# Introduction to IMC

Hedon Blakaj 2021





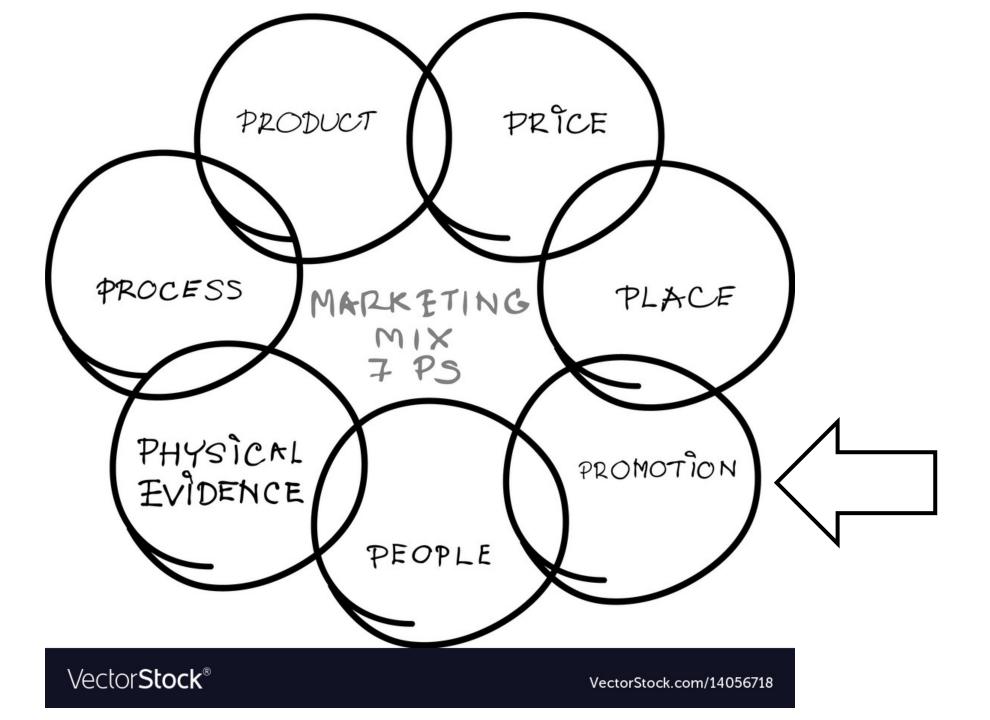
- A brief evolution of marketing
- The role of IMC in todays marketing

## Marketing and IMC

- Marketing 

   activities an firm or company undertakes to promote and sell consumer goods to consumers and/or customers; as well as maintain relationships with them
- \*Need not be profit oriented!
- We do so through the so-called "marketing mix" tools







- Marketing as a discipline has evolved over time
- A paradigm shift from product centricity to consumer centricity (relationship marketing paradigm)
- From make a product and sell it → to understand consumer wants and needs ... make a product or service to fit with those needs and wants, offer it and in doing so maintain a close relationship with consumers or customers

# <mark>Paradigm shift</mark>

-Product centricity

-Consumer centricity

**Product centricity** 



## • Product focus:

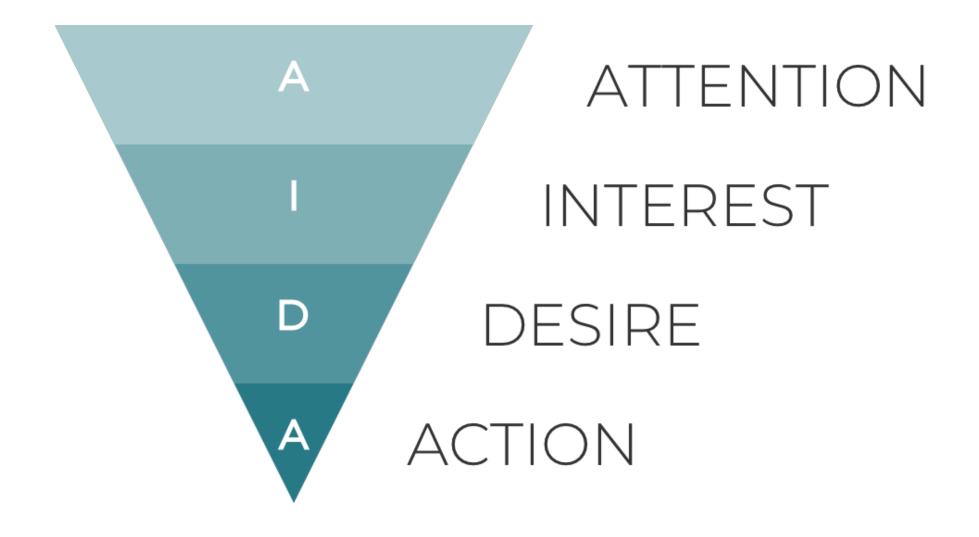
- Make a quality product  $\rightarrow$  better than the competitor
- Have a product, find a customer
- Come up with a value proposition predominantly based on utility (functionality)
- Transactional sales logic
- One-way communication
- All promotional material produced to support this logic

## • Consumer:

- Passive recipient
- Need to be persuaded
- Consumer processing model

## • Company structure:

- Hierarchial
- Silos
- Sales oriented







## **The Consumer is King**

THE CONSUMER IS KING.





@iPullRank

- Companies and organizations evolve
- Organizational structure evolves
- Markets become more dynamic
- A different understanding of consumers and consumer behavior
  - $\rightarrow$  different theories apart from psych informed ones
- Focus on consumer wants and needs and relationships with them
- The logic: relationships with consumers as a mean of (sustainable) competitive advantage
- With that, the idea about promotions (IMC) change, too
- From one-way to two-way communication, networked approach (See Kozinets et al. 2010)

## More on organizatinal structure

- The organization structure changes
- Communication and branding not only done by a marketing department or marekting managers alone, but concerns the whole of the company (→ IMC)
- The rise of the Chief Customer Officer (CCO) → Brand Manager!
- Organizational functions (CRM, Market research, IT, R&D...), in the function of better understanding consumers wants, needs and the maintanace of relationship with them! (CLV customer lifetime value)
  - Customer Relationship Management -> understand consumer needs and behavior
  - IT → market analytical skill (insights, KPIs...)
  - Market Research distributed accros the company + consumers (e.g.; Design Thinking – co-creation!)
  - Consumer and customer service! (touch points)

# IMC and Branding

- Your role as a future brand manager or a CMO or CCO (Chief Cultural Officer) is to manage a brand or a number of brands
- IMC offers a framwork or a logic through which brand management and branding is carried out
- Brands require constant tinkering
- There are many reasons for why this is the case:
  - Change in consumer preferences and taste
  - Competitor moves
  - Innovation
  - Disruptive innovation
  - And other...

Brands and branding as a way of competitive advantage

# IMC abd branding

Campaign delvelopment:

- Brand challenge
- Market research to generate consumer insights
- Develop the creative idea or concepts
- Media strategy (traditional / digital)
- Promotional strategy (promotional mix: advertising, PR, sponsorship, sales promotions...)
- Implementation (timing)
- Measurements (is it working?)



- Marketing has evloved over time
- Paradigm shift in marketing theory and practice
- A move from one way communication to two (networked) way communication
- IMC as an approach dovetail with the consumer centric logic
- IMC as an approach to branding and brand management



# Reading reference:

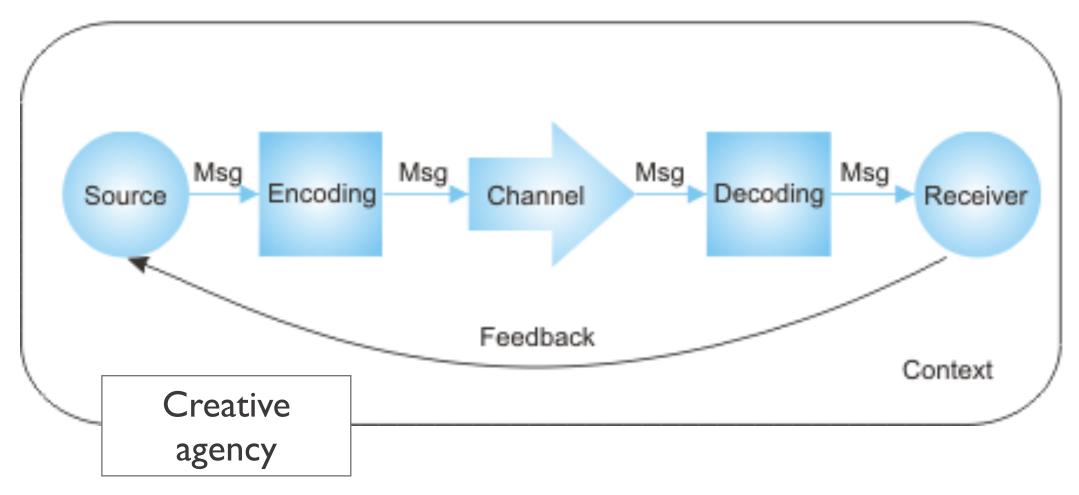
Rust, R.T., Moorman, C., & Bhalla, G. (2010). Rethinking marketing. *Harvard business review*, 88(1/2), 94-101.



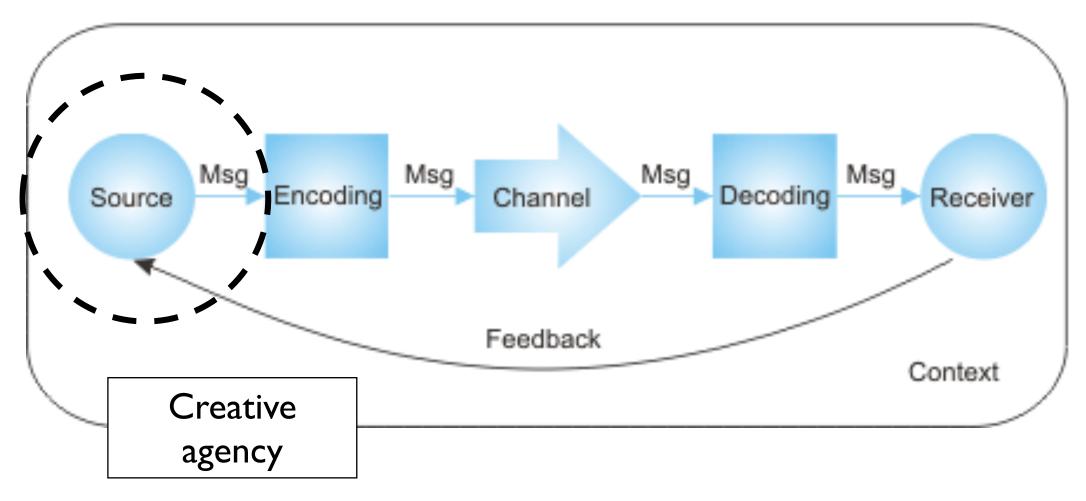


- IMC as part of 4 or 7 Ps
- IMC as brand management approach
- Underscores integration as an important and distinct facet of marketing communications
- <u>Emphasize</u> creativity, process, metrics and evaluation of IMC brand communication programs over time





### The Communications Process



## Source - your company/brand(s)

- Why branding? → "brand as a source of competitive advantage" (David Aaker)
- Branding model (organizational business logic) guiding your brand management efforts?
  - We will talk about different branding perspectives during the course

# Why communicate your brand to audiences?

- To let designated consumers or audiences know about your brand
  - e.g.: enter a market, brand *benefits* ... (awareness, interest and desire)
- Consumer preferences and taste change
  - e.g.: preference of healthier lifestyles and food (attitudes and behaviors changing)
- To reposition your brand
- To react to competitor's campaigns
- → ''the brand challenge''

# What do we do when we face one of the above mention?

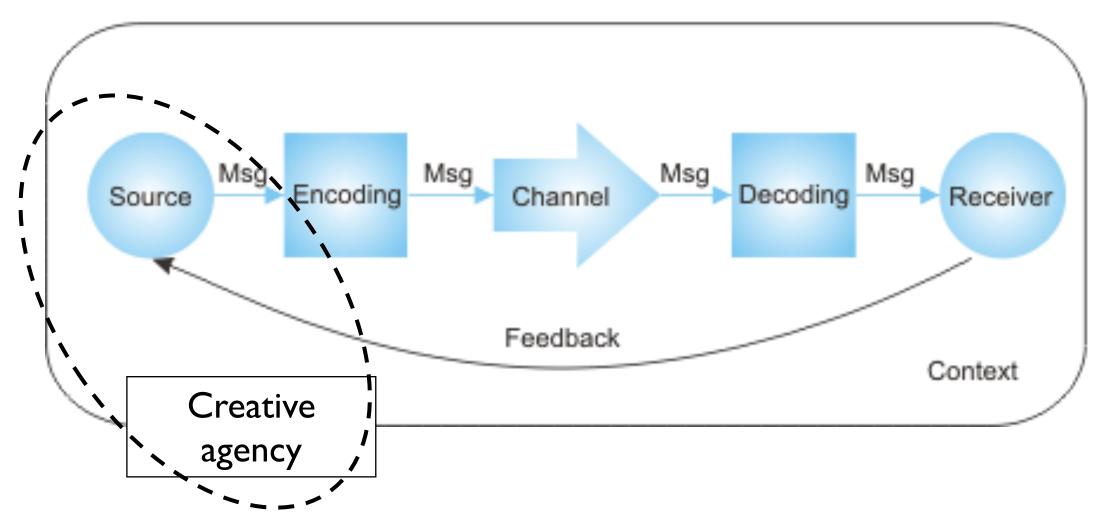
Among other things, we embark in an IMC campaign

- ZERO BASED PLANNING!
  - To see where we stand and what to do based on planning...
- What else?
  - Approach a creative agency/advertising agency
  - Preliminary brief (document) written by you and your team pertaining to the ''brand challenge''

## Brief / document

- What is your brand about?
- What is the ''brand problem'' according to you?
- How do you see the overcoming of the brand problem?  $\rightarrow$  challenges?
- Insight and creative idea
- Communication objectives?
- Your consumers/target segment
- Competitor analysis
- The message describing the brand value
- Communication channels on which the campaign will run (media strategy)
- Promotional mix (promotional mix strategy)
- Concurrent campaign evaluation and metrics!





## Creative agency / Client (your company /brand)

Market research to generate (more) insights Traditional market research techniques like focus groups & databases to gauge consumer needs and behaviors (Rust et al. 2000)

Cultural knowledge to ''read'' insights (Kelly et al., 2005) vs. trends!

Insights: ''an identification in consumers' experience that can open up a commercial link'' (Ariztia, 2013)

Creative idea/big idea:"X"





## Creative idea example:

## SNICKERS BIG IDEA

#### (Piercing Insight)

When you are hungry, it's hard to concentrate and hard to focus on what matters. You don't perform to the level you normally do because there's something missing.

### (Brand Connection)

Snickers is the perfect way to get back to being yourself. Packed full of peanuts, caramel, nougat, and milk chocolate, Snickers satisfies your hunger – all in a quick and easy-to-carry snack.

(Succinct Expression)

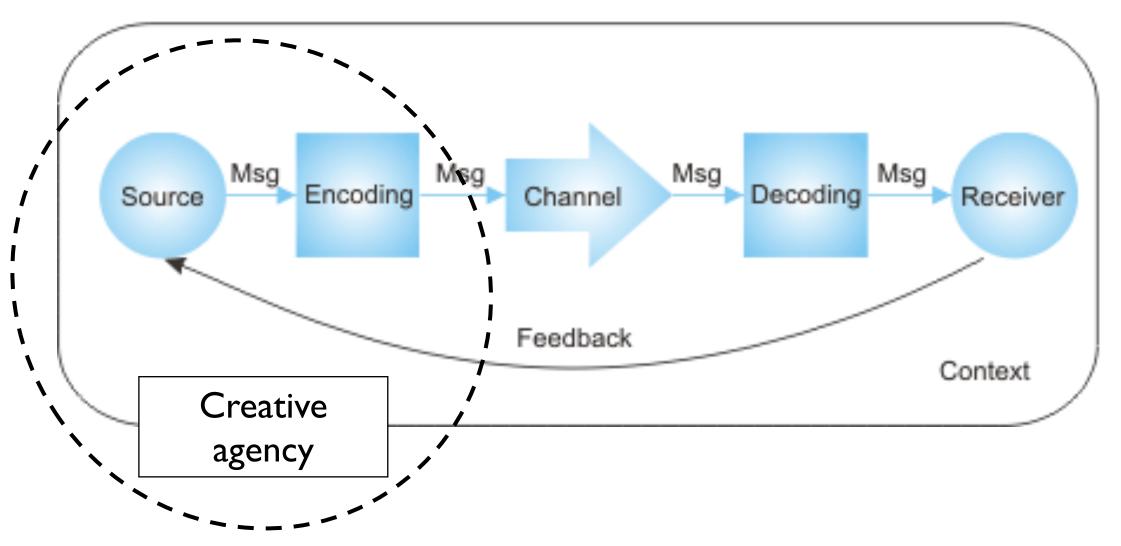
Snickers: You Are Not You When You Are Hungry.



## (Re)write the brief:

- What is your brand about?
- What is the "brand problem" according to you?
- How do you see the overcoming of the brand challenge?
- Communication objectives?
- Your consumers/target segment
- Competitor analysis
- The message describing the brand value
- Communication channels on which the campaign will run (media strategy)
- Promotional mix (promotional strategy)
- Campaign evaluation and metrics!

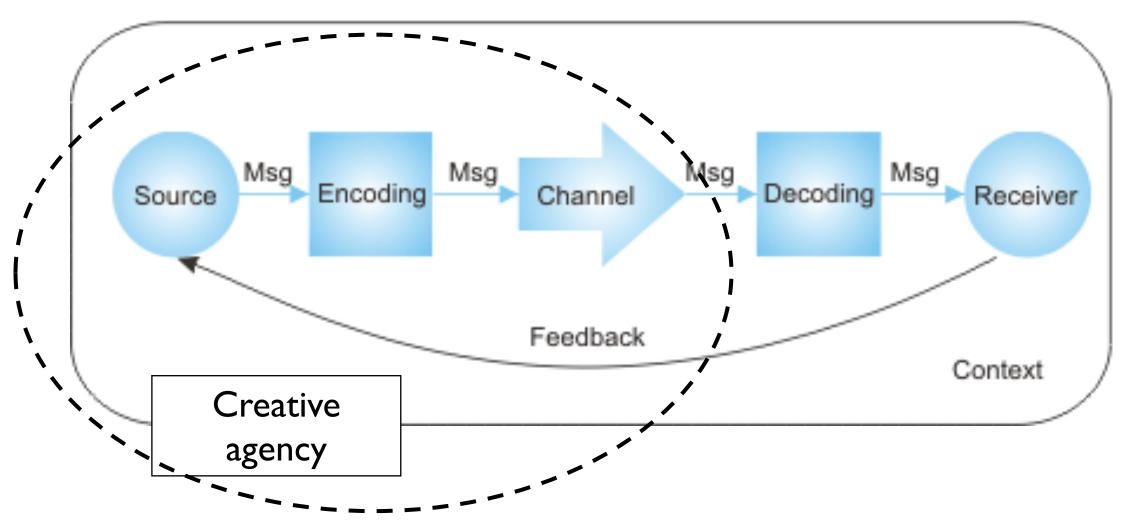




Aalto-yliopisto

## Encoding – (copywriters and art directors)

- Tone of voice
- Aesthetic appeal
- ...
- (Moeran, 2009: The organization of creativity in Japanese advertising)



