

IMC – history, concepts & theory

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Aalto-yliopisto
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Aalto University

Spring 2023

Do all of you already have a group?

Those of you who have not yet found a group, let me know asap!

About course attendance:

I will upload lecture slides to Mycourses, but no videos or recordings from the lectures, as this is a live campus course.

Guest lectures are mandatory. How many of you already know they will miss one of them?

I will take names and deduct points from in case someone misses it. In case you know in advance you won't make it, and don't want your points to be deducted, let me know in advance and you can make a small assignment.

Agenda

- The history and evolution of IMC
- IMC theories and best practices
- Strategic vs. tactical thinking
- Case examples: let's go through two campaigns

History and evolution of IMC



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How many of you have watched the tv-series Mad Men?



Video clip:

Advertising defined by Don Draper

In the following scene of the tv show “Mad men”, an advertising company in the 60’s is meeting one of their biggest clients, Lucky Strike that produces and sells cigarettes.

It is around the time that awareness of the health consequences of cigarettes has arisen, and cigarette companies are trying to find a way to keep their businesses.

At the beginning of this scene Don Draper, the creative director of the ad agency, is having a sort of a melt down, but then at the end of the meeting he gets inspired.

Exercise

1. How does Don Draper define advertising?
2. How has marketing changed from those days?
3. Can you think of something in the video clip that is still valid today?

Discuss first in groups, and then let's have a common discussion!



Actual print ads of Lucky Strike

What makes a Lucky taste better?

"IT'S TOASTED" to taste better!

"I always stick to Luckies," says golf champion Sam Snead. "To a light smoker like me, taste is the big thing. And Luckies taste better." There are good reasons why Luckies taste better. As you know, Lucky Strike means fine tobacco. Then that tobacco is toasted to taste better. "It's Toasted"—the famous Lucky Strike process—brings Luckies' fine tobacco to its peak of flavor . . . tones up this

light, mild, good-tasting tobacco to make it taste even better—cleaner, fresher, smoother. That's our story, pure and simple: a Lucky tastes better because it's the cigarette of fine tobacco . . . and "It's Toasted" to taste better. So, enjoy better taste—get Luckies.

LUCKIES TASTE BETTER Cleaner, Fresher, Smoother!

© A.T.Co. PRODUCT OF The American Tobacco Company AMERICA'S LEADING MANUFACTURER OF CIGARETTES

Exercise

1. How does Don Draper define advertising?
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What has changed?

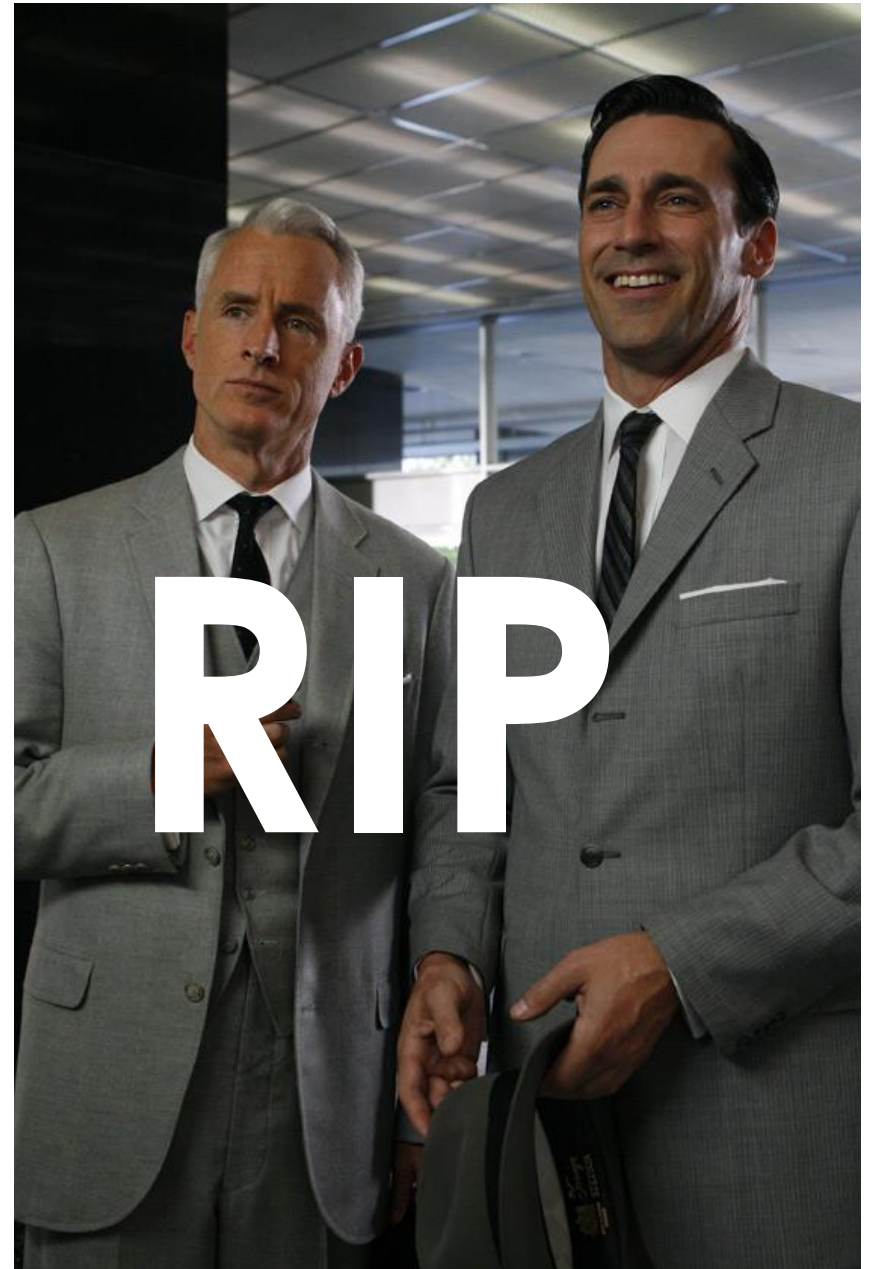
- Consideration of ethical standards
- Communication style – from a one-way communication style (= companies create messages and communicate them to mass audiences) to engaging customers and building relationships with them
 - The main “trick” was to find a way to distinguish the brand from the competition
- Consumers are not anymore seen as passive recipients of company-led communication
- The portfolio of media channels has exploded
- The marketing process has become more complex...
-

