

SECOND EDITION



# Integrated Advertising, Promotion, and Marketing Communications

Kenneth E. Clow  
Donald Baack

**SECOND EDITION**

# Integrated Advertising, Promotion, & Marketing Communications

**KENNETH E. CLOW**

University of Louisiana at Monroe

**DONALD BAACK**

Pittsburg State Univers

**PEARSON**  
Prentice  
Hall

Upper Saddle River, New Jersey 07458

## Library of Congress Cataloging-in-Publication Data

Clow, Kenneth E.

Integrated advertising, promotion, and marketing communications / Kenneth E. Clow,  
Donald Baack.—2nd ed.

Includes bibliographical references and indexes.

ISBN 0-13-140546-2

1. Communication in marketing. 2. Advertising. I. Baack, Donald. II. Title.

HF5415.123.C58 2004

659.1—dc21

**Senior Editor:** Bruce Kaplan

**Editor:** Katie Stevens

**Editor-in-Chief:** Jeff Shelstad

**Assistant Editor:** Melissa Pellerano

**Editorial Assistant:** Danielle Serra

**Media Project Manager:** Anthony Palmiotto

**Executive Marketing Manager:** Michelle O'Brien

**Marketing Assistant:** Amanda Fisher

**Senior Managing Editor (Production):** Judy Leale

**Production Editor:** Cindy Spreder

**Production Assistant:** Joe DeProspero

**Permissions Supervisor:** Suzanne Grappi

**Associate Director, Manufacturing:** Vincent Scelta

**Production Manager:** Arnold Vila

**Manufacturing Buyer:** Diane Peirano

**Design Manager:** Maria Lange

**Art Director:** Kevin Kall

**Interior Design:** Swami Sammy Davis Kall

**Cover Design:** Joseph Depinho

**Cover Illustration/Photo:** Joseph Depinho

**Illustrator (Interior):** Carlisle Communications

**Photo Researcher:** Teri Stratford

**Image Permission Coordinator:** Debbie Hewitson

**Page Formatter:** Ashley Scattergood

**Composition/Full-Service Project Management:** Lynn Steines, Carlisle Communications

**Printer/Binder:** Courier—Kendallville

Credits and acknowledgments borrowed from other sources and reproduced, with permission, in this textbook appear on the appropriate page within text.

---

**Copyright © 2004 and 2002 by Pearson Education, Inc., Upper Saddle River, New Jersey 07458.**

Pearson Prentice Hall. All rights reserved. Printed in the United States of America. This publication is protected by Copyright and permission should be obtained from the publisher prior to any prohibited reproduction, storage in a retrieval system, or transmission in any form or by any means, electronic, mechanical, photocopying, recording, or likewise. For information regarding permission(s), write to: Rights and Permissions Department.

**Pearson Prentice Hall™** is a trademark of Pearson Education, Inc.

**Pearson®** is a registered trademark of Pearson plc.

**Prentice Hall®** is a trademark of Pearson Education, Inc.

Pearson Education LTD.

Pearson Education Singapore, Pte. Ltd

Pearson Education, Canada, Ltd

Pearson Education—Japan

Pearson Education Australia PTY, Limited

Pearson Education North Asia Ltd

Pearson Educación de Mexico, S.A. de C.V.

Pearson Education Malaysia, Pte. Ltd



10 9 8 7 6 5 4 3 2 1  
ISBN 0-13-140546-2

# Preface

**W**e created *Integrated Advertising, Promotion, and Marketing Communications*, in part, to deal with what we believed were three problems with the integrated marketing communications course. First, we thought the textbooks available did not always practice exactly what they preached: They included large sections on advertising and marketing communications, but these two key ingredients were not completely blended together. Without this integration, students would be unable to see why everyone made such a fuss about integrated marketing communications. We wanted to provide a more carefully *integrated* marketing communications text.

Second, we discovered that some instructors had a tough time reconciling teaching and learning materials with a project-heavy course. Almost everyone teaching the course assigns projects to help students put their knowledge to work. This reliance on projects raises three problems. First, the textbooks now available may not recognize that this is a project-heavy course. Second, when textbooks do mention projects, it is possible to provide more materials to help the student in preparing these projects. Third, because doing even simple projects has turned into such an adventure, textbooks do not take projects very far—projects are not extended from one chapter to another. These three problems have made this project-driven course a challenge for the instructor to teach and a frustration for the student to learn. We wanted to provide a text that was *integrated* with student projects.

Third, we found that integrated marketing communications texts sometimes have disjointed supplements packages. Too often, we have heard professors complain that there

were unpleasant surprises teaching with these supplements. We wanted to provide a more useful and *integrated* supplements package.

This, then, was the mandate for the first edition of *Integrated Advertising, Promotion, and Marketing Communications*: Provide a true integrated marketing communications text that integrated student projects that were so necessary for the course and that integrated the supplements used to teach the course. Hopefully we have accomplished this by providing an integrated text, building a running project into every chapter, and providing commercial software to bring this project to fruition, and putting together a supplements package ourselves.

