

**[Academic Script]**

**Integrated Marketing Communications**

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<b>Paper No. &amp; Title:</b>	Paper – 621 Advertising & Brand Management
<b>Unit No. &amp; Title:</b>	Unit – 1 Foundations of Advertising
<b>Lecture No. &amp; Title:</b>	Lecture – 4 Integrated Marketing Communications

## **Academic Script**

### **1. Introduction**

Advertising is as old as civilization and has been used as the means of communication to buy and sell the goods and services to the society. Advertising is an important tool of promotion that can create wonders with beautiful words to sell product, service and also ideas. Advertising has, acquired great importance in the modern India characterized by tough competition in the market and fast changes in technology, and fashion and taste of customers.

Today as per the changing marketing situation advertising is not the only sufficient medium of communication. It has to be integrated with other mediums so as to create the long lasting impact on the consumers. Thus the concept of integrated marketing communication is gaining considerable momentum due to challenges faced by the advertisers in designing and implementing their advertising communication messages.

After completion of this lesson you will be able to understand:

The concept of Integrated Marketing Communication

Tools of Integrated Marketing Communication

Importance of Integrated Marketing Communication

Steps involved in framing Integrated Marketing Communication

Also we would look into how Advertisement Agency are useful and what criteria should be taken under consideration while selecting them.

### **2. Meaning of IMC**

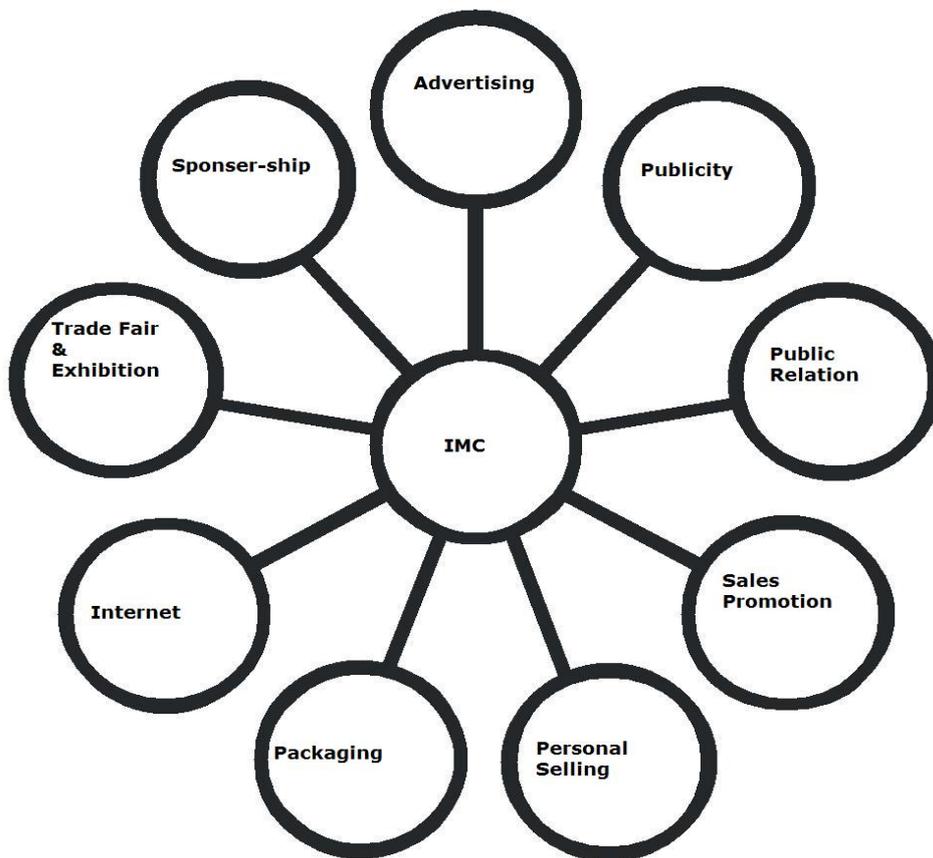
Integrated Marketing Communications is a simple concept. It ensures that all forms of communications and messages are carefully linked together. Integrated marketing communications

(IMC) is a process of managing customer relationships that drive brand value primarily through communication efforts. Such efforts often include cross-functional processes that create and nourish profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialog with them. IMC includes the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program in order to maximize the impact on end users at a minimal cost.