What has not changed?

- Marketing is still about great stories and insightful ideas

IMC's evolution

- The start of IMC's evolution can be traced to the end of “advertising's golden age”, circa mid 70s
- You could call this the end of the “Mad Men” era



The golden age of advertising

How many of you know what is meant by it?

What is meant by the “golden age of advertising”?

- A time frame from circa 1950-1980, during which companies spend huge amounts on advertising spend: a time of “big ideas and three-martini lunches”
- The discovery of a market of people whose behavior was somewhat predictable
- The creative revolution of advertising: changes in the ad agency structure (from buying advertising space to *making* advertising; valuing account managers to creative managers)





Marlboro

You get a lot to like
-filter
-flavor
-flip-top box

NEW
FLIP-TOP BOX
Firm to keep
cigarettes
from crumpling.
No tobacco in
your pocket.

POPULAR
FILTER PRICE

Here's old-fashioned flavor in the new way to smoke.
The man-size taste of honest tobacco comes full through.
The smooth-drawing filter feels right in your mouth.
Works fine but doesn't get in the way. The Flip-Top Box
keeps every cigarette firm and fresh until you smoke it.

(MADE IN RICHMOND, VIRGINIA, FROM A NEW MARLBORO RECIPE)

Family Fitness

before winter sets in!

Now is the time to start building up your family's resistance to winter infections. Appetising, savoury Marmite is one of the best protective foods they (and you) can have. It is a concentrated extract of yeast which contains health-giving B₂ Vitamins. And its exciting tangy flavour makes it a favourite with children. Add the extra goodness of Marmite to all your hot savoury dishes – pies, stews, casseroles and soups.

MARMITE

for goodness and flavour

2 oz 1/6 · 4 oz 2/9 · 8 oz 4/6 · 16 oz 8/-



You mean a woman can open it?

Easily—without a knife blade, a bottle opener, or even a husband! All it takes is a dainty grasp, an easy, two-finger twist—and the catsup is ready to pour.

We call this safe-sealing bottle cap the Alcoa HyTop. It is made of pure, food-loving Alcoa Aluminum. It spins off—and back on again—without muscle power because an exclusive Alcoa process tailors it to each bottle's threads

after it is on the bottle. By vacuum sealing both top and sides, the HyTop gives purity a double guard.

You'll recognize the attractive, tractable HyTop when you see it on your grocer's shelf. It's long, it's white, it's grooved—and it's on the most famous and flavorful brands. Put the bottle that wears it in your basket . . . save fumbling, fuming and fingers at opening time with the most cooperative cap in the world—the Alcoa HyTop Closure.

Alcoa 
Aluminum



Watch "Soldiers of Fortnum"
 For exciting adventures, see this
 7-Up TV show every week.



A mild
 sedation
 derived from
 lemon
 and
 lime
 is sold in
 bottles only.

Why we have the youngest customers in the business

This young man is 11 months old—and he isn't our youngest customer by any means.

For 7-Up is so pure, so wholesome, you can even give it to babies and feel good about it. Look at the back of a 7-Up bottle. Notice that all our ingredients are listed. (That isn't required of soft drinks, you know—but we're proud to do it and we think you're pleased that we do.)

By the way, Mom, when it comes to toddlers—if they like to be coaxed to drink their milk, try this: Add 7-Up to the milk in equal parts, pouring the 7-Up gently into the milk. It's a wholesome combination—and it works! Make 7-Up your family drink. You like it . . . it likes you!

Nothing does it like Seven-Up!

Up to 1970s: traditional media domination (print, radio and film)



Lemon.

This Volkswagen missed the boot.

The chrome strip on the glove compartment is tarnished and must be replaced. Chances are you wouldn't have noticed it, Inspector Kurt Kroner did.

There are 3,389 men at our Wolfsburg factory with only one job: to inspect Volkswagens at each stage of production. 13,000 Volkswagens are produced daily; there are more inspectors

than cars.]

Every shock absorber is tested (spot checking won't do), every windshield is scanned. VWs have been rejected for surface scratches barely visible to the eye.

Final inspection is really something! VW inspectors run each car off the line onto the Funktionsprüfstand (car test stand), tote up 189 check points, gun ahead to the automatic

brake stand, and say "no" to one VW out of fifty.

This preoccupation with detail means the VW lasts longer and requires less maintenance, by and large, than other cars. (It also

means a used VW depreciates less than any other car.)

