

# MARKETING COMMUNICATIONS

Seventh Edition

## A EUROPEAN PERSPECTIVE



Pearson

Patrick De Pelsmacker Maggie Geuens  
Joeri Van den Bergh

# **MARKETING COMMUNICATIONS**



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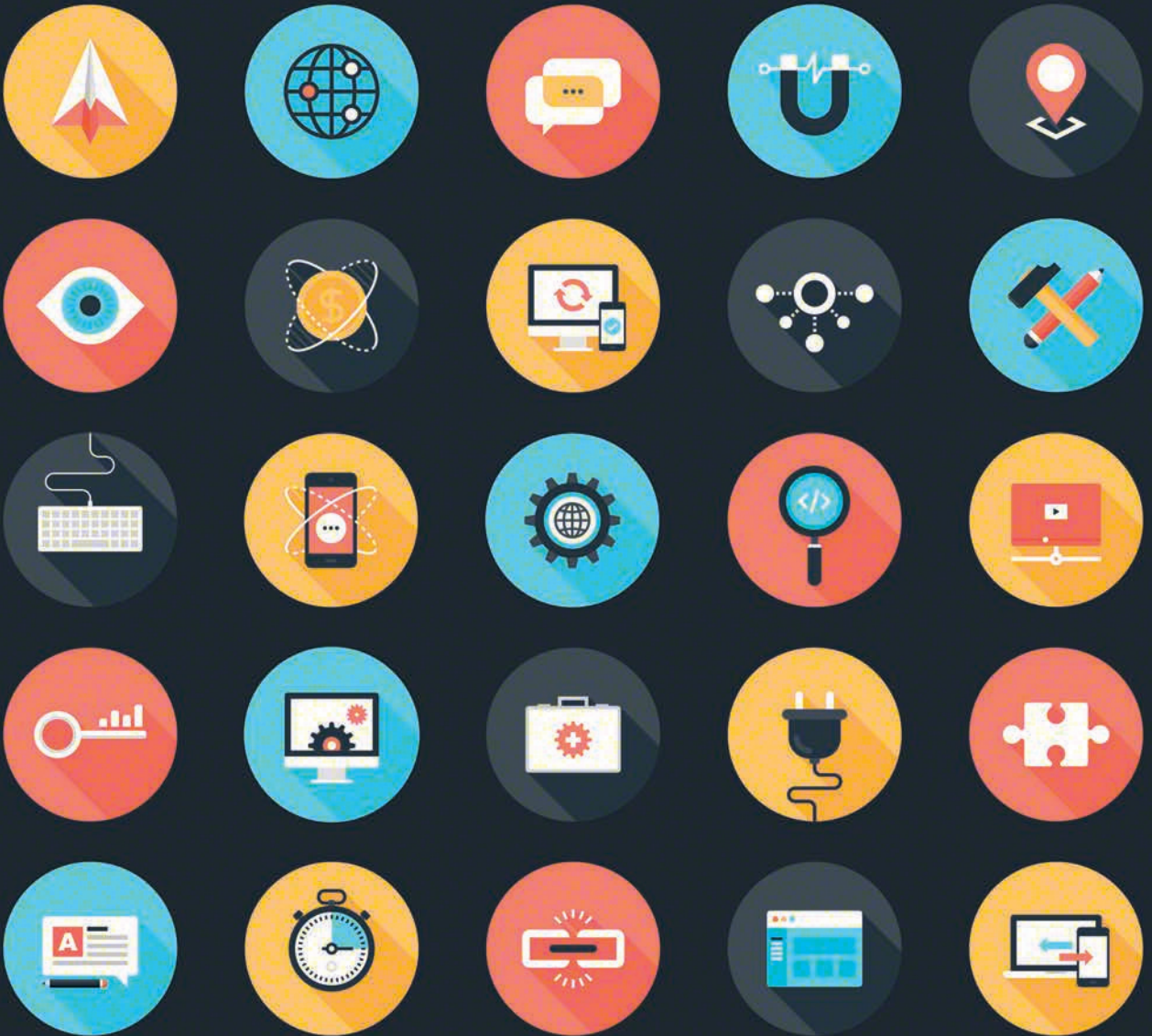
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Patrick De Pelsmacker Maggie Geuens Joeri Van den Bergh



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His field of interest is in marketing research techniques, marketing communications, advertising effectiveness, online consumer behaviour and sustainable consumer behaviour. He has co-authored textbooks on marketing communications and marketing research techniques, and has written articles in various journals, including *International Journal of Research in Marketing*, *Journal of Advertising*, *Psychology and Marketing*, *International Journal of Advertising*, *Journal of Marketing Communications*, *Journal of Business Ethics*, *Journal of Consumer Affairs*, *Journal of International Consumer Marketing*, *International Marketing Review*, *Marketing Letters*, *Journal of Business Research*, *Journal of Advertising Research*, *Cyberpsychology, Behaviour and Social Networking*, *Accident Analysis and Prevention*, *Journal of Environmental Psychology*, *Sustainability*, *Journal of Service Management*, *Journal of Electronic Commerce Research*, *International Journal of Market Research*, *Journal of Social Marketing*, *Journal of Marketing Management*, *International Journal of Electronic Commerce*, *Substance Use and Misuse*, *Journal of Health Psychology*, *Journal of Drug Issues*, *Journal of Health Communication*, *European Journal of Marketing*, *Ecological Economics*, *Media Psychology*, *Health Communication*, *Journal of Business and Psychology*, *Journal of Interactive Advertising*, *Sex Roles*, *Journal of Interactive Marketing*, *Educational and Psychological Measurements* and *Psychological Reports*. He has contributed to more than eighty book chapters and over sixty research reports and working papers on various marketing-related topics.