Ideally, IMC is implemented by developing comprehensive databases on customers and prospects, segmenting these current and potential customers into groups with certain common awareness levels, predispositions, and behaviors, and developing messages and media strategies that guide the communication tactics to meet marketing objectives. In doing this, IMC builds and reinforces mutually profitable relationships with customers and other important stakeholders and generates synergy by coordinating all elements in the promotional mix into a program that possesses clarity, consistency, and maximum impact.

Definition of IMC: According to American Association of Advertising Agencies IMC is a “concept of marketing communication planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication discipline”

### **3. Tools of IMC**



### **Advertising:**

Advertisement is a non-personal presentation of an idea or a product (where as personal selling or salesmanship help in personal promotional.) Advertisement supplements personal selling to a great extent. Advertising has, acquired great importance in the modern India characterized by tough competition in the market and fast changes in technology, and fashion and taste customers. It creates an active role in integrated marketing communication mix as it creates.

- Good image
- Top of the mind awareness
- Counterclaim the competitors
- Reinforce positive attitude

### **Publicity:**

Publicity is the non-personal presentation. It originates from the desk of the editor. It aims at only informing the public about the

events, person, firm etc. There is no control on the publicity by the advertiser as it comes from the media owner. Publicity can be favorable or unfavorable. Large firms have separate publicity or public relation department for publicity and cordial public relation. The secret of the publicity is to get placement in the desired media. Thus the use of publicity provides various advantages to the seller they are:

- It is available free of cost
- It provides more information than advertising as it comes from the editors desk
- Consumer believe publicity more than advertising

### **Public relation:**

A Public relations is defined as a management function which identifies, establishes, and maintains mutually beneficial relationships between an organization and the publics. Public relations consider multiple audiences (consumers, employees, suppliers, vendors, etc.) and uses two-way communication to monitor feedback and adjust both its message and the organization's actions for maximum benefit. It is used to generate goodwill for the organization. Public relation help the company and its public by relating each other for mutual benefits. The main objective of public relation is

- To remove misunderstanding, doubts, confusion, and wrong impression in the minds of different social groups
- To maintain good corporate image.
- To have the public support to the future of the company.
- To fulfill social responsibility.

### **Sales promotion:**

Sales promotions are direct inducements that offer extra incentives to enhance or accelerate the product's movement

from producer to consumer. Sales promotion constitutes devices like contests, coupons, free samples, premium, and point of purchase material. Sales promotion is action oriented. It motivates customers to buy the goods under incentive plans. Sales promotion not only covers consumers but also dealers and wholesalers. It acts as a connecting link between advertising and salesmanship. Thus in a competitive marketing sales promotion act as a effective tool to an advertiser to solve several short term hurdles in marketing.

### **Personal Selling:**

Personal selling includes all person-to-person contact with customers with the purpose of introducing the product to the customer, convincing him or her of the product's value, and closing the sale. The role of personal selling varies from organization to organization, depending on the nature and size of the company, the industry, and the products or services it is marketing. Many marketing executives realize that both sales and non-sales employees act as salespeople for their organization in one way or another.

Personal selling is the most effective way to make a sale because of the interpersonal communication between the salesperson and the prospect. Messages can be tailored to particular situations, immediate feedback can be processed, and message strategies can be changed to accommodate the feedback.

### **Packaging:**

A properly designed package can induce the prospects to buy the product. A well designed package can communicate the type and quality of the product. Packaging plays an important role in converting the minds of the consumers as it provides

- Providing information of the product.
- Protection of goods while transportation and handling
- Preservation of quality of the products.
- Promotion of the product.

