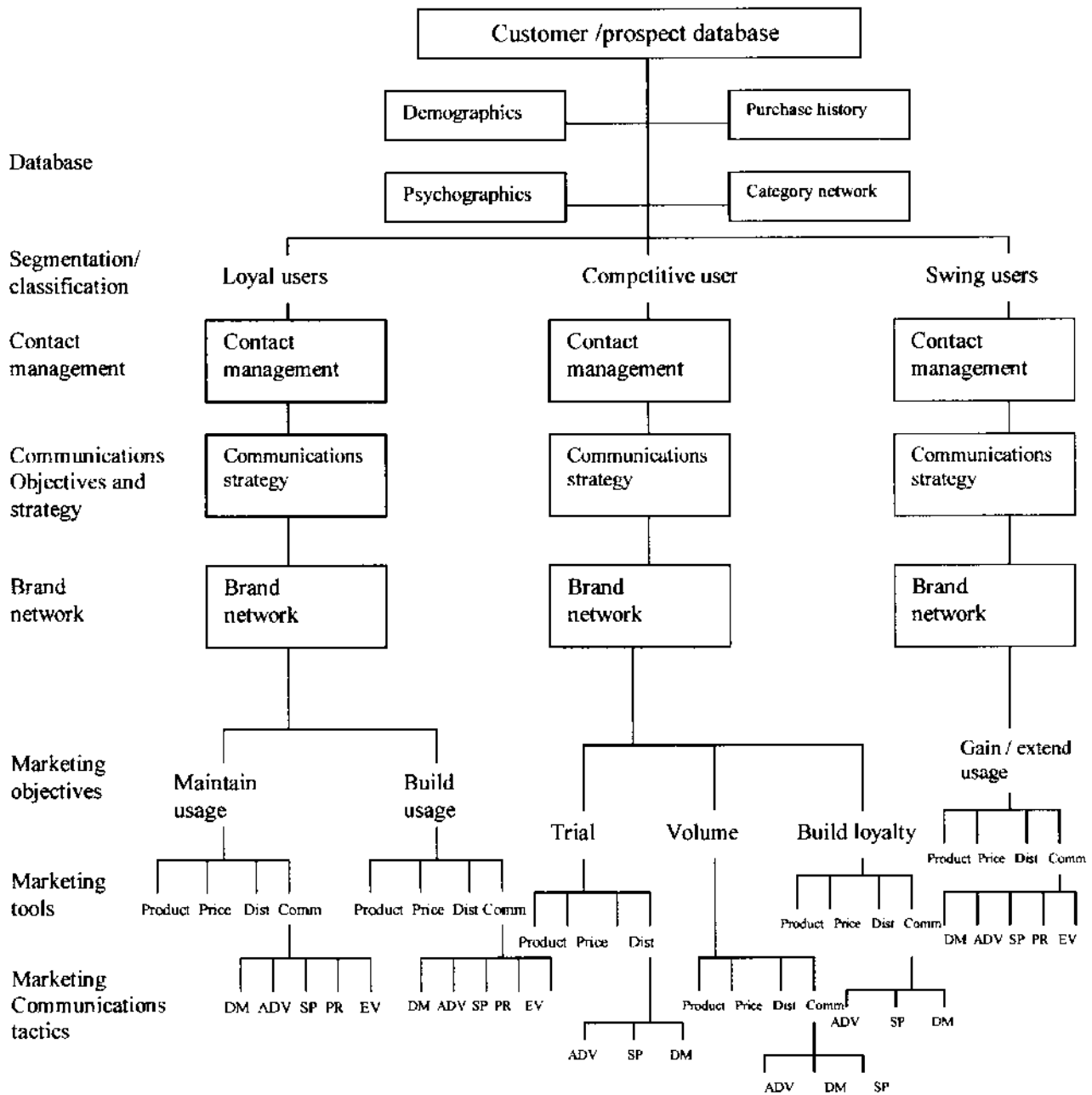
There are no specific brand managers who exist in an enterprise. “Sales professionals, the service and especially customer service representatives are all primary contact points through whom customers discover whether the brand and the reality are in harmony.”(Elliott III, 30)

From an IMC perspective, every contact point is a brand manager as well as an important factor to impact brand building. Therefore, brand building is a teamwork

affair. In the IMC plan model, (See Figure 1-9) we can see that it considers the loyal users, competitive users, and swing users, and that the contact management consists of different communications strategies and tactics, and marketing tools.

