

Integrating Marketing Communications to Build Brand Equity

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The New Media Environment

Traditional advertising media such as TV, radio, magazines, and newspapers seem to be losing their grip on consumers.

Marketers pour billions into Internet advertising. While Web advertising jumped during this time, spending for TV ads remained flat.



The New Media Environment (cont.)

Marketing communications can contribute to brand equity in a number of different ways:

- ▶ By creating awareness of the brand
- ▶ Linking POP and POD associations to the brand in the consumers' memory
- ▶ Eliciting positive brand judgment
- ▶ Facilitating a stronger consumer-brand connection and brand resonance

Integrated Marketing Communications (IMC)

- ▶ The “voice” of the brand
- ▶ A means by which it can establish a dialogue and build relationships with consumers
- ▶ Allow marketers to **inform, persuade, provide incentives, and remind** consumers directly or indirectly
- ▶ Can contribute to brand equity by establishing the brand in memory and linking strong, favorable, and unique **associations** to it

Information Processing Model of Communications

1. **Exposure** - a person must see or hear the communication
2. **Attention** - a person must notice the communication
3. **Comprehension** - a person must understand the intended message of the communication
4. **Yielding** - a person must respond favorably to the intended message of the communication
5. **Intentions** - a person must plan to act in the desired manner of the communication
6. **Behavior** - a person must actually act in the desired manner of the communication

Ideal Ad Campaign

The ideal ad campaign would ensure that:

- ▶ The right consumer is exposed to the right message at the right place and at the right time.
- ▶ The creative strategy for the advertising causes the consumer to notice and attend to the ad but does not distract from the intended message.
- ▶ The ad properly reflects the consumer's level of understanding about the product and the brand.
- ▶ The ad correctly positions the brand in terms of desirable and deliverable points-of-difference and points-of-parity.
- ▶ The ad motivates consumers to consider purchase of the brand.
- ▶ The ad creates strong brand associations to all of these stored communication effects so that they can have an effect when consumers are considering making a purchase.

Marketing Communications Options

- ▶ Advertising & Promotion
- ▶ Interactive marketing
- ▶ Event & Experiences
- ▶ Mobile marketing

Advertising

Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

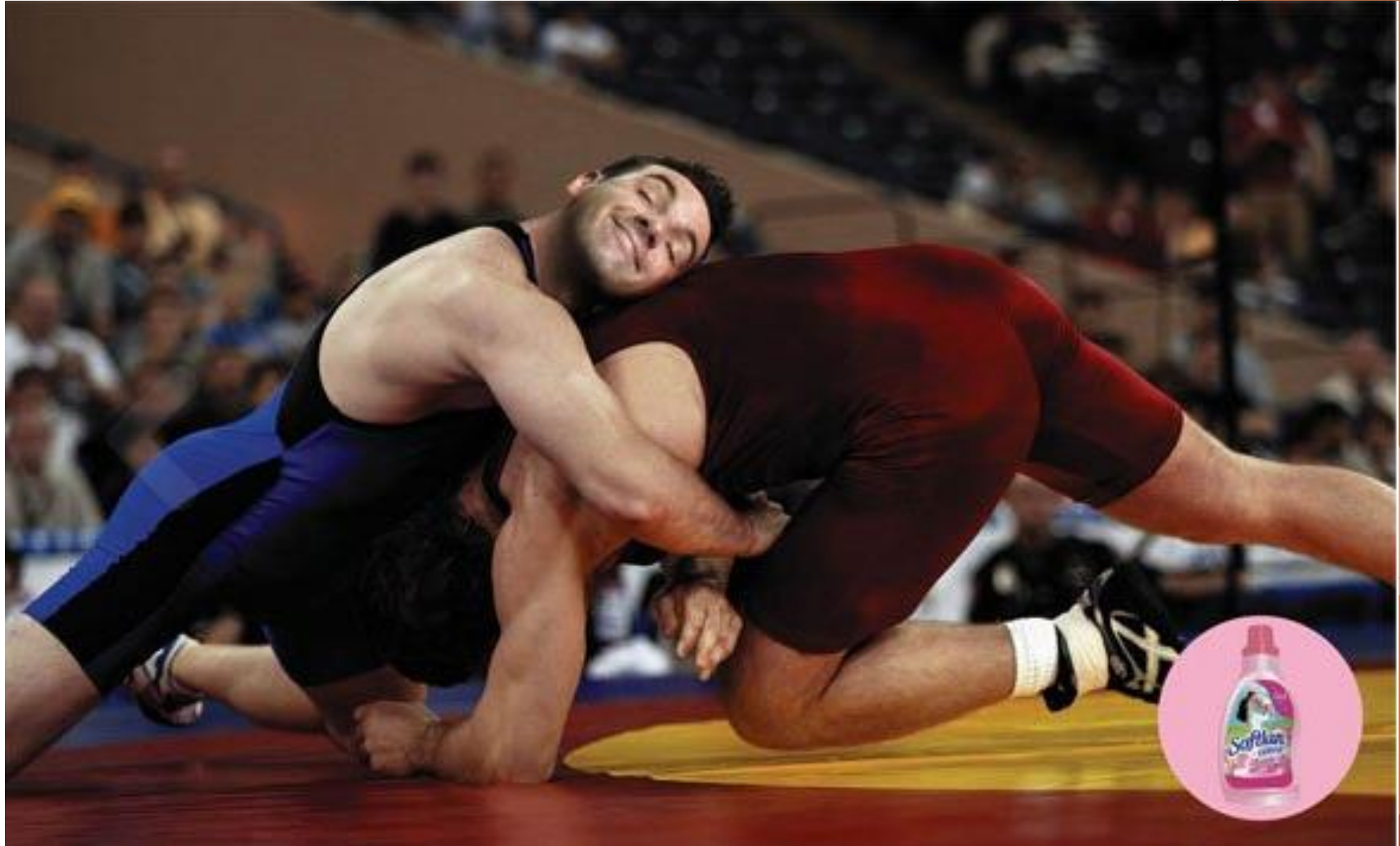
- Broadcast
- Print
- Internet
- Outdoor