### **Internet:**

Just as direct marketing has become a prominent player in the promotional mix, so too has the Internet. Virtually unheard of in the 1980s, the 1990s saw this new medium explode onto the scene, being adopted by families, businesses and other organizations more quickly than any other medium in history. Web sites provide a new way of transmitting information, entertainment, and advertising, and have generated a new dimension in marketing: electronic commerce. E-commerce is the term used to describe the act of selling goods and services over the Internet. In other words, the Internet has become more than a communication channel; it is a marketing channel itself with companies such as Amazon.com, CD Now, eBay, and others selling goods via the Internet to individuals around the globe.

The interactivity of the Internet is perhaps its greatest asset. By communicating with customers, prospects, and others one-on-one, firms can build databases that help them meet specific needs of individuals, thus building a loyal customer base.

### **Sponsorships:**

Many advertisers heavily rely on sponsorship in order to create positive feelings toward a company. Sponsorships increase awareness of a company or product, build loyalty with a specific target audience, help differentiate a product from its competitors, provide merchandising opportunities, demonstrate commitment to a community or ethnic group, or impact the bottom line.

Like advertising, sponsorships are initiated to build long-term associations. Organizations sometimes compare sponsorships with advertising by using gross impressions or cost-per-thousand measurements. However, the value of sponsorships can be very difficult to measure. Companies considering sponsorships should consider the short-term public relations value of sponsorships and the long-term goals of the organization. Sports sponsorships make up about two-thirds of all sponsorships.

### **Trade shows and Exhibition:**

It is one of the oldest forms of promoting the sales of products. Trade shows and exhibition provide opportunities for face-to-face contact with prospects, enable new companies to create a viable customer base in a short period of time, and allow small and midsize companies that may not be visited on a regular basis by salespeople to become familiar with suppliers and vendors. Because many trade shows generate media attention, they have also become popular venues for introducing new products and providing a stage for executives to gain visibility. In India, India trade promotion organization (ITPO) has been set up by the government to organized trade fairs and exhibitions.

### **4. Importance of IMC**

**1) Awareness:** IMC tools play an important role in creating awareness of the products with respect to brand name and brand availability. It brings to the notice of the potential customer the new varieties of goods available in the market.

**2) Information:** Product information is needed when the product is recently launched in the market. Potential customer

must know about the product, features. IMC provides this information through various techniques so that the buyer can take correct decision while buying the goods.

**3) To increase sales.** A proper communication mix tends to increase the sales of the organization. This is possible as increased sales brings economies of large scale production which enables the seller to reduce cost and increase profit.

**4) To inform the intermediaries.** IMC act as a communication channel between the sellers and the intermediaries like dealer and agents. These intermediaries are regularly informed through sales literature, pamphlets, brochures, price list etc.

**5) Expansion of the market:** IMC help the seller to expand the business from local level to regional level and to national level . This expansion provides his goodwill, recognition through out the country.

**More specialized media.** It used to be said that mass media was enough to cover any advertiser's needs. But with ever-increasing ad clutter, shorter attention spans and greater resistance to advertising, customers now tend to be a lot more selective: they shut out the stuff they feel they don't need, and go with the stuff that they want. Therefore with IMC sellers can retain the attention of customer by diverting their attention through various Communication Mix.

## **5. Steps Involved in Framing IMC**

It is likely that integrated marketing communication will be

expected to make a number of contributions toward meeting the marketing objectives. Thus the main steps in designing IMC are :

**1) Identification of target audience :** Defining the target audience is one of the first steps in designing the IMC. While thinking about the target audience one must look well beyond traditional demographic considerations. It is also important to 'think ahead 'and ask the following question.

- What are the relevant target buyer groups?
- What are the target group's demographic, lifestyle, and psychographic profile?
- How is the trade involved?

**2) Determining the communication objectives:** The next step is setting the communication objectives. There may be different communication objectives like increase in sales, brand image and good will, expansion of business. Thus the seller has to evaluate all these objectives and select the one which he intends to achieve.

