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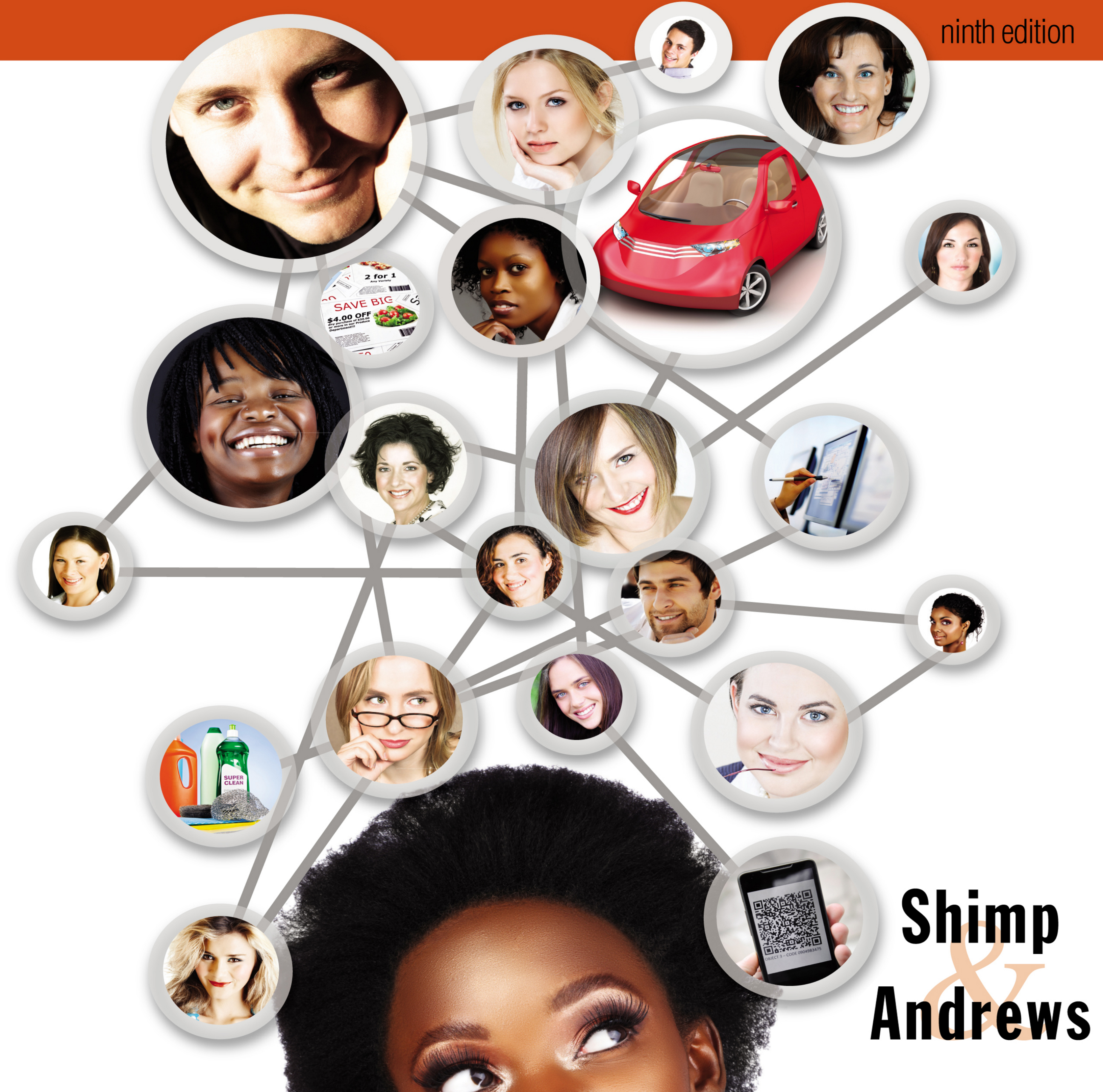
Integrated Marketing Communications

ninth edition



Shimp

&

Andrews

NINTH EDITION

Advertising, Promotion, and other aspects of
Integrated Marketing Communications

Terence A. Shimp
University of South Carolina

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Marquette University

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Dedication

I dedicate this 9th edition of Advertising, Promotion, and Other Aspects of Integrated Marketing Communications *to my wife, Judy, who is my life partner and best friend. She endured long periods of absence while I was involved in an active career as a teacher, researcher, and author. Fortunately, the burden of effort for this ninth edition has been undertaken by my greatly respected friend and colleague, Craig Andrews. I owe him an immeasurable debt and wish him great success in the future as the sole author of subsequent editions. Finally, I dedicate this edition to the many professors around the world who have given me the greatest compliment possible when choosing to adopt various editions of my text. I dearly hope that I have not disappointed you. (TAS)*

This 9th edition of Advertising, Promotion, and Other Aspects of Integrated Marketing Communications *is dedicated to my wife Maura, and children Colleen, Patrick, and Brendan, as well as to my mother and father, and brothers and sister. I also appreciate the keen insights, never-ending inspiration, and creative ideas on IMC issues from my many colleagues and Marquette students over the years. I wish to offer a sincere "thank you" to my long-time friend and mentor, Terry Shimp, for giving me this wonderful opportunity to become involved with the text. (JCA)*