It's a common consumer gripe that the handle is the first thing to come apart in any cookware. To address this problem, TTK Prestige launched the Omega range of non-stick cookware with strong handles. To communicate this, an innovative handling was put up in Bangalore. What made this idea powerful was the fact that the handling carrying a giant non-stick fry pan actually rested on the handle.

Creative Advertisement





Advertising: TV

- ▶ Allows for sight sound and motion
- ▶ Reaches a broad spectrum of consumer

Guidelines

- ▶ Distinguish the message strategy or positioning of an ad from its creative



Advertising: Radio

- ▶ Pervasive medium
- ▶ Inexpensive to produce and place
- ▶ Short closing allows quick responses
- ▶ Effective medium in the morning



Advertising: Print

- ▶ Offers a stark contrast to broadcast media
- ▶ Magazines and newspaper can provide detailed product information

Guidelines

- ▶ It is not uncommon for two-thirds of a magazines audience to not even notice any one particular print ad
- ▶ Need to have clarity, consistency and branding.



Advertising: Direct Response

- ▶ Uses mail, telephone, Internet and other contact tools.
- ▶ In the form of infomercials, formally known as DRTV

Guidelines

- ▶ Often seen as a key component in relationship marketing
- ▶ Some employ precision marketing (retain, cross-sell and upsell existing customers)



AS SEEN ON TV OFFER ONLY

Only 4 Pmts of
\$19.95
Plus S&H

CALL NOW
1-800-90S-NEIL

VISA MasterCard AMERICAN EXPRESS DISCOVER Diners Club International

Residents of Quebec pay additional fees

Advertising: Place advertising

- ▶ Billboards and posters
- ▶ Movies, Airlines, Lounges and Other places
- ▶ Product placement
- ▶ Point of purchase

Guideline

- ▶ The messages must be simple and direct
- ▶ 15 Second sell
- ▶ Out-of-home ads are often more effective at enhancing awareness and existing brand associations

Advertising: Promotion

- ▶ Short term incentives to encourage trial/usage of the product
- ▶ Provides an *incentive* to buy
- ▶ Effective in terms of accessing groups with price sensitivity
 - ▶ Consumer promotions
 - ▶ Consumer promotions are designed to change the choices, quantity, or timing of consumers' product purchases.
 - ▶ Trade promotions
 - ▶ Trade promotions are often financial incentives or discounts given to retailers, distributors, and other members of the trade to stock, display, and in other ways facilitate the sale of a product.



