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A NEW MARKETING COMMUNICATIONS PARADIGM: INTEGRATED MARKETING COMMUNICATIONS

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ABSTRACT

In this article the author intend to explain new "landscape" of marketing communications. Here, there are three basic model explained. It is important to explain that, these three model are not evolved to any theoretical establishment. The author aims to explain basic reason behind the concept and some future projections also intended. This article is an introduction manuscript. The researcher will also provide empirical data, which he assumes will greatly contribute to theoretic maturation of the concept.

INTRODUCTION

Following the World War II, the concept of marketing had been emerged. This period of produce and sell is known as "mass marketing era". At this era, consumer preferences and trends toward a product or service had not been matured enough. Consumers who had no occasion to satisfy all their needs during the war, were came accross with mass supply of goods and services. In the developed part of the world, the era of mass production and supply was resulted in 1960's.

In Turkey, on the other hand, the era of mass production was extended to late 1980's. There are basically two reasons for this delay. First, flourishment of the venture capital is rather gradual comparing to the Western world. Second, the unique marketing communications media

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of mass production era, namely the mass media, was not developing in Turkey within the same speed of the developed countries. Even today, per se, the development stage of mass media is not totally completed. Massification of television as a medium in Turkey was completed at late 1970's. The circulation figures of magazines and newspapers are still not at their peaks.

Following the 24 January Austerity Measures, nation had faced a great deal of paradigm shift in economy at all paces. Economy is decentralised and new enterprises flourished. Turkey had turned her face to global market economy. These changes by its very nature, stimulated new and private mass media such as national, local television and radio stations. This has resulted in advertising message clutter which is very well known term in the developed countries.

Lesser Usage of Mass Media as Advertising Medium

In order to understand the emergence of integrated marketing communications, a critical analysis of mass media advertising should be studied.

Ducoffe states that mass media advertising is getting a lesser impression from the consumers and explains its reasons as follows (1):

1. The amount of advertising messages consumers get faced in mass media is increasing everyday. Even for informative advertising messages, consumers have no time and energy for paying attention to messages they exposed.
2. Consumers expose to advertising messages, in much of the time, out of their homes and places like shopping centers, and malls. According to Ducoffe, message recall tests shows as much as 80 per cent that in advertising recall, product affiliations, personal experiences and individual interest to category of advertised product are more influential than advertisements itself.
3. Most of the advertising messages carried on mass media are for fast moving consumer goods. For this kind of commodities, the

1 R.H. Ducoffe (1996, September/October). "Advertising Value and Advertising on the Web". *Journal of Advertising Research*. 21-35.

nature of the advertising messages is high frequency aimed to increase message weight.

4. The nature of most advertising is probably not considered by consumer to be worth their attention. Surveys taken in the United States over an extended period indicate that public attitudes toward advertising continue to be negative. This criticism tends to be directed not at the institution of advertising itself, but rather at the tactics advertisers employ.

Reasons Behind the Development of Integrated Marketing Communications

Advertising message clutter, increasing niches among consumer groups, ever increasing consumer expectations are to be focused by both advertisers and the other professionals in marketing communication sector.

Competition at all sectors are day by day getting more global, and this leads communication experts to keep open all channels all the time. Having responses and feedbacks from consumer groups, and reshaping the message content in accordance with these responses is more vital for companies for today than yesterday.

Today, integrated marketing communications looks more appropriate solution for planning, coordinating and applying different communication activities both in an organization and in an advertising agency.

THE DEFINITIONS

Although there is no single, agreed definition of the integrated marketing communications among scholars, it is possible to differentiate two distinct category of definitions. These are terminology based, and operational definitions categories.

Terminology Based Definitions

Orchestration, seamless communications, one stop shopping, new advertising, integrated marketing, all these definitions are far away from

explaining the concept and how it works. These are aiming to create some terminology for the sake of easy recall and understanding. But all these terms reflecting a disillusion of simplification and polishing the old methods.

Operational Definitions

According to Kotler integrated marketing communications is a process that controlled by a corporate communication director where communication tools are used in the right time and in accordance with their nature, in cooperation and taken into the records. Although he has some reservations in practical sense (2).

