

MARKETING COMMUNICATIONS

JOHN EGAN

3RD EDITION

Sara Miller McCune founded SAGE Publishing in 1965 to support the dissemination of usable knowledge and educate a global community. SAGE publishes more than 1000 journals and over 800 new books each year, spanning a wide range of subject areas. Our growing selection of library products includes archives, data, case studies and video. SAGE remains majority owned by our founder and after her lifetime will become owned by a charitable trust that secures the company's continued independence.

Los Angeles | London | New Delhi | Singapore | Washington DC | Melbourne

INSTRUCTOR MANUAL

PROF. JOHN EGAN

INTRODUCTION TO THE ONLINE RESOURCES SITE

Welcome to the Online Companion of *Marketing Communications* by John Egan. This Instructor Manual is organised by chapter and each section includes the following: Chapter Summary; Learning Objectives; and Review Questions and Answers, and Discussion Questions and Case Study Questions. The answers to the Review Questions are deliberately short and broad, as they aim to aid and generate discussion between tutors and students, rather than provide prescriptive or absolute answers.

Answers have not been provided for Discussion Questions and Case Study Questions, as the scope of answers is too diverse to encapsulate, as they are dependent on individual responses and would detract from the nature of the discussion between tutor and student.

Additional suggestions for class exercises are embedded where appropriate under relevant chapters along with any additional resources such as website links. The short summaries, learning objectives and answers aim to give you an indication of the topics to be covered in the lecture and tutorial. The class exercises include tutor notes to guide the structure, content and aims of your tutorials/classes or workshops. We hope that you find these materials useful for your teaching.

In addition to this Instructor Manual, we would like to draw your attention to the following learning features in the book, intended to aid the readers' understanding of key issues and ideas discussed in each chapter:

Glossary terms appear in the margins for quick reference where they are discussed in the text for the first time. These terms are also available in the back of the book as part of a full Glossary.

- Web links are also provided in the margins for easy access to relevant online resources for you to explore further.
- Insight boxes provide industry examples to help you make ties between theory and real-life practice and events.
- Summaries capture the key concepts covered in the chapter to help ensure you are meeting the learning objectives.
- Review questions allow you to test your knowledge and understanding of the chapter.
- Discussion questions help you develop your analytical and critical thinking skills by reflecting on a set of questions with classmates or individually.
- Further reading provides suggestions for other reading sources about the chapter topic from both books and academic journals.
- Case studies are set at the end of chapters and show you how the main issues of the chapter are applied to real-life marketing situations, with reflective questions at the end to test your understanding of the case studies.

MARKETING COMMUNICATIONS: PAST AND PRESENT

1

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the reasons behind the growth of marketing communications
- be aware of the main developments in the marketing communications industry
- have a general understanding of marketing communications tools and their part in an integrated campaign
- recognise the part played by different media in the communications process.

SUMMARY

This chapter introduced a simple definition of marketing communications and presented a short history of such communications over the centuries. It reviewed the twentieth-century mix approach to marketing, as well as more current thinking, and related this to the changing nature of markets that are driving these trends. The chapter noted authors' different views on the promotions mix and the overlapping nature of communications tools. In particular, it looked at the move from mass to target marketing communications, the move away from the narrow consumer goods perspective to a total market orientation and the digital revolution. It also reviewed the different communications tools and the media, old and new, associated with them.

REVIEW QUESTIONS

1. How would you define marketing communications?

The means by which a supplier of goods, services, values and/or ideas represents itself to its target audience with the goal of stimulating dialogue, leading to better commercial or other relationships.

2. Explain the principle of integrated marketing communications.

To emphasise the idea of reaching out to an audience, whether the organisation is a commercial, not-for-profit, government or other type of collective and trying to establish a dialogue.

3. What are Borden's '12 elements' of a marketing programme?

1. Product Planning; 2. Personal Selling; 3. Display; 4. Pricing; 5. Advertising; 6. Servicing; 7. Branding; 8. Promotions; 9. Physical Handling; 10. Channels of Distribution; 11. Packaging; 12. Fact Finding and Analysis.

4. What is the difference between 'above the line' and 'below the line'?

Above the line includes the main media costs and other tools 'below the line' as this is where the information was put on the invoice historically when invoicing clients.

5. How would you define a 'moment of truth'?

A new perspective on marketing was growing based on relationships and, in particular, that point (or points) where the customer interacts with the employee – the customer interface. It is here that the so-called moment of truth arises – when business is lost or won.

6. What would you consider to be the main challenge of an integrated marketing communications approach to a company?

Changing viewpoints and new opportunities are challenging much of the traditional thinking on media selection. Media selection has traditionally been based on such measurements as 'opportunities to see' or response rates. Today we are faced with a much greater challenge of establishing an understanding of how people use the various online and off-line media.

7. Define 'marketing tools' and 'media'.

Marketing Tools: The techniques and materials used by those who are involved in the promotion of goods and services. Most businesses that need to sell their goods or services to the public or other businesses will make extensive use of various marketing tools, such as market research and advertising to help further their success.

Media: Communication channels through which news, entertainment, education, data, or promotional messages are disseminated. Media includes every broadcasting and narrowcasting medium such as newspapers, magazines, TV, radio, billboards, direct mail, telephone, fax, and internet. Media is the plural of medium and can take a plural or singular verb, depending on the sense intended.

8. List the tools you might find in the marketing communications toolbox.

There is far from total agreement as to what constitutes the finite list of marketing communications tools, nor is there full agreement as to the definitions of each. As a general rule, the larger the number of tools proposed, the narrower the defined boundaries. As an indication of the different perspectives, the following are the views of some notable writers on marketing communications, as shown in Table 1.4. (Advertising, sales promotion, public relations, personal selling, direct marketing, interactive/internet marketing, sponsorship, exhibitions, packaging, point-of-sale/ merchandising, word-of-mouth, e-marketing, corporate identity, store signage (point-of-sale), opt-in email, event and cause sponsorship, licensing, internal marketing, trade shows and customer services.

9. What are the main characteristics of sales promotion?

Incentives are used to promote sales to generate a specific (usually short-term) response capable of targeting and with a high degree of control over design and placement. Generally they are regarded as having low credibility although cause-related promotions may have a very positive effect. They are seen to add value for consumers but may bring forward future sales.

10. Give an example of 'alternative' media.

The list of different media never stands still. Just as the twentieth century saw the introduction of broadcast media, current technological developments are helping to differentiate brands from the crowd. For example, stimulated by the need to counter a growing ambivalence, particularly to advertising, by increasingly sophisticated consumers, marketers are looking beyond traditional media to find new and better ways of communicating with their customers. This has meant a growing number of spectacular campaigns involving light projection onto famous landmarks, huge poster-like messages on building sites, giant representations of products, public service vehicles transformed and all-singing, all-dancing flash dances in public places. Known collectively by the term 'alternative or ambient media', it is best described as communications with a 'wow' factor (see Insight 1.2 in the book for alternative terms). That is advertising that is not in a traditional media and is clever, witty or daring and which causes consumers to stop and pay attention. Needless to say, once the medium for these messages becomes too commonplace (and no longer 'wow's us) it ceases, by definition, to be ambient media.

DISCUSSION QUESTIONS

1. The art of marketing communications goes back a long way. How do you think the way in which advertising has been used and constructed will have evolved over that time and why?
2. What do you believe is the danger to a company in simply seeing marketing communications as 'advertising'?
3. What are the main perceived shifts in the development of marketing communications and what might their implications be?

CASE STUDY QUESTIONS

1. What does the author mean by 'the new marketer' and 'a new way of speaking to consumers'?

The author seems to suggest that the new marketer was utilising the new broadcasting media to talk directly to consumers. Whether the growth in the importance of marketing was actually down to this or because of post-second world war prosperity is debatable.

2. Why does the author feel that the 1960s to 1980s was the golden age of British advertising?

The author suggests that the reason it was the golden age was because of the creativity of advertising men (and all that he mentions are men) and clients with the spending power to bring their ideas to life. Advertising was the dominant tool and others (under the line) were also rans. He also notes the demise of the commission system and the growth of media independents as important (see history)

USEFUL WEBSITES

Explore advertising history at the history of advertising trust: www.hatads.org.uk/

Visit the history of brands at the Brand Museum, London: www.museumofbrands.com/

See the 'sell and spin a history of advertising' Documentary: <http://vimeo.com/95813029>

See the History and Evolution of Advertising at <https://www.tintup.com/blog/history-evolution-advertising-marketing/>

MARKETING COMMUNICATIONS THEORY

2

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the theories and concepts behind the practice of marketing communications
- appreciate the importance of message source characteristics
- describe the important elements of a successful message and the effects of message repetition
- recognise the importance of opinion formers and opinion leaders in the wider communications process
- understand the concepts associated with 'hierarchy of effects' models and their application to campaign strategy.

SUMMARY

This chapter reviewed those concepts and theories associated with marketing communications research and practice. It introduced the 'simple communications model' and described the important elements of it. It reviewed the characteristics of the 'source' and the 'message' that are associated with message clarity and those that restrict effective communication. The 'two-step model' introduced the concepts of 'opinion leaders' and 'opinion formers' and their influence on message management. The associated concepts of 'diffusion of innovation' and the 'product life cycle' were explained and their connection with marketing communications strategies explored. Returning again to the 'hierarchy of effects' models, various versions were analyzed and alternatives suggested.

REVIEW QUESTIONS

1. How would you illustrate the basic process of communication?

See Figure 2.1 in the book. Ask students if they can draw the model from memory then discuss each element in turn.

2. What would you consider to be the problems associated with ethnocentrism?

It should be noted that much 'silent communication' changes from culture to culture. Indeed, poor understanding of cultural differences leads to 'ethnocentrism' – the practice of assuming that others think and believe as you do. These cross-cultural differences can lead to misunderstanding or total rejection of the communication.

3. Explain the differences between semiotics, syntactics and semantics.

- Semiotics – The study of signs and symbols in a language.
- Syntactics – The grammatical arrangement of words.
- Semantics – The branch of linguistics concerned with meaning.

4. What do you consider are the key determinants of ineffective communication? Ineffective communication is where the message is:

- misunderstood and/or
- misinterpreted and/or
- rejected.

5. Why might the source of a piece of communication be important?

The accurate transfer and acceptance of messages is highly influenced by the characteristics of the source (i.e. where/who the message comes from or appears to come from) of the message. Kelman (1961) suggests that source credibility, source attractiveness and source power are the three factors that most define the source characteristics of the messenger.

Source credibility – How much confidence the receiver has that the source can provide an expert and/or objective opinion.

Source attractiveness – How attractive and persuasive the source is and how much the source identifies with the consumer.

Source power – Where compliance with the request involves a real or perceived reward or actual or apparent avoidance of punishment.

6. Define 'noise'.

Anything that disturbs the proper reception of the message is a complicating factor that may influence the quality of the reception and/or the feedback. This may be because the number/ content/attraction of other messages both within and outside of the channel distracts the receiver(s). Noise may be deliberately introduced, for example, in so-called spoiler campaigns, where the competition deliberately introduces a competing, conflicting or denigrating message to counter the message from the source (tabloid newspapers frequently run spoiler campaigns against one another's promotions and politicians regularly denigrate opponents' messages).

7. What is the principle of 'wear-out'?

Showing a message too often can also lead to consumer boredom or wear-out. Wear-out is essentially a point at which a level of exposure has been reached, after which continued exposure results in negative rather than positive feelings. Effectively, the communications become irritating.

8. To what extent can hierarchical effects models incorporate the impact of post-purchase behaviour?
 What is most evidently missing from the hierarchical effects models is the post-purchase effect. This is the effect on future decision making, having experienced consumption. Evidently, a good consumption experience is likely (but not certain) to lead to other purchases. As early as 1911, Sheldon added 'permanent satisfaction' as the final step in the Lewis/Strong model to create AIDAS. This was an early recognition of the now recognised importance of post-purchase (Barry & Howard 1990). As part of his theory of adoption, Rogers (1983) suggested that there were various stages, including knowledge, persuasion, decision (adopt/reject), implementation and confirmation (continued adoption, discontinuance, continued rejection). Bovée et al. (1995) took this further by suggesting that this post-purchase period is the point when advertising (and the other marketing communications tools) should be used to bolster the customer's sense of satisfaction about the action or purchase, and that this phase represents the beginning of a new cycle in the communication process.

