

**Warwick Summer School** 

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**Customer Experience** 

## Objectives

- Define 'integrated marketing communications' (IMC) and explore the role and tasks of IMC
- Explain communication theory and sequential models of IMC
- Explore examples of information-based and emotion-based messages
- Consider the relative strengths and weaknesses of the different IMC tools
- Provide an overview of the main forms of media
- Analyse a well-known campaign

# Marketing Communications

Requires us to <u>identify and understand our customers</u>, to <u>build relationships with them</u>, as well as to <u>drive and manage expectations</u> as part of the process of <u>creating satisfaction</u>. Moreover, mass media and <u>contemporary communication technologies</u> have, in many cases, <u>replaced the door-to-door salesperson</u> and the hard sell.

# Defining 'Marketing Communications'.

#### **Marketing Communications**

Can be defined as a management process through which an organization attempts to engage with its various audiences. By conveying messages that are of significant value, audiences are encouraged to offer attitudinal and behavioural responses (Fill, 2013).

3 main considerations:

**Engagement** – one way or two-way dialogue?

**Audiences** – who and what behaviours?

**Responses** – what are the desired outcomes of the communications? Changes in perception, values, beliefs and/or behaviour?

# Marketing Communications mix (Old approach)



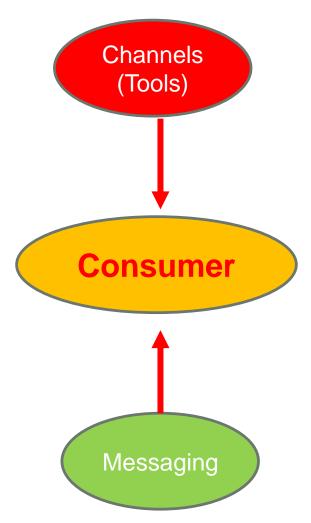
# Marketing Communications as a mutual relationship

...a process through which organisations and audiences engage with one another.

Through an understanding of an <u>audience's preferred communications environments</u>, participants seek to <u>develop and present messages</u>, before <u>evaluating and acting upon any responses</u>. By conveying messages that are of significant value, participants are encouraged to offer <u>attitudinal</u>, <u>emotional and behavioural responses</u>

(Fill, 2013, 18)

# Marketing Communications mix (New approach)

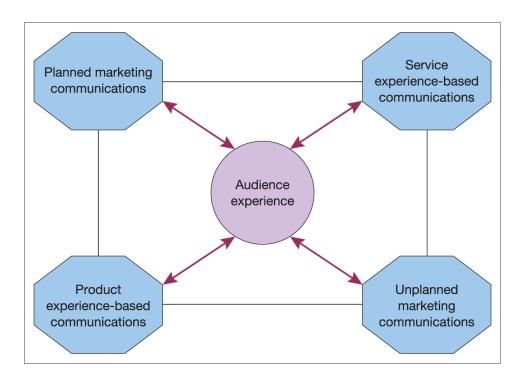


### The scope of marketing communications

- Planned communications to promote offering to an audience.....but also
- <u>Unplanned</u> or unintended communications
   Communications occurs regardless of whether we intend it to
- Experience based communications through use of the product or service:
  - Product provides extrinsic and intrinsic cues
  - Price signals quality and value
  - People articulate brand values
  - Place conveys availability, convenience and value
  - (how good the service was)

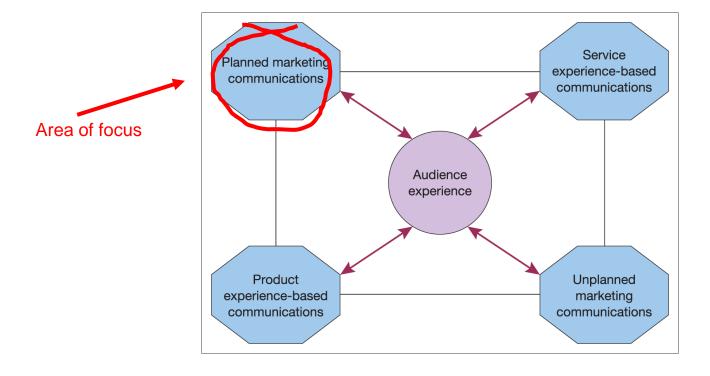
## The scope of marketing communications

Source: Hughes and Fill (2007).



