

Introduction to IMC

Hedon Blakaj

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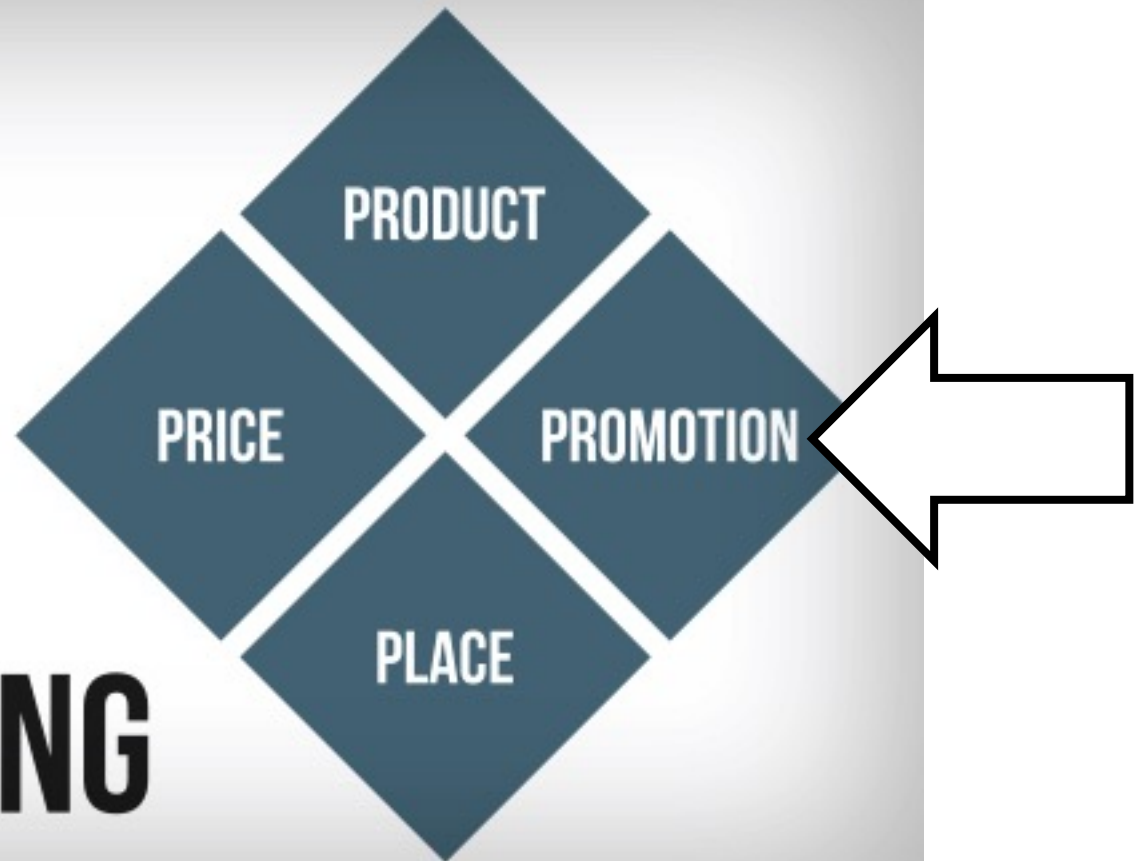
Agenda:

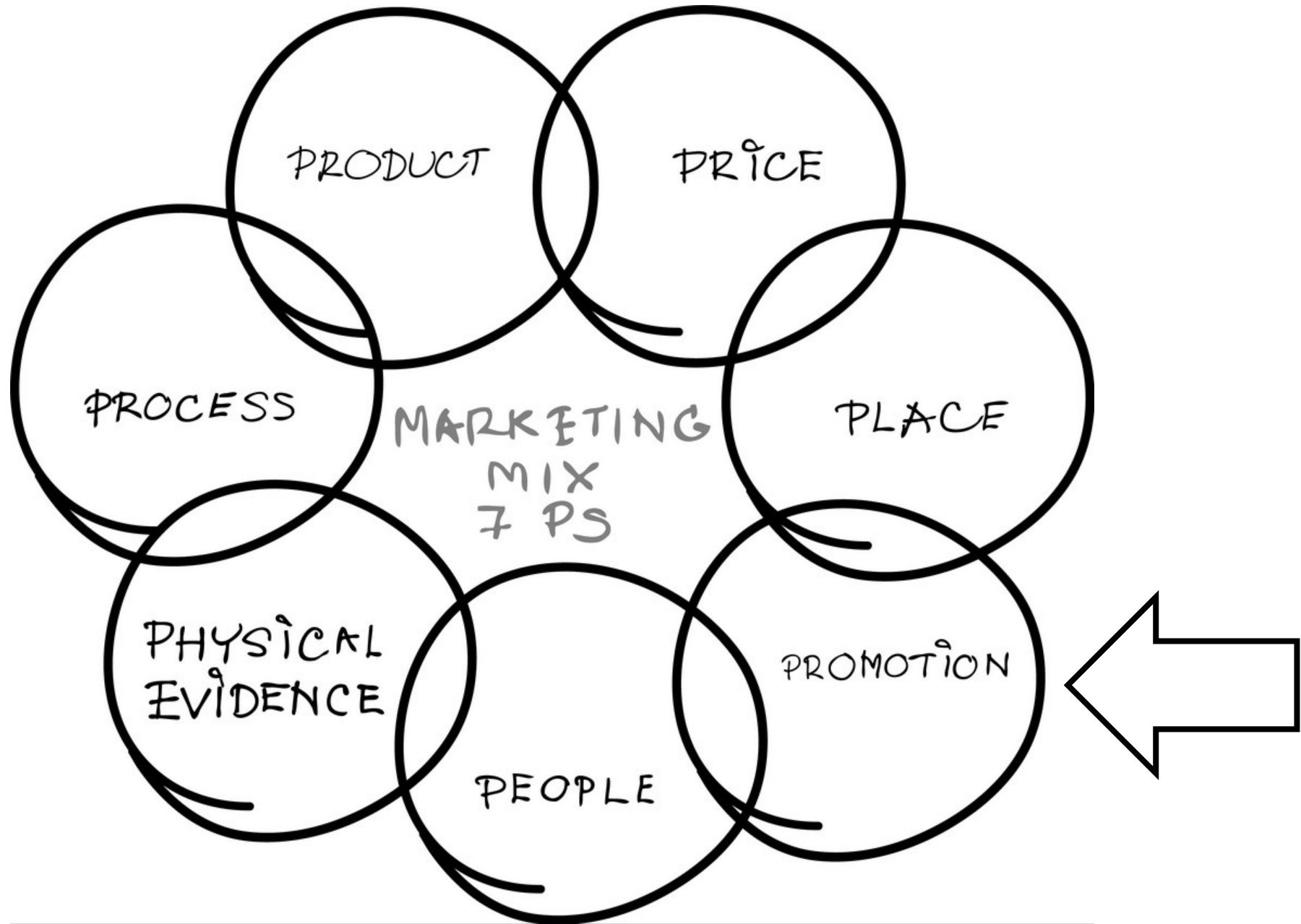
- A brief evolution of marketing
- The role of IMC in today's marketing

