

Perceptions of IMC after a Decade of Development: Who's at the Wheel, and How Can We Measure Success?

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The literature on integrated marketing communication (IMC) in the decade since its introduction offers evidence that debates over the definition, acceptance, leadership, and measurement of IMC remain unresolved. A survey was conducted to investigate leadership preferences and perceptions of appropriate methods of measurement and agency compensation in planning and implementing IMC. The survey was conducted by internet among samples of six professional groups with ties to marketing communication: advertising agency executives, public relations agency executives, corporate marketing executives, corporate public relations executives, advertising and marketing academics, and public relations academics. The survey revealed some clustering of leadership preferences but little movement toward marketing communication measurement and agency compensation methods consistent with models of IMC as a developing paradigm.

IMC: A TOPIC OF CONFLICT

SPAWNED CIRCA 1990 by marketing communication academics and practitioners looking for a new paradigm or theory to keep pace with societal developments and media technology in the 21st century, Integrated Marketing Communication (IMC) remains controversial. Advances in scholarship and reported applications of IMC in the last decade leave room for differences of opinion about whether IMC is an accepted marketing practice, either above or on the same footing with advertising and public relations (see, for example, Cornelissen and Lock, 2000; Schultz and Kitchen, 2000). Controversy persists about the definition of IMC, about who should lead its implementation, and about methods of measuring its success.

As late as the fall of 2000, an article (Schultz and Kitchen, 2000) co-authored by Don E. Schultz, a principal pioneer and a leading continuing advocate of IMC, defended IMC against the charge that it is a "management fashion" rather than a theoretical concept (Cornelissen and Lock, 2000). In their defense, Schultz and Kitchen described

IMC as "weak in terms of definition" (p. 18), and "not yet a theory" (p. 18), but argued that IMC's "progression as a concept and discipline is entirely appropriate and in accordance with scientific theory insofar as a new emergent paradigm is concerned" (p. 18). They added, "So while IMC lacks a formal agreed-upon definition at this time, the groundwork is being laid around the world" (p. 18).

Nevertheless, there have been substantive advances in the theoretical development of the concept, from the most basic notion of coordinating all corporate communications to a multistage model incorporating a focus on all contacts with consumers, as well as notions about market research, database marketing, and corporate reorganization to focus on the needs of the consumer rather than the marketer (Schultz and Kitchen, 1997). Opinions about IMC among advertising and public relations practitioners and academics, while perhaps not keeping pace with IMC scholarship, show evidence of increasing acceptance of IMC and growth in consensus on a number of elements

that may be incorporated in a workable definition of IMC (Swain et al., 2001).

Questions of IMC leadership

It may be reasonable to infer from the scope of the description of IMC offered in the Schultz, Tannenbaum, and Lauterborn (1992) seminal book on IMC that its successful implementation will require the attention of a relatively high level of corporate and/or agency management, and that point of view has been advanced elsewhere by Schultz and by other authors as well.

Several journal authors have suggested that control of IMC is or should be a top management function. Reporting on a survey of national advertisers, McArthur and Griffin (1997) found that "The direction of marketing communication activities was clearly an internal, upper management affair" (p. 25).

An IMC study report of the American Productivity and Quality Center (1998), authored by Don E. Schultz and several others, reported as a key finding that, "Organizations are taking charge of the integration process themselves rather than looking to advertising agencies or other suppliers to provide the coordination" (p. 8). Another finding was that integration cannot be driven by formal policies and procedures alone because it requires a "high degree of interpersonal and cross-functional communication within the organization, across business units, and with outside suppliers" (p. 8).

A survey of advertising agency executives by Kitchen and Schultz (1999) found agency support for client leadership of IMC. "Agencies, no matter how skilled or capable, simply can't integrate a client's marketing communication program unless the client leads the way" (p. 15), they reported. A similar view, with a qualification, came from the global IMC research of Gould, Lerman, and Grein (1999):

"... the client-marketer is perceived to be the leader in the process of marketing globalization, although it is not always clear with regard to IMC that the client possesses the expertise to do so" (p. 16). Low's (2000) survey of corporate senior marketing managers produced findings suggesting that "clients should be responsible for the strategic direction and planning, which are the foundation of integrated communications programs" (p. 36). "IMC," he added, "should originate with client generalists who see the 'big picture' and recognize the role of communications efforts in their overall marketing strategies" (p. 36).

If there is an apparent degree of agreement that corporations are better equipped than their agencies to oversee IMC, there is no universal agreement in the literature on where within the organization IMC leadership does or should reside. Pettegrew (2000–2001), writing in a journal devoted to integrated communication, identified certain factors as critical barriers to corporate adoption of IMC: lack of direct support for IMC and lack of leadership in its implementation by the corporate CEO, as well as lack of corporate structure and culture compatible with implementation of IMC applications. Pettegrew declared that, "In the absence of CEO support, there is an operational threshold past which IMC cannot be fully or effectively adopted" (p. 29). Pettegrew's position derives some support from an assertion by Sheehan and Doherty (2001) that "client centralization and organizational issues" (p. 49), together with turf battles within organizations, are barriers to adoption of IMC.

Pettegrew (2000–2001) noted that the literature and theories of IMC have very nearly ignored issues of corporate structure, CEO support, and corporate culture: "To minimize the influence of the CEO on company marketing is naïve, but to exclude the CEO in any substantive discus-

sion of IMC adoption and implementation is simply deficient theory building" (pp. 34–35). He recommended that, to bring about corporate implementation of IMC, "The first target of IMC's persuasive communication ought to be the CEO, followed by others in top-level management" (p. 36).

IMC measurement and agency compensation

Two other issues, potentially related to each other, remain unresolved and little investigated:

- how the success of IMC programs and campaigns can best be measured; and
- on what basis agencies should be compensated for IMC services.

Those issues are potentially related because, intuitively, from the point of view of the agency's client, there would seem to be a logic in compensating agencies for communication achievements—for example, changes in or reinforcement of audience knowledge, attitudes, and/or behaviors, including purchase behaviors, as reflected in sales, revenues, and profits—rather than for professional activity—such as advertisements or stories produced and placed (Spake, D'Souza, Crutchfield, and Morgan, 1999).

Traditionally, advertising and public relations agencies have been compensated on the basis of their activities rather than on the basis of outcomes (Spake, D'Souza, Crutchfield, and Morgan, 1999). The legitimacy of the system of media commissions, based as it is on rates charged by media for space and circulation, is often argued based on the achievement of audience exposure to messages, though the appearance of messages only assures an opportunity for exposure and may fail to produce an outcome of value, even if exposure does take place.

Traditional methods of measurement and agency compensation may not be appropriate in the practice of integrated marketing communication, however. Schultz and Kitchen's (2000) assertion that IMC's "progression as a concept and discipline is entirely appropriate and in accordance with scientific theory insofar as a new emergent paradigm is concerned" (p. 18) suggests that IMC may be presumed to be a developing nontraditional marketing communication practice—or at least to extend beyond traditional practices of marketing communication. It is therefore legitimate to investigate new or appropriate methods of measurement and their relationship to new or appropriate methods of agency compensation.

Challenges of IMC measurement

The persistent and difficult challenge of developing effective measures of IMC has been commented upon by Schultz and Kitchen (2000): "We can't measure IMC now, and it may be some time before we can . . .," they said, adding, "The problem, however, is that many marketing activities can't be measured, and the value of communication effects and impacts are even more tenuous" (p. 19).