GET YOUR
CLAWS
on this
DEAL!

GET \$3 OFF
your meal, including our
limited-time Berserker Burger™
when you flash your Wolverine
ticket stub July 29th - August 1st.

THE WOLVERINE
IN THEATERS JULY 26

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GOURMET BURGERS

Eat as much  *as you can*

Beef treat | Chicken treat | Cheese lovers

@ Tk **700** & Bottomless  **pepsi** @ Tk **150**

6 pm to 8 pm

HALAL



Total dollars saved
\$42,415,798
Total Groupons bought
979,473

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Buy the [Groupon Says 2010 desk calendar](#) and make next year game-changing for \$8. [hide](#)

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Today's Deal: \$15 for Two-Hour Beer 101 and Tasting at Village Pourhouse

\$15

Buy!

Value	Discount	You Save
\$25	40%	\$10

[Buy it for a friend!](#) NEW

Time Left To Buy
2 days
13 hours
19 minutes



275 bought

The deal is on!
Tipped at 8:45AM with 75 bought



The Fine Print

Expires 07/31/2010
Must email to reserve a spot in class
at least 48 hours in advance. Dates
subject to availability.

Highlights

- Taste 6 beers from featured brewery
- Learn about brewing process
- Choose from 5 breweries
- Great for groups

Discuss the Deal



I don't get it either, what's the difference? I have... [more](#)

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4 comments



A Groupon Gift is the best thing to find in your stocking, under your menorah or on top of your non-denominational holiday object.

[Click to See Why](#)

Today's Side Deal

\$163 for Any 10-Week Course Plus Free Guitar Rental at NYC Guitar School (\$319 Value)

Events and Experience

Event marketing is public sponsorship of events or activities related to sports, art, entertainment, or social causes.

- ▶ Event sponsorship provides a different kind of communication option for marketers. By becoming part of a special and personally relevant moment in consumers' lives, sponsors can broaden and deepen their relationship with their target market.



Events and Experience

Rationale

- ▶ To identify with the particular target market or lifestyle
- ▶ To increase awareness of company and product name
- ▶ To create or reinforce consumer perception of key brand associations
- ▶ To enhance corporate image dimensions
- ▶ To create experiences and evoke feelings
- ▶ To express commitment to the community or on social issues
- ▶ To entertain key clients or rewards key employees
- ▶ To permit merchandising or promotional opportunities

Public Relations and Publicity

Public relations and publicity relate to a variety of programs and are designed to promote or protect a company's *image* or its individual products.

- ▶ Word of Mouth
 - ▶ Critical aspect of brand building as consumers share their likes, dislikes and experiences with brands with each other.
- ▶ Buzz Marketing
 - ▶ Occasionally, a product enters the market with little fanfare yet is still able to attract a strong customer base.



Developing IMC Programs

Mixing communication options

- ▶ Evaluate all possible communication options available to create knowledge structures according to effectiveness criteria as well as cost considerations.
- ▶ Different communication options have different strengths and can accomplish different objectives.
- ▶ Determine the optimal mix

