

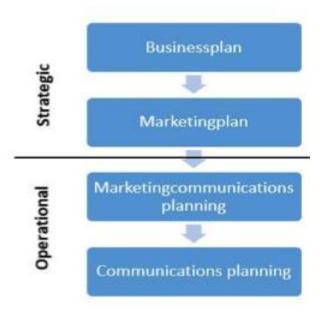
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#### **OUTLINE OF THE LECTURE**

- 1. Marketing communication plan
- 2. Situation analysis
- 3. Objectives and target groups determination
- 4. Budgeting
- 5. Marketing communication strategy
- 6. Marketing communication coordination and integration
- 7. Marketing communication implementation
- 8. Marketing communication effectivity testing

#### 1. MARKETING COMMUNICATION PLAN

- The various types of plans within the marketing and communications disciplines are structured hierarchically.
- The activities of an organization start with a business plan, leading to a marketing plan, followed by marketing/communications plan and a communications plan (advertising and/or media plan).



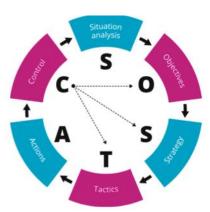
Source: http://www.smartinsights.com/managing-digital-marketing/planning-budgeting/marketing-cdommunications-planning-using-pasta-model/

#### MARKETING COMMUNICATION PLAN

- The marketing plan contains marketing goals and the strategy to achieve these goals, as in gaining market share, number of products and distribution channels. The marketing plan is the starting point for the marketing/communications plan to determine how and with what tools and resources will marketing goals be achieved. Finally, the communications plan describes how to communicate with various interest groups/stakeholders.
- Every plan must include the 3 key resources the 3Ms: men/woman (human resources), money (budget), minutes (time).

#### MARKETING COMMUNICATION PLAN

- The steps of marketing communication plan can vary:
  - Version A: Marketing objective, situational analysis, communication objective, strategy (creative, communication and medial), tactics creating, schedule, the determining of methods and techniques for assessing the level of fulfillment, development of detailed budget.
  - Version B SOSTAC® developed by P. R. Smith: situation analysis, objectives, strategy, tactics, action, control.
  - Version C: ...



#### STEPS OF COMMUNICATION CAMPAIGN PLANNING

- Situation analysis
- Objectives and target groups determination
- Budgeting
- Marketing communication mix strategy (strategy, elements, media)
- Marketing communication coordination and integration
- Marketing communication implementation
- Marketing communication effectivity testing feedback

#### 2. SITUATION ANALYSIS

INTERNAL (good product and its positioning, recognizable and remarkable brand, loyal customers, tradition, financial resources, participation in sponsorship projects, previous communication campaigns etc.)

**ANALYSIS** 

**EXTERNAL** (product and communication activities of competitors, legislation and ethics code of professional associations, popularity and use intensity of various types of media in some region, number and quality of communication agencies etc.)

#### 3. OBJECTIVES AND TARGET GROUPS DETERMINATION

MARKETING
COMMUNICATION
OBJECTIVES

**SMART!** 

**ECONOMICAL** (sales increase, profit increase, market share increase, new product launch, ...)

UNECONOMICAL (image improvement – repositioning, brand general knowledge increase, ...)

MARKETING
COMMUNICATION
OBJECTIVES

 establish for category, build brand
 awareness, build brand attitude, influence brand purchase intention

The most effective communications can achieve multiple objectives!

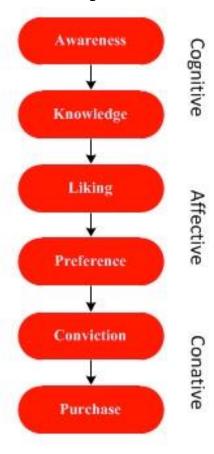
#### OBJECTIVES AND TARGET GROUPS DETERMINATION

- Here are some examples of marketing communications objectives:
  - To increase awareness from 35 per cent to 50 per cent within eight weeks of the campaign launch among 25- to 45- yearold ABC1 women.
  - To reposition Guinness from an old, unfashionable, older man's drink to a fashionable younger person's drink over two years among all 25- to 45- old male drinkers. To support the launch of a new shop by generating 50 per cent awareness in the immediate community one week before the launch.
  - To announce a sale and create 70 per cent awareness one day before the sale starts.