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Preface

Responding to a Dynamic World

The field of marketing communications is rapidly changing. Brand managers continually attempt to gain advantage over competitors and endeavor to achieve larger market shares and profits for the brands they manage. Marketing communications, or *marcom* for short, is just one element of the marketing mix, but advertising, sales promotions, public relations, direct marketing, personal selling, and social media/online marketing tools are performing increasingly important roles in firms' attempts to achieve financial and nonfinancial goals. Marcom practitioners are confronted with the rising costs and challenges of placing ads in traditional advertising media (television, magazines, etc.) and the ever-changing opportunities found in social media and online/mobile advertising. It is for these reasons that advertising and promotion budgets are shifting away from traditional media as a means of both accessing difficult-to-reach groups (e.g., college-age consumers) and providing an economically viable option for conveying advertising messages and promotional offers.

Marketing communicators realize now more than ever that they must be held financially accountable for their advertising, promotion, and other marcom investments. As companies seek ways of communicating more effectively and efficiently with their targeted audiences, marketing communicators are continually challenged. They must use communication methods that will break through the clutter, reach audiences with interesting and persuasive messages that enhance brand equity and drive sales, and assure firms that marcom investments yield an adequate return on investment. In meeting these challenges, companies increasingly embrace a strategy of integrated marketing communications whereby all marcom elements must be held accountable and "speak with one voice" in delivering consistent messages and influencing action.

Focus of the Text

Whether students are taking this course to learn more about the dynamic nature of this field or as part of planning a career in advertising, sales promotion, or other aspects of marketing, *Advertising, Promotion, and Other Aspects of Integrated Marketing Communications* will provide them with a contemporary view of the role and importance of marketing communications. The text emphasizes the importance of integrated marketing communications (IMC) in enhancing the equity of brands, and provides thorough coverage of all aspects of an IMC program: advertising, sales promotion, packaging and branding strategies, social media, online and mobile advertising, direct marketing, point-of-purchase communications, public relations, word-of-mouth buzz creation, event- and cause-oriented sponsorships, and personal selling. These topics are made even more accessible in this edition through expanded use of examples and applications. And, of course, the text covers appropriate academic theories and concepts to provide formal structure to the illustrations and examples.

Advertising, Promotion, and Other Aspects of Integrated Marketing Communications is intended for use in undergraduate or graduate courses in marketing communications, advertising, promotion strategy, promotion management, or other courses with similar concentrations. Professors and students alike should find this book substantive but highly readable, eminently current but also appreciative of the evolution of the field. Above all, this ninth edition blends marketing communications practice in its varied forms with the rigors of research and theory. Throughout its previous eight editions, the attempt has been made to balance coverage in examining marketing communications both from the consumer's and the marketer's vantage points. This edition focuses more than ever not only on managerial and business-to-business aspects of marketing communications, but also on the latest developments in online/mobile advertising and social media.

Changes and Improvements in the Ninth Edition

The ninth edition of *Advertising, Promotion, and Other Aspects of Integrated Marketing Communications* reflects many changes beyond those just described. The textbook has been thoroughly updated to reflect the following:

- State-of-the-art coverage of major academic literature and practitioner writings on all aspects of marketing communications. These writings are presented at an accessible level to students and illustrated with examples and special inserts—*Marcom Insight* features, *IMC Focus* boxes, and *Global Focus* inserts.
  - ***Marcom Insight***—Each chapter opens with a *Marcom Insight* that corresponds to the thematic coverage of the chapter, piques students' interest, and illustrates the content to follow. Most of these are new to this edition.
  - ***IMC Focus***—Each chapter includes features that illustrate key IMC concepts by using real-company situations that showcase how various aspects of marketing communications are put into practice.
  - ***Global Focus***—These features enhance the text's global perspective and spotlight international applications of marcom principles.
- This edition has expanded from 21 to 23 chapters. Most of the chapters have been substantially rewritten or rearranged to reflect a more logical progression of material coverage. The following updates and improvements are reflected in this new edition:
  - Chapter 1 updates its coverage of IMC examples and fundamentals and continues to provide a model of the marcom process that structures the text as well as provides a useful framework for comprehending the strategic and tactical aspects of marketing communications.
  - Marcom's role in enhancing brand equity and influencing behavior receives updated treatment in Chapter 2. The chapter emphasizes the importance of achieving marcom accountability and includes discussion of return on marketing investment and efforts to measure marcom effectiveness.

