

Integrated Marketing Communications

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Features of

Opening Exhibit The discussion in each chapter begins with an Opening Exhibit based on the major topic dealt with in the chapter.

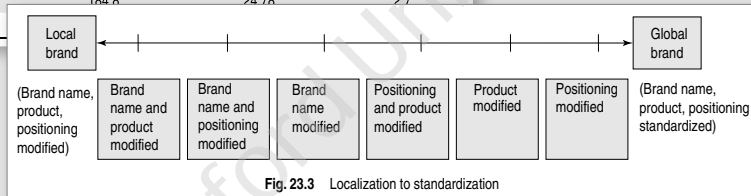
OPENING CASE

Making Kaun Banega Crorepati Relevant

The year 2012 saw the sixth season of Kaun Banega Crorepati (KBC) being aired on Sony Entertainment Television (SET). Of the earlier five seasons, the first three seasons were aired on Star Plus channel, whereas the last two were aired on SET channel—all of which had been highly successful. KBC was the second highest grosser after the Indian Premier League (IPL) for SET channel, with research showing that it had an 'average rating of 4.8'. Research done in 2009 showed that '... KBC brand was gasping for breath and it was imperative to revive the property'. The universal connect and relevance was limited as it was viewed as a show for the intellectuals. It had to increase the social relevance and it chose the tagline *Sirf gyaan hi aapko aapka haq*

Table 4.1 The decadal change in population of some South-Asian countries

Country	Population (in millions)	Decadal change (in %) (2001–2011)	Percentage of world population
India	1,210.2	17.64	17.5
China	1,341.0	5.43	19.4
Indonesia	237.6	15.05	3.4
Pakistan	184.8	24.78	2.7
Bangladesh			



Tables and Figures
The text in each chapter is interspersed with numerous tables and simple illustrations.

Boxed Exhibits Each chapter showcases a wealth of exhibits that relate to the key concepts discussed in the chapter.

Exhibit 5.5 **Advertisements Drawing Flak**

Ogilvy & Mather (O&M) has been in the news for creating a series of advertisements for mattress brand Kurion which drew 'flak over its offensive content', just a year after a similar controversy made Bobby Pawar quit JWT as the agency's managing partner and chief creative officer. O&M released a set of three illustrated advertisements titled 'Bounce Back' on online advertisement forum Ads of the World. One of them shows Pakistani student activist 'Malala Yousafzai' who was in the news for being shot by Taliban and subsequently receiving the Nobel Peace Prize, tumbling in the air after being shot on the head, lands on a Kurion mattress and bounces back to accept the Nobel peace prize. It has attracted widespread contempt for using a recent and horrendous tragedy to sell a product.

The agency had entered the 'Bounce Back' series for the Kyoorius Advertising and Digital awards, but withdrew it on 14 May 2014 on the second day of the jury session, one of the judges on the panel said. The other two advertisements in the series feature Father of the Nation Mahatma Gandhi and Apple founder Steve Jobs. One shows Jobs bouncing back to become a great American entrepreneur after being booted out of the house, while the other shows lawyer Gandhi being thrown out of the train and bouncing back to become the Father of the Nation (Dasgupta 2014).

the Book

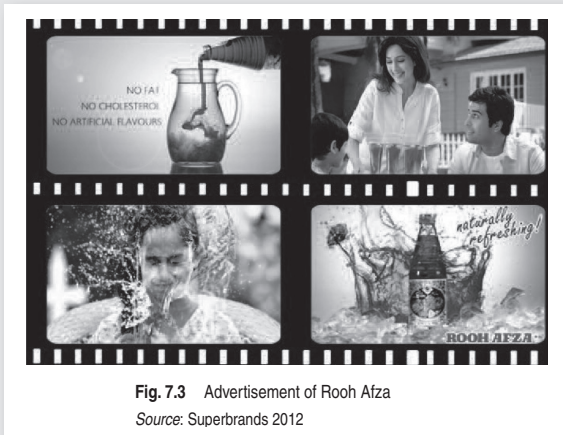


Fig. 7.3 Advertisement of Rooh Afza
Source: Superbrands 2012

Industry Examples and Adverts Each chapter in the book has numerous examples supplemented with related images of advertisements.

Exercises The exercises section includes Multiple Choice Questions and Internet Exercises, besides Concept Review Questions and Critical Thinking Questions.

Multiple Choice Questions

1. The communication tools of a company include (a) Direct modes of communication

Concept Review Questions

1. What are the various communication tools that can be used with the target audience, and public relations?

Critical Thinking Questions

1. 'Communication is all about advertising to the customers'.

Internet Exercises

1. Visit the website of makemytrip.com and identify the various tools of communication on the homepage.
2. Identify a company and delineate the various tools of communication that the company is using for communicating on the Net.

CASE STUDY

The Coming Back of Maggi

Introduction

Since its launch in 1982, Maggi noodles has become synonymous with a dish that could be cooked in two minutes. During that period, consumers were interested in Chinese noodles and Nestlé understood this craze of the consumers (Das 2007). It designed a product that could satisfy the noodles craze and at the same time, allow the housewife to be creative by giving the leverage of creating variations through addition of vegetables.

Promoting the brand

The brand was promoted keeping in mind the end-

experiences with Maggi—their 'Maggi moments', and the chosen entries got featured in the TVC and on the packaging material for Maggi and also got posted online.

The comeback

Maggi received a big blow when Food Safety and Standard Authority of India (FSSAI), banned Maggi noodles in the first week of June 2015, due to some tests showing unsafe levels of lead and presence of monosodium glutamate in the product. Against Nestlé's appeal, the Bombay High Court in August 2015 'lifted the recall order and said the popular

Chapter end case study

Each chapter ends the discussion by providing a case study, complete with case questions and a list of references.

Preface

Effective communication with its target audience is the differentiating factor that ensures an organization's success in a media fragmented and product-cluttered world. Creating a great product in itself is not sufficient till the same is not communicated to the consumers. This book is an attempt to understand the various ways and means by which companies can communicate with their target audience to create, build, and manage products in the marketplace. Communication facilitates the journey of a product from being a physical entity to being a brand. In other words, communication has to be integrated into the marketing activities of the firm, hence the importance of Integrated Marketing Communications.

Marketing communication as an activity in an organization can be influenced and facilitated by a number of suppliers in the marketplace. It is therefore important to understand the various stakeholders and how they can impact the marketing communication of an organization.

Advertising is the most visible form of communication, but communication is not limited to it. Companies communicate through personal selling, sales promotion, direct marketing, and publicity and public relations. Through these various tools of communication, companies can create a buzz in the marketplace. Brilliant planning and execution of marketing communication helps the brand in remaining visible to consumers resulting in a place in their long-term memory so that the brand is recalled at right points of time leading to monetary and non-monetary benefits for organizations.

About the Book

Integrated Marketing Communications (IMC) is targeted to meet the needs of management students, faculty, and practitioners by presenting a comprehensive overview of understanding the environment, consumers, various tools of communication, communication via the new media, and how these can be used strategically to create a brand. To understand how a brand can be communicated globally to successfully manage the brand for a longer period of time, monitoring and control of marketing communication strategy is important. Also an understanding of the social and ethical perspectives cannot be ignored in the study of marketing communications. A communication manager needs to understand all these concepts and issues so that the marketing activities can be synergized resulting in a strong brand.

The book provides a comprehensive understanding of all tools of marketing communication used in both traditional and new media. The key concepts are explored with the help of successful and iconic brands globally such as Coca Cola, HCL Technologies, Paytm, LIC, Maggi, Barbie, SBI Life, and Apple.

