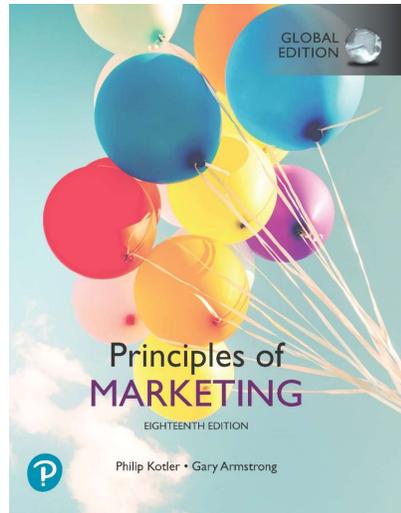


Principles of Marketing

Eighteenth Edition, Global Edition



 Pearson

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Chapter 14

Engaging Consumers and
Communicating Customer Value:
Integrated Marketing
Communication Strategy

1

BURGER KING: Anything but Traditional Integrated Marketing Communications

- Burger King's often wacky campaigns might strike some observers as impetuous or even reckless. But they unite around the long-held positioning that Burger King is “Home of the Whopper,” the iconic “flame-grilled, 100% beef” creation that keeps loyal customers coming back.



dpa picture alliance/Alamy Stock Photo

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Learning Objectives

- 14.1** Define the five promotion mix tools for communicating customer value.
- 14.2** Discuss the changing communications landscape and the need for integrated marketing communications.
- 14.3** Outline the communication process and the steps in developing effective marketing communications.
- 14.4** Explain the methods for setting the promotion budget and factors that affect the design of the promotion mix.

3

Learning Objective 1

Define the five promotion mix tools for communicating customer value.

4

The Promotional Mix (1 of 6)

The promotion mix is the specific blend of promotion tools that the company uses to persuasively communicate customer value and build customer relationships.

5

The Promotional Mix (2 of 6)

Advertising is any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.

- Broadcast
- Print
- Online
- Mobile
- Outdoor

6

The Promotional Mix (3 of 6)

Sales promotion is a short-term incentive to encourage the purchase or sale of a product or service.

- Discounts
- Coupons
- Displays
- Demonstrations

7

The Promotional Mix (4 of 6)

Personal selling is the personal interaction by the firm's sales force for the purpose of engaging customers, making sales, and building customer relationships.

8

The Promotional Mix (5 of 6)

Public relations involves building good relations with the company's various publics by obtaining favorable publicity, building up a good corporate image, and handling or heading off unfavorable rumors, stories, and events.

The Promotional Mix (6 of 6)

Direct and digital marketing involves engaging directly with carefully targeted individual consumers and customer communities to both obtain an immediate response and build lasting customer relationships.

Learning Objective 2

Discuss the changing communications landscape and the need for integrated marketing communications.



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Integrated Marketing Communications (1 of 4)

The New Marketing Communications Model

- Consumers are changing.
- Marketing strategies are changing.
- Advances in digital technology.

The new marketing communications model: Marketers are shifting ever-larger portions of their marketing budgets away from old-media mainstays to online, social, and mobile media. Adidas now uses only digital channels to engage its younger consumers.



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Integrated Marketing Communications (2 of 4)

The New Marketing Communications Model

Content marketing: As the lines are rapidly blurring between traditional advertising and new digital content, many marketers now view themselves more broadly as content marketing managers who create, inspire, share, and curate marketing content—both their own and that created by consumers and others.



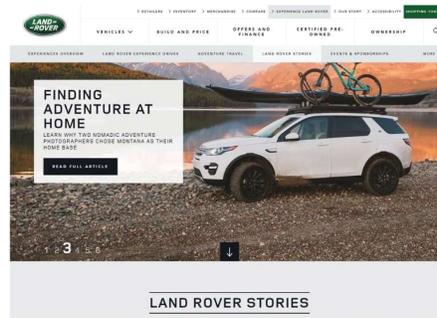
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Integrated Marketing Communications (3 of 4)

The New Marketing Communications Model

Integrated marketing communications (IMC) involves carefully integrating and coordinating the company's many communications channels to deliver a clear, consistent, and compelling message about the organization and its products.



Jaguar Land Rover North America, LLC

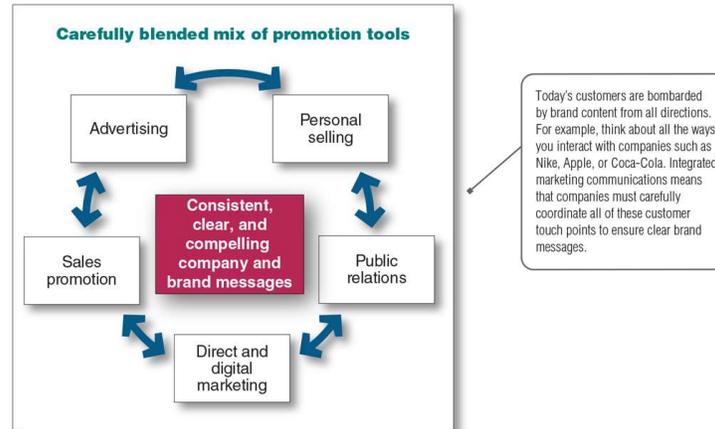


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Integrated Marketing Communications (4 of 4)

Figure 14.1 Integrated Marketing Communications



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Learning Objective 3

Outline the communication process and the steps in developing effective marketing communications.

