

MARKETING COMMUNICATION

1. Marketing communication meaning
2. Marketing communication mix
3. Selected alternative forms in marketing communication

1. MARKETING COMMUNICATION (MC) MEANING

- **Larger sense:** all planned and unplanned communication in all contacts between company and its present and potential customers (the product package, brand perception, price, advertising, staff behaviour, tradition of company, car fleet, outlets, offices etc.) ⇒ **Integrated Marketing Communication**
- **Narrow sense:** marketing communication mix
- Marketing communication is an ever-changing field. New theories, new techniques, cultural changes and technological advances all combine to create a dynamic environment within which marketers try to ensure that their messages get through to their target audiences.

THREE STREAMS OF MC OBJECTIVES

SALES STREAM

- Sales volume
- Sales value
- ROI
- Market share
- Profitability


COMMUNICATION STREAM

- Awareness
- Comprehension
- Perception
- Attitudes

CORPORATE STREAM

- Performance
- Image
- Reputation
- Preferences

MARKETING COMMUNICATION (MC)

- **MC involves answering the following questions:**
 - **who** is the target audience?
 - **what** should be communicated and?
 - **how** should it be communicated?
- „Marketing “ – a negative aspect of contemporary MC!
 - An average person living in a city 30 years ago saw up to 2,000 ad messages a day, compared with up to 5,000 today.

2. MARKETING COMMUNICATION MIX

- **Advertising**
- **Sales promotion**
- **Personal selling**
- **Public relations (P.R.)**
- **Direct marketing**
- **Sponsorship**
- **On-line marketing communication**



IMC = INTEGRATED MARKETING COMMUNICATION

BTL = BELOW THE LINE

PUBLIC RELATIONS

DIRECT MARKETING

SALES PROMOTION

**SPONSORSHIP, ON-LINE
MC**

ATL = ABOVE THE LINE

ADVERTISEMENT

*TV, Press, Radio, Outdoor,
Internet, ...*



MCM: ADVERTISING

Advertising

A **paid** insertion of a message in a medium. It is aimed at the **mass** market. It is a persuasive process by which the users of products are sought through communication media.

**CREATIVE, SIMPLE, INTERESTING, GOOD APPEALS,
SUITABLE MEDIA x TARGET GROUP, THE LESS – THE
BETTER ⇒ SO EASY!**



MCM: ADVERTISING

- **Medial mix:** TV, Press, Radio, Outdoor, Indoor, Cinema, Internet
- **Actual media:** mobile phone, WoM, ambient media



MCM: SALES PROMOTION

Sales promotion

Activity designed to give a **temporary** boost to sales, such as discounts, money-off coupons, free samples, two-for-the-price-of-one promotions, free gifts, piggy-backing with another product, lottery, multi-packing, events, roadshow, POP-UP stores etc.

- **TRADE PROMOTIONS** – are those that help manufacturers gain support from channel members.
- **CONSUMER PROMOTIONS** – are those that appeal to the consumers. In recent years, the budget devoted to sales promotions has been steadily increasing. This is because of the growing distribution power of retailers and the rise of their private labels.



SALES PROMOTION: POP MATERIALS

- **POP** (Point of Purchase) is the set of promotional materials in the place of purchase in order to increase the sale.
- About **85 %** of all purchasing decisions take place directly on place of purchase!!!



SALES PROMOTION: IN-STORE COMMUNICATION

- **Merchandising or „5R“:** right product, right place, right time, right price, right presentation.
- **Merchandising:** Eye-level ⇒ 80 cm – 2 m, at cash desks ⇒ impulsive purchase, trade compatibility (cross promotion), to place goods especially on the right ⇒ respect the clock-wise rotation.
- **Sensory marketing (smell, taste, touch, sense of sight, sense of hearing) ⇒ the results are in happier customers who remember your brand = emotional added value!**
 - In the short term we remember just 1% of what we touch, 2% of what we hear, 5% of what we see, 15% of what we taste and **35% of what we smell.**

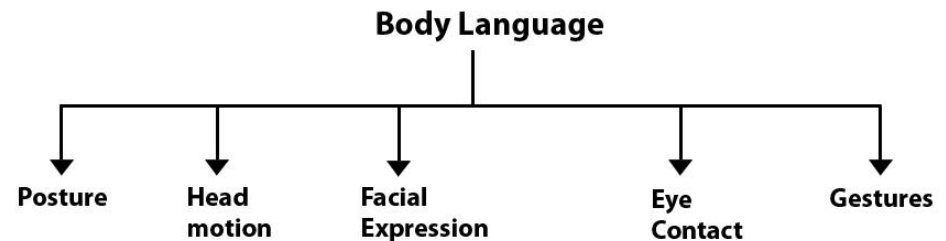


MCM: PERSONAL SELLING

Personal selling

Face-to-face communications between buyers and sellers designed to ascertain and meet customer's needs on a one-to-one basis. The importance of non-verbal communication!

- Over 700 000 possible physical signals can be sent through body movement alone.
- **60 to 75 %** of all meaning is communicated non-verbally.
- **Non-verbal communication** is the primary means of forming first impression (hallo effect).



Features of Body Language

MCM: PUBLIC RELATIONS (PR)

Public relations

The **long-term** planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics (press conference, annual reports, open door day, social projects, ecological business, press release, human relations, crisis communications, publicity, lobbying, events etc.)

- **Internal** ⇒ **human relations (HR)** ⇒ employees
- **External** ⇒ customers, suppliers, competition, financial institutions, media, local autonomy, professional corporations, ecological associations, general public, ...
- Corporate identity versus corporate image
- Corporate social responsibility



MCM: DIRECT MARKETING (DM)

Direct marketing

An interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location. It is aimed at the individuals (direct mail, telephone marketing, commercial e-mails, catalogues, customer clubs, unaddressed shipment etc.)

- Addressable media, individuals, interactive, effective, trackable and measurable, can test offers, database marketing
- Irritation, invasion of privacy, expensive, low response rates, lack of general brand awareness



MCM: SPONSORSHIP

Sponsorship

Funding of cultural events, sporting events etc. In exchange for publicity and prestige.

- The goal-directed financing of other subjects in order to create and sustain goodwill (company image) ⇒ **sth for sth** = no charity.
- Sports sponsorship, Cultural sponsorship, Sponsorship of broadcasting, **Ambush sponsorship!**
- **Sponsorship fit (match-up effect)!**



SPONSORSHIP: AMBUSH MARKETING



- Company tries to use marketing activities of its competitors for its own advertising purposes without paying for it. It is not legal (unfair competition).



The ~~Un~~ Official Sponsor of the 2014 World Cup



Britain's Linford Christie, the defending Olympic 100-meter champion, displays the latest in sponsorship logos, Puma contact lenses, at a news conference in Atlanta, Thursday July 25, 1996.



MCM: ONLINE MARKETING COMMUNICATIONS

On-line marketing communication

Web company presentation, social networks etc.

- SEO (Search Engine Optimization)
- SEM (Search Engine Marketing)
- PPC ads (Pay per Click)
- Affiliate Marketing
- Microsite Marketing
- Social Marketing – social media
- Advergaming, in-game advertising
- Communication on-line: e-mail, direct mailing, newslettering.



4. ALTERNATIVE FORMS IN MC

Experiential marketing

Astroturfing

Guerrilla marketing

Content marketing

Social media

WoM

Green marketing



Viral marketing

Affiliate marketing

Ambush marketing

Mobile marketing

Digital marketing

Ambient marketing

In-game marketing

Mosquito marketing

Sensation marketing

Product placement

And others ...

Environmental marketing

GUERRILLA MARKETING

„ It is a body of unconventional ways of pursuing conventional goals. It is a proven method of achieving profits with minimum money.“ (Jay Conrad Levinson, 1984)

- minimum → **MAXIMUM** (small firms)
- unexpected, original, surprising
- shocking, drastic, extravagant, controversial
- humorous with a hint of arrogance
- short-term, inexpensive with good will
- illegal, unethical
- aggressive against competitors and consumers
- the use of new IT
- investment is energy, time and creativity



GUERRILLA MARKETING: AMBIENT MEDIA



Pump-Top TV, ATM machines, exercise equipment, streets, coffee cups, shopping bags, grocery cart advertising, sky promotions, ...

GUERRILLA MARKETING: SENSATION MARKETING

- Desigual in the Czech Republic, Prague: „Come undressed, get dressed", 2011.
- 100 first visitors came into the store only in their underwear, and could choose two pieces of clothes for free.
- Other participants (from 101) had a 50% discount on the products.