We pluck the lemons; you get the plums.





In 1965: **A coverage of 80% of the population** could be established with only **three 60 second TV spots**

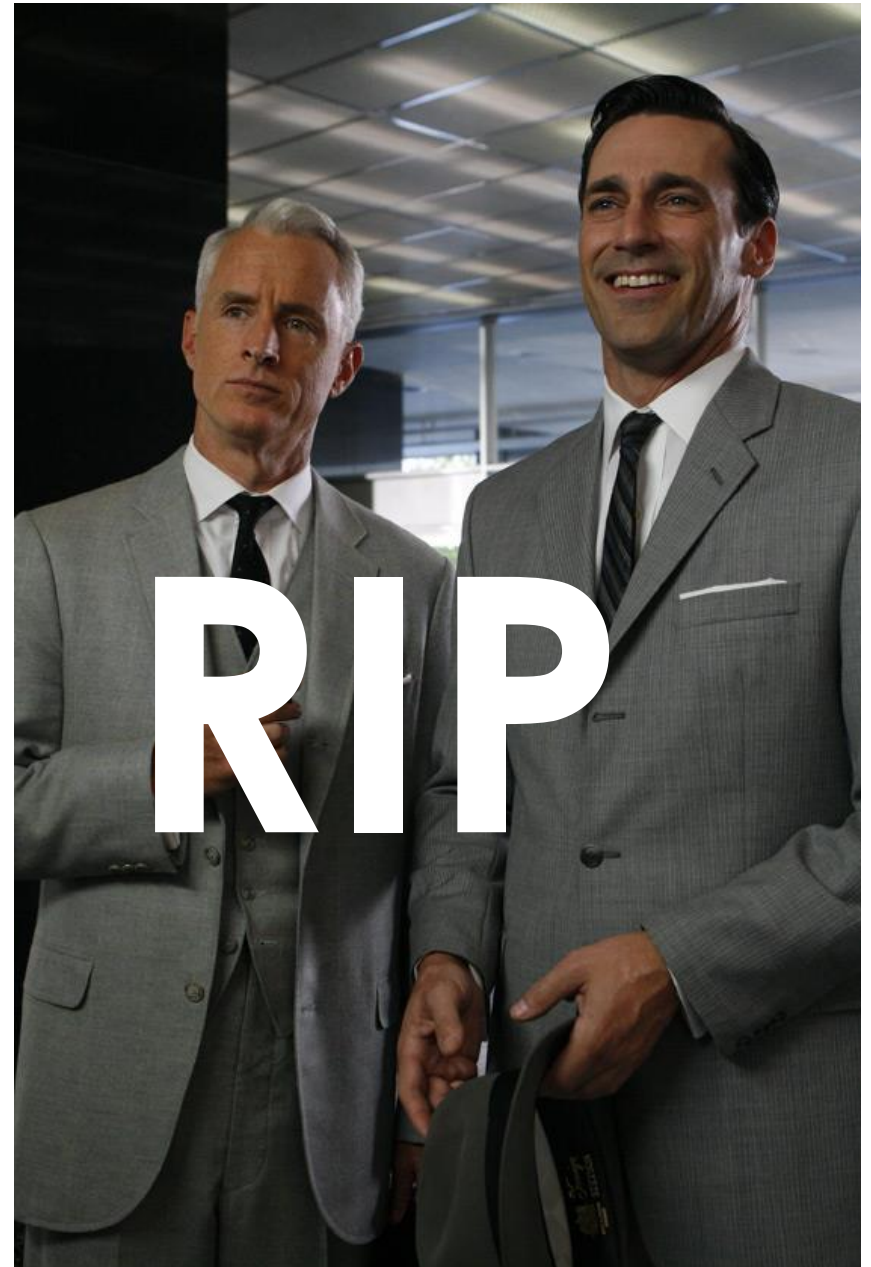
The main promotional tools: TV,
print, radio.

Marketing process: create a
story and distribute it

→ No need for integration

IMC's evolution – around the 70s→

- The rise of new promotional tools besides TV, print and radio
- Ad agencies saw “their” budgets being increasingly allocated to other marketing functions (PR, sponsorship, direct marketing...)
- Naturally, they needed to do something about it



IMC's evolution

- Ad agencies responded to this “threat” by acquiring these functions (recruiting, mergers, expansion etc.)
- At some point, “synergy effects” and “scale benefits” when buying everything from one agency became key selling points
- And somewhere the word “integrated” got thrown into the mix

New emerging media channels and media fragmentation



IMC's evolution

- With every new emerging media channel or marketing communications tactic, this process kept repeating itself → more "integration" needed
- Media fragmentation also meant coordination on the buyer side → another argument for IMC and centralizing marketing communications functions to one agency

IMC's evolution

- There were of course other trends in advertising that had an effect on IMC
- E.g. Wally Olins and his totality of graphic design thinking: “all materials a company puts out should represent the brand!”
- Design as a source of differentiation and a key element of branding



IMC's evolution

- Later, the idea of “marketing touch points” became popular
- The more companies started to think comprehensively about the whole customer experience, or customer journey, the more necessary IMC became as part of it: “a common message across touch points”



IMC's evolution

- The “second wave” of IMC has to do with the emergence of information technology
- Customer databases created the desire to integrate consumer data with marketing communications → database marketing
- Schultz (1993): “Information technology makes IMC inevitable.”