- Chapter 3 focuses on marcom's role in facilitating the success of new brands. Specifically, the chapter devotes substantial coverage to the role of brand naming, brand equity, and—new to this chapter—intellectual property issues covering patents, copyrights, and trademarks. In addition to these changes, Chapter 3 removes coverage of packaging and shifts that material to Chapter 22 which examines packaging with point-of-purchase communications and signage.
- Chapter 4, which is an update of Chapter 21 in the eighth edition, provides in-depth coverage of environmental marketing, marcom-related regulatory issues, and ethical issues in marketing communications. Expanded coverage is devoted to sustainability, recent regulatory cases, and public health initiatives involving IMC, as well as privacy issues affecting marketing communications.
- Chapters 5 through 8 focus on the fundamental marcom decisions that are based on the marcom-process model introduced in Chapter 1. These chapters include detailed coverage of marcom segmentation, targeting, and positioning (Chapter 5), the communications process and consumer behavior (Chapter 6), the role of persuasion in IMC (Chapter 7), and objective setting and budgeting (Chapter 8). Chapter 5 includes a thorough update of demographic facts and figures, Chapter 6 integrates the coverage of meaning creation with fundamentals of consumer behavior, Chapter 7—a new chapter—examines major routes to persuasion from IMC, and Chapter 8 examines challenging decisions in objective setting and marcom budgeting.
- Chapter 9, in its overview of advertising management, examines the role of messages, media, and measurement. The chapter devotes major coverage to the advertising management process and also presents a perspective on the case for investing or disinvesting in advertising.
- Chapter 10 describes the fundamentals and importance of advertising creativity.
- Chapter 11 examines: (1) endorser ("source") factors that influence the persuasiveness of messages and (2) specific forms of creative messages (e.g., appeals to fear and guilt, humor, sex) and what determines their effectiveness.
- Chapter 12 analyzes traditional ad media (newspapers, magazines, radio, and TV) and updates this coverage.
- Chapter 13 covers online and mobile advertising—a major overhaul of the previous chapter on Internet advertising. This chapter now displays the online advertising process and online advertising formats, including search engine advertising, banner ads, rich media, sponsored and corporate websites, blogs and podcasts, a major section on mobile advertising, and privacy. The chapter concludes with measurement of online advertising efforts.
- Chapter 14 represents a brand new and important addition to this edition—i.e., the role of social media in IMC programs. This chapter includes an analysis of social media's "landscape" (e.g., major players, advantages and disadvantages, categories, rankings), the role of Facebook and Twitter in IMC, examples of successful social media campaigns, how to advertise in social media, and measuring the effectiveness of social media efforts.
- Chapter 15 investigates direct marketing and other ad media, including direct response advertising, direct mail and database marketing, video-game advertising (adver-gaming), brand placements in movies and TV programs, cinema advertising, and a collection of alternative ad media.
- Chapter 16 treats media planning and analysis in detail and provides a common set of concepts, terms, and metrics for describing the specific media that are covered in Chapters 12 through 15.

- Chapter 17 is now placed after all media choice and planning discussion and provides an updated, expanded, and improved coverage of measures of advertising effectiveness.
- Chapter 18 introduces sales promotions and explores in detail trade-oriented promotions. The chapter also presents a series of generalizations regarding trade-promotion effectiveness.
- Chapters 19 and 20 explore consumer-oriented forms of sales promotions and provide a framework to categorize such promotions. Chapter 19 covers sampling and couponing. Chapter 20 examines all remaining forms of consumer promotions—premiums, price-offs, bonus packs, games, rebates and refunds, sweepstakes and contests, continuity promotions, overlay and tie-in promotions, and retailer promotions.
- Chapter 21 examines public relations (especially marketing-oriented PR), word-of-mouth influence, and sponsorships. The material on sponsorships was moved from Chapter 19 in the previous edition to this chapter and examines event sponsorships and cause-related marketing.
- Chapter 22 is a unique chapter that explores topics often neglected or receiving minimal coverage in most advertising and marcom texts: packaging, point-of-purchase communications, on-premise business signage, and out-of-home (off-premise) advertising.
- Chapter 23 returns the topic of personal selling to the text after several editions. The chapter discusses personal selling's role as an important part of the promotional mix and IMC, different types of personal selling jobs and activities, current technological aids for those in personal selling, the basic steps in personal selling as applied to a case, and factors accounting for salesperson performance and effectiveness.

A Premier Instructional Resource Package

The resource package provided with *Advertising, Promotion, and Other Aspects of Integrated Marketing Communications*, ninth edition, is specifically designed to meet the needs of instructors facing a variety of teaching conditions and to enhance students' experience with the subject. We have addressed both the traditional and the innovative classroom environments by providing an array of high quality and technologically advanced items to bring a contemporary, real-world feel to the study of advertising, promotion, and integrated marketing communications.

- Instructor's Manual. This comprehensive and valuable teaching aid includes the Resource Integration Guide, a list of chapter objectives, chapter summaries, detailed chapter outlines, teaching tips, and answers to discussion questions. The Instructor's Manual for this edition is revised by Tracy Tuten of East Carolina University.
- ExamView® Test Bank. The Test Bank, also revised by Tracy Tuten, provides testing items for instructors' reference and use. The Test Bank contains over 2,500 true/false, multiple-choice, and essay questions in varying levels of difficulty. ExamView® software makes test preparation, scoring, and grading easy. Featuring automatic grading, ExamView® allows you to create, deliver, and customize tests and study guides (both print and online) in minutes.
- PowerPoint® Presentations. The PowerPoint® package, revised by Craig Andrews and Jacob Bagha of Marquette University, covers all of the material found in the textbook in addition to outside supplemental examples and materials, including embedded commercials.
- Bring the experience of advertising to your classroom with *Ad Age on Campus*. Student access to *Ad Age on Campus* can be packaged with new

copies of this book free of charge which will provide students with access to the following:

- *Ad Age* weekly edition online
- *Ad Age* data center
- Creativity-online.com

Ad Age has been the leading source of news, analysis, research, and data on the advertising, marketing, and media industry for 80 years. With its daily news feed, columns from the brightest thinkers in the industry, exclusive industry statistics in the datacenter, and breakthrough work selected by the editors of Creativity, *Ad Age on Campus* offers students a way to enhance their classroom experience with real-world knowledge.