Without a fully functioning team process, it is impossible to operate a complex IMC program. On the contrary, only the all round IMC communication plan has the strength to integrate every small unit of an enterprise.

Figure 1-9 IMC plan model



Source: (Schultz, 54)

COMM= Communication DM= Direct Marketing ADV= Advertising SP= Sales Promotion
 PR= Public Relations EV= Event Marketing

Chapter IV

Results--The Action of IMC

Indeed, IMC is regarded as a new trend. In 1996, "a Sales & Marketing Management survey of marketing executives clearly shows IMC is enjoying a growth in awareness particularly among large companies. More than half (54 percent) of the 179 polled say their companies are implementing some form of IMC, and 75 percent of large companies surveyed (those with 300 or more employees) are doing so" (Yarbrough 68).

Are those companies really enjoying complete success in implementing IMC? What function does IMC play in the whole marketing strategy? How should IMC be implemented properly? What is the true content of IMC? The following cases that were written by John F. Yarbrough and Louis C. William Jr will provide some answers.

Case1—DEL MONTE

Since launching a new line of canned fruits nationwide, San Francisco-based Del Monte Foods began an integrated marketing project as a new way for its marketing effort. The project included print and radio advertising, coupons, food

supplement insert (FSIs), in-store displays and promotions, a pay-for-performance incentive plan for stores, and a new database marketing effort that segments its customers by buying habits. It aimed at moving products, identifying best customers and stores, and emphasizing category management, especially helping channels to move their product.

Manager of category management at Del Monte, Mark Resnick notes “ Before we would just sell the product in to the retailer—now when we sell it in we have a plan that encourages consumers to buy it from the trades”. He also observes “ As the marketplace continues to change and business gets tougher, manufacturers need to develop more creative ways to sell; it’s more important to target their specific customers.”

In fact earlier at the end of 1994, members of Del Monte’s strategic initiatives division had already pinpointed database marketing as a needed tool, and now it has the ability to benefit this project. With a commitment from senior management, they began using the database.

Marketing tools like database help in its new strategy of reaching retail channels and customers. They break down stores and customers by geographic regions, buying habits, income levels, and other areas to determine the best potential outlets for selling products.

Investing about \$75,000 into a database, the central database workstation was created in January 1996. It holds information about all of the nearly 55,000 grocery

stores, chain drugstores, and mass merchandisers that are Del Monte customers. And covering Jewel, Safeway, Wal-Mart and Target, the database analyzes the buying patterns at each store and provides a profile of the store's most frequent customers—whether they be seniors, college students, large families, blue-collar workers, or upper-income consumers.

With the database, Del Monte can tell the different buying patterns of its customers' stores—and can quickly determine if each store is living up to the buying potential Del Monte expected. For instance, if an A&P store in a particular neighborhood is expected to do \$60,000 of business in a given time period and a Pathmark store \$40,000—but the reality turned out to be the opposite—Del Monte's database uses point-of-purchase information to show that Del Monte should change its distribution strategy. And for the upcoming product launch of fruit selections—ginger pear halves, harvest spiced peaches, raspberry spiced peaches, and a new mixed fruit cocktail with extra cherries targeted at kids—Del Monte broke each brand down into region and specific stores before it even began considering which markets to target first.

Knowing that canned fruits were most popular with large families and with lower income groups, Del Monte is targeting its launch heavily to stores that most often serve those customers.

But Del Monte goes further— for both its new product launch and other marketing strategies using the new database, it then gives that information to its sales

forces to help them better target products to specific regions and stores. And it also gives the information to its retail store to help them better understand their customers and Del Monte's customer. Doing that, Resnick says, helps Del Monte develop stronger relationships with its channels—from implementation of in-store promotions to the creation of account specific couponing campaigns.