IMC's evolution

- John Deighton (1996): “companies who wish to succeed in the new marketing paradigm are ones who successfully gather and leverage customer information”
- Through information-driven relationships, marketers strive to acquire knowledge about consumers' preferences to better meet their needs, improve customer service, learn about new product ideas, and target their advertising better (White, 2004)



Big Data: How Target Knows You Are Pregnant

Consider the following scenario: in the past month Susan, a 20-something female shopper, purchased a large container of unscented lotion, an assortment of supplements such as zinc and calcium and a large purse from Target. As a result, Target can make the educated assumption that she is pregnant with an expected delivery date 5 months from today. Sound unbelievable? In reality, it's not. Our hypothetical situation is exactly what's happening.

As first written by the [New York Times](#), retail giant, Target, has figured out how to successfully use shopper data to determine if an individual is having a baby and when. For Target, the importance of knowing this is that "the retailer has a chance to rope customers in around the birth of a child, when parents are so overwhelmed they are open to a one-stop shop."

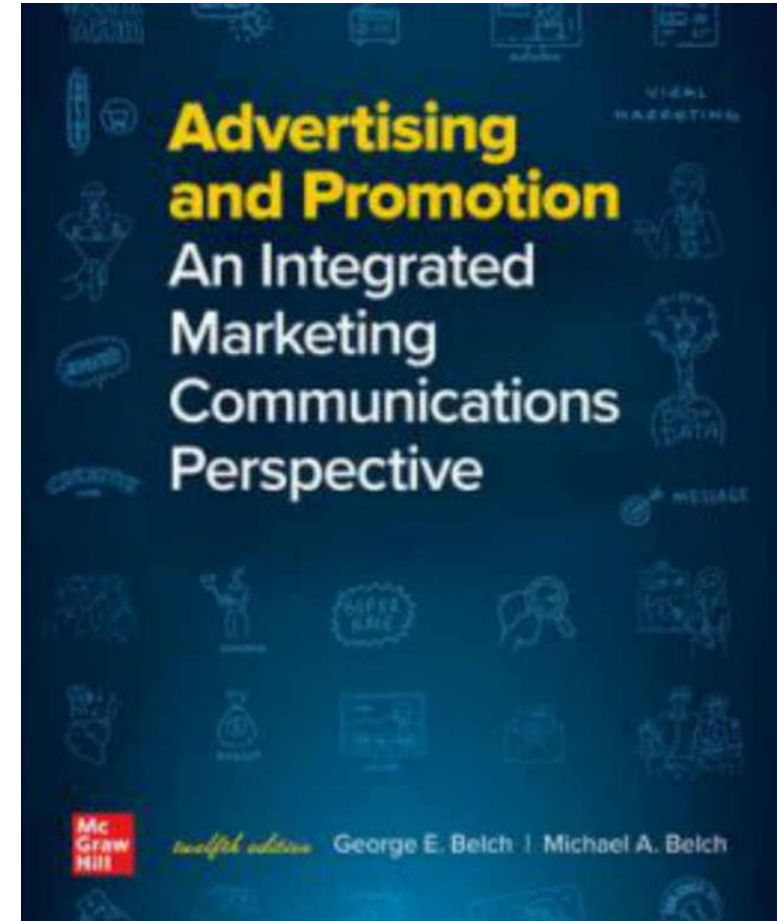
IMC's evolution

Other “IMC trends” (real or perceived) that helped IMC:

- Marketers becoming better buyers of advertising (i.e., more price conscious)
- Marketing becoming more “strategic”
- The desire to measure marketing returns
- Globalization of markets
- Fragmenting audiences and media
- “Consumers integrate our messages anyway!”

IMC's evolution

- In 20 or so years IMC has established itself within marketing both in literature and practice (Vargo & Lusch 2004)
- IMC is taught at business schools all over the world, at least in some form



IMC today: Some Challenges

- The explosion of new media channels changes consumer's media usage patterns and how they utilize different sources to seek information (when, where and how they choose brands is under constant flux)
- Consumers' attention is divided, often due to multitasking.
- More complex “paths to purchase”

IMC today: Some Challenges

- Consumers do not **passively receive brand information** strictly through mass media (print or TV) and store it in memory for later use (as they used to during the golden age of advertising)
- Rather, **they actively seek it when needed** (through search engines, mobile browsers, blogs, and brand websites)
- More **consumer-to-firm, consumer-to-consumer, and consumer-about firm** communication exists
 - In addition, because of increased social influences on purchase, word of mouth (WOM) and advocacy have become especially important
→ ***brand messaging is even less under the marketer's control.***

IMC today: The good side

- New media channels and solutions make it possible to better personalize and target branded content
- Data-based forecasting: predicting where the customer relationship is moving
- Synergy effects across new and old media options: meeting different marketing communications objectives, for different or the same audiences
- Marketing is becoming more and more strategic and acknowledged by top management of companies

IMC – theory and concepts



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No one way to do IMC

- There are several approaches to getting started with an IMC strategy
- Understanding how it all "comes together" is more important than any one model
- **ACHIEVING** integration is the goal → getting all MC functions to work together
- Overall, understanding the strategic and process nature of IMC is key

IMC's key themes

- Consistency, complementarity, cross-effects of communications
- (Strategic) control of communications
- Constant optimization of media and channel portfolios and synergy seeking
- Measuring and connecting to sales and customer relationships

Other noteworthy themes

- **IMC and “leveling”**
 - Successful IMC is about connecting it all the way up to a corporate strategy
 - From strategy you get an IMC strategy, from there tactical implementation etc.
- **“IMC is a process”**
 - Both as how it is implemented, but also how it is developing theoretically (Schultz, 2007)

IMC best practices

- Zero-based planning
- Media neutral planning
- Connecting strategy to marketing communications
- Measuring success

Zero based planning

Zero-based planning (Duncan & Moriarty 1998)

“Finally, there must be a process of zero-based planning for marketing communication that is driven by prioritized SWOTs (strengths, weaknesses, opportunities, and threats)

Zero-based planning helps identify those marketing communication functions that are the most cost-effective ways to leverage critical strengths and opportunities and address key weaknesses and threats.”