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# PREFACE

Marketing communications are not only one of the most visible and widely discussed instruments of the marketing mix, with an overwhelming impact on both society and business, they are also one of the most fascinating. Every private consumer and business executive is exposed to online and offline advertising. They make use of sales promotions, visit trade fairs and exhibitions, buy famous or not so famous brands, are a target of public relations activity, are exposed to sponsorship efforts, receive direct mail, telemarketing or research calls and visit stores in which no stone is left unturned to influence their buying behaviour.

Marketing executives constantly face the challenge of integrating their promotional efforts into strategic management and marketing plans. They have to integrate the various instruments of the marketing communications mix, build successful brands, try to find out how marketing communications can be instrumental in achieving company objectives, and how they can be applied in specific marketing situations.

Following the success of the first six editions, this seventh edition of *Marketing Communications: A European Perspective* continues to offer a comprehensive overview of the cornerstones, techniques and applications of marketing communications in a European context.

## The market

This text is geared to undergraduate and postgraduate students who have attended introductory courses in marketing, and who want to extend their knowledge to various aspects of marketing communications. The text can also be used by marketing communications professionals who want an overview of the whole field and may find inspiration and new angles to their marketing communications practice in the many examples, cases and research results that are covered in this text.

## Organisation

The text is organised as follows. Chapter 1 provides a global overview of marketing communications and discusses the crucial topic of the integration of marketing communications activity. One of the major objectives of marketing communications is to build and maintain strong brands. Branding is covered in Chapter 2. Chapter 3 discusses the groundwork of all marketing communications activity. It is devoted to the intriguing question of how communications influence consumers. In Chapter 4 the different steps in the marketing communications plan are covered: the definition of target groups, objectives, and budgeting issues.

Chapters 5–12 cover the marketing communications instruments: advertising (5), media planning (6), brand activation (7), direct marketing (8), public relations (9), sponsorship (10), and exhibitions and trade fairs (11). Chapter 12 deals with measuring advertising campaign effectiveness. In Chapter 13 the increasingly important ethical side of marketing communications is discussed.

## Pedagogy

To help reinforce key learning points, each chapter includes the following:

- Chapter Outline, which presents the contents of the chapter graphically.
- Chapter Objectives, Summaries and Review Questions assist the reader in understanding the important elements and help test one's knowledge.

- Main text organised in sections and sub-sections to help students digest and retain the information.
- Tables, figures, outlines and other illustrative material help the reader grasp the essential facts.
- Separate highlights throughout the text cover extended examples, mini-cases, interesting research results or more technical issues.
- Suggested further readings offer the opportunity to refer to other, more specialised or specific sources of information on many subjects.
- An extensive European or global case study.

## Distinctive characteristics

- This is not just a text about advertising, supplemented by a brief discussion of the other instruments of the marketing mix. Although advertising-related topics are thoroughly discussed, this text is comprehensive in that it covers *all* instruments of the marketing communications mix.
- The text has a consistent European focus. Although research results and examples from other parts of the world are covered, the main focus is the application of marketing communications concepts in a European environment.
- Every chapter contains an extensive European or global case study in a wide variety of industries, markets and countries. Most of these cases contain original and in-depth material, often provided by the marketing executives of the brands and companies discussed. Challenging case questions are designed to encourage the reader to apply the concepts from the chapter to the solution of the case at hand. Furthermore, many of these cases can be used with more than one chapter.
- A number of chapters focus extensively on particularly important and/or relatively new fields of interest related to marketing communications. This is the case for the chapters on branding, how communications work, brand activation, and ethics. All chapters also devote attention to online marketing communications.
- Throughout the text, numerous examples, case studies and research results from various countries, industries and markets are given, to illustrate and make the concepts as practice-orientated as possible.

## New to the seventh edition

The content of the seventh edition of this text has been rearranged such that all materials regarding online communications are no longer in one separate chapter, but are now integrated in the other chapters. The materials on online communications have been thoroughly updated and substantially extended and include a large section on social media communications and other forms of contemporary online communication formats, to reflect the most recent evolutions and best-practice applications in this fast-growing area.

Case studies, vignettes, examples, end-of-chapter cases and references have been updated and new material has been added to every chapter. These include, among others, extensive new company case materials about Libresse, Guinness, Costco, Baunat, Trooper, Solid International, Barco, Anytime Insurances, and LEGO. New and updated business and research insights are added about integrated marketing communications, new advertising formats and tools, social media advertising, brand placement, cross-cultural advertising, buzz marketing, brand globalness, emotions in advertising, children and new advertising formats, advertising media mix optimisation, responses to online reviews, culture and advertising, self-identity and eco-friendly consumer behaviour, media multitasking, and gender stereotyping.

Finally, we are proud to offer an updated instructor's manual and PowerPoint slides, which contain valuable teaching materials on *Marketing Communications*.