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Terence A. Shimp	***J. Craig Andrews***
Distinguished Professor Emeritus	***Professor and Kellstadt Chair in Marketing***
University of South Carolina	***Marquette University***
November 2012	***November 2012***

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Shimp earned a number of teaching awards during his career, including the Amoco Foundation Award that named him the outstanding teacher at the University of South Carolina in 1990. He has published widely in the areas of marketing, consumer behavior, and advertising. His work has appeared in outlets such as the *Journal of Consumer Research, Journal of Marketing Research, Journal of Marketing, Journal of Advertising, Journal of Advertising Research, Journal of Consumer Psychology*, and the *Journal of Public Policy and Marketing*. Shimp was the 2001 recipient of the American Academy of Advertising's lifetime award for outstanding contributions to research in advertising. He was elected Fellow of the Society for Consumer Psychology in 2003. For his dedication and years of service to the *Journal of Consumer Research*, Shimp received that journal's Distinguished Service Award in 2012.

Shimp is past president of the Association for Consumer Research and past president of the *Journal of Consumer Research* policy board. For many years, he served on the editorial policy boards of premier journals such as the *Journal of Consumer Research, Journal of Consumer Psychology, Journal of Marketing, Marketing Letters, Journal of Public Policy & Marketing*, and the *Journal of Advertising*. He has represented the Federal Trade Commission and various state agencies as an expert witness in issues concerning advertising deception and unfairness.

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Andrews currently serves on four editorial boards: *Journal of Public Policy & Marketing*, *Journal of Advertising*, *Journal of Current Issues & Research in Advertising*, and *Journal of Marketing Communications*. His work has appeared in the leading journals in marketing, international business, and public health, including *Journal of Marketing*, *Journal of Consumer Research*, *Journal of Public Policy & Marketing*, *Journal of Advertising*, *Journal of Current Issues & Research in Advertising*, *Journal of Retailing*, *European Journal of Marketing*, *Journal of International Business Studies*, and the *American Journal of Public Health*, among others. His recent research with colleagues includes work on warnings and disclosures (including graphic visual tobacco warnings), front-of-package nutrition symbols, corrective advertising, methodological issues in conducting social impact research and ad copy testing, nutrition advertising claims, covert marketing practices, and evaluating pharmacy leaflet prototypes.

Recently, Andrews and colleagues were awarded the 2012 *Thomas C. Kinnear/Journal of Public Policy & Marketing Award*, which honors the article published in *JPPM* between 2008 and 2010 that has made the most significant contribution to the understanding of marketing and public policy issues. The award was for the article, "Understanding How Graphic Pictorial Warnings Work on Cigarette Packaging," which he co-authored with Jeremy Kees, Scot Burton, and John Kozup. The authors' findings have been featured on the *CBS Early Show*, *NPR*, *Bloomberg Businessweek*, *USA Today*, *Forbes*, and *U.S. News & World Report*, among others. Currently, they are extending their research to both adolescent smokers and young adult smokers in the United States and throughout the European Union.

Advertising, Promotion,
and other aspects of

Integrated Marketing Communications

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PART 1

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CHAPTERS

1 An Overview of Integrated Marketing Communications

2 Enhancing Brand Equity and Accountability

3 Brand Adoption, Brand Naming, and Intellectual Property Issues

4 Environmental, Regulatory, and Ethical Issues

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The Practice and Environment of Integrated Marketing Communications (IMC)

Part 1 introduces the fundamentals of integrated marketing communications (IMC). *Chapter 1* overviews IMC, what is meant by "marketing," and discusses the importance of marketing communications (marcom). Specifically, IMC emphasizes the need for integrating the promotional mix elements (advertising, sales promotions, personal selling, public relations, direct marketing, and online marketing/social media) with each other and with the brand's marketing mix such that all speak with one voice. The chapter describes five key IMC features and presents a model of the marcom decision-making process.

Chapter 2 explains how IMC enhances brand equity, influences behavior, and achieves accountability. Brand equity is then defined and the Brand Asset Valuator (with differentiation, relevance, esteem, and knowledge elements) is discussed in providing a measure of brand equity. The chapter also presents the relationships among brand concept (and how it is developed), brand equity, and brand loyalty.

Chapter 3 examines marcom's role in achieving acceptance for new products and how marketing communicators facilitate product adoption and diffusion. Chapter 3 also provides detailed descriptions of the brand development process, including the requirements for a good brand name, the steps involved in arriving at a good name, and the role of logos. Important aspects of intellectual property (patents, copyrights, and trademarks) affecting brands and marketing communications are then discussed.