“We've changed the whole way we go to market,” Resnick says. “We are able to provide value-added information to all our trading partners” (Yarbrough, 68).

- **Who is the Main Character of IMC?**

There is a saying that if you aren't using a database to target customers, you aren't doing integrated marketing. As this case shows, database is the chief commander of IMC for developing and implementing.

Although Del Monte invested about \$75,000 into a database, it felt it would be easy to use and not be cost-prohibitive. In implementing IMC, the database established for DEL MONTE:

- **A complete Information Center**

Although Del Monte's database investment this year is higher than spending on traditional promotions last year, from a long term perspective, the investment is worth it. because it saves more money, time, and human resources.

While the start up costs of a database can be large, after an installment period, it is far less costly to maintain, update and coordinate information internally with than previous methods. Therefore, the troublesome process of establishing a database process is necessary. Once it is in place, whenever looking for detailed purchasing or other data, one need only check the computer and the complete database will provide the necessary information.

- **Effective Customer Segmentation**

The efficient database can also help to segment customers from different levels. Without wasting money on advertising, the correct segment, which could be the most profitable can be targeted to best advantage.

- **Focused Target Strategy**

The central database workstation has detailed sales records of all its distributions, which include grocery stores, chain drug stores, and mass merchandisers. Through analysis, they can recognize and distinguish target groups correctly from the mass market.

- **Increased Sales and Useful Strategies**

In some aspects, increasing the rate of correct targeting is equal to increasing sales. The most profitable target is the group of customers that bought the product or service most frequently. The database is the best consultant, guiding marketers to the most useful strategy and increased sales.

- **Improved Relationships**

Del Monte re-arranges and adjusts the relationship between the wholesalers, distributors, retailers, and consumers or end users by applying information from the database. For example, the database permits the company to use the proper distribution strategies, maintains zero stocks for wholesalers, and offers information to

retail stores. They know the needs and wants of all its channels, co-corporate and customer by database. Through satisfying those needs and wants the company can build strong relationships and enhance loyalty with its channels and customers.

Case 2—HEWLETT-PACKARD

When an international company starts an IMC plan, its first step is to integrate its resource. In fact, “ The big issue today is how do you integrate the organization, how do you line up your channels?” says Don Schultz, president of Agora Inc., a marketing consulting firm in Evanston, Illinois.

There are 100,000 employees spread over several divisions, more than 2,000 products tailored to various industries and with hundreds of marketing managers within the company with different specialties and agendas in Hewlett Packard.

The basic problem HP encountered was that “HP comes out of an engineering background, but it is becoming more and more of a marketing company. You have to understand who your customers are so that you can orchestrate your marketing activities in a consistent way.” says Bojana Fazarinc, Corporate Marketing Communications Manager for Hewlet-Packard. “We realized that we had to get integration going within all the marketing area at Hewlett-Packard.” (Yarbrough, 68)

For this reason the annual three-day meeting of marketing councils was created. Representatives come from all of HP’s marketing divisions. They follow up

with regular teleconferences and other means in order to create a strategy by which all marketing messages flow for both current campaigns and new product launchings.

The inner marketing councils develop the strategy for either more global messages that can be used broadly or very specific messages to individual customer groups.

The marketing centers also serve as go-betweens, linking the company sales forces and the technical people on the product side. Salespeople become better acquainted with the technical aspects of products, and the technical people can better understand the sales force's challenges, whether needing to get a product delivered by a certain deadline or improving lead generation.

One successful example of integration was when HIP's analytical product division introduced a new gas chromatograph (a device used for separating and identifying chemical elements). A coordinated plan helped to ensure salespeople, product line teams, and the marketing communications people would all work together and not duplicate efforts. Specific advertisements for a technical audience were developed, and trade-in promotions throughout the country were coordinated so salespeople and product engineers together took in old chromatographs as part of a trade-in package. (Yarbrough, 67)

- **Successful IMC Occurs from Effective Internal Integration**

Applying various communication approaches, IMC maximizes the team resources of an organization and plays them harmoniously together like a symphony.

