

ESSENTIALS OF MARKETING COMMUNICATIONS

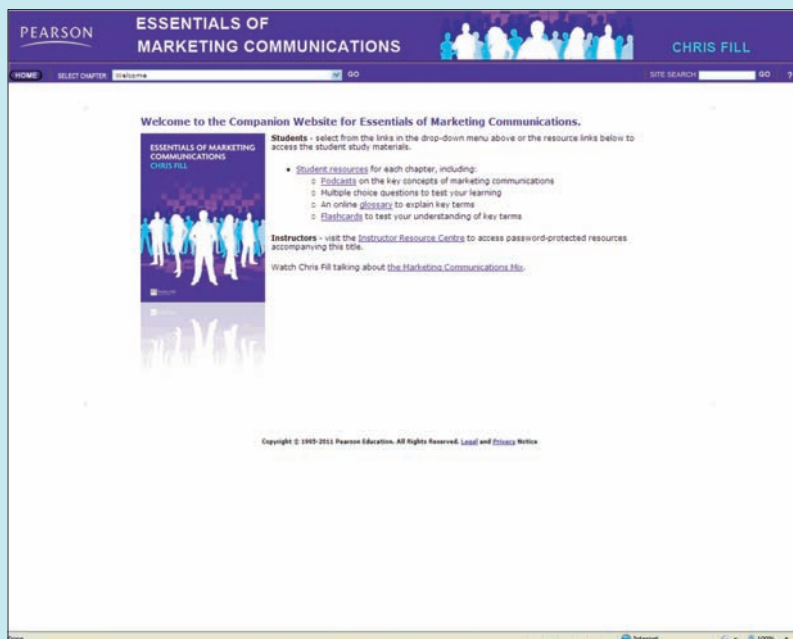
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The sales school

Many managers see sales as the only meaningful objective for marketing communication activities. Their view is that the only reason an organisation spends money on such communication is to sell its product or service. Therefore, the only meaningful measure of the effectiveness of the communication spend is in the sales results.

These results can be measured in a number of different ways. Sales turnover is the first and most obvious factor, particularly in business-to-business markets. In consumer markets and the fast-moving consumer goods sector, market share movement is measured regularly and is used as a more sensitive barometer of performance. Over the longer term, return on investment measures can be used to calculate success and failure. In some sectors the number of products (or cases) sold, or volume of product shifted, relative to other periods of activity, is a common measure.

Those who favour the use of sales in this way advocate the measure on the grounds of simplicity. Any manager can utilise the tool, and senior management does not wish to be concerned with information that is complex or unfamiliar, especially when working to short lead times and accounting periods. It is a self-consistent theory, but one that may misrepresent consumer behaviour and the purchase process (perhaps unintentionally), and to that extent may result in less than optimal expenditure on marketing communications.

There are some issues with this approach, namely that sales result from a variety of influences, such as the other marketing mix elements, competitor actions and wider environmental effects, for example the strength of the currency, changing social preferences or the level of interest rates. A second difficulty rests with the concept of adstock or carryover. The impact of promotional expenditure may not be immediately apparent, as message receivers may not enter the market until some later date, but the effects of the communications programme may influence the eventual purchase decision. This means that, when measuring the effectiveness of a campaign, sales results will not always reflect its full impact.

The communications school

There are many situations, however, where the aim of a communications campaign is to enhance the image or reputation of an organisation or product. Sales are not regarded as the only goal. Consequently, communication efforts are seen as communication tasks, such as the creation of awareness or positive attitudes towards the organisation or product. To facilitate this process, receivers have to be given relevant information before the appropriate decision processes can develop and purchase activities established as a long-run behaviour.

Various models have been developed to assist our understanding about how these promotional tasks should be segregated and organised effectively. AIDA and other hierarchy of effects models such as Dagmar (defining advertising goals for measured advertising results) (Colley, 1961) have been popular models in the past. Typically the communications task is based on a sequential model of the communications process: awareness – comprehension – conviction – action. It was once thought that marketing communications succeeds or fails depending on how well it communicates the desired information and attitudes to the right people at the right time and at the right cost (see Table 4.3).