Don Schultz and his colleagues have undertaken to lay the groundwork for the development of methods of measuring the success of integrated marketing communication activities (see particularly American Productivity & Quality Center, 1998; Kitchen and Schultz, 1999; Schultz and Barnes, 1995; Schultz, Tannenbaum, and Lauterborn, 1992). Kitchen and Schultz (1999) sought to redefine IMC as a hierarchical process with four developmental stages: first, communication coordination; second, redefining marketing communication through consumer research and feedback; third, building globally segmented databases to refine customer communication and behavior measurement; and the fourth and most

sophisticated stage, financial and strategic integration, which involves monitoring return-on-investment performance for each audience segment (American Productivity & Quality Center, 1998; Kitchen and Schultz, 1999).

As a basis for IMC planning and measurement, Kitchen and Schultz (1999)—as had Schultz, Tannenbaum, and Lauterborn (1992)—also advocated an outside-in, customer-oriented market planning approach rather than the product push-pull inside-out approach that focuses on the promoter's welfare and on the audience only as a means to an end. They advocated attention to all potential contacts an organization or brand may have with current or potential customers as part of the integrated marketing communication impact; they advocated application of information technology to the building of consumer relationships.

In their textbook, Schultz and Barnes (1995) straddle the gap between traditional advertising campaigns (described as "inside-out," meaning approaching marketing communication planning from the needs of the marketer; p. 28) and integrated marketing communication campaigns (described as "outside-in," or approaching marketing communication planning from the needs of the consumer or customer; p. 35). In both cases, the genesis of campaign measurement is campaign planning, and in IMC campaigns, the planning begins with a customer or consumer database, then segments prospects into loyal customer or users, loyal users of competing brands, and swing users (Schultz and Barnes, 1995; Schultz, Tannenbaum, and Lauterborn, 1992).

In the section of the chapter on measurement (Chapter 14) dealing with outside-in, IMC campaigns, Schultz and Barnes (1995) offer a method of measurement they term ROI, or return on investment. The

ROI method focuses on customers' behaviors, as represented in a marketer's database, and uses that information to segment customers—for example by quality orientation or price orientation and/or by high, medium, or low purchase volume. The database is then used to analyze the resulting groups for potential return on advertising investment, and the marketer is encouraged to concentrate future IMC resources on the groups that will produce the greatest return on marketing communication investment (ROI). They conclude that "behavioral segmentation is essential to allocation decisions for advertising and marketing communications resources" (Schultz and Barnes, 1995, p. 334).

There is an apparent disconnect between the IMC (or outside-in) planning model advocated by Schultz and Barnes (1995, p. 327) and the developmental ROI measurement method they offer (pp. 328–344) in that the ROI method ignores the potential of developing loyalty among swing users as well as any potential that may exist to attract loyal users of competitors' brands; and even within the ROI planning model, the apparent presumption is that it is either not feasible or not profitable to move loyal customers from price orientation to quality orientation or to greater purchase frequency. Schultz and Barnes do argue elsewhere in the book that retaining customers in the modern market is more valuable than replacing existing customers with new customers as a marketing strategy; but they also advance the hypothesis that prospects (i.e., among swing users or users of competitive brands) can be segmented and targeted using knowledge from a firm's customer database because the best prospects will be similar, in many ways, to a marketer's loyal customers.

Given the premise that "technology will continue to provide us with better and

more effective measurement techniques" that focus on consumer behavior (Schultz and Barnes, 1995, p. 334), the importance of Schultz and Barnes' developmental ROI measurement approach, as an alternative to traditional mass marketing communication measures, may lie in the fact that academics and perhaps practitioners are beginning to consider what measurement techniques might be effective in evaluating the success of IMC (for example, American Productivity & Quality Center, 1998; Eppes, 1998–1999; Nicholson, 2001–2002) or in utilizing developing interactive media (for example, Kozinets, 2002; Payne, 2001–2002).

Still, the attention devoted to measurement of objectives in books and articles on integrated marketing communication is uneven and often superficial, and at least one research article on integrated communication (Swallie and Tuttle, 1997–1998) has reported a relatively low level of evaluative research.

Agency compensation: An open IMC question

The literature of IMC reflects a similar lack of attention to development or validation of agency compensation methods for IMC services. An article on advertising agency compensation (Spake, D'Souza, Crutchfield, and Morgan, 1999) notes both the dissatisfaction with the media commission system, dating from the 1800s, and also its resilience and resistance to change. They found that the length of an agency-client relationship is the major predictor of any move toward outcomes-based compensation and away from agency behavior-based compensation, such as fees and commissions. Spake, D'Souza, Crutchfield, and Morgan (1999) find a movement away from the historic and traditional media commission system of agency compensation among agencies surveyed (15.9 percent), with the

majority moving in the direction of fees or a combination of fees and commissions (36 percent fees only, 40 percent combination of commission and fees).

Spake, D'Souza, Crutchfield, and Morgan (1999) see fees as behavior-based compensation, at an opposite pole from outcome-based agency compensation tied to measurable outcomes such as brand share, new users, repeat users, unaided awareness, or sales volume. Agency commissions are portrayed in the Spake et al. model as midway between behavior-based and outcome-based compensation methods. In the Spake et al. survey, compensation by measurable outcomes alone accounted for only 7.4 percent of responses, a combination of commissions and measurable outcomes less than 1 percent, and a combination of fees and measurable outcomes 6.2 percent.

The one article that directly addresses agency compensation for IMC services (Eppes, 1998–1999) describes the conversion of an agency from advertising to IMC services. In the conversion, the agency moved away from commission-based compensation to a fee-based system, and later, sensitive to client concerns with the volume of contract fees, modified their compensation system to a combination of limited fee-based contracts and outcome-based compensation on supplemental projects.

Neither the Spake, D'Souza, Crutchfield, and Morgan (1999) nor the Eppes (1998–1999) article identifies a rush to outcome-based agency compensation (based on communication achievements, revenue, or sales) rather than behavior-based (based on agency activity), and neither addresses the question of what becomes of still-available media commissions in fee-based and outcomes-based agency compensation systems.

E PLURIBUS UNUM: ADOPTION REQUIRES DEBATE

For the development of IMC as a paradigm, theory, or practice, what may matter as much as the contents of textbooks and articles is the degree of acceptance and adoption of IMC practices, including measurement, by marketing communication practitioners and their leaders. Much of the literature of IMC a decade after its introduction, identifies a substantial but far less than universal degree of acceptance and application of IMC.

There was therefore a need for a study that assesses practitioner acceptance and best practice concepts of IMC, including the question of leadership in the implementation of IMC, as well as measurement of IMC success, and appropriate methods of compensating agencies for IMC services. An exploratory survey was conducted to investigate views of the definition of IMC among six professional groups associated or potentially associated with marketing communication: executives with national advertising agencies, executives with national public relations agencies, marketing executives with national advertisers, public relations executives with national corporations, and academics in the fields of advertising/marketing and public relations. A survey of the views of groups of marketing communication professionals concerning definitions of IMC has been reported (Swain et al., 2001), but no prior study has been located that has drawn comparisons and contrasts among corporate and agency practitioners and academics concerning their leadership and measurement concepts of IMC.