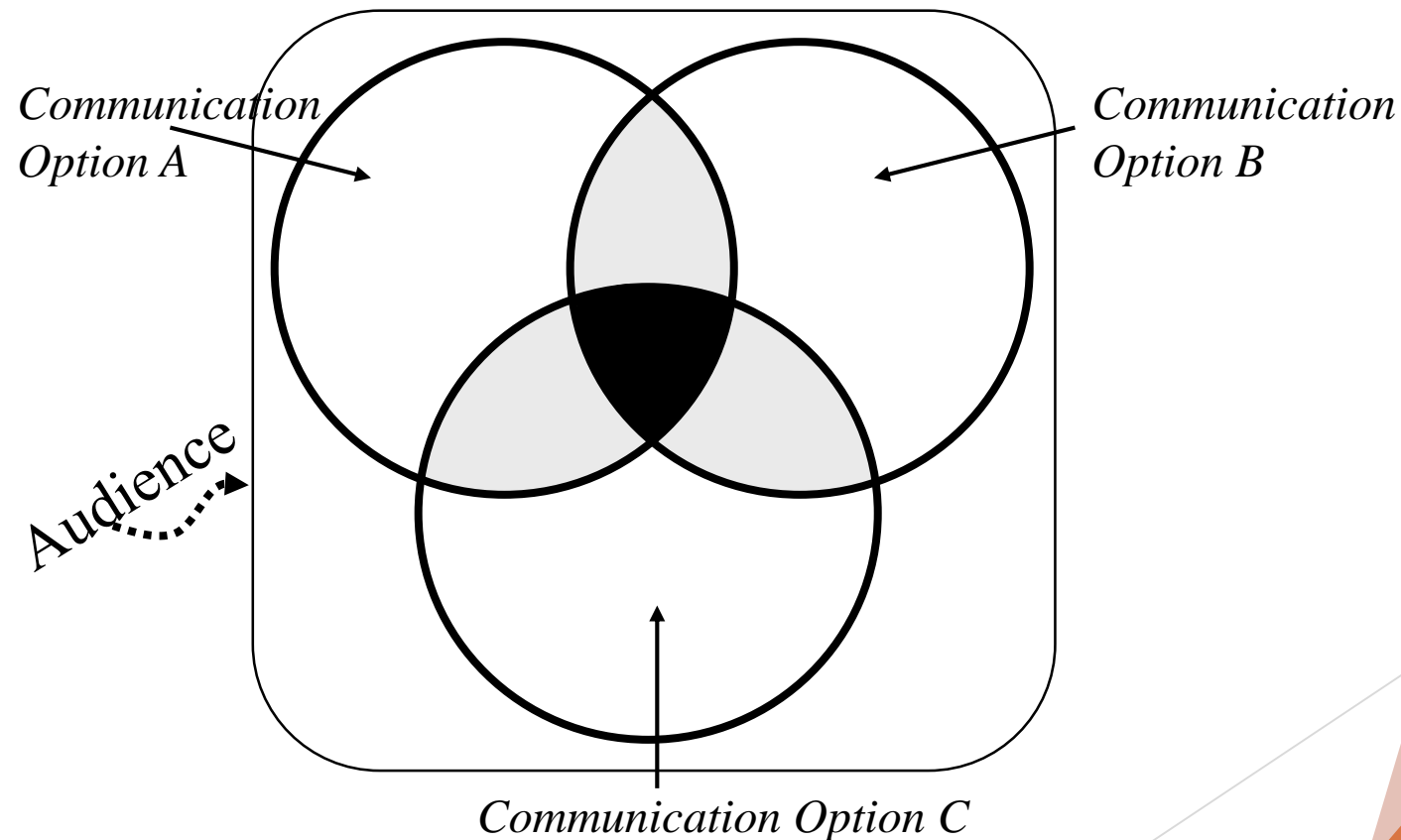
Evaluating IMC Programs

- ▶ **Coverage:** What proportion of the target audience is reached by each communication option employed? How much overlap exists among options?
- ▶ **Cost:** What is the per capita expense?
- ▶ **Contribution:** The collective effect on brand equity in terms of
 - ▶ enhancing depth and breadth of awareness
 - ▶ improving strength, favorability, and uniqueness of brand associations
- ▶ **Commonality:** The extent to which information conveyed by different communication options share meaning

Evaluating IMC Programs (cont.)

- ▶ **Complementarity:** The extent to which different associations and linkages are emphasized across communication options
- ▶ **Versatility:** The extent to which information contained in a communication option works with different types of consumers
 - ▶ Different communications history
 - ▶ Different market segments

IMC Audience Communication Option Overlap



Note: Circles represent the market segments reached by various communication options. Shaded portions represent areas of overlap in communication options.

Marketing Communication Guidelines

- ▶ **Be analytical:** Use frameworks of consumer behavior and managerial decision making to develop well-reasoned communication programs
- ▶ **Be curious:** Fully understand consumers by using all forms of research and always be thinking of how you can create added value for consumers
- ▶ **Be single-minded:** Focus message on well-defined target markets (less can be more)
- ▶ **Be integrative:** Reinforce your message through consistency and cuing across all communications

Marketing Communication Guidelines (Cont.)

- ▶ **Be creative:** State your message in a unique fashion; use alternative promotions and media to create favorable, strong, and unique brand associations
- ▶ **Be observant:** Monitor competition, customers, channel members, and employees through tracking studies
- ▶ **Be realistic:** Understand the complexities involved in marketing communications
- ▶ **Be patient:** Take a long-term view of communication effectiveness to build and manage brand equity