#### **OBJECTIVES AND TARGET GROUPS DETERMINATION**

Marketing communication objectives according to Hierarchy

of effects model:



Source: https://blog.dotmailer.com/3-traditional-ad-techniques-for-more-powerful-email-campaigns/

#### **OBJECTIVES AND TARGET GROUPS DETERMINATION**

 Marketing communication objectives according to Hierarchy of effects model:

MINIPHASE	EXAMPLE OF OBJECTIVE
Awareness	To create awareness of the brand among the 90 % of the target group within three months.
Knowledge	To achieve that 70% of the target group was able to connect the brand with the key benefits of the product within 4 months.
Liking	To achieve that 40 % of the target group perceive the brand as a trustworthy by the end of the year.
Preference	To achieve that 25 % of target group perceive the brand as more credible than competition brands by the end of the second quarter of this year.
Conviction	To achieve that 18% of the target group believes that the brand is the best choice by the end of the year.
Purchase	To achieve that 10 % of the target group purchases the product and 60 % of them performs a repeat purchase by the end of the first quarter of this year.

#### **OBJECTIVES AND TARGET GROUPS DETERMINATION**

- It is very important to identify the target groups: potential buyers of the products, current users, deciders, influencers, individuals, groups, particular publics, general public.
- The target audience is a critical influence on the communicator's decisions about what to say, how, when, where, and to whom.
- Learn more about the process STP!
- Specific target groups today: children, seniors, potential parents, gays (pink dollar), ... – LATENT DEMAND?! MARKETING POTENTIAL?!

#### 4. BUDGETING

- "I know that half of my advertising is wasted, but I do not know which half." (John Wanamaker, the department store magnate)
- Industries and companies vary considerably in how much they spend on marketing communications. Expenditures might be 40 percent to 45 percent of sales in the cosmetics industry, but only 5 percent to 10 percent in the industrial-equipment industry.

#### There are four common methods of budgeting:

- Affordable method
- Percentage-of-sales method
- Competitive-parity method
- Objective-and-task method

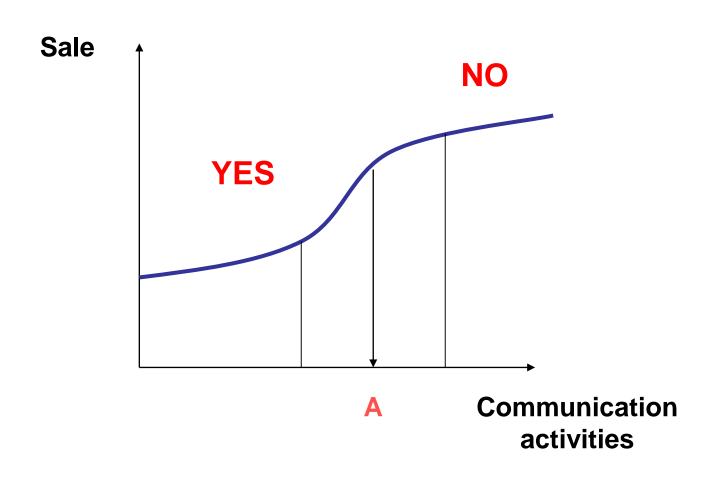
#### **BUDGETING**

- Affordable method Some companies set the communications budget at what they think they can afford. The affordable method completely ignores the role of marketing communications as an investment and their immediate impact on sales volume.
- Percentage-of-sales method Some companies set communication expenditures at a specified percentage of current or anticipated sales or of the sales price. This method has little to justify it. It views sales as the determiner of communications rather than as the result. It leads to a budget set by the availability of funds rather than by market opportunities.

#### **BUDGETING**

- Competitive-parity method Some companies set their communications budgets to achieve share-of-voice parity with competitors. This approach is also problematic. There are no grounds for believing competitors know better. Company reputations, resources, opportunities, and objectives differ so much that communications budgets are hardly a guide. And there is no evidence that budgets based on competitive parity discourage communication wars.
- Objective-and-task method The most defensible approach, the objective-and task method, calls upon marketers to develop communications budgets by defining specific objectives, identifying the tasks that must be performed to achieve these objectives, and estimating the costs of performing them. The sum of these costs is proposed communications budget.

# ADVERTISING BUDGET MODEL "S-SHAPE CURVE"



- Selection of marketing communication strategy:
  - Push strategy a set of activities aimed at encouraging members of the distribution channel to stock and sell the product. "Taking the product to the customer.,
    - Trade show promotions to encourage retailer demand.
    - Direct selling to customers in showrooms or face to face.
    - Negotiation with retailers to stock your product.
    - Efficient supply chain allowing retailers an efficient supply.
    - Packaging design to encourage purchase.
    - Point of sale displays.