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

THE 4 P_s OF MARKETING





- 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

Paradigm shift

-Product centricity

-Consumer centricity

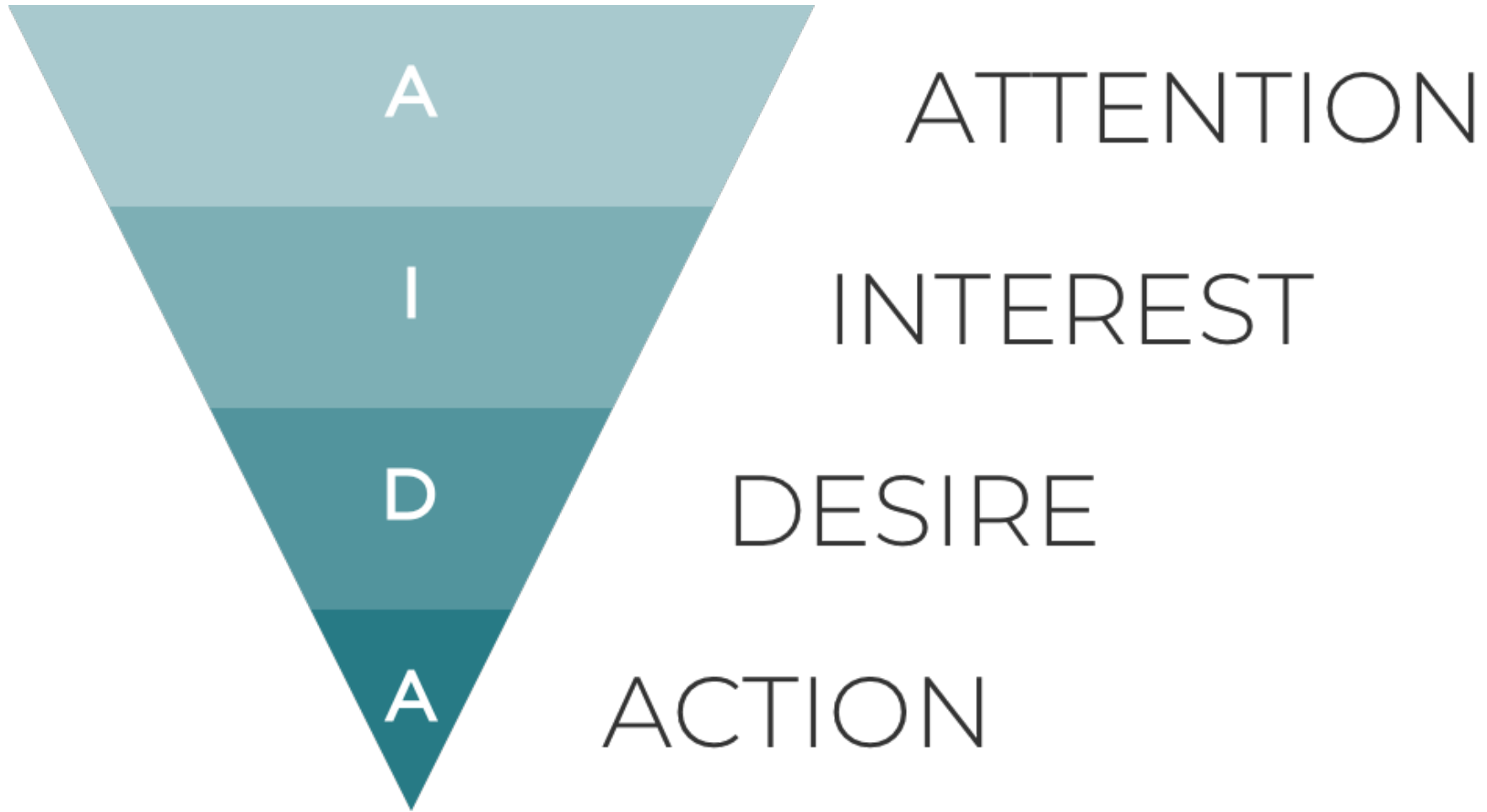
Product centricity



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"You'll find this ideal for brushing
the dust off that set of encyclopaedias
I sold you last week."