Research questions

The absence of broad acceptance in the literature on IMC of a single definition and set of leadership and measurement best practices suggests several research questions, rather than hypotheses, as a

basis for this study. The first research question concerns leadership options, the second concerns IMC measurement options, the third concerns appropriate methods of compensating agencies for IMC services, and the fourth concerns relationship between measurement and agency compensation:

- RQ1: Is there evidence of consensus or differences of opinion on who should assume the leadership role in the development and practice of IMC, and if so, on what and among whom?
- RQ2: Is there evidence of consensus or differences of opinion on how the success of IMC programming should be measured, and if so, on what and among what groups?
- RQ3: Is there evidence of consensus or differences of opinion on how agencies should be compensated for IMC services, and if so, on what and among what groups?
- RQ4: Can any relationships be identified between preferred methods of measuring IMC success and preferred methods of compensating agencies for IMC services?

METHODOLOGY

The survey was conducted via a self-administered questionnaire with pull-down response menus on world wide web sites, a separate one for each group in the study. The questionnaire was pre-tested with practitioners in advertising and public relations, and academics, and minor adjustments were made based on the tests. Participation in the study was by invitation extended by individual email.

Researchers used only one follow-up invitation with each group to minimize email intrusiveness.

Population and sampling criteria

The list of invitees was both a purposive and a convenience sample, and therefore not a random sample of the defined populations; the study may therefore be regarded as exploratory. However, the sample was selected from a population representative of the marketing communication leadership with leading national corporations and agencies, and from a population of advertising/marketing and public relations academics affiliated with universities with marketing communication programs large and active enough to support a student chapter of the American Advertising Federation.

The criteria for selection of advertising agency executives were that they be listed in the Red Book, the *Standard Directory of Advertising Agencies* (2001), as an executive with a firm of some size, and that their personal email address be included in the listing. Similar criteria were applied to select marketing executives from the *Standard Directory of Advertisers* (2001) Red Book. Public relations practitioners, both agency and corporate, were selected in a similar manner from the current membership directory of the Public Relations Society of America. Academics in advertising and public relations and their email addresses were found on the websites of colleges and universities with student chapters of the American Advertising Federation.

Steps were taken to assure that the selection of advertising/marketing/public relations practitioner executives for the sample was weighted to represent agencies and corporations of some size and prestige in their field. Whenever possible, company/agency size was measured by billings and/or employment, as well as

by number of offices and by company name recognition and prestige.

Only persons in those professional groups who met the criteria described above were extended an invitation to participate in the survey, and only those persons were provided a link to the websites containing the survey questionnaire. Unless an executive invitee, on his or her own initiative, delegated the response task to someone else, all or nearly all of the respondents should have been marketing communication managing executives with corporations or agencies of some substance and recognition, or academics with recognized marketing communication programs.

Characteristics of respondent

Analyses of responses to questions about respondents' positions of responsibility, years associated with marketing or marketing communication, and geographic scope of employing organizations suggest that respondents did conform to the selection criteria described above. Some 94 percent of practitioner (nonacademic) respondents reported holding a management position, and a high rate of management respondents held true across the four practitioner groups: advertising agency respondents, 97 percent; public relations agency respondents, 86 percent; corporate marketing respondents, 90 percent; corporate public relations respondents, 95 percent.

More than 80 percent of all respondents reported an association of more than 10 years with marketing and/or marketing communication, and 34 percent reported a marketing/communication association of more than 25 years. Across the six groups in the study, respondents reporting more than 10 years of experience ranged from 67 percent and 68 percent, respectively, the corporate marketing and public relations groups, to 98 percent for advertising agency respondents and 88

percent for advertising/marketing academics. Almost half of the advertising agency respondents reported more than 25 years' experience, and approximately a third of respondents from the public relations agency group, the corporate marketing group, and the advertising/marketing academic group reported more than 25 years' experience.

The geographic scope of the employing organization was regional, national, international, or global for 87 percent of practitioner respondents and 81 percent with academic respondents included. The geographic scope was national, international, or global for 68 percent of practitioner respondents and 59 percent with academic respondents included. Three of four advertising agency respondents who said their organizations operate locally are located in cities among the 50 largest in the United States: Chicago, Washington, and Miami.

An informal spot comparison of those who identified themselves when responding to the survey questionnaire with some who did not and therefore may not have participated revealed no reason to suspect that potential nonrespondents differed systematically from respondents on the sample selection criteria.

Participation and response rate

Response rate for each group ranged from 5.3 percent (corporate marketing executives) to 15.75 percent (academics) and averaged approximately 8 percent. The advertising/marketing field and the public relations field were represented among respondents in very nearly equal numbers among corporate participants, agency participants, and academic participants. Corporate respondents, those with the lowest response rates, nevertheless responded in sufficient numbers to permit statistical comparisons with other groups.

More specifically, participants in the study numbered 185, 8.5 percent of 2,140

invitees. Respondents included 38 advertising agency executives, 40 public relations agency executives, 22 corporate marketing executives, 22 corporate public relations executives, and 63 advertising, marketing, and public relations professors. Participant numbers and response rates, by group and in total, are presented in Table 1.

Of the 63 academics, 27 identified themselves as advertising professors, 26 as public relations professors, and four as marketing professors. Six academic respondents did not specify a specialization. Because of the division in point of view concerning IMC over the past decade between public relations academics on one hand, and advertising and marketing professors on the other, marketing and advertising professors were grouped together in the statistical analyses.

Leadership choices

The question in the questionnaire that provided the primary focus for this report offered a number of choices for IMC leadership: "Who should occupy the leadership role in coordinating Integrated Marketing Communication activities?" The answer choices were

- top management
- marketing management
- the marketing agency
- the advertising agency
- the public relations agency
- the sales promotion agency
- a committee with representation from all or some of the above
- other

The frequency distribution of responses to those options is presented in Table 2. The responses to that question were compared and contrasted with responses to other questions concerning the status of IMC, the continuing dependence of IMC

on advertising and on public relations, and with factors parsed from definitions of IMC in the literature of the field.

Definitional choices. Because views concerning IMC leadership were cross-tabulated with definitional factors incorporated in the study and reported elsewhere (Swain et al., 2001), it may be useful to report the methodology used for constructing definitional choices in the survey. The researchers constructed a list of the different elements found in various definitions of IMC, including the characteristics of IMC advanced in the seminal book on the concept (Schultz, Tannenbaum, and Lauterborn, 1992), together with options relating to interactive and consumer-initiated communication. Respondents were asked to choose the factors they deemed appropriate to describe their concept of IMC "as it should be practiced." The language of those choices was constructed to clarify complicated concepts yet not to choke off participation in the study, and the results suggest that the language of those choices could be understood by respondents. A summary list of the IMC definitional choices in the survey is contained in the findings, reported in the Appendix.

Statistical tests. Frequencies for the leadership choices, in total and cross-tabulated with the six professional groups represented in the survey, were examined; to examine the leadership choices and their relationships to responses concerning the status of IMC and IMC definitional elements, the researcher employed cross-tabulations and associated chi-square tests. The chi-square test was appropriate because the leadership choices and the IMC status responses were nominal data, and the yes-no definitional choice selections could be regarded as nominal data. Whenever possible and appropriate, data were

TABLE 1

Response Rates of Participants in Study, Group by Group, and All Together

	# Invited	# Responding	% Responding
Advertising agency executives	481	38	8%
Public relations agency executives	473	40	8.5%
Corporate marketing executives	415	22	5.3%
Corporate public relations executives	371	22	5.9%
Advertising/marketing and public relations academics	400	63	15.75%
Totals	2,140	185	8.6%
<i>Subdivision of academic respondents</i>			
Advertising/marketing academics		31	
Public relations academics		26	
Undeclared academics		6	
<i>Respondents divided by advertising/marketing and public relations affiliation</i>			
Advertising/marketing executives and academics		91	
Public relations executives and academics		88	
<i>Respondents divided by agency, corporate, and academic</i>			
Agency		78	
Corporate		44	
Academic		63	

Note: For each group, the original invitation list numbered between 450 and 500; the number of invitees named above, total, 2140, represents the number of emailed invitations that were not returned or rejected—that is, the number of invitations that appeared to reach their destination.

collapsed to 2-level responses to achieve paired comparisons with chi-square tests, 78 in all. The $p < .05$ standard was adopted to assess statistical significance.