“Integrated communications’ are like a band. The different communications instruments-advertising, public relations, database marketing, media specialists, sponsorship, interactive, event marketing and the rest are just like different musical instruments: piano, trumpet, trombone, violin, clarinet, percussion and the rest.” (Fletcher, 22)

From HP’s experience, we know that “Integration has to occur internally first before it can occur externally”(Yarbrough, 68). Don Schultz makes a similar point noting that when a large company is unifying a brand image or holding marketing activities, they had better control all the complicated elements and send to customers the same message. For example, when HP starts its advertising campaigns, its first concern must be integration. This integration includes:

Marketing operations, product line teams, geographic marketing operations (which include North America, Asia, and Europe), and its corporate marketing

division—so that all elements were communicating together and sending out the same messages to customers (Yarbrough, 68).

If a company wants to implement an IMC program smoothly, it must depend on the vital leverage of integrating the entire work teams.

CASE 3—HALLMARK

Amada Hulshof, Hallmark's marketing media relations manager, was determined to see if she could find a way to create a campaign that would show the value of working together. So, she and her colleagues created a marketing public relations project called: "How nice are we?"

Intended to support an advertising campaign called "Look Who's Nice," which was launched early in 1997, the PR effort was a natural. Working with its public relations agency, Hallmark conducted research in its Gold Crown stores.

Shoppers were asked a series of questions on the subject of niceness. What is it that people do that others appreciate? What have they experienced that was nice for them? Shoppers were also asked to nominate those who they consider to be especially nice.

Then, just two-and-a-half weeks prior to the advertising launch, Amanda sent out her own pre-launch contribution to the integrated effort—the results of the research.

Media loved it. Stories began to appear around the country on the subject of “nice”.

Mainstream media everywhere began to pick up on the subject.

In the middle of all this media interest, the advertising began and the editorial support greatly increased chances of making an impact on consumers. Better yet, the store owners-almost all small business people whose livelihoods are dependent on the success of such an effort-were thrilled.

Up and down the line, everyone at Hallmark had an eye-opening experience of the value of the synergy generated when working together. (Williams, 12-14)

- **IMC as Information Provider**

Today, brand has become a main element that affects a purchaser’s decision. In the “How nice are we?” project, IMC tactics provide information in the buying process which created a good image and increased awareness in the customer’s mind. When shoppers keep asking questions on the subject of niceness, the memory system starts to work in the customer’s brain. Because every question could be answered, sale contacts grew into sales opportunities.

- **IMC is a Brand Constructor**

“By using IMC to reinforce your brand’s unique value and identity, you increase awareness and encourage strong preference among customers and prospects.”(Burk Wood, 11)

Using IMC to sharpen customers focus, the “nice” issue exactly helps to build brand value and identity for Hallmark.

- **IMC is a Communication Expert**

IMC has the powerful function of communicating differentiation and enhancing position. The message of “nice” communicates the unique value that Hallmark is different from other competitors. In Hallmark’s case, the enthusiastic discussion among audience, customers and media, strongly reinforces positioning and achieves IMC’s goal.

- **IMC is Impacting Attitudes and Behavior**

IMC influences attitudes and behavior. In this case, when Amada sent out her own pre-launch contribution to the integrated effort, media show interest in the results

of the research and customers start to aware o the project. It proves that:

“IMC has the function to promote a favorable inclination toward your company and your products which encourages buying-center members to take some action, such as recommending your service, contacting your representatives, or listing your products on a purchase order.” (Wood, 11)

Playing diverse roles and achieving several goals, IMC can be implemented properly in different situations. As long as marketers can recognize the problem and set a clear goal, IMC could be the best method to reach business objectives.

Internally, IMC has functioned to establish an information center, to segment customers, to maintain relationship and to unify the organization. Externally, it can be considered as an expert to communicate, to provide information, to establish brand, to impact attitude and behavior and to increase sales. All of the advantages explain the reasons why IMC has grown rapidly and has been implemented widely.

Chapter V

Discussion

How to Plan an IMC Program

- **Database is the Main Body.**

The foundation of IMC's circle is the database; it is the beginning and the end. The complicated marketplace is changing all the time, so it is critical for marketers to convince their bosses that the marketing plan will improve success. Usually, even the senior marketers can't offer a one hundred percent guarantee.