## JAVANET INTERNET CAFÉ

The IMC Plan Pro software disk provided with your textbook contains four sample IMC plans as well as the template you will use to design a plan. Each section of this textbook highlights a different sample IMC plan. Section 1 features JavaNet Internet Café's sample plan.

Studying the sample IMC plan with the chapter material will help you learn how to create your own IMC plan while focusing on the information provided in the chapter itself. For example, Chapter 1 notes that an effective integrated marketing communications program begins with the precise assessment of several factors. First, the nature of the company must be clearly understood. Second, the potential customer base must be identified. And third, the key message which is to be delivered to everyone must be established. Everyone includes company employees, suppliers and partners, advertising agencies and other marketing organizations, and customers. These tasks are carried out in the JavaNet Internet Café example.

Read the Executive Summary (Section 1.0) for the JavaNet Internet Café example provided on the IMC Plan Pro disk. JavaNet is an Internet café seeking to take advantage of high quality coffee, combined with quality Internet access, for several distinct consumer groups. This information forms the foundation for what is to follow throughout the plan. Success in building a strong, clear voice for a company starts with knowing who you are, what you do, and how you intend to carry out the plan.

**IMC  
PlanPro** !  
**IMC  
PLAN PRO**



## WHAT IS NEW IN THE SECOND EDITION?

Based on extensive review from users of our textbook and professionals in the field, we have made the following improvements to the text:

► **Improved organization.** We have reorganized the chapters in response to feedback from various constituents. In the foundations section of the text (Part 1), the chapter regarding promotions opportunities analysis (Chapter 5) has been moved. It now follows the presentations regarding consumer buying behavior and business-to-business buyer behavior (Chapters 3 and 4).

Also, the chapter regarding media selection (Chapter 9) has been moved to follow presentations on advertising management (Chapter 6) and advertising design (Chapters 7 and 8). Although all of these activities must be integrated, it will be easier for students to understand the role of media selection after they have a better understanding of the advertising function.

► **Enhanced discussion of customer relationship management (CRM).** A section of Chapter 12 describes the concept of CRM and how it is being used by businesses. CRM is designed to be a cost effective method of interacting with customers to better serve key customers and generate higher profits for the firm. When combined with information regarding database marketing, CRM programs are effective methods of integrating communications with members of various target markets.

► **A new chapter (Chapter 15) devoted to small business ventures and IMC programs.** Promotional activities are challenging for small business owners who work with limited budgets. While the same tools are available, the manner in which the promotional tools are integrated is often different. The central message of this chapter is how a small business using a limited budget can speak with a clear and memorable voice to potential customers.

### Personal Selling, Database Marketing, and Customer Relationship Management

#### Chapter Objectives

##### Understand the role of personal selling in the success of both retail and business-to-business (B2B) programs.

##### Recognize the critical function of personal selling in business-to-business (B2B) programs.

##### Examine the role of personal selling in buying decision-making processes of small businesses, other businesses, and institutional customers.

##### Learn how to match a salesperson's personality with the needs of a business customer.

##### Apply the database to customer relationship management (CRM).

#### HAIR CARE:

##### The Personal Selling of Personalized Services

A salesperson is more than just a salesperson. For most, the word is moving toward a more sophisticated role, one that involves a high level of expertise and a deep understanding of the customer's needs. For example, a salesperson for a hair salon is not just a salesperson; they are a hair stylist. They are responsible for creating a look that is not only fashionable but also suits the customer's lifestyle and personality. This requires a deep understanding of the customer's needs and a high level of expertise in hair care.

Those who dispense beauty products for men and women have unique sales opportunities. They are responsible for creating a look that is not only fashionable but also suits the customer's lifestyle and personality. This requires a deep understanding of the customer's needs and a high level of expertise in hair care. The salesperson's role is to create a look that is not only fashionable but also suits the customer's lifestyle and personality. This requires a deep understanding of the customer's needs and a high level of expertise in hair care.

One trend many firms utilize to increase store revenues is to become the sole provider of a supplier's hair care products within a given territory. One shop may sell hair care products and shampoos, while another may sell hair care products and shampoos. This allows the firm to control the distribution of its products and ensure that its customers are getting the best quality products available.

Sales employees may or may not be happy with the idea that they must sell various products in addition to rendering services. Although it may seem like a lot of work, it is a necessary part of the job. Sales employees must be able to sell a variety of products to their customers. This allows the firm to increase its revenue and ensure that its customers are getting the best quality products available.

The U.S. retail landscape is constantly changing not only the way of personal selling but also the way in which products are delivered. At the same time, the salesperson's role is becoming more important. They are responsible for creating a look that is not only fashionable but also suits the customer's lifestyle and personality. This requires a deep understanding of the customer's needs and a high level of expertise in hair care.

The ultimate success in this environment may be determined by the salesperson's ability to create a look that is not only fashionable but also suits the customer's lifestyle and personality. This requires a deep understanding of the customer's needs and a high level of expertise in hair care. The salesperson's role is to create a look that is not only fashionable but also suits the customer's lifestyle and personality. This requires a deep understanding of the customer's needs and a high level of expertise in hair care.

### IMC for Small Businesses and Entrepreneurial Ventures

#### Chapter Objectives

##### