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Chapter 9

Choose Your Communication Weapons: SS+K Decides Upon a Creative Strategy and Media Tactics

Figure 9.1 Six Months to Launch!

The Pitch Chapter 1	Client's Business Chapter 2	Advertising and Society Chapter 3	Consumers and Communication Chapter 4	Research Chapter 5	Audience Identification Chapter 6	Budget Chapter 7
Strategy	Marketing and			Final		

The advertiser's toolbox is a deep one, and it's expanding by leaps and bounds. Indeed, the problem often is to figure out which tool—or even better, *combination* of tools—will work best to solve a specific strategic issue. In the old days (say, fifteen to twenty years ago), agencies tended to have one approach that they used over and over for every client. Good at doing TV commercials? Shoot them for everyone. Specialize in outdoor? Roll out the poster boards. But yesterday's "hammer in search of a nail" approach won't cut it anymore.

Today it's more common for agencies to think about themselves as being not so much in the advertising business as in the *communications* business. Sure, that's just a word change—but the implications are huge. This switch is a constant reminder that we need to consider *any* way to communicate with customers that makes sense for that particular segment—and there's often more than one way to skin a cat.

The **integrated marketing communications perspective**¹ emphasizes the careful, strategic blending of many diverse elements to be sure that the client's message touches the customer in the same way regardless of *where* this interaction occurs. That sounds like plain common sense, but you'd be surprised how often it's a problem—especially in an industry where a client might give its advertising business to one agency, hire a separate firm to handle its public relations, and have still another conduct sales promotions.

1. A marketing strategy that blends many diverse elements so that the client's message touches the customer in the same way regardless of *where* this interaction occurs. Most major agencies today practice the integrated marketing approach in some way, often by starting new divisions to handle areas they didn't tackle before, or buying (or allying with) smaller, specialized shops that are already experts. The client is ultimately accountable for managing its agencies in a way that supports its overall communications vision. For example, SS+K worked with msnbc.com's search agency 360i to support the integrated branding campaign. (You'll learn more about the way they worked together soon.) Marketers are the people most conscientious about coordinating all of the messages that customers receive, but they rely on their agencies to be vigilant about this as well. So, let's summarize what an integrated perspective emphasizes:

- *Use, and especially coordination, of all promotional tools available to support a communications strategy.* These include sales promotions, public relations, personal selling, and direct marketing, as well as advertisements.
- *Identification of the tools over and above traditional advertising at your disposal.* These might include placing branded billboards in videogames, dressing actors in costumes and having them take to the streets as "brand ambassadors," or perhaps sending IMs to kids on their cell phones.
- *Creation of a coordinated promotional plan.* Such a plan starts by specifying communications objectives and then details how to reach each of these.
- *Maximization of resources.* Especially for small businesses, maximize available resources even when they are scarce. Repurposing ads and utilizing connections are strategies that maximize resources.

SS+K Spotlight

All of us are better than each of us.

The point of strategic communication is to use the best tools available to effect the desired change in the marketplace. SS+K, like some other agencies, no longer draws hard-and-fast distinctions among functions such as advertising, promotions, direct marketing, and digital and public relations. SS+K's goal is to achieve synergy among all the efforts that emanate from the msnbc.com brand—to choose the best tools for the job, not the ones that are most expected or familiar.

Compared to the "silos" that pervade some agencies, agency creative director Marty Cooke sees more value in combining disciplines than isolating them:

"The basic core idea of SS+K...is to get the different disciplines of communications, writers, art directors, designers, planners, strategy people, researchers, public relations guys, public affairs guys, digital people, direct mail people, whoever else you need, around the table, the biggest brains you can get and let the sparks fly. And that's been kind of the magic of this place ever since we started it, and it's worked out very well."—Marty Cooke, Agency Creative Director

Video Spotlight

Thinking Differently

(click to see video)

Marty describes how SS+K found the integrated approach.

9.1 Integrated Marketing Communications: United We Stand

LEARNING OBJECTIVES

After studying this section, students should be able to do the following:

- 1. *Describe* the integrated marketing communications perspective.
- 2. *List* the various forms of marketing programs that are united by integrated marketing communications.

The punk band Paramore is getting noticed; the group from a small town in Tennessee sold more than 350,000 copies of its recent second album "Riot!" and it's packed the house on the Vans Warped Tour. Part of the band's appeal is the cult following for lead singer Hayley Williams (and legions of young girls imitating her shaggy blonde and orange hairstyle). But the group's success is also due to a new business model in the music industry, where musicians work with their label to coordinate a marketing campaign that includes album sales, concert tickets, and merchandise. This model is called *multiple rights* or **"360" deals**²; the biggest to date is Madonna's recent \$120 million package with the concert promoter Live Nation. Lordi, a Finnish metal band, has its own soft drink and credit card, and the Pussycat Dolls opened a Dolls-themed nightclub in Las Vegas.Jeff Leeds, "The New Deal: Band as Brand," *New York Times Online*, November 11, 2007, <u>http://www.nytimes.com/</u> <u>2007/11/11/arts/music/11leed.html</u> (accessed November 11, 2007). Welcome to the new look of integrated and cross-channel marketing.

Integrated marketing communications³ unites all forms of marketing programs aimed at a target audience, including magazine ads, TV commercials, coupons, an opportunity to win a sweepstakes, a display at the store, and a visit from a company sales rep. There's good reason to integrate: by coordinating the messages across all the communication tools, a company will speak to its customers and potential customers in a single, unified voice. This unified voice creates a more powerful and memorable message than disjointed efforts produce.

- 2. A coordinated marketing campaign that includes album sales, concert tickets, and merchandise; also called *multiple rights.*
- 3. A strategy that unites all forms of marketing programs aimed at a target audience, including magazine ads, TV commercials, coupons, an opportunity to win a sweepstakes, a display at the store, and a visit from a company sales rep.

Dig Deeper

When Unilever introduced its All Small & Mighty detergent, it used a traditional ad campaign (TV and print) to make the point that the new detergent is concentrated, packed in a smaller bottle to create a smaller ecofootprint while delivering the same results. In addition, Unilever handed out samples from a bus; it made the bus noticeable by draping it in laundry. Anyone who spotted the bus could also send a text message to enter a sweepstakes. Unilever also projected "videoscapes" onto buildings and did a product placement on *The Ellen DeGeneres Show*, in which the studio audience did their laundry.Sarah Heim, "The Spin Cycle," *Adweek*, July 23, 2007, 22.

Campaigns that utilize multiple media platforms make a lot of sense, especially in today's media environment. The simple truth is that consumers increasingly rely on a greater mix of media for news, entertainment, and product information. According to a late 2007 survey, 55 percent of consumers who watch TV watch some type of video on devices other than their TV sets, including their computers, mobile phones, and digital media players (e.g., iPod). Not surprisingly, video watching on these alternative devices is more popular among younger consumers (66 percent) than older ones (36 percent).Jack Loechner, "Over Half of Connected TV Viewers Also Watch on Alternative Devices," <u>http://www.mediapost.com/publications/</u> index.cfm?fa=Articles.show Article&art_aid=73291 (accessed January 2, 2008).

Audio Spotlight

Joe Kessler

http://app.wistia.com/embed/medias/b837825e42

Joe Kessler, SS+K partner and director of the agency's L.A. office, speaks about the evolution of integrated marketing—how it was practiced in the past (referred to as IMC) and the mistakes that agencies continue to make now.

Creating integrated marketing communications requires deciding what kind of campaign the client needs and identifying the best tools to deliver on those objectives. The integrated program will include anything from advertising, consumer sales promotion, and trade promotions to public relations, personal selling, direct marketing, and more. The messaging works across platforms, and is also referred to as cross-platform marketing. Let's look at each of these in turn.

KEY TAKEAWAY

Traditional agencies tend to focus on what they do well, but customers touch clients' products in many ways. An integrated perspective recognizes the value and efficiency of carefully planning and coordinating all of the communications tools—from glitzy TV commercials to employees' uniforms—that impact the impression the client makes in the marketplace.

EXERCISES

- a. Describe the integrated marketing communications perspective and comment on its usefulness to advertising professionals.
- b. Explain how the SS+K advertising agency seems to differ from other advertising agencies with respect to communications and media focus.

9.2 Elements of the Promotional Mix: The Advertiser's Trusty Tools

LEARNING OBJECTIVES

After studying this section, students should be able to do the following:

- 1. List and describe each of the elements of the promotional mix.
- 2. *Characterize* the various forms of sales promotion.
- 3. *Describe* the purpose of public relations.
- 4. *Characterize* the tools used to implement PR objectives.
- 5. *Discuss* how personal selling can be used effectively in the promotional mix.
- 6. *Discuss* the value of direct marketing in the promotional mix.
- 7. *Explain* the concept of database marketing and how it can benefit advertisers.
- 8. *Explain* the benefits of using customer relationship management (CRM) in the marketplace.

We've already learned about the Four Ps that go into the *marketing mix*; these are the tools marketers use to create a value proposition for their idea, product, or service in the marketplace. When we drill down to the crucial P of Promotion (the reason you're reading this book), you won't be surprised to learn of an equivalent set of tools that advertisers use (either singly or, more often, in concert) to communicate the important elements of that value proposition. We call these tools the **promotional mix**⁴.

Sales Promotions

A sales promotion is activity intended to produce some short-term change in behavior. This can range from a cents-off coupon that motivates a customer to buy a box of cereal today to a sales contest that inspires an employee to sign up as many customers as he can by the end of the month.

When the Target Is Consumers

Sales promotions⁵ targeted to consumers encourage purchase or build interest in a product during a specified time period. The key element of sales promotions is its limited-time nature. Consumer sales promotion tools include the following:

- 4. Set of tools that advertisers use to communicate the important elements of the promotional value proposition.
- 5. A basic tool in the promotional mix; any activity intended to produce short-term change in behavior, including limitedtime incentives for consumers and for trade partners.

Price or Value Discount Promotion Tools

Price or value discount promotion tools include **coupons**⁶ for packaged-goods products like deodorant. These offer cents off the price and have an expiration date of a few months out, encouraging immediate purchase. Similarly, pizza delivery companies located near colleges typically have special deals at the start of the semester to entice new customers.

In addition to coupons companies place in newspapers, send by mail (or by mobile phone), or offer on a Web site, a marketer may offer a temporary price reduction at the store or offer a rebate. Unlike a coupon, which gives the discount immediately upon purchase, a **rebate**⁷ refunds part of the purchase price to the consumer after the consumer fills out and returns a form along with a sales receipt to the company.

Bonus packs⁸ deliver more product without more cost, such as 20 percent more nuts in a canned nut mix, or 33 percent more liquid soap for the same price. Some companies offer bonus packs twice a year as a way to reward customers with special offers. Other companies time their bonus packs to economic cycles. "Whenever there is a downturn in the economy, we do very well with bonus packs and opening price shampoos like Suave, VO5 and Jheri Rhedding," said Larry Vick,

divisional merchandise manager for ShopKo. During difficult economic times, people are careful with their money and like to buy products that offer more of the good for the same amount of money.Liz Parks, "Value-Priced Bonus Packs Revive Limp Hair Care Segment." *DSN Retailing Today*, April 22, 2002, 19. Hint: With all of the economic woes surrounding us, the coupon business is a pretty nice place to be right now.

Visibility-Increasing Promotion Tools

A **premium**⁹ is a free item you receive if you purchase another item. Sexy Hair Concepts, for example, offered free styling gel with purchase of their shampoo or conditioner during the "Girls Night Out" days at Beauty Brands retail stores. In some cases, the premium may directly encourage future product sales, such as the Campbell's Soup Cookbook containing new recipes that just happen to call for additional soup flavors.

Figure 9.2



Coupons offer an incentive to purchase the product in a specified time frame.

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- 6. A tool in the promotional mix that offers consumers cents off the price and has an expiration date of a few months out, encouraging immediate purchase.
- 7. A tool in the promotional mix that refunds part of the purchase price after the consumer fills out and returns a form along with a sales receipt.
- 8. A tool in the promotional mix that packages an extra amount of the product for the same price; may be timed to economic cycles.
- 9. A tool in the promotional mix that gives consumers a free item with purchase of another item.

Contests¹⁰ and **sweepstakes**¹¹ offer the opportunity to win an exciting prize like a vacation to Hawaii or a \$1,000 shopping spree. The difference between the two is that a contest is a test of skill, whereas a sweepstakes is simply based on luck. For example, a contest may ask consumers to bake a cake using the brand as an ingredient, whereas a sweepstakes simply requires filling out the entry form.

By law, sweepstakes cannot be tied to a purchase, which means that any consumer can be eligible to win the prize if they fill out the entry form. Therefore, it's best to use sweepstakes to build awareness of your brand, not to drive immediate sales. The sweepstakes should be cleverly tied to your brand. For example, if your product is canned pineapple, a sweepstakes with the grand prize of a trip to Hawaii makes sense. If your product is motor oil, a sweepstakes in which the grand prize is a chance to be on a NASCAR pit crew team is more relevant and effective than winning a lunch date with Hannah Montana (Danica Patrick is another story). Sweepstakes also offer an opportunity to generate publicity (discussed below) during a time when you are not introducing new products.

Volume-Increasing Promotion Tools

Sampling¹² is a popular (though expensive) promotional tool. Food and beverage companies often provide free samples to consumers to give them a chance to try a new product for free. More than one college student has feasted for free by timing strategic visits to stores like Sam's Club that provide tastes of new food items. Sometimes the packets will be a smaller trial size, such as two packets of Celestial Seasonings tea rather than a box; other times the sample will be full size, like a cup of Silk yogurt. In the example we mentioned previously, Unilever handed out free samples of its new detergent. Sampling intends to increase future sales volume by acquiring new customers for the product.