- **Product focus:**
 - Make *a quality* product → 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:**
 - Hierarchical
 - Silos
 - Sales oriented



Consumer centricity

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
 - → 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 organizational structure

- The organization structure changes
- Communication and branding not only done by a marketing department or marketing 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 maintenance 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 across 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 framework 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 and branding

Campaign development:

- 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?)

Summary:

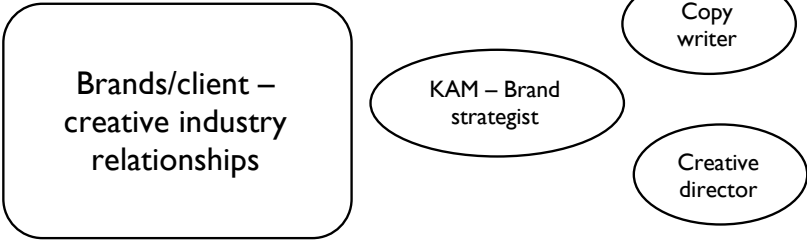
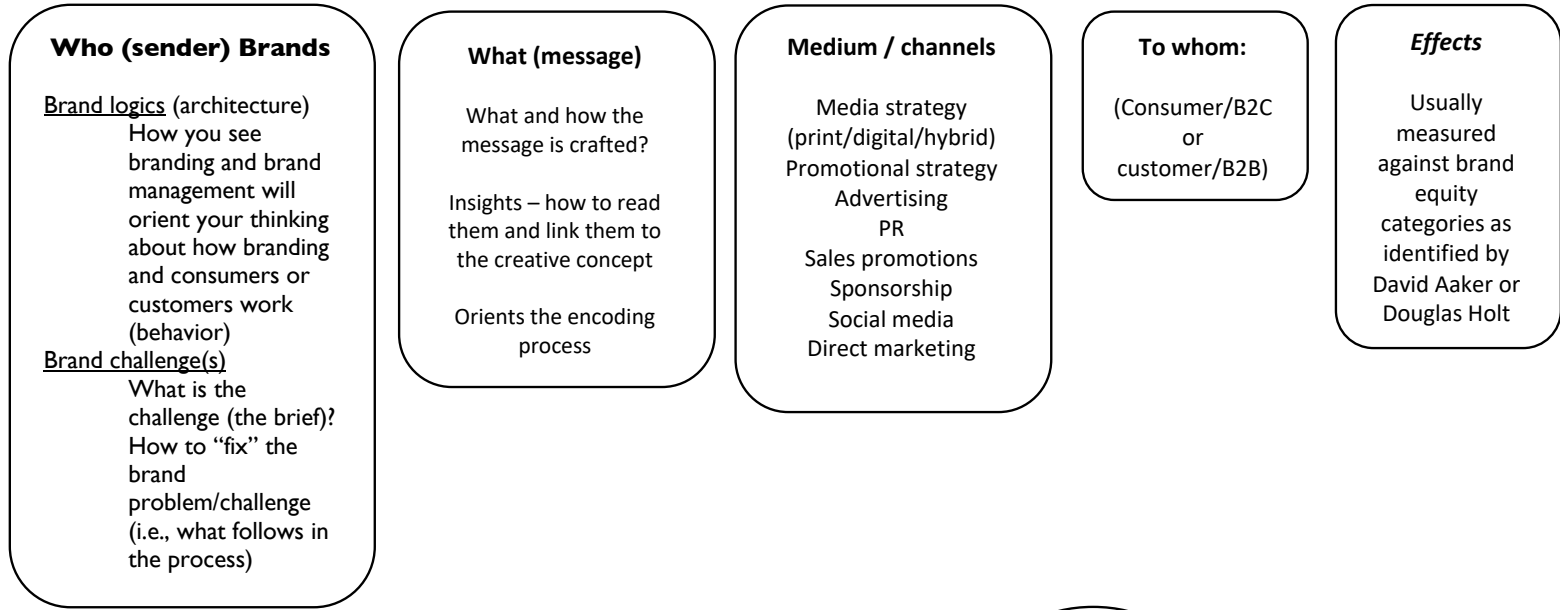
- Marketing has evolved over time
- Paradigm shift in marketing theory and practice
- A move from one way communication to two – (networked) way communication
- IMC as an approach dovetail with the consumer centric logic
- IMC as an approach to branding and brand management

Reading reference:

