Chapter 1
An Introduction to IMC

By
Emran Mohammad (Emd)
Mkt 337 (sections 3)
The age old question: What is Marketing?

- **Marketing** is the activity, set of institutions and process of creating, communicating, delivering and exchanging offering that have value for customers, clients, partners and society at large.

- **Exchange** occurs between two parties with something of value to one another, a desire and ability to give up that something to the other party, and a way to communicate with other.

- **Value** is a customers perception of all the benefits of a product or service weighted against all costs of acquiring and consuming it.
The marketing mix

- The Four Ps (product marketing)
  - Product
  - Price
  - Place
  - Promotion

- Four Ps + Three Ps (service marketing)
  - People
  - Process
  - Physical Evidence
Evolution of IMC

- According to American Association of Advertising Agencies, IMC focused on the process of using all forms of promotions to achieve maximum communication impact.

- However, others argue for an even broader perspective. They noted that the process of IMC calls for a bigger approach to planning marketing & promotional program & coordinating the communication functions.

- The contemporary definition of IMC says that IMC is a strategic business process plan, develop, execute and evaluate coordinated, measurable persuasive brand communication programs over time with consumers, customers, prospects, employees, associates, and other targeted relevant external and internal audiences.
The growing importance of IMC

- The shift from traditional mass media to non traditional media, micromarketing and the Internet.
- Shift of consumers from traditional TV channels to satellite channels
- ‘Broad’cast to ‘Narrow’cast.
- Media Fragmentation.
Develops and sustains brand equity and identity.

Brand equity is the overall value derived from a consumer’s perception of the brand name from its brand image rather than the actual product itself.

Brand identity is the combination of factors including name, logo, symbol, design, packaging and performance of a product or services as well as the image or type of association that comes to mind when consumers think about a brand.

- Encompasses awareness, knowledge and image of the brand as well as the company behind it.
Tools for IMC: promotional mix

Promotional Mix Diagram
Example

Promotional Mix

Advertising  Public Relations  Personal Selling  Sales Promotion  Direct Mail  Internet Marketing
Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

- Broadcast
- Print
- Internet
- Outdoor
Types of advertisement

- National Advertising
  - Done by companies on a nationwide basis or in most regions of the country.

- Retail/Local advertising
  - Advertisement done by retailer or local merchants to encourage customers to buy from a certain retail store or use a specific local service.

- Primary versus Selective demand advertisement
  - Primary demand advertisement is designed to generate demand for the general product class or entire industry.
  - Selective demand advertisement focuses on creating demands for a specific company’s brands.
Type of advertisement in B2B market

- B2B Advertising
- Professional advertising
- Trade Advertising
Sales promotion is the short-term incentives to encourage the purchase or sale of a product or service.

- Discounts
- Coupons
- Displays
- Demonstrations
Personal selling is the personal presentation by the firm’s sales force for the purpose of making sales and building customer relationships.

- Sales presentations
- Trade shows
- Incentive programs
Tools for IMC: promotional mix

**Direct marketing** involves making direct connections with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships—through the use of direct mail, telephone, direct-response television, e-mail, and the Internet to communicate directly with specific consumers.

- Catalog
- Telemarketing
- Kiosks
Tools for IMC: promotional mix

- Public relations
  - Non personal
  - Not really a paid job like advertisement
  - Makes people less skeptical about a product/service/person
  - Lower cost than advertisements

- Good PR = Publicity + Image + Control + Favorable information
The IMC planning process

Model of the IMC Planning Process

- Review of marketing plan
- Analysis of Promotional program situation
- Analysis of communications process
- Budget determination
- Develop integrated marketing communications program
  - Advertising
  - Sales promotion
  - PR/publicity
  - Personal selling
  - Direct marketing
  - Internet/interactive
- Develop objectives and strategy for each
- Develop message, media strategy, and tactics
- Integrate and implement marketing communications strategies
- Monitor, evaluate and control IMC Program
Review of the marketing plan

- Situation analysis
- Review marketing objectives
- Develop a marketing strategy that includes STP and 4P
- Implementation program
- Evaluation process
Promotional program situation analysis

- Analyzing inhouse vs external advertisement
  - Success and failure of last programs are reviewed.

- Analyzing strength and weakness from a brand image perspective. e.g Starbucks (internal analysis)

- Analyzing competitors and customer buying decision process. (external analysis)
Analysis of communication process

- Communication source, message and channel factors

- Marketing objectives vs communication objective
  - Marketing objectives will find out what is to be accomplished by the overall marketing program.
  - Communication objective refers to what the company seeks to accomplish with its promotional program.
Budget determination

- How will the money be allocated?
- What will the promotion program cost?
Developing the IMC program

- With the help of the promotional tools
Evaluating and control

- How well the IMC program is meeting communication objectives

- This stage provides managers a continual feedback concerning the effectiveness of the IMC program.
Thank you