Linton defines the concept as singular practices of all marketing efforts so as to have message consistency, effectiveness and sustainable agency-client relations (3).

Schultz Tannenbaum and Lauternborn defines the concept as operational - rooted back to interpersonal communications model - mental process of information initiation, processing and correspondingly planning all promotional activities so as to allow the end-user of communication information to create a singular mental picture of brand, company, product or service (4).

According to Duncan, integrated marketing communications is a cross-functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging purposeful dialogue with them (5).

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- 2 P. Kotler (1994). **Marketing Management: Analysis, Planning, Implementation and Control**. Eight Edition. Englewood Cliffs: Prentice Hall, p.623.
 - 3 I. Linton (1995). **Integrated Marketing Communications**. First Edition. Oxford: Butterworth Heinemann Ltd., p.1-14.
 - 4 D.E. Schultz, S.Tannenbaum & R. Lauternborn (1993). **Integrated Marketing Communication**. First Edition. Lincolnwood: NTC Publishing Group, p.27-29.
 - 5 T.R. Duncan (1996). **The Concept and Process of Integrated Marketing Communications**. The Booklet of Çırağan Palace Seminar. İstanbul, p.6.

According to Gronstedt, integrated marketing communications is a two stage operational process integration of all messages within or out of the company aiming to sustain communication quality (6).

American Advertising Agencies Association defines the term as broad concept of marketing communication that elaborates the roles of communication instruments like advertising, public relations, sales promotion, direct marketing for upscale effectiveness and reliability in commercial communication (7).

UNIVERSITY OF COLORADO INTEGRATED MARKETING COMMUNICATIONS MACRO MODEL

Duncan and his colleagues at Colorado University theorized that technological changes along with globalization of market economy is stimulated the emergence of the concept. However, there are other reasons should be underlined here. Duncan says that all messages related to product or service would automatically integrates at consumers' mind in a period of time (8).

He quotes that;

“ you can cancel your advertising-if you mean canceling the limited fraction of your advertising you originate and place. But you are going to have advertising whether you like it or not. The part you do not and cannot control will roll on in ever increasing volume.”

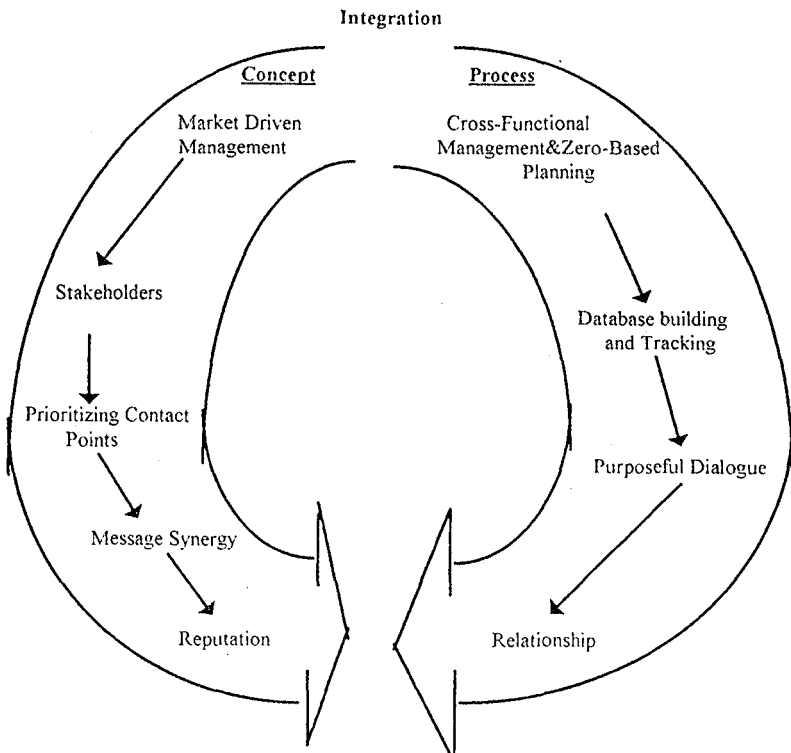
Duncan indicates that a consumer who purchases a product or a service does not purchase the tangible side of the business. But actually purchases the value of the company of which produces the good or the service. Quality of these values are as much important as the quality features of product or service. For this reason, an integrated marketing communications plan must based on mutual respect and ongoing relationship. This would evidently lead to brand equity.

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- 6 A. Gronstedt (1996, Spring). “Integrated Communications at Americas’s Leading Total Quality Management Corporations”. **Public Relation Review**. 25-42.□
- 7 L.B. Courtland & W.F. Arens (1994). **Advertising**. Second Edition. Illinois: Richard D. Irvin Inc., p.13.
- 8 T.R. Duncan. **A.g.k.**

Two Aspects of The Model

The integrated marketing communications model developed by Duncan and his friends has two aspects. These are the concept and the process sides of the model. Before examining the model, these aspects must be explained so that the model itself become more clear to the reader. Figure 1.1 shows the concept and the process aspects and related elements

Figure 1 Two Aspects of Colorado University Macro Integrated Marketing Communications Model



Source: T. R. Duncan (1996, July). **The Concept and Process of Integrated Marketing Communication**. İstanbul: The Booklet of Çırağan Palace Seminar, p. 35.

The Concept Aspect

1. Marketing Driven Management

Traditional marketing functions like product, price, place and distribution have become commoditized, and therefore are seldom capable of providing a sustainable competitive advantage. Today concept of communication not only in the marketing mix, but throughout the organization is much more vital. So, the new concept of marketing should rely on two-way purposeful communication with “stakeholders” before, during, and after the selling is completed.

2. Stakeholders

Marketing managers are beginning to recognize what many public relations managers have been saying for years: customers are not the only groups that can significantly impact a company’s sales and profits. As can be traced by the name, stakeholder is person or group who has a valuable interest in company or brand. Such as employees, shareholders, stockholders, people live where the product or service is produced or even government. Brand and company must listen and answer to those groups well.

3. Contact Points

Every contact with a brand or company delivers a message. Communication contact points are all situations both initiated or uninitiated by an organization. Contact points include situations including talking to receptionist or telephone operator, using the product or service, reading a story about the company, exposing to media messages related to brand.

4. Message Synergy

The basic concept of integration is synergy, where the whole is greater than the sum. Synergy means that various messages, if they are coordinated and consistent, create more impact and have greater effect than the same number of messages produced in isolation. In many companies, different departments delegated communication related jobs, and produce and send different messages, worst of all with totally different

essences. In the model, all messages are incorporated to create brand equity which suppose to be unique to a brand. For instance, a well-known sports shoes brand Nike defines itself as “performance”. Every message no matter about which Nike product directed at which consumer, reinforces this concept.

5. Reputation

Once these five criteria were established, then comes the “reputation” fragment of the concept aspect of the model. It having a respect from all stakeholders. Reputation is radically different from a “company image”. Image is mental picture that is static and attitude based, and is created by the company and its advertising agency. In contrast, reputation is dynamic and behavior based. It reflects the real view how people sees the organization.

Process Aspect

1. Cross-Functional Management

Cross-functional management means that planing, coordinating and executing all communication activities both within the company and between a company and related communication agencies. Information integration is the psychological platform for synergy. Integration must be approached as a cross-functional goal and this can best done with integrated marketing communications.

2. Zero-Based Planning

Another distinct feature of integrated marketing communications is the idea that planning for any communication venture begins at ground zero. The communication elements are built up on a platform of objectives which evolve from SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). Following the analysis the organization decides what tools and tactics are more appropriate for having a competitive edge against its rivals in a fierce fight.

This is in contrast to conventional planning which, in many case, begins and ends with advertising. A SWOT analysis, on the other an may acquire other marketing communications tools like personal selling,

database marketing or even public relations.

3. Database Building

In order for companies to customize their messages and begin to move to more purposeful two-way communication, they need to know the people with whom they are interacting. This requires profiling customer and other stakeholders and tracking their behaviors.

Conventional market research studies is no longer good enough because most studies are too narrow in scope and often used to sell an idea rather than to elicit more general feedback. When a company representative responds to a stakeholder contact, this interaction can be personalized because of the individualized information that is in the database. In this way, the interactivity component of integrated marketing communications can provide an ongoing stream of communication feedback.