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

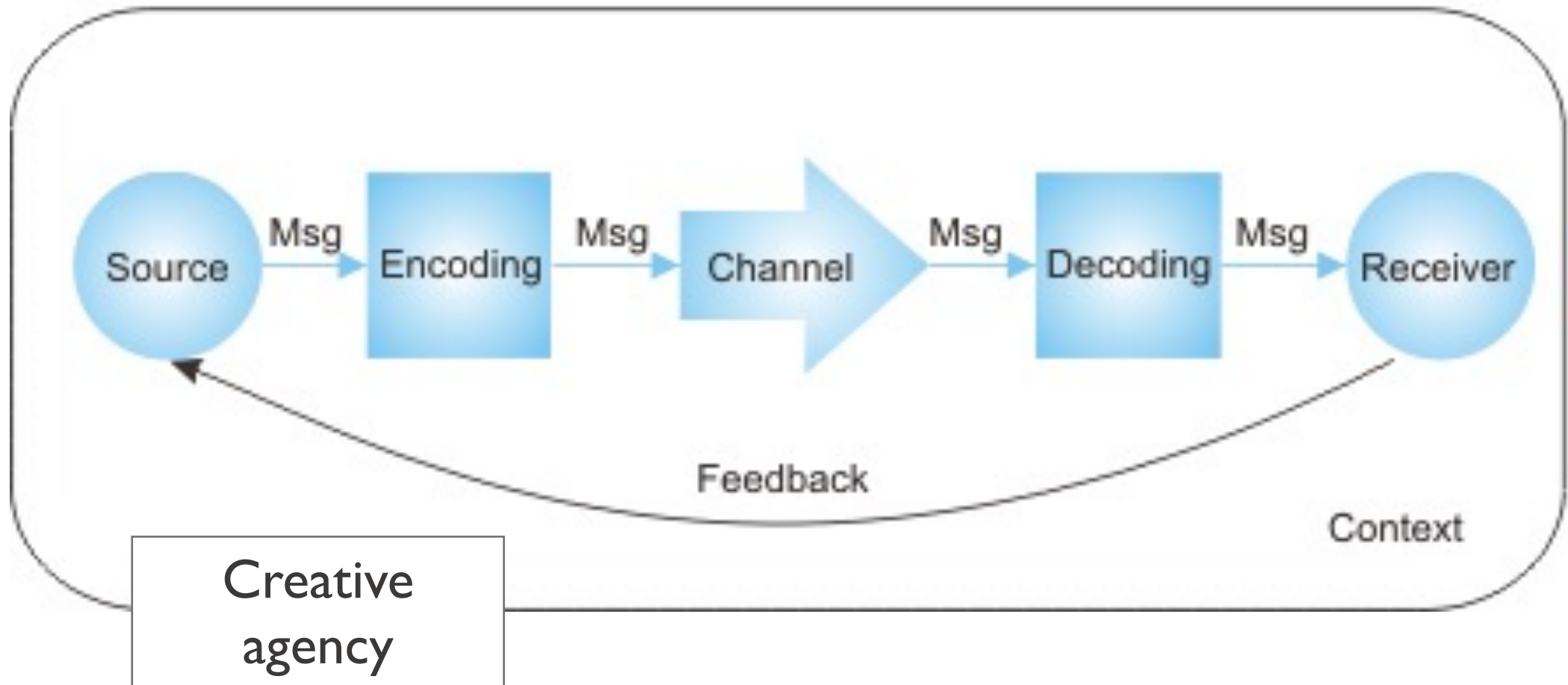
IMC

- IMC as part of *4 or 7 Ps*
- IMC as brand management approach
- Underscores **integration** as an important and distinct facet of marketing communications
- Emphasizes: strategy, creativity, process, metrics and evaluation of IMC brand communication programs over time