Chapter 4 presents the related topics of environmental marketing and regulation, marcom regulation and self-regulation, and ethical issues in marcom. Environmental marcom practices and state and national environmental marketing regulation are first examined. Then, governmental regulations (especially for deception and unfair practices under the Federal Trade Commission) and industry self-regulation of marcom practices are described. Finally, ethical issues involving targeting vulnerable groups and specific unethical marcom practices conclude the chapter.

CHAPTER

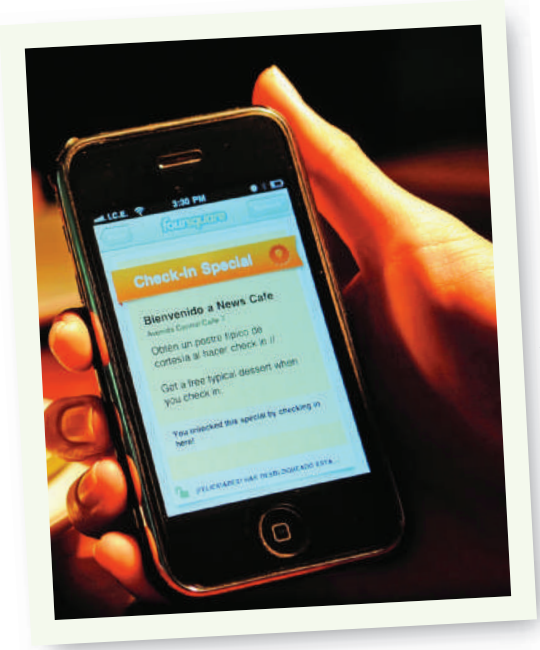
1

An Overview of Integrated Marketing Communications

MARCOM INSIGHT

Let's Check In! Place-Based Apps, Mobile Scanning Devices, and Checking-In with Your "Friends"

Facebook has launched a placed-based "app" (application) to compete with foursquare that allows mobile device users with a Facebook account to share their exact location and find the whereabouts of their friends. Although the name may be evolving from Facebook "Places" to Facebook "Nearby Friends," the social media network is committed to location-based services. It joins other such services used by smartphone users, such as foursquare, Gowalla, Google Latitude, Loopt, Yelp, etc. to shop, communicate, socialize, and play games. Also, business owners, such as restaurant and retail managers, can search for, claim, and verify their locations on the Facebook sites, and then advertise a Facebook listing. Facebook Deals allows those with Facebook accounts to connect to special deals and specials by simply touching "Places" and then "Check In" on their mobile phones. Nearby Places with deals appear with a yellow icon that can be viewed to find out more on the deal and to claim it. Recent examples of Places deals from retailers include American Eagle Outfitters (20 percent off), Chipotle (two for one entrees), Golden State Warriors (exclusive event with an NBA player), McDonald's ($1 per customer to Ronald McDonald House), North Face ($1 per customer to National Parks Foundation), and UC-Berkeley (those who check in can help form the human tunnel that football players run through). Facebook "Nearby Friends" locates all of your Facebook friends (who are checked in) on Google Maps interface with their check-in history displayed with lines traversing the map. This may incorporate companies in the future in the way that Places and Deals do currently.


foursquare
3:30 PM
Check-In Special
Bienvenido a News Cafe
Obtén un postre típico de cortesía al hacer check in !!
Get a free typical dessert when you check in.
You unlocked this special by checking in here!

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So, what do consumers really want from using their mobile phones for placed-based check-ins? At this point, research suggests that deals and sharing information with friends are the key activities. As far as which app marketers should work with, Facebook appears to have an edge with more than 150 million of their 500 million users accessing their social network from their mobile devices. Such location-based (proximity) services are expected to soar in the United States from $200 million currently to $5.8 billion in 2015. This may bode well for Facebook given that their sheer size may overwhelm competitors. Yet, other apps, such as

Chapter Objectives

After reading this chapter, you should be able to:

1. Appreciate the practice of marketing communications and recognize the marcom tools used by practitioners.
2. Differentiate among the following terms: the *marketing mix*, *marketing*, *communications*, *marketing communications*, the *promotional mix*, and *integrated marketing communications*.
3. Describe the philosophy and practice of integrated marketing communications (IMC) and the five key features of IMC.
4. Recognize the activities involved in developing an integrated communications program.
5. Identify obstacles to implementing an IMC program.
6. Understand and appreciate the components contained in an integrative model of the marcom decision-making process.

Foodspotting (tailored to foodies looking or new dishes), Redrover (parents scheduling activities for kids), Shopkick (for retail shopping), and Checkpoints (for grocery stores) are more narrowly tailored.

Beyond personal mobile phones, placed-based scanning has revolutionized grocery shopping. For example, with Scan It!, shoppers at 250 Giant and Stop and Shop stores in the Northeast can use a scanning device to keep a running tally of items and prices, and to obtain strategically timed coupons as they move through the store. For example, after scanning coffee in the store, shoppers may see a coupon for coffee creamer. It is estimated that consumers who use Scan It! spend about 10 percent more than the average customer, but many appreciate the saved time and efficiency that comes with the device.