# AUTHORS' ACKNOWLEDGEMENTS

While we assume full responsibility for the content of the whole text, important parts of it could not have been written without the help and support of numerous people. We would particularly like to thank the following people, and hope we have not forgotten anyone:

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# LIST OF ACRONYMS

<b>AIM</b>	Affect Infusion Model
<b>AIO</b>	activities, interests and opinions
<b>ATR</b>	awareness-trial-reinforcement
<b>B2B</b>	business-to-business
<b>B2C</b>	business-to-consumer
<b>BOGOF</b>	buy one get one free
<b>BPS</b>	Brand Personality Scale
<b>CEIR</b>	Centre for Exhibition Industry Research
<b>CEO</b>	chief executive officer
<b>CPM</b>	cost per thousand
<b>CPM-TM</b>	CPM in target market
<b>CPT</b>	cost per thousand
<b>CRM</b>	customer relationship marketing
<b>CSR</b>	corporate social responsibility
<b>CTLC</b>	Community-based Technology and Learning Centres
<b>CTR</b>	click-through rate
<b>DAGMAR</b>	Defining Advertising Goals for Measured Advertising Results
<b>DAR</b>	Day After Recall
<b>DEA</b>	data envelopment analysis
<b>DOSS</b>	degree of overall similarity of strategy
<b>DRTV</b>	direct response television
<b>EASA</b>	European Advertising Standards Alliance
<b>EDLP</b>	everyday low prices
<b>ELM</b>	Elaboration Likelihood Model
<b>ERP</b>	effective rating points
<b>ESP</b>	emotional selling proposition
<b>FCB</b>	Foote-Cone-Belding
<b>GRP</b>	gross rating points
<b>HILO</b>	high-low
<b>HSM</b>	Heuristic-Systematic Model
<b>IAB</b>	Interactive Advertising Bureaux
<b>IAT</b>	Implicit Association Test
<b>ICC</b>	International Chamber of Commerce
<b>IMC</b>	integrated marketing communications
<b>IP</b>	Internet Protocol
<b>JEP</b>	Jury of Ethical Practices
<b>MAO</b>	motivation, ability and opportunity
<b>MC</b>	marketing communications
<b>MMORPG</b>	massively multiplayer online role-playing game
<b>MUSH</b>	Municipal, University, Social, Hospital
<b>NGO</b>	non-governmental organisation
<b>OTS</b>	opportunity to see
<b>PBC</b>	perceived behavioural control

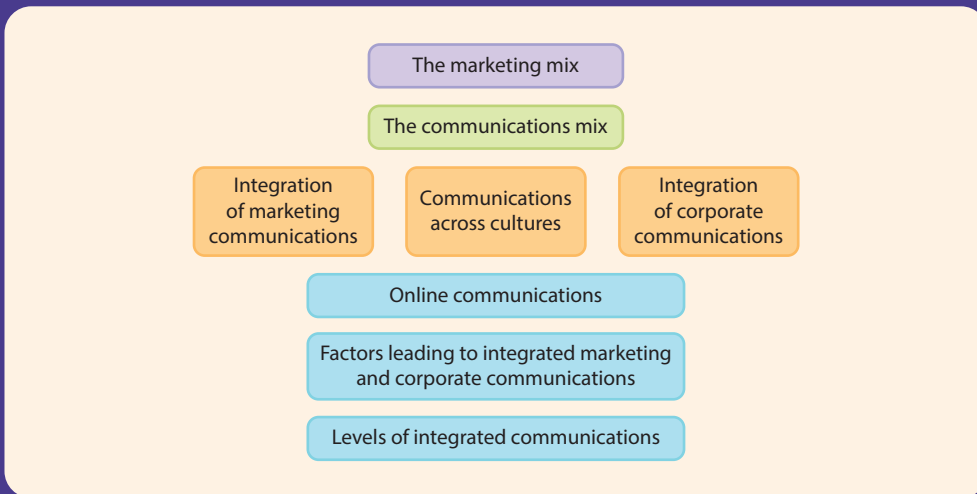
<b>PEOU</b>	personalised ease of use
<b>PI</b>	product involvement
<b>PKM</b>	Persuasion Knowledge Model
<b>PLC</b>	product life cycle
<b>PMT</b>	Protection Motivation Theory
<b>POP</b>	point-of-purchase
<b>POPAl</b>	Point-of-Purchase Advertising Institute
<b>POS</b>	point-of-sales
<b>PPC</b>	pay per click
<b>PR</b>	public relations
<b>PU</b>	perceived usefulness
<b>RFID</b>	radio frequency identification
<b>RFM</b>	recency–frequency–monetary value
<b>RNR</b>	radio news release
<b>ROI</b>	return on investment
<b>ROMI</b>	return on marketing investment
<b>SEA</b>	search engine advertising
<b>SEO</b>	search engine optimisation
<b>SMS</b>	Sports Marketing Surveys; Short Message Service
<b>SOM</b>	share of market
<b>SOV</b>	share of voice
<b>SRO</b>	self-regulatory organisation
<b>STAS</b>	Short-Term Advertising Strength
<b>STP</b>	segmenting–targeting–positioning
<b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threats
<b>TAM</b>	Technology Acceptance Model
<b>TOMA</b>	Top-of-Mind Awareness
<b>TORA</b>	Theory of Reasoned Action
<b>TPB</b>	Theory of Planned Behaviour
<b>UGC</b>	user-generated content
<b>USP</b>	unique selling proposition
<b>VNR</b>	video news release
<b>WFA</b>	World Federation of Advertisers
<b>WOM</b>	word of mouth