4. Purposeful Dialogue

The reason for tracking customers and other stakeholders through a database is to enable the company to participate in purposeful dialogue with stakeholders rather than company driven monologues. Database and new media technologies are making it possible to move marketing and corporate communication programs away from total dependence on mass media into two-way communication systems that will truly support dialogue that benefits stakeholders as well as the company.

5. Relationships

The value of relationship has been demonstrated by the estimates that it costs six to nine times more to acquire a new customer than it does to retain a current customer. It is a fact that profit per customer increase with customer longevity because the longer customers are with a company, the more willing they are to pay premium prices and their annual buying trend tends to increase. The more a company can do to strengthen customer and other stakeholder relationships, the more cost effective its marketing effort will be.

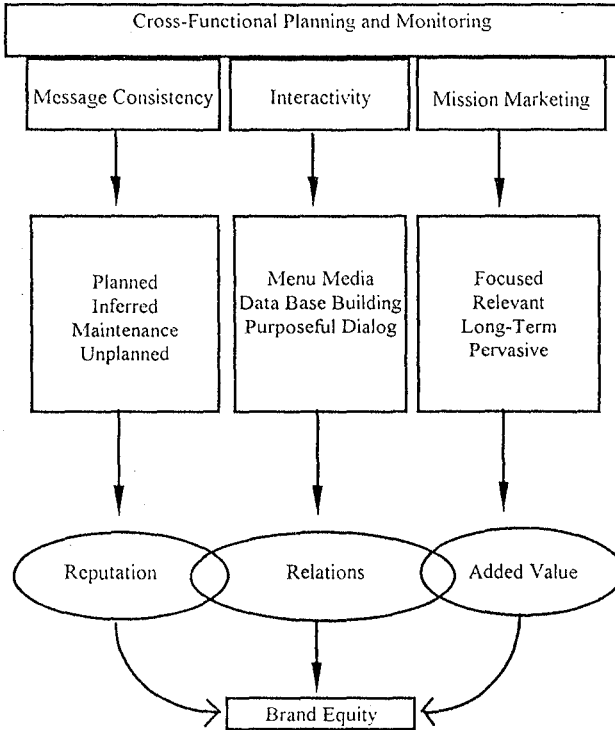
The Model

The concept and the process discussion provides a platform for the construction of the integrated marketing communications model. Figure 1.1 shows the Colorado University Integrated Marketing Communications Macro Model developed by Duncan and his colleagues at Colorado University, integrated marketing communications graduate program. The model has three components- message consistency, interactivity and mission marketing.

1. Message Consistency

A brand or company message is any type of cue that a stakeholder directly or indirectly receives and uses in deciding to what extent he or she wants to have a relationship with brand or company. This support can be expressed in a variety of ways. For customers, the obvious kind of support is buying the product or service. For employees, besides working good and maximizing effectiveness, they can recommend the company as a good place to work.

Figure 2 Colorado University Integrated Marketing Communications Macro Model



Source: T. R. Duncan (1996, July). **The Concept and Process of Integrated Marketing Communication**. İstanbul: The Booklet of Çırağan Palace Seminar. p. 6.

2. Interactivity

The interactivity component of the model insures that a company does not just use the one-way communication, but knows how to listen and carry on purposeful dialogue with customers and other stakeholders.

