

Integrated Advertising, Promotion, and Marketing Communications

E i g h t h E d i t i o n

G l o b a l E d i t i o n

Kenneth E. Clow

University of Louisiana at Monroe

Donald Baack

Pittsburg State University



Pearson

Brief Contents

Part One THE IMC FOUNDATION 22



- 1 Integrated Marketing Communications 22
- 2 Brand Management 42
- 3 Buyer Behaviors 74
- 4 The IMC Planning Process 110

Part Two IMC ADVERTISING TOOLS 142



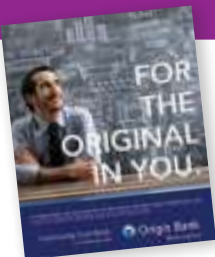
- 5 Advertising Campaign Management 142
- 6 Advertising Design 174
- 7 Traditional Media Channels 208

Part Three DIGITAL AND ALTERNATIVE MARKETING 242



- 8 Digital Marketing 242
- 9 Social Media 274
- 10 Alternative Marketing 300

Part Four IMC PROMOTIONAL TOOLS 328



- 11 Database and Direct Response Marketing and Personal Selling 328
- 12 Sales Promotions 358
- 13 Public Relations and Sponsorship Programs 386

Part Five IMC ETHICS, REGULATION, AND EVALUATION 414



- 14 Regulations and Ethical Concerns 414
- 15 Evaluating an Integrated Marketing Program 440

Contents

PREFACE 17



Part One

THE IMC FOUNDATION 22

1 INTEGRATED MARKETING COMMUNICATIONS 22

The Nature of Communication	23
Integrated Marketing Communications	25
An Integrated Marketing Communications Plan	26
Emerging Trends in Marketing Communications	27
Emphasis on Accountability and Measurable Results	27
Integration of Digital Media	28
Integration of Media Platforms	28
Changes in Channel Power	29
Increases in Global Competition	30
Increases in Brand Parity	31
Emphasis on Customer Engagement	31
The Role of Integrated Marketing Communications	32
IMC Components and the Design of this Text	32
IMC Foundation	33
Advertising	33

Digital and Alternative	34
Selling Components	34
Integration	34

International Implications 35

2 BRAND MANAGEMENT 42

Corporate and Brand Image	43
Components of Brand Image	44
The Role of Brand Image—Consumer Perspective	45
The Role of Brand Image—Company Perspective	47
Brand Names and Brand Types	48
Family Brands	50
Brand Extensions	50
Flanker Brands	50
Co-Branding	51
Brand Logos	52
Identifying the Desired Brand Image	54
Creating the Right Brand Image	54
Rejuvenating a Brand's Image	55
Changing a Brand's Image	56
Developing and Building Powerful Brands	57
Brand Loyalty	59
Brand Equity	60
Measuring Brand Equity	61
Private Brands	62
Advantages to Retailers	63
Responses from Manufacturers	64
Packaging	64
Labels	65
Ethical Issues in Brand Management	66
International Implications	67
3 BUYER BEHAVIORS 74	
Information Searches and the Consumer Purchasing Process	75
Internal Search	76
External Search	76
Consumer Attitudes	79
Consumer Values	81
Cognitive Mapping	82
Evaluation of Alternatives	85
The Evoked Set Method	86
The Multiattribute Approach	87
Affect Referral	88

Trends in the Consumer Buying Environment 89

- Age Complexity 89
- Gender Complexity 90
- Active, Busy Lifestyles 91
- Diverse Lifestyles 91
- Communication Revolution 91
- Experience Pursuits 92
- Health Emphasis 92

Business-to-Business Buyer Behaviors and Influences 93

- Organizational Influences 94
- Individual Factors 94

Types of Business-to-Business Sales 97

The Business-to-Business Buying Process 99

- Identification of Needs 99
- Establishment of Specifications 99
- Identification of Vendors 100
- Vendor Evaluation 100
- Vendor Selection 100
- Negotiation of Terms 100
- Postpurchase Evaluation 100