IMC measurement choices

Respondents to the survey were asked to evaluate nine options for measurement of the success of IMC activities as well as the appropriateness of four options for agency compensation for IMC services using a 4-point Likert scale for each choice. The answer choices were, “very appropriate, appropriate, inappropriate, very inappropriate.” Respondents were also invited to indicate, by click-check boxes, whether they felt a different basis is needed to

determine agency compensation or measurement for IMC activity. The responses to each option were compared and contrasted with responses to the other compensation and measurement options, as well as to other questions concerning the status of IMC, the continuing dependence of IMC on advertising and on public relations, and with factors parsed from definitions of IMC in the literature of the field.

The introductory measurement question read, “Several potential techniques for measuring the success of communication activity are listed below. Please evaluate each.” Under a column headed “IMC,” the measurement choices, each

with a drop-down response menu were (with key word/phrase in parentheses)

- audience exposure to messages (message exposure)
- audience feedback measures (feedback)
- audience attitude measures (attitudes)
- observations of audience behavior (audience observations)
- measures of sales or revenues (revenues)
- repeat sales or consumer contact (repeat sales)
- measures of brand equity or loyalty (brand equity)
- measures of change in attitude, behavior, loyalty, or sales (response changes)

TABLE 2

Frequency Distribution of Survey Responses to “Who Should Occupy the Leadership Role in Coordinating Integrated Marketing Communication Activities?”

Response Option	Frequency	Percentage
Top management	56	30.6%
Marketing management	65	35.5%
Marketing agency	1	0.5%
Advertising agency	6	3.3%
Public relations agency	8	4.4%
Sales promotion agency	0	0.0%
Committee with representatives from all or some of the above	39	21.3%
Other	8	4.4%
No answer	2	1.0%
Totals	185	100.0%

- measures of institutional image (corporate image)

IMC agency compensation choices

The introductory compensation question read, “Please indicate whether you feel each agency compensation basis listed below is very appropriate, appropriate, inappropriate, or very inappropriate.” Under a column headed “IMC,” the agency compensation choices for IMC services, each with a drop-down response menu were (with key word/phrase in parentheses)

- commissions on advertising placement (commissions)
- project or hourly fees (fees)
- communication outcomes or achievements (communication outcomes)
- formula tied to client sale or revenues (sales)

The frequency distribution of responses of all participants to those compensation

and measurement options is presented in Table 2 for all respondents.

Statistical tests of measurement and agency compensation responses

Depending on the level of the data and the objective of the test in relation to the research questions on measurement and agency compensation, comparisons and contrasts were undertaken using descriptive statistics, as well as one-way ANOVA tests with Tukey follow-ups and chi-square tests at the $p \leq .05$ level of significance for measures of difference. For measures of association, Pearson r correlation coefficients at an arbitrary level of .333 were used to represent meaningful, if moderate, degree of association between variables. The professional groups in the study were considered individually and were also divided into 2-level variables by all combinations of characteristics: agency or corporate, advertising/marketing or public relations, academic

or practitioner. Measurement and compensation options were examined for every group and group combination. Because it was necessary to create separate data file manipulations for the various subgroup combinations, separate ANOVAs were necessary for each subgroup combination.

FINDINGS

The findings of the response frequencies and the statistical comparisons and contrasts performed are reported in the Appendix and in Tables 1–10.

EVALUATION OF RESEARCH QUESTIONS

RQ1: Preferences for IMC leadership. Research question 1 addressed the degree of consensus among the groups represented in the survey on preferences concerning who should fill the leadership role in the implementation of IMC. The findings (see Appendix) suggest strongly that what limited consensus does exist on IMC leadership exists in camps committed to one function or another in or related to marketing communication—public relations or advertising/marketing in the agency, corporate, or academic environment.

There was no majority consensus in this study on a single option concerning who should provide leadership for the implementation of IMC. Nor was any professional group unanimous in its support for any leadership option. It is possible to infer that most respondents were focused most on their own communication function, their own field of authority, or their own best interest. It may also be argued that attention has not focused on the leadership of IMC as an issue, a situation that may be consistent with the views of Pettegrew (2000–2001) and others that top management’s potential role in IMC has been ignored to date.

While none of the professional or academic groups agree in the majority on who should lead IMC implementation, corporate executives and advertising agency executives appeared to be more receptive to leadership by marketing managers—the traditional approach they are familiar with—while public relations agency executives and public relations academics were more receptive to committee management of IMC, and top management leadership of IMC found its greatest receptivity among agency executives, whether with advertising agencies or public relations agencies.

A similar pattern of clustering in camps appeared in analysis of the statistical tests comparing leadership options with IMC definitional elements, particularly with regard to definitional options that involve more sophisticated IMC concepts than merely coordinating communication. Respondents who adopted those definitional options were marginally more receptive to IMC leadership by committee and marginally less receptive to marketing manager leadership of IMC than those who chose the simplest definition for IMC—merely coordinating communication.

The fact that leadership of IMC by agencies of whatever specialization was not seen as a viable option by any group surveyed in the study may suggest a narrowing of any future controversy or debate concerning IMC leadership. The clustering of professional groups around three main leadership options may raise barriers to adoption of IMC, but it may also provide a basis for reasoned debate among professionals with a relationship to marketing communication.

RQ2: Consensus or differences on measurement of IMC success. Research question 2 asks whether there is evidence of consensus or differences on how the success of IMC programming should be mea-

sured and if so, on what and among what professional groups in the study. The data in this study suggest that there is indeed consensus among the professional groups responding to this study on the appropriateness of all the measurement options offered, but little discrimination among them and little analysis of differences in measures of IMC from measures of traditional advertising. There is an order of preference for the measurement options, but without wide differences and forming no pattern consistent with the IMC models portrayed in the recent literature of the field.

There is evidence in the statistical findings (see Appendix) that, while corporate executives prefer revenues and repeat sales as measures of marketing communication and IMC success, agency executives did not. Revenues and repeat sales ranked last in appropriateness when the opinions of all respondents were considered, however. Corporate public relations people found communication outcomes more appropriate as a measure of IMC success than did their agency counterparts in public relations.

Academics were oriented, more than other groups, toward communication outcomes, rather than behavioral (business) outcomes, for measurement of the success of IMC activities. Academics, and especially public relations academics, were less oriented toward revenues and repeat sales as measures of the success of IMC activities.

RQ3: Consensus and differences on methods of agency compensation for IMC services. Research question 3 asked whether there is evidence of consensus or differences on how agencies should be compensated for IMC services, and if so, on what and among what professional groups in the study. There is consensus among the professional groups responding to this study on the appropriateness

of at least two of the compensation methods offered in the survey instrument: fees and communication outcomes. There is an order of preference for the agency compensation options, but without wide differences and forming no pattern consistent with the IMC models portrayed in the recent literature of the field.