# CHAPTER 1

## Integrated communications



### CHAPTER OUTLINE



### CHAPTER OBJECTIVES

This chapter will help you to:

- Situate marketing communications in the marketing mix
- Get an overview of the instruments of the marketing communications mix
- Understand what integrated (cross-cultural) marketing and corporate communications mean, and their organisational implications
- Understand how important online communication has become
- Learn the factors leading to integrated communications
- Get an overview of the different levels of integration



## Introduction

The integration of the various instruments of the marketing mix is one of the major principles of sound marketing strategy. Obviously, this integration principle also applies to the various instruments of the communications mix. In fact, integrated communications have been practised by good marketing communicators for decades. Why, then, has the concept of ‘integrated marketing communications’ (IMC) in recent years developed into one of the basic new trends in marketing communications? Is IMC really fundamentally new? Or is it an old idea which has rarely, if ever, been realised? In other words, is it something everybody agrees on which should have been activated years ago, but for all kinds of practical reasons was not? Or is it nothing more than traditional marketing and advertising dressed up in fancy words and a new language?<sup>1</sup> Whatever the case, the integration of the various instruments of the communications mix is favourably influenced and necessitated by a number of important trends in marketing today. This integration principle also applies to cross-cultural integration, corporate communications, and integration of online communications.

## Marketing and the instruments of the marketing mix

**Marketing** is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create and exchange value, and satisfy individual and organisational objectives.<sup>2</sup>

Given the marketing objectives and goals, the target segments and the market position that has to be defended, the tools of the marketing plan have to be decided upon. The marketer has a number of tools to hand: the instruments of the marketing mix. Traditionally, these instruments are divided into four categories, called the 4 Ps or the 4 Cs of the marketing mix. Some of the tools of the marketing mix are shown in Table 1.1.

The product tool consists of three layers. The **core product** is the unique benefit that is being marketed. In fact it is the position, the unique place in the mind of the consumer, that will be focused upon. Often the brand is a summary, a visualisation of this core benefit and

**Table 1.1** Instruments of the marketing mix

Product (Customer need)	Price (Cost to the customer)	Place (Convenience)	Promotion (Communication)
Benefits	List price	Channels	Advertising
Features	Discounts	Logistics	Brand activation
			Direct marketing
			Public relations
Options	Credit terms	Inventory	Sponsorship
Quality	Payment periods	Transport	Exhibitions and trade fairs
Design	Incentives	Assortments	
Branding		Locations	
Packaging			
Services			
Warranties			

all the associations it leads to. The core product has to be translated into a **tangible product**. Product features, a certain level of quality, the available options, design and packaging are important instruments by which a core benefit can be made tangible. Finally, the **augmented product** gives the tangible product more value and more customer appeal. The augmented product can be defined as the ‘service layer’ on top of the tangible product. It includes elements such as prompt delivery, installation service, after-sales service and management of complaints.

Price is the only marketing instrument that does not cost anything, but provides the resources to spend on production and marketing activities. The **list price** is the ‘official’ price of a product. However, discounts and incentives of all kinds can be used to make the product more attractive. Systems of down payments and payment periods, combined with attractive interest rates, can also be used to make the offering more attractive and ensure that the immediate budget constraint is less of a problem for the consumer. The price instrument is an ambiguous tool. On the one hand, price cuts are an effective way to attract consumers. On the other, price cuts mean losing margin and profit. Furthermore, the customer gets used to discounts and may gradually be educated to buy on price and be a brand-switcher. The regular use of the price instrument is incompatible with building a strong position and a strong brand on the basis of product characteristics or benefits. Therefore good marketing can be defined as avoiding the price tool as much as possible.

By means of place or distribution, the company manages the process of bringing the product from the production site to the customer. This involves transporting the product, keeping an inventory, selecting wholesalers and retailers, deciding on which types of outlet the product will be distributed in, and the assortment of products to be offered in the various outlets. Distribution strategy also implies maintaining co-operation between the company and the distribution channel, and finding new ways to distribute products, such as infomercials (programme-length advertising and selling) and e-commerce.

Promotion or marketing communications (MC) are the fourth and most visible instruments of the marketing mix. They involve all instruments by means of which the company communicates with its target groups and stakeholders to promote its products or the company as a whole. The instruments of the communications mix are introduced in the next section.

## The communications mix

Marketing communications is a process through which organisations and audiences engage with one another. Organisations convey messages that are of significant value to customers and stakeholders, and these audiences are encouraged to offer cognitive, attitudinal and behavioural responses. Marketing communications can inform and persuade audiences, they can differentiate the offering from one company or brand from those of others, and they can reinforce the relationship between an organisation and its audiences.<sup>3</sup> A large variety of marketing communications instruments exist, each with their own typical characteristics, strengths and weaknesses. The tools of the communications mix are presented in the last column of Table 1.1.