Every chapter starts with outlining the scope of the chapter and concludes with key definitions and summary for better assimilation of the content. The text in each chapter is full of rich images and corporate examples and includes boxed exhibits for better understanding of the theoretical concepts explored. The book provides a complete understanding of marketing communication—right from the process employed, the tools of communication, the environment which includes the political and regulatory environment, cultural environment, consumers to the various players and external agencies available that can be employed by marketers for communicating effectively with consumers. It tries to demystify and simplify the concepts involved in various tools of communication, not just advertising and sales promotion but direct marketing, personal selling, and public relations and publicity as well for the current and future brand and communication managers.

Key Features

- Integrates theoretical concepts with corporate examples
- Provides rich insights into successful and established brands
- Includes topics such as communicating via the new media, both online and mobile, corporate image management, hiring and motivating the sales force, personal selling management, and event and sponsorship management.
- Discusses practices of global and Indian companies like Apple, Coca Cola, Vodafone, LIC, Barbie, Paytm, etc.
- Includes boxed marketing insights from the industry
- Explains concepts through tables, exhibits, images, and case studies
- Provides internet exercises for each chapter to practice the concepts studied

Coverage and Structure

The book is divided into nine sections comprising twenty-five chapters. Various aspects of marketing communication have been explored to provide a complete overview of how communication can be managed. Each chapter is followed by a case study that helps in providing an understanding of the concept studied. The case studies are contemporary and help in enhancing the analytical skills of the students. The critical review questions and internet exercises help in applying the concept studied to real-life situations.

Part I Introduction to IMC

This section consists of two chapters.

Chapter 1: Introduction to IMC explores the need and importance of IMC and the role it plays in creating the corporate brand image. The chapter gives an introduction to IMC and the various challenges that it has to overcome along with an understanding of the communication model.

Chapter 2: IMC Process gives an understanding of how IMC is carried out in organizations and introduces the various tools of communication. It highlights the importance of maintaining uniformity and continuity in the communicated message across tools of communication so as to achieve strategic objectives.

Part II Understanding the Environment

This section consists of four chapters.

Chapter 3: Political and Regulatory Environment draws from the realization that organizations are bound by legal framework and have to communicate with their target audience within this

regulatory purview. Government and non-government organizations regulate communications and companies have to be proactive about this so that they can incorporate this in their strategic and tactical planning.

Chapter 4: Sociocultural Environment delineates the fact that influencing customers through marketing communications can be achieved provided companies understand the thought processes of customers, what they consume, how they consume, how they make purchase decisions, etc. This understanding necessitates the study of the social and cultural environment and its impact on the customers.

Chapter 5: Understanding the Advertising and Promotion World gives an insight into the advertising and promotion world and how the ecosystem has various players that can assist an organization in performing these activities.

Chapter 6: Understanding the Consumers further explores how consumer behaviour and consumption trends impact the manner in which they perceive, store, and retrieve the information and its implication on brand and on the purchase decision by consumers. The consumer purchase decision making process looks at the input, process, output model along with various factors that influence this. The chapter also looks at the buyer behaviour in a business to business context. The input, process, output model has been applied here and discussed in light for buying behaviour of an organization. The various factors that impact these stages are also discussed.

Part III Promotion Tool—Advertising

This section consists of four chapters.

Chapter 7: Advertising Management explores a number of crucial decisions that need to be made which can impact the effectiveness of the advertisement. The advertising process starts with the objective, message strategy, execution, media options available, etc.

Brands can have different objectives at different points of time and use of different media can confuse the customers if the message that is being delivered at different platforms is highly diverse. Hence, the need for an integrated communications concept and effective communications management is essential.

Chapter 8: Advertising Strategy highlights the need for innovative approaches to gain the attention of consumers. Marketers can use rational and/or emotional appeals to gain the attention of consumers. The chapter further explores various factors on the basis of which marketers can decide the route they will follow. The discussion on the use of comparative advertising as a strategy to capture consumer attention helps understand how marketers can effectively use this as an advertising strategy.

Chapter 9: Advertising Agency takes forward the concept that the numerous advertising agencies of today can assist the companies in their endeavour to communicate effectively with their target audience. It is for the company to choose the right agency—one which has the capability and willingness to serve it.

Chapter 10: Point of Purchase Advertising explores how marketers can advertise and inform about their brands at the store thus attracting the consumers. Thus point-of-purchase advertising is important and cannot be overlooked as numerous studies have shown that majority of the decisions about brands are made in the store itself.

Part IV Promotion Tool—Sales Promotion

This section consists of the following three chapters.

Chapter 11: Sales Promotion Management develops an understanding of how marketers can manage sales promotion strategically to achieve the objectives of marketing communication. The chapter builds the importance of the succeeding two chapters and discusses how sales promotion offers an incentive to the customers to make a purchase.

Chapter 12: Trade-oriented Sales Promotion discusses the ways in which companies can motivate the channel partners so that they actively promote the product to the customers. This strategy is also called ‘the push strategy’ as the manufacturers push their products through the channel partners to the end-customers.

Chapter 13: Customer-oriented Sales Promotion looks at how companies can give promotional offers to customers so that they create a demand for their brand which helps in pulling the product through the distribution channels. The chapter highlights the fact that generally sales promotion is done to enhance the sales of the product, but it can also be used as a tool to enhance brand awareness and brand loyalty.

Part V Promotion Tool—Direct Marketing

This section consists of two chapters.

Chapter 14: Direct Marketing Management discusses the strategy that can be employed by organizations to directly reach out to customers to sell the product thereby removing the middlemen and interacting directly with the customers. This helps in understanding the requirements of the customers better and gives marketers the opportunity to serve them well.

Chapter 15: Database Marketing recognizes the fact that influencing the value perception of consumers is an ongoing and important aspect of marketing communication that can be achieved through database management. It looks at how companies can effectively collect, store, and retrieve information to market to the existing customers.

Part VI Promotion Tool—Personal Selling

This section consists of two chapters.

Chapter 16: Personal Selling Management gives due importance to personal selling as it is the final link between the company and its customers and facilitates the exchange process. It is one of the oldest forms of promotion and uses the sales force to support the push strategy of the company. It discusses concepts like sales quota, sales forecasting, territory allocation criteria, and various methods of compensation for sales people.

Chapter 17: Hiring and Motivating the Sales Force brings to prominence the need to hire and motivate the sales force as sales personnel are a vital link between a company and its customers. For the customers, interaction with the sales personnel is going to decide what they think about the company. Thus for the management, hiring the right people and keeping them motivated is imperative.

Part VII Promotion Tool—Publicity and Public Relations

This section consists of two chapters.

Chapter 18: Public Relations Management gives a perspective on leveraging the relations with various publics to effectively communicate with the target audience. Public relation activities

include corporate advertising, lobbying, donations, publicity, and so on. Publicity involves communicating through news in the media without paying for it. Consumers give higher credibility to communications received from news items compared to advertising and so this forms an important tool of communication.

Chapter 19: Event and Sponsorship Management provides insights into how companies can reach their target audience by getting mileage out of promoting an event. Paying sums of money to sponsor events is just one part of the sponsorship activity which starts with identifying the branding objective that needs to be achieved through the sponsorship activity.

Part VIII New Media

This section consists of two chapters.

Chapter 20: Communication via New Media helps marketers understand the technological advancements in the form of new media which needs to be explored as consumers have and are increasingly adopting this new media. The chapter helps provide an understanding of how marketers can pursue the various promotional tools online.

Chapter 21: Mobile Marketing Communication helps in providing further clarity on communicating via the new media that is mobile phones. High internet penetration and constant consumption of this media by the target audience, provides humongous opportunities that need to be channelized into the marketing communication strategy so as to reach out to customers as per their convenience.

Part IX Marketing Communications and Strategy

This section consists of four chapters.

Chapter 22: Corporate Image Management and Brand Building ties together the various communication tools that are used by organizations to get the organizational image in the mind of the consumers. A strong corporate image results in a number of benefits for the corporate like creating high brand equity, opportunities for brand extensions, price premiums, high market share, enhanced customer loyalty, and so on. Hence marketers need to understand how they can use communication as a strategy to build brands with strong brand equity.