9. What do you consider to be the main advantages of using hierarchy of effects modelling?
 The key advantage of discussing the hierarchy of effects models, irrespective of any debates about accuracy, is their recognition that brand awareness is important. Another benefit is that they again help distinguish between the likely objectives at each stage of the model. Although hierarchy of effects models were largely used to explain the characteristics of advertising, they are useful as a predictor of the relative importance of all the marketing communications tools at various times during the process (see Figure 2.7). Differing objectives mean different strategic approaches, which in turn mean use of the most effective tool(s) for the situation. Advertising and PR are, for example, the tools most effectively used for learning and developing feelings over time. Sales promotion and personal selling are more immediate 'action' tools.

10. Would you consider David Beckham to be an opinion former or an opinion leader and why?
 Opinion formers are people with potential influence or authority over our lives, such as journalists, broadcasters, analysts, politicians, scientists or anyone with some real or imagined status who can be trusted (rightly or wrongly) to impart good advice.
 Opinion leaders are also influencers but may not be formal experts. They do not necessarily provide advice, but consumers are prone to follow them. They are often, but not always, from a higher social status than their immediate contemporaries and frequently more gregarious. Their opinion is regularly sought on one or more different subjects and they may be asked to endorse many different products. Online bloggers can become highly influential dependent on the number of followers they recruit. In the world of clothing, they are often called fashion icons, examples of which include celebrities such as David Beckham and Lady Gaga.
 Tutors and Students are expected to give their personal responses.

DISCUSSION QUESTIONS

1. Viral marketing is a phenomenon of internet advertising. What do you think the dangers might be for companies adopting this medium and under what circumstances do you feel this form of advertising might be inappropriate?
2. Repetition is an important aspect of message receipt and acceptance. To what extent do you feel this works and what would you need to consider if you were building this into a communications plan?
3. How valuable are hierarchy of effects models and to what extent can you use them in your communications planning?
4. How should digital marketing be viewed in terms of marketing communications?

CASE STUDY QUESTIONS

1. What might have been done to avoid the backlash against these campaigns?
2. Having made the error of judgement, how might the company wish to respond (if at all)?

USEFUL WEBSITES

Examples of 'slice-of-life' advertising can be found at: <https://www.youtube.com/watch?v=syZju6ui394> and https://www.youtube.com/watch?v=QQPLia_eu2Q

For examples of music used in advertising, see www.tvadmusic.co.uk/

Watch a video on the power of influencers at <https://www.youtube.com/watch?v=vps-6BuCT2o>

CHAPTER CONTENTS

- Learning Objectives Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Class Exercise Suggestions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the different schools of thought on consumer decision making
- recognise the factors that affect decision making and the ways researchers classify them
- understand the importance of attitudes, perception, learning and motivation on buying behaviour
- understand how marketing communications strategies utilise buyer behaviour theory.

SUMMARY

This chapter reviewed those concepts and theories associated with consumer decision making. It reviewed the cognitive and behavioural theories associated with buying decisions and reviewed alternative suggestions. It looked at the geodemographic and lifestyle characteristics that affect consumers and the ways that these are used to build up consumer typologies (or buyer types). It illustrated the importance of attitudes, perceptions, learning and motivation and their effect on the buying process.

REVIEW QUESTIONS

1. Define the term 'front of mind'.

The term front of mind (or top of mind) is frequently used by marketers to emphasise that it is a principle objective of brand owners and their communications teams to aim for a prominent place in an evoked set.

2. How would you differentiate between the cognitive and the behavioural paradigms?

Cognitive paradigm – Focuses on an individual's thought processes and sees consumer choice as a problem-solving and decision-making series of activities, the outcome of which is determined principally by the buyer's intellectual functioning and rational goal-orientated processing of information.

Behavioural paradigm – Proponents of this paradigm believe it is not possible to study what goes on in the consumer's mind because it is far too complex. Instead, output is measured following a given stimulus. In effect, it is a 'black box' into which stimuli flow and out of which behaviour occurs.

3. What alternative models have been proposed? ATR/Cognitive Dissonance.

4. How might brand-building behaviour reduce cognitive dissonance?

It might reinforce reasons for purchase, enhance feelings of satisfaction with the brand and help reduce the potential arousal of dissonance. Additionally, it is frequently proposed that brand-building communications (e.g. advertising) help reduce cognitive dissonance by emphasising to existing consumers the positive attributes of the purchase, reinforcing the view that they have made the right decision.

5. Identify two external factors that may influence or have an effect on purchase decisions.

External factors such as our personal situation (e.g. health), the prevailing fashion, the availability of disposable funds, the legal position, time-associated factors (e.g. time to search), the power of the media and communication messages, the weather or even the current stock position act as further moderators to our behaviour.

6. What character traits might be associated with a person's age?

This would depend on the age under discussion but use the figures in the book to aid a discussion.

7. Explain 'VALs'.

VALs ('Values, Attitudes And Lifestyles') is a proprietary research methodology used for psychographic market segmentation. Market segmentation is designed to guide companies in tailoring their products and services in order to appeal to the people most likely to purchase them.

VALs was developed in 1978 by social scientist and consumer futurist Arnold Mitchell and his colleagues at SRI International. It was immediately embraced by advertising agencies and is currently offered as a product of SRI's consulting services division. VALs draws heavily on the work of Harvard sociologist David Riesman and psychologist Abraham Maslow.

8. In commercial terms, how is organisational reinforcement created?

Organisational reinforcement is created by stressing the benefits and/or rewards that the customer will receive on buying this product or service.

9. Describe the concept of heuristic evaluation.

If MAO factors are high, consumers are willing to elaborate on the information they have been given to evaluate the argument and what is on offer. If MAO factors are low, central information processing is very unlikely to occur and consumers are likely to process the communication peripherally. Decisions are made instead on the basis of certain characteristics known as heuristic evaluation. Heuristic evaluations range from a perception that the higher the price is, the higher the quality will be (e.g. Stella Artois' 1982–2007 UK advertising slogan 'reassuringly expensive') to the use of celebrities to reflect a brand (e.g. Usain Bolt and VISA).

10. What is the 'ATR' model?

Awareness – Trial – Reinforcement.

DISCUSSION QUESTIONS

1. What influences an individual's buying behaviour and do you believe it is possible to categorise the factors in any way?
2. How might 'trait theory' influence the way in which you approached market segmentation?
3. What are the challenges faced as a consequence of the 'field of perception' theory?

CASE STUDY QUESTIONS

1. Are the critics being fair to Procter & Gamble?
2. What might Procter & Gamble expect to achieve through this type of promotion?
3. In what other ways might Procter & Gamble become involved in cause-related marketing?

CLASS EXERCISE SUGGESTIONS

Do the VALs segmentation test with students in class or ask them to do it in their own time and bring the results into the tutorial.

Watch the Learning Theory collection of clips for Skinner, Pavlov and Kohler and discuss 'lessons learnt' for understanding consumers and how they make consumption decisions.

USEFUL WEBSITES

Test to find your VALS type at www.strategicbusinessinsights.com/vals/presurvey.shtml

Explore Acorn classifications at: www.caci.co.uk/integrated-marketing/data-products/acorn

Learn more about cognitive experiments at: <http://psychclassics.yorku.ca/Tolman/Maps/maps.htm>

Learning Theory examples: Skinner and his Dancing Pigeons at https://www.youtube.com/watch?v=l_ctJqjlrHA and Pavlovs' Dogs: www.youtube.com/watch?v=hhqumfpxuzl

Explore Cognitive Learning with Kohler and his Ape at: <https://www.youtube.com/watch?v=6-YWrPzsmEE>

A recent contribution to Motivation Theory is 'Self Determination Theory', explore content here: www.selfdeterminationtheory.org/

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Class Exercise Suggestions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- recognise the importance of brands in the marketing communications process
- understand the factors and characteristics that contribute to the development of brands
- recognise the importance of branding to both the supplier and the consumer
- understand the theory behind brand naming, brand extension and multi-brand strategies and comprehend the importance of brand equity in the management of brands
- understand the importance of brand associations to the building of brand image and recognise the part played by positioning in successful brand management.

SUMMARY

This chapter emphasised the importance of branding to marketing communications. It reviewed the characteristics of product and service brands and the concept of the 'brand halo'. The chapter clarified that branding was not only important to the brand owner but that it reduced the search time and risk for the consumer. It reviewed the determinants associated with successful brands and the differing strategies adopted to build or maintain them. The chapter reviewed the 'brand life cycle' and the relevance of 'brand equity' to modern organisations. It noted the importance of 'brand associations' to developing the image and personality of a brand and of 'brand positioning' as a way of expressing it.

REVIEW QUESTIONS

1. How would you define 'branding'?

Brands are the product of an organisational intent to distinguish themselves from their competition by augmenting their products and services with values and associations that will be recognised by and have a positive meaning for customers.

Branding is a collection of actual and emotional characteristics associated with a particular identified product or service that differentiates that product or service from the rest of the marketplace.

2. What are the 'augmented' aspects of a product or service?

It is useful to visualise a 'brand' as a halo around a product or service offering. Beneath the halo is the core (also called 'intrinsic') and augmented (also called 'extrinsic') aspects associated with a product or service.

3. What is a 'brand pirate'?

Brand pirates are those who might seek to pass off brand characteristics as their own.

4. Suggest some potential brand extensions for well-known brands such as Evian or OXO.

Students and Tutors should discuss their potential creative responses to this question as the answers are potentially as diverse as they are unique. Provide a clear rationale as to the answers given. Explain why they would be a potentially good 'fit' for the parent brand.

5. Salience is an important aspect of brand communications. Why?

Salience leads consumers to trust a brand, which in turn may raise it in the consumer's mind to a position of priority in their product choice set. In turn, this may positively influence their repeat purchase activity.

6. What factors determine the success of a brand?

A successful brand is one that develops and sustains over time a strong, positive image in the minds of consumers. Dibb et al. (2012) suggested that there are certain determinants of brands that are regarded as successful. These are as follows:

- They are invariably good quality – it is easier to build distinctiveness through quality than price.
- They frequently offer additional, superior services that are less easy to replicate.
- Pioneers (or first-movers) often become leading brands.
- Good brands have unique benefits that differentiate them from the competition.
- Successful brands adopt consistent and integrated marketing communications strategies.
- Good brands are not built overnight.

7. Explain the mnemonic 'VIEW'.

Shimp (2010) sees a successful brand as having several facets, represented by the mnemonic VIEW. These are:

- Visibility (implying exposure to the target audience)
- Informative (concerning brand benefits)
- Emotional appeal (building up the personality of the brand)
- Workability (how the brand package functions).

DISCUSSION QUESTIONS

1. The costs of both launching and supporting a new brand in Europe and North America towards the end of the twentieth century were very high. How do you think this cost will have changed since 2010 and what might be the main factors influencing this change?
2. Consider a well-known brand (e.g. Uber, Ryanair, Paddy Power). Has its personality changed over the years? Why is this?
3. Using current market examples, under what circumstances would you consider developing new products using an existing brand name through either brand extension or line extension?

CASE STUDY QUESTIONS

1. Does the nationality of brands matter and what messages do they send to the consumer?
2. What are the downsides of being closely associated with a particular country? Give examples.
3. Take three countries and list the features associated with them.

CLASS EXERCISE SUGGESTIONS

Ask students to explain their favourite brands as animals; this is a fun but meaningful way of exploring how the brands resonate with individuals and can reveal the perceived personalities of the brands. Consider using Kapferer's identity prism to deconstruct these same brands to reveal how their identities are entwined and encapsulated in the mind of consumers.