**Advertising** is non-personal mass communications using mass media (such as TV, radio, newspapers, magazines, billboards, banners on websites, pre-roll ads in online videos, advertisements on social media, native advertising, mobile advertising, etc.), the content of which is determined and paid for by a clearly identified sender (the company).

**Brand activation** is the integration of all available communications means in a creative platform in order to activate consumers by stimulating interest, initiating trial and eventually securing consumer loyalty. It is a tool used to build brands through interaction with target audiences as it helps increase frequency, consumption and penetration of the brand.

It is a marketing process of bringing a brand to life through creating brand experience. Offering car buyers a test drive is a form of brand activation. **Sales promotions**, as a part of brand activation, are sales-stimulating campaigns, such as price cuts, coupons, loyalty programmes, competitions, free samples, etc. **Point-of-purchase communications** are communications at the point of purchase or point of sales (i.e. the shop). They include several communications tools such as displays, advertising within the shop, merchandising, article presentations, store layout, etc.

**Direct marketing communications** are a personal and direct way to communicate with customers and potential clients or prospects. Personalised brochures and leaflets (with feedback potential), direct mailings, telemarketing actions, direct response advertising, email campaigns, etc., are possible ways of using direct marketing communications.

**Sponsorship** implies that the sponsor provides funds, goods, services and/or know-how. The sponsored organisation will help the sponsor with communications objectives such as building brand awareness or reinforcing brand or corporate image. Sports, arts, media, education, science and social projects and institutions, and TV programmes, can be sponsored. Events are often linked to sponsorship. A company can sponsor an event or organise its own events, for instance for its sales team, its clients and prospects, its personnel, its distribution network, etc.

**Public relations** consist of all the communications a company instigates with its audiences or stakeholders. Stakeholders are groups of individuals or organisations with whom the company wants to create goodwill. Press releases and conferences, some of the major public relations tools, should generate publicity. Publicity is impersonal mass communications in mass media, but it is not paid for by a company and the content is written by journalists (which means that negative publicity is also possible).

Exhibitions and **trade fairs** are, particularly in business-to-business and industrial markets, of great importance for contacting prospects, users and purchasers.

Besides these traditional instruments of the communication mix, new formats and media are increasingly used. They will be discussed in Chapter 5 (advertising).

Marketing communications try to influence or persuade the (potential) consumer by conveying a message. This message transfer may be directed to certain known and individually addressed persons, in which case it is called **personal communications**. The message transfer may also be directed to a number of receivers who cannot be identified, using mass media to reach a broad audience. This is called **mass communications**. Personal communications are mainly direct and interactive marketing actions and personal selling. All other promotional tools are mass communications. Table 1.2 compares personal and mass marketing communications using different criteria. This comparison does of course generalise. The practical implications of the selection mix depend on the situation and the creative implementation and execution of the communications instruments. For instance, a bad mail shot could also lead to higher selective perception and lower attributed attention.

Another way of categorising marketing communications instruments is to differentiate between theme or image communications and action communications.

In **image or theme communications** the advertiser tries to tell the target group something about the brand or products and services offered. The goal of image communications could be to improve relations with target groups, increase customer satisfaction or reinforce brand awareness and brand preference. This might eventually lead to a positive influence on the (buying) behaviour of the target group. Theme communications are also known as above-the-line communications, as opposed to below-the-line or action communications. This difference (the line) refers to the fee an advertising agency used to earn. All above-the-line promotional tools used to lead to a 15% commission fee on media space purchased. Consequently, above-the-line communications are synonymous with mass media advertising (TV, radio, magazines, newspapers, cinema, billboards, etc.). Below-the-line or **action communications** tools were communications instruments for which the 15% rule was not applicable.

**Table 1.2** Personal versus mass marketing communications

	Personal communications	Mass communications
<b>Reach of big audience</b>		
Speed	Slow	Fast
Costs/reached person	High	Low
<b>Influence on individual</b>		
Attention value	High	Low
Selective perception	Relatively lower	High
Comprehension	High	Moderate–low
<b>Feedback</b>		
Direction	Two-way	One-way
Speed of feedback	High	Low
Measuring effectiveness	Accurate	Difficult

This terminology has since lost its importance because most agencies now charge a fixed fee or hourly fee rather than using the commission system.

Action communications seek to influence the buying behaviour of target groups and to persuade the consumer to purchase the product. The primary goal is to stimulate purchases. In practice, theme and action campaigns are not always that easy to distinguish. Sometimes the primary goal of advertising is to sell, as in advertisements announcing promotions or direct response ads. Visits from sales teams may also have the purpose of creating goodwill rather than selling. Theme promotions such as sampling gadgets to increase brand awareness are also used.

## Integration of marketing communications

**Integrated marketing communications (IMC)** is an old idea that emerged in the eighties and the nineties of the previous century, but is still (and increasingly) relevant today. Already back in 1992, Don Schultz, one of the founding fathers of the IMC idea, and his colleagues, defined it as follows:<sup>4</sup>

IMC is the process of developing and implementing various forms of persuasive communication programs with customers and prospects over time. The goal of IMC is to influence or directly affect the behaviour of the selected audience. IMC considers all sources of brand or company contacts which a customer or prospect has with the product or the service as potential delivery channels for future messages. Further, IMC makes use of all forms of communication which are relevant to the customer or prospect, and to which they might be receptive.