Chapter 23: Integrating Global Marketing Communication recognizes the world as a global village and needs to build uniform brand image global for enhanced profitability and brand equity. The chapter provides an understanding of how the various tools of communication can be integrated on a global platform leading to strong brand identity.

Chapter 24: Monitoring and Evaluation helps provide a perspective on how companies can monitor their marketing communication through various primary and secondary research techniques and use the results for further planning their marketing communication strategy more effectively.

Chapter 25: Ethical and Social Perspectives recognizes ethics and morals as the invisible hand that guide actions of organizations through individuals who make the organizations. These are the checks and balances that are to be in place while formulating and executing all the marketing communication activities so that an individual's ethical and social perspective does not lead to the organization's undoing.

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2

LEARNING OBJECTIVES

After studying this chapter, the reader will be able to understand

- the various IMC tools
- the process of IMC
- the process of developing a strategy for IMC
- the process of research for IMC

IMC Process

OPENING CASE

Spa for the Eyes

A national daily had a front cover page (dated 4 April 2016) boldly asking 'Wouldn't it be nice if your eyes felt younger, fresher and rejuvenated again?' There was a half face of a model covering the length of the page and on the top right was the company's logo LifeZen™ with the tagline 'Embrace Life!', and at the bottom was the invitation 'flip to see how...'

The back of this front page of the daily gave the solution in the form of their brand EyeSpa™ with the advertisement copy saying 'get back the radiant and youthful bliss of your eyes, with EyeSpa™'. The copy further showed the packaging of the product, and readers could immediately see the 'cool hydrates and refreshes' and 'instant calm' on the packaging. The advertisement explained how 'today's working lifestyle, essentially governed by technological factors such as computers, TVs, tablets, and smartphones, and external factors such as pollution, dust, and climate change', was causing strain on the eyes and making them itchy, dry, and causing eye fatigue. EyeSpa™ was then highlighted as the saviour as 'it brings back the natural balance of moisture in your eyes keeping them fresh, lustrous, and relaxed'. A doctor was also shown in the advertisement with the message 'No. 1 formula recommended by eye specialists'. It built confidence in the reader by highlighting 'no itching and burning, 100% safe to use, and 20 years of trusted medical expertise from the house of BAL Pharma Ltd'. Customer care number was given along with the website address and name and contact number of authorized distributors. Customers could also follow the brand on the Twitter and Facebook. The advertisement also had a sales promotion offer and customers could call on a number to win an iPhone.

Question: A half-page advertisement of the problem (eye fatigue, prickliness, etc.) and the solution (EyeSpa™) could have served the purpose of the company. Instead, it went through an entire strategy and released a two-page advertisement. Why did it need to do this and what were the marketing communication strategies that it used?

INTRODUCTION

Carrying out the communication function of an organization is a sequential process that requires careful planning and execution. Communication made by a company helps the consumers develop an understanding about what the company is about. In addition, whatever is communicated remains in the consumer's memory for long and so each passing day makes the communication task more challenging. The P of promotion (in the 4/7 Ps) consists of advertising, sales promotion, personal selling, direct marketing, and public relations. Companies can use either one or a mix or all of these to communicate with their target audience. Thus, for example, in the opening exhibit, EyeSpa™ uses advertising and sales promotion to reach out to its customers. Before we proceed with a detailed discussion of the same, it is important to reiterate that all the other Ps—that is product, price, and place (in 4Ps) and people, process, and physical evidence (the other 3Ps in 7Ps for a services product) also communicate with the target audience. The quality of the product, the price charged for that quality, where it is sold, the behaviour of the service personnel, how it is sold, and the ambience of the place (all the three) communicate with the customers. The interaction that the consumer has with the product and its performance each time will build either a positive or a negative conformance with the communicated message. Thus, what is communicated has to be in line with the other Ps of the marketing mix.

IMC TOOLS

Companies can communicate with their customers through their promotion mix that includes a number of tools such as advertising, sales promotion, personal selling, direct marketing, and public relations and publicity. These tools have to be managed and coordinated so that companies can inform and persuade their customers and sell or promote their products and this is called promotion. For example, the advertisement of Odonil informs consumers about the various fragrances such as lavender and rose that consumers can use to 'lift their mood' (Fig. 2.1).

The company can communicate with their target audience either directly or through a media. Both these methods can also be employed by organizations. When communicating through a media, it is important to note that it can be paid and unpaid. Paid communication includes advertising, sales promotion, online advertising, and public relations, and unpaid communication includes publicity. Personal communication can also be paid and unpaid. Paid personal communication includes personal selling and online chatting while personal unpaid communication includes word-of-mouth communication between a peer to a peer.

Advertising

Advertising is a paid form of communication by the service providers with its target audience to facilitate exchanges (of services or information) with its stakeholders. An organization can



Fig. 2.1 Image of Odonil Amazing fragrances advertisement

Source: Superbrands 2012

either design the advertisement in-house (by creating a department), or it can outsource it from an advertising agency. In India, the advertising industry stood at ₹12,526 crore in 2013 (Pitch Madison Media Ad Outlook 2013) and reached ₹43,991 crore in 2015. In the year 2016, it is expected to reach ₹51,365 (Pitch Madison Advertising Report, 2016 cited in Exchange4media 2016). In 2015, the industry grew at a rate of 17.6% and is expected to grow at 16.8% in 2016 (Exchange4media 2016).

There are many advertising agencies, and the most prominent being Ogilvy and Mather (O&M), Lowe, McCann-Erickson, Contract Advertising, FCB-Ulka, etc. Advertising can be done through a number of media. Table 2.1 shows the advertising spend for different media in the year 2015 as per GroupM Report where 2014 and 2015 are based on estimates.

Table 2.1 Advertising spend across media in 2015

Medium	Media growth			Money spent in 2015 (₹ crore)	% of total—2015
	2013	2014	2015		
TV	14	15	16	22,446	45.8
Print	4	7	5	16,875	34.5
Digital	30	35	37	4,661	9.5
Out of home	6	9	4	2,542	5.2
Radio	7	10	11	2,007	4.1
Cinema	12	25	20	408	0.8
All	10	12.5	12.5	49,000	100

Advertising helps inform customers about the product and has a mass reach. Through advertising, marketers can remind and reinforce the services offered. The objective of advertising can be short-term (for example to enhance sales) or long-term (for example to build brand equity and customer loyalty). Thus, the Kitply advertisement talks about being a part of every memorable moment (Har yaadgar pal ka hissa) in the consumers' life and builds on the brand equity and customer loyalty (Fig. 2.2).

It has the ability to reach a geographically dispersed base of customers at a low cost per exposure. On the other hand, there are disadvantages of this tool of promotion as well. Advertising is a one-way communication and is impersonal and not as persuasive as some of the other tools. TV advertising requires a large budget. Moreover, there is the problem of the presence of a number of channels resulting in not only difficulty of choice for the marketers but also channel surfing by the customers. The advertising copy needs to be changed at regular intervals to retain interest of the consumers. Part III of the book talks about advertising in detail.



Fig. 2.2 Image of *Har yaadgar pal ka hissa* advertisement of Kitply

Source: Superbrands 2012

Sales Promotion

‘Sales promotion consists of short-term incentives to encourage the purchase or sale of products’, (Kotler et al. 2006). FMCG companies have used this since long, but service industries such as insurance, financial services, healthcare, telecom, and hotels are also using it increasingly.

Sales promotion can include coupons, rebates, price-off, contests, demonstrations, etc.; it is most effective when used along with other promotion techniques. A good sales promotion can also result in publicity when it is talked about in the media; the vice versa also holds true. It is an effective tool to gain the attention of the customers towards the product. If the incentive offered is attractive enough for the customers, they will end up purchasing the product as well. For a successful promotion, ideation and implementation should be worked out in detail so that it achieves the desired results. Thus, schoolkart.com, a website that sells school uniforms, textbooks, stationery, water bottles, etc., came out with a sales promotion offer of 40% discount on school shoes, 30% on school bags, 30% on water bottles, lunch boxes, etc. They released print advertisements in newspapers highlighting the availability of school uniforms of more than 500 schools and more than 25,000 products for school kids and the print copy further elaborated on the various sales promotional offers. The advertisement was released in the first week of April, that is, when the new academic year starts and all school-going kids are to purchase their new books, stationery, uniforms, etc. Along with the website, customers could also call on a phone number to place their orders.

The timeframe for running a promotion is also an important consideration in a sales promotion. If a sales promotion runs for too long or too often, it becomes part of customer expectations, and if it is then discontinued, it builds resentment in the minds of the customers, who even stop using that product. Thus, for example, Koutons’ promotional offers of ‘50% + 40% off’ delighted the customers, and thus, ultimately for a shirt of ₹1500, they were paying around ₹450. This strategy worked for the company and customers were happy for a number of years. Soon, customers realized that the offer was available any time of the year and this sowed doubts in the minds of the customers about the quality of the shirt that was priced at ₹1,500. As a result, the customers who bought the brand felt they had ‘got a good bargain but later found and felt that they were victims of a very clever marketing strategy’ (Harish 2011).

In addition, running promotions for too long incurs cost to the company and eats into the profitability. It is argued that promotion benefits customers who would have bought the product anyway and so a proportion of the money spent is wasted anyway. In addition, it does not contribute to the long-term brand value for the company. Sales promotion as a communication tool is discussed in detail in Part IV of this book.

Personal Selling

Personal selling is defined as ‘face-to-face interaction between buyers and sellers so that it leads to value creation that is a solution to the customer’s problem and also results in achieving the company’s objective’. Personal selling involves selling the product of the service organization through the salesforce. This involves maintaining a salesforce and hence a sales department, the personnel of which are involved in direct contact with the customers. All the activities such as the maintenance of the sales people and their travelling cost while on sales calls cost the organization a great deal. Thus, in the overall communication budget, they are responsible for a major chunk of the money allocation. This money is well spent since it is the most effective communication tool as far as building a customer preference, conviction, and purchase are concerned. Since the personnel can interact with the customers, they can tailor their presentations according to the customer’s requirements and

provide current, up-to-date information to the customers. Two-way communications also help in gaining consumer insights as far as the product purchase and consumption are concerned. Customer relationships can be built and managed while selling through the salesforce.

As already discussed, the drawback is that it is expensive and even though organizations can discontinue advertising and sales promotion, personal selling cannot be varied easily and requires committed efforts by the organization. More about personal selling is discussed in Part VI of the book.

Direct Marketing

Over the years, direct marketing has assumed new meanings. Originally, direct marketing attracted customers by contacting them without involving any intermediaries. Thus, salespeople were also a part of direct marketing. However, with the introduction of media such as telephone, television, and the Internet, the concept was redefined. The Direct Marketing Association (DMA) defined it as ‘an interactive system of marketing that uses one or more advertising media to effect a measurable response and/or transaction at any location’ (Kotler et al. 2006). The advantage of direct marketing is that, like personal selling, the message can be customized as per individual’s requirements. The message will again be more current (just such as personal selling) in comparison to advertising as the time period required for the flow of information from the company to the customer is less. The drawback is that compared to mass methods, the reach here is limited although this does not apply to direct marketing through the Internet. Since Internet offers a number of opportunities, it has been dealt under a separate section (Part VIII) of the book. Direct marketing is discussed in detail in Part V of the book.

Public Relations and Publicity

Management of the relationship with the various stakeholders such as employees, shareholders, and government falls under the management of public relations. Jobber(2001) defines public relations as ‘the management of communication and relationships to establish goodwill and mutual understanding between an organization and its public’. Publicity is defined as ‘a particular manner of information projection through various media of mass communication



Fig. 2.3 Image of Kitply boundary board at a cricket ground

Source: Superbrands 2012

about an organization, product, event or issue to influence public opinion' (Sengupta 2005). It refers to any mention about the brand that is made in the media without paying for it as in the case of advertising. Managing good relations with the press can result in the coverage of news. This will portray the company in a positive light which in turn is beneficial as the customers believe the publicity material more than the advertised material. For example, Kitply sponsors cricket matches and 'Kitply cheques given to icons like Sachin Tendulkar at the end of matches created a remarkable franchise for the brand' (Superbrands 2012) (Fig. 2.3).

In addition, through publicity, companies can reach those customers who avoid advertisements and salesforce as well. Thus, through publicity, companies can reach a wider audience at negligible cost. The disadvantage is that negative publicity can also be generated. More about public relations and publicity is discussed in Part VII of the book.

IMC PROCESS

Marketing communications involve communicating with the target audience through a number of promotional tools discussed in the preceding section. However, all these tools might result in different messages being communicated to the target audience. Hence, the concept of IMC that results in coherent, clear, and consistent messages is being communicated about the brand to the target audience. The process of IMC (Michael Ray 1993; Engel et al. 1987; Kotler et al. 2006; Jobber 2001; Jauhari and Dutta 2010; Clow and Baack 2013; Belch, Belch, and Purani 2011) is highlighted in Fig. 2.4 (Exhibit 2.1).

Opportunity Analysis

This involves analysing the target audience that the company wants to approach with its promotional messages. Thus for example, United Colors of Benetton realized that they wanted to connect with women and so came out with the #UnitedByDonts campaign (Exhibit 2.1).

Exhibit 2.1

UCB's 'Don't Party'

The multinational clothing brand United Colors of Benetton (UCB) realized that there were a number of don'ts that the society was imposing on the fairer sex in India. Identifying an opportunity, it came out with an idea for an event 'The Don't Party' where they wanted to unite all the women and their support systems to stand up 'against the 'don'ts they are constantly told in the name of safety.' (Ibb 2016). To put the plan into action, they released advertisements with a number of 'don'ts' such as 'don't wear the short skirt' and 'don't go out at night'. They came out with full page advertisements in *Delhi Times* (supplement of *Times of India*), giving the details of '*The Don't Party*', which was to be hosted on 9 April 2016 at Nehru Park, New Delhi, from 6:30 pm onwards. Mini Mathur was to host the show and Neeti Palta was the stand-up comedian with the main act being performed by the Shillong Chamber Choir and music by the Delhi Indie Project. The entry was free but the participants had to sign up for the party at www.unitedby.in. Thus, on the Internet, they launched a website

dedicated to this event <https://www.unitedby.in/> with the message— 'Don't party, don't step out alone, don't go out at night, don't take a cab, don't walk down that lane, don't take the metro, don't ride a bike after dark, don't wear that dress, don't wear a skirt, don't wear sleeveless tops, don't talk to boys, don't drink, don't laugh aloud, don't hang out with men, don't drive alone, don't take a bus, and don't attract attention. Women are told a lot of don'ts in the name of safety. Let's unite against the don'ts at The Don't Party! They built a lot of conversation on Twitter with #UnitedByDonts.

UCB carefully identified an opportunity and built the desired audience by coming out with advertisements and touching the consumers online and through social media. To participate, the audience had to register for the event and so the outcome could be measured easily. In addition, since #UnitedByDonts was used for the entire event, the online metrics could also be used to trace the effectiveness of this event.