A more contemporary view holds that success should be based on the degree to which audience (brand) behaviour is influenced but campaigns designed to develop awareness and establish brand name familiarity are still necessary. Indeed, many brands seek to establish 'top of mind awareness' as one of their primary objectives for their communications (advertising) spend.

The hierarchical approach has been subject to much debate and among the arguments against the use of communication objectives the following are prevalent. Among them are criticism levelled by those who regard sales as the only valid measure of campaign effectiveness. The sole purpose of communication activities, and advertising in particular, is to generate sales. So, as the completion of communications tasks may not result in purchases, the only measure that need be undertaken is that of sales. Criticism is also made in terms of the loss of creative flair as

Table 4.3

Hierarchy of communications (after Colley)

Stage	Explanation
Awareness	Awareness of the existence of a product or brand is necessary before any purchase will be made.
Comprehension	Audiences need information and knowledge about the product and its specific attributes. Often the audience needs to be educated and shown either how to use the product or how changes (in attributes) might affect their use of the product.
Conviction	By developing beliefs that a product is superior to others in a category or can confer particular rewards through use, audiences can be convinced to trial the product at the next purchase opportunity.
Action	Potential buyers need help and encouragement to transfer thoughts into behaviour. Providing call-free numbers, website addresses, reply cards, coupons and sales people helps people act upon their convictions.

Source: Based on Colley (1961)

attention passes from looking for the big idea to concentration upon the numbers game, of focusing on measures of recall, attitude change and awareness. The third reason cited here concerns the impracticality of targeted communications effects. Management and associated agencies are required to account for their performance and with accounting periods being reduced to as little as 12 weeks, there is too little time for all of the communication tasks to be progressed or completed. Sales measures present a much more readily digestible benchmark of performance.

From a practical perspective, it should be appreciated that most successful marketing organisations do not see the sales and communications schools as mutually exclusive. They incorporate both views and weight them according to the needs of the current task, their overall experience, the culture and style of the organisation and the agencies with whom they operate.

Marketing communication objectives need to be set which reflect the communication and sales tasks that the product or organisation needs to accomplish. It should be appreciated that these objectives are vitally important, as they provide the basis for a string of decisions that are to be taken at subsequent stages in the development of the communication plan. This is examined in the next chapter.

SMART objectives

To assist managers in their need to develop suitable objectives, a set of guidelines has been developed, commonly referred to as SMART objectives. This acronym stands for specific, measurable, achievable, relevant, targeted and timed.

The process of making objectives SMART requires management to consider exactly what is to be achieved, when, where, and with which audience. This clarifies thinking, sorts out the logic of the proposed activities and provides a clear measure for evaluation at the end of the campaign.

Specific

What is the actual variable that is to be influenced in the campaign? Is it awareness, perception, attitudes, or some other element that is to be influenced? Whatever the variable, it must be clearly defined and must enable precise outcomes to be determined.

Measurable

Set a measure of activity against which performance can be assessed; this may be a percentage level of desired prompted awareness in the target audience.

Achievable

Objectives need to be attainable, otherwise those responsible for their achievement will lack motivation and a desire to succeed.

Realistic

The actions must be founded in reality and be relevant to the brand and the context in which they are set.

Targeted and timed

Which target audience is the campaign targeted at, how precisely is the audience defined and over what period are the results to be generated?

Having determined what levels of awareness, comprehension or preference are necessary or how attitudes need to be developed, the establishment or positioning of these objectives as a task for the organisation to accomplish should be seen as a primary communication objective. The attitude held or what individuals in the target market perceive, comprehend or prefer is a focus for campaign activity and subsequent evaluation.

Positioning

Having established the target markets, strategy and objectives the final part of the overall marketing communications strategy development process is to formulate the desired position for the product/service offering. In many cases this may just be a confirmation and reinforcement of the current positioning. In others, it may be a matter of repositioning. Before considering some of the more common positioning strategies it is necessary to establish what positioning means.

Ries and Trout (1972) were the first to claim, that it is not the physical nature of the product that is important for positioning, but how the product is perceived by others that matters. This is why a consideration of perception and attitudes and the way stakeholders see and regard brands and organisations is necessary. Of course, this may not be the same as the way brand managers intend their brands to be seen or how they believe the brand is perceived. If there is a disparity between the way the brand manager intended the brand to be seen and the way it is actually perceived, then this positioning gap needs to be closed. This can be achieved by either making changes to the product/service offering or by changing the communication strategy.

In the consumer market, established brands from washing powders (Ariel, Daz, Persil) and hair shampoos (such as Wash & Go, Timotei), to cars (for example, Peugeot, Ford, Nissan) and grocery multiples (Sainsbury's, Morrisons, Tesco) each carry consistent communications that enable audiences to position them in their respective markets. The process of positioning might also enable audiences to confer a level of perceived value on a brand, following a communication activity. The perceived value might be revised, up or down, for an established brand, should the positioning change.

The positioning concept is not the sole preserve of branded or consumer-oriented offerings or indeed those of the business-to-business market. Organisations are also positioned relative to one another, mainly as a consequence of their corporate identities, whether they are deliberately managed or not. The position an organisation takes in the mind of stakeholders may be the only means of differentiating one product from another. Given the advancement in technology, the high level of physical and functional similarity of products in the same class, and the increasing emphasis on ethical, corporate and social responsibilities, it is not surprising that many consumers make purchase decisions on their assessment of the company they are dealing with. Therefore, it is important to position organisations as brands in the minds of actual and potential customers.

The positioning concept

All products and all organisations have a position. The position held by each stakeholder can be managed or it can be allowed to drift. An increasing number of organisations are trying to manage the positions occupied by their brands and are using positioning strategies to move to new positions in buyers' minds and so generate an advantage over their competitors. This is particularly important in markets that are very competitive and where mobility barriers (ease of entry and exit to a market, e.g. plant and production costs) are relatively low.

Positioning, therefore, is the natural conclusion to the sequence of activities that constitute a core part of the marketing strategy. Market segmentation and target marketing are prerequisites to successful positioning. From the research data and the marketing strategy, it is necessary to formulate a positioning statement that is in tune with the promotional objectives.

One of the roles of marketing communications is to convey information so that the target audience can understand what a brand stands for and differentiate it from other competitor brands. Clear, consistent positioning is an important aspect of integrated marketing communications. So the way in which a brand is presented to its audience determines the way it is going to be perceived. Therefore, accepting that there are extraneous reasons why a brand's perception might not be the same as that intended, it seems important that managers approach the task of positioning in an attentive and considered manner.

Generally there are two main ways in which a brand can be positioned: functionally and expressively (or symbolic). Functionally positioned brands stress the features and benefits, and expressive brands emphasise the ego, social and hedonic satisfactions that a brand can bring. Both approaches make a promise, a promise to deliver a whiter, cleaner and brighter soap powder (functional) or clothes that we are confident to hang on the washing line (for all to see), dress our children in and send to school and not feel guilty, or dress ourselves and complete a major business deal (symbolic).

Viewpoint 4.4

Sticky, yet functional positioning

Marketing communications in the adhesives market place heavy reliance on demonstrating the performance of each the individual brands. Solvite, for example, present a man glued to a board and suspended in dangerous situations (above sharks, towed into the sky and at a theme park on a 'vertical drop ride').

Another brand, 'No More Nails', uses a similar functional approach. One execution shows a man sitting on a chair that has been glued half-way up a wall inside a house.

Adhesives provoke low-involvement decision-making and there is generally little consumer interest in the properties of each brand. The essential information that consumers require is that the brand has strong performance characteristics. This sets up umbrella brand credibility so that sub-brands for different types of glue are perceived to have the same properties as the umbrella brand and will do the 'job'.

Advertising needs to have dramatic qualities in order to attract attention and to build up a store of images that enable people to recall a brand of adhesives which do actually stick.

Question

To what extent is the success of a functional position dependent on the quality of the attribute rather than the communications used to convey it?

Task

Determine the key functions associated with a product category and then find communications that reflect those key functions.

Viewpoint 4.5 Sit tight – it's expressive positioning

The range of expressive positioning opportunities can vary from the subtle suggestion that a brand of hair colourant can change not only a person's ego and the way they feel they are perceived, to a more extreme, sometimes bizarre and remote expression of a brand's identity.

For example, much of Toshiba's communications have been product led, partly a result of the dominant Japanese culture. Recent management changes in the UK operation have seen a move towards advertising and a position that hardly features the company's products. The award winning 'Space Chair' ad takes viewers, seated on an ordinary living room chair, on a breathtaking journey to the edge of space. The goal was to communicate the amazing quality of the Toshiba viewing experience, delivered through sharper, smoother images that crisply define every cloud and every star. This form of ad not only helped Toshiba break away from its past, but also symbolised Toshiba's brand philosophy and positioning as a leader in innovation.

Filmed in the Nevada desert, a Helium balloon was used to take the purpose made, lightweight chair and Toshiba cameras, to 98,268 feet above the earth. After 83 minutes, the rig broke up and the chair took 24 minutes to crash back to earth.

Source: Based on Tylee (2010); Ball (2009)

Question

What are the advantages and disadvantages of using this type of expressive form of communication to position a brand?

Task

Go to page 258 to see the Press Release relating to this piece.



Exhibit 4.3

Still from Toshiba 'Space Chair' ad
Image courtesy of Toshiba

Positioning strategies

Positioning is the communications element of the segmentation process and is concerned with influencing the way target audiences perceive a product or brand. This should be achieved through communication which presents the product so that it occupies a particular position in

Table 4.4 Common positioning strategies

Positioning strategy	Explanation
Product features	The brand is set apart from the competition on the basis of the attributes, features or benefits that the brand has relative to the competition. For example, Red Bull gives you energy and Weetabix contains all the vitamins needed each day.
Price/quality	The price/quality appeal is used by many brands including M&S where quality is worth every penny.
Use	Used to inform buyers about when or how a product can be used. For example, Milky Way, 'The sweet you can eat between meals', informs just when it is permissible to eat chocolate; and After Eight chocolate mints clearly indicate when they should be eaten.
Product class dissociation	Some markets are essentially uninteresting and others have no obvious available positions as they have been adopted by competitors. For example, the moisturising bar Dove is positioned as 'not a soap'.
User	This approach enables the target user to be clearly identified. Flora margarine was for men, and then it became 'for all the family'. Some hotels position themselves as places for weekend breaks, as leisure centres or as conference centres.
Competitor	By associating directly with a competitor it becomes possible to create a perceived advantage. Virgin Atlantic challenge British Airways, and famously, Avis performed very successfully 'trying even harder' against Hertz, the industry number one.
Benefit	Here, proclaiming the benefits of usage, a superior position can be established. Sensodyne toothpaste appeals to all those who suffer from sensitive teeth, and a vast number of pain relief formulations claim to smooth away headaches or relieve aching limbs, sore throats or some offending part of the anatomy.
Heritage or cultural symbol	Used to convey quality, experience and knowledge, appeals to cultural heritage and tradition are often symbolised by age, particular heraldic devices or visual cues. For example, Kronenbourg 1664, 'Established since 1803', and the use of coats of arms by many universities to represent depth of experience and a sense of permanence.

the mind of each (potential) buyer, relative to the offerings of competitive products. In essence, the position adopted is a statement about what the brand is, what it stands for and the values and beliefs that customers (hopefully) will come to associate with the particular brand. The visual images or the position statement represented in the strapline may be a significant trigger that buyers use to recall images and associations of the brand.

There are a number of overall positioning strategies that can be implemented. The list in Table 4.4 is not intended to be comprehensive or to convey the opinion that these strategies are discrete. They are presented here as means of conveying the strategic style, but in reality a number of hybrid strategies are often used.

There are occasions when offerings need to be repositioned in the minds of customers. This may be due to market opportunities and development, mergers and acquisitions or changing buyer preferences, which may be manifested in declining sales. Research may reveal that the current position is either inappropriate or superseded by a competitor, or that attitudes have changed or preferences been surpassed; whatever the reason, repositioning is required if past success is to be maintained. However, repositioning is difficult to accomplish, often because of the entrenched perceptions and attitudes held by buyers towards brands and the vast (media) resources required to make the changes. Google began to reposition itself as a collaborative, technology brand, rather than a media company focused on aggregating and distributing content (Boyd, 2010).