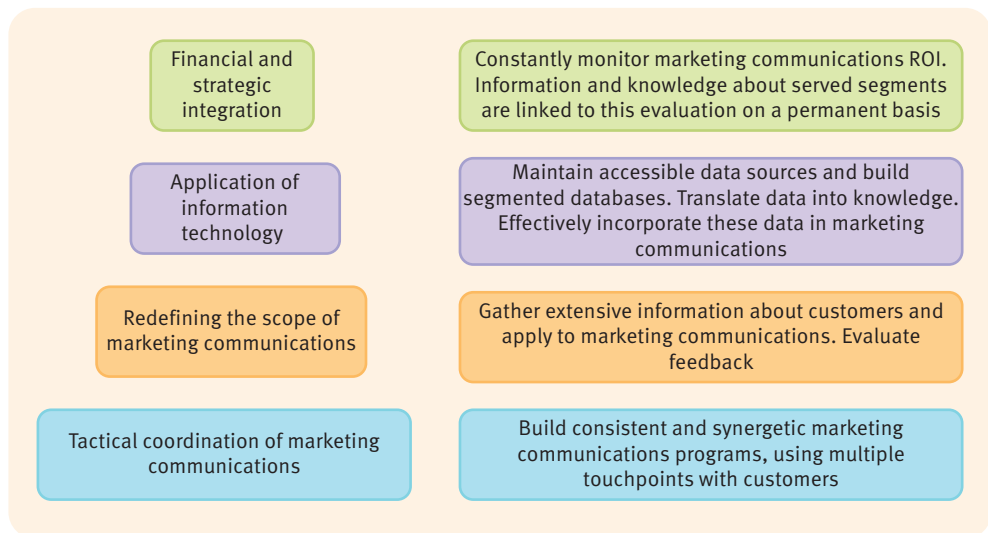
At the core of this definition is the idea that IMC starts from the customer point of view, and works backwards to develop effective communication. It is aimed at developing both attitudes and behaviour, and it is using all possible touchpoints with the customer. This multiple touchpoint perspective is sometimes referred to as ‘360 degrees communication’.

Since then IMC have been defined in a number of ways, stressing various aspects, benefits and organisational consequences of IMC. Duncan states that IMC is:<sup>5</sup>

A process for managing customer relationships that drive brand value. It is a cross-functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialogue with them.

In this definition, again the focus is on customer-orientedness and building dialogues and relationships between brands and customers, stakeholders and prospects. Further, this definition again emphasises the use of multiple touchpoints and communication methods to support this dialogue. A particular feature of Duncan’s definition is that it stresses the need for customer insights: IMC is data-driven, and thus based on detailed customer information.

IMC is not just a way of communicating, it is or should become a strategic business process.<sup>6</sup> This means that the IMC idea permeates all levels of a company, and is the driving force behind the focus of a company: not just promoting products, but taking a customer-centred view and operationalising it for profitable brand building. This is represented in Figure 1.1. Over the last decades, many companies have been working on the basic level of the IMC pyramid, the tactical co-ordination of marketing communication. However, a true IMC philosophy implies that companies work their way through the next stages, in such a way that the focus of the company is building, monitoring and measuring the profitability of well-integrated marketing communications (top of the pyramid). In fact, for IMC to become the prime business driver, companies should first adopt this return-on-marketing-communications perspective, and develop their operations accordingly. Indeed, the essential characteristic of IMC is that marketing communications are built on deep customer insights and profitable customer relationships. In other words, the focus of a company should be to learn to know target markets thoroughly, and build marketing communications programmes that are profitable. This profitability should be monitored closely. ROMI (return on marketing communications) thus becomes of crucial importance. Only then is IMC strategically and financially integrated.



**Figure 1.1** Stages in IMC development

Source: Kitchen, P. and De Pelsmacker, P. (2004) *Integrated Marketing Communications: A Primer*. London and New York: Routledge from Shultz, D.E. and Kitchen, P.J. (2000) 'A response to 'theoretical concept or management fashion?'' *Journal of Advertising Research*, 40(5), 17–21 © Copyright Advertising Research Foundation 2000.

This book focuses on the bottom of the pyramid. From that perspective and putting it very generally, IMC:

is a new way of looking at the whole, where once we saw only parts such as advertising, public relations, sales promotion, purchasing, employee communication, and so forth, to look at it the way the consumer sees it – as a flow of information from indistinguishable sources.<sup>7</sup>