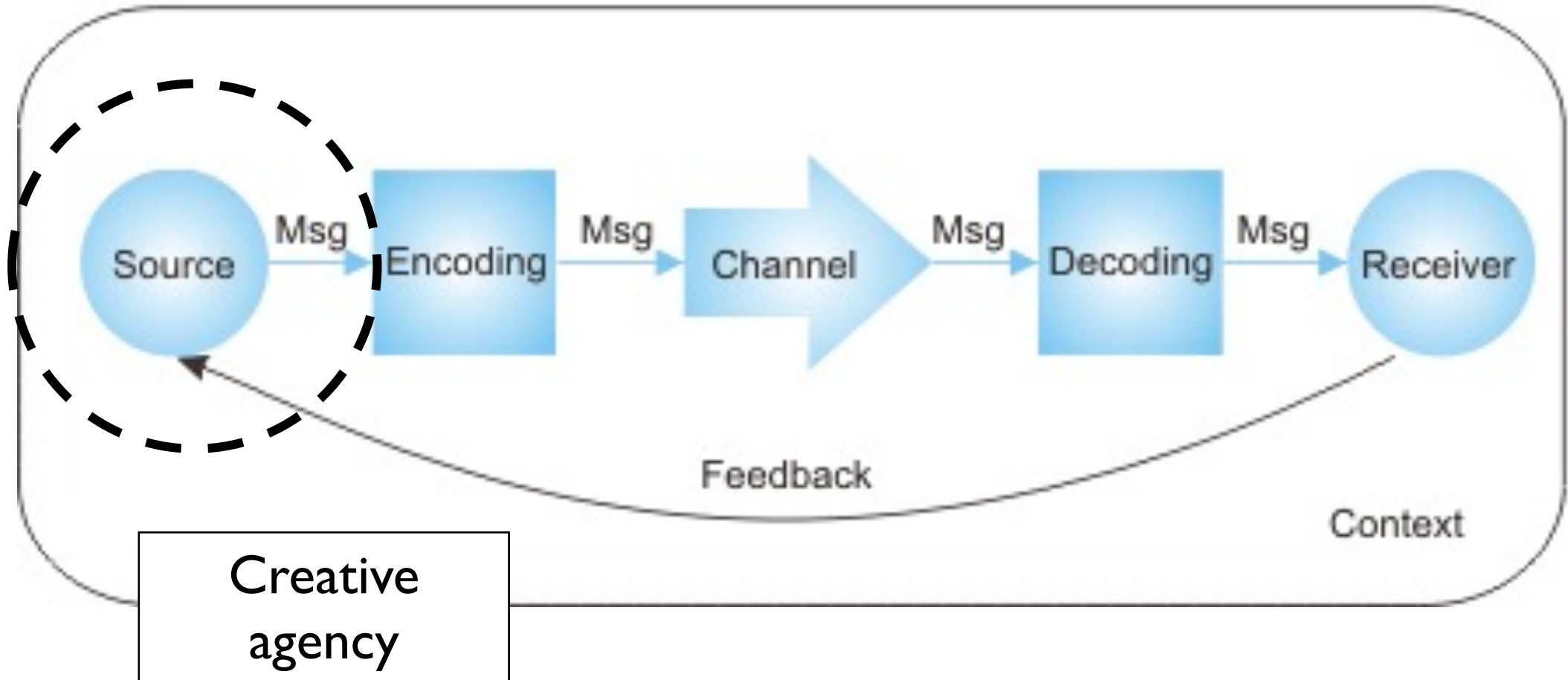


Integrated Marketing Communications (IMC) undergirds the ways in which the components are linked together

The Communications Process



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 mentioned?

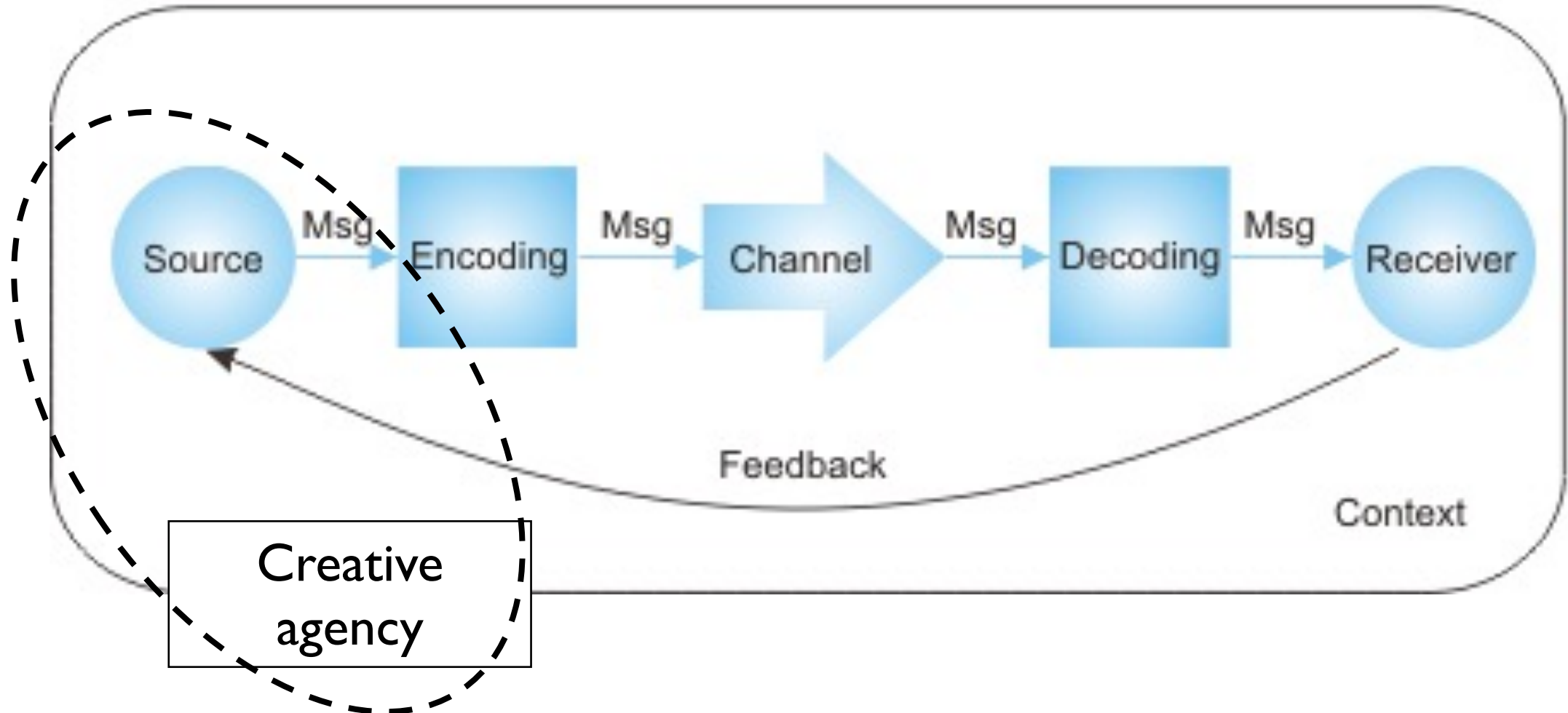
Among other things, we embark in an IMC campaign

- 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? → 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!