There are statistically significant findings—several, in fact—indicating that executives with public relations agencies, not traditionally compensated by commissions, consider the commission system significantly more appropriate for IMC services than do practitioners with advertising agencies, traditionally compensated in whole or in part by media commissions. Corporate marketing executives also rated commissions a more appropriate method of compensation for IMC services than did advertising agency executives, who clearly preferred fees for IMC compensation.

While corporate executives found sales an appropriate basis for determining compensation for IMC services, agency executives did not, preferring fees. Corporate public relations executives found sales-based compensation more appropriate than did public relations agency executives.

Academics were oriented, more than other groups, toward fees for compensation for IMC services. Academics, and especially public relations academics, were less oriented than other groups toward sales as a basis for compensation.

RQ4: Associations between IMC measurement and IMC agency compensation. Public relations professionals alone among respondents to the survey moderately associated measures of IMC success with methods of agency compensation for IMC services in ways that reflect traditional lines of thinking about the division between advertising and public relations functions. They saw fees as appropriate

for the kinds of measures more often used in public relations than in advertising—message exposure, feedback, response changes (e.g., in attitudes), and image. They associated commissions and formulas based on communication outcomes and sales as appropriate compensation methods when the measures of success are repeat sales, audience observations, brand equity, and revenues—outcomes more traditionally associated with advertising and marketing activities.

DISCUSSION

Communication practitioners and academics may have given some thought recently to integrated marketing communication definitional elements (Swain et al., 2001) and may be gravitating slowly to more sophisticated IMC concepts, but they are by no means united in consensus the issues of IMC leadership, measurement, and agency compensation.

An issue on which consensus exists only in very formative stages, perhaps clustered around parochial interests, is that of appropriate leadership for the implementation of IMC. Marketing communication professionals may be gravitating to one position or another on who should lead the practice of IMC, forming a slightly more cohesive and sophisticated paradigmatic picture. However, if only a third of marketing communication professionals are committed to traditional marketing management to lead IMC implementation, then more consideration may need to be given to the leadership roles of top management and public relations management.

The findings of this study, however, suggest that little has changed from traditional mass marketing practices in the areas of IMC measurement and agency compensation for IMC services. It is possible to conclude from this study that, concerning the development and adop-

The findings of this study, however, suggest that little has changed from traditional mass marketing practices in the areas of IMC measurement and agency compensation for IMC services.

tion of IMC concepts relating to measurement of success and agency compensation:

- IMC compensation and measurement concept development trail IMC definitional and leadership concept development.
- IMC measurement concept development may slightly trail IMC compensation concept development.
- Relationships between measurement and compensation have not been thought through.
- Perceptual differences continue along traditional lines among groups in the study—advertising and public relations, agency and corporate, practitioners and academics—concerning appropriate methods of IMC measurement and agency compensation.
- Financial and structural integration, proposed as the fourth stage of IMC development in the Kitchen and Schultz (1999) IMC model, have not been adopted

sufficiently to lead to new measures of the success of IMC activities.

- Marketing communication executives, as they move away from media commissions as the preferred method of compensation, are moving toward activity compensation (i.e., fees) rather than toward outside-in, outcomes based, database driven compensation.

The most dramatic change in preference from traditional marketing communication measurement and agency compensation, given the 100-year history of media commission compensation (Spake, D'Souza, Crutchfield, and Morgan, 1999), is the lack of enthusiasm on the part of advertising agency executives for the commission system of compensation for IMC services. From that departure in preference for IMC compensation from the traditional agency compensation system, it is possible to infer either or both of two motivations:

Marketing communication executives, as they move away from media commissions as the preferred method of compensation, are moving toward activity compensation . . . rather than toward outside-in, outcomes based, database driven compensation.

- that advertising agencies may have become disenchanted with the commission system owing to pressures from clients to accept smaller rates of commission and to provide a wider menu of noncommissionable services; and/or
- that advertising agencies, alone among the respondent groups, have begun to consider what the practice of IMC may encompass for them and how they might be compensated for IMC services—but not necessarily how the success of IMC might be measured.

On the other hand, the pronounced approval of commissions on the part of public relations agency executives may permit an inference that public relations agency executives may still regard IMC as predominantly a media advertising function. The findings also suggest that, to a lesser extent, corporate marketing executives may still consider media advertising to be at the core of IMC.

Agency executives are apparently prepared to favor fees over commissions as compensation for IMC services, but they are apparently not ready to move toward revenue-based or profit-based measures or compensation methods, preferring instead to move away from them and toward activity-based fee compensation and measures based on interim achievements.

The measurement and agency compensation preferences of corporate public relations executives may suggest that they see themselves as closer to corporate performance and the corporate marketing function than do public relations agency executives, both in their present activities and in an IMC environment.

It is possible to infer that contemplation of IMC by academics takes place in an environment that is more insular and less profit oriented than the pressure-filled business world inhabited by marketing com-

The findings of this study may signal that IMC is not yet a cohesive and effective paradigm, theory, or practice. For IMC to achieve those levels of recognition and adoption, conceptual questions of definition, leadership, best practices, measurement, service compensation, and the relationships between them must all be addressed, resulting in a workable system to meet modern marketing communications challenges.

munication practitioners. It also may be inferred that academic respondents to this survey have not followed Schultz and others (e.g., Kitchen and Schultz, 1999; Schultz and Barnes, 1995; Schultz, Tannenbaum, and Lauterborn, 1992) into a commitment to outside-in planning, financial and database integration, and ROI measures.

The acute lack of interest in a new formula for IMC compensation or measurement is evidence that the respondents were satisfied with the measurement options and with the compensation options, but there is little evidence that they considered any relationship between the two concepts. Less thought appears to have been given to IMC measurement and to agency compensation for IMC services than to other aspects of the developing IMC paradigm.

Limitations of the study and opportunities for future research

This exploratory study has undertaken to survey groups that have not been distinguished from one another in prior studies and to approach them through the internet. While these differences in technique are strengths of the study, they carry with

them inherent weaknesses. The need for large samples and the need for availability of email addresses necessitated the use of convenience and/or purposive samples, restricting the ability to generalize results of the study scientifically. A response rate averaging 8 percent across the six professional groups in the study also limits external validity. Lack of consensus in the prior literature on IMC makes hypothesis writing and hypothesis testing problematic and forces the researcher to rely on more broadly based research questions.

Clearly, if IMC is to develop further as a paradigm and a practice, additional research is needed into issues of theory and best practices. Further research into leadership roles and into measures of IMC success as a basis for further planning and for agency compensation would appear to be in order. Further, there might be advantage in conducting research on the definition, leadership, measurement, and other practices of IMC regularly to track trends.

Another topic that may offer opportunities for research and analysis is the present and future impact of interactive

communication, especially on the internet, on the definition, leadership, and practices of IMC. As developing and merging technologies increase the ability of the consumer to initiate and control communications using interactive media, IMC and its marketing communication components must adapt to change, affording opportunities to track and understand those adaptations through interactive research.

CONCLUSION

The findings of this study may signal that IMC is not yet a cohesive and effective paradigm, theory, or practice. For IMC to achieve those levels of recognition and adoption, conceptual questions of definition, leadership, best practices, measurement, service compensation, and the relationships between them must all be addressed, resulting in a workable system to meet modern marketing communication challenges.