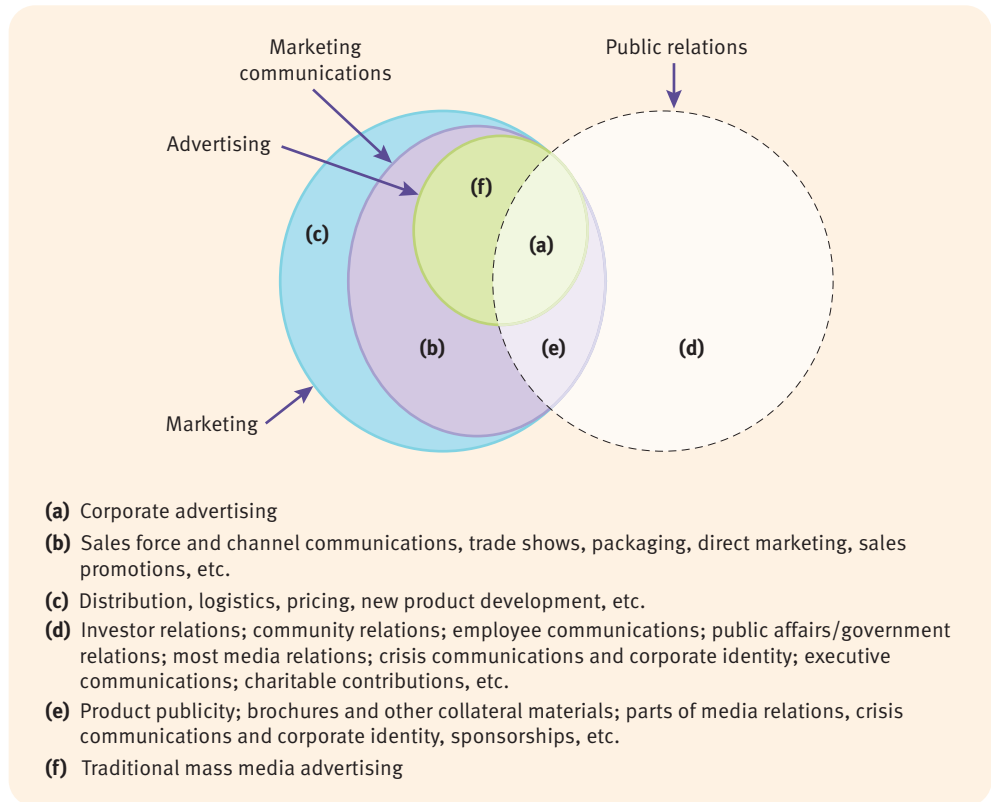
It is the integration of specialised communications functions that previously operated with varying degrees of autonomy. It is seamless, through-the-line communications.<sup>8</sup> The American Association of Advertising Agencies uses the following definition of IMC:

a concept of marketing communication planning that recognises the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines, e.g. general advertising, direct response, sales promotion and public relations – and combines these disciplines to provide clarity, consistency and maximum communication impact.<sup>9</sup>

The various definitions incorporate the same core idea: communications instruments that traditionally have been used independently of each other are combined in such a way that a synergetic effect is reached, and the resulting communications effort becomes ‘seamless’ or homogeneous. The major benefit of IMC is that a consistent set of messages is conveyed to all target audiences by means of all available forms of contact and message channels. Communications should become more effective and efficient as a result of the consistency and the synergetic effect between tools and messages. In other words, IMC have an added value when compared with traditional marketing communications.<sup>10</sup>

Two principles are important when designing and implementing an integrated marketing communications mix, namely **consistency** and **synergy**. Marketing instruments have to be combined in such a way that the company’s offering is consistently marketed. In other words, all marketing instruments have to work in the same direction, and not conflict with each other. The second important principle is synergy. Marketing mix instruments have to be designed in such a way that the effects of the tools are mutually reinforcing. Sales staff will be more successful if their activities are supported by public relations activity or advertising campaigns. The effect of sponsorship will be multiplied if combined with sales promotion activity and public relations campaigns generating media exposure of the sponsored event. Advertising campaigns that activate consumers via online channels can be more impactful. Successful marketing communications depend on a well-integrated, synergetic and interactive marketing mix.

The rationale behind this new way of looking at marketing communications – and certainly the most relevant issue in the whole IMC discussion – is the consumer’s point of view. The consumer does not recognise the subtle differences between advertising, sponsorship, direct mailing, sales promotions, events or trade fairs. To him or her, these are all very similar and indistinguishable ways that a company employs to persuade people to buy its products. Therefore, it is very confusing and less persuasive to be confronted with inconsistent messages. Consumers may be more sensitive to commonalities and discrepancies among messages than to the specific communications vehicles used to transmit them.<sup>11</sup> IMC may therefore also be defined from the customer’s point of view. It is in the field of communications where the receiver is offered sources, messages, instruments and media in such a way that an added value is created in terms of a faster or better comprehension of the communication. Integration occurs at the consumer or perceiver level. It is the task of the communicator to facilitate this integration at the consumer level by presenting the messages in an integrated way.<sup>12</sup> In fact, there is a need to manage each point of contact between the consumer and the product or organisation.<sup>13</sup> In Figure 1.2, an overview is given of various elements of the communications mix, and the potentially integrating role of marketing communications.<sup>14</sup>

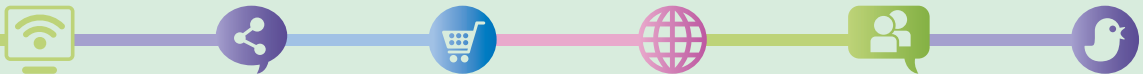


**Figure 1.2** The marketing mix and integrated marketing communications

Source: Based on Hutton, J.H. (1996) 'Integrated marketing communication and the evolution of marketing thought', *Journal of Business Research*, 37(3), 155–62.