Dual Channel Marketing 101

- Spin-Off Sales 101
- Marketing Decisions 102

International Implications 103

4 THE IMC PLANNING PROCESS 110

Communications Research 112

Market Segmentation by Consumer Groups 113

- Segments Based on Demographics 114
- Psychographics 119
- Segments Based on Generations 120
- Segmentation by Geographic Area 121
- Geodemographic Segmentation 121
- Benefit Segmentation 122
- Usage Segmentation 122

Business-to-Business Market Segmentation 123

- Segmentation by Industry 124
- Segmentation by Size 124
- Segmentation by Geographic Location 124
- Segmentation by Product Usage 125
- Segmentation by Customer Value 125

Product Positioning 125

- Approaches to Positioning 126
- Other Elements of Positioning 128

Marketing Communications Objectives 128

Types of Budgets 129

- Percentage of Sales 129
- Meet the Competition 129
- “What We Can Afford” 130
- Objective and Task 130

- Payout Planning 130
- Quantitative Models 130
- Communications Schedules 131

IMC Components 132

- International Implications 132

Integrated Campaigns in Action 134



Part Two

IMC ADVERTISING TOOLS 142

5 ADVERTISING CAMPAIGN MANAGEMENT 142

Advertising Theory 144

- Hierarchy of Effects 144
- Means-End Theory 146
- Verbal and Visual Images 147

The Impact of Advertising Expenditures 149

- Threshold Effects 150
- Diminishing Returns 151
- Carryover Effects 151
- Wear-Out Effects 151
- Decay Effects 151

In-House Versus External Advertising Agencies 152

- Budget Allocation Considerations 153
- Crowdsourcing 154

Choosing an Agency 155

- Goal Setting 155
- Selection Criteria 155
- Creative Pitch 157
- Agency Selection 158

Roles of Advertising Personnel 158

- Account Executives 158
- Creatives 158
- Traffic Managers 158
- Account Planners 159

Advertising Campaign Parameters 159

- Advertising Goals 159
- Media Selection 160
- Taglines 162
- Consistency 162
- Positioning 163
- Campaign Duration 163

The Creative Brief 163

- The Objective 164
- The Target Audience 164
- The Message Theme 164
- The Support 165
- The Constraints 165

International Implications 166

6 ADVERTISING DESIGN 174

Message Strategies 176

- Cognitive Message Strategies 177
- Affective Message Strategies 179
- Conative Message Strategy 180

Types of Advertising Appeals 181

- Fear Appeals 182
- Humor Appeals 183
- Sex Appeals 184
- Music Appeals 188
- Rational Appeals 189
- Emotional Appeals 189
- Scarcity Appeals 191

Executional Frameworks 191

- Animation Executions 191
- Slice-of-Life Executions 192
- Storytelling Executions 192
- Testimonial Executions 193
- Authoritative Executions 193

- Demonstration Executions 194
- Fantasy Executions 194
- Informative Executions 194

Sources and Spokespersons 195

- Celebrity Spokespersons 195
- CEO Spokespersons 197
- Experts 197
- Typical Persons 197
- Source Characteristics 197
- Matching Source Types and Characteristics 200
- International Implications 201

7 TRADITIONAL MEDIA CHANNELS 208

The Media Strategy 209

Media Planning 210

- Media Planners 210
- Media Buyers 211
- Small versus Large Markets 212

Advertising Terminology 212

- Frequency 212
- Opportunities to See 212
- Gross Rating Points 213
- Cost 213
- Ratings and Cost per Rating Point 214
- Continuity 215
- Impressions 215

Achieving Advertising Objectives 215

- The Three-Exposure Hypothesis 216
- Recency Theory 216
- Effective Reach and Frequency 216
- Brand Recognition 217
- Brand Recall 218

Media Selection 218

- Television 218
- Radio 225
- Out-of-Home Advertising 226
- Print Media 228
- Magazines 228
- Newspapers 230