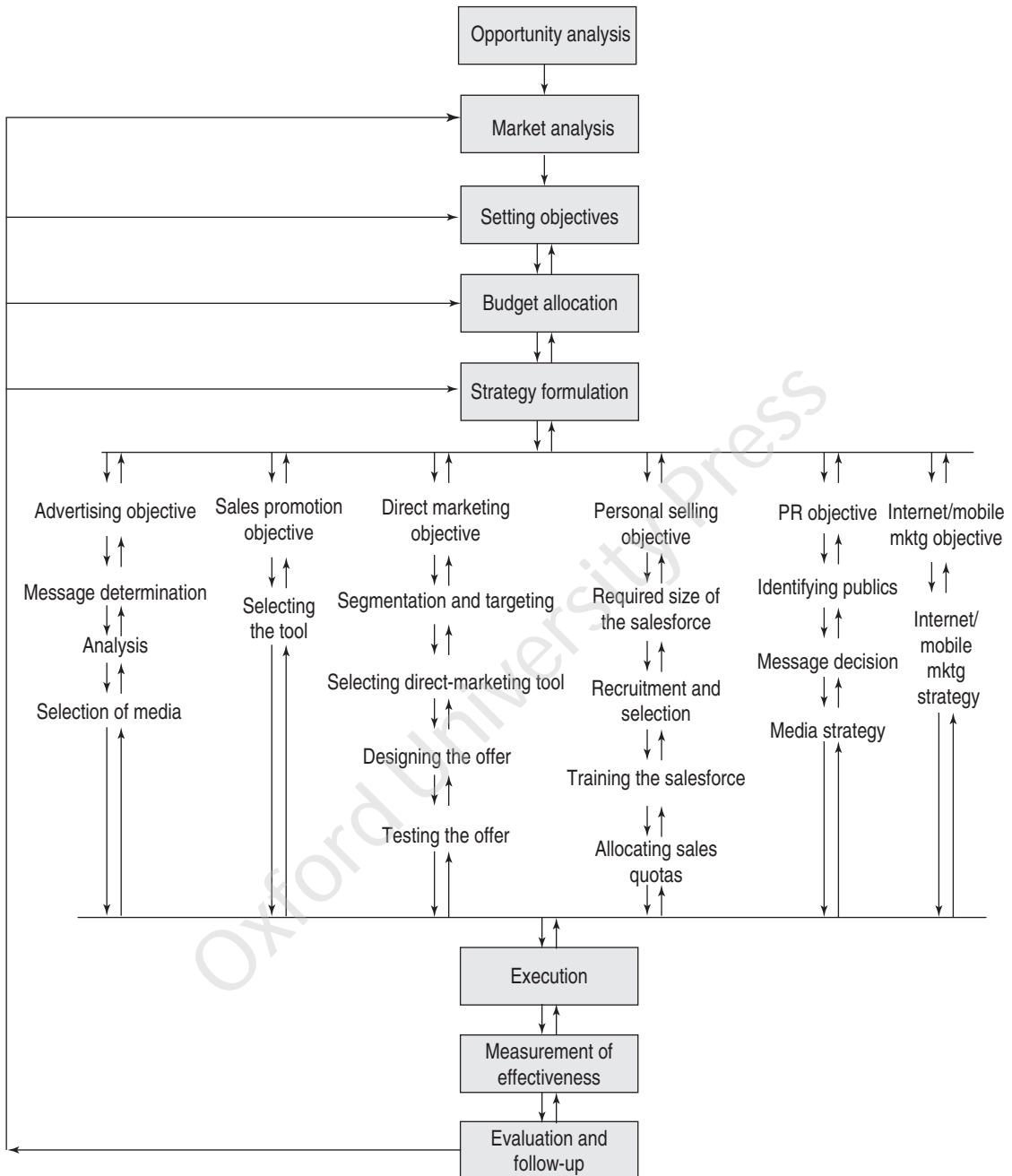


Fig. 2.4 The IMC process

An understanding of the customers is important as companies need to know the needs and wants that the customers are fulfilling by purchasing their product, how they consume their product, what influences them, where they spend their time, etc. All this helps the marketers understand their consumers and this will be reflected in their strategy as now they can communicate *with* their customers rather than communicate *to* them. As a result, the probability

of customers taking note of the communicated message resulting in the desired outcome (i.e., purchasing the product) would increase.

Market Analysis

Customers compare brands in the product category before making a purchase, therefore necessitating an understanding of the market where marketers want to operate. They need to understand their competitors, the features of their product offering, how their products are positioned, and their strengths and weaknesses. All this will further help in strategizing for the market by weighing these with the features of the company's own product along with their strengths and weaknesses and how they can now position themselves keeping in mind the customer's frame of reference.

SETTING OBJECTIVES

The next step is to set the objective for the marketing communication, and the marketing objectives to be achieved in the communication campaign should be clear from the outset. The ultimate aim of communication is to stimulate sales and increase profits, but the objectives have operational value, and can be related to brand knowledge, brand attitude, strengthening brand image, etc. The objective is also important as while evaluating the result of the advertising campaign, companies need to know how to evaluate the campaign. If the objective of the campaign was to enhance brand knowledge, then it would be wrong to evaluate the change in brand attitude at the end of the campaign. Thus, the objective binds the activities of the communication process and is the steering force that guides the formulation of the message that is to be communicated.

An approach that deserves special mention while setting the objectives is the DAGMAR (Defining Advertising Goals for Measured Advertising Results) approach developed by Russell Colley in 1961. As per this approach, the goal for advertising should be clearly identified into specific tasks that is achievable. The task as per the hierarchical model can be to create awareness about the brand; develop an understanding or comprehension about the brand; convincing the customers to make a purchase; and ultimately driving the customer to action so that they purchase the product. However, this is also the drawback of this model as it is not mandatory that all the customers follow the sequence of hierarchy of effects before making a purchase. However, the idea is that the goal should be defined and formulation of the objective should be as per the SMART principle, that is, it should be specific, measurable, achievable, and realistic, and should be achieved within a timeframe. In addition, this DAGMAR follows the inside-out approach (Schultz 1993) where marketers focus on what they want to say regarding their brand to influence the customers. However, this model reiterates the outside-in approach of Shultz, 1993, where the focus is on the customers and how brands can best serve their requirements. Thus, the first step of the model is opportunity analysis where the focus is on the needs and wants of the customers.

Establishing the Budget

Once the objective has been decided and before work starts on how to achieve the objective, marketers need to know the amount of money in which to achieve this task. Thus, establishing and allocating the budget is important. It is important to note that companies work under the limitations of their budgets and even though the amount may vary, the budget constraint will

always be there. Thus, there is a two-way interaction between setting the objectives and budget constraints and between budget constraints and strategy formulation.

In an organization, the communication budget is made with the annual financial budget. Therefore, companies have the budget allocated for their communication department. Marketing department then has to allocate this budget over the financial period for its various communication activities. Hence, the strategy formulation within this budgeted amount is important for the marketing communications' managers.

Budgeting requires an understanding of the cost centres of the company. Hence, this leads to a communication outlay being treated like an expense by the managers rather than being treated as an investment. This also results in comparing the budgeted amount with the increase in sales due to this investment. It is, therefore, important to remember the DAGMAR approach to setting objectives wherein the results should be measured against the goals identified for the promotional activity. Thus, if building the brand awareness is the activity, then the result to be measured should be the degree of brand recall by the targeted audience post the promotional activity.

There are various methods for allocating the budget for marketing communications. These can broadly be classified into the top-down and build-up approaches. As discussed above, generally in companies, the annual financial budget is made and then the money is allocated for the communication process. This method is called the top-down approach in setting up the budget and employs the following methods for allocating the budget for marketing communication (Kotler and Keller 2006; Kotler et al. 2006; Jobber 2001; Belch, Belch, and Purani 2011; Jauhari and Dutta 2010):

Affordable method This is a simple method of identifying the amount of money the organization can afford to spend in a particular financial year. It is not related to the objective of marketing communication or the amount of money required for performing effective marketing communications. Companies feel that they will not fall into financial problems if they just spend what they can afford. Thus during tough times, when sales are low, this method would result in low budgets just when the opposite would be required to capture the market share.

Arbitrary method As the name suggests, the advertising budget is set on a random basis as per the manager who is setting the budget. This method is weaker than the affordable method as it results in allocating the communication budget arbitrarily rather than on the basis of logical thinking or achievement of some objective.

Percentage of sales method Some organizations fix a particular percentage of sales as the amount allocated for marketing communications.

Supporters of this method find the following advantages related to it:

1. Companies spend as much as they can afford.
2. It encourages managers to correlate selling price, promotion cost, and profit per unit.
3. Encourages stability, especially when the industry spends the same percentage.

However, this method has its limitations. These are as follows:

1. It views sales as a cause of promotion rather than the result.
2. Budget allocation is on the basis of availability rather than based on opportunities.
3. Advertising is treated as an expense for making sale rather than being treated as an investment.

4. If sales fall, then the communications also are limited, whereas more communications may be required to boost the flagging sales.
5. As the sales vary from year to year, the budget for communication also varies and makes long-term planning difficult.
6. There is no logical basis for choosing the percentage other than what competitors are doing or what the organization has already been doing.

Some of these drawbacks can be overcome by fixing a percentage of sales that is projected for the period in which the communication is to be carried out. The percentage so fixed is as per the industry standard.

Competitive parity method This method allocates the budget for marketing communications on the basis of the competitor's outlay. This method advocates that:

1. competitor's budget represents the industry wisdom; and
2. spending what competitors spend prevents a promotion war.

However, it is seen that neither of the cases is necessarily applicable. In addition, there are other drawbacks associated with this method as follows:

1. It ignores the fact that there are opportunities and problems that can specifically be achieved by marketing communication.
2. It assumes that by spending an equal amount as the competition, the organization will be as much as if not more successful. It does not take other factors into consideration such as the product, creativity in execution of communication, price, and place, which might be the reason for the competitor's success.
3. Competitors might change their strategy and allocate more money for achieving their communication objectives in the stated period.

To summarize the discussion, keeping an eye on competition is important and advantageous for firms. However, it should not be the sole criteria for setting the budget. Managers can combine this with any of the other methods discussed.

Return on Investment (ROI) This method is based on the belief that communication is an investment and like other investments in an organization, it is expected to earn some return as well. Thus, if direct mails are sent to the customers, then the response received due to this communication activity will help determine the ROI for this activity. However, it may not always be possible to determine ROI of a communication activity. For example, if a company does a product placement in the Bigg Boss season on TV, then it will be difficult to measure the ROI for this.

These methods are used in top-down approaches where the budget is decided without any theoretical basis and, as is mentioned, come with inherent disadvantages as well. However, an understanding of the same is important as many companies employ one or the other of these methods while allocating marketing communication budget.

The second approach is the build-up approach for allocating the budget. In this approach, the objective to be achieved is set and then the budget is worked out for achieving this objective. This budget is then presented to the top management for approval and usually employs the objective and task method.

Objective and task method Setting the budget on the basis of costs involved in performing specific tasks for achieving specified objectives is known as allocating budget on objective and task method. In this method, the management decides beforehand what they want to achieve from their marketing communication, plan the tasks involved, and set the budget accordingly, thus focusing on the objectives to be achieved rather than on what competitors are doing. This budget is then approved and the activity is carried out. The next steps of strategy formulation are done prior to setting up of the budget, and once the approval is received, then execution and control follows as discussed further'. The advantage of using this method is that the allocation of funds is done as per its requirement for fulfilling the objective. However, this also leads to a disadvantage when the marketers fail to identify the correct cost or cannot identify all the cost associated with the achievement of the defined objective.

The following factors influence the choice of promotional mix (Jobber 2001; Kotler and Keller 2006; Jauhari and Dutta, 2010):

Resource available and cost of promotional tool The different communication mixes have varying costs associated with them. Advertising may require more money, whereas sales promotion and publicity might cost a lot less. Thus, resources available for the communication mix will affect the choice of promotion.

Market size and concentration Advertising is seen to be most effective when a mass market is present and if the market is also geographically dispersed. Internet marketing is also gaining prominence with more consumers getting online and the cost associated is also less compared to some of the other methods of promotion. If the target audience is small, reaching them through personal selling will be more feasible.

Customer information needs Personal selling is used if the service involved requires technical discussions or discussions of different options are available. If not much technical information is required, customers can be satisfied by advertisements.

Push versus pull If the service provider is focusing on the channel intermediaries, it focuses on push strategy, which can be achieved through personal selling and sales incentives, but if the consumers are the focus, then service providers engage in pull-strategies, which can be achieved by advertising and consumer promotion.

Product life cycle The stage of the life cycle the service is in affects the choice of promotion mix. For example, in the introductory stage, the organization will invest in both advertising and sales promotion, whereas in the decline stage, the investment in both the activities is reduced.

Buyer readiness stage The stage of the buyer in the purchase process affects the choice of the promotion mix. It is seen that in the awareness, interest, desire, action (AIDA) model of consumer purchase, advertising and publicity help to raise awareness and create interest in the consumers, but are not very effective in encouraging consumers to take action. Sales promotion and personal selling are known to affect desire and inspire customers to take action and purchase the product.'

Standardization versus customization orientation of the company When companies go international, they tend to use the standard communication or can customize their communications depending upon the economic, social, and technological requirements of the host country. This requirement would add cost to the communication budget, and so depending upon the extent of customization the company plans to do, proportionate money would have to be allocated. More of standardization

versus orientation marketing communication is discussed in Chapter 23: Integrating the global marketing communication.

Thus, depending upon these factors, the budget requirement may vary from organization to organization even in the same industry.

STRATEGY FORMULATION

The broad strategy that companies will follow for effective communication with the target audience is to be formulated and informed to various people who will carry out the communication function. More about the strategy formulation is discussed in the next section of this chapter. For further detailing on the strategy to be followed by various marketing communication tools: Chapter 8 talks about the advertising strategy that companies can follow including the various appeals they can use for influencing the customers; Chapters 12 and 13 look at the various sales promotion strategies that company can execute for effective communication; Chapters 14 and 15 talk about the direct marketing strategies; Chapters 16 and 17 highlight the personal selling strategies that company can carry out for achieving their objectives; and Chapters 18 and 19 delineates the publicity and public relations activities while Chapters 20 and 21 look at new media strategies such as Internet and mobile phones.

Execution

The whole marketing plan needs to be coordinated and the message displayed should be uniform so as not to confuse the customers about the product. It should also be in line with the product offered so that the customer expectations can be met easily and surpassed, as the case may be. Moreover, since a combination of promotion mix is used, which different departments handle (advertising by advertising department or agency, personal selling by the sales department, etc.), there can be issues when the message delivered may not be consistent. Say, the advertising department may position the service as premium, whereas the salesforce may offer discounts giving a contrary notion. Thus, the execution stage is very important and companies need to ensure that the various players handling the marketing communication are working transparently and in unison.

Measurement of Effectiveness

The marketing function so performed needs to be measured to see the degree of achievement of the organizational objective that was set initially. Thus, it is important that the stated objective of the marketing communication be measured, and if sales was the objective (DAGMAR approach), then the increase in sales as a result of the marketing communication should be calculated. However, if brand building is the objective, then it is more of a long-term objective and cannot be calculated by the immediate increase in sales due to this communication.

Evaluation and Follow-up

The communication effectiveness should then be studied to identify the missed opportunities or best practices that can then be rectified or documented for future reference as the case may

be. Thus for example, when UCB came out with #UnitedByDonts, it can see the response it received to its event by counting the number of people who registered for the event, the number of people that turned up for the event, the number of conversations it was able to create for #UnitedByDonts, and the coverage it was able to get in the press and media for the event. This evaluation will help to decide the success of the event and the amount of consumers it could connect to. Registration for the event helped it get the contact information such as phone number, e-mail id, and their age. This generates data for the company that can further be used to develop customized targeting strategy. Thus, UCB can document this and use this strategy at other cities or countries.