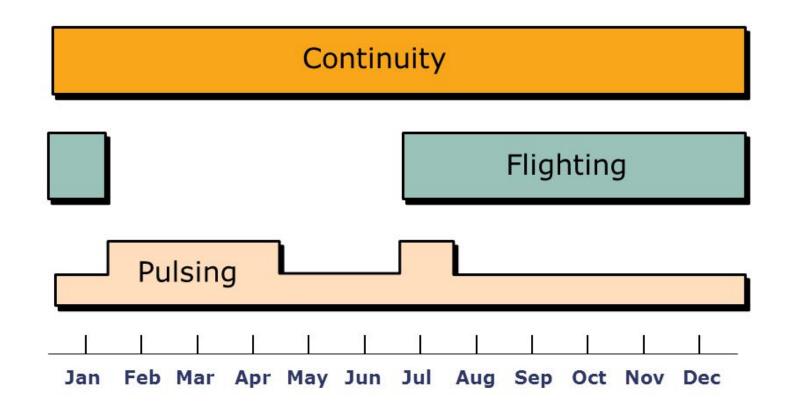
## The Communications Process

# Channels/mediums remember "Media Neutral Planning"

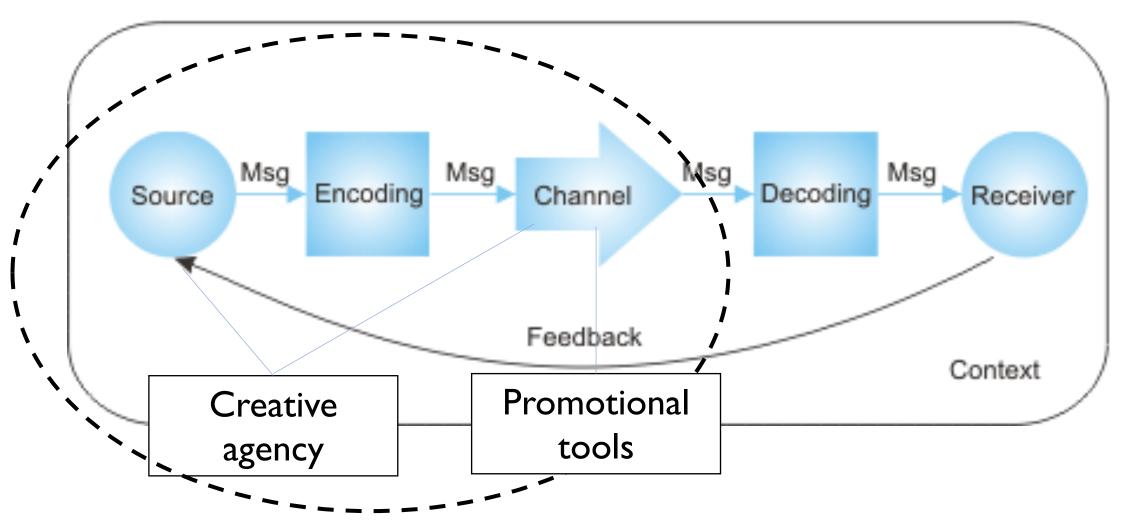
- Traditional
  - TV, print, radio, etc.
- Digital
  - Social media platforms











## The Communications Process

# Promotional tools

What promotional tools are best suited for the campaign?

- Advertising
- PR
- Sponsorship
- Sales promotions
- Sponsorship ...

Promotional strategy will depend on objectives and budget

# Measure and evaluate

- Ideally, you measure before, during and after the campaign
- Measurements and metrics consistent with the set objectives
- Short terms metrics relate predominantly to sales
- Long term metrics relate to brand equity such as awareness, loyalty...
- At the end of the day, we are aiming for a positive ROCI (return on consumer investment)







Course syllabus and Zoom lecture links: <u>https://mycourses.aalto.fi/course/view.php?id=27519</u>

Make sure you download the Zoom lectures into your calendars!



## Attendance policy:

• 80% mandatory attendance

#### Course evaluation as per Aalto guidelines

- 90-100 points = 5
- 80-89 points = 4
- 70-79 points = 3
- 60-69 points = 2
- 50-59 points = 1
- Below 50, fail the course

- Exam = 40% of the final grade, or 40 max points
- On online exam via MyCourses
- Esseay based exam
- 6 questions, choose 4 to answer
- Exam link in MyCourses TBA!
- Group assignement = 60% of the final grade, or 60 max points
- See link for instructions: <u>https://mycourses.aalto.fi/course/view.php?id=27519&section=2</u>
- Assignment to be returned by one member of the the group in the designated MyCourses folder: <u>https://mycourses.aalto.fi/course/view.php?id=27519&section=2</u>

Group formation:

- Lets take 5 minutes
- Go too googledrive link and add your names
- You can randomly choose to do so or based on selfselection
- Group count depends on how many student have enrolled for the course

https://drive.google.com/drive/u/2/folders/IXcGGABNt\_ppl4yNBxt\_FDp4gZHxoyFo

### Extra points opportunity:

- Students have the opportunity to score up to 5 extra points
- The task involves student groups to prepare and give a short lecture on one of the following promotional mix tools:
  - PR, Sponsorship, Sales promotions, Personal selling, Direc Marketing, Social media

Voluntary!

Should you decide to do so, please go to the google drive and write-up your lecture of choice and inform us:

https://drive.google.com/drive/u/2/folders/InLcK3\_ucoi2q-3d4ZynCuM\_A5OXPHciG Guest lecturers on 2.2.2021

Not to be missed!

Susanna Takkunen:

• <u>https://fi.linkedin.com/in/susanna-takkunen-5a69b51</u>

Eka Ruola:

• https://fi.linkedin.com/in/eka-ruola



## Student presentations:

- Students will present their preliminary group project
- Depending on group count, 10-15 min per presentation
- Use Microsoft PowerPoint!
- Presentations can be done by one member of the group, two or all.
   Up to you how you want to deliver the presentation.



### Course material:

- Book, via Aalto digital library
- Articles, via google schoolar
- See also googledrive