Chapter Summaries

# Chapter 10 – Marketing communications

## Introduction

Marketing communications overall (MARCOMS) neatly fit within Porter’s (1980) generic cost-differentiation focus strategies framework. Through carefully planned MARCOMS strategies, companies can enhance consumers’ perceived product differentiation, thus creating a more distinctive positioning. For example, many luxury brands focus on heritage, history, and various cultural associations to stand out in a very crowded market where differentiation based solely on product characteristics would be difficult to achieve. The two layers to explore in using media in MARCOMS strategy relating to what the client wants to ‘say’ as opposed to execution, which relates to ‘how’ you say it.

## Marketing communications and marketing strategy

Differentiation is central to spending on MARCOMS. Despite the conventional wisdom that lots of products and services are at parity, there are probably more differences in offerings today than ever before. If you take any consumer or business market, the amount of choice is substantial and often impossible for buyers to process cognitively. MARCOMS provides organizations with the possibility of establishing their position within the market and asserting their distinctiveness. While there are a great deal of ‘me-too’ communications, at heart, all organizations—be they for-profit or not-for-profit—seek to establish a point of difference. Strategy is about how you manage your available resources to achieve your goals. As such, marketing communications are an available resource to most organizations, albeit to different degrees of what can be invested. It’s about being viable. Existing not just today, but for the foreseeable future. To do that, organizations need to be able to contribute. For the most part this is of course about making a profit. However, taking a social dimension, it might be a charity promoting a particular cause and identifying how people might donate (with a notable shift to virtual campaigns away from such methods as door-to-door collections in 2020 due to the pandemic).

## Marketing communications mix

Traditionally, the marketing communications mix included four primary disciplines or tools: advertising, sales promotion, personal selling, and public relations. However, marketing communications strategists (Fill and Turnbull, 2019) have suggested a more holistic view of the marketing communications mix that reflects the growing fragmentation of media and audiences and the need to orchestrate campaigns using a wide range of channels. This view of the mix incorporates:

• Five key tools: advertising, sales promotions, personal selling, public relations, and direct/digital marketing

• Three broad categories of media: owned, paid, and earned media

• Four types of messages: informational, emotional, branded, and user-generated

Marketing communications strategies involve the careful selection and coordination of tools, media, and messages designed to reach an identified target audience.

## Persuasion

The premise of the strategic role of marketing communications is that in some way they will persuade. An act of persuasion involves changing people’s attitudes towards an organization or an event, or other person, an idea or in fact any object you care to mention. What do we know about how persuasion works? One researcher in this area is Robert Cialdini. Based on empirical research, he has identified six central principles that underpin the art of persuasion:

1. Reciprocity
2. Consistency
3. Social Proof
4. Authority
5. Liking
6. Scarcity

Cialdini’s six principles are a great common-sense way to think about the techniques of persuasion. However, it is now time to look at the underlying theories that attempt to explain how communications work.

## Shift from push to pull

Technology is enabling consumers to perform marketing tasks and functions which were once the preserve of advertisers and their agencies. They buy and sell on auction sites such as eBay – generically known as C2C (customer-to-customer), they advise each other on products and services via social media platforms as Facebook, Instagram, Pinterest, Tik Tok, Tumblr, Twitter, WhatsApp, WeChat, and YouTube, and they are even redesigning and manufacturing products for themselves and others. The rise of content marketing has to be noted as well. The creation of valuable content by the advertiser, which has been carefully developed for SEO (search engine optimization), so consumers will find the content when using relevant search terms. There has been an explosion in such content marketing to engage consumers. Again, this is a result of the trend towards consumers being more in control than ever before of the buying process and consumers deciding when they want to engage with brands and which brands. These tools help enable consumers to take control of marketing tasks and build powerful content that connects with their audience.

The proliferation of digital and social media has also led to a move from ‘push’ to ‘pull’ in the relationships between MARCOMMS and the audiences targeted. Push is when a message is placed in order to influence members of an audience (e.g., a TV commercial), whereas pull is when the audience pulls information towards themselves, e.g., ‘Googling’ or in more extreme cases making their own content, such as with uploading their own versions of commercials on YouTube. The result has been a general shift away from the above-the-line analogue media of TV, press, billboards, radio, and cinema (so called because agencies ‘drew a line’ between media that gave commission and those that did not), towards digital and interactive media, often along with attempts to create ‘buzz’ (Hewett et.al. 2016; Mohr, 2007; Thomas, 2004). However, it must be noted that TV remains by far and above the most popular of all media, and there is evidence that shifting budgets over to digital away from traditional media may be detrimental for company value (Ma and Du, 2018).