- 10. A tool in the promotional mix that offers consumers the opportunity to win a prize; winning is based on skill and may involve purchasing or using the product (e.g., a recipe contest using a certain food item).
- 11. A tool in the promotional mix that offers consumers the opportunity to win a prize; winning is based on luck and by law cannot be tied to purchase.
- 12. A tool in the promotional mix that offers consumers a product for free; samples are often trial size but may be full size.

Loyalty programs¹³ reward consumers for their frequent, continuing purchase of a product. Frequent flyer programs such as the United Airlines Mileage Plus program offer free miles to their customers with each flight they purchase. The more miles they fly per year, the bigger the bonus mileage. For example, customers who fly fifty thousand miles or more per year get double bonus miles (a hundred thousand miles or the equivalent of four free airline tickets in the United States) for the miles they've purchased. These loyalty programs offer additional perks, such as shorter lines, to their loyal customers. Restaurants or coffee shops often have punch cards that reward customers with a free coffee or sandwich after the purchase of nine coffees or sandwiches.

Video Highlight

Figure 9.3



Sales promotion techniques are used to attract attention and make the product memorable.

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Loyalty Programs, Discounts, and Database Marketing Report from CBS News

(click to see video)

Loyalty programs and other discounts can drive purchases, but do they really result in loyalty or do they encourage consumers to shop for the best deal?

When the Target Is Trade Partners (Employees, Distributors, and Retailers)

As consumers we probably don't see many of the more aggressive promotions that companies sponsor. Trade promotions are for a company's employees or for channel partners such as retailers or wholesale distributors who help get the product in the hands of the ultimate customer.

Trade promotions fall into two main categories: discount promotions and industry visibility. **Discount promotions**¹⁴ offer the trade partner a reduced cost on the product or help to defray the partner's advertising expenses. The goal is to encourage the partner to stock the item and bring attention to it. Promotions that increase industry visibility, on the other hand, focus on creating enthusiasm and excitement among salespeople and customers.

- 13. A tool in the promotional mix that rewards consumers for their frequent, continuing purchase of a product; examples are airline frequent flyer programs and restaurant punch cards.
- 14. A tool in the promotional mix that encourages a trade partner to stock an item by offering a reduced cost or helping to defray the partner's advertising expenses.

Discount Promotions

Merchandising allowances¹⁵ are price breaks the manufacturer offers to its channel partners when it reimburses the retailer for in-store support of a product, such as a special off-shelf or end-of-aisle display of the product. For example, when Volvo wanted to double the sales of its certified used vehicles, it offered dealers a \$200-per-vehicle cooperative advertising allowance.

Case allowances¹⁶ are a discount the manufacturer offers to the channel partner based on the volume of products it buys during the deal period. The greater number of products the partner buys, the greater the discount.

Visibility-Increasing Promotions

Industry **trade shows**¹⁷ are events at which manufacturers showcase their products, often in elaborate, attention-getting booths or through giveaway samples and product information. Distributors and retailers learn more about a company's products and can ask questions or experience the product directly. The manufacturer, in turn, collects business cards and sales leads on potential partners. For example, to draw customers into its booth at fluid industry shows, ITT (a company that manufactures fluid technology systems) built a water fountain branded with ITT and placed a sixty-by-eighteen-foot, three-dimensional banner at the entrance to the convention hall.Kate Maddox, "The Future Looks Bright, with Marketing Expanding and Online Exploding," *B to B*, December 11, 2006, 28.

- 15. A tool in the promotional mix in which a manufacturer reimburses its channel partners for support of a product, such as reimbursing retailers for a special off-shelf or end-of-aisle display.
- 16. A tool in the promotional mix in which a manufacturer offers a discount to the channel partner based on the volume of products it buys during the deal period.
- 17. Promotional event at which manufacturers showcase their products, often in attentiongetting booths or through giveaway samples and product information.

Dig Deeper

The trade show industry generates billions of dollars a year and affects the economies of many other sectors such as travel and hospitality. Some major trade shows dwarf the size of small cities when they're running; shows like MAGIC (menswear apparel) and CES (computers and technology) easily attract over a hundred thousand attendees. In a typical (2009) show, CES features twenty-seven hundred exhibitors spanning thirty product categories. Approximately twenty thousand new products will launch at this event.International CES, <u>http://www.cesweb.org/exhibitorDirectory/</u><u>default.asp</u> (accessed July 12, 2008). Trade shows are a major expenditure for companies; the typical mid- to large-size firm spends well over half a million dollars each year to display at shows. That's a lot of free T-shirts, tote bags, and sore feet by the end of the day.

Despite the appeal of these shows where freebies, parties, and networking (and the occasional drunk conventioneer) abound, there are alternatives to these massive schmoozefests. As travel costs continue to escalate along with concerns about the sizeable carbon footprint that a hundred thousand people create when they converge on convention sites like Las Vegas, some industries are starting to experiment with virtual trade shows that you attend from your desktop. Both IBM and Cisco are proponents of this alternative.

Some of these virtual shows are accessible via Web sites that give you access to hundreds of exhibitors, job listings, and so on. Others are even more adventurous; they are held in virtual worlds where your avatar can wander among aisles of exhibitors, look at new products, dialogue in real time with company representatives, even taste the free hors d'oeuvres (well, maybe not quite yet). Startup companies like Unisfair are moving aggressively into this virtual space.

One of the biggest advantages of a virtual trade show is that the exhibitors can track the behavior of potential customers who visit the show. Since attendees are anonymous, they won't be intimidated by pushy salespeople, so they're free to stay or leave when they choose.Janet Meiners, "Trade Shows Go Virtual," *Marketing Pilgrim*, November 16, 2007, <u>http://www.marketingpilgrim.com/</u>2007/11/trade-shows-go-virtual.html (accessed July 12, 2008); <u>http://www.unisfair.com</u> (accessed July 12, 2008).

Check out Unisfair (<u>http://www.unisfair.com</u>) and sample some virtual trade show environments. What's your verdict—is this a viable substitute for that Vegas junket you're hoping to glom onto?

Incentive programs¹⁸, also known as push money, give salespeople or channel partners free trips, cash bonuses, or other gifts as a reward when they sell the manufacturer's product. For example, Revlon may give incentives to manicurists to recommend Revlon products to their clients.

Promotional products¹⁹ are the "swag" that companies give out, stuff like free pens, polo shirts, coffee mugs, and key chains emblazoned with a company's logo. The purpose is to keep the brand top of mind by keeping it visible in the channel partner's daily life. The most effective promotional products are ones that are attractive and convey a positive message about your product or services. They often keep a brand or company top of mind because the logo is hard to miss when you use or wear the premium. To get an idea of the mind-boggling array of swag that's available out there, visit *The Gifts & Premiums Manufacturers Directory* at http://www.globalsources.com/suppliers/Gift-Premium/3000000151985.htm. And you thought scoring a free pen was a major coup!

Public Relations

The purpose of **public relations (PR)**²⁰ is to build good relationships with the advertiser's publics, namely consumers, stockholders, legislators, and employees. We define PR as "communication that attempts to earn public understanding and acceptance of the firm by stressing the practices, policies, and procedures of an individual or the organization. This can be accomplished by identifying donations to charitable organizations, sponsorship of esteemed causes or events, contributions to individual, community, or societal well-being, and so on."Quoted in Stephen J. Grove, Les Carlson, and Michael J. Dorsch, "Comparing the Application of Integrated Marketing Communication (IMC) in Magazine Ads Across Product Type and Time," *Journal of Advertising* 36, no. 1 (Spring 2007): 37.

Although it's difficult to agree on a definition (depending who in the industry you ask), public relations frequently focuses on identifying and making public noteworthy information about clients, or creating newsworthy events for the purposes of heightening their clients' public profiles. Traditionally, communications professionals have perceived public relations differently from advertising, which is persuasive, controlled content paid for by an identified

- 18. A tool in the promotional mix that gives salespeople or channel partners free trips, cash bonuses, or rewards when they sell the manufacturer's product.
- 19. A tool in the promotional mix also known as *swag*: free merchandise such as pens, coffee mugs, and polo shirts emblazoned with a company's logo, intended to keep the brand top of mind.
- 20. Communication intended to earn public understanding and acceptance of the firm by stressing the practices, policies, and procedures of an individual or the organization. This can be accomplished by identifying donations to charitable organizations, sponsorship of esteemed causes or events, contributions to individual, community, or societal well-being, and so on.

sponsor. To the contrary, PR messages are not purchased and placed, or ultimately controlled, by clients. If news or information pieces originating with PR sources ultimately make it into the public discourse, it is presumably because the items warrant attention on their own merits and the original source of the information—the public relations professional—is obscured.

Today, distinctions between the disciplines are less clear-cut: frequently, advertising agencies are instrumental in trying to cultivate social networks and free, word-of-mouth exposure for their clients. **Guerrilla marketing**²¹, like events staged by public relations professionals that "ambush" consumers with messages in places they're not expecting to encounter them, can be effective ways of attracting highly valued news coverage for clients. Advertising agencies initiate and exploit consumer-generated content that is used for commercial purposes, thereby relinquishing control of the creative product in the process, much as PR professionals do when they issue press releases for editors to reformulate for their audiences. Some agencies take advantage of the relative anonymity of the Internet to develop positive chat and "consumer" reviews about their clients' products—the source of content promoting products is not always clearly linked to an agency source, as public relations sources are seldom identified as the source of stories featuring their clients.

Video Highlight

Guerilla Marketing (and Integrated Marketing Communication)

(click to see video)

The Chiquita Beach Tour is an example of an integrated marketing communications (IMC) plan that includes guerilla marketing.

Press Release

One core tool of public relations is the **press release**²², which can be anywhere from a paragraph to several pages long. The press release is a report of an event that the marketer (or the marketer's PR agency) writes and distributes to the media in hopes that they will write about or feature the event. Related to the press release is the **video news release (VNR)**²³, which describes the event via video rather than words. The topics covered by press releases are wide ranging, but the common thread is that they are topical and newsworthy, such as announcing a new product, new research, or timely helpful information to consumers, such as romantic getaway ideas a travel company publishes ahead of Valentine's Day.

- 21. A tool in the promotional mix in which public relations professionals stage an event to "ambush" consumers with messages in places they're not expecting to encounter them.
- 22. A public relations tool in the form of a report of an event that the marketer (or the marketer's PR agency) writes and distributes to the media in hopes that they will write about or feature the event.
- 23. A public relations tool in the form of a video of an event which the marketer (or the marketer's PR agency) produces and distributes to the media in hopes that they will show the video or feature the event.

Video Highlight

Press Release on Skin Care

(click to see video)

This Be Fine skin care video news release (VNR) demonstrates how a company can provide information about its products in a news format.

Press releases always conclude with contact information for the marketer and sometimes the PR company. This key piece is so that reporters can call for more information or an interview. A popular disseminator of press releases is *PR Newswire*; go to <u>http://www.prnewswire.com</u> to see the latest news releases.

Media Event

A company will often preannounce a forthcoming **media event**²⁴ to garner attention for a product introduction, new channel partner, or major change in strategy. The goal is to give the media time to create background stories and bring reporters and news crews to the event to ensure the broadest possible audience. For example, when Apple brought the iPhone to the United Kingdom, it told the press that Steve Jobs, the company's CEO, would be making an announcement at Apple's London store in the heart of the city's main shopping district.

Publicity

Public relations often aims to generate **publicity**²⁵, which is unpaid communication about an organization that appears in the media. The success of a PR campaign is measured in terms of **impressions**²⁶—the number of times a company is mentioned in the media. For example, Ben & Jerry's ice cream created the world's largest baked Alaska for Earth Day 2005. It placed a 1,140-pound, four-foot-tall dessert made from Ben & Jerry's Fossil Fuel flavor in front of the Capitol in Washington, D.C., to symbolize the environmental damage that drilling in the wildlife preserve would cause. The program cost only \$40,000 but generated more than thirty million media impressions. The publicity program reinforced Ben & Jerry's brand as a socially conscious, green company while bringing attention to its ice cream products."Ben & Jerry's: A Green Pioneer," *Advertising Age*, June 11, 2007, S-8.

- 24. A public relations tool in the form of a preannouncement to the media to garner attention for a product introduction, new channel partner, or major change in strategy.
- 25. Unpaid communication about an organization that appears in the media.
- 26. The number of people who will be exposed to a message that appears in one or more media vehicles.

Dig Deeper

A publicity campaign for a late-night cartoon show backfired when it aroused fears of a terrorist attack and temporarily shut down the city of Boston in 2007. To promote the Cartoon Network TV show *Aqua Teen Hunger Force* (a surreal series about a talking milkshake, a box of fries, and a meatball), an agency placed prominent blinking electronic signs with hanging wires and batteries on bridges and in other high-profile spots in several U.S. cities. Most depicted a boxy cartoon character giving passersby the finger. Bomb squads and other police personnel required to investigate the mysterious boxes cost the city of Boston more than \$500,000—and a lot of frayed nerves.Suzanne Smalley and Raja Mishra, "Governor, Mayor Livid as Boston Ad Stunt Spurs Chaos," *Boston Globe*, January 31, 2007, http://www.boston.com/news/local/massachusetts/ articles/2007/01/31/governor_mayor_livid_as_boston_ad_stunt_spurs_chaos/ (accessed February 13, 2009). Can you identify other publicity stunts that ended badly? Or (as the saying goes) is it true that "there's no such thing as bad publicity" if the stunt calls attention to the client?

Crisis Management

As the Cartoon Network found out, publicity can cut both ways. Sometimes negative events happen to the company and the media reports these in great and glaring detail. Product defects, a serious accident at a company facility, management malfeasance, or major layoffs can tarnish the reputation of the firm. A company must be prepared to deal with such negative publicity.

Once the negative story is out there, there's nothing you can do except minimize the damage. That calls for **crisis management**²⁷. During such a time it's important to present your side of the story as clearly as possible and to demonstrate integrity as you correct any mistakes. The best way to do this is to have a *single spokesperson* talk with the media. This may mean "locking the business down" by asking everyone on the staff not to comment on the news story but to refer the question to the spokesperson so that the message is consistent and accurate. The most trustworthy spokesperson for the company is usually its CEO, because such high-level attention will show that the CEO stands behind the company.

27. Public relations tool used when a negative event (a product defect, a serious accident, executive malfeasance) happens to the company; usually handled by appointing a single spokesperson to communicate with the media. When U.S. toy brand Mattel was forced to recall eighteen million toys after Chinese-made products were shown to be potentially unsafe, Mattel's CEO, Bob Eckert, explained what went wrong, apologized, accepted responsibility, and took action. During the time of crisis, it's crucial for the CEO or spokesperson to be upfront, direct, and very proactive. In addition to holding a press conference, Eckert filmed a separate online video apology. In his statements, he sympathized with parents, saying, "I'm a parent of four kids as well." Mattel also took out full-page ads in major newspapers: the New York Times, the Wall Street Journal, and USA Today. Finally, Mattel's Web site posted comprehensive recall details and explained how to receive a free replacement toy of equal value. Posting a response on their Web site is a faster way for companies to get the message out than might be possible through traditional media.Donna Goodison, "Weathering Toy Recall Crisis," Boston Herald, August 16, 2007, 32.

Figure 9.4



Personal selling can take place in business-to-business as well as consumer environments.

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Personal Selling

Personal selling²⁸ involves direct interaction between a company representative and the customer. The main advantage of personal selling is the ability to tailor the message to the customer in real time, responding not only to their questions but also to their body language and tone. This type of direct contact lets the salesperson address customer concerns, sometimes even when the customer hasn't voiced them aloud. Salespeople in fashion retail stores are ready (or at least they should be) with advice on how to accessorize an outfit or to help in deciding among outfits. Personal selling is even more important in products that are complex and require significant customer education or custom configuration. A sales force is a key part of medical products sales, information technology and solutions sales, or other complex products and services selling.

Team Selling

Personal selling can also be done through an outside network of sales reps. For example, Barefoot Parties sells loungewear, accessories, and gifts for women through at-home parties held by its sales agents. Agents get bonuses based on the amount of income the party generates in addition to a minimum base commission of 20 percent from the party sales.Tim Parry, "Get in on the Party," *Merchant*, January 1, 2007, n.p.

28. Sales technique involving direct interaction between a company representative and the customer. Some products and services are so complex and intertwined that a **team sales approach**²⁹ is needed, in which the selling is handled by a team of salespeople, technical specialists, field engineers, and supply chain specialists who coordinate the timetable from order to production to delivery. Telecommunications equipment provider Lucent uses this kind of team approach, pairing supply chain executives with sales reps on the sales team. Technical specialists work with the customer to design a cell phone network, for example. In one case, Lucent created a CDMA (Code Division Multiple Access) cell phone network for a customer in India. The network included over fifty switching centers, twenty-five hundred base stations, and three hundred thousand circuit pack and cables. Such complexity demands a team sales approach.

Sales Force Automation (SFA)

Marketing information systems and CRM systems often include tools to help the sales force. **Sales force automation (SFA)**³⁰ includes a myriad of functions such as contact management, sales quote automation, sales order information, and reporting functions. The tools use CRM and other data to maximize the productivity and effectiveness of the sales force. For example, salespeople who use a service like Salesforce (<u>http://www.salesforce.com</u>) can keep track of their sales leads and construct their call schedules to be most efficient, while their managers can track their performance and identify bad and good performers easily.

Downsides of Personal Selling

The disadvantages of personal selling are its high labor costs and the corollary: it's difficult to reach large numbers of people when you try to speak them to one-to-one. Also, the information communicated may vary from the intended message. Sometimes salespeople, in an effort to "get the sale" or "go the extra mile" for their potential customer, may bend the rules in a way that's detrimental for the company, such as by promising a delivery date that forces the company to pay extra in expediting costs or overtime in an effort to meet the promised date. Worse, a company might suffer bad publicity as a result of a salesperson's unethical actions.

Direct Marketing

Direct marketing³¹ refers to sales communications delivered directly to individual customers through e-mail, direct mail, and telemarketing. The goal is to use information about individuals in order to present them with messages relevant to their needs and interests. The growth of consumer databases and improvement of technology and methods (such as advanced modeling and segmentation strategies) has led to increased use—and increased success—of direct marketing. For example, in the United States in 2006 direct marketing generated incremental sales of \$1.93

- 29. Selling that is handled by a team of salespeople, technical specialists, field engineers, and supply chain specialists who coordinate the timetable from order to production to delivery; often used for complex business-to-business sales.
- 30. The use of computers to track such functions as contact management, sales quotes, sales order information, and reporting.
- Sales communications delivered directly to individual customers through e-mail, direct mail, and telemarketing.

trillion, which was 10 percent of the GDP. Each dollar spent on direct marketing yields, on average, an ROI (return on investment) of \$11.65, compared to an ROI of \$5.29 for traditional advertising.Direct Marketing Association, *The Power of Direct Marketing: ROI, Sales, Expenditures and Employment in the US, 2006–2007 Edition* (New York: DMA, 2006).

How does direct marketing fit into an integrated campaign? One application is to send a direct mail piece (usually a letter or package) to a targeted list of customers inviting them to visit a Web site where they can receive further information. For example, Pitney Bowes Mapinfo (a company that provides software and services to help business executives make location-based decisions, such as site selection) mailed executives one-half of a CD to drive the message that without the dimension of location, their analysis is not complete. The mail piece gave executives a Web address from which they could download a free white paper to learn more about location intelligence. Mapinfo combined the direct mail piece with banner ads on business-publication Web sites (such as BusinessWeek [http://www.forbes.com], CNNMoney [http://money.cnn.com], and MSNMoney [http://moneycentral.msn.com]) to drive executives to the white paper. The result? Mapinfo received more than three

thousand white paper downloads, of which more than 70 percent were senior management executives; more than thirteen hundred opt-ins to receive e-mail communications from MapInfo; and more than two hundred registrations for Mapinfo's webinar."Pitney Bowes Intelligently Plots Strategy for MapInfo," *B to B*, August 13, 2007, 28.

In another example, Babcock & Jenkins, a direct-marketing agency, developed an integrated campaign for Sun Microsystems. The campaign included direct mail, e-mail, telemarketing, and online marketing to drive potential new Sun customers to a Web site where they could register to win prizes in a sweepstakes. The campaign was a B2B (business-to-business) campaign in which Babcock & Jenkins helped Sun deliver leads to its channel partners (namely the resellers who sell Sun systems). The campaign generated 120 percent more registrations than expected. The success was due in part to demographic profiling that identified potential customers and why they buy, and then used an integrated campaign to reinforce the messages and reach customers in different ways. "We use an approach we call connected strategy," said Denise Barnes, president of Babcock & Jenkins, "integrating direct mail, e-mail, telemarketing, banners, newsletters, print, microsites, events, podcasts, webcasts and social media into one-to-one communications for our clients."Kate Maddox, "Babcock & Jenkins Focuses on Database-Driven Marketing; Runner-up Direct Agency of the Year," *B to B*, October 9, 2006, 30.

Dig Deeper

One of the issues direct marketing raises is that of violating people's privacy and of controlling a flood of offers that can be sent *en masse* to consumers, defeating the purpose of targeted, individual communications. The Direct Marketing Association (DMA) helps stem the tide of unwanted phone calls and e-mail (spam) through initiatives like e-mail authentication and by giving consumers the option to remove themselves from mailing lists (<u>https://www.dmaconsumers.org/cgi/offmailing</u>) or from prescreened credit card offers (by calling 1-888-5optOut). What rights to privacy (and to not being disturbed at dinnertime) do consumers have? What happens to direct marketers who violate those rights?

Database Marketing

Many sophisticated advertisers understand that it makes sense to keep track of their customers—and perhaps even those who aren't their customers (at least yet!). **Database marketing**³² is a system of marketing that collects information from consumers and then uses it to build a long-term relationship with a customer. Today this strategy underpins many promotional tools, especially those that have an element of direct communications with the customer, such as personal sales and direct marketing. Databases contain customer names, addresses, purchase profiles, psychographic and demographic details, purchase patterns, media preferences, credit ratings, and other information that helps a company target and create the right message and offer for each customer. This data can come from sources such as internal sales data, online opt-in registrations, loyalty program data, contest forms, third-party database sellers, and public government records (e.g., home sales).

Customer Relationship Management (CRM)

For this reason, database marketing has evolved to be called **customer relationship management (CRM)**³³. CRM uses the specific information about individual customers to create more effective marketing communications specific to them. For example, if you know that an individual customer has a ten-year-old child, you can target her with offers relevant to children in that age group, Or, if you know that the customer has bought Lunchables, you can send her a coupon to stimulate a repeat purchase or to cross-sell a related product.

- 32. A system of marketing that collects information on consumers such as name, purchasing profile, demographics, and credit rating and uses it to build a long-term relationship with a customer.
- 33. Marketing that uses specific database marketing information about individual customers to create more effective marketing communications specific to them.

Loyalty Programs

Loyalty programs that reward customers for continuing to purchase from the company make extensive use of CRM. For example, the retailer Brookstone uses its loyalty program to recognize customers who have purchased from its store, catalog, or Web site before (using an e-mail address, phone number, or membership number to recognize the customer). Brookstone records every sales transaction across every channel (whether at the store, online, or through a catalog) and rewards the customer with credits based on how much they have purchased from the company. Customers can apply these credits toward future purchases; this cements their relationship with the company.Connie Robbins Gentry, "Personal Recognition: Multichannel Retailers Market One-On-One to Loyal Shoppers," *Chain Store Age*, January 2007, 78.

Behavioral Targeting

For better or worse, technological advances make it easier and easier for marketers to track us and our preferences very precisely. As we saw when we discussed target marketing, one hot trend is *behavioral targeting*, which refers to presenting people with advertisements based on their Internet use. For example, Microsoft combines personal data from the 263 million users of its free Hotmail e-mail service-the biggest in the world-with information it gains from monitoring their searches. When you sign up for Hotmail, the service asks you for personal information including your age, occupation, and address (though you're not required to answer). If you use Microsoft's search engine it calls Live Search, the company keeps a record of the words you search for and the results you clicked on. Microsoft's behavioral targeting system will allow its advertising clients to send different ads to each person surfing the Web. For instance, if a twenty-five-year-old financial analyst living in a big city is comparing prices of cars online, BMW could send her an ad for a Mini Cooper. But it could send a forty-five-year-old suburban businessman with children who is doing the same search an ad for the X5 SUV.Aaron O. Patrick, "Microsoft Ad Push Is All about You: 'Behavioral Targeting' Aims to Use Customer Preferences to Hone Marketing Pitches," Wall Street Journal, December 26, 2006, B3; Brian Steinberg, "Next Up on Fox: Ads That Can Change Pitch," Wall Street Journal, April 21, 2005, B1; Bob Tedeschi, "Every Click You Make, They'll Be Watching You," New York Times Online, April 3, 2006, http://www.nytimes.com/2006/04/03/business/03ecom.html (February 10, 2009); David Kesmodel, "Marketers Push Online Ads Based on Your Surfing Habits," Wall Street Journal on the Web, April 5, 2005, http://online.wsj.com/article/ 0,,SB111202090636790858,00.html? mod=mm_hs_advertising (February 10, 2009).

Going a step further, CBS recently announced that it is testing a system that customizes the ads you'll see on your cell phone based on your location. Its CBS

Mobile unit is teaming up with the social networking service Loopt, which allows its subscribers to track participating friends and family on their mobile phones.Laura M. Holson, "In CBS Test, Mobile Ads Find Users," *New York Times Online*, February 6, 2008, <u>http://www.nytimes.com/2008/02/06/technology/06mobile.html</u> (accessed February 10, 2009). In the (near?) future, you might well find ads popping up on your cell phone from stores you are literally walking past on the street. Yes, they *are* watching you...

Dig Deeper

A 2006 survey found that 57 percent of the consumers it polled say they are willing to provide demographic information in exchange for a personalized online experience. And three-quarters of those involved in an online social network felt that this process would improve their experience because it would serve to introduce them to others who share their tastes and interests. However, a majority still express concern about the security of their personal data online. "Consumers Willing to Trade Off Privacy for Electronic Personalization," *Marketing Daily*, <u>http://www.mediapost.com</u> (accessed January 23, 2007).

How big a problem is this—and are consumers getting more or less concerned about potential invasions of privacy as behavioral targeting strategies proliferate? How do you feel about sharing your online behavior with advertisers?

KEY TAKEAWAY

Advertisers have many tools to include in the promotional mix they design for a client; these include sales promotions, public relations, personal selling, and direct marketing. No one tool is perfect; each has strengths and weaknesses, and often the tools are most effective when they're combined. For example, an ad campaign for a new movie can be paired with a sales promotion in partnership with a retailer—like when Burger King featured its "Which Spidey Suits You?" scratch-and-win game pieces on specially marked menu items. Chapter 9 Choose Your Communication Weapons: SS+K Decides Upon a Creative Strategy and Media Tactics

EXERCISES

- a. List and describe each of the elements of the promotional mix.
- b. Identify which of the sales promotion tools can be personalized and customized, which reward customers for frequent patronage, and which reward distributors for sales performance.
- c. Define public relations and demonstrate how marketers can use PR to meet communication objectives.
- d. Explain the importance of "impressions" in gaining publicity.
- e. Explain the role played by personal selling in the promotional mix.
- f. Describe the role of direct marketing in increasing an organization's promotion return on investment (ROI).
- g. Discuss how database marketing can be used to further promotional mix objectives.