Media Mix 231

Media Selection in Business-to-Business Markets 232

- International Implications 234

Integrated Campaigns in Action 235



Part Three

DIGITAL AND ALTERNATIVE MARKETING 242

8 DIGITAL MARKETING 242

- Digital Marketing 243
- Web 4.0 244
- E-Commerce 245
- Mobile Marketing 250
- Digital Strategies 252
 - Interactive Marketing 252
 - Content Marketing and Native Advertising 253
 - Location-Based Advertising 255
 - Remarketing 257
 - Behavioral Targeting 258
 - Blogs and Newsletters 259
 - Email Marketing 260
- Web Advertising 262
 - Banner Advertising 262
 - Impact of Online Advertising 263
 - Offline Advertising 264
- Search Engine Optimization (SEO) 264
- International Implications 266
 - Shipping Issues 266
 - Communication Issues 266
 - Technology Issues 267

9 SOCIAL MEDIA 274

- Social Networks 276
- Social Media Sites 276
 - Facebook 276
 - Instagram 277
 - Twitter 279
 - Pinterest 280
 - YouTube 280
- Social Media Marketing 282
- Social Media Marketing Strategies 285
 - Building a Social Media Presence 286
 - Content Seeding 286
 - Real-Time Marketing 287
 - Video Marketing 288
 - Influencer Marketing 289
 - Interactive Blogs 290
 - Consumer-Generated Reviews 291
 - Viral Marketing 292
 - Following Brands on Social Media 293
- International Implications 294

10 ALTERNATIVE MARKETING 300

- Alternative Marketing Programs 301
 - Buzz Marketing 302
 - Consumers Who Like a Brand 302
 - Sponsored Consumers 302
 - Company Employees 304
 - Buzz Marketing Stages 304
 - Buzz Marketing Preconditions 305
 - Stealth Marketing 305
 - Guerrilla Marketing 306
 - Lifestyle Marketing 308
 - Experiential Marketing 308
- Product Placements and Branded Entertainment 309
 - Product Placements 309
 - Branded Entertainment 310
 - Achieving Success 311
- Alternative Media Venues 312
 - Video Game Advertising 312
 - Cinema Advertising 314
 - Other Alternative Media 314
- In-Store Marketing 315
 - In-Store Marketing Tactics 315
 - Point-of-Purchase Marketing 316
 - Designing Effective Point-of-Purchase Displays 317
 - Measuring Point-of-Purchase Effectiveness 318
- Brand Communities 318
- International Implications 320
- Integrated Campaigns in Action 320



- Personalized Communications 336
- Customized Content 337
- In-Bound Telemarketing 337
- Trawling 337

Database-Driven Marketing Programs 338

- Permission Marketing 338
- Frequency Programs 340
- Customer Relationship Management 342

Direct Response Marketing 343

- Direct Mail 344
- Catalogs 345
- Mass Media 345
- Internet and Email 346
- Direct Sales 346
- Telemarketing 346

Personal Selling 347

- Generating Leads 347
- Qualifying Prospects 348
- Knowledge Acquisition 349
- The Sales Presentation 349
- Handling Objections 350
- Closing the Sale 350
- Follow-Up 351

International Implications 351

Part Four

IMC PROMOTIONAL TOOLS 328

11 DATABASE AND DIRECT RESPONSE MARKETING AND PERSONAL SELLING 328

Database Marketing 329

- Building a Data Warehouse 331
- Email, Mobile, and Internet Data 331
- Purchase and Communication Histories 331
- Personal Preference Profiles 332
- Customer Information Companies 332
- Geocoding 332
- Database Coding and Analysis 333
- Lifetime Value Analysis 333
- Customer Clusters 334
- Location Data Tracking 334
- Data Mining 335