The implication for many brands is that they are becoming what might be termed ‘conversation platforms’, where consumers using websites such as Blogger, Facebook, Flickr, Tumblr, Twitter, and YouTube are influencing the behaviour of many prominent companies. What has also changed is the phenomenal power of consumers and NGOs to set off boycotts of brands with simple acts, such as the posting of videos on social media, e.g., Greenpeace highlighted Nestle in 2019 for producing one use plastic packaging.

## MARCOMS strategic process

* The MARCOMS strategic process starts with identifying the central problem that the marcoms has to address. This generally begins with an **audit** of the marketplace that can be done with a framework such as PESTLE (political, economic, social, technological, legal, and environmental) assessment.
* The next phase of the Marcoms strategy process is to develop the Marcoms strategy based upon the central problem that the Marcoms has to address. Most agencies handle this with a **Creative Brief**: a written summation of the MARCOMS task that will manage and stimulate the development of creative work to address that task.
* The next stage is to review the various potential segments and decide upon the specific **target market(s)** that the communication is aimed at. Given the lack of business strategic background of most creative teams in agencies, the target market does not normally consist of a technical description. What is required is a description of a person or a group that goes beyond report-format and is based upon what is, or is not, important.
* The next thing to consider is how to **position** the client (see Ries and Trout, 1981). A position is how potential buyers see the product and it is expressed relative to competitors. This is what you want to achieve and should be measurable and achievable, otherwise it is not worth stating. Generally, it tends to relate to rational or emotional aspects.
* Having decided upon the position required, what **communications proposition** will do this? The proposition spells out what you want to say. At this stage, agencies look for what they call ‘big ideas’. The term, originating with the advertising business, has been co-opted by various groups in recent years, most noticeably by politicians. MARCOMS big ideas require collaboration and hard work (often making difficult choices and judgements, and the exclusion of product facts). They must be sold and defended and may change (a lot) in execution, but they are central to the strategy.
* Having decided upon the proposition, it remains to consider if the claim can be **supported**. If you cannot support the proposition, you cannot have it. Why should anyone believe such a message if it cannot be supported? What are the key facts or figures that provide the evidence? None of this has to appear in the execution, but it must appear in the creative brief, otherwise the proposition will be simple puffery.
* The next creative strategic issue is how to reflect the **brand’s character**. This is a key strategic issue for any brand, as the wrong character may at best add little value and at worst severely damage its market standing. In the broadest sense, brand character reflects how the brand is positioned. Does the brand’s character exude fun or is it serious? Does it set out to shock or reassure? Is it modern or traditional?
* The **creative execution** stage is where the chosen strategy is translated into a piece of communication. If the strategy was to be based on user characteristics, perhaps a chocolate eaten by ‘macho men’, it would be stated as the proposition.
* In tangent and often in parallel with the development of the creative strategy, comes the development of the **media strategy**. Search engine marketing (SEM) includes *search engine optimization* (SEO) and paid search advertising or pay-per-click (PPC). Search engine optimization refers to a series of techniques and tools aimed at improving a website position in the organic search results listing. *Online public relations* are concerned with promoting a company’s reputation in the digital space and creating a positive platform for product or service-specific marketing communications campaigns. *Online partnerships and affiliate* marketing describe different types of commission-based agreements in which a referring site receives a commission for redirecting customers to an e-commerce website. *Display advertising* refers to the use of different types of non-interactive and interactive banner ads and other forms of rich-media (e.g., playable digital ads) to increase visibility, brand awareness and incentivize click-through behaviours. *Email marketing* encompasses a wide range of initiatives aimed at targeting individuals who have opted-in to receive email communications. If the aim is to recruit new customers, companies can use lists of prospects purchased from an agency or a market research company. Social media marketing involves using social media platforms and tools to develop, communicate, and disseminate messages and promote products and services.
* The final stage of MARCOMS strategy is the **operational**: the implementation of the strategy. This involves creative and media execution, pre-testing, contingency, and post-testing. Analytics, powered by the integration of big data, cloud computing, and new statistical tools have greatly improved the ability to measure effectiveness. Instead of measuring advertising’s impact in single medium like TV, the Press, or the Internet, the aim is to measure the interactions between media.

# Conclusion

MARCOMS primarily consist of four media: advertising, direct marketing, PR, and sales pro-motions, which can be used in marketing strategy either singularly or holistically with IMC (integrated marketing communications). While MARCOMS can enable organizations to reduce costs in the medium to long term, their main strategic use is in helping to differentiate and position.