9.3 Create the Promotional Plan

LEARNING OBJECTIVES

After studying this section, students should be able to do the following:

- 1. *Create* a promotional plan by following the suggested execution steps.
- 2. *Describe* how small businesses can use integrated or cross-channel promotional planning to meet their objectives.

Like a traditional advertising strategy, before you craft an integrated strategy, it's important to be clear about what you hope to achieve, how much you can afford to spend to achieve it, and what the promotion will say.

What, Who, Where-and How Much?

We have to be able to answer these four basic questions before we move forward:

- *Objectives for the promotion:* What measurable change do you wish to achieve?
- *Budget*: How much do you intend to spend?
- *Messaging strategy*: What do you plan to say? Who is the target of the message?
- Media strategy: Which channels do you plan to use?

An integrated promotional plan needs to address these four questions. To see how this works in the real world, let's look at how Kellogg's developed such a plan for its Special K cereal brand. First, the company set sales objectives, which included targets for existing products as well as for new launches. Then, Kellogg's promotion team worked with its ad agency to define the messaging strategy. The focus was on losing weight and maintaining that weight loss by using Special K products. Then, the question was how to implement the strategy and how to allocate the client's promotional budget to each part of the plan. The team divided the campaign into a series of initiatives timed to different seasons, and it earmarked a specific amount to spend on each initiative:

• The campaign started with a "Special K Challenge" to lose six pounds in two weeks. This part of the campaign drew in new customers to the

brand. The campaign launched to coincide with New Year's resolutions to lose weight.

- In spring, the agency launched a new campaign it called "Are You Beach Ready?" This campaign featured a beach towel and bag as a premium.
- The third campaign in the series began in the fall, this time with a "Drop a Jean Size!" theme, giving customers a free pair of jeans in an instant-win sweepstakes when their weight loss goal was achieved.
- In winter, Special K urged consumers to lose the pounds with a free-inmail personal training DVD.
- Throughout the year, coupons were put onto Special K packages. The coupons boosted multiple purchases. Print ads in publications targeting women (fashion and parenting magazines) and TV commercials during programs with high female viewership supported ongoing brand awareness.

The integrated campaign worked well: Special K saw growth across all of its product lines, with double-digit growth for the brand for the year. Special K exceeded its targets for existing products as well as new products. "Integration is the key to consumer engagement," said Marta Cyhan, Kellogg's VP-worldwide promotions. "The goal of promotion is to build the brand while motivating consumer interaction."Kathleen M. Joyce, "Motivating Out of the Box." *Promo*, November 1, 2006, n.p.

Video Spotlight

Russell Stevens Discusses Integration

(click to see video)

Russell Stevens emphasizes that clients and agencies have to not only embrace but also organizationally execute integration. Silos are not unique to agencies; often clients aren't set up to handle this kind of synergy.

Raisin' Awareness: How the CRMB Executed Its Plan

Now that we've looked at all the elements in turn, let's put it all together to see the execution of an integrated marketing campaign. We'll use the example of the California Raisin Marketing Board (CRMB), whose goal is to promote California raisins.

Set the Objectives

The first step was to set the objectives for the campaign. The target audience was women with children at home. The CRMB began with research, which showed that moms—and adults in general—were aware of health-related issues but felt they were too busy to always eat healthy foods. The CRMB could capitalize on this opportunity to promote raisins as a healthy, easy snack for moms and kids alike. With this objective in mind, the CRMB set three specific goals for the campaign:

- 1. To create a personality for raisins that would appeal to the target audience
- 2. To generate excitement among trade partners (food service operators, manufacturers, supermarkets) to offer raisins and raisin-based products
- 3. To raise awareness and demand for raisins among the target audience

The CRMB hired ad agency MeringCarson to design an ad campaign. MeringCarson developed different concepts and then tested these concepts through focus group research. The research revealed that the most effective campaign was one that spoke to the target audience as women, not just mothers. "One campaign in particular featuring serene images of women consuming raisins as a part of their daily lives struck a responsive chord," said Greg Carson, partner and Creative Director of MeringCarson. "Consumers loved the use of peaceful colors and imagery and the messages of health and empowerment embodied in the ads."

Define and Execute

With the concepts and copy strategy complete, CRMB next devised the integrated brand promotion plan, which included print, online, PR, and sweepstakes.

- The *print campaign* included ads in women's magazines as well as trade publications aimed at foodservice, industrial, and retail sectors.
- The online campaign included the launch of http://www.LoveYourRaisins.com using the same artwork as the print ads and providing additional information (like recipes and nutrition facts) as well as a free newsletter that provides timely seasonal recipes using raisins.
- *Sweepstakes* included a back-to-school sweepstakes that consumers can enter at <u>http://www.LoveYourRaisins.com</u> to win a three-night, two-day trip to a major theme park in Florida or California for a family of four. Other sweepstakes included a weekend spa getaway at Miramonte Resort and Spa, along with a free on-the-go bag featuring the

advertising artwork and filled with a plush California raisins character, California raisin samples, a compact mirror from the spa, relaxation lotion, and a refrigerator magnet to keep raisins top of mind.

• The *public relations campaign* featured Valerie Waters, a celebrity fitness trainer, who acted as a spokesperson for California raisins during her satellite and radio media tour. Each sweepstakes was announced by a press release. Press releases aimed at trade publications discussed the health benefits of raisins and announced industry news such as CRMB's sponsorship of new raisin pie categories in the American Pie Council's Crisco National Pie Championships.Kim Bedwell, "Consumer Marketing: California Raisins Launch New Campaign," *Agri Marketing* 44, no. 9 (November–December 2006): 37.

While registering for the sweepstakes, moms could get a *premium* such as a free California Raisin lunch bag filled with a California Raisin plush toy; California Raisin snack packs, water bottle, and magnet; and tips from Valerie Waters.

In Chapter 13 you will see msnbc.com's fully integrated and launched campaign.

Video Spotlight

Danielle Tracy Discusses Her View of PR

(click to see video)

Danielle Tracy is in charge of the msnbc.com public relations efforts. She discusses the collaborative relationship she has with her colleagues at SS+K and why she refers to herself as a generalist rather than a PR person.

Integrated Campaigns for Small Businesses

How does a small business, say one that has less than six figures to spend on an ad campaign, advertise successfully against competitors with \$20 million to spend annually? The point is not how much you spend, but how well you spend it on a set of well-coordinated marketing communications.

Pool Resources with Associations and Loyal Customers

One way to extend the reach of a small budget is to pool resources through a trade association. For example, small whiskey distilleries pool their ad money through the Distilled Spirits Council of the United States. Similarly, the California Raisin Board is an association of raisin growers throughout California; we've already seen how effective this group is. Using word of mouth is another key strategy: loyal customers become de facto brand ambassadors who spread the word to others. Third, develop Web initiatives that allow people to interact with the brand. Small companies rely on creative ideas to generate curiosity and conversation that will draw free publicity.