The Communications Process



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”



YOU'RE NOT YOU WHEN YOU'RE HUNGRY

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)

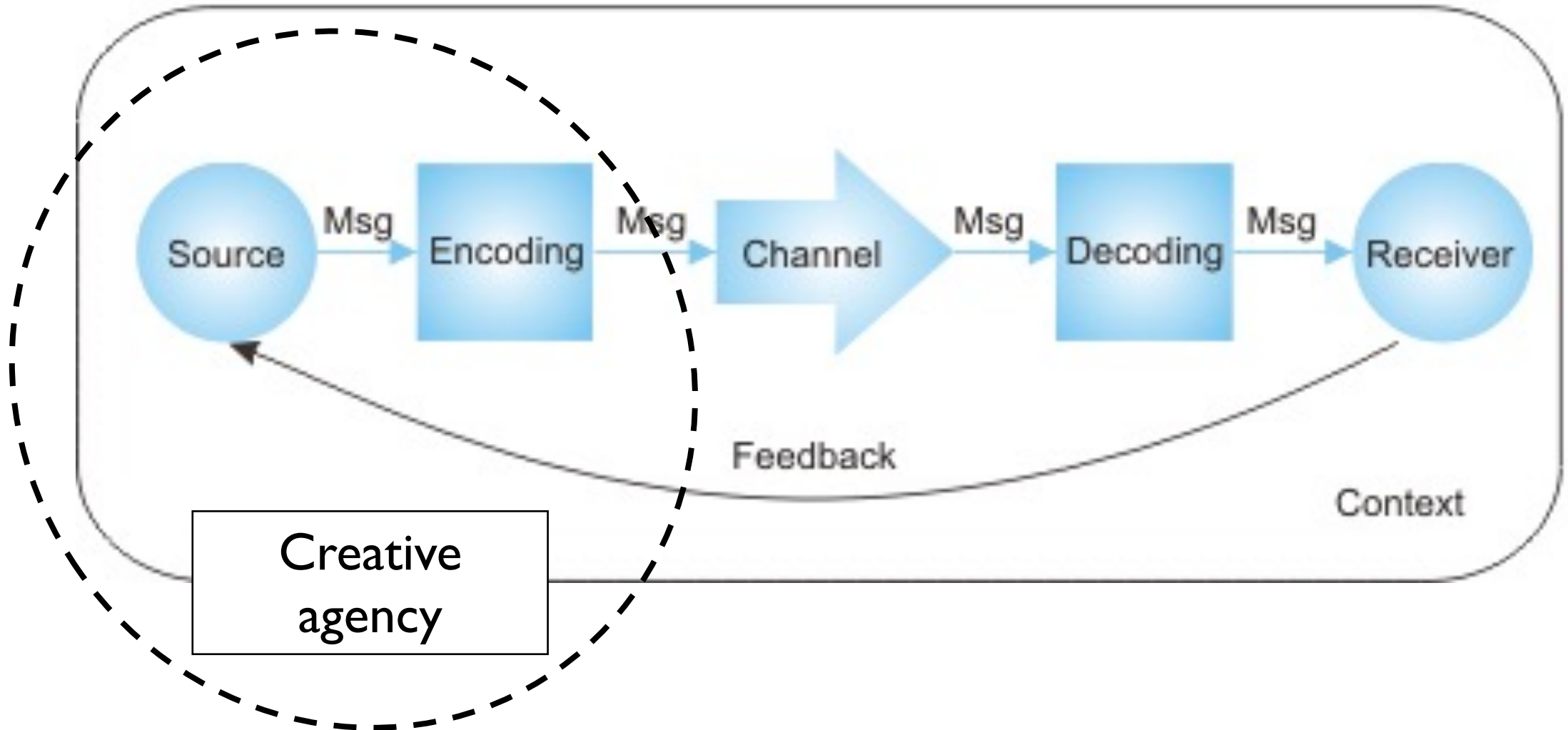
Snickers: You Are Not You When You Are Hungry.



(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?
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- The message describing the brand value
- Communication channels on which the campaign will run (media strategy)
- Promotional mix (promotional strategy)
- Campaign evaluation and metrics!