Zero-based planning

Start from scratch every year

Allocate budgets and make decisions based on **communication objectives and realistic organizational capabilities**, rather than relying on what we have done in the previous year(s)

Avoid inertia

Zero-based planning (Duncan & Moriarty 1998)

- The brand and the market environment are the “zero point” of all IMC planning (usually for the next 12 months)
- “Here we are now (problem), and here’s where we want to be (objective)”
- ZBP is a telling example of the analytic and goal-oriented nature of IMC

Zero-based planning (Duncan & Moriarty 1998)

1. Recognize target audience(s)
2. SWOT-analysis on segments
3. Decide marketing communications goals
4. Strategic and tactical procedures
5. Define a budget
6. Execute campaign
7. Measure success

Zero-based planning (Duncan & Moriarty 1998)

- ZBP goes **top down**
- At the highest level is the **corporate strategy**, then **business processes** (organizational activities utilized to achieve an organizational goal), then **sales goals**
- **Only after this will you start thinking about ad agency roles, responsibilities, budgets, goals and key performance indicators (KPIs)!!**

Media neutral planning

Media neutral planning (Batra and Keller 2016)

“In developing an IMC program, the implication of the previous discussion is that marketers should be “**media neutral**” and evaluate all communication options on the basis of effectiveness (How many desired effects does a communication create?) and efficiency (At what cost are those outcomes created?). In other words, marketers ultimately only care about achieving their communication goals and moving consumers along in their decision journey—any means of communications that would facilitate those goals should be considered.

Media neutral planning (Batra and Keller 2016)

- Essentially: choose your communication methods according to your **needs**, not out of “habit”
- Each medium should be considered as **potential** depending on the company position, objectives and market
- All promotional tools have their own **strengths and weaknesses, and these should be mirrored to the marketing objectives**
- **Examples:**
 - a company that has an image problem → public relations
 - a company needs brand awareness → mass media advertising, sponsorship
 - a company needs people to visit stores → sales promotion etc.

A communications consultancy, Naked, on Media Neutral Planning

“Naked advises clients on the **best media approach** to take in order to achieve brand objectives. But unlike most media planners, they offer an **unbiased** approach to media.”

“We don’t have a large creative factory that needs feeding, so we are able to be neutral in the advice we offer... We don’t make anything, so we’re not tied to one approach. If you go to an advertising agency, they will tell you why you need advertising. We are free of that obligation, which is what appeals to clients. We might suggest advertising, but equally we might suggest some TV content or viral marketing’.”

AIMRITE: for a particular situation, how can we judge which media we should use?