# The scope of marketing communications

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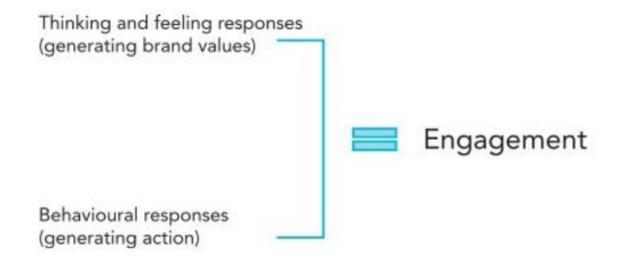


## Integrated Marketing Communications (or IMC)

"Promotion is one of the elements of the marketing mix and is responsible for communicating the marketing offer to the target market. While recognising that there are implicit and important communications through the other elements of the marketing mix (through a high price, for example, symbolic of high quality), it is the task of a planned and integrated set of **communications activities** to communicate effectively with each of an organisation's stakeholder groups." (Fill and Turnbull, 2016, p.10)

### Role of IMC

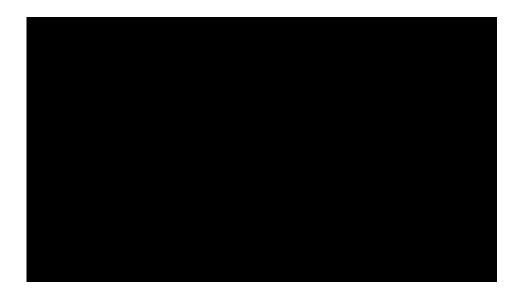
 Organisations use IMC to engage with a variety of audiences in ways that meet their individual needs and encourages them respond to the organisation





### Role of IMC

 Responses might be *immediate* (e.g. generates a purchase) or deferred (e.g. information remembered for future use)





 Multiple, different types of communications may be needed to get to the point of purchase

Task	Sub-task	Explanation
Differentiate	Position	To make a product or service stand out in the category





Task Sub-task		Explanation	
Reinforce	Remind, reassure, refresh	To consolidate and strengthen previous messages and experiences	





Task	Sub-task	Explanation
Inform	Make aware, educate	To make known and advise of availability and features





Task	Sub-task	Explanation
Persuade	Purchase or make further enquiry	To encourage further positive purchase-related behaviour

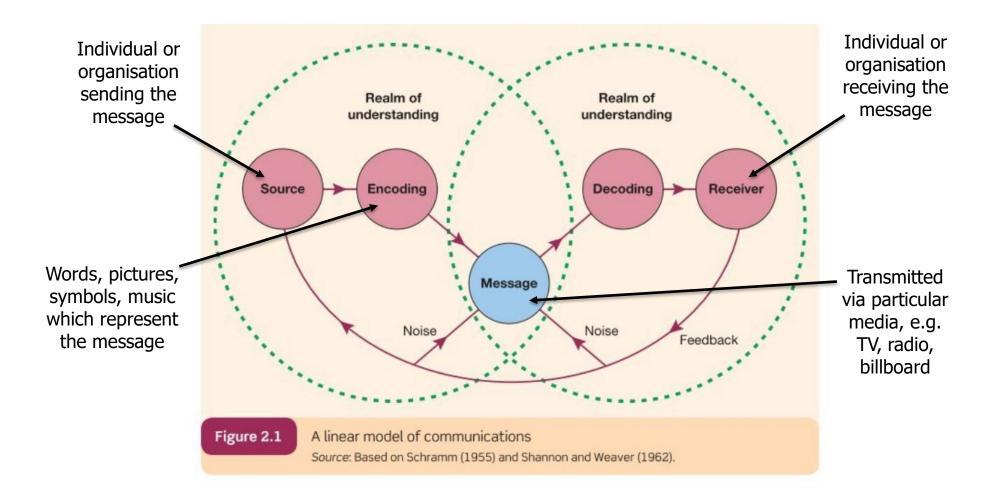




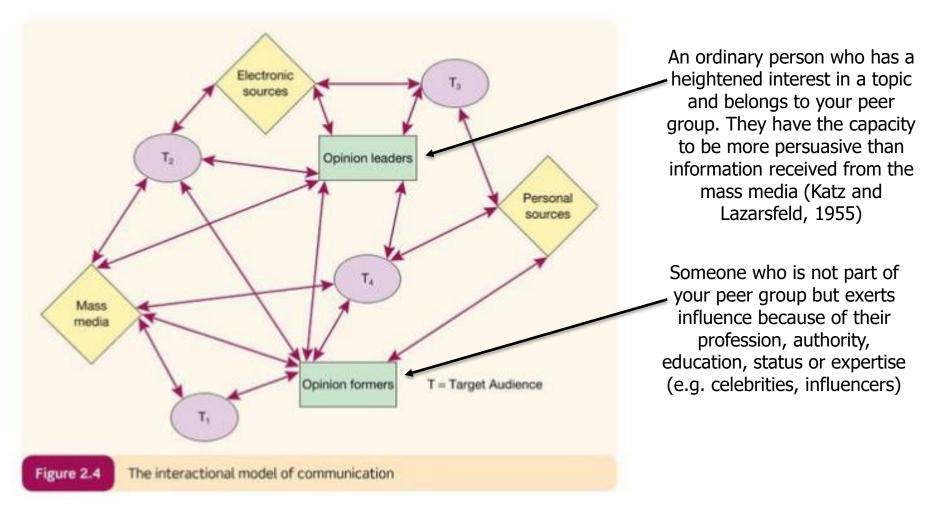


(Fill and Turnbull, 2019, p.14)

## **Communication Theory**



## **Communication Theory**

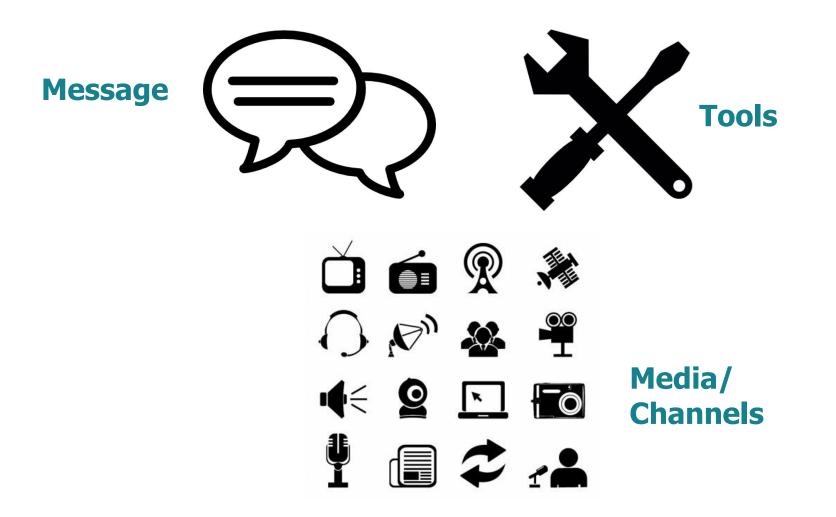


## Sequential Models of IMC

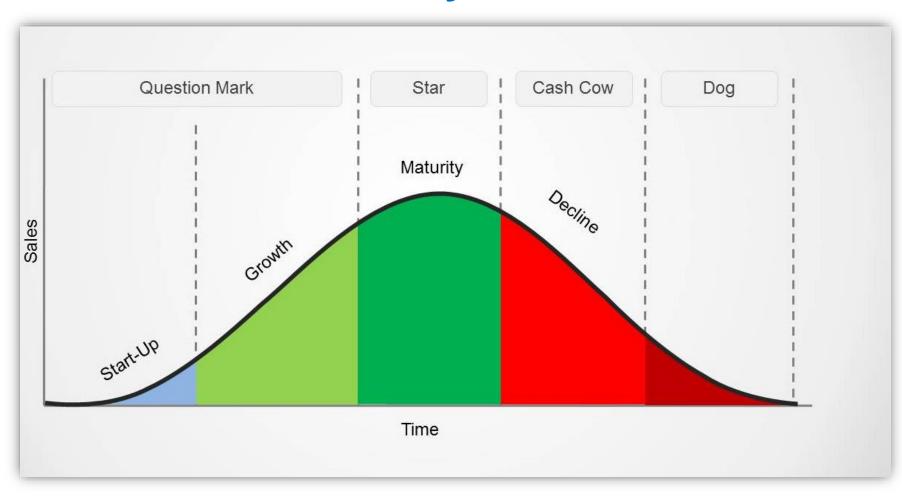
Stage	AIDAa	Hierarchy of effects <sup>b</sup>	Information processing <sup>c</sup>
		Awareness	Presentation   ↓
Cognitive			Attention
		1	<b>↓</b>
	Attention	Knowledge	Comprehension
	1	1	<b>↓</b>
	Interest	Liking	Yielding
		1	
Affective		Preference	
	1	1	<b>\</b>
	Desire	Conviction	Retention
Conative	1	1	<b>\</b>
	Action	Purchase	Behaviour

Sources: aStrong (1925); bLavidge and Steiner (1961); cMcGuire (1978).

## **Marketing Communications Mix**



## **Event Life Cycle & BCG**



#### Promotional Objectives Across the Product Life Cycle (PLC)

- Introduction
  - Advertising and public relations → awareness
  - Sales promotion  $\rightarrow$  *trial*
  - Personal selling → distribution
- Growth
  - Advertising and PR → brand loyalty
  - Less emphasis on sales promotion

- Maturity
  - Advertising →persuasion, reminder
  - Sales promotion →
     market share
- Decline
  - Reduction in advertising and PR
  - More emphasis on sales promotions → temporary sales

#### **Communications Objectives**

#### Informing

- Awareness
- Interest
- Benefits
- Other information

#### Persuading

- Preference based on competitive advantages
- Brand switching or prevention of brand switching

#### Reminding

- Trigger memories
- Maintain preference and buying habits

## Message

#### **Needs to be relevant to the target audience:**

- Which specific audience(s) do you need to communicate with?
- What are their communications needs?
- What is/are the desired outcome(s) of your communications?

**Information-based** 

**Emotion-based** 

## Information-based Messages

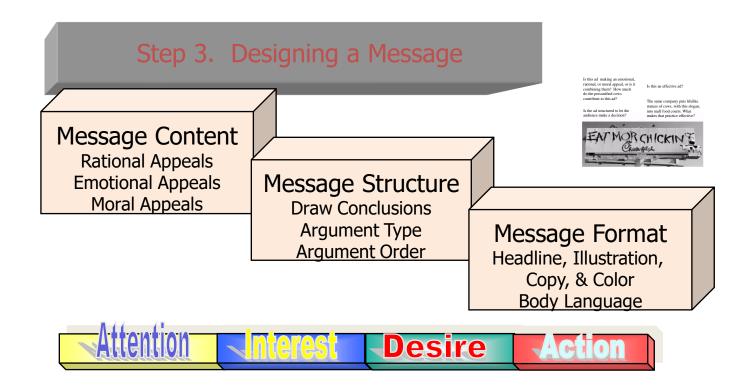
 Factual – Involves, sometimes detailed, information; often used for high involvement decisions, e.g. Vango tents



 Slice of life – The receiver immediately identifies with the scenario and the product/service represents the solution, e.g. Calgon



# Steps in Developing Effective Communication



# Designing the Message - Content

- Rational Appeals
  - appeal to audience selfinterest
- Emotional Appeals
  - fear, guilt, shame,
     humor, joy, love, pride
- Moral Appeals
  - what is right or proper

## Rational advertising appeal

#### **Typical Bases for Rational Appeal**

Price

Nutrition

New ideas

Quality

Warranties

Reliability

Performance

Special Offers

Efficiency

Taste

Safety

Convenience

# Emotional advertising appeal

Typical Bases for Emotional Appeal			
Personal/Psychological		Social	
<ul><li>Excitement</li></ul>	<ul><li>Sorrow</li></ul>	<ul><li>Recognition</li></ul>	
<ul><li>Security</li></ul>	<ul><li>Pride</li></ul>	<ul><li>Status</li></ul>	
■ Fear	<ul><li>Self-esteem</li></ul>	<ul><li>Respect/approval</li></ul>	
■ Love	<ul><li>Pleasure</li></ul>	<ul><li>Embarrassment</li></ul>	
<ul><li>Happiness</li></ul>	<ul><li>Guilt</li></ul>	<ul><li>Belonging</li></ul>	