Ask students to read the Economist article (www.economist.com/node/14299055) that reviews the contribution of the BCG Matrix. Ask for responses that interrogate the content and contribution of the BCG Matrix for Brand Portfolio Management.

USEFUL WEBSITES

Visit the history of brands at the Brand Museum, London: www.museumofbrands.com/

To explore Kapferer's Identity prism and deconstruct brands go to: www.eurib.org/fileadmin/user_upload/Documenten/pDF/Identiteit_en_Imago_enGeLs/v_-_het_Brand-Identity_prism_model_van_Kapferer__en_.pdf (when prompted click translate)

MARKETING COMMUNICATIONS PLANNING

5

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the importance of developing a marketing communications plan
- recognise the value of the situational audit
- be able to describe the relationship between objectives, strategies and tactics
- understand the concept of positioning
- be familiar with the way budgets are created and allocated
- recognise the importance of control mechanisms
- understand the various levels of customer knowledge and suggest strategies for improvement.

SUMMARY

This chapter introduced the concept of a marketing communications plan and proposed a model within which to frame it. A situation audit was proposed and the importance of target markets emphasized. Objectives and strategies were described as flowing down through the company in a cascade effect. Objectives should provide direction and focus and a means by which decisions can be made in a consistent way. They should be timely, communicate the scope of the activity and provide a means by which the activity can be evaluated. The hierarchy of effects and life cycle models were re-introduced as a guide to objective and strategy development. The importance of budget setting and the variety of different budget setting methods were discussed, as was the means by which control and evaluation are built into the communications plan. Other strategy models such as 'push' and 'pull' distinguished between campaigns designed for the distribution channel and those to be directed at the customer.

The relationship between awareness and other levels of consumer knowledge was also proposed as an aid to strategy development.

REVIEW QUESTIONS

1. How would you describe the 'SOSTCE' circle of activities associated with a marketing communications plan?

SOSTCE (Situation, Objectives, Strategies, Tactics, Control and Evaluation).

2. What do you understand by the term 'first-mover advantage'?

First on the scene to adopt an innovation or idea: the first organisation in the marketplace.

3. Explain the terms 'pay-back period', 'competitive parity' and 'profit optimisation' in relation to budgeting.

Pay-back period (for budgeting) – Where budget decisions are made based on the time taken to repay the investment.

Competitive parity (for budgeting) – Spending determined relative to the spending of the organisation's major competitor(s).

Profit optimisation (for budgeting) – Suggests that investment continues as long as the marginal revenue exceeds the marginal cost.

4. What is the difference between strategies and tactics?

Strategies – The ways by which objectives are to be achieved. Communication strategies are the ways an organisation chooses to communicate with its customers and other stakeholders.

Tactics – The operational element of the communications plan and, by definition, short term. The choice may be between different media or various marcoms techniques.

5. Define 'push' and 'pull' strategies.

Push strategies – Strategies designed to influence re-sellers or trade channel intermediaries (e.g. wholesalers, dealers, agents, retailers) to carry and promote particular brands (i.e. they are 'pushed' into the distribution chain).

Pull strategies – Strategies which look to influence the end-user and attract these customers (through marketing communications) 'over the heads' of retailers direct to the individual brand.

6. What do you believe 'point-of-sale' materials will include?

In-store materials displayed at the time and place where the customer is making buying decisions.

7. What is the purpose of a marketing communications plan?

The purpose of a marketing communications plan is to systematically set out an organisation's communications objectives and devise strategies and tactics regarding how these might be achieved.

8. Objectives should be SMART. What does SMART stand for?

Strategic, Measurable, Actionable, Realistic and Timely.

9. Who are the 'trade channel intermediaries'?

Wholesalers, dealers, agents, retailers.

10. What is a 'slotting allowance'?

A payment in consideration of 'slotting' a new product into the merchandise mix.

DISCUSSION QUESTIONS

1. Marketing objectives are traditionally seen as cascading down from above. Using examples to illustrate the relationship between the various levels, how might corporate objectives evolve into communications objectives?
2. How do communications objectives relate to stages of the product life cycle?
3. Using examples, what techniques can be used for evaluating the effectiveness of advertising and how reliable do you think these might be?

CASE STUDY QUESTIONS

1. Explain the phenomena, that is, KitKat in Japan.
2. Compare Japan to the United Kingdom, Europe or North America. Should these markets be adopting such a strategy?

USEFUL WEBSITES

Marketing industry news can be found at:

- www.marketingweek.co.uk
- www.campaignlive.co.uk
- www.thedrum.com
- Please note: Some sites require you to sign up for free access.

UNDERSTANDING MARKETING RESEARCH

6

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Class Exercise Suggestions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the marketing communications research process and the factors which determine its importance
- distinguish between secondary and primary data collection, probability and non-probability sampling methods and quantitative and qualitative research techniques
- recognise the distinction between testing and research and the various testing methods in the communications industry.

SUMMARY

This chapter considered the marketing research process. It noted the importance of setting research objectives and defining the research problem before constructing the research proposal. It reviewed data collection methods and sampling types and the differences between secondary and primary methods. It also discussed quantitative and qualitative techniques and the growth of more esoteric techniques such as ethnography. Testing was also defined, and testing techniques were reviewed. The growth of online marketing research was also examined and the future of marketing research considered.

REVIEW QUESTIONS

1. Describe the marketing research process.

Importantly, it should always be used as an aid to decision making, not as a decision-making method in itself. Regardless of the quality of the data collected, judgement will always play a part in the final analysis and will always determine the final decision. A collection of 'tools' of assessment, evaluation and measurement which seeks to reduce the knowledge 'distance' between the product or service provider and the consumer, primarily through the supply of pertinent information concerning that customer and the marketplace the customer operates within.

2. In deciding on what data to seek, what factors might determine the value of the information to be gathered when making an assessment of worth?

The ratio of cost to benefit used to establish whether a project (e.g. research, campaign) should proceed.

3. Why would you draw up a research proposal?

It details the resources required for a particular research project, focuses ideas/aims/objectives and gives guidelines on who should be researched, where, when and what research paradigm to use.

4. Explain 'sugging' and 'fugging'.

Sugging is selling under the guise of research and fugging is fundraising under the guise of research.

5. What is the difference between a nominal scale and an ordinal scale?

Nominal scales: where variables are categorised and used for classification (e.g. age, sex, place of birth).

Ordinal scales: where objects are ranked in order.

6. How would you classify 'judgement sampling'?

Judgement sampling is a non-probability sampling technique where the researcher selects units to be sampled based on their knowledge and professional judgment. This type of sampling technique is also known as purposive sampling and authoritative sampling.

7. Explain the difference between qualitative and quantitative research approaches.

Quantitative research – Seeking to answer the questions 'how many?', 'what?' or 'who?', it is research that is looking to quantify something.

Qualitative research – Looking to answer the 'why?' and the 'what?' questions, this type of research places greater emphasis on understanding consumer behaviour through insights and is often referred to as 'rich data'.

8. What do you understand by the term 'consumer jury'?

Consumer jury – A collection of target consumers who are asked to rank in order ideas or concepts put to them and explain their choices. This type of research is also known as direct opinion measurement which, as it implies, asks jurors directly about aspects such as message clarity, interest, feelings and attitudes.

9. Why would you undertake a test before fully rolling out a market research exercise?

Testing is a term used for research into existing or modified factors associated with the marketing of a product or service. Marketing communicators will frequently use test markets to carry out controlled experiments before exposing the 'new feature' (product, service, campaign, distribution, etc.) to a full national or even international audience. Technology is such that national television, radio

and newspapers have regional editions which may be supplemented by local media to create a test market inside which the new feature can be exposed. In software development, a 'beta test' describes the second phase of software testing in which a sample of the intended audience is exposed to the new product.

DISCUSSION QUESTIONS

1. If you were only able to gather research via the internet, what are the challenges this might pose both in terms of data gathering and the value of the data gathered?
2. What is the difference between exploratory research and conclusive research and how might your approach to these differ, if at all?
3. What difference do you think technological innovations will make to marketing research?

CASE STUDY QUESTIONS

1. The Founder of Amazon believed in strong brand names stating that they were more important online than they are in the physical world. Do you agree or disagree with this statement?

USEFUL WEBSITES

Explore the UK Market research society (the professional body for marketing research): [www. mrs. org.uk](http://www.mrs.org.uk)

For details on the activities of communications research agencies, see [www.jigsaw-research. co.uk](http://www.jigsaw-research.co.uk).

For details of the types of research carried out by Dipstick research, go to: [www. dipsticksresearch.com/](http://www.dipsticksresearch.com/)

For details of a live research brief by smart audiences for the stables, go to: [http://culturehive. co.uk/ resources/research-brief-samples](http://culturehive.co.uk/resources/research-brief-samples)

Free online survey tools can be found at: www.surveymonkey.com/ and www.smart-survey.co.uk/

For an example of how semiotics might be used in marketing communications, go to: [http://www. semiotics.co.uk/l/projects](http://www.semiotics.co.uk/l/projects)

For examples of commercial storyboards, go to: www.storyboards.com/

For examples of ethnographic research and photo clips, visit: [https://blog.flexmr.net/creative-exam ples-of-ethnographic-research](https://blog.flexmr.net/creative-examples-of-ethnographic-research)

For further details on Google adwords, see: www.google.com/ads/innovations/

For details on how to use Google analytics, see: <https://marketingplatform.google.com/about/analytics/>

CAMPAIGN TACTICS AND MANAGEMENT

7

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the processes involved in campaign planning
- develop a campaign brief
- recognise the part played by creativity in developing a campaign.

SUMMARY

This chapter continued the marketing planning process by considering campaign tactics and management. It began by discussing the creative brief and briefing sessions whose objective is to produce directional and inspirational elements for a campaign. Among the principal questions being asked by the creative team are: who are we talking to, what are we saying and how are we saying it? Conceptual terms such as the creative platform, positioning, functional orientation, symbolic/experiential orientation and the USP (unique selling proposition) were discussed, as was their contribution to brand image (or brand personality). The resource, emotional, generic and pre-emptive strategies were further defined. The importance of the message source was again reiterated and the contribution of metaphors, analogies and stereotypes highlighted as means to get across a message.

REVIEW QUESTIONS

1. Give an example of a pre-emptive strategy.

Pre-emptive strategies are those where the brand asserts its superiority in an undifferentiated market, making it difficult for competitors to match such assertions. Examples include:

'Carlsberg – probably the best beer in the world' 'Hertz – we're number one'

'Gillette – the best a man can get'

'Nothing is more effective than Anadin'.

2. What are the two main elements of a creative brief?

Directional elements: clearly defining what the communication needs to achieve and/or the problem that needs to be solved.

Inspirational elements: providing the creative team with context, purpose and focus in order to provide a robust starting point for the creative process to engage; this is often called the creative platform.

3. Explain the principle of functional orientation.

Functional orientation suggests that the positioning is based on that feature or attribute that is unique (or can be made to appear unique) to that brand (the unique selling proposition or USP). This gives the consumer a distinctly differentiated reason for buying one brand over another.

4. What is 'the soft sell'?

It is the technique of using emotional appeals to produce positive feelings for a brand.

5. How would you define brand personality?

Brand personality can be defined as the character and essence of a brand; the perceived lifestyle associations and values (e.g. status, fashion, quality).

6. Why are testimonials seen to be effective?

Research suggests that testimonials are believed more than advertising messages.

7. Why is proof sometimes required when claims are made for a product or service?

Legally, advertisers are only allowed to make claims that are proven.

8. What types of guidelines need to be followed when developing a campaign?

Depending on the medium, guidelines are produced by the regulating authority (e.g. the Advertising Standards Authority).

DISCUSSION QUESTIONS

1. Why is the creative brief important, what do you think it should contain and what are the problems that could arise if it is not clear?
2. How would an emotional strategy take its form, and why might it work? Find examples of current advertising campaigns that use this approach and assess their potential impact on the implied target market.
3. Radio advertising has been popular in the past, but now only represents around 7% of UK advertising spend. Why might this be so and, as a potential advertiser, under what circumstances might you consider a radio campaign?