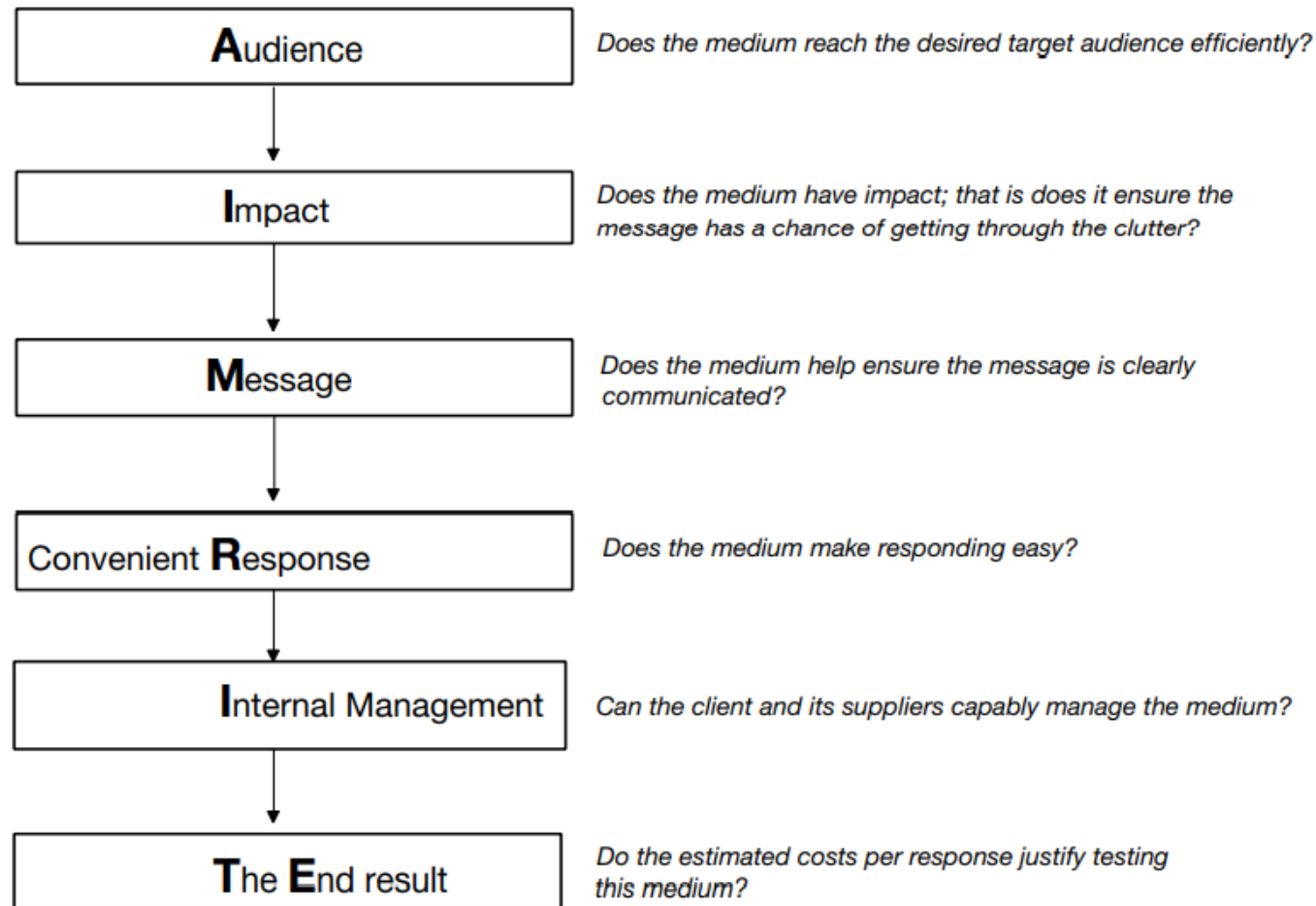


Figure 2: AIMRITE — A framework for judging media

Connecting strategy to marketing communications

**IMC is all about strategy but also tactics –
what is the difference?**

Strategy vs. tactics

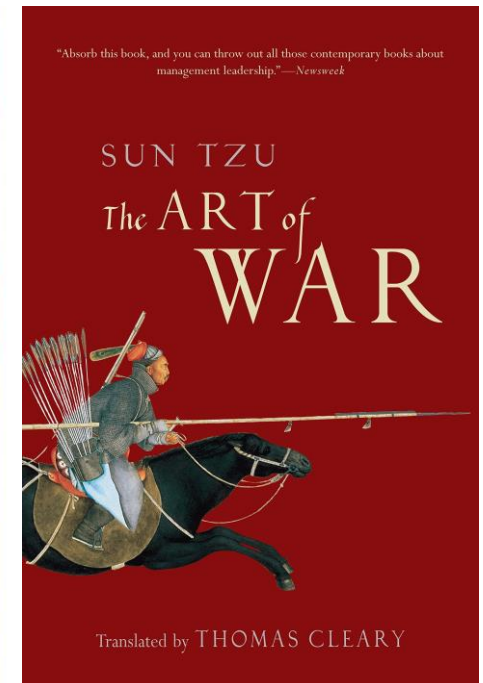
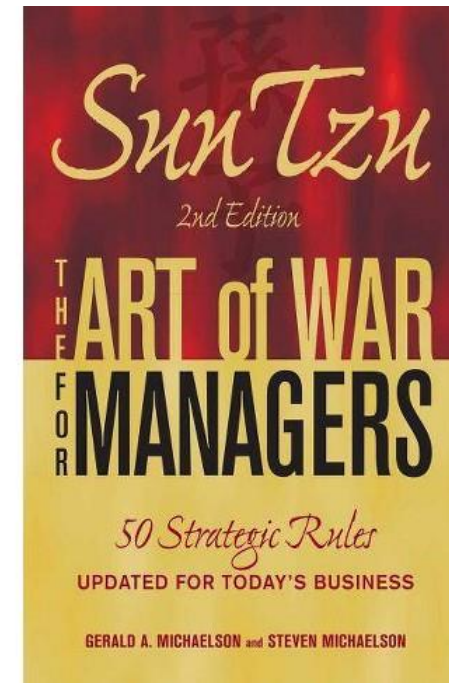
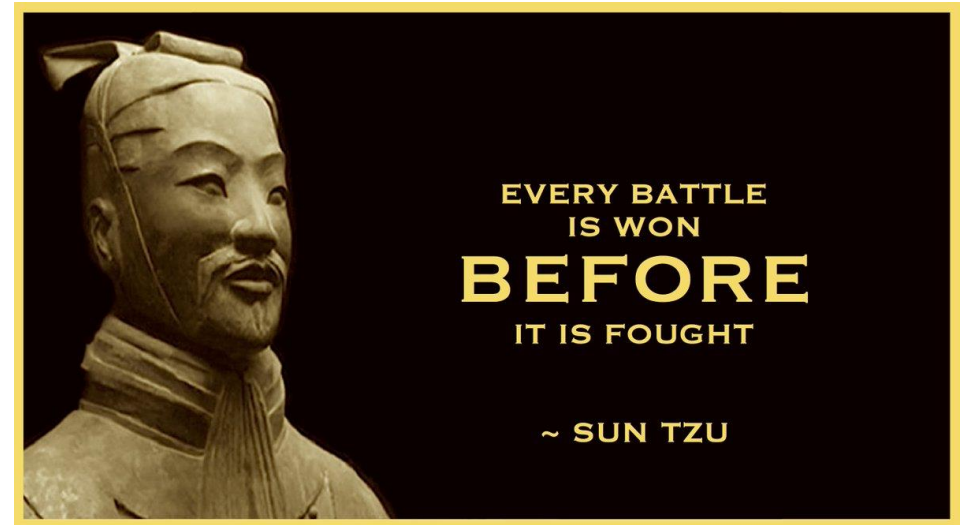
- The distinction is sometimes lost on people, but...