Stop and Shop (a subsidiary of Ahold) is testing is a way for shoppers to download Scan It! software directly onto their smartphones. Some retail experts predict that the new scanning software may spell the end for traditional cash registers in stores. New chips embedded into smartphones will enable customers to pay for many items with a quick wave of the phone over an electronic scanner. For example, a barcode app for Starbucks already allows consumers to buy coffee in some of their 6,800 stores.

Google Checkout continues to partner with many payment processors to handle purchases, many made with smartphones. Google is trying to broaden these efforts to move consumers and merchants into a world in which the smartphone completely replaces the wallet for credit cards, coupons, and receipts. In a trial of Google Wallet, all consumers have to do is to touch their phone screen to select a card, then tap the phone to a credit card reader in the store or restaurant. The idea for Google is to make money by offering coupons and ads that come along with the experience. This service will be known as "Google Offers," and like Groupon, Google will collect a fee from participating retailers each time a consumer redeems a coupon.

Yet, one major concern with the new technology may be privacy and security. Eavesdropping devices conceivably could steal all the money out of your phone, although apps are moving to encrypting data transmissions. In the past, privacy advocates have raised alarm over Facebook Places allowing friends apps to access information about your most recent check-in by default (or to check you in) as soon as you start using the app. Also, "geo-fencing" technology allows retailers to send text-message discounts or coupons when they are in the proximity of a store. Although assurances of privacy are important to many, company providers point out that those 13- to 30-years-old tend not to see sharing location and information as a major problem as long as they receive a compelling reward in exchange.

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Introduction

All firms employ marketing communications (marcom) to one degree or another, and it doesn't matter whether their efforts are directed at consumers—i.e., people like you and me in our day-to-day consumption activities—or focused on customers of other businesses. Consider the following examples of integrated marketing communications (IMC) programs. The first example is in a business-to-consumer (B2C) context, the second is in a business-to-business (B2B) environment, and the third represents a marcom program initiated through a partnership among a government agency, non-profit groups, and ad agency for consumers.

pepsi loot
spots
loot
info
THE ZUMOBI NETWORK

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"Eat. Drink. Loot!" is the slogan for the Pepsi Loot app for the iPhone, a **location-based service (LBS)** mobile phone initiative—and the first in **geo-targeting**—that allows consumers to find nearby restaurants that serve Pepsi products, including Taco Bell, Pizza Hut, Arby's, and Panda Express. Customers that check into restaurants offering Pepsi can then earn loyalty "loot" points that can be used to obtain downloadable songs from popular artists from the Pepsi Loot website (www.pepsilootstore.com). It also gives participating restaurants the opportunity to provide exclusive Pepsi Loot offers to their customers, such as a free drink with an entrée purchase. This innovative B2C marcom program has been expanded to include a partnership with location-based mobile network, foursquare, and features integration with Facebook and Twitter.

In another important campaign, PepsiCo used mobile advertising and content distributed to apps with 2D barcodes (also known as **quick response [QR] codes**) to engage a key target audience of 18- to 24-year-olds with the promotion of its Pepsi Max Brand. In the United Kingdom, Pepsi spread its "Pepsi Max Kicks" campaign virally, by offering mobile content that can be shared with friends, including a picture of British TV personality and model Kelly Brook delivered to phones via QR codes. The QR codes appeared on 400 million cans and bottles of Pepsi across Britain, and the media campaign also integrated mobile and Web-based advertising.[1]

A recent program by General Electric (GE) illustrates a successful B2B application of integrated marketing communications. With an objective of increasing awareness among business customers that GE is a company that does more than manufacture light bulbs and appliances, GE's advertising agency initiated an integrated campaign titled "Imagination at Work" to establish that GE also is successful in producing wind power, security systems, and jet engines, among other products. The intensive ad campaign involved a combination of TV, print (ads in business publications such as *Bloomberg Businessweek*, *Forbes*, and *Fortune*), and online advertising. For example, a clever TV advertisement dramatically illustrated that GE produces jet engines by showing a vintage Wright Brothers–era airplane equipped with a modern GE jet engine. This integrated campaign, which was conducted in Europe as well as in the United States, was quite successful in changing business customers' misperceptions of GE. Post-campaign research revealed that perceptions of GE as an innovative company increased by 35 percent, opinions of GE as offering high-tech solutions increased by 40 percent, and perceptions of it as being dynamic increased by 50 percent.[2]

Marcom campaigns also can help address problems in society through partnerships among governmental agencies, non-profits, and marcom agencies. Due to increases in adolescent drug use in the 1990s, the White House's Office of National Drug Control Policy (ONDCP) enacted the largest public health advertising campaign in U.S. history. The first phase of the campaign began in 1999, used the brand My Anti-Drug, and partnered with Ogilvy & Mather ad agency, the Partnership for a Drug-Free America, the Advertising Council, and Fleishman-Hilliard Communications. Although the bulk of the $180 million spent each year was on national TV ads (with themes of resistance skills, peer intervention, negative consequences, and modeling positive behavior), important public relations and online ad efforts were made for youth 11- to 13-years-old and parents (www.whatsyourantidrug.com). The second (and ongoing) phase began in 2005 with the development of the brand, Above the Influence (www.abovetheinfluence.org), which targeted adolescents aged 12- to 17-years-old. Rigorous copy testing of TV ads only allowed those spots that significantly increased anti-drug beliefs and/or reduced intentions to use drugs versus controls to appear in the televised media. Although there has been criticism of the campaign in not including an initial baseline measure, recent research has shown that greater exposure to the anti-drug ads resulted in lower rates of (marijuana) use for eighth-grade girls in one study, and for all adolescents in another study, which combined the ad campaign with an in-school, community intervention.[3]