CASE STUDY QUESTIONS

1. Why does Red Bull wish to be associated with the types of events noted in this case study?
2. What might have been the damage to the brand if things had gone wrong for Baumgartner?
3. What other types of sponsorship might Red Bull consider in the future?

USEFUL WEBSITES

Examples of creative briefs can be found at: www.adcracker.com/brief/Creative_Brief.htm

For examples of the how to get into the creative industries see <https://www.creativereview.co.uk/landing-page/beginnings/>

For details of the Cadbury's Dark Milk campaign see <https://www.conveniencestore.co.uk/products/cadbury-gets-nostalgic-with-new-darkmilk-tv-ads/592802.article>

Institute of practitioners in advertising: www.ipa.co.uk

CAMPAIGN MEDIA AND MEDIA PLANNING

8

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- be aware of the characteristics of the most important media for advertising and other communications
- understand the complexity of media planning
- recognise the importance of reach, frequency and gross rating points
- comprehend the significance of integrated marketing communications.

The concept of Integrated marketing Communications (IMC) was also discussed.

SUMMARY

This chapter looked at the media available to marketers and media management. Although the chapter largely concentrated on advertising, these media are available to the whole gamut of communications tools including public relations, sponsorship, sales promotions and personal selling. There are dangers of dismissing 'old media' (e.g. print, radio and television) in favour of digital despite the growth in that area. Currently, U.K. internet advertising spend is around 25% of the total, leaving the more traditional outlets with a not unhealthy 75% of the market. The concepts of gross rating points, reach and frequency were covered and the merits of burst, drip, continuous, pulsing and flighting scheduling discussed, as was the recency principle and media-neutral planning. The concept of Integrated marketing Communications (IMC) was also discussed.

REVIEW QUESTIONS

1. What are the positive and negative characteristics of television, radio and online media?

The overall goal of communications management is, within budget limitations, to design the best message for the most appropriate medium to reach the maximum number of people in the target audience. As such, the management of the media mix is crucial. Over the years, new mediums have developed which, despite dire predictions, have complemented rather than replaced what went before. Early hand-painted posters were replaced by larger signs, which today may be digital and/or are three-dimensional. Meanwhile, printed 'bills' came to the fore with the arrival of the printing press, which ultimately led to the development of newspapers and magazines. The print medium dominated until the 1920s and the advent of radio which gradually took over the former's prime position. This was also the golden age of the cinema and that too became a vehicle for commercial messaging. With the introduction of television, both radio and cinema dropped to lesser positions in the communications hierarchy but still continued to attract a definable and, therefore, targetable clientele. In the 1990s, direct marketing (both through mail and telephone) was heralded as the future of communication. The development of electronic media (internet, World Wide Web, emails, etc.) again brought predictions of the total dominance of this channel. In fact, rather than technical evolution making media decisions more straightforward, the plethora of choice makes it even more complex than in the past. Very few campaigns rely solely on one medium. The decision regarding which medium to use depends on campaign objectives, cost (always a limiting factor), the target audience to be reached and the characteristics of that medium.

As noted previously, the job of a media planner is, within the financial confines of the campaign, to reach the greatest number of target customers, more times. To achieve this, the characteristics of each medium, and the opportunities within that medium, need to be known.

2. What changes have affected the newspaper industry in the past few decades?

Newspapers now have shorter lead times, enabling flexibility and rapid response where required. They can also be printed as local editions with appropriate editorial content (e.g. Irish Sun and the Scottish Daily Mail). Newspaper is a highly portable medium and individuals can choose when to 'consume' it, but it has a very short shelf life. The growth of free newspapers has had an effect on the industry. For example, when the London Evening Standard decided to distribute the newspaper free in 2010 volume rose by 60%. Readership surveys showed the free Standard was given away to 600,000 people a day, with a total readership of 1.4 million; while previously it had sold 1,600 copies a day at Oxford Circus, it could now distribute 20,000 for free (according to the Observer, 13 June 2010). The increased circulation naturally attracted advertisers, covering the revenue lost from sales. Newspapers have suffered from the challenge of online publication of relatively instantaneous news, while blogs have started to encroach on the domain of the feature writer. In the United Kingdom, the top 10 national newspapers' circulation fell 7.83% in the year to March 2012. Local newspapers have suffered even more. Circulation of the Manchester Evening News declined by 13.2% during 2011, while the Leicester Mercury, Teeside's Evening Gazette and the Yorkshire Post all showed falls. However, certain newspapers (in the United Kingdom, notably The Guardian and the Daily Mail) seem to have embraced the online medium while continuing (at present) to maintain a satisfactory paper circulation. In other parts of the world, newspapers continue to be a very important medium.

3. What is the Efficiency Index?

An alternative approach to estimating effective frequency is the Efficiency Index. This assumes that with each exposure there is a greater chance of reaching and influencing an audience – up to a point.

After this point is reached, an exposure no longer adds reach or improves effectiveness. The difficulty in quantifying when the point is reached still makes this an imperfect concept and it is effectively left to the experience of the media buyer as the final decision maker on the length of exposure.

4. What scheduling opportunities are available to media planners?

Burst: concentrating the 'spend' on a short period to raise awareness and increase reach.

Drip: extending the campaign over time which increases potential frequency; this is often used for 'reminder campaigns' or when an objective is to change long-term attitudes.

Continuous: relatively even expenditure over the period.

Pulsing: continuous campaigning which is higher at different times of the year and which may reflect seasonal considerations.

Flighting: expenditure concentrated on some periods, leaving other periods with zero expenditure.

5. What is the difference between 'frequency' and 'reach' in assessing media?

Frequency – The number of times the target audience has an opportunity to see (OTS) or hear (OTH) the message.

Reach – The percentage of the target audience exposed at least once to the message during a period (normally four weeks).

6. What are gross rating points (GRPs)?

An advertising media currency calculated by multiplying 'reach' and 'frequency'.

7. What is the recency principle?

A principle which supposes that a consumer's first exposure to an advertisement is the most powerful, that the advertiser's primary role is to influence brand choice (when the customer is ready to buy) and that achieving a high level of weekly reach for a brand should be emphasised over acquiring heavy frequency (also referred to as the shelf-space model).

8. Explain the term 'media-neutral planning'.

This is where market communicators see media planning from the consumer's perspective, rather than base media selection on traditional criteria. Media-neutral evaluation is not straightforward as it means using qualitative research to understand the target audience and to understand how they interact.

9. What are the advantages and disadvantages of Integrated communications?

According to the IPA it's 'joined-up' thinking and the ability to see beyond selective media that is the principal advantage. The biggest disadvantage is seen as the complexity involved.

DISCUSSION QUESTIONS

1. Are social media a real revolution in marketing communications?
2. Is there a future for print media?
3. Is there any need to segment and target customers when search engine technology is available?

CASE STUDY QUESTIONS

1. Can \$5.25 million for a 30-second ad ever be justified and, if so, how?
2. Do you agree with columnist Mark Ritson when he says 'a 30-second spot on linear TV continues to represent the zenith of advertising execution for most big companies'?

USEFUL WEBSITES

For examples of spectacular poster designs, go to: www.tutorialchip.com/inspiration/30-truly-dramatic-examples-of-advertising-poster-designs/

For further details on billboards, see: <https://oohinternational.co.uk/>

For more on radio advertising, see: <https://www.radiocentre.org/how-to-do-it/planning-your-campaign/seven-reasons-using-radio/>

Explore Brad Insight, which is an online resource of in-depth UK media intelligence. It presents over 12,500 UK media opportunities across eight media channels: www.bradinsight.com

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand how advertising developed and the part it played in creating modern consumer markets
- recognise and describe the strong and weak theories of advertising
- discuss the means by which the advertising industry measures effectiveness and the problems associated with such measurements
- describe those characteristics of good advertising
- understand how advertising standards are maintained
- discuss the factors currently affecting the advertising industry.

SUMMARY

This chapter examined the growth of advertising in the twentieth and into the twenty-first century and suggested two theories (weak and strong) as to why advertising may work. The strong theory of advertising, which suggests it is highly persuasive, has been the dominant viewpoint in the industry for the majority of the twentieth century. The weak theory, however, is probably more realistic in suggesting that the most advertisers can do is 'nudge' consumers towards their products or services. The chapter looked at the means by which advertising effectiveness is measured while recognising the flaws in such measurements as recall and recognition. It continued by examining those characteristics of good advertising such as uniqueness, repetition and relevance and other factors that give advertising stopping power. The chapter concluded by examining the problems faced by the advertising industry over the last five decades.

REVIEW QUESTIONS

1. What is the difference between the strong and weak theories of advertising?

Weak theory of advertising – Sees advertising power as much more benign than the ‘strong theory of advertising’. It questions the power of advertising to persuade, suggesting instead that it acts more as a reminder or gentle nudge towards a particular brand than as a highly influential force.

Strong theory of advertising – Where advertising is presumed to have the power to inform, persuade and sell.

2. Describe the processes associated with the cognitive response model.

It maintains that exposure to advertising elicits different types of response and purports to suggest how these responses relate to attitudes and purchase intentions.

3. Explain the ATR(N) model.

Ehrenberg and Goodhardt (1979) suggest that the greater part of the buying experience is rooted in past experience, as indicated in their ATR (awareness, trial, reinforcement) model (see Figure 3.3 in Chapter 3). Having become aware of and eventually trialing a product or service, advertising acts to remind and reinforce the decision made. Ehrenberg (1997) was later to adapt this model further to suggest that the power of advertising was less in persuasion than gentle ‘nudging’ (see Figure 9.4). In this model, advertising stimulates trial and subsequently reinforces any positive associations with the brand, gently nudging the consumer towards that brand in the future.

4. What is low-involvement theory?

Low-involvement processing is essentially the continual, regular and largely subconscious scanning of the environment in order to identify anything that might be worth considering in greater depth.

5. Explain the difference between ‘recall’ and ‘recognition’ in advertising research.

Recall: what the consumer remembers.

Recognition: a positive response to one or more of a selection of products presented to the interviewee.

6. Describe the phenomenon known as the Waterloo effect.

Waterloo effect is an industry maxim which suggests that the features of good advertising campaigns are uniqueness, frequency and relevance.

7. It is recognised that advertisers need to achieve stopping power. How might they do this? Advertising that has the effect of gaining immediate attention.

8. Give an example of a logical appeal in advertising.

Logical appeals: appeals to our sense of logic and reason, for example, ‘this product out-performs everything else on the market’.

9. What is the main assumption of the USP concept?

Unique Selling Point: The USP concept assumes consumers can only comprehend one major factor about a brand and that the brand’s total advertising message should concentrate on this.

10. What is DAGMAR?

A model promoted as a means of establishing the objectives of an advertising campaign (Colley 1961), standing for Defining Advertising Goals for Measuring Advertising Results.

DISCUSSION QUESTIONS

1. If it is true that the majority of consumers do not believe advertising claims, why does it continue to be used?
2. Shock tactics are often used by advertisers to gain attention. Under what circumstances would you consider these to be appropriate or inappropriate?
3. Media fragmentation and digital technology have had an impact on the advertising industry in recent years. How do you feel this will impact on advertising campaigns over the next 10 years?

CASE STUDY QUESTIONS

1. Why was the advertising so successful in attracting recruits?
2. Why did the expected backlash not develop?
3. What direction might The Army's advertising take in the future?

THE INTERNET AND THE GROWTH OF DIGITAL MARKETING

10

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the technical and organizational drivers in the growth of digital communications
- be aware of current and likely future developments and how they may affect the communications industry.

SUMMARY

This chapter traced the rise of the internet and digital marketing. It looked, in particular at mobile phone development, search engine optimisation, analytics and the growth of Artificial Intelligence in the communications field.