## RESEARCH INSIGHT

### How to brand entertainment: the effectiveness of combining television brand placement with sponsorship messages



Companies are increasingly investing in brand placement, the (paid) incorporation of brands in media content. For example, Volkswagen invested \$200 million in 2005 to have their cars placed in diverse NBC productions,<sup>15</sup> while brand placement investments in the 2013 Superman film *Man of Steel* were around \$170 million.<sup>16</sup> PQ Media estimates that global branded entertainment revenues grew at twice the rate of overall advertising and marketing revenues in 2017 to surpass \$100 billion.<sup>17</sup>

Almost all extant studies treat brand placement in isolation from other forms of marketing communications.<sup>18</sup> As a result, previous research does not accurately capture the current marketing communications environment. Brand placement is increasingly used as a communication tool in a broader promotional strategy. For example, the Dutch beer brand Heineken set up a promotional campaign around its appearance in the 2012 James Bond film *Skyfall*. Heineken broadcast commercials featuring Bond and hosted sponsored events both before and after the movie premiered. Another example is Coca-Cola's long-standing promotional agreement with *American Idols*, which combines in-programme placements with sponsorship messages.

In a Belgian study,<sup>19</sup> the effectiveness of brand placement in a television programme, sponsorship messages and their combination was investigated by means of two field studies. Study 1 measured the responses of a panel of

viewers ( $n = 7629$ ) to 19 real-life advertising campaigns for 15 brands that ran across eight entertainment shows on Belgian commercial television. The majority of the programmes were local talent competitions (singing, cooking, dancing contests), with the exception of *Sofie's Kitchen*, which is an instructive cooking show (cf. *Nigella's Kitchen*). Study 1 allowed viewers to assess brand placement and sponsorship messages as they operate in the real world. For each of the 19 campaigns, a quota sample was collected from the consumer panel of a Belgian market research agency. Respondents were contacted one day after the final episode of a certain show was broadcast, and given a week to complete the survey. Each sample was collected using a quota sampling procedure, in order to be representative of the television network's viewer profile.

Study 2 replicated the findings from Study 1 by means of a naturalistic experiment ( $n = 334$ ). A between-subject experiment was set up that consisted of four different experimental conditions. Participants were invited to a studio at Belgium's leading commercial television network, which was converted to a viewing theatre, to watch a 44-minute episode of the Flemish version of the reality cooking show *Masterchef* (the episode had not previously aired on television). The viewing theatre was equipped with a large screen and comfortable seats. The episode was interrupted by one commercial break of five minutes, which contained ten commercials of 30 seconds for brands that were not competitors of the test brand (i.e. Bosto, a brand of rice). In the first condition (programme sponsorship message plus brand placement), viewers were exposed to an episode that included a clear five-second brand placement (i.e. a participant used a box of the test brand's rice to prepare a dish) plus two sponsorship messages for the test brand (i.e. a five-second animated video that showed rice grains falling out of a box with the statement 'It's raining culinary talent with Bosto and Masterchef'), one at the start of the programme and one after the commercial break. Viewers in the second condition were exposed to the brand placement only. The third group was exposed to the sponsorship messages only. The fourth group was a control group that saw the episode without brand placement or sponsorship messages. Episodes without brand placement (i.e. conditions 3 and 4) were edited by the production department of the co-operating television network, who subtly blurred the rice package so that viewers could not derive the test brand. In the conditions that did not contain sponsorship messages for the test brand (i.e. conditions 2 and 4), these messages were replaced by sponsorship messages for a brand that was unrelated to the programme context (i.e. Kleenex tissues). This was done to keep the exposure time constant across conditions, and to make the viewing experience as realistic as possible. All other branded products that appeared in the episode were visually blurred, so that they could not be recognised. After watching the episodes, participants completed a questionnaire measuring brand recall and brand attitude.

The results of the studies demonstrate that sponsorship messages and brand placements can be synergetic advertising formats, in that their combination can boost brand recall compared to either sponsorship messages or brand placement only. Even though sponsorship messages are generally more explicit than brand placements, and are shown stand-alone, so that they offer a higher opportunity for processing, Study 2 shows that brand recall is significantly higher for brand placements than for sponsorship messages. This can be attributed to the increased relevance brand placements benefit from by being embedded in a meaningful context.<sup>20</sup> Contrary to effects for brand recall, there was no evidence of a synergistic effect on brand attitude when sponsorship messages and brand placement were combined, either positive or negative. In general, brand attitudes also did not improve very much over the control groups. A potential reason for this could be that most of the brands included were well-established brands. Other studies also report little or no attitudinal effects for highly familiar brands.<sup>21</sup> For established brands, it is harder to boost brand attitude than for unestablished brands, even by a season-long campaign in an entertainment programme. Therefore, even a minor improvement may be considered a substantive and meaningful campaign result.

Brand managers seeking to boost their brand awareness should invest in a campaign which contains both brand placements and sponsorship messages, as their combination generates a positive synergistic effect. Even though the recall scores after a time delay in Study 2 are much lower than the immediate measures in the experimental setting of Study 1, this positive synergistic effect subsides. Moreover, it is important to note that this increase in awareness is not accompanied by a decrease in brand attitude. Departing from the findings of previous research, one could argue that the increased prominence inherent to a combined campaign could have adverse attitudinal effects due to the activation of viewers' persuasion knowledge, or tedium with increased repetition.<sup>22</sup> However, the results of both studies indicate there is no negative attitudinal impact of combining programme sponsorship with brand placement.