„Sensation marketing – Guerrilla marketing in ball gowns.“

GUERRILLA MARKETING: WILD POSTING



„It is graffiti, but legal.“ (Christian, 2009).

VIRAL MARKETING

- Viral marketing and viral advertising refer to marketing techniques that use pre-existing social networks to produce increases in brand awareness, through self-replicating viral processes.
- **Advantages:** low costs, quick spread of information, high effectivity of targeting.
- **Disadvantages:** loss of information control which are spread among people, spam (legislation!)
- Viral marketing may take the form of video clips, interactive flash games, advergames, ebooks, images, text messages, email messages, or web pages.
- [Flashmob!!!](#)
- [Samsung Galaxy S4](#)
- [Pepsi Max](#)



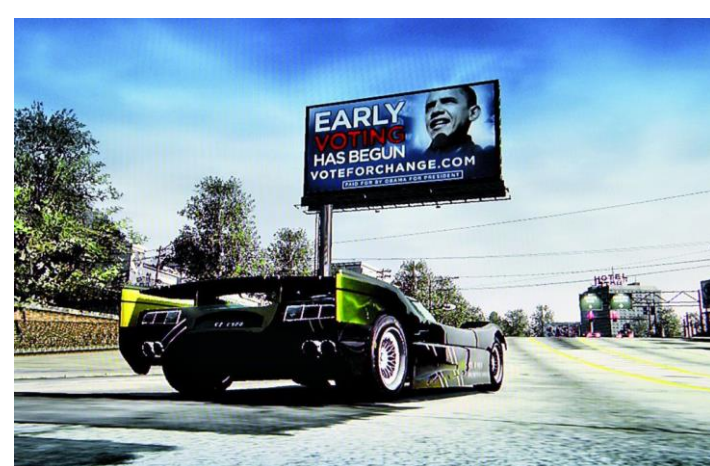
PRODUCT PLACEMENT (PP)

- **Product placement advertisements are promotional ads placed by marketers using real commercial products and services in media, where the presence of a particular brand is the result of an economic exchange.**
- Product placement appears in plays, film, television series, music videos, video games and books.
- **PP X hidden advertising** (strict legal rules differ in various countries)!
- **Reverser PP** (e.g. Bubba Gump Shrimp Co.)
- One of the best-known instances of product placement appeared in 1982 movie E.T. the Extra-Terrestrial, which increased sales of Reese's Pieces 80 percent.



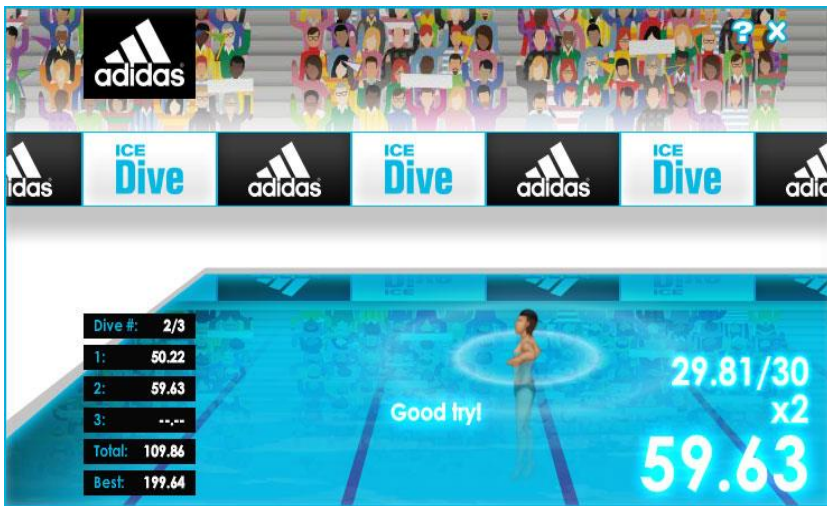
PP: IN-GAME ADVERTISING

- **In-game advertising** - a brand or product is inserted into games that have not been created to promote them.



PP: IN-GAME ADVERTISING

- **In-game advertising** - great potential - the growth of digital games popularity, creative tool, emotions, player participation.



- **Second life** – virtual city, life, friends, ...