(Hornik et al., 2017)

## Information-based Messages

 Demonstration – Illustrating the product in action, e.g. G-Tech Air Ram



 Comparison – With the aim of establishing and maintaining superiority over competitors, e.g. Aldi



## **Emotion-based Messages**

• **Humour** – Heinz

• Shock – NSPCC

Animation – Red Bull

## **Emotion-based Messages**

 Fear – Government Covid-19 advertising



 Sex – Kim Kardashian's Sketchers Shape Ups' Superbowl advert

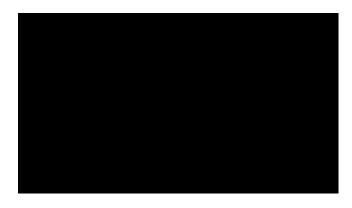


## **Emotion-based Messages**

• Music – VW Beetle



Fantasy/surrealism –EasyJet



## Tools – Advertising

"A form of non-personal communication, by an identified sponsor, which is transmitted through the use of paid for media." (Baines, Fill and Page, 2013, p.387)



## Examples of radio advertising







### Tools - Advertising

#### **Strengths:**

- Capacity to reach large audiences
- Useful for differentiating (positioning) brands, reinforcing brand messages and values, and informing audiences by generating awareness
- Huge creative scope
- Greatest level of control

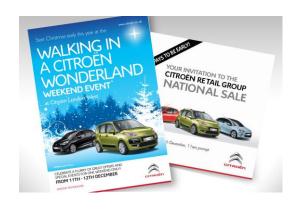
#### Weaknesses:

- Absolute costs can be enormous (although with TV audiences of millions becomes more cost-effective – cost per contact)
- Needs a "call-to-action" to provoke behaviour or change
- Increasing skepticism of advertising

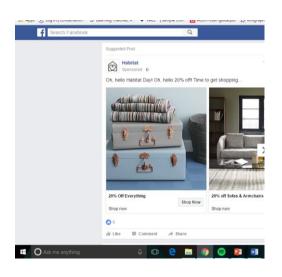
### Tools – Direct Marketing

"A marketing communications tool that uses non-personal media to create and sustain a personal and intermediary-free communication with customers, potential customers, and other significant stakeholders."

(Baines, Fill and Page, 2013)







### Tools – Direct Marketing

#### **Strengths:**

- Precision target marketing, therefore, reduced costs and minimised waste
- Supports customer retention (trust and rewards are needed)
- Improves the quality and speed of service (no intermediaries involved)
- Measurable impacts and scope for data collection

#### Weaknesses:

- Intrusive (e.g. junk mail, spam emails, unsolicited phone calls, popups etc.)
- Guardian article: Poppy seller who killed herself got 3,000 charity requests for donations a year
- Acquiring the necessary data and/or maintaining a database can be expensive and time-consuming

### Tools – Personal Selling

"The use of interpersonal communications to encourage people to purchase particular products and services, for personal gain and reward. Information is provided, positive feelings developed, and behaviour stimulated." (Baines, Fill and Page, 2016, p.396)







### Tools – Personal Selling

#### **Strengths:**

- Close enough to the prospective buyer to induce behaviour change (can overcome objections, provide information quickly and to adapt to the customer's needs)
- Useful when the number of potential customers is small, their information needs are high and the product/service is complex, expensive or important (high involvement purchase)

#### Weaknesses:

 The most expensive tool in the communications mix and most limited in terms of reach

### Tools – Public Relations (PR)

"A non-personal form of communication used by [organisations] to build trust, goodwill, interest, and ultimately relationships with a range of stakeholders." (Baines, Fill and Page, 2016, p.398)





### Tools – Public Relations (PR)

#### **Strengths**

- Does not require the purchase of airtime or space in media vehicles, such as TV or magazines so costs are minimal
- The decision to transmit PR messages rests with those managing the media (not the organisation) so messages usually have greater perceived credibility than those transmitted through paid media
- Digital technology has improved the speed and reach of PR messages (word of mouth)

#### Weaknesses

Of all the tools, PR has the least level of control

### Tools – Sales Promotion

"A communication tool that adds value to a product or service with the intention of encouraging people to buy now rather than at some point in the future." (Baines, Fill and Page, 2016, p.399)