The total package must be adopted, not only by theoreticians, but also by marketing communication specialists, by the organizational cultures in which they operate, and by top management. Then the organization's identity, whatever its mission, will become the integrated marketing communication entity—the product, in fact—and all who are involved in policy making, advertising, public relations, promotion, interactive communication, or any form of contact with consumers and stakeholders will be practicing IMC. **JAR**

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APPENDIX Findings

IMC LEADERSHIP PREFERENCES

The frequency distribution for responses to the question regarding preference for the leadership role in the implementation of IMC is shown in Table 2. It revealed clusterings around three options in preference for leadership: top management, marketing management, and committee management. Of the 183 responses, 160 (87.4 percent) chose one of those three options. Leadership by marketing management was the preference of 65 respondents (35.5 percent), top management

leadership was preferred by 56 respondents (30.6 percent), and leadership of IMC by a committee of some or all corporate and agency functionaries was preferred by 39 respondents (21.3 percent). There was little enthusiasm for leadership by any type of agency—marketing, advertising, public relations, or sales promotion—or for any other IMC leadership, none garnering more than 8 respondents (4.4 percent). No respondent preferred that IMC be led by a sales promotion agency; only one, an advertising academic, preferred marketing agency leadership.

None of the options for leadership of IMC garnered more than 35 percent of the

responses to this survey. The lack of anything approaching majority support for any single leadership option suggests that no general consensus has been achieved with regard to who should assume the leadership role in implementation of IMC.

Further to examine the distribution of leadership preferences, cross-tabulation was undertaken of leadership preferences with the six groups in the study. The cross-tabulations, shown in Table 3, revealed several characteristics of the frequency distribution among groups:

- Preference for top management leadership of IMC appears to have been a function of agency orientation more than

TABLE 3

Cross-tabulation of Three Most Popular Survey Responses to “Who Should Occupy the Leadership Role in Coordinating Integrated Marketing Communication Activities?” with Professional Groups Surveyed

Response Option: Professional Group	Top Management			Marketing Management			Representative Committee			Total
	#	Grp. %	Opt. %	#	Grp. %	Opt. %	#	Grp. %	Opt. %	
Advertising agency executives	14	42.4	25.0	15	45.5	23.1	4	12.1	10.3	33
Public relations agency executives	14	38.8	25.0	10	27.7	15.4	12	33.3	30.8	36
Corporate marketing executives	5	22.7	8.9	15	68.2	23.0	2	9.1	5.1	22
Corporate public relations executives	4	20.0	7.1	10	50.0	15.4	6	30.0	15.4	20
Advertising/marketing academics	9	33.3	16.1	11	40.1	16.9	7	25.9	17.9	27
Public relations academics	8	42.1	14.3	3	15.8	4.6	8	42.1	20.5	19
Undeclared academics	2	66.7	3.6	1	33.3	1.5	0	00.0	00.0	3
Totals	56			65			39			160
Advertising/marketing	28	34.1	50.0	41	50.0	63.1	13	15.9	33.3	82
Public relations	26	34.7	46.4	23	30.7	35.4	26	34.7	66.7	75
Agency	28	40.6	50.0	25	36.2	38.5	16	23.2	41.0	69
Corporate	9	20.5	16.1	25	56.8	38.5	8	18.2	20.5	44
Academic	19	38.7	33.9	15	30.6	23.1	15	30.6	38.5	49

Note: The frequencies total will not equal the total in Table 1 because the five least popular of the eight leadership options are not included in this table.

academic or corporate orientation, regardless of function. Whether the respondent's field was advertising/marketing or public relations, preference for top management leadership was stronger among agency respondents (35.9 percent) than among academics (29.8 percent) and weakest among corporate respondents (20.5 percent), who may see themselves as ceding operating authority to upper management.

- Preference for marketing management leadership of IMC was strongest among respondents with a marketing communication or corporate orientation: corporate marketing respondents (68.2 percent), preferred marketing management leadership substantially more than other groups, followed by corporate public relations executives (45.5 percent), advertising agency executives (39.5 percent), and advertising/marketing academics (35.5 percent). Preference for marketing management leadership was weakest among public relations academics (11.5 percent), and public relations agency executives (25 percent).

Corporate public relations respondents preferred marketing management leadership (45.5 percent) in substantially greater proportions than they preferred leadership by committee (27.3 percent) or top management leadership (18.2 percent), perhaps the most unexpected frequency distribution finding with regard to preference for IMC leadership.

- Preference for leadership by a committee representing some or all marketing communication functionaries was largely a function of orientation primarily to public relations or secondarily to academics. Committee leadership preference was strongest among public relations academics (30.8 percent) and public relations agency executives (30 percent), followed by corporate public relations executives (27.3 percent) and advertising/marketing academics (22.6 percent). Preference for committee leadership was weakest among corporate marketing executives (9.1 percent), and advertising agency executives (10.5 percent).

GROUP COMPARISONS AND CONTRASTS

The clustering of responses about three leadership options and the desirability for analysis of 2 × 2 cross-tabulations and chi-square tests led researchers to create three new variables, each with one of the three preferred leadership options as one level and the combination of all other leadership options as the other level. Thus one variable identified top management as one value and all other leadership options as another value; another identified marketing management as one value and all other leadership options as second value; a third new variable identified committee leadership as one value and all other leadership options as a second value. Each of those new variables was then cross-tabulated against ten 2-level variables representing different combinations of the six groups surveyed in the study.

Of the thirty 2 × 2 comparisons, eight produced a statistically significant Pearson chi-square test finding, and they are contained in Table 4. In summary, those findings show that:

TABLE 4

Statistically Significant Results of Chi-square Tests of Preferences of Groups for Three Most Popular Survey Responses to “Who Should Occupy the Leadership Role in Coordinating Integrated Marketing Communication Activities?”

Leadership Option Preferred	Group Preference	Chi-square Value	df	p
Marketing management	Executives: advertising/marketing > public relations	3.968	1	.046
Marketing management	Executives and academics: advertising/marketing > public relations	6.971	1	.008
Marketing management	Executives: corporate > agency	7.134	1	.008
Marketing management	Executives: corporate marketing > advertising agency	4.593	1	.032
Marketing management	Executives: corporate marketing > public relations agency	10.999	1	.001
Joint committee	Executives: public relations > advertising/marketing	6.989	1	.008
Joint committee	Executives and academics: public relations > advertising/marketing	6.113	1	.013
Joint committee	Executives: public relations agency > advertising agency	4.532	1	.033

- Advertising and marketing professionals preferred marketing management leadership of IMC more than did public relations professionals ($p = .046$). That was also true when advertising/marketing and public relations academics were included ($p = .008$).
- Corporate marketing and public relations executives in greater proportion than agency executives preferred marketing management leadership of IMC ($p = .008$).
- Corporate marketing executives in greater proportion than either advertising agency executives ($p = .032$) or public relations agency executives ($p = .001$) preferred marketing management leadership of IMC.
- Public relations professionals preferred IMC leadership by a committee representing some or all marketing communication functionaries more than did advertising and marketing professionals ($p = .008$). That was also true when advertising/marketing and public relations academics were included ($p = .013$).
- Public relations agency executives, in greater proportion than advertising agency executives, preferred committee leadership of IMC ($p = .033$).

Those findings tend to confirm the three major findings derived from analysis of the frequency distribution, especially the preference of corporate executives for marketing management leadership of IMC and the fact that IMC leadership by committee finds its greatest support among public relations people.

Twelve other 2×2 cross-tabulations and chi-square tests were performed using the three 2-level leadership option variables and four other 2-level variables relating to survey questions about the present stage of development of IMC, and whether its continued success is dependent on effective advertising and/or

on effective public relations. None of those 12 cross-tabulations and chi-square tests produced statistically significant findings. To respondents in this survey, those issues had no bearing on their preference for who should lead the implementation of IMC.