REVIEW QUESTIONS

1. When, would you estimate, was the beginning of the digital marketing generation?
Open to some considerable debate. Was it the technological developments post-1945? Was it the introduction of social media post 1990? Was it later still?
2. Define, in your own words, the meaning of virtual reality and augmented reality
Augmented Reality (AR)
A technology that superimposes computer-generated images to provide a composite view of reality.
Virtual Reality (VR)
Using special electronic viewing equipment, the computer-generated simulation that can be interacted with in an apparently real or physical way

3. What is the meaning and potential consequences of Big Data?

Extremely large data sets that may be analysed to reveal trends, patterns and associations, consumer behaviour and interactions.

4. Why is it suggested that small and medium-sized organisations (SMEs) have particularly benefitted from the Digital Marketing Revolution??

The relatively low cost of digital marketing relative to other media

5. Explain the thinking behind the Prospect Hierarchy model?

The model suggests that there are grades of prospective customers ranking from lowest (suspects) to the highest (lapsed customers).

6. Retailing is changing as a direct result of digital marketing. Explain why?

The advent of online shopping delivered to the door has radically effected certain retail segments leading the the closure of many high-street retailers

7. Artificial intelligence (AI) is accelerating fast. What uses might it be put to in the future?

It's a leap of faith as to where AI may lead. As an example, AI might lead to computers ordering clothes, food and other consumables without bothering us.

8. Explain the meaning of Programmatic advertising.

This type of advertising is where brands or agencies use a demand side platform (DSP) to decide which 'impressions' to buy and how much to pay for them, while publishers use a supply side platform (SSP) to sell this advertising space to brands. These are matched up in real time.

9. What aspects of mobile phone technology are most likely, now and in the future, to benefit marketers?

Again, who knows, perhaps in the future, mobile phones will be implanted into our hands.

10. Explain the importance of Analytics to digital markers.

Customer journeys are becoming more complex and many organisations struggle to capture and harness the information gathered through digital channels. Data analytics is where marketers collect data from different platforms and extract information from it.

DISCUSSION QUESTIONS

1. Present global internet penetration worldwide is around 36%? Give reasons why this is likely to grow.
2. Why are current and emerging technologies, such as artificial intelligence (AI), augmented reality (AR), virtual reality (VR) the internet of things (IoT), robotics (or bots), 3-D printing, blockchain and drones fast becoming the norm in businesses?
3. What changes in business practices and distribution methods are happening or likely to happen as a direct result of the digital economy?

CASE STUDY QUESTIONS

1. How effective is Pokémon in attracting customers to advertisers?
2. Are there any ethical implications in this form of advertising?

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the technical and organizational drivers in the growth of social media
- the importance of social media influencers
- acknowledge the positives and negatives of social media.

SUMMARY

This chapter reviewed the phenomenon of social media and its place in modern day marketing communications. It tracked the rise of social media and their owners' attempts to increase revenue through advertising. It went on to discuss social media influencers and their place in spreading word-of-mouth but warned about the potential of paid-for sponsorship replacing genuine reporting. The chapter discussed whether the trust between social media sites and their users has been broken. The case of *Facebook* and *Cambridge Analytica* was used as an example.

REVIEW QUESTIONS

1. How would you define social media?
Websites that enable users to create and share content and/or participate in social networking
2. What are the drivers to the growth of social media?
The ability to share information, photos, videos and to develop commercial relationships

3. Why was it suggested that people trusted social media sites over traditional advertising? Is this still the case?

On the evidence that recommendation is more powerful than advertising, it may seem so. However, various scandals involving social media providers may have altered this opinion.

4. Who are social media influencers? Explain their role in marketing?

A user of social media who has established credibility in a specific industry and is typically followed and influenced by others. In modern marketing, influencers are the promoters of brands (often paid by the brand owner).

5. What are the most significant social media sites for the millennium generation?

This changes all the time. YouTube, Instagram, Snapchat, Pinterest, Twitter and LinkedIn were found to be more popular with millennials than non-millennials.

6. Which social media sites may not survive?

Those that are used for discussion. It is popular (despite its current dominance) to say Facebook will not survive given the demise of many of its predecessors.

7. What are Bots and how are they used?

An artificial intelligence (AI) system designed to interact with humans and/or other robots taking over job functions such as greeting and basic customer service.

8. What is clickbait?

Web content whose main role is to attract attention and encourage visitors to sites (with often dubious content). The purpose is to attract advertisers to the site.

9. Why is trust important in a social media context?

Users have shown that they are prepared to react against social media sites that are seen to be breaking the trust relationship.

10. What, in your view, is the future of social media?

Again, a look into a cloudy crystal ball. Will they disappear and/or will they be replaced with virtual reality. Your guess is as good as mine.

DISCUSSION QUESTIONS

1. What are the significant features attributed to influencers that have made them so important to modern-day marketers? Are they really a new factor in marketing?
2. Analyse and expand upon the issues discussed in Insight 11.1 Cambridge Analytica?
3. In 2010, in the US mid-term elections, campaigns (known as Twitter bombs) were used extensively. How has this form of political advertising developed since then in Europe, America and the rest of the world?

CASE STUDY QUESTIONS

1. How effective is Pokémon in attracting customers to advertisers?
2. Are there any ethical implications in this form of advertising?

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- distinguish between advertising and sales promotion and between consumer, detail and trade promotions
- explain the theories, concepts and generalisations associated with sales promotion
- understand the reasons behind the rise of sales promotion relative to advertising
- describe the tactics associated with sales promotions and the differences between price promotions and creative promotions (or incentives)
- analyse the outcomes of sales promotions and their effect on general communication strategies.

SUMMARY

This chapter opened with a brief reflection on sales promotions of the past and distinguished sales promotion, as an incentive to people to act, from the brand-building qualities of advertising. It further distinguished between consumer, trade and retail promotions and how they interact with general organisational strategy. The growth of sales promotion was highlighted and it was noted that, since 1980, it had replaced advertising as the main medium in the consumer goods field. The reasons behind this were discussed. They included increased advertising costs; corporate short-termism; the measurability of promotions; stagnating markets; the decline of brand loyalty; the spread of own-label; increased repertoire buying; the increased power and concentration of retailers; increased price sensitivity; and the implications of new technologies. Sales promotion theories were discussed in the light of classical and

operant conditioning theories, the law of effects, shaping, chaining and priming. Intuitive generalisations and potential scenarios were further discussed and analysed. Sales promotion consumer and trade objectives, including increased sales, trial stimulation, brand switching and rewarding of loyalty were analysed and the difference between price and creative promotions was highlighted. Outcomes, including the potential downsides to promotions, were discussed and the legal issues considered.

REVIEW QUESTIONS

1. What are the four types of sales promotion?

- salesforce
- consumer
- trade
- retail

2. What is the difference between positive and negative reinforcement in relation to sales promotion? Give examples of each.

Operant conditioning suggests the response of the individual is likely to be affected by positive reinforcement (reward) or negative reinforcement (punishment), although the effect is likely to cease when these reinforcements are taken away. In commercial terms, an organisation uses reinforcement by stressing the benefits and/or rewards a customer will receive on buying a product or service.

3. Explain 'chaining'.

This suggests behaviour emerges from sequences of actions in which the preceding action becomes the discriminative stimulus for the final response (inducement > purchase).

4. Describe the phenomenon known as the 'mortgaging effect'.

Where, after a promotion, rather than returning to 'normal', sales levels fall back for a period.

5. What do you understand by the term 'self-liquidating promotion'?

If the income received covers the outgoings of the promotion, this is known as a self-liquidating premium. A premium (or gift) where the income received covers the outgoings of the promotion.

6. Explain the benefits behind undertaking a cause-related promotion.

Cause-related promotions (commercial organisations involved in promotions where a charity or other good cause is seen to benefit): these are seen as a way of creating a positive image for brands. For example, in the Computers for Schools initiative, Tesco boosted customer loyalty and attracted new shoppers to its store by rewarding customers with vouchers that could be redeemed to help local schools obtain free computers and computer equipment.

7. How might a trade promotion differ from a consumer-based promotion?

Trade promotion at retail level includes buying allowances, advertising or sales promotion allowances, slotting allowances (slotting in new products, increasing shelf space) and others including gifts, training and other incentives. Trade promotions are designed to develop the brand through the trade (e.g. staff competitions, in-store demonstrations).

8. List a range of sales promotion tactics that an organisation could use.

- money off (online, delivered or point-of-sale coupons)
- bonus pack offers (e.g. 50% extra free)

- bonus offers (e.g. buy one, get one free)
- refunds
- combined offers (e.g. buy product A and get product B free of charge)
- sampling
- premiums and self-liquidating premiums
- loyalty schemes (including money off or rewards)
- competitions

9. How might sales promotion activities assist in building or maintaining loyalty?

Loyalty schemes may seem a relatively new innovation but they go back over a century. Although loyalty cards¹ were introduced relatively recently (becoming popular in the 1980s), collection of coupons and saving stamps (in the United Kingdom, Green Shield was the largest of the saving stamp companies) have always been used to give the customer an extra incentive to shop at the retailers (including at one time Tesco) who distributed them. Even earlier, the Co-operative movement distributed its profits (or dividends) to loyal customers who shopped with them. Many, of a certain age, remember being sent to the Co-op and quoting the 'divi-number' whereby their sale would be entered in a divi-book, which in time would be tallied up and a 'dividend' (cash bonus) distributed. In time, this 'divi' book was replaced by saving stamps and ultimately loyalty cards (although in essence they all served the same function).

10. Why are loyalty programmes supposed to be effective?

They build relationships with consumers and enhance brand purchase repetition (but may have become a bit of a misnomer in recent times as consumers tend to have multiple 'loyalty' cards).

DISCUSSION QUESTIONS

1. What are the similarities and differences between advertising and sales promotion?
2. A number of intuitive generalisations can be made about sales promotion. What are they and what might their impact be on campaign planning?
3. For consumer-focused promotions, there can be many sales promotion objectives. List these and discuss how they might be achieved.

CASE STUDY QUESTIONS

1. Why does Yorkshire Tea choose this type of promotion?
2. Can you suggest other promotions that would suit this traditional brand?

USEFUL WEBSITES

Visit the Institute of promotion Marketing's website at: www.theipm.org.uk

For details on Facebook, see this blog: <http://blogs.brighton.ac.uk/brandsblog/2016/04/15/the-effectiveness-of-using-sales-promotion-on-facebook-to-increase-sales-for-a-business/>

¹In Canada, it's called a rewards card or a points card, and in the United States, a discount card, a club card or a rewards card.

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Class Exercise Suggestions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the importance of corporate communications and public relations in the modern organisation
- describe the purpose of publicity and the importance of media management
- recognise the significance of corporate image and the importance of research and counselling as a function of CC and PR
- understand the part played by internal marketing and how organisations manage it
- appreciate the importance of specialist areas of PR such as financial relations, lobbying and crisis management.

SUMMARY

This chapter examined the part public relations and corporate communications play in the modern organisation. It concluded that the operations covered by PR and CorpComms heavily overlapped and that it was often the company structure that determined which was used. The chapter reviewed publicity and media management and how this can be managed to the benefit of the organisation. It examined the growing importance of the research and counselling function and analysed the part played by corporate image and how this might be managed. Internal marketing and internal communications were considered, and their importance noted. More specialist areas such as financial relations, lobbying and crisis management were examined, and the importance of community relations was noted.

REVIEW QUESTIONS

1. How would you define public relations and corporate communities and what are the similarities and differences?

The planned and sustained effort to establish and maintain good will and mutual understanding between an organisation and its publics.

The Chartered Institute of Public Relations (www.cipr.org.uk) defines PR as:

all about reputation. It's the result of what you do, what you say, and what others say about you. It is used to gain trust and understanding between an organisation and its various publics.

Corporate Communications has many similar functions and may be described as a framework in which all communications specialists integrate the totality of the organizational message.

2. List a selection of public relations' publics.

'Publics' are those people, internal and external to the organisation, with whom an organisation communicates. (Tutors and Students may pick a specific organisation and list the relevant publics associated with it).