Instead of assumptions, the database plays a support role as a kind of marketing assistant for marketers, which suggests a reasonable track that marketing strategies can follow. Through analysis of purchasing histories, of different segments of customers and distributors, a powerful marketing strategy can be created.

The process can include direct marketing, which uses direct mail, coupons, and advertising to attract customers' attention, track their responses, and gather all of the information into a database. Measuring, analyzing, and selecting a database helps them to find out the best target and create the correct strategy for marketing activities.

- **The 4C's Theory**

The traditional marketing principles were 4P's (product, price, promotion and place). In the IMC concept, the focus is on 4C's (customers' needs, cost to meet those needs, convenience to purchase and communication). As with IMC, the 4C's theory is entirely customer oriented. From the database, IMC searches for customers' needs and wants and through the IMC program the company and customers can communicate with each other. In IMC's circle, marketers always examine and adjust the interaction to satisfy customers' needs. What a customer thinks, is assumed to be worthy of satisfying. IMC is a bridge to accomplish this satisfaction.

- **Goals of Brand Building and Loyalty Maintenance**

IMC prefers to focus on the long-term benefits of brand building and loyalty maintenance rather than the game of reducing price or wild promotion. In the brand construction period, marketers will repeatedly think about one question: compared with competitors, what is our differential and advantage?

Besides price, product, place and promotion, are there any intangible values, something new or something good about the product or service that can distinguish us from competitors and make us attractive that we can bring to our customers' awareness.

With IMC thinking, the truth is that brand equals value. Do you think, when Nike® created the catch phrase of “Just do it”, the thing that really attracted one was just a fancy pair of shoes or a creative value of life philosophy? Most of the people bought Nike’s products because they like the image that Nike shows on ads and the way that Nike brings status and possibilities to their life. To them, “Just do it” means a determined attitude that can conquer any difficulty and makes dreams come true. In fact, the phrase has a unique value and brand image that not only achieves a successful selling record but also catches customers’ hearts. It was a good support to build a strong brand and persuade customers that IMC is the best choice.

Vertically, building a successful brand can harvest a successful selling record. At the same time, horizontally, the good relationship with customers extends the continuing chance of sales. When loyal users interact with their friends, relatives, and colleagues they recommend the products that they trust or enjoy. This is the power of word of mouth. And the information they share is not regarded as chitchat but related to their life values. People connect the product or the company’s image with some kind of value that is meaningful to them. That is the reason why establishing a positive value image for brand is important, and why the final objective of IMC is maintaining loyalty and building brand.

- **Technique of Integrated Marketing**

IMC emphasizes information control and increasing contacts; therefore, IMC's practitioners must become adept at orchestrating the techniques and channels of integrated marketing:

1. Mass television advertising—useful to attract mass interest to a brand, but pointless without complementary use of other media to sustain it.
2. DRTV (Direct Response TV)—a good tool for an instant and measurable response. Much lower cost and can be very effective providing the back up is good enough.
3. Satellite and cable—offers even lower charges and highly targeted niche viewing, plus the chance to field-test campaigns before a big roll-out.
4. Press—used to prompt volume inquiries, unearth niche prospects, boost direct mail, or sell direct.

5. Radio—affordable, targeted, interactive medium with an intimate relationship with its listeners. Useful for redirecting listeners in multiple objectives campaigns.
 6. PR—news, feature stories, award programs, competitions and other PR tactics can send the same message with the added credibility of editorial coverage.
 7. Direct Mail—use lists created from the means above (DRTV, press ads) or buy in from a specialist. Tie in with other sales promotion techniques to gain sales.
 8. Telemarketing—Has the advantage of bringing the customer closer to the supplier, but must be handled professionally or will put customer off.
 9. Door to door—highly accurate demographic targeting is now available and a campaign can be linked easily to other media. Can be combined with field research.
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10. 10. The Internet—niches market at present, but will grow exponentially. Highly interactive with vast potential. (Clarke, 27)

Barriers to Integrated Marketing Communication

Even if the growth of IMC is amazing and fast in such a short time, IMC still has barriers, which need to be conquered.