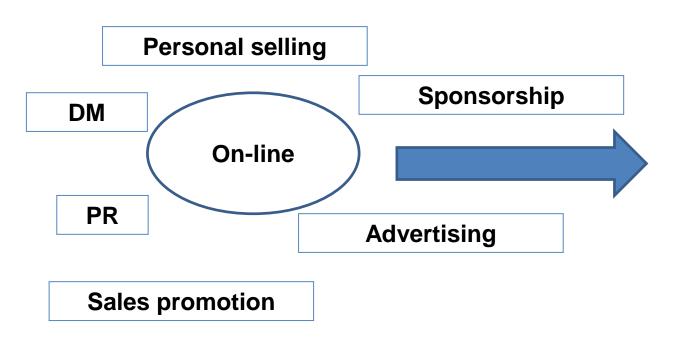
# MARKETING COMMUNICATION MIX STRATEGY (STRATEGY, ELEMENTS, MEDIA)

- Pull strategy promoting heavily to end customers and consumers in order to pull products through the distribution channel. "Getting the customer to come to you."
  - Advertising and mass media promotion.
  - Word of mouth referrals.
  - Customer relationship management.
  - Sales promotions and discounts.

 A combination of push and pull communication strategy is the most effective marketing!!!

- Selection of marketing communication mix elements:
  - advertising (medial mix), sales promotion, personal selling, PR, DM, sponsorship previous basic knowledge of marketing communication!!!
  - Factors in setting the marketing communications mix elements: type of product, buyer-readiness stage (awareness, comprehension, conviction, order, reorder), product life-cycle stage.

- Selection of marketing communication mix elements:
  - Combination of MCM elements= IMC!





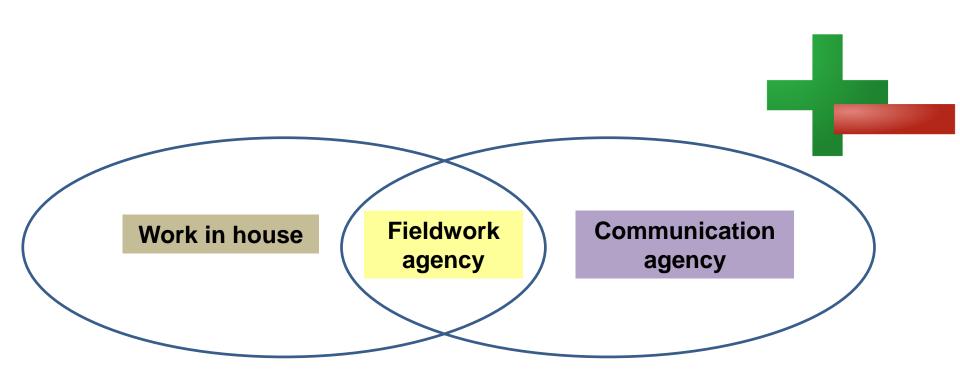
- Selection of marketing communication medial mix:
  - Combination of selected media to achieve specific goals, i. e. to influence the defined target groups.
- Various media types: print, digital, broadcast, outdoor, ....
- Classical media x untraditional media (ambient media, animalvertising)
- Cold x hot media
- Strategic questions in media selection: reach versus frequency, scheduling, geography, product type and media costs.

- Medial mix basic medial terms:
  - CPT (cost per thousand)
  - Prime time (TV: 19:00 21:00)
  - Frequency
  - Reach X Impact
  - ....

- Medial mix CPT example:
- CPT = advertising/(impressions generated/1000)
  - Version A: The whole page in magazine Man and life costs 240 000 CZK. Readership = men aged 15+, total number of 120,000 readers per edition.
     CPT = 240 000 CZK/120 = 2 000 CZK
  - Version B: The whole page in magazine Practical man costs 180 000 CZK. Readership = men aged 15+, total nember of 60,000 readers per edition.
     CPT = 180 000 CZK/60 = 3 000 CZK.
- Each media type is perceived differently by people.
   Therefore it is not possible to compare CPT of radio or Internet etc.!

### 6. MARKETING COMMUNICATION COORDINATION AND INTEGRATION

 Activities determinations, responsibility for communication campaign (own marketing department x communication agency – advantages, disadvantages!), schedule, ...



### 7. MARKETING COMMUNICATION IMPLEMENTATION

Planned communication activities are put in practice.

### 8. MARKETING COMMUNICATION EFFECTIVITY TESTING

- The measurement of communication campaign coverage and impact.
- Pre-testing (storyboard), post-testing (questioning), continual testing, tracking studies.
- Common use of electronic methods of testing (eye camera, psychogalvanometer, tachistoscope, TV meter, ...)

### MARKETING COMMUNICATION EFFECTIVITY TESTING - STORYBOARD

A set of drawings which describe the outline of TV commercials.