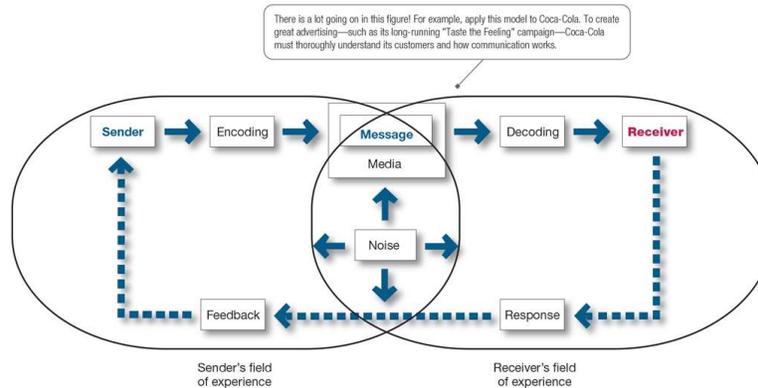


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A View of the Communication Process

Figure 14.2 Elements in the Communication Process



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Steps in Developing Effective Marketing Communication (1 of 10)

- Identify the target audience
- Determine the communication objectives
- Design the message
- Choose the media to send the message
- Select message source and collect feedback



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Steps in Developing Effective Marketing Communication (2 of 10)

Identifying the Target Audience

- What will be said
- How it will be said
- When it will be said
- Where it will be said
- Who will say it



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Steps in Developing Effective Marketing Communication (3 of 10)

Designing a Message

AIDA Model

- Get **A**ttention
- Hold **I**nterest
- Arouse **D**esire
- Obtain **A**ction



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Steps in Developing Effective Marketing Communication (4 of 10)

Message Content – “What to Say”

Rational appeal relates to the audience’s self-interest.

Emotional appeal is an attempt to stir up positive or negative emotions to motivate a purchase.

Moral appeal is directed to an audience’s sense of what is right and proper.

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Steps in Developing Effective Marketing Communication (5 of 10)

Designing a Message

Message content is “what to say.”

Message structure and format is “how to say it.”

Message format: To attract attention, advertisers can use novelty and contrast, eye-catching images and headlines, and distinctive formats, as shown in this Reese’s ad.



The Hershey Company

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Steps in Developing Effective Marketing Communication (6 of 10)

Choosing Communication Channels and Media

Personal communication involves two or more people communicating directly with each other.

- Face-to-face
- Phone
- Mail or email
- Texting or internet chat



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Steps in Developing Effective Marketing Communication (7 of 10)

Choosing Communication Channels and Media

Opinion leaders are people whose opinions are sought by others.

Buzz marketing involves cultivating opinion leaders and getting them to spread information about a product or service to others in their communities.



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Steps in Developing Effective Marketing Communication (8 of 10)

Choosing Communication Channels and Media

Nonpersonal communication channels are media that carry messages without personal contact or feedback, including major media, atmospheres, and events.



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Steps in Developing Effective Marketing Communication (9 of 10)

Selecting the Message Source

The message's impact depends on how the target audience views the communicator.

- Celebrities
 - Athletes
 - Entertainers
- Professionals
 - Health-care providers



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Steps in Developing Effective Marketing Communication (10 of 10)

Collecting Feedback

Collecting feedback involves the communicator understanding the effect on the target audience by measuring behavior resulting from the content.



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Learning Objective 4

Explain the methods for setting the promotion budget and factors that affect the design of the promotion mix.



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Setting the Total Promotion Budget and Mix (1 of 2)

Setting the Promotional Budget

- The **affordable method** sets the promotion budget at the level management thinks the company can afford.
- The **percentage-of-sales method** sets the promotion budget at a certain percentage of current or forecasted sales or as a percentage of the unit sales price.

Setting the Total Promotion Budget and Mix (2 of 2)

Setting the Promotional Budget

- The **competitive-parity method** sets the promotion budget to match competitors' outlays.
- The **objective-and-task method** develops the promotion budget by specific promotion objectives and the costs of tasks needed to achieve these objectives.

Shaping the Overall Promotional Mix (1 of 5)

The concept of **integrated marketing communications** suggests that the company must blend the promotion tools carefully into a coordinated **promotion mix**.



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Shaping the Overall Promotional Mix (2 of 5)

The Nature of Each Promotional Tool

Advertising can reach masses of geographically dispersed buyers at a low cost per exposure, and it enables the seller to repeat a message many times.

Personal selling is the most effective method at certain stages of the buying process, particularly in building buyers' preferences, convictions, actions, and developing customer relationships.



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Shaping the Overall Promotional Mix (3 of 5)

The Nature of Each Promotional Tool

Sales promotion includes coupons, contests, cents-off deals, and premiums that attract consumer attention and offer strong incentives to purchase.

Public relations is a very believable form of promotion that includes news stories, features, sponsorships, and events.

Direct and digital marketing is an immediate, customized, and interactive promotional tool that includes direct mail, catalogs, telephone marketing, online, mobile, and social media.



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Shaping the Overall Promotional Mix (4 of 5)

Figure 14.3 Push versus Pull Promotion Strategy



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Shaping the Overall Promotional Mix (5 of 5)

Integrating The Promotional Mix

The company must take steps to see that each promotion mix element is smoothly integrated.

The various promotion elements should work together to carry the firm's unique brand messages and selling points.



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Socially Responsible Marketing Communication (1 of 2)

Advertising and Sales Promotion

- Communicate openly and honestly with consumers and resellers
- Avoid deceptive or false advertising
- Avoid bait-and-switch advertising
- Conform to all federal, state, and local regulations



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Socially Responsible Marketing Communication (2 of 2)

Personal Selling

- Follow rules of “fair competition”
- Do not offer bribes
- Do not attempt to obtain competitors’ trade secrets
- Do not disparage competitors or their products