**3) Determining the message:** An effective message should get attention, hold interest, arouse desire, & obtain action (AIDA model). In practice, few messages take the consumer all the way from awareness to purchase, but the AIDA framework suggests the desirable qualities of a good message. In putting the message together, the marketing communicator must decide what to say & how to say it. , who should say it. Thus the communicator should focus more on message content, message format and message structure.

**4) Selecting the communication channel:** There are two broad types of communication channels - Personal and Non personal.

**a. Personal Communication Channels:** In personal Communication channels, two or more people communicate directly with each other. They might communicate face-to-face, over the telephone, through the mail or even through an internet chat. Personal Communication channels are effective because they are allowed for personal addressing the feedback.

**b. Non Personal Communication Channels:** Non personal communication channels include media at most yearend events. Media consists of:

1. Print media -newspapers, magazines, direct mail etc.
2. Broadcast media-radio, television etc.
3. Electronic media-audiotapes, videotapes, CD-ROM, web page etc.
4. Display media-billboards, signs, posters, banners, hoardings etc.
5. Most of the non personal messages come through paid media.

**5) Determining the budget:** This is one of the most important decisions of IMC process. The effective IMC depends upon the budget set for communication Mix. The marketer prepares the budget taking into nature of the customers, objectives, nature of competitions and also availability of funds.

**6) Promotion Mix decision.** After determining budget it is essential to determine the promotional mix. Promotional mix is the combination of various tools like advertising, public relation,

personnel selling and so on. Because of different marketing environment there has to be variation in communication mix. One medium which is effective in one market may not be equally effective in another market.

**7) Implementation of promotion mix:** The marketer then makes an arrangement to implement the communication mix. The seller has to select the right media in order to put across the promotion message.

**8) Follow up.** Here the advertiser has to review the performance in terms of sales and purchase. If the performance is as per communication objectives there is nothing to worry. On the other hand if the performance falls below the communication objectives then certain corrective steps have to be taken.

**The next topic to be undertaken after studying IMC is Advertising agency which is a very important aspect while talking about advertisement**

## **6. Meaning and Definition**

An Advertising Agency is selected by a manufacturer or trader to present the advertisement on his behalf. The advertiser who does not have the capacity of carrying out advertising activities takes the help of services of advertising agencies who are specialized in those fields.

Thus, the advertising agency relieves the burden of the trader or manufacturer of the responsibility of advertising, production and distribution.

**Definition:**

The American Association of Advertising Agencies (AAAA) defines an advertising agency as : "An independent business organization, composed of creative and business people, who develop, repair and place advertisements in advertising media for sellers seeking to find customers for their goods and services".

### **SERVICE RENDERED BY AN AD AGENCY**

The main function of advertising agency is to see that its client's advertising leads to greater profits in the long run. The agency thus plans, prepares and places with advertising with the objective. The main function of a full-service advertising agency are as follows:

**1. Selection of Clients :** The first and the foremost function of an advertising agency is to contact and select clients who are desirous of advertising their products, services or anything which they want to sell. The preference in contacting and choosing the clients is given to those firms which have sound values, able management, efficient operative products and services. The financial position, size and nature of business, efficient management and operative products etc. must be given due weight.

**2. Media Selection:** Media selection is another major function of the advertising agency. In making a media selection several factors such as cost, circulation, population which it serves, audiences, nature of the product, types of customers and above all needs of the clients should be kept in mind.

**3. Advertising Planning:** The third as well as the major

function of advertising agency is the advertising planning for its clients. For this purpose, the advertising agency requires a detailed knowledge of the firm's products, its advertising history, market conditions, channel of distribution, knowledge of competitors' products and their advertising techniques, field to be covered, nature and type of consumers etc.

Next planning job is to decide about the advertising medium in which the advertisement is to appear. The advertising message must be adapted to the medium in which it is to appear.

**4. Creative Function:** The creative function starts when the planning function ends. It includes the preparation of an advertising copy, layout, illustration, photographs, advertising messages, theme of advertisement etc. These functions are performed by a varied group of creative people including writers, designers, artists, producers, photographers and graphic art specialists employed by the advertising agency.