Relationships of definitional preferences to leadership preferences

Differences in preferences for IMC leadership options were also sought based on preference for the definitional options presented in the survey, again by use of cross-tabulations of the three 2-level leadership option variables with the nine 2-level (yes/no) definitional preference variables. The definitional variables, briefly identified, were as follows:

- coordination of all communications
- use of databases to achieve integrated marketing communication
- use of continuous research to achieve integrated communication
- placing understanding the consumer before product development or communication
- placing emphasis on two-way communication with the consumer
- placing emphasis on interactive integrated marketing communication
- regarding all consumer contacts as marketing communication situations
- placing emphasis on building a long-term relationship with the consumer
- restructuring the company to place relationship-building ahead of marketing

Three additional variables were created by clustering certain definitional elements together:

- a combination of the database, research and consumer understanding definitional choices into a consumer-first variable

- a combination of the two-way communication and interactive communication variables into an interactive marketing communication variable
- a combination of the consumer contacts and relationship variables into a consumer relationship variable.

The three leadership preference variables and the 12 definitional variables resulted in 36 cross-tabulations and associated chi-square tests, of which 11 yielded statistical significance. None of the tests of relationship between definitional elements and IMC leadership preference identified a relationship in which the majority who preferred any definitional element endorsed any one leadership preference.

That being said, analysis of the statistically significant tests reveals a mild pattern in all those tests in which respondents who chose definitions more in keeping with the more highly developed levels of the Kitchen and Schultz (1999) hierarchy of IMC—those above the level of simply coordinating communication—shared certain opinions: They were willing to be more accepting of committee leadership of IMC, and they were less positive about IMC leadership by traditional marketing management and by top management.

CONSENSUS OR DIFFERENCES ON MEASUREMENT OF IMC SUCCESS

The six groups of professional participants, taken together, viewed all nine of the measurement options as appropriate for IMC. All measurement options reached a mean of 2.76 or higher on a 4-point scale. In rank order, by key word/phrase, participants preferred attitudes (mean 2.964), response changes (2.945), brand equity (2.924), feedback (2.917), corporate image (2.884), message exposure (2.877), audience observations (2.874), revenues (2.765), and repeat sales (2.741). Furthermore, some 86 percent saw no need for a

TABLE 5

Frequency Distribution of All Survey Responses to Degree of Appropriateness of IMC Measurement Options

Measurement	4-Level Responses								Total	2-Level Responses			
	Very Inappropriate		Inappropriate		Appropriate		Very Appropriate			Inappropriate		Appropriate	
	#	%	#	%	#	%	#	%		#	%	#	%
Message exposure	4	2.4	17	10.0	88	51.8	61	35.9	170	21	12.4	149	87.7
Feedback	1	0.6	13	7.7	83	49.1	72	42.6	169	14	8.3	155	91.7
Audience observation	3	1.8	18	10.8	88	52.7	58	34.7	167	21	12.6	146	87.4
Attitudes	1	0.6	5	3.0	84	50.0	78	46.4	168	6	3.6	162	96.4
Revenues	7	4.2	32	19.3	70	42.2	57	34.3	166	39	23.5	127	76.5
Repeat sales	5	3.1	37	22.8	67	41.4	53	32.7	162	42	25.9	120	74.1
Brand equity	2	1.2	11	6.5	79	46.5	78	45.9	170	13	7.7	157	92.4
Response changes	0	0.0	9	5.5	67	40.9	88	53.7	164	9	5.5	155	94.6
Corporate image	5	3.0	14	8.5	86	52.4	59	36.0	164	19	11.5	145	88.4
New measure									169	145	85.8	24	14.2

new method of measuring the success of IMC activities. Frequency distributions of measurement responses are shown in Table 5.

When the evaluations of agencies (both advertising and public relations together) and corporate executives (marketing and public relations together) were contrasted in a one-way ANOVA, differences of opinion emerged. Corporate executives found revenues ($p = .023$) and repeat sales ($p = .031$) more appropriate measures of the success of IMC activities than did agency executives. Agency executives found attitudes a more appropriate measure than did corporate executives ($p = .019$).

In 2-level chi-square tests, two measures of IMC success were declared more appropriate by corporate marketing executives than by advertising agency executives: revenues ($p = .037$) and repeat sales ($p = .025$), though the two groups dif-

fered significantly on only one 4-level measurement variable—repeat sales ($p = .019$). Corporate marketing executives also found revenues a more appropriate measure of the success of IMC activities than did public relations agency executives (ANOVA $p = .028$).

As measures of IMC success, revenues were viewed as less appropriate by academics than by agency and corporate executives (ANOVA $p < .001$), and repeat sales were viewed as less appropriate by academics than by corporate executives (ANOVA $p = .001$). Advertising and marketing academics found revenues less appropriate as a measure of IMC success than did corporate marketing executives, or corporate public relations executives (ANOVA $p < .001$), and repeat sales less appropriate than did corporate marketing executives (ANOVA $p = .015$).

Advertising and public relations practitioners, both agency and corporate, if they believe that the success of IMC activities is dependent on effective advertising, saw no need for a new method of measuring the success of IMC activities ($\chi^2 p = .022$), and saw corporate image as an appropriate method for measuring the success of IMC activities ($\chi^2 p = .023$) to a greater extent than those who do not believe the success of IMC is dependent on effective advertising. No statistically significant differences concerning measurement of IMC success appeared among groups who believe the success of IMC activities depends on effective public relations.

The ANOVA statistics for group response differences on options for measurement of the success of IMC activities are contained in Table 6. The chi-square statistics for group response differences on measurement options are contained in Table 7.

TABLE 6

ANOVA Contrasts Significant at the $\leq .05$ Level for Preferences for Measurement of the Success of IMC Activities; Measurement Options Are Identified by Keyword Shown in Article

Measure Preferred	Group Contrast (with Means on a 4-Point Scale)	F	df	p
Attitudes	Advertising/public relations agency executives (3.53) > corporate marketing/public relations (3.28)	5.68	114	.019
Revenues	Corporate marketing/public relations (3.44) > advertising/public relations agency executives (3.12)	4.75	111	.031
	Corporate market executives (3.53) > public relations agency executives (3.08)	5.07	56	.028
	Advertising/public relations agency executives (3.12) > advertising/public relations academics (2.69)	9.81	165	<.001
	Corporate marketing/public relations executives (3.44) > advertising/public relations academics (2.69)	9.81	165	<.001
	Corporate marketing executives (3.52) > advertising/marketing academics (2.63)	4.56	179	<.001
	Corporate public relations executives (3.35) > advertising/marketing academics (2.63)	4.56	179	<.001
Repeat sales	Corporate marketing/public relations (3.39) > advertising/public relations agency executives (3.04)	5.31	108	.023
	Corporate marketing executives (3.50) > advertising agency executives (2.94)	5.90	50	.019
	Corporate marketing executives (3.39) > advertising/public relations academics (2.74)	7.09	161	.001
	Corporate marketing executives (3.50) > advertising/marketing academics (2.66)	2.59	175	.015

Note: No statistically significant ANOVA contrasts were found for the other options for IMC measurement activities: message exposure, feedback, audience observation, brand equity, changes in audience response, or organizational image, nor for preference for a new measure.