3. What are the main responsibilities of public relations/corporate comms in relation to research and monitoring?

Five important responsibilities are associated with the broad function of research and monitoring. These are:

- analysing trends: to investigate the current situation inside and outside of the organisation
- predicting the consequences: making determinations of likely outcomes
- counselling leaders: giving advice on future strategy and tactics
- implementing planned programmes of action: defining the needs and managing the functional aspects of PR including press relations, internal marketing, etc.
- serving the public interest: social responsibility and ethical commercialism.

4. Who are the main financial publics?

- current shareholders
- prospective shareholders
- financial intermediaries (banks, credit rating agencies, stock markets, etc.).

5. What is 'lobbying' and what does it entail?

Lobbying has been described as a specialist part of public relations that builds and also maintains relationships with government largely for the purpose of influencing legislation and regulation (Cutlip et al. 2006).

6. Why might public relations be used for community relations?

This aspect of public relations acknowledges the importance of an organisation maintaining good, or at least respectable, relationships with local, national and wider communities. In addition to wishing to generally avoid 'bad press', there is the likelihood, with consumer goods and services companies in particular, that these communities will, or can, influence your customers. Thus, some organisational policies can have considerably wide-ranging effects, such as Nestlé's marketing of baby milk formula in poorer countries or Reebok's purchasing strategy, which both led to consumer boycotts of these companies. On a more localised note, it is likely that current and future employees are going to come from communities influenced by the activities of the organisation.

7. What is green washing?

A form of spin where deception is used to promote the perception that the organisation's policies, regarding products and/or services, are environmental friendly.

8. Why is crisis management planning important?

According to Hayes (2001), the best way to destroy one's reputation is to be ill-prepared for all types of crises and to fail to take a stand on appropriate issues.

9. Would you consider publicity to be free advertising?

In a sense yes, (although the efforts for the service that go into the campaign must be accounted for and remunerated). The most extensively used measure is media evaluation (according to research by Metrica, 90% of organisations use media evaluation – Siegle 2005). Media evaluation is, according to the Association of Media Evaluation Companies, 'the systematic appraisal of a company's reputation, products or services, or those of its competitors, as measured by their presence in the media' (cited in Theaker 2011: 255). This evaluation is carried out either in-house or by media evaluation specialists and, by way of estimating the value of publicity, an approximate Advertising Cost Equivalent (ACE) is established. Media evaluation of this type has long had its critics but at the very least it shows how frequently and in what context the organisation has appeared on the media agenda.

10. What do you associate with the term 'optimum image'?

The image a company aspires to (wish image) may not be possible and so a rather less than perfect image may be sought.

DISCUSSION QUESTIONS

1. PR/CorpComms are often associated with managing a company's image. However, this means different things to different people. What are the different ways that image could be interpreted?
2. What might be the responsibilities under the heading of financial relations and under what circumstances might organisations undertake financial relations activities?
3. How might you select a public relations agency and what might the problems of selection be?

CASE STUDY QUESTIONS

1. How would you describe KFC's response to the crisis?
2. Why did the campaign resonate with so many customers?

CLASS EXERCISE SUGGESTIONS

Try writing a press release on a topic of choice using standard templates as advised in the book or explore via the CIPR or other online resources such as: www.templatepressrelease.com.

Explore how to measure the success of a PR campaign through the 'generated content' – how will you measure the success of social media for example? (e.g. to explore Twitter reach use the free tool <http://tweetreach.com> and for other social media cross platform measurement try www.hootsuite.com which is not free but is a useful tool to be aware of and offers a free 30 day trial).

Practice writing professional newsletters using free online resources such as MailChimp at: www.mailchimp.com

USEFUL WEBSITES

Explore the Chartered Institute of Public Relations: www.cipr.co.uk and the PRCA at <https://www.prca.org.uk/>

Explore some agencies that exist for specific market sectors like PushPR for the beauty and fashion industry: www.pushpr.co.uk; and for technology and B2B <https://www.pragencyone.co.uk/>; and for the automotive car industry: <http://rsm-auto.com>

Explore the range of occupations in PR and jobs available at: <https://www.prweekjobs.co.uk/> and <http://www.workfish.co.uk/>

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Class Exercise Suggestions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the place of sponsorship in the marketing communications mix
- recognise the reasons behind the growth of sponsorship in recent decades
- discuss the theory underpinning sponsorship
- determine the various sponsorship types and the factors which make them viable
- discuss the advantages and disadvantages of sponsorship.

SUMMARY

This chapter discussed the importance of sponsorship to the marketing communications mix. The different types of sponsorship were discussed, including arts sponsorship, events sponsorship, sports sponsorship, broadcast sponsorship and cause-related sponsorship and the features of each reviewed. It analysed the reasons why sponsorship might work with reference to behavioural and cognitive paradigms, the persuasive impact of the sponsorship model and the consumer attitude model. The chapter went on to discuss the objectives behind sponsorship campaigns, including awareness, image building, citizenship, changing of perceptions, external and internal relationship building and gaining of media attention. The potential disadvantages were also analysed, including negative association, sponsorship clutter, over-commercialisation and ambush marketing.

REVIEW QUESTIONS

1. List the various types of sponsorship.

- arts sponsorship
- events sponsorship
- sports sponsorship
- broadcast sponsorship (and product placement)
- cause-related sponsorship

2. Define sponsorship.

Sponsorship is about involvement outside of an individual or company's normal range of activities. A sponsor is 'the provider of funds, resources or services to an individual event or organisation in return for some rights and associations usually to be used for commercial advantage' (Copley 2004: 289).

3. What is 'advergaming'?

It is said that one-third of product placements in video games are in the form of advergaming where practitioners create a game around the brand rather than place their brand within a well-known title. Specially designed story-led commercials for brands such as those for Volvo are in the ascendancy on the internet. Consumers are also entreated to visit brand websites for 'extra-value' information and rewards.

4. What is experiential marketing?

A strategy that encourages customers to engage and interact with brands, products and services in sensory ways.

In recent years, there has been a growth in an offshoot of events marketing known as experiential marketing. An early example of this was Disney whose theme parks integrated the brand into a consumer experience. Other examples include the Guinness experience in Dublin and Cadbury World in Bournville, Birmingham. These are not just museums or showcases but interactive theatrical events. More extreme was Red Bull's sponsorship of athlete Felix Baumgartner in 2012 to break the world record for the longest free-fall jump (128,000 feet/39,000 metres) in the world, in which he reached speeds of 833.9 miles (1342 kilometres) per hour. Over 8 million people watched the jump live and over 30 million people (and counting) have viewed the jump on YouTube. The jump was shown live by over 40 TV stations and 130 digital outlets and was a trending topic on Twitter worldwide. Red Bull's Facebook photo of the jump generated 216,000 likes, 10,000 comments and over 29,000 shares.

5. What is the point of product placement?

Product placement is defined by the US Association of National Advertisers (ANA – see www.ana.net) as 'the convergence of advertising and entertainment industries where a brand message is integrated within the appropriate context as part of the interaction', which covers a broad range of potential uses.

6. What is the meaning of the phrase 'sponsorship clutter'?

'Sponsorship clutter' acknowledges the preponderance of sponsors, particularly in high-profile events such as the Olympic Games, the World Cup, the Super Bowl and Formula 1. In all these cases, the events and teams seem over-burdened with sponsors' logos and advertising hoardings to the possible detriment of the individual sponsor.

7. Why is 'ambush marketing' a concern for sponsored events?

Meenaghan (1994) defines ambush marketing as 'the practice whereby another company, often a competitor, attempts to deflect some of the audience to itself and away from the sponsor'.

8. How might sponsorship be monitored in financial terms?

As with public relations, the most common methods of evaluation of sponsorship are media audits. These calculate sponsorship exposure in terms of advertising costs and awareness, image or behaviour surveys.

DISCUSSION QUESTIONS

1. Are sponsorship and product placement the future for funding television services?
2. How likely will it be that experiential marketing will increase and in what ways might it develop?
3. Why do sponsors sponsor?

CASE STUDY QUESTIONS

1. Why are brands prepared to spend so much on product placement in James Bond films?
2. How is the sponsorship leveraged to extend it beyond the film itself?
3. Are consumers fed up of being bombarded by brands while they are being entertained?

CLASS EXERCISE SUGGESTIONS

Ask students to recall any product placement they may remember from movies. Examine what impact the inclusion of the brands had on their experience of the movie and influence on consumption or views of the brands featured.

Ask students to discuss any sponsorship that they recall and the influence or impact (if any) it had on their perceptions of the brands featured and on the experience of the event they were attending.

USEFUL WEBSITES

European sponsorship association (esa): <http://sponsorship.org>

OfCom Guidelines <https://www.ofcom.org.uk/tv-radio-and-on-demand/broadcast-codes/broadcast-code>

Read about the differences between the USA and UK on Product placement <https://blog.hollywood-branded.com/how-british-product-placement-law-is-different>

PERSONAL SELLING, POINT OF SALE AND SUPPORTIVE COMMUNICATIONS

15

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- describe the strengths and weaknesses associated with personal selling and its part in the integrated marketing communications mix
- comment on the value of field marketing and multi-level marketing
- recognise the importance of packaging in point-of-sale decision making
- assess the value of point-of-sale materials to marketing communications.

SUMMARY

This chapter reviewed a wide range of areas which, although of continuing significance, have become less visible in the digital age. It includes personal selling, in-store sales and point of sale. The chapter concludes with a section on direct marketing, the predecessor to the interactive and digital marketing so important today.

REVIEW QUESTIONS

1. Is there a difference between POP (point of purchase) and POS (point of sale)?

No, they are just terms favoured by the United Kingdom (POS) and the United States (POP) and are in-store materials displayed at the place where customers are making their buying decisions.

Point of sale (POS) or (as favoured in North America) point of purchase (POP) has often been regarded as the least glamorous of the communication sectors, yet it is considerably important from a communications and sales perspective.

2. When is personal selling most effective?

Personal selling is seen as an action-driving tool which is most effective at or near the point of sale. Personal selling is most effective when:

- new products are introduced
- new features are developed
- the product or service is complex and requires explanation and/or demonstration
- the product or service is recognised as a long-term expenditure/investment
- there is a need for negotiation and/or response to feedback
- relationship building is part of the marketing strategy.

3. What are the 7Ps of Selling?

- prospecting: looking for prospective customers
- preparation: customer research, objective setting, etc.
- presentation: demonstration and discussion
- possible problems: foreseeing and handling objections
- please give me the order: closing the sale and getting the order
- pen-to-paper: recording details accurately
- post-sales service: developing the relationship.

4. Define 'field marketing'.

The term field marketing is used to describe syndicated or shared teams who work, largely in the FMCG sector, and who carry out a number of selling and other 'sales' associated tasks on behalf of one or more suppliers. Field marketing originated in the 1960s when FMCG giants such as Mars sought to increase penetration in the independent stores sector (Benady 2002). The range of activities carried out by field marketing companies has become very wide, covering (and in many ways bridging) both personal sales and point-of-sale activities, including:

- sales calls (typically on smaller, independent retailers)
- sampling and other in-store promotions
- merchandising and in-store displays
- market research (including as a 'mystery shopper')
- representing and promoting the brand at major events.

5. Explain the key weaknesses of personal selling.

The future of personal selling as a major communications (and sales) medium will, as organisations look to curtail costs, be heavily determined by technological advances which are making physical location of diminishing importance. In areas where technology can effectively replace the salesperson as, for example, in the case of travel agent services and insurance sales, it will inevitably lead to a decline. Electronic point-of-sale (EPOS) technology can calculate sales and order replacements more effectively than any travelling salesperson. Even in the business-to-business sector, where complex contract negotiation has to take place, personal meetings may be replaced by video-conferencing or Skype. Documentation can now be legally transmitted with electronic signatures, removing yet another reason for negotiators to meet face to face. In the business-to-consumer sector, traditional person-to-person contact between a customer and his/her bank manager or insurance salesperson are now largely handled by call centres using customer relationship management (CRM) technology.