- **The Barrier of Integration**

In the IMC planning mode we can realize that IMC is an overall plan that consists of coordinating many existing marketing tools and tactics based on applied data. From the beginning to the end it spends a great deal of effort working with internal and external resources. Therefore, the greatest challenge to implement an IMC program is integration.

As we know, IMC relates to various fields: advertising, public relations, direct marketing and sales promotion. Usually, most companies commission all or some of this to external agencies, which makes an IMC program more difficult to practice.

In 1997, research of IMC's performance in U.S. advertising agencies made apparent that "Agency executives do not strongly expect clients to work with large

numbers of unaffiliated agencies to provide marketing communication solutions. They may, however, be resisting a change that is inevitable. Agency executives themselves agree that clients will continue to utilize external marketing communications people and facilities”(Schultz et al., 7-19). Still, if it is necessary for clients to unite with the external resources like public relations, direct marketing, or sales promotion agencies, the attitude of advertising agency executives regarding increasing interactivity will be a big challenge in successfully implementing an IMC project.

- **The Barrier of Measuring**

In addition to requiring the efforts of many people, IMC is also a project that takes long time to accomplish and measure. Through a database, marketers can scientifically measure a consumer’s behavior and find a track for the next term’s marketing plan or research. But measuring the true impact and value of the program may take long time.

For a huge and complex IMC program, there are too many directions and units needing attention. Besides, under the circumstance of working with several separate divisions, it is difficult to measure the results. At least, we should admit that it is rare to find someone who is capable of evaluating all of the consequences.

Moreover, from the barrier of integration, how can IMC draw up a set of rules, and create a completely measured system to observe the result of IMC? Therefore, experts, scholars, and IMC practitioners still need to work on this portion.

Marketers are Required to have More Knowledge and Skill

IMC involves a complicated and comprehensive thinking process. As more and more companies are implementing or preparing to establish their IMC systems, we can predict that marketers will be required to have higher knowledge and skill in the near future. Marketers, PR persons, and sales people could exchange positions by dealing with different marketing issues. We agree that most of the companies and agencies will figure out a compromise way to finally work with each other. Those professionals who want to increase their value for promoting their careers had better enrich their knowledge and experience of various fields of marketing.

IMC Emphasizes the Importance of Communication

There is a big difference between promotion and communication. In IMC theory; promotion means you simply want to make profits of your customer. But communication means you want to make friends with your customers and your

intention is trying to understand customers needs and wants. To survive in the relationship marketplace, it is sophisticated to treat your customer as a partner, instead of as a target. And IMC is the communication leader, which provides its method to create the win-win situation in the competitive marketplace.

IMC is Today and Tomorrow

Exploring IMC, we find that it is becoming more common in today's business. Many companies have experienced success with IMC. From the numbers of companies who have implemented IMC, we can know IMC is part of today and the future.

Today, the individual marketing tool is no longer an effective weapon to cope with complicated marketing problem or issues. Integration is not only a trend, but also a natural and necessary solution for marketers. The rate of IMC's surprising growth supports this conclusion. IMC is gaining an indispensable position in today's marketplace.

Since the database is the foundation of IMC marketing and it is widely used, many people say IMC presents the future direction of marketing. If you are living in the business world you must be aware that database marketing is growing quickly. For instance, the banking business, Visa and Master Card, and telephone companies are among those who are implementing database marketing very well. Coordinating with

other marketing tools, IMC can strengthen the weak points of database marketing, and become the most reliable marketing method.

For future research, there are few points that researchers can track or explore. First of all, researchers could find out how far and how wide the main body of IMC, the database, is being utilized. Secondly, what is the accurate rate of success items of sales and other areas in using the database? Moreover, is IMC most effective in certain types of business and less effective in others, and why?

In addition, with the changing media, audience behavior is changing all the time. From newspaper, radio, television, to Internet, the multiform communication styles and inestimable influences are shifting. It is difficult to assume a customer's behavior patterns. However, the more awareness about the habits and needs of the elements of the unpredictable market, the better the chance that marketers can achieve an effective IMC plan.

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