STRATEGY DEVELOPMENT

Communicating with the target audience does not stop after the evaluation and follow-up of the current communication activity. It is a continuous process and companies need to have a strategy in place about how they will communicate for the next one year and the coming few years (see Fig. 2.5). Integrated marketing communication concept (discussed in Chapter 1) forms the basis of the strategy development. The strategy formulated at this point of time has to be media neutral. It needs to identify what to say and how to say (to its various audiences in the target market) so as to achieve the organizational goal. Thus, for example, initially the company would want to communicate its product characteristics to the target market. This can be done through advertising to the customers and distributing samples (sales promotion) to targeted customers. In the next stage, personal selling and direct marketing can be done followed by press releases (publicity) where the product is praised and talked about in a positive light so as to influence customers towards the brand.

In the second year, the company's objective is to create top-of-the-mind recall and enhance sales while launching brand extensions for successful brands. To achieve this objective, the company can remind the customers about their brand characteristics through online advertising. Here, they can use banner advertisements or send e-mails or decide to do both these activities. To enhance sales, they can come out with sales promotion offers. The offer can include discounts for retailers so that they push sales or can be for customers so that they purchase more of the product. For launching brand extensions, the company first needs to identify what it will launch in the market. For example, Real Activ by Dabur has a variety of fruit and vegetable juices as its sub-brands such as mixed-fruit and orange. It launched its Real Activ Coconut Water, Real Wellnezz Jamun, Real Activ Superfruits (Pomegranate & Berries), etc. It then released a number of advertisements to inform consumers about their brand extensions and the reasons why people should consume these. For example, the coconut water carton reads 'Coconut water: Hydrates Naturally; 100% Rich in Antioxidant and Phytonutrients', while the message on mixed-fruits carton is 'Superfruits: Rich in Antioxidant and Health Boosting Properties', etc. The next year can see reinforcing of brands as an objective along with enhanced sales. Company can then do search engine marketing and come out with second sales promotion offer and so on. This strategic planning for the integrated marketing communication will help the company in not only planning and managing the integrated marketing communication, but also ensure that the communication made should be clear so that at no point of time in the future as well, companies contradict what they had said about themselves earlier.

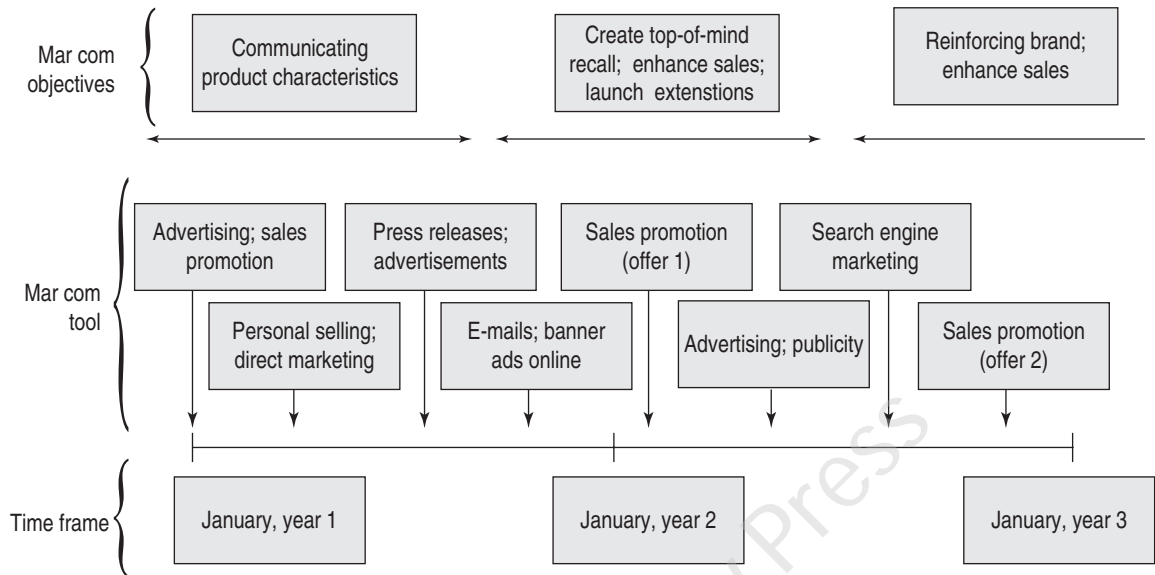


Fig. 2.5 Managing integrated marketing communication

Note: The above figure is indicative and can be extended over years or for a single year and other activities might also be added.

RESEARCH IN MARKETING COMMUNICATION

Effectiveness of communication can be measured by conducting communication research. Measuring recall and recognition of the services by the target audience, what features they recall, their perceptions about the product provided based on the marketing communication, and attitude formation or change (for a first time consumer or a re-purchaser of the service provided)—all the above provide interesting knowledge and information to the managerial staff. Generally, what is targeted should be measured. Thus, if the objective of communication is sales, then the sales department should be the focus of research to measure the impact of advertisement on sales. The New York American Marketing Association has in affiliation with Advertising Club Bombay started the EFFIE Awards in India (Advertising Club Bombay 2006). These awards measure the success of an agency in increasing the client's business across a variety of parameters. More about the research in mar com is discussed in Chapter 24: Monitoring and control.

SUMMARY

This chapter looks at how the IMC process can be carried out in an organization. It introduces the various tools that form a part of how the organizations can communicate with the masses. These include advertising, sales promotion, personal selling, direct marketing, and public relations and publicity. Advertising can be carried out through a number of media and is the most visible form of communication. Sales promotion is a short-term tool to

influence the customers to purchase the product. Personal selling involves the direct face-to-face interaction with the buyers. Direct marketing on the other hand involves interaction with the buyers but through a media. Public relations focus on all the stakeholders and involve managing and maintaining good relations with the publics in general.

The various tools result in sending organizational messages

to the target audience and stakeholders. What is said also results in customers and stakeholders forming an opinion of the brand and ultimately the brand's image. Thus, it is important to maintain uniformity and continuity in the messages that are communicated. The various tools should, therefore, flow from the same strategic orientation of the firm as has been discussed in the IMC process. The IMC process starts with opportunity analysis, market analysis, objective setting, budget allocation, strategy formulation, execution, measurement of effectiveness, evaluation, and follow-up.

Strategy development and execution should result in the uniform image being created across various communication tools and also the message communicated over time. The management of IMC helps develop an understanding of how companies can ensure the uniformity in message across tools and over time. Research also helps in measuring the effectiveness and helps companies further decide the tools to use and the messages to be communicated.

KEY TERMS

Advertising A communication that is paid for by an identified sponsor with the object of promoting ideas, goods, or services. It is intended to persuade and sometimes to inform.

Direct marketing This is a method of selling by means of dealing directly with consumers rather than through retailers.

Personal selling This is the person-to-person interaction between a buyer and a seller in which the seller's purpose is to persuade the buyer of the merits of the product, to convince the buyer of his/her need for it, and to develop with the buyer an ongoing customer relationship.

Promotional mix This is an organization's total promotional effort, including personal selling, advertising, publicity, public relations, and sales promotion. The promotional mix attempts

to attain integrated marketing communications.

Public relations This is the method of influencing the public so that they regard an individual, firm, charity, etc., in a favourable light compared to their competitors, as in business a good corporate image is an important asset.

Publicity This is the technique of attracting the attention of the public to a product, organization, or event by the mass media. Publicity involves a third party, such as a newspaper editor or TV presenter, who determines whether the message is sufficiently newsworthy to publish and what the nature of the message should be.

Sales promotion This is an activity designed to boost the sales of a product or service.