CONSENSUS AND DIFFERENCES ON METHODS OF AGENCY COMPENSATION FOR IMC SERVICES

Participants were very nearly evenly split on the appropriateness of two of the

four agency compensation options—commission (mean 2.591) and sales (2.518)—but they found fees (2.953) and communication outcomes (2.781) to be more appropriate bases of compensating

agencies for IMC services. Participants were also less certain they had been offered a compensation option they found appropriate for IMC: more than a quarter (27 percent) saw need for a new method

TABLE 7

Statistically Significant Chi-square Figures from 2 × 2 Cross-tabulations of Options for Measurement of the Success of IMC Activities with 2-Level Respondent Group Combinations

Measurement	Group Combination (by Appropriateness Perception)	Chi-square		
		Value	df	p
Revenues	Corporate marketing executives > advertising agency executives	4.366	1	.037
Repeat sales	Corporate marketing executives > advertising agency executives	4.995	1	.025
Corporate image	Advertising/public relations executives: IMC depends on advertising > does not	5.149	1	.023
No new measure	Advertising/public relations executives: IMC depends on advertising > does not	5.241	1	.022

TABLE 8

Frequency Distribution of All Survey Responses to Degree of Appropriateness of Options for Agency Compensation for IMC Services

Compensation Basis	4-Level Responses								Total	2-Level Responses			
	Very Inappropriate		Inappropriate		Appropriate		Very Appropriate			Inappropriate		Appropriate	
	#	%	#	%	#	%	#	%		#	%	#	%
Commission	22	12.9	48	28.1	65	38.0	36	21.1	171	70	41.0	101	159.1
Fees	0	0.0	8	4.7	81	47.4	82	48.0	171	8	4.7	163	95.4
Communication outcomes	6	3.6	31	18.3	68	40.2	64	37.9	169	37	21.9	132	78.1
Sales	12	7.3	67	40.9	59	36.0	26	15.9	164	79	48.2	85	51.9
New method									174	127	73.0	47	27.0

of agency compensation for IMC services. The two groups most interested in a new method of agency compensation were advertising agency executives (32.4 percent) and public relations academics (37.5 percent). Compensation response frequencies are shown in Table 8.

Advertising agency and corporate marketing executives rated commissions a less appropriate method of compensation for IMC services than did public relations agency and corporate executives, whether commission was considered as a 4-level variable (ANOVA $p = .036$) or as a 2-level (appropriate/inappropriate) variable ($\chi^2 p = .016$). However, much of that difference is accounted for by the difference of opinion between advertising agency executives and public relations agency executives. Advertising agency executives rated commissions a less appropriate method of compensation for IMC services than did public relations agency executives with commissions considered as a 4-level variable (ANOVA $p = .001$) and as a 2-level variable ($\chi^2 p = .001$).

Agency and corporate executives disagreed on two methods of agency com-

penetration for IMC services, corporate executives preferring compensation based on sales (ANOVA $p = .001$), while agency executives preferred fee-based compensation (ANOVA $p = .036$). Both advertising agency executives (51.5 percent–48.5 percent) and public relations agency executives (60.5 percent–39.5 percent) saw agency compensation based on sales as an inappropriate method, the only groups to do so. Advertising agency executives rated commissions a less appropriate method of compensation for IMC services than did corporate marketing executives ($\chi^2 p = .008$) (ANOVA $p = .013$).

Agency compensation for IMC services based on sales was seen as more appropriate by corporate public relations executives than by public relations agency executives ($\chi^2 p = .003$) (ANOVA $p = .002$), as was communication outcomes as a 4-level variable (ANOVA $p = .014$). Corporate public relations executives rated communication outcomes a more appropriate basis for agency compensation for IMC services than did advertising agencies (ANOVA $p = .044$). Corporate mar-

keting executives found sales a more appropriate basis for agency compensation for IMC services than did public relations agency executives (ANOVA $p = .005$).

Executives with advertising agencies and with public relations agencies found fees more appropriate (ANOVA $p = .011$) and communication outcomes less appropriate (ANOVA $p = .023$) as a basis for agency compensation for IMC services than did advertising/marketing academics and public relations academics. Academics found less appropriateness in a sales basis for agency compensation than did corporate marketing and public relations executives (ANOVA $p = .004$). However, advertising/marketing academics saw sales as a more appropriate basis of agency compensation for IMC services than did public relations academics ($\chi^2 p = .028$).

Advertising and public relations practitioners, both agency and corporate, if they believe that the success of IMC activities is dependent on effective advertising, saw no need for a new formula for agency compensation ($\chi^2 p = .023$). No statisti-

TABLE 9

ANOVA Contrasts Significant at the $\leq .05$ Level for Preferences for Agency Compensation for IMC Services; Options Are Identified by Keyword Shown in Article

Compensation Method Preferred	Group Contrast (with Means on a 4-Point Scale)	F	df	p
Commissions	Public relations agency/corporation (2.80) > advertising agency/corporate marketing (2.44)	4.51	117	.036
	Public relations agency executives (2.87) > advertising agency executives (2.19)	11.68	75	.001
	Corporate marketing executives (2.86) > advertising agency executives (2.19)	6.95	58	.013
Fees	Advertising/public relations academics (3.58) > corporate marketing/public relations executives (3.36)	4.52	117	.036
	Advertising/public relations agency executives (3.58) > advertising/public relations academics (3.28)	4.67	170	.011
Communication outcomes	Advertising/public relations academics (3.32) > advertising/public relations agency executives (2.93)	3.84	168	.023
	Corporate public relations executives (3.45) > public relations agency executives (2.87)	6.41	58	.014
Sales	Corporate marketing/public relations executives (2.98) > advertising/public relations academics (2.45)	11.34	113	.001
	Corporate marketing executives (2.95) > public relations agency executives (2.32)	8.41	58	.005
	Corporate marketing/public relations executives (2.52) > advertising/public relations academics (2.98)	5.76	163	.004
	Corporate public relations executives (3.00) > public relations agency executives (2.32)	10.04	57	.002

TABLE 10

Statistically Significant Chi-square Figures from 2 x 2 Cross-tabulations of Options for Agency Compensation for IMC Services with 2-Level Respondent Group Combinations

Basis for Compensation	Group Combination (by Appropriateness Perception)	Chi-square Value	df	p
Commissions	Public relations agency/corporate executives > advertising agency/corporate marketing	5.836	1	.016
Commissions	Public relations agency executives > advertising agency executives	11.800	1	.001
Commissions	Corporate marketing executives > advertising agency executives	7.104	1	.008
Sales	Corporate public relations executives > public relations agency executives	8.649	1	.003
Sales	Advertising/marketing academics > public relations academics	4.825	1	.028
No new basis	Advertising/public relations executives: IMC depends on advertising > does not	5.192	1	.023

cally significant differences concerning agency compensation for IMC services appeared among groups who believe the success of IMC activities depends on effective public relations.

The ANOVA statistics for group response differences on options for agency compensation for IMC services are contained in Table 9. The chi-square statistics for group response differences on agency compensation options are contained in Table 10.

ASSOCIATIONS BETWEEN IMC MEASUREMENT AND IMC AGENCY COMPENSATION

Group combinations involving public relations practitioners were the only groups to correlate a number of options for agency compensation for IMC services with several IMC measurement options at the .333 level or higher: They associated commission compensation with repeat sales measures; fee-based compensation with message exposure, feedback, response

changes, and image measures; compensation based on communication outcomes with measures of audience observations, repeat sales, and brand equity; sales-based compensation with audience observation and revenue measures. The combination of corporate marketing and corporate public relations executives correlated sales as an appropriate method of agency compensation for IMC services with two IMC measurement options: response changes and corporate image.