Marketing Communcations Objectives and Terminology

As the preceding examples illustrate, marketing communications is a critical aspect of companies' overall marketing missions and a major determinant of success or failure. All organizations—whether firms involved in B2B exchanges, companies engaged in B2C marketing, or organizations delivering not-for-profit services (museums, symphony orchestras, anti-drug campaigns, etc.)—use various marketing communications to promote their offerings and achieve financial and nonfinancial goals. Companies have a variety of general objectives for their marcom programs: (1) *informing* customers about their products, services, and terms of sale; (2) *persuading* customers to choose certain products and brands, shop in particular stores, go to certain websites, attend events, and other specific behaviors; and (3) *inducing action* (e.g., purchase behavior) from customers that is more immediate than delayed in nature. These objectives usually are accomplished sequentially, although are pitted against one another at times (e.g., a government agency whose mission is to "just give the folks the facts" versus another with a mission affecting public health). These and other objectives can be achieved by using a variety of marcom tools, including mobile and TV advertising, salespeople, social media (Facebook, Twitter, and YouTube), point-of-purchase displays, interactive packages, direct mail literature, group online coupons (Groupon), free samples, publicity releases, and other communication and promotional devices.

We now present several marketing and marcom terms that will be useful in providing a foundation for future concepts and chapters in this text. As you may recall from your introductory marketing course, the **marketing mix** consists of the specific collection of certain levels of a brand's "4Ps"—product, price, place (distribution), and promotion—all usually aimed at a specific target market. As an example, Mountain Dew "Code Red" might be aimed at males 14 to 21, primarily using marcom tools of bright red labeling, flavored soda ingredients, a $1.50 price in a vending machine, online advertising, and snowboarding/skateboarding celebrities to generate interest.

Other important marcom terminology includes **communications**, the process whereby commonness of thought is established and meaning is shared between individuals or between organizations and individuals. This idea is illustrated in the Social Media Venn Diagram found in Figure 1.1. Although there have been numerous definitions of marketing over the years,[4] one that is concise and focuses directly on (customer) needs and wants is as follows: **Marketing** is human activity directed at satisfying (customer) needs and wants through exchange processes.[5] Taken together, **marketing communications** represents the collection of all elements in an organization's marketing mix that facilitate exchange by establishing shared meaning with its customers. Central to the definition of marketing communications is the notion that *all marketing mix variables*, and not just promotion alone, can communicate with customers. The definition permits the possibility that marketing communications can be both intentional (e.g., as with advertising and sales promotion) and unintentional (e.g., a product feature, package cue, store location, or price).

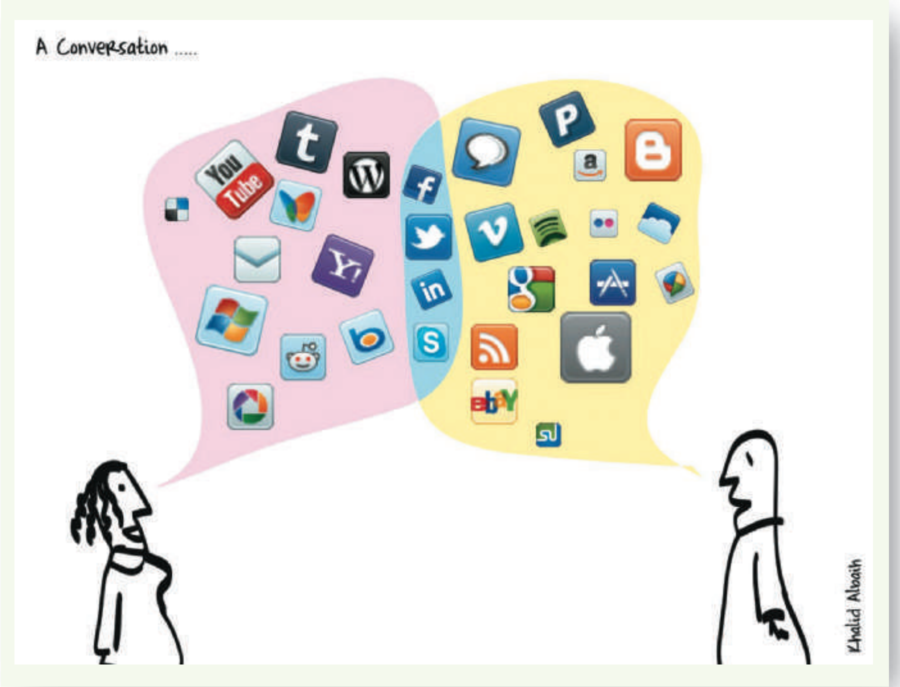

Illustration by Khalid Albaih - about.me/khalidalbaih

FIGURE 1.1 Social Media Venn Diagram

Promotional Mix Elements

Promotion management employs a variety of methods to meet customer needs and move them toward action. The blend of these primary promotional elements has evolved over time and is known as the promotional mix. Currently, the **promotional mix** elements include advertising, public relations, sales promotion, personal selling, direct marketing, and online marketing/social media.