#### Tools – Sales Promotion

#### **Strengths**

- A means to induce action and accelerate sales in the short-term.
- Can be targeted at particular audiences who can be reached quickly and accurately
- Can reach new customers (trial purchase; brand switching), retain them (through data collection) and also to reward existing customers
- High degree of control

#### **Weaknesses**

- Can backfire if retailers cannot keep pace with demand
- Can have a negative impact on sales in the medium-term
- Lack of credibility as organisation's motives are obvious

## Media (main forms)

Class	Туре	Vehicles
Broadcast	TV Radio	X-Factor Kiss FM
Print	Newspapers Magazines	The Sun, The Times Cosmopolitan, Men's Health
Out-of-home	Billboards Street furniture Transit	96- 48- and 6- sheet Adshel London Underground
Interactive media	Internet Social media Search	Websites, email, apps Facebook, blogs Google
In-store	Point-of-purchase Packaging	Bins, signs and displays The Coca-Cola contour bottle
Other	Cinema Exhibitions Product Placement Ambient Guerrilla	Pearl and Dean Ideal Home Show Films; TV; books Litter bins; petrol pumps Flyposting

#### Answers...









DEAR DEIDRE | TECH | TRAVEL | MOTORS | PUZZLES | SUN BINGO

#### THAT'S GRATE Aldi's £4 Kevin the Carrot toy is selling for £500 on eBay as

superr charity

The toys v

**Message:** Information-based (news, facts and figures)

**Tool:** Public Relations

**Medium:** Print (newspaper)

out in

for

#### just a few

5 Dec 2018, 12:51 | Updated: 4 Apr 2019, 9:07





2 Comments

KEVIN the Carrot toys and other stars from Aldi's Christmas advert continue to sell for eye-watering amounts on eBay as shoppers are desperate to get hold of them.



### Analyse this campaign!











DEAR DEIDRE TECH TRAVEL MOTORS PUZZLES SUN BINGO

#### THAT'S GRATE Aldi's £4 Kevin the Carrot toy is selling for £500 on eBay as supermarket reveals 10 new toys for charity

The toys went on sale in November, but stores sold out in iust a few hours and Aldi's website crashed

5 Dec 2018, 12:51 I Updated: 4 Apr 2019, 9:07



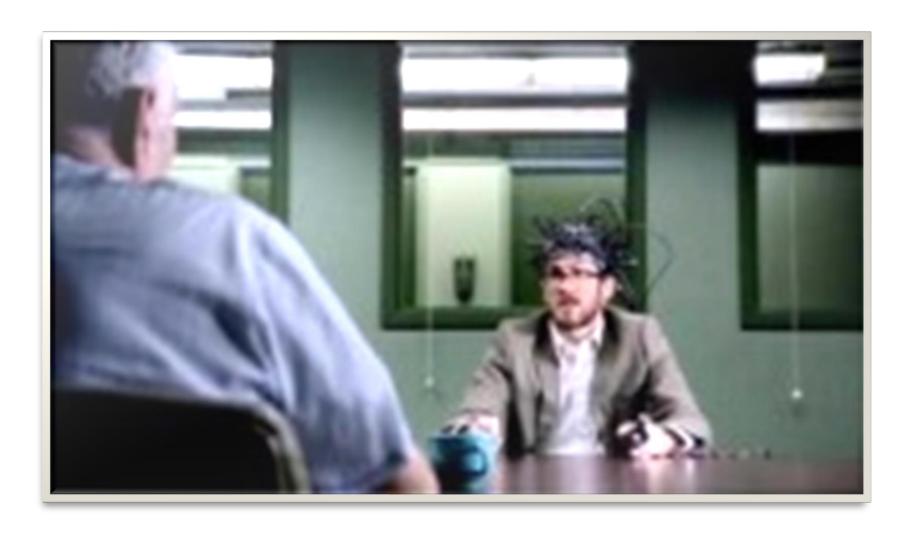
**2** Comments

KEVIN the Carrot toys and other star continue to sell for eye-watering am desperate to get hold of them.