6. What is 'pyramid' selling?

It is a form of multi-level marketing where the central purpose is to earn commission (or receive other payments) from those further down the line rather than make sales per se.

7. Explain the difference between a hard sell and a soft sell.

Hard sell – Promoting heavily the tangible benefits available from a product or service.

Soft sell – Using emotional appeals to produce positive feelings for a brand.

8. What is 'over-selling'?

Promising more than is available through the sale.

9. Describe the key promotional roles of packaging.

The most basic (and often forgotten) communications tool is product packaging. It has been described as 'the least expensive form of advertising' and the 'five-second commercial'. Although it should not be forgotten that packaging serves to protect, contain and offer convenience to the purchaser, it is also a major communications device. Good packaging in this respect should:

- gain attention (through attractive, brash or familiar labelling)
- be distinctive (e.g. Cillit Bang)
- instruct and inform (e.g. legal requirements, serving suggestions, calorific and ingredient information)
- signify value for money (e.g. through size, promotion, etc.)
- help persuade (or 'nudge') the purchaser towards a purchase (e.g. money off, 50% extra free)
- reflect the personality of the brand (e.g. Peperami)
- motivate brand choice.

10. List examples of in-store displays.

In-store displays are designed to direct customers towards products and include:

- brand display units (normally supplied by the brand owner)
- dump bins
- show cards
- posters
- video
- sampling.

DISCUSS QUESTIONS

1. Explain the principal differences between personal selling and mass communications and discuss why these might be so. How might companies construct their personal-selling approach to reflect these differences?
2. Why might an organisation use mystery shoppers? How would you plan a mystery shopping campaign and what would it entail?
3. Is online retailing the future of shopping?
4. Has Direct Marketing any part to play in modern consumer communications?

CASE STUDY QUESTIONS

1. What is the suggested explanation for this increase in cinema-goers?
2. What is the long-term effect on the communications industry if the trend continues?

USEFUL WEBSITES

Try and explore popular mystery shopper websites including: www.mystery-shoppers.co.uk and www.grassrootsmysteryshopping.com

For examples of Point of Sale materials see

[https://www.pinterest.co.uk/search/pins/?rs=ac&len=2&q=point%20of%20sale&eq=point&etslf=6349&term_meta\[\]=point%7Cautocomplete%7C1&term_meta\[\]=of%7Cautocomplete%7C1&term_meta\[\]=sale%7Cautocomplete%7C1](https://www.pinterest.co.uk/search/pins/?rs=ac&len=2&q=point%20of%20sale&eq=point&etslf=6349&term_meta[]=point%7Cautocomplete%7C1&term_meta[]=of%7Cautocomplete%7C1&term_meta[]=sale%7Cautocomplete%7C1)

EMPLOYER/ EMPLOYEE BRANDING AND INTERNAL COMMUNICATIONS

16

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- summarise what goes on at the employee/customer interface
- understand the reasons why organisations are putting more resources into internal communications
- describe the concepts that are involved with internal communications
- discuss ways in which internal communications can be implemented
- assess the potential benefits of an effective internal communications programme.

SUMMARY

This chapter reviewed the concepts and themes surrounding internal communications. It suggested that the field of internal communications was receiving widespread attention because of the perceived need for improvement in organisational capability and in the delivery of customer service. It suggested that employee interaction is not only important in-service delivery but also in intangible aspects such as attitude and the way a service is provided, and it contrasted this with more or less controllable tools such as advertising and public relations. The chapter discussed internal communications implementation and how this is delivered in practice. It also discussed the potential benefits which, in addition to better customer service, include the clarification of roles, capabilities and values and improved loyalty, decreased turnover and reduced training costs. These benefits were contrasted with the potential problems associated with unrealistic or untrue claims and employees being portrayed unflatteringly.

REVIEW QUESTIONS

1. What is considered to be the focus of traditional marketing?

Traditional marketing focuses wholly on the external customer, relationship marketing stresses the additional significance of the internal customer in successfully establishing relationships (Gummesson 1991).

2. What concept has been recognised as being an important activity in developing a customer-focused organisation?

Internal Communications. With employees, the internal market consists of people with needs and wants which must constantly be assessed and, if practical, satisfied. It is this strategic intervention that can directly influence positive and/or negative communications from this source.

3. What term is used to describe the accumulation of know-how by employees?

Knowledge Capital. Reputation is based on quality service and quality service on employee know-how. Employees individually accumulate know-how (often referred to as knowledge capital because of its value to the organisation) over time. This in-company know-how is what turns knowledge into application and adds the extra value to the product or service offered.

4. What do the initials PTM stand for?

The phrase 'part-time marketers' (PTM) is used to describe those non-marketing specialists who, regardless of their position in the company, are crucial to the company's marketing effort. These part-time marketers include all of those employees who, in any way, influence customer relations, customer satisfaction and their perception of quality (Gummesson 1991).

5. What is considered to be a critical tool in managing customer satisfaction?

Obtaining and understanding the employee perspective is a critical tool in managing customer satisfaction as it enables managers to employ internal communications. The impact on customer satisfaction and quality perception is more important to long-term success in the marketplace than is often realised. In building reputation, it is often the intangible aspects such as attitude and sincerity rather than the competence of the service provision, which has the most powerful influence.

6. Describe the process required when implementing an internal customer approach.

According to Jobber and Lancaster (2009), the implementation of internal communications is a process where:

- the organisation determines its must-have/would-like-to-have objectives
- the internal strategy is formulated
- the policy is implemented under the headings of (a) persuasion, (b) negotiation, (c) politics and (d) tactics
- the process is evaluated.

7. Why are internal communications a necessary part of internal management?

It helps manage the morale and knowledge of staff. From a management and human resource perspective, internal communications focus on the three core value-adding activities of innovation, effective processes and customer support, and builds networks which 'design in' quality (Doyle 1995). It involves retaining customer-conscious employees and the development of employee empowerment to better satisfy the needs of the customer. Internal communications reflects the belief that the company must be prepared to do a great deal for its employees if they want their employees to deliver an outstanding level of service to customers.

8. Give an example of downward communication.

Downward communication was traditionally through house journals or other printed material but much of this has been replaced with electronic versions (probably to the detriment of readership). Staff meetings are also used as they are more personal and enable instant feedback. A number of companies utilise internet technology to organise video-newsletters and video-conferencing. Cisco Systems's employees, for example, are addressed regularly by their president via the internet. Research company Melcrum reported in 2011 that 93% of internal communications professionals now see video as an important tool (see www.melcrum.com).

9. What is considered to be the main factor in sustaining a competitive position?

It is increasingly recognised that in order to sustain a competitive position, organisations must develop a customer service culture that both allows and encourages employees to give good service (Varey 2002).

10. How can internal marketing assist organisations that are going through crisis?

Internal communications can be seen to aid organisations going through crisis, in helping stabilise the confidence of employees.

DISCUSSION QUESTIONS

1. You are tasked with implementing a significant change within your organisation that will prove unpopular to some of the longer serving staff. How would you go about minimising the resistance to change?
2. What means of communicating with staff are available to an organisation and how would you evaluate their effectiveness?
3. We now live in an age when text and email contact has become a normal way of communicating. What might the impact of this be in another 10 years on internal communications within companies?

CASE STUDY QUESTIONS

1. Why is it important that each member of staff shares a responsibility in delivering the brand strategy?
2. How might staff hurt brand reputations? Can you give any examples?

USEFUL WEBSITES

See this interesting U.S. animated presentation case study on internal communications in practice and the implications of their strategy: www.youtube.com/watch?v=4ro1nKeirjk; and this Australian animation that is a little tongue in cheek but presents the importance of internal communications and the perils of ignoring it: www.youtube.com/watch?v=pujlvJheee0

MARKETING CHANNELS AND BUSINESS- TO-BUSINESS COMMUNICATIONS

17

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

SUMMARY

This chapter reviewed the concept of marketing channels and business-to-business communications. It distinguished between business-to-business and business-to-consumer media and the messages they carry and the characteristics that affect this. The chapter reviewed the relative importance of various marketing communications tools and the importance of networks and relationships. It looked at the supposed rationality of B2B communications (epitomised by content marketing) in the recognition that emotion (and brand reputation) has a part to play too. The chapter also discussed supplier partnerships and the changes that have occurred in the past few years through the development of technologies.

REVIEW QUESTIONS

1. Explain what is meant by direct channel marketing.

Where an organisation sells virtually the same products/services to both consumers and businesses.

2. What do business-to-business markets include?

Business-to-business markets include the industrial and public sector, materials, components, consumables and services, and the total volume far exceeds that of consumer markets.

3. Describe the composition of a business-to-business decision-making unit.

According to Sheth et al. (1999), a business-to-business decision-making unit may consist of the buyer, decider, influencer, analyser, gatekeeper and (where appropriate) user, although some (or all) of these functions may reside in a few (or even one) individual(s). Who to target is, therefore, a major consideration and many companies compile or rent lists of such contacts to use for direct mailing,

emailing or telemarketing purposes? The downside of this strategy is that individuals change jobs or leave organisations on a regular basis, making the upkeep of such lists a burden.

4. What factors determine communication within the supplier–customer channel? Communication within the supplier–customer channel is determined by three factors:

- channel structure
- channel climate and culture
- balance of power.

5. Explain the advantages of point-of-sale systems.

Point-of-sale materials are important because they communicate with consumers at the time and place that they are ready to make purchasing decisions. They are designed to inform, remind and encourage customers in regard to the promoted product. They act as in-store cues which capitalise on previous consumption experiences and/or media advertising. In-store displays (and packaging) carry themes through to the shop floor. They act as differentiators between these and other brands on the market.

6. What is the difference, if any, between business-to-business and business-to-consumer markets?

The characteristics of the business-to-business sector are generally regarded as different from those of consumer marketing, although these are sometimes exaggerated to suggest that there is no commonality at all between business-to-business and business-to-consumer. In effect, there is little difference in the wants and desires of the two sectors; however, the organisational dynamics and the implied rationality suggest that marketing communications should be formulated in different ways. Those business-to-business characteristics that most effect this application are:

- larger markets
- fewer customers
- higher spend
- wider geographical spread
- complex buyer–customer interaction.

7. For business-to-business markets, what is the major communications tool used? Advertising and Sales Promotion.

8. What is ‘trade advertising’?

Trade advertising, as the term suggests, utilises largely specialist publications including trade journals, newspapers and magazines aimed at particular industry buyers.

9. How has technology changed business-to-business communications?

Direct and digital marketing has begun to play a larger part in business-to-business communications. Because of the continually rising costs of personal selling and the falling costs of database management, coupled with considerable advances in technology, direct and digital marketing is seen as the ‘next best thing’ to personal contact.

10. What do you understand to be the basis on which most business decisions are made? Inter-organisational relationships.

DISCUSSION QUESTIONS

1. Personal selling is important in business-to-business markets. Why might this be and what would companies need to do in order to be effective in this area?
2. Sales promotion activities in business-to-business markets risk being considered as unethical. Why is this so and in what circumstances would they be acceptable?

3. It is accepted that the decision-making unit within one organisation can be complex and bear no resemblance to that of a similar organisation. If you were tasked with trying to ensure your communications reached the right person, how would you plan this?

CASE STUDY QUESTIONS

1. How important is emotion in the John Lewis advertising and what is this creative strategy seeking to achieve?
2. What has John Lewis achieved since first introducing its Christmas adverts in 2007?
3. What part has celebrity played in the success of John Lewis's advertising?