3. Mission Marketing

Mission marketing seeks to enrich a brand's reputation by

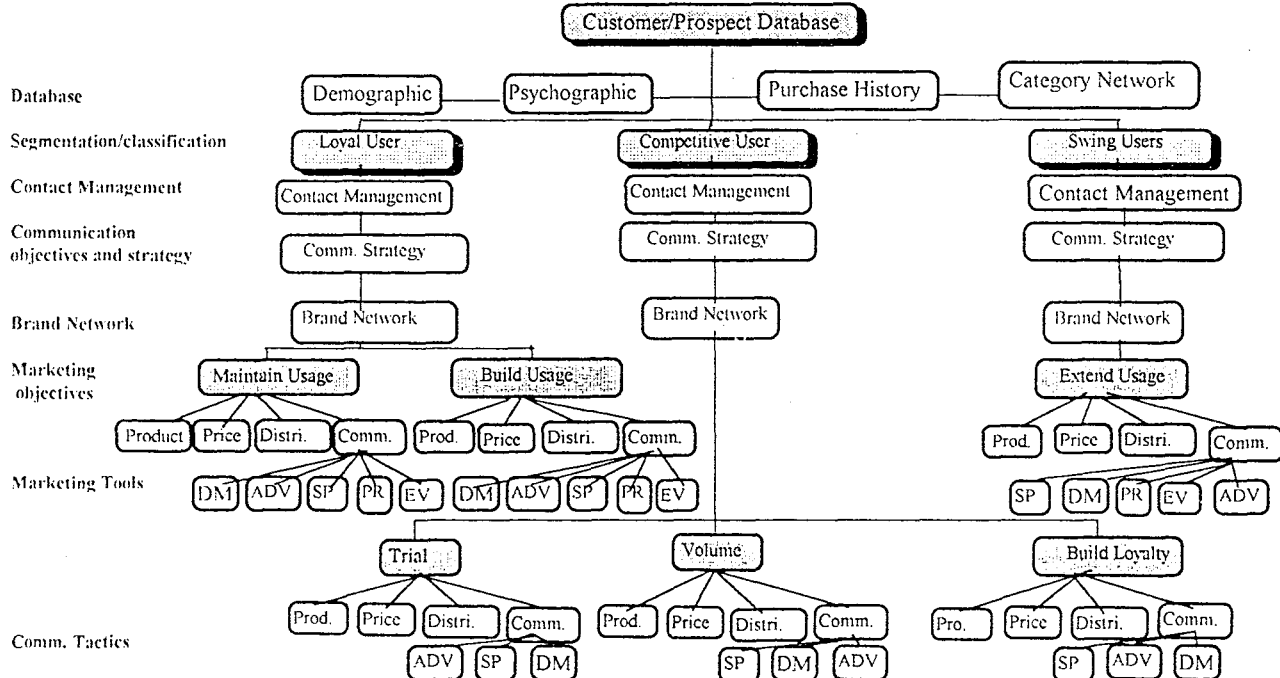
integrating a non-commercial socially redeeming value system into a company's business plan and operations. Mission marketing adds value to a company's product, service and reputation. The final objective of the model is to establish long lasting, relevant, sustainable brand equity.

SCHULTZ, TANNENBAUM AND LAUTERNBORN'S INTEGRATED MARKETING COMMUNICATIONS PLANNING MODEL

As can be seen, the model begins with prospect and the database in which required information about customers are stored (Figure 3). The main distinction of this model is that human mental information processing systems is placed in the heart of it. And human information processing starts with basic communications. Prospect receives quite amount of data from outside world. The first step is sensory register where the prospects aggregates the sound, symbols, and sensations into patterns that can be tested against concepts and categories stored in the mind. The second step of information processing is short term memory. Incoming information is held temporarily in short term memory where the matching and reasoning takes place. Third stage is long-term memory, which contains all the concepts and brand or product categories that the person has developed over the time. If a person somehow hesitates whether he or she should accept or reject the information he or she receives from outside, prospect can retrieve previous categories for exact matching and can truly decide to receive or reject.

The model shown in Figure 3, is based on this information storage, enhancement, and retrieval system. And all communiqué targeted the prospect should go through this mental process. This requires knowing the prospect and having all possible data about him.

Figure 3 Integrated Communications Planning Model



Source: Don E. Schultz, Stanley I. Tannenbaum ve Robert F. Lauterborn, *Integrated Marketing Communications*, First Ed. (Lincolnwood, Ill.: NTC Publishing Group, 1993), sp 54. Prod.: Product, Comm.: Communication, Distri.:Distribution, DM:Direct Marketing, ADV:Advertising, Sp:Sales promotion, DM:Direct Marketing, EV:Event marketing, PR: Public Relations

Based on consumer information processing model explained above, the model has eight part. Each part should be examined carefully, and authors state that the model is not a rigid formula for every kind of brand, product or service. However, due to its compatible nature, the model can easily be adopted to different brand, product and services with certain alterations. The steps of the model is than be examined.