You have 15 minutes for this activity



### **Digital - Promotion**



Online marketing metrics - BS detector



### **Digital Media**

	Owned	Paid	Shared	Earned
Definition	Hosting, structure and content is under the exclusive control of the organisation	Message exposure in a specific place and time is rented by the organisation	Content which is designed to be viral	Public feedback on satisfying (or unsatisfying) customer experiences
Examples	Website, app, email, messenger	Advertising, affiliations, games, samples, coupons	Blogs, social media	Reviews, recommendations, links
Purpose	Global presentation of a consistent generic message	Promote a specific product or range in a limited timescale	Generate positive community engagement and feedback	Maximise positive customer and manage poor experiences before they damage community attitudes
Effectiveness	Low	Medium	Medium	High
Efficiency	High	Low	High	High



# Word of Mouth Communication

- Verbal consumer to consumer communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, product or service." (Arndt, 1967)
- One of the most influential types of communication about products and services (Silverman, 2001).
  - Consumers view WOM as reliable and trustworthy.
  - Personal contacts provide a stamp of approval and social support for a purchase.
  - WOM is often backed up by social group pressure to comply with recommendations.



### **Reference Groups**

### Who are Opinion Leaders?

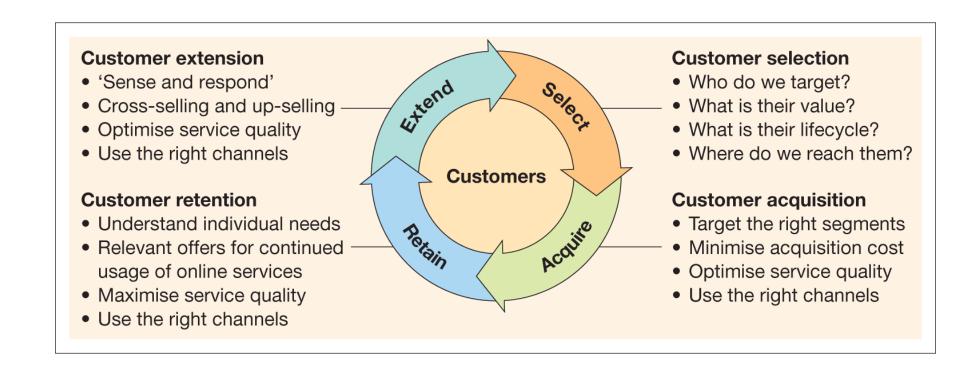
- Have higher social status within the same social class
- Have greater interest and knowledge in their area of influence
- Are more gregarious
- Have more innovativeness



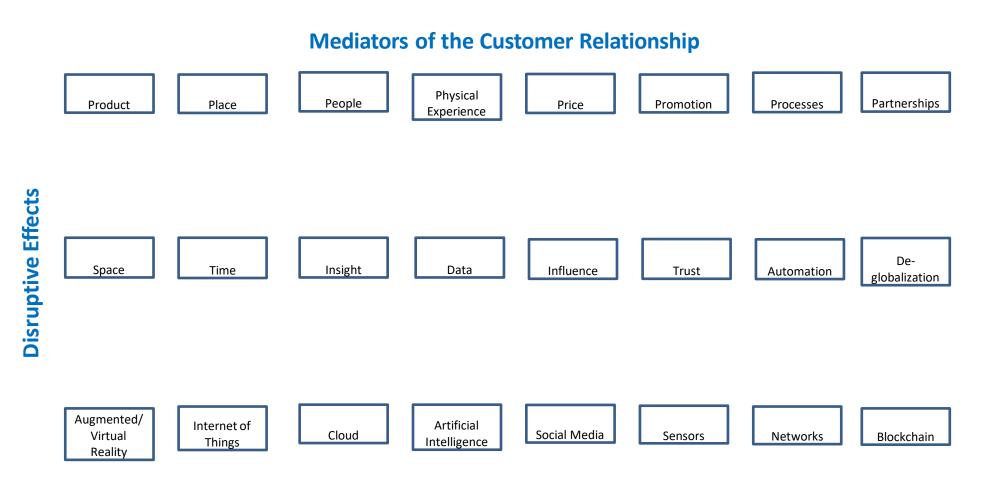
# Introduction to Customer Relationship Management (CRM)

https://www.youtube.com/watch?v=fbN Pq-ZLzMM

#### **Customer Lifetime Management**



### Relationships, Technology and Change



**Key Technologies** 



### Conclusions

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