Advertising is any paid form of non-personal communication of ideas, goods, or services by an identified sponsor.[6] This includes traditional mass media outlets such as television, magazines, newspapers, out-of-home (billboards), etc. The advertiser is an identified sponsor and it is nonpersonal because the sponsoring form is simultaneously communicating with multiple receivers (perhaps millions) rather than with a specific person or small group.

Public relations or **PR** is an organizational activity involved with fostering goodwill between a company and its various publics (e.g., employees, suppliers, consumers, government agencies, stockholders, etc.). The primary focus of public relations in IMC is with the marketing-oriented aspects of communications with publics (e.g., publicity, product releases, handling rumors, tampering, etc.). For example, **publicity**, like advertising, is non-personal communication to a mass audience. Yet, unlike advertising, it is not paid for by the company and usually comes in the form of news items or editorial comments about a company's products or services.

Sales promotion consists of all promotional activities that attempt to stimulate short-term buyer behavior (i.e., attempt to promote immediate sales). In comparison, advertising and public relations/publicity usually are designed also to accomplish other objectives, such as developing brand awareness or influencing consumer attitudes. Sales promotions are directed at the trade (wholesalers/distributors and retailers), consumers, and at times toward the company's own sales force. *Trade sales promotion* includes using display allowances, quantity

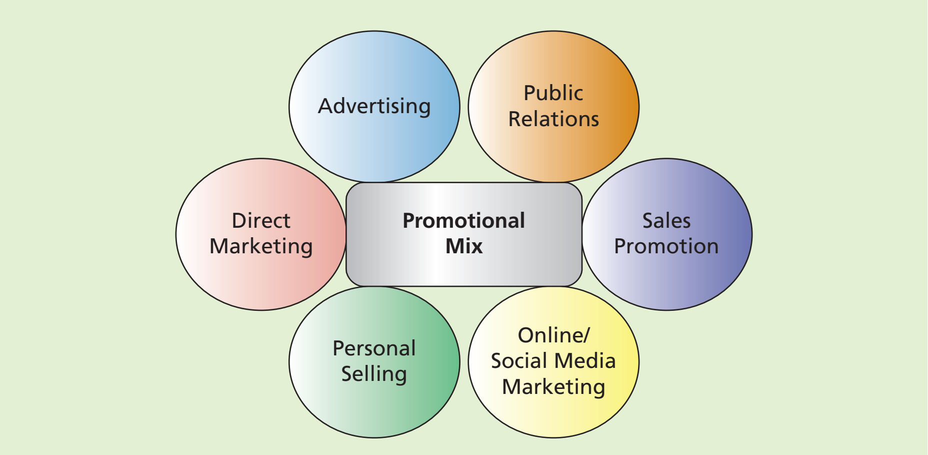

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FIGURE 1.2 The Promotional Mix

discounts, and merchandise assistance to activate wholesale and retailer responses. *Consumer sales promotion* includes the use of coupons, premiums, free samples, contests/sweepstakes, and rebates.

Personal selling is paid, person-to-person communication in which a seller determines needs and wants of prospective buyers and attempts to persuade these buyers to purchase the company's products or services. Depending on the situation, personal selling outreach efforts can range from face-to-face communication to telephone sales to online contacts.

Direct marketing represents an interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location. Primary methods of direct marketing include direct response advertising, direct selling, telemarketing, and the use of database marketing techniques. *Direct-response advertising*, a major form of direct marketing, involves the use of any of several media to transmit messages that encourage buyers to purchase directly from the advertiser. Such media might involve TV, direct mail, print, and online efforts. You may be familiar with some of the brands that have spent the most on direct response TV advertising recently in a tight economic climate: Proactiv, Rosetta Stone, Nutrisystem, Snuggie, Time Life, Cash4Gold, ShamWow, and PedEgg, among others.[7]

Online marketing is the promotion of product and services over the Internet (e.g., search engine marketing, banner ads, mobile advertising, and location-based apps), whereas **social media marketing** represents forms of electronic communication through which user-generated content (information, ideas, and videos) can be shared within the user's social network.[8] The use of IMC through social media networks (e.g., Facebook, Twitter, and YouTube) has literally exploded and has changed the entire IMC industry. At this point, we expand our discussion to the consideration of all primary marketing communication tools, focusing on, but not limited to, the promotional mix elements (see Figure 1.2).

The Primary Tools of Marketing Communications

The primary forms of marketing communications include many specific examples of promotional mix and other communication elements, including traditional mass media advertising (TV, magazines, etc.); online advertising (websites, opt-in e-mail messages, text messaging, etc.); sales promotions (samples, coupons, rebates, premium items, etc.); store signage, package labeling, and point-of-purchase communications; direct-mail literature; public relations and publicity releases; sponsorships of events and causes; presentations by salespeople; social media and online marketing; and various collateral forms of communication devices. Table 1.1 provides a listing of possible marketing communication elements.