**5. Research Function:** It is the fifth major function of an advertising agency. It supports the decisions taken in the media and creative areas. In this connection the advertising agency gathers and analyse actual information about the product, extent of market, competitors' strategies and buyers' habits etc. that may help the creative personnel to make the advertising copy more attractive and effective.

**6. Approval of the Client:** As soon as the advertising copy etc. are prepared, the next function of the advertising agency is to show the copy to his client and obtain his approval. In case if any changes are suggested by the client, the same may be

incorporated and thus the final approval should be taken from the client.

**7. Marketing Function:** The advertising agency also performs marketing functions such as selecting target consumers, designing products and packages, developing channels of distribution strategy, determining prices and rate of discount etc. It gives useful advice to its clients with regard to the nature and trend of the market conditions. Accordingly, the client produces goods keeping in his mind the prevailing conditions in the market.

**8. Evaluation Function:** Simply drafting advertising copy and handing over the same to the media is not enough. The next major function of the advertising agency is to have an exhaustive evaluation of the advertising effects for the benefit of his client. In case of any deficiency, necessary suggestions should be given and the same be made effective after approval of the client.

**9. Coordination Function:** The last but not the least important function of the advertising agency is to establish effective coordination with client's sales force and distribution network to ensure the long running success of the advertising campaign. Each time the advertising agency contacts the client regarding advertising media to be used and the number of times the advertisement is to be repeated after giving effect to changes, if any, as suggested by the advertiser.

## **7. Agency Selection Criterion**

Following are some points to be taken in account while selecting the advertising agency:

**1. Suitability:** The advertising agency which suits the requirement of manufacturer or trader is selected depending upon the type of advertisement, location of agency, credit policies, etc.

Normally, an agency which is located near the advertisers place is selected. This helps in approaching the agency. Secondly, the size of agency in terms of personnel, projects, and services provided is considered. Thirdly, the connections and relations with the various media. Fourthly, the policies like conservative policy, outgoing policies etc. are taken into account. Finally, the advertising also considers whether the agency has competitors account or not.

**2. Facilities and Services Provided:** Some agencies have modern facilities of photography, type setting, printing, filming etc. The agencies which provide maximum services with minimum costing preferred.

**3. Imagination:** Imaginations and creative skills of the personnel of agency is duely considered. Creativity in photography, layout, copy writing, media etc. creates an identity and unique for the products and services of the advertiser.

**4. Past Record:** Past records of the agency in terms of number of clients, effectiveness, credit reputation etc. helps in selecting the agency. The advertiser enquires about the agency's timeliners, punctuality, past record helps to show whether the agency is reliable or not.

**5. Reputation:** The reputation of the advertising agency helps in selection. The popularity of the agency depends upon timeliners, successful presentation, good relations, prompt

services etc.

**6. Management:** Proper selection of advertising agency depends on the ownership and management and their policies. Their policies may be either conservative or dynamic which influence the selection.

**7. Rates Charged:** The advertiser considers the rates charged by the agency. Normally, the rates depend on reputation, facilities provided techniques adopted etc. Therefore, an advertiser will select such agency which will provide facility according to his requirement and which suits its budget.

**Size of the Agency:** The size of the advertising agency must be considered. The larger the size, the more it is preferred, however, at times, small is beautiful because a small agency may give more attention to its client's work.

## **8. Summary**

Integrated marketing communications (IMC) is a process of managing customer relationships that drive brand value primarily through communication efforts. Advertising, Publicity, Public Relation, Sales Promotion, Personal Selling, Packaging, Internet, Trade fairs and Exhibition, Sponsorship these are the main tools of IMC. IMC helps to create awareness of the products, provide the information of the new products, act as a communication channel between the seller and the intermediaries and expand the business.

Identification of target audience, Determining the communication objectives, Determining the message , Selecting the communication channel, Determining the budget, Promotion Mix decision, Implementation of promotion mix and then Follow up these are the main steps in designing IMC.

We also looked into the Criteria on basis of which advertisement agencies should be selected as that form a major part while talking about advertisement.