USEFUL WEBSITES

Explore the Chartered Management Institute at: www.managers.org.uk

CHAPTER CONTENTS

- Introduction
- International and Global Companies
- Standardisation vs. Adaptation
- Global Agencies
- Summary
- References
- Review questions

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the features and communications patterns of international, multinational, global and transnational companies
- be aware of the strategic arguments regarding standardisation and local adaptation

SUMMARY

This chapter reviewed the problems associated with global marketing communications. It discussed a typology that included international, multinational, global and transnational companies and the key messages, management focus, control structure and agency involvement seen to be associated with such companies. The chapter discussed the principal area of contention in international marketing communications, namely standardisation or adaptation, not only of the product/service but of the brand messages associated with it. The arguments for standardisation are based on potential economies of scale, supported by the proposal that markets are becoming more homogeneous. The arguments for adaptation are, however, powerful and largely relate to language differences, cultural nuances, management issues, socio-economic conditions, technological development, brand status and government regulation. Given the weight of evidence, the phrase 'think global – act local' is particularly relevant. The chapter concluded by looking at the internationalisation of communications agencies.

REVIEW QUESTIONS

1. Describe what you understand by the term 'international company'.
2. What are global brands known to drive?
3. What strategy is used by multinational or global organisations to unify brand names across markets?
4. Name three barriers to standardisation.
5. What difficulties can language impose on standardisation?
6. Despite humour being highly culturally specific and a barrier to standardisation, there is one form of humour that can have international appeal. What is it?
7. In markets with high levels of consumerism, how are brand benefits delivered to the consumer?
8. What may happen to the status of a brand when it enters an international market?
9. What is the term used to describe a target segment associated with old age?
10. Describe the principal differences between high and low consumerisation.

DISCUSSION QUESTIONS

1. There is evidence to suggest that the country of origin can impact on the appeal of goods in certain markets. To what extent do you believe this is true? Consider a selection of foreign products you are familiar with and consider to what extent their country of origin impacts on their promotion and presentation.
2. Redraw the strategic matrix of international brand options, adding your own examples. To what extent have the companies you have categorised as 'standardised' actually done so and why do you think this is?
3. As a product manager, how would you decide on the degree of standardisation or adaptation to be applied to your advertising activities? What data would you gather to help with this decision and why?

CASE STUDY QUESTIONS

1. Explain why a model that allows its franchisee, management and shareholders to share the risks and rewards of new business should be so successful?
2. Do you believe the change in product portfolio will be enough to stem opposition to the brand?
3. If you were McDonald's global strategist, what would you propose to the company in the next 5 to 10 years?

ETHICAL MARKETING AND THE REGULATORY ENVIRONMENT

19

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the problems associated with ethical marketing
- detail those ethical breaches associated with the advertising industry and the arguments for and against them
- understand the relationship between self-regulation and legislation
- comprehend those advertising industry codes relating to misleading or offensive advertising
- be aware of ethical concerns in the sales promotion, public relations, personal selling and direct marketing industries.

SUMMARY

This chapter reviewed the ethical and regulatory environment in which marketing communications operates. Recognising the perception of marketers as untrustworthy, the chapter queries whether it is the place of marketers to submit or push the boundaries of moral welfare and concluded that it was an individual marketer's responsibility to judge where to draw the line.

The chapter reviewed the accusations made against advertising of a number of ethical breaches, including that it promotes materialism, wastes resources, creates unwanted needs, perpetuates stereotyping, causes people to use harmful products, promotes unethical brands, inhibits media coverage, targets vulnerable groups and delivers subliminal messages, and the arguments for and against them. It also reviewed the relationship between self-regulation and legislation and considered whether the former, despite its advantages, was losing ground as

more and more national and transnational legislation is introduced. It noted that advertising regulators were particularly concerned about certain marketing practices, including comparative advertising, pricing claims, trademarks and passing off, product descriptions, promotions, data protection, international law and marketing to children. They were also concerned with certain product categories, including financial products and services, food and drink, medicines, cigarettes, and products and services associated with children.

The chapter looked at the work of the Advertising Standards Agency and other U.K. agencies and noted that their focus was on misleading and/or offensive advertising. It also noted that as campaigns increasingly cross national borders so international advertising bodies are colluding in the hope of holding back legislation.

The chapter concluded by looking at ethical issues outside of advertising in the fields of sales promotion, public relations, personal selling and direct marketing.

REVIEW QUESTIONS

1. What do you understand by the term 'ethical marketing'?

Ethics, according to the Oxford English Dictionary, is 'a set of moral principles' (OED 2009). A concise definition of the term ethical marketing is a set of moral principles that governs an individual's behaviour. Ethical marketing is concerned with social well-being as related to marketing practice. Unethical conduct, it is suggested, has negative consequences for the contemporary organisation, ranging from adverse publicity and diminished corporate reputation to lower employee morale, customer boycotts and even legal sanctions (Yeshin 2006).

2. To what extent might advertising inhibit media coverage?

A perennial charge is that advertisers use their strength to inhibit free speech or distort information flow.

3. What do you understand by the term 'Chinese Wall'?

The term 'Chinese Wall' has been used to describe the relationship between the content function (i.e. news, entertainment) and the advertising function (Sheehan 2004). The 'Chinese Wall' should guard against potential conflicts of interest between advertisers and the media, but it is widely suggested that the concept fails to live up to its promise.

4. How would you use an advertorial?

A magazine or newspaper advertisement that is written in the style of an editorial and which may be mistaken as such.

5. To what extent might industry legislators be concerned with marketing practices?

There are a number of areas of general concern to legislators. These fall into two sections – those relating to marketing practices and those product categories where potential abuse would be most damaging:

- marketing practices
- comparative advertising
- pricing claims
- trademarks and passing off
- product descriptions
- promotions
- international law

- data protection
- marketing to children and other vulnerable groups
- product categories
- financial products and services
- food and drink (including alcohol)
- medicines
- cigarettes
- products associated with children.

6. What is the difference between 'opt in' and 'opt out' in direct response advertising?

UK data protection legislation demands consumers 'opt in' if they wish their data to be used rather than having to 'opt out' as in the past.

7. Explain the role of the ASA.

In the United Kingdom, the Advertising Association, founded in 1924, very early on issued a set of ethical codes it encouraged its members to work to. This was encapsulated in the call to advertisers to seek truth and avoid exaggeration, misleading claims and unfair competitive criticism (Brierley 2002). These codes of practice have developed over the years and are still today administered by the industry in the form of the Advertising Standards Authority (ASA), whose role it is to 'make sure all advertising², wherever it appears, is both honest and decent' (ASA 2013).

8. What constitutes misleading advertising?

Advertisements are not allowed to mislead consumers. This means that advertisers must hold evidence for claims that they make about their products or services before the advert appears. As the ASDA example in Chapter 9 shows, there is a fine line between deliberately misleading consumers and competitive hyperbole or puffery.

9. Define permission marketing.

Promoting authorised data collection strategies under the heading of 'permission marketing'. The logic is that consumers who proactively allow you access are going to be better prospects.

10. Why might a company appoint a marketing compliance officer?

An officer is responsible for ensuring the organisation complies with laws and regulations.

DISCUSSION QUESTIONS

1. How do you decide if something is ethical or not?
2. Do you believe that advertising actually wastes resources? To what extent might this be true?
3. What are your views on stereotyping in advertising? Under what circumstances might it not be acceptable?
4. Does self-regulation work?

²One exception to this in the United Kingdom is political advertising. As this does not fall under the remit of the ASA, politicians are excused from the requirement to be honest and truthful.

CASE STUDY QUESTIONS

1. Why was Vinnie Jones used as the brand's ambassador?
2. For what reason were the Advertising Standards re-evaluated in 2009 and what effect might this have had on Bacardi's advertising?
3. Why was Bacardi involved in a corporate social responsibility programme?
4. What message is Bacardi's more current advertising seeking to communicate?

USEFUL WEBSITES

For an up-to-date list of companies threatened with boycotts, go to: <https://www.ethicalconsumer.org/ethicalcampaigns/boycotts>

For tips on how to be an ethical Consumer and a list of ethical brands explore: www.ethicalconsumer.org

For the principles of the GDPR legislation see <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/principles/>

CHAPTER CONTENTS

- Learning Objectives
- Summary
- Review Questions
- Discussion Questions
- Case Study Questions
- Useful Websites

LEARNING OBJECTIVES

Having completed this chapter, readers would be expected to:

- understand the history and development of the modern communications industry
- comprehend the changes in structure and remuneration systems and what brought them about
- understand the basic functions associated with agencies and specialist independent and dependent agencies
- be aware of the factors involved in agency selection.

SUMMARY

This chapter looked at the modern communications industry from the perspective of its historical development and the changing needs of the twenty-first century. The industry today, it was suggested, is a complex legacy of developments that took place throughout the previous three centuries. Principal among these was the industry remuneration system that ultimately became standardised by agreement between the agencies and media owners and dominated the industry through to the 1970s. The demise of the commission system heralded change from 'full service' agencies to a more diverse system of independent and dependent agencies working within networks. Typical agency services were discussed, including account management, account planning, creative design, media management and the production function, and contemporary remuneration methodologies were highlighted. The chapter concluded by reviewing the way clients employ agencies with particular emphasis on the importance of the brief.

REVIEW QUESTIONS

1. What functions would you expect an agency to perform?

Traditionally, the agency has been seen as an intermediary, first as the agent of the media and then on behalf of the client.

2. What is the role of media management?

Media management involves getting the messages created into the appropriate media at a time and cost that fulfils the objective of the campaign and within the budget allocated. This 'function' has, more recently, been largely separated from agency management, with the creation of 'media independents' and 'media dependents'.

3. Explain the function of account management.

The account management function is responsible for liaison with the client and ensuring that their needs are being fulfilled by the agency. Account managers are also charged with ensuring that time-tables are kept and that all work is completed within budget.

4. What has been the principal driver to change in the traditional agency structure and why is this so?

Client organisations are looking to set the communications agenda rather than relying on formally powerful agencies to set it for them. The move to more digitally driven advertising, social media and the merging of television, computing and mobile platforms has been significant in this regard. In 2011, internet advertising rose by 14.4% compared with a 2.7% rise in advertising overall (Internet Advertising Bureau UK) and advertising across all digital channels was forecast to reach one-half of all advertising spend by 2020 (Zenithoptimedia). This, coupled with the trend towards integrated marketing communications, has been the principal driver towards change in the industry.

5. How would you describe the function of a retainer fee?

A fixed amount of money that a client agrees to pay, in advance, to secure the services of an agency or specialist.

6. How might companies shortlist an agency?

Via a pitch and then some companies issue a questionnaire to agencies they are considering to assist in shortlisting and to try to ensure that the criteria they establish are met by potential contenders (Yeshin 2006). Even more influential than information from trade bodies or consultancies is reputation, which plays a big part in determining who appears on the pitch list.

7. List the main agency reimbursement options. Contemporary reimbursement options include:

- retainer fee
- project fee
- fee based on time spent
- scale fee and bonus
- consultancy and concept fee
- licensing fee
- output or 'off-the-shelf' rate fee
- commission fee
- performance-based fee or payment by results (PBR).

8. Define 'PBR'.

Performance-based compensation or payment by results (PBR) is based on targets set against a particular campaign.

9. What makes up the tripartite nature of the communications industry?

The communications industry might be described as a simple network based on a tripartite relationship where the major players are the client, the agency and the media.

10. Explain what is meant by a full-service agency.

An agency that covers a full range of disciplines, including copy writing, design and media purchase.

DISCUSSION QUESTIONS

1. If you needed to recruit a new advertising agency, how would you go about it and why? On what basis would you make your decision on who to use?
2. Where do you believe problems might occur between an agency and a company in the development of an advertising campaign?
3. You have a new product to launch. It needs to be kept secret from the competition, but you are using an outside agency to do the above-the-line work. How much do you tell them and why? What might the consequences be of your decision?

CASE STUDY QUESTIONS

1. In what way are campaigns seen to be changing?
2. This return to fundamental marketing tactics should serve as a reminder to all marketers that often traditional, channels can provide a trusted platform for engagement between consumer and brand. Discuss.

USEFUL WEBSITES

Visit the BraD website at: <https://bradinsight.com/>

For more on the history of advertising, go to: www.hatads.org.uk/

Watch the short film 'the Last advertising agency on earth' a tongue-in-cheek look at life without advertising: <https://www.youtube.com/watch?v=ERGrSQoY5fs>