

Strategic Brand Management

Prepared by Dr. Perihan Salah

MKT733

Integrated Marketing Communication to Build Brand Equity

Lecture 7



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Chapter
07

LEARNING OBJECTIVES

- Describe some of the changes in the new media environment
- Outline the major marketing communication options
- Describe some of the key tactical issues in evaluating different communication options
- Identify the choice criteria in developing an integrated marketing communication program
- Explain the rationale for mixing and matching communication options

- They are means by which firms attempt to **inform**, **persuade**, and **remind** consumers about the brands they sell
 - Can contribute to brand equity by:
 - Creating awareness of the brand
 - Linking points-of-parity and points-of-difference associations to the brand in consumers' memory
 - Induce/obtain positive brand judgments or feelings
 - Facilitating a stronger consumer-brand connection and brand resonance.

At the same time, brand equity helps marketers determine how to design and implement different marketing options.

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The New Media Environment

- Has changed in recent years
 - Traditional advertising media such as TV, radio, magazines and newspapers seem to be losing their grip on consumers due to increased competition for getting consumer attention
 - Digital revolution has changed the way consumers learn and talk about brands
 - Changing media landscape has forced marketers to re-evaluate how they should best communicate with consumers



Challenges in Designing Brand-Building Communications

- Information processing model of communications

Role of Multiple Communications

Challenges in Designing Brand-Building Communications

- Skillfully designed and implemented marketing communications programs
 - Should be efficient and effective
 - Require careful planning and creative talent (acquired by practice).
 - The simplest and most useful way to judge any communication option is by its ability to contribute to building brand equity.



- For a person to be persuaded by any form of communication, the following steps must occur:
 - Exposure - Seeing or hearing communication
 - Attention - Noticing communication
 - Comprehension - Understanding the intended message
 - Yielding - Responding favourably/unfavourably to the message.
 - Intentions - Planning to act in the desired manner of communication (I hv intention but ddnt buy)
 - Behaviour - Actually acting in the desired manner.

An ideal advertisement campaign would ensure:

1. The right consumer is exposed to the right message at the right place and at the right time.
2. The creative strategy for the advertising causes the consumer to notice and attend to the ad but does not distract from the intended message.
3. The ad properly reflects the consumer's level of understanding about the product and the brand.
4. The ad correctly positions the brand in terms of desirable and deliverable points-of-difference and points-of-parity.
5. The ad motivates consumers to consider purchase of the brand.
6. The ad creates strong brand associations to all these stored communication effects so that they can have an effect when consumers are considering making a purchase.



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- Advantages of multiple communications

- Optimal utilization of monetary and other resources
- Different communication options also may target different market segments. (using diff. spots)

For example, advertising may attempt to bring new customers into the different market or attract competitors' customers to the brand, whereas sales promotion might encourage consumers to try it and at further stage reward loyal users of that brand.

All messages should be consistent throughout the channels(IMC)

Marketing Communication

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graph TD; A[Marketing Communication] --> B[Advertising and Promotion]; A --> C[Interactive Marketing]; A --> D[Events and Experiences]; A --> E[Mobile Marketing];
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**Advertising and
Promotion**

**Interactive
Marketing**

**Events and
Experiences**

**Mobile
Marketing**

Types of Advertising Media

Television

Radio

Print

Direct
Response

Place

Is a powerful advertising medium because it allows for sight, sound and motion and reaches a broad spectrum of consumers. TV ad can be an effective means for demonstrating product attributes and explaining their corresponding consumer benefits. Also TV can be a compelling means for dramatically portraying user and usage imagery.

- **Advantages**

- Effective means of vividly demonstrating product attributes and persuasively explaining their corresponding consumer benefits.
- Compelling means for dramatically portraying user and usage imagery, brand personality, emotions, and other brand intangibles.

- **Disadvantages**

- Due to the fleeting nature of the message, consumers can overlook product-related messages and the brand itself.
- The large number of ads and nonprogramming material on television creates clutter that makes it easy for consumers to ignore or forget ads.
- The large number of channels creates fragmentation, and the widespread existence of digital video recorders gives viewers the means to skip commercials.

- **Guidelines**

- In designing and evaluating an ad campaign, marketers should:
 - Define the proper positioning to maximize brand equity.
 - Identify the best creative strategy to communicate or convey the desired positioning.
- Effective TV ad should contribute to brand equity in some demonstrable way.
- Copy testing can be conducted to evaluate the effectiveness of message and creative strategies.

Is an effective medium in the morning (with the beginning of the day) can be effectively **complement or reinforce** Tv ads.

- **Advantages**

- Is flexible and stations are highly targeted.
- Ads are relatively inexpensive to produce and place.
- Effective medium in the morning and can effectively complement or reinforce TV ads.
- Enables companies to achieve a balance between broad and localized market coverage.

- **Disadvantage**

- Lack of visual image.
- Relatively passive nature of consumer processing.

- **Guidelines**

- Identify your brand early in the commercial.
- Identify it often.
- Promise the listener a benefit early in the commercial.
- Repeat it often.

Can build user and usage image specially magazines. (auto makers ads), because they provide detailed product information.

- **Advantages**

- Self-paced, provides detailed product information.
- Magazines are particularly effective at building user and usage imager.
- Newspapers are more timely and pervasive

- **Disadvantages**

- Poor reproduction quality and short shelf life diminish some of the possible impact of newspaper advertising.

- **Guidelines**

- Creative guidelines for print ads are that of clarity, consistency, and branding.

Direct response (direct marketing)

Uses mail, telephone and internet, its advantage is that it makes it easier for marketers to build relationships with customers.

• Advantages

- Makes it easier for marketers to establish relationships with consumers.
- Allows marketers to explain new developments with their brands to consumers on an ongoing basis.
- Allows consumers to provide feedback to marketers about their likes and dislikes.

• Guidelines

- Develop an up-to-date and informative list of current and potential future customers.
- Put forth the right offer in the right manner.
- Track the effectiveness of the marketing program.
- Precision marketing - Combining data analytics with strategic messages and compelling colors and designs in their communication.



It means in store ads on shopping carts, aisles, or shelves as well as promotion such as in store demonstrations, live sampling and coupons.



- Known as “non-traditional,” “alternative,” “support” or out- of- home advertising
- Marketers reach out to people in environments, where they work, play, and, of course, shop
- **Advantages**
 - Can reach a very precise and captive audience in a cost-effective and increasingly engaging manner.
 - More effective at enhancing awareness or reinforcing existing brand associations than at creating new ones.
- **Guidelines**
 - As the audience must process out-of-home ads quickly, the message must be simple and direct.
 - Marketers must stress on creative means of placing the brand in front of consumers.

Consumer Promotions

Trade Promotions

■ Promotion

- Are short-term incentives to encourage trial or usage of a product or service.
- Are designed to change the behavior of the:
 - Trade so that they carry the brand and actively support it.
 - Consumers so that they buy a brand for the first time, buy more of the brand, or buy the brand earlier or more often.

Consumers promotions: are designed to change the choices, quality, or timing of consumers' product purchases.

For example, samples are means of creating strong, relevant brand associations while also might enhance word -of- mouth among consumers.

In addition, samples might be used at the point of use. (hair dressers places). One area of promotional growth is in- store coupons with redemption rate.



Consumer promotions

- Designed to change the choices, quantity, or timing of consumers' product purchases.
- Type of consumer promotions:
 - Customer franchise building promotions like samples, demonstrations, and educational material.
 - Noncustomer franchise building promotions such as price-off packs, premiums, sweepstakes, and refund offers.
- Customer franchise building promotions can affect brand loyalty.
- Marketers evaluate sales promotions by their ability to contribute to brand equity and generate sales.

Trade promotions: are often **financial incentives or discounts given to retailers or other channel members to stock, display, and in other ways to facilitate the sale of a product through slotting allowances, point –of- purchase displays.**

Trade promotions are designed to secure shelf space and distribution for new brand. Also, shelf and aisle positions in the store are important because they affect the ability of the brand to catch the eye of the consumer – **placing a brand on a shelf at eye level may double sales over placing it on the bottom itself.**



Trade promotions

- Financial incentives given to channel members to facilitate the sale of a product through slotting allowances, point-of-purchase displays, contests and dealer incentives, training programs, trade shows, and cooperative advertising.
- Designed either to secure shelf space and distribution for a new brand, or to achieve more prominence on the shelf and in the store.

■ **Advantages**

- Permit manufacturers to charge different prices to groups of consumers who vary in their price sensitivity
- Convey a sense of urgency to consumers
- Can build brand equity through actual product experience
- Encourage the trade to maintain full stocks and support the manufacturer's merchandising efforts

■ **Disadvantages**

- Decreased brand loyalty and increased brand switching
- Decreased quality perceptions, and increased price sensitivity
- Divert marketing funds into coupons or other tools
- Increase the importance of price as a factor in consumer decisions
- New consumers who attracted to the brand may attribute their purchase to the promotion
- Not to the merit of the brand.

Web Sites

On line Ads and Videos

Social Media

Online marketing communication

- Advantages of marketing on the Web
 - Low cost, greater level of detail and higher degree of customization.
 - Can accomplish almost any marketing communication objective .
 - Valuable in terms of solid relationship building.

1. Web sites

- Encourages the collaborative effort required for brand building, between consumers and marketers.
- Marketers must carefully monitor different forums and Web site pages that may include ratings, reviews, and feedback on brands.

2. Online ads and videos

- Use banner ads, rich-media ads, and other types of ads for the purpose of advertisement.
- Advantages
 - Accountable
 - Nondisruptive
 - Targets consumers such that only the most promising prospects are contacted, who can seek information as they desire.

Disadvantage

- Consumers may ignore banner ads and screen them out with pop-up filters.

3. Social media

- Advantages

- Allows brands to establish a public voice and presence on the Web.
- Complements and reinforces other communication activities.
- Helps promote innovation and relevance for the brand.
- Provide an easy means for consumers to learn from and express attitudes and opinions to others.

- Disadvantage

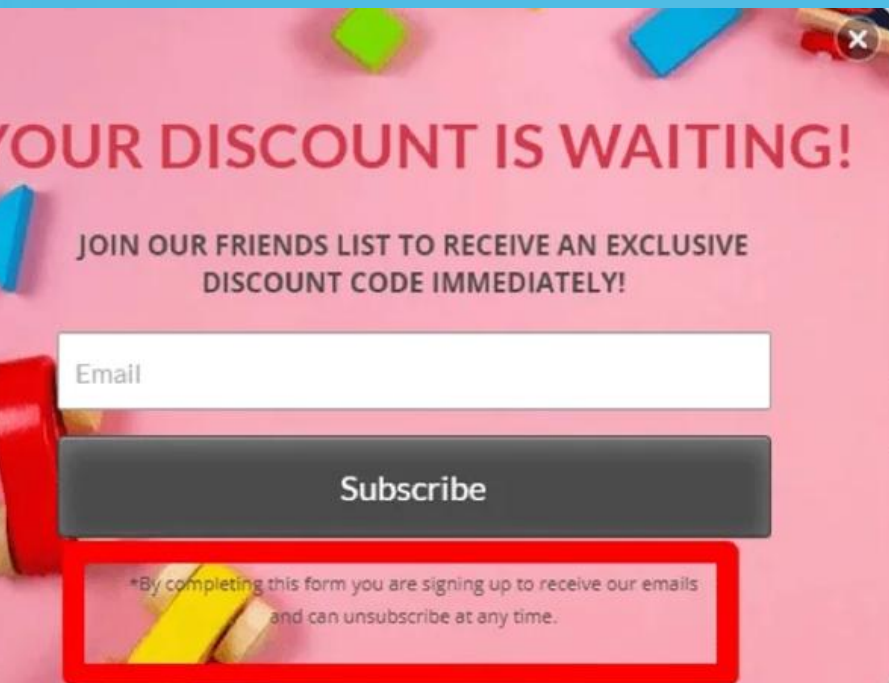
- Not everyone actively participates in social media

- Focus on engaging the consumers' senses and imagination as a part of brand building
- **Event marketing:** Public **sponsorship** of events or activities related to sports, art, entertainment, or social causes
- Range from extravagant sponsorship events to a simple local in-store product demonstration. Experiences can take all forms and are limited only by marketers' imagination.

- **Rationale:** marketers report a number of reasons why they sponsor events: (to identify target markets and lifestyle, to create or reinforce consumer response and increase awareness of company and its brand name and to create experiences and evoke feelings.
 - To identify with a particular target market or lifestyle.
 - To increase awareness of the company or product name.
 - To create or reinforce consumer perceptions of key brand image associations.
 - To enhance corporate image dimensions.
 - To create experiences and evoke feelings.
 - To express commitment to the community or on social issues.
 - To entertain key clients or reward key employees.
 - To permit merchandising or promotional opportunities.

- **Guidelines:** developing successful event sponsorship means choosing the appropriate, designing the optimal sponsorship program and measuring the effects of sponsorship on brand equity.
- Choosing sponsorship opportunities
 - Sponsor ship events:
 - Must meet the marketing objectives and communication strategy defined for the brand.
 - Must have:
 - Sufficient awareness.
 - Possess the desired image.
 - Be capable of creating the desired effects with the target market.
 - Should closely match the ideal target market in terms of the audience attending the event.
 - Should be unique but not encumbered with many sponsors.

- Designing sponsorship programs
 - Sponsor should strategically identify itself at an event through banners, signs, and programs.
- Measuring sponsorship activities
 - Supply-side method- Focuses on potential exposure to the brand by assessing the extent of media coverage.
 - Demand-side method- Focuses on reported exposure from consumers.



As smartphones are playing an increasingly significant role in consumers' lives. Because they use smartphone for information and entertainment as well as communication. They are beginning to use them as shopping device and payment methods.

Smartphones present a unique opportunity for marketers because they can be in consumers' hand at the point of sale or consumption

- **Geotargeting:** when Marketers take advantage of digital technology to send messages to consumers based on their location and the activities they are engaging in.
- Because of enormous privacy and regularly concerns surround mobile advertising and opt- advertising is a key by which users agree to allow advertisers to use specific, personal information send them targeted ads and promotions. Increasingly, consumers are choosing to opt into different services and share their locations in return for coupons, discounts, and more relevant promotional materials and messages.



- Marketing communication is essential to the process of brand building
- Developments in technology has provided new and creative modes of communication
- Marketers should employ clever communications mix to achieve their goals



Chapter
07

To Sum Up...



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Thank You