Customer or Prospect Database

A major difference between Schultz, Tanneaum and Lauternborn's integrated marketing communication model, other models and conventional marketing communications approaches is that this model starts with customer and prospect whereas others begins with organizational goals profitability. This is why the database is critical for the success of the model. Many fast moving, consumer and high-penetration goods are lack of current data about customer, and this is their number one obstacle. On the other hand, car rental and credit card companies have well structured and up dated databases about their customers and prospects as well. As shown in Figure 3, the database should contain at a minimum raw data such as demographics, psychographics, and purchase history. Further data about consumers' and prospects category networks, and how they associate the product or services they use is vital for integrated marketing communications. The reason why a company is dedicated to the integrated marketing communications needs a solid database is that the company must custom tailor its messages for each customer, as much as possible. And this is the core competency of the model.

Segmentation and Classification

Instead of traditional demographic, psychographic, and life style segmentation methods, the model uses customer and prospect behavior as a first segmentational approach. Because the scholars claims that any model if not aimed at final behavior desired, is out of consideration. Thus, their model is designed to have result for the last action expected from the customer and prospect. The model has loyal user who are loyal to the brand, those who switch between various brands, and swinger customers. These segments are all related to observable behaviors. And, all these different users have different brand categories and contacts. The model infers that a communication specialist must figure out contact

points of those customers and the prospects, then draw a distinct road map to intercept at those contact points. Only after that, any message can be conveyed and probability of message penetration should be expected to be relatively high.

Contact Management

Due to advertising message clutter and information overload, consumers and prospect are having less time and mental energy to spend to messages from outside. The model foresees that communication specialists should find the appropriate time, place and tools set up contact with brand, company and customer and prospects.

Communication Objectives and Strategy

This step involves the message that is to be delivered given in contact management structure in which it would appear. According to the model, communication objectives and responses expected from customer or prospect is to be stated clearly.

Brand Network

All communication efforts are to be directed to customers' or prospects' category and brand network for effective result. In order to be successful, first step is clearly differentiate and define the networks.

Marketing Objectives

Scholars say that another distinction between their model and others, as well as conventional commercial communication planning is that according to the model, communication specialist along with marketing staff, should actively participate establishment process of marketing objectives. These objectives must be clear and quantitatively defined, if possible. For example, increasing the sales about twenty per cent..

Marketing Tools

Once the marketing objectives has been set, then comes the determining which of the marketing communications tools should be

determined. Selected tool should corresponds with marketing objectives. The marketing tools are not limited to those contained in the model. The key here is using different combination of available tools.

Marketing Communications Tactics

This is the last step in the model. Selection of various tactics is vital to achieve determined communication strategies. A communication specialist has wide range of tactics at his or her disposal. Although the model offers some of frequently used tactics like advertising, public relations, sales promotion, event marketing, scholars underline that tactical tools are not limited to those discussed here. There are various tactics such as packaging, non-traditional media, fairs, trade shows, in-store displays and many more.

Scholars states that in their model, they have turned all forms of marketing and communication activities to serve at one basic goal. They assume that the model integrates messages and goals to built a seamless stream of communication with the customers and prospects.