Database-Driven Marketing Communications 335

- Identification Codes 336

12 SALES PROMOTIONS 358

Consumer Promotions vs. Trade Promotions 359

Consumer Promotions 360

- Coupons 360
- Coupon Distribution 360
- Types of Coupons 361
- Disadvantages of Coupons 362
- Premiums 362
- Types of Premiums 363
- Keys to Successful Premium Programs 363
- Contests and Sweepstakes 364
- Contests 365
- Sweepstakes 365
- Perceived Value 365
- The Internet and Social Media 366
- Goals of Contests and Sweepstakes 366
- Refunds and Rebates 366
- Sampling 367
- Sample Distribution 367
- Benefits of Sampling 368
- Successful Sampling Programs 368
- Bonus Packs 368
- Types of Bonus Packs 368
- Keys to Successful Bonus Packs 369

- Price-Offs 369
- Benefits of Price-Offs 369
- Problems with Price-Offs 370
- Overlays and Tie-Ins 370

Planning for Consumer Promotions 371

Trade Promotions 373

- Trade Allowances 373
- Trade Contests 375
- Trade Incentives 376
- Trade Shows 377

Concerns with Trade Promotions 379

International Implications 379

13 PUBLIC RELATIONS AND SPONSORSHIP PROGRAMS 386

Public Relations 388

- Internal versus External Public Relations 388
- Public Relations Tools 389

Public Relations Functions 389

- Identifying Stakeholders 390
- Internal Stakeholders 390
- External Stakeholders 391
- Assessing Corporate Reputation 391
- Corporate Social Responsibility 392

Creating Positive Image-Building Activities 393

- Cause-Related Marketing 393
- Green Marketing and Pro-Environmental Activities 395

Preventing or Reducing Image Damage 397

- Proactive Prevention Strategies 397
- Reactive Damage-Control Strategies 398

Sponsorships 400

- Forms of Sponsorships 400
- Sponsorship Objectives 402

Event Marketing 402

- Selecting Sponsorships and Events 403
- Determining Objectives 403
- Matching the Audience to the Company's Target Market 403
- Promoting the Event 403
- Advertising at the Event 404
- Tracking Results 404
- Cross-Promotions 404

International Implications 405

Integrated Campaigns in Action 406



Part Five

IMC ETHICS, REGULATION, AND EVALUATION 414

14 REGULATIONS AND ETHICAL CONCERNS 414

Marketing Communications Regulations 416

- Governmental Regulatory Agencies 416
- The Federal Trade Commission 417
- Unfair and Deceptive Marketing Practices 417

Deception versus Puffery 417

- Substantiation of Marketing Claims 418
- How Investigations Begin 420
- Consent Orders 420

FTC Settlements 420

- Administrative Complaints 420
- Courts and Legal Channels 421

- Corrective Advertising 422
- Trade Regulation Rulings 422
- Industry Oversight of Marketing Practices 422**
 - Council of Better Business Bureaus 423
- IMC and Ethics 425**
 - Ethics and Advertising 425
 - Perpetuating Stereotypes 426
 - Advertising Unsafe Products 426
 - Offensive Advertisements 427
 - Advertising to Children 427
- Marketing and Ethics 427**
 - Brand Infringement 428
 - Marketing of Professional Services 428
 - Gifts and Bribery in Business-to-Business Marketing Programs 429
 - Spam and Cookies 429
 - Ambush Marketing 430
 - Stealth Marketing 431
- Responding to Ethical Challenges 432**
 - Ethics Programs 432
 - Ethics Training Programs 432
 - Codes of Ethics 433
 - Ethics Consulting Systems 433
- International Implications 434**

- Message Evaluations 444**
 - Advertising Tracking Research 445
 - Copytesting 446
 - Emotional Reaction Tests 448
 - Cognitive Neuroscience 450
- Evaluation Criteria 451**
- Online Evaluation Metrics 453**
- Behavioral Evaluations 456**
 - Test Markets 459
 - Purchase Simulation Tests 460
- International Implications 461**

ENDNOTES 467

NAME INDEX 483

SUBJECT INDEX 493

CREDITS 505

15 EVALUATING AN INTEGRATED MARKETING PROGRAM 440

- Evaluation Metrics 442
- Matching Methods with IMC Objectives 443