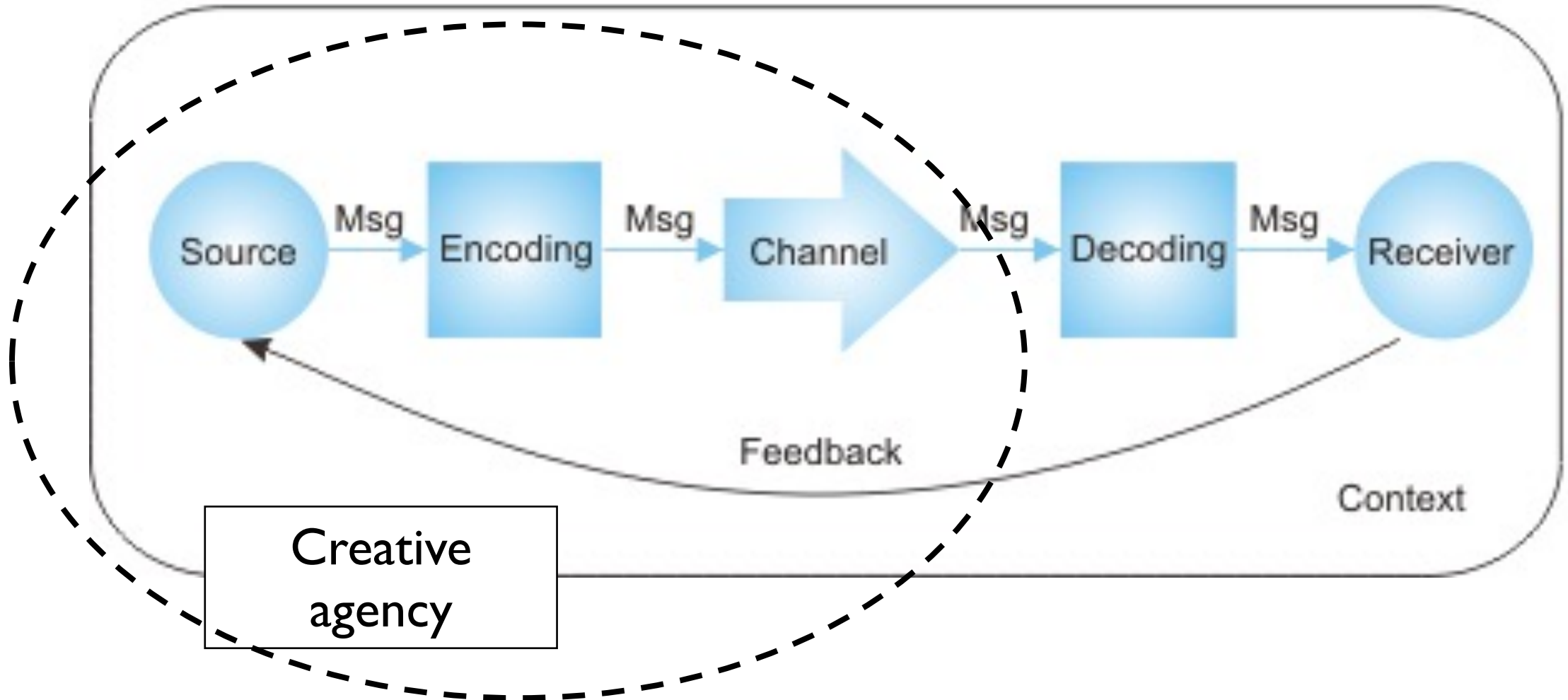
The Communications Process



Encoding – (copywriters and art directors)

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

The Communications Process

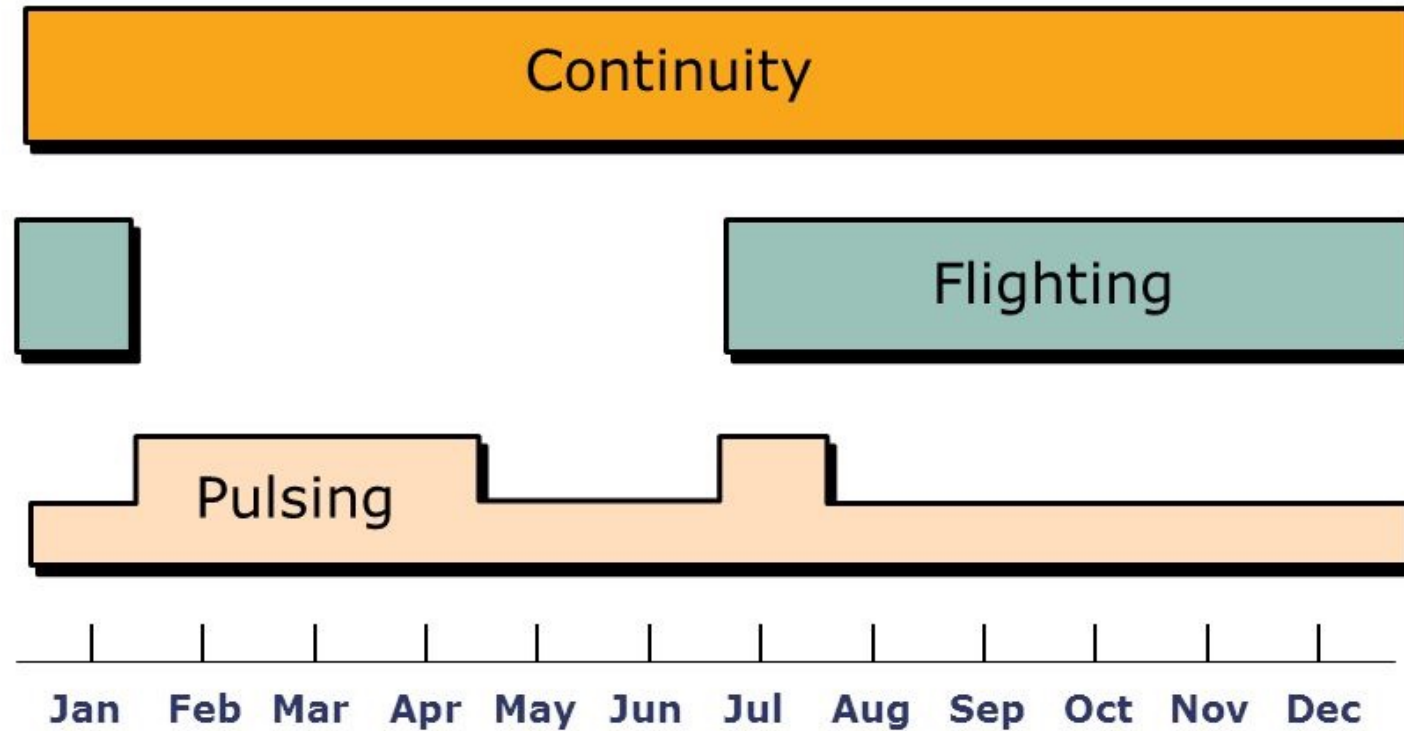


Channels/mediums

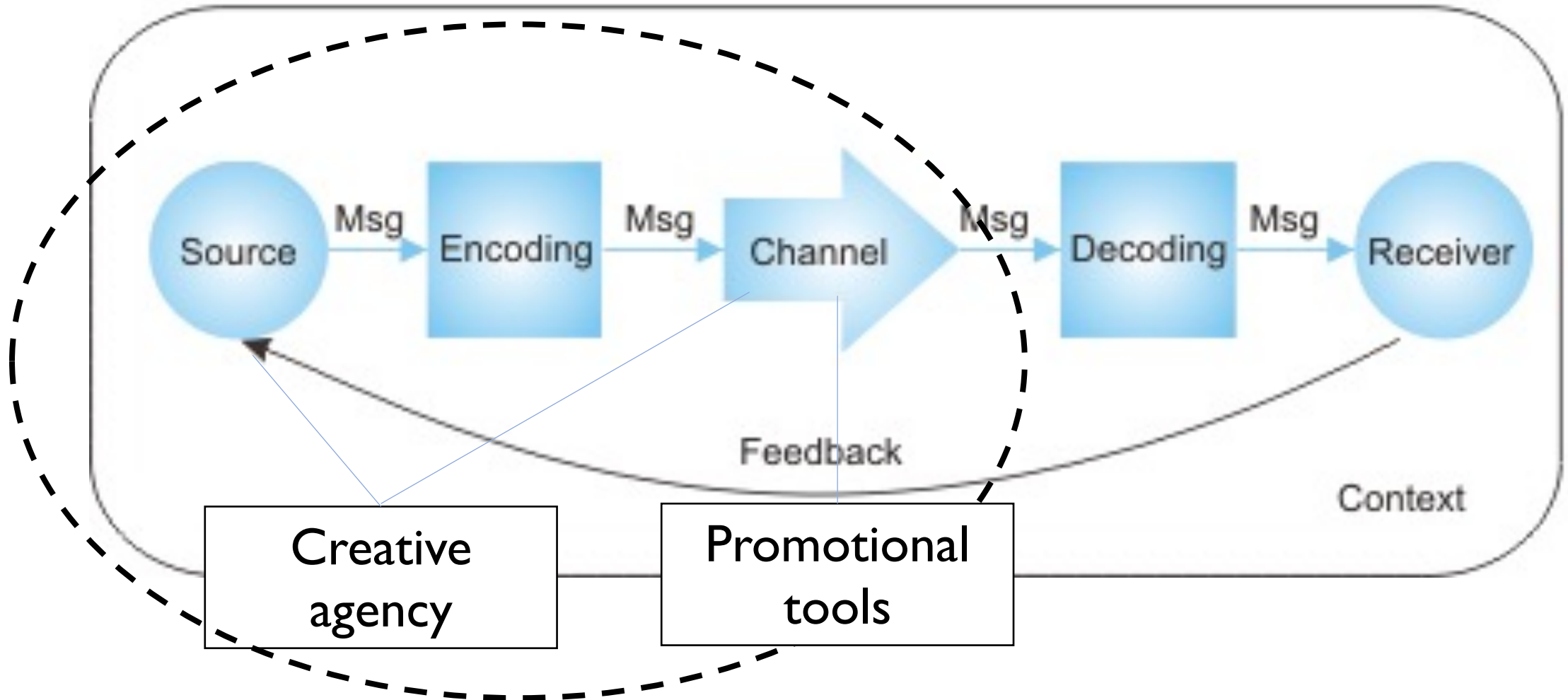
remember “Media Neutral Planning”

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

Three Scheduling Methods



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)

Q&A!

Practicalities

Course syllabus and Zoom lecture links:

<https://mycourses.aalto.fi/course/view.php?id=30762>

Make sure you download the Zoom lectures into your calendars!

Attendance policy:

- No mandatory attendance!
- However, you are strongly encouraged to attend the lectures regularly

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
- Essey 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 group assignment instructions:
- <https://mycourses.aalto.fi/mod/folder/view.php?id=759958&forceview=1>
- Assignment to be returned by one member of the the group in the designated MyCourses folder:
<https://mycourses.aalto.fi/mod/folder/view.php?id=759958&forceview=1>

Group formation:

- Lets take 5 minutes
- You can randomly choose to do so or based on selfselection
- Group count depends on how many student have enrolled for the course

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!

Student presentations:

- Students will present their preliminary group project
- Depending on group count, 15-20 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:

- Under reading material in MyCourses

Q&A!