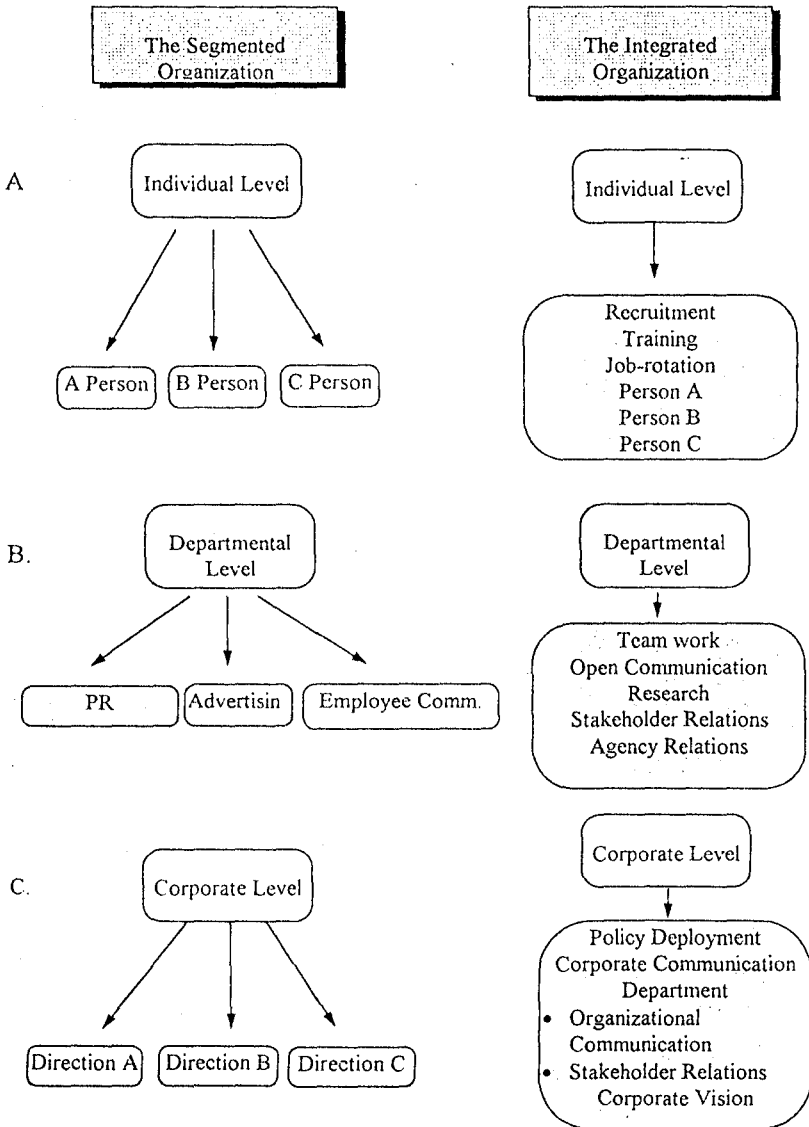
GRONSTEDT AND COMMUNICATION QUALITY BASED INTEGRATED MARKETING COMMUNICATIONS MODEL

The model developed by Anders Gronstedt is mainly concerned with unifying all communication related activities both within and out of a company. The scholar assumes that when all departments somehow related to communication tasks are operated accordingly to previously determined communication goals and strategies, it is more likely to establish and reflect a unified and sustainable view to the out of the company. He also states that the start point of an integrated communications must be the organization itself.

The model has two stages. Although either of the stages are applicable separately, the author underlies that if two stages appropriately planned and executed, the true nature of integration would be sustained.

The first stage of the model is organizational integration of all communication related activities within the organization (Figure 4).

Figure 4 Integrated Marketing Communications Model at Organizations



Source: Adapted from Anders Gronstedt, "Integrated Communications at America's Leading Total Quality Management Corporations," *Public Relations Review*, (Spring 1996), p. 32.

As expressed in Figure 4, There are two types of organizational structures related to communication integration and quality. These are segmented and integrated organizations. Both have individual, departmental and corporate level of analyses.

The author states that among these two different types of organizational structures, the integrated organization model is found to be most appropriate one in cooperation with outside communication service providers. The segmented organization model is rather multi-dimensional and has lack of corporate vision. Thus, by applying the model, an organization would have difficulty in organizing its communication activities and most probably in having purposeful cooperation with outside agencies.

The second stage of the Gronstedt's model is the organizational and hierarchical structures of advertising agencies. According to the results of an analysis conducted by the Gronsted and Thorson, there are five integrated communications agency structures are to be taken into account. These are the consortium model, the consortium with one dominant agency, the corporation with autonomous units, the matrix organization, and the integrated agency organization models. Gronstedt states that among these agency models, the most appropriate agency structure is the integrated organization model for integrated marketing communications executions (9).

Gronstedt also underlies that for a successful integrated marketing communications planning and execution, one must find more appropriate couple of the organizational and agency structure.

The goal of this paper is to show the reader that the concept of integrated marketing communications is in the fast track and developing. Besides, making the reader to be aware of theoretical assumptions available and the models developed so far. Because of the reasons stated in this paper, this new concept will soon be the part of nation's marketing communication activities and academic discussions. Further ampiric data about Turkey, when become available, will be open to the discussion.

9 A.Gronstedt & E. Thorson (1996, March/April). "Five Approaches to Organize an Integrated Marketing Communications Agency". **Journal of Advertising Research**. 48-58.

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