“Strategies are ideas about how to accomplish objectives”

“Tactics are specific actions to be taken to execute a strategy”



”Strategy, a word of military origin, refers to a plan of action designed to achieve a particular goal.”



Three levels of strategy

Corporate

- Directional, broad, parameters
- “The overall purpose of existing”
- “Future vision and values”

Competitive / Business

- How the company competes, resources
- “Where to play and how to win”

Functional

- Marketing, financial, production etc.
- Integration to corporate important!

Good marketing communications strategy:

Based on attainable goals, respects the brand's history, realistic about brand strengths / weaknesses, competitor analysis, consumer needs, long-term focus

Good marketing communications tactics:

Provide meaningful 'pushes' towards strategic goals, get most out of medium's potential, good ROI, undercut competitors, short-term focus

Measuring success

Marketing communications and management

- Business has become increasingly dominated by numbers
- ***”Prove that this works and I’ll approve it”***
- Measuring MC accurately, however, is REALLY hard
- Digital environments, analytics and big data, have considerably advanced this aspect of IMC management

Marketing communications goals

What is a good MC goal?

- Specific
- Measurable
- Achievable
- Challenging

E.g., “we will raise our brand awareness measure from 12% to 14%!”

MC goals / measuring IMC success

A way is to think of IMC through behavioral consumer decision making models

E.g., the classic AIDA-continuum:

- Awareness → communication goal (associative metrics)
- Interest → communication goal (associative metrics)
- Desire → communication goal (associative metrics)
- Action → marketing goal (associative metrics)

“+25% awareness → +10% more visits to our retail stores → +2% in sales

Let's look at some case campaigns



Comments on the ad?

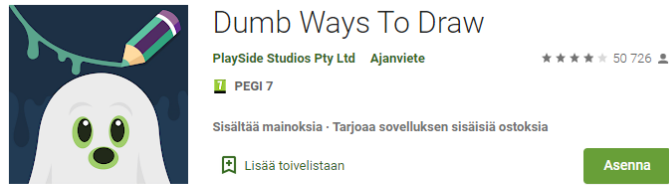
Melbourne Metro Trains - “Dumb Ways to Die”

Campaign objective: Melbourne Metro Trains wanted to raise awareness about rail safety, especially among young people

To achieve this, the brand decided to do something outside their “usual” repertoire and create something that was funny, even silly.

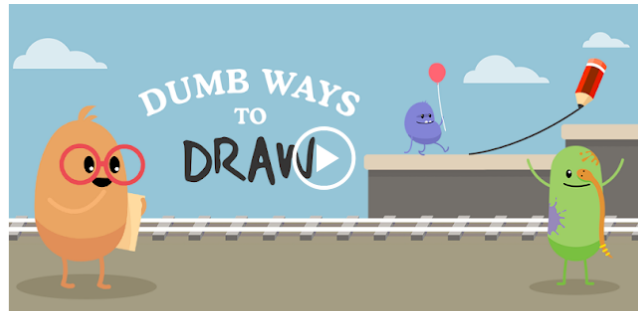
Using humor, they hoped to lure in viewers and to get their message heard.

Leveraging the campaign across channels & tools



Dumb Ways To Draw
PlaySide Studios Pty Ltd Ajanviete
★★★★★ 50 726
PEGI 7
Sisältää mainoksia · Tarjoaa sovelluksen sisäisiä ostoksia
Lisää toivelistaan Asenna

Pelaa tätä peliä ja monia muita ilman mainoksia tai sovellusten sisäisiä ostoksia Google Play Pass -tilauksella. Kokeile 1 kuukausi. Käyttöehtoja sovelletaan. [Lue lisää](#)



Käännetäänkö kuvaus kielelle Suomi (Suomi) Google Kääntäjän avulla? [Käännä](#)

Draw lines with your pencil and save the beans with your sketch!

Dumb Ways to Draw is a drawing puzzle game from the world of Dumb Ways To Die! Full of your favourite Beans but not in the way you remember!

A whole new adventure to experience! Once again the clumsy Beans need your help but this time