Go Small and Local

Another low-budget option is to sponsor local or niche events. Red Bull energy drink drove its growth by sponsoring niche extreme sports that traditional bigbudget corporate sponsors ignored. Finally, companies that make products can consider conducting local tours of their factories or facilities as a way to introduce new customers to their products, become a tourist destination, and build publicity around that.

KEY TAKEAWAY

A strategy requires several pieces: First, set objectives for the promotion—and be sure to specify measurable changes you hope to achieve so you can determine how successful your strategy is. Second, set a budget (be realistic). Third, devise a messaging strategy where you decide what you want to say and to whom. Finally, identify your promotional mix, being sure it fits the target customer you've decided you want to reach (don't just pick the media you're used to, or the ones that are "sexy," if these aren't the best fit to your customer). Even small businesses can implement an IMC strategy, but they have to be more creative when they harness local communications platforms to tell their story.

EXERCISES

- a. List and describe the integrated marketing communications planning steps used in the California Raisins promotional plan.
- b. Explain how small businesses can use integrated marketing communications planning to enhance their promotional planning ability.

9.4 Exercises

TIE IT ALL TOGETHER

Now that you have read this chapter, you should be able to determine how to choose the best media weapons to solve communication and advertising problems:

- You can *identify* the integrated marketing communications (IMC) perspective and comment on its usefulness.
- You can *list* some ways advertising agencies use the integrated marketing communications approach.
- You can *describe* SS+K partner Joe Kessler's thoughts on the evolution of integrated marketing communications and media choices in the marketplace.
- You can *identify* and *describe* the tools of the promotional mix.
- You can *characterize* the various forms of sales promotion and how they can be best used to solve problems.
- You can *describe* the purpose of public relations and *characterize* the tools used to implement PR objectives.
- You can *discuss* how personal selling can be used effectively in the promotional mix.
- You can *compare and contrast* direct marketing and database marketing as means to enhance relations between the company and its customers.
- You can *create* an IMC promotional plan by following the execution steps described in the chapter.

USE WHAT YOU'VE LEARNED

- 1. You may not be a NASCAR fan, but this fast-paced sport is hoping to catch your attention in the days ahead. NASCAR is an aggressive marketing and promotion organization (see <u>http://www.nascar.com</u>) with an ever-expanding fan base. This expanding fan base is changing the face of NASCAR and its races. Some say that a NASCAR event today is like going to a "celebrity night out." Most NASCAR purists, on the other hand, believe that NASCAR is all about cars, cars, and more cars. After seven years of research and design experimentation, NASCAR has unveiled its "Car of Tomorrow" and believes that this speedy but safer car will help advance the popularity of NASCAR even more in the next decade. Considering how NASCAR must appeal to loyal fans and find new ones, design an integrated marketing communication (IMC) promotional plan that would help to spread NASCAR's message about its new car to its markets. Be sure to specify the various elements of the promotional mix that you would recommend to NASCAR. Do research on NASCAR and its rise in the sports world before designing your IMC plan.
 - 2. Integrated marketing communications (IMC) help advertisers attack communication problems from a variety of points of view. This multimedia approach has been applied to communication by many advertising agencies over the past few years. One challenge for IMC planners, however, is the U.S. Hispanic market. Broadly defined, the Hispanic market includes those of Spanish, South American, Mexican, and Caribbean descent. As the number one minority in the United States, Hispanics comprise a market that is diverse with respect to preferences and lifestyles. Many in this market still speak Spanish (or native country dialect) as their primary language.

Investigate the Hispanic market by going to

http://www.demographics.com or a favorite search engine. After you have reviewed marketing and advertising efforts toward this target market, propose an IMC promotional mix that you believe would be ideal for carrying a shopping mall's message to Hispanics. The basic message would be "Come to the Mall—We're Here to Serve Your Needs." The shopping mall believes that as they attract Hispanics, sales and profits will increase. Discuss your promotional mix plan with peers. Chapter 9 Choose Your Communication Weapons: SS+K Decides Upon a Creative Strategy and Media Tactics

DIGITAL NATIVES

When you think of Hershey's, you think of chocolate, right? You might be surprised to know that industry professionals see Hershey's as a marketing and advertising machine. This is somewhat surprising, given that Hershey's shunned advertising of any kind for years. Today, however, Hershey's has embraced a multifaceted approach to its communications, marketing, and advertising. One of these facets is its interactive Web site (see http://www.hersheys.com). After reviewing the basic structure of the Hershey's Web site, click on the "promotions" button on the opening page. Once you have done this, you will see all the current Hershey's promotions. Review each of these promotions. Take each highlighted promotion and describe what you believe to be: (a) the primary market for the promotion, (b) the promotional mix tools that would be most useful to the promotion, Discuss your findings with peers.

Chapter 9 Choose Your Communication Weapons: SS+K Decides Upon a Creative Strategy and Media Tactics

AD-VICE

- 1. Assume that you are a proponent of using integrated marketing communications to solve communications problems. Prepare a short two-page paper that could be used to support your position. Next, looking at an integrated media approach from the perspective of someone who advocates a traditional mass media approach for solving communication problems, attack the ideas you just formulated. Summarize the arguments against integrated campaigns. Discuss your findings with peers.
- 2. Assume that you have just been given a \$10 million budget to spend on sales promotional tools. The purpose of your budget is to convince consumers to begin to use reusable grocery bags when shopping for food. This environmental initiative is favored by most grocery chains. The bags (if purchased) would be sold for one dollar at grocery stores. Outline your plan for changing consumer preferences in this area. Be sure to consider all of the sales promotional alternatives as you formulate your plan. Designate how much money should be spent for your designated tools. Share your ideas with peers.
- 3. Guerrilla marketing is becoming more popular as costs of promotions continue to increase. Public relations (PR) specialists have learned to use this unique form of marketing because of its low cost and highly creative nature. Your task is to design a guerrilla marketing effort that will introduce a new flavored bottled water to the Asian market in San Francisco. Initial distributors would be convenience stores, street vendors, and neighborhood vending machines. Be specific in what you would plan to do and how much you think it might cost. Share your plan with peers.
- 4. Many universities and colleges have turned to database marketing to help target student populations. Describe how your university could use database marketing to reach potential freshmen students. Be sure to indicate how these students would be found and eventually reached by the university's or college's efforts.

ETHICAL DILEMMA

The Direct Marketing Association (DMA) is an advocacy organization whose intent is to encourage the ethical use of direct marketing to solve advertising and communication problems. The association's task is not easy, given the ethical tension between members of the industry and consumer advocacy groups. Many of the complaints about invasion of privacy, high pressure tactics, and false information are directed against the direct marketing industry. Visit the DMA Web site at <u>http://www.the-dma.org</u>. Examine how the DMA addresses ethics complaints and advocates for the industry. What ethical issues do you think were adequately addressed by the DMA? What ethical issues do you think still need to be resolved? How would you rate the organization's effectiveness based on what you have seen and read? Discuss your findings with your peers.