EXERCISES

Multiple Choice Questions

- The communication tools of a company include
 - Direct modes of communication
 - Indirect modes of communication
 - Both of the above
 - None of the above
- Advertising, sales promotion, online advertising, and public relations are
 - Unpaid forms of communication
 - Paid forms of communication
 - Sometimes paid and sometimes unpaid forms of communication
 - Advertising tools
- Unpaid communication includes
 - Publicity
 - Public relations
 - Both of the above
 - Sales promotion
- Personal communication is
 - Paid form of communication
 - Unpaid form of communication
 - Both of the above
 - None of the above
- Affordable, arbitrary, and percentage of sales are
 - Ways by which companies advertise
 - Ways by which companies choose communication budget
 - Strategy for sales promotion
 - Ways by which companies do public relations

Concept Review Questions

- What are the various communication tools that can be used by organizations for their communication with the target audience?
- Differentiate between
 - advertising and sales promotion;
 - personal selling and direct marketing; and
 - advertising and public relations
- What are the various media available for advertising the company's message? While working under a budget constraint which two media should be used by a company and why? Make assumptions about the kind of product that is to be advertised.

- Write a note on the IMC process.
- Write a note on how companies can establish budget for communications.
- You are the Communication Manager of 'W' Stores. Formulate a communication strategy for the next 35 years.

Critical Thinking Questions

- 'Communication is all about advertising to the customers'. Discuss the statement in the light of the communication tools.
- Critically evaluate the statement that 'Sales promotion is the most important tool of communication'.
- Critically evaluate the statement that 'Public relations are important but companies can also be successful by just

advertising and personal selling'.

- Of the various ways by which budget can be established for communication process, which according to you is the most relevant and why?
- 'Integration in marketing communication is just hype created by communication experts'. Give your reasons for or against this.

Internet Exercises

- Visit the website of makemytrip.com and identify the various tools of communication on the homepage.
- Identify a company and delineate the various tools of communication that the company is using for communicating on the Net.

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CASE STUDY

Vodafone: Deals and Communication

About Vodafone

Vodafone entered the world on 1 January 1995 when it was launched in the United Kingdom. Vodafone's meteoric rise to the top is nothing short of a miracle.

The brand has not only become the largest company in Europe, but in its lifespan of 15 years, it has come to control more than a third of the UK market. Vodafone marched into the international markets



Fig. 2.6 Image of Vodafone Blue Facebook phone advertisement

Source: Superbrands 2012

with a singular aim: complex technologies should be made so simple that every consumer could meet his personalized needs and make the most of his deal.

After finally placing its foot in Europe, the brand came to the explosive Indian market. Many have said Vodafone's entrance in the Indian market was like a 'meeting of the Titans: a great nation meeting a great company'.

Connecting with the Consumers

At Vodafone, a lot of efforts were spent to ensure that the services were developed in a way so as to empower consumers. Before Vodafone, a consumer's relationship with his telephone provider was mired in confusion and unawareness, but with Vodafone's 121 customer care number, the client was drawn closer. Now the consumer knew what services he could get and so clients started flocking to Vodafone. Among other things, the customer care number provided usage analysis and even recommended suitable plans for the respective consumer.

Getting the early mover advantage by making Facebook available on the go, the brand introduced Vodafone Blue, a phone for Facebook (see Fig. 2.6). The phone, which was launched at a minimal price of ₹4950 (US \$90), introduced Facebook to a wider audience.

In order to reach a wider consumer group, Vodafone tried to change its 'expensive telecom provider' image. The Vodafone Bonus Cards were a way to do that. The bonus cards, which cost a meagre ₹4 helped the brand to open itself up to a bigger audience. Vodafone 'Delights' (see Fig. 2.7), a loyalty programme for Vodafone users, was an unexpected blow to the brand's competitors—not only was Vodafone providing telecom services, it was also providing deals



Fig. 2.7 Image of Vodafone 'Delights' advertisement

Source: Superbrands 2012

on fine dining, travel, and fashion. Vodafone was literally offering a whole other lifestyle, making the consumers feel special. Advertisements were released and consumers were informed about all these offerings.

Vodafone believes that consumer needs have evolved, a phone is not just viewed as a calling device anymore, and so the brand has tried to offer all telecommunication solutions under the same umbrella. Vodafone has also collaborated with other telecom providers to bring consumers together and offer attractive deals.

Communicating at all Levels

Vodafone stores are not only easily accessible but they are also spread all across the country, and they

are stocked with a wide range of products. The store offers data packs, notepads, mobile handsets, USB dongles, and laptops. Customers can also just go to the store to get expert advice or avail other services. Their staff have complete knowledge about the various offerings and guide consumers effectively.

Vodafone was like the wind in BlackBerry's sails. The brand gave BlackBerry a completely new image by leveraging the benefits of its chat, mail, and messenger services. Vodafone also gave BlackBerry a 60-second TVC (TV Commercial). The after effects of opening BlackBerry up to a younger market included an increased interest in the brand. This was followed with 'mob activations in the malls and Vodafone BlackBerry Blast Smoothies, especially developed by Café Coffee Day'.

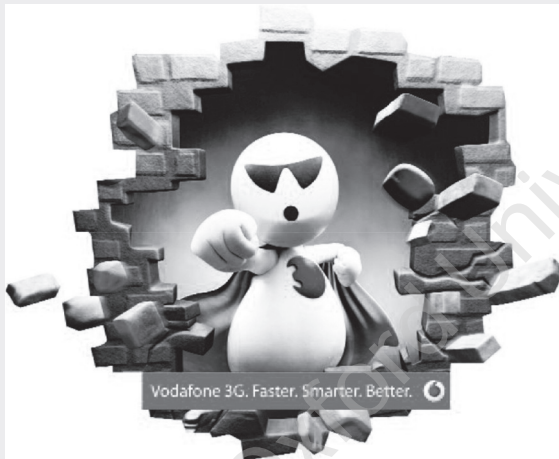


Fig. 2.8 Image of Vodafone 3G advertisement

Source: Superbrands 2012

Vodafone also contributed by supporting the 2G and 3G markets. When they were first introduced, consumers were not sure of the format's capabilities and the market penetration levels were abysmal. In order to change the situation, Vodafone took steps to educate people and spread awareness so that consumers could fully avail what was being offered to them (see Fig. 2.8). Before long, consumers started embracing these technologies and thus giving a boost to the markets.

Another move by Vodafone which helped to build a bigger base was the brand's endeavour to make

those services available to prepaid users that were only available to postpaid users. Services such as Chhota Recharge, Call Me Back, and Credit Transfer were a part of the services offered to prepaid customers.

Another commendable quality of the brand is that it tries to come up with something to offer for everyone. For example, the brand developed the 123 service, a number anyone could dial and get anything from recipes (see Fig. 2.9) to matrimonial alerts to even astrology. Vodafone did this with an aim to make the lives of those who were not comfortable with mobile data, easier.



Fig. 2.9 Vodafone Dial 123 Daily Recipes advertisement

Source: Superbrands 2012

The biggest success in the brand's advertisement section in the Indian market was the introduction of the ZooZoos. The Zoozoo, with its white body and egg-shaped head was an instant hit with the Indian audience. The advertisements that were used to promote a number of services offered by Vodafone in an ingenious way were very well received. A lesser known fact about the Super Zoozoo is that the character is not animated, but it is played by a five-foot girl in a Zoozoo suit.

Vodafone has won awards from organizations like PETA for the sensitivity it has shown towards animals, like using an animated parrot instead of a live

one and replacing the pug with more humanitarian options in their advertisements.

Conclusion

Vodafone's success cannot just be accredited to its own character but also to the response it gathered from the customers. The brand stands for speed, trust, and simplicity. With a presence in more than 70 countries and five continents, today Vodafone prides itself with a consumer base close to 370 million users.

Since Vodafone is constantly coming up with new ways for its consumers experience, it is a superior illustration of how its tagline "power to you" is working (Superbrands 2012).

Discussion Questions

1. Delineate the various tools of communications that are highlighted in the case study. How has the company strategized to use these tools?
2. Apply the IMC process to the case study and identify the stages that are highlighted in the case.
3. Suggest a strategy for the brand that it can use to communicate with the customers for the next two years.

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Answers to Multiple Choice Questions:

1 (c), 2 (b), 3 (a), 4 (c), 5 (b)