LISÄTIETOJA

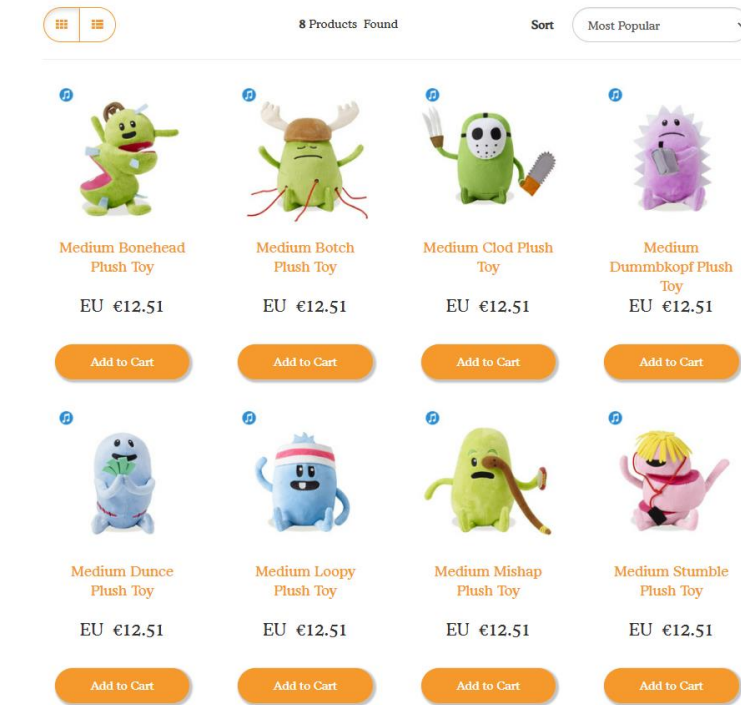
ARVOSTELUT

Arvosteluja koskeva käytäntö ja muita tietoja









4,0



50 726 yhteensä



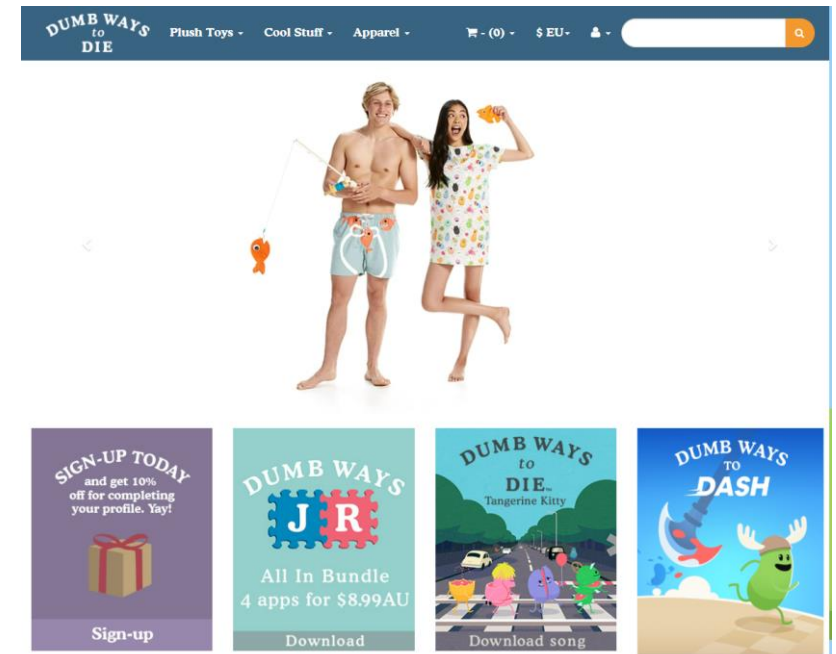
8 Products Found Sort: Most Popular

 Medium Bonehead Plush Toy EU €12.51 Add to Cart	 Medium Botch Plush Toy EU €12.51 Add to Cart	 Medium Clod Plush Toy EU €12.51 Add to Cart	 Medium Dummbkopf Plush Toy EU €12.51 Add to Cart
 Medium Dunce Plush Toy EU €12.51 Add to Cart	 Medium Loopy Plush Toy EU €12.51 Add to Cart	 Medium Mishap Plush Toy EU €12.51 Add to Cart	 Medium Stumble Plush Toy EU €12.51 Add to Cart




Stay off the tracks!
HOLD THEM BACK

- Merchandise based on the characters
- A mobile app
- A mobile game
- Educational book
- You name it...



DUMB WAYS to DIE Plush Toys - Cool Stuff - Apparel - (0) - \$ EU -



Sign-up today and get 10% off for completing your profile. Yay!
[Sign-up](#)

DUMB WAYS to DIE All In Bundle 4 apps for \$8.99AU
[Download](#)

DUMB WAYS to DIE Tangerine Kitty
[Download song](#)

DUMB WAYS to DIE DASH
[Download](#)

The results?

- 6 months after launch “the 3rd most viral ad of all time”:
 - 50m views of YouTube
 - 3.2m shares on Facebook
 - over 100,000 retweets on Twitter
- Did Melbourne Metro Trains meet their campaign objectives regarding rail safety?
 - Yes: A **21%** reduction in accidents and deaths on its network as a result of the campaign



Comments?

Common for great campaigns

1. Clear formulation of a **business problem & objectives** – why is this campaign needed and what do we want to fix, change or achieve through the campaign?
 - There maybe an issue with dropping sales, loosing market share,...
 - Often research is needed to gain market insights and clarify what the real business problem is:
 - Awareness problem (our customers don't know about us)?
 - Wrong image or perception (our customers know us, but think about us in a way we do not indent them to and do not consider us)?
 - Something else?
 - Sometimes it may also be about spotting something that is wrong in society and making a stance & wanting to start a conversation.
2. **The Big Idea** that solves the problem in the most creative way! (oftentimes great creative ideas create a lot of earned media = “free” advertising)
 - **Note: the Big Idea NEEDS to connect to the brand (many examples of companies/brands who have failed to represent a marketing message)**
3. Leveraging that idea through multiple channels / promotional tools to increase the impact (case “Dumb ways to die” and “Dad-does”)

Important! We do not just execute expensive marketing campaigns for the fun of it! There always needs to be a relevant **business problem** and **marketing insights** behind it!

Taking a business-relevant, analytical approach to marketing helps justifying its place alongside the company's other functions and receiving budget! As a brand manager or marketing manager: ***build your case right up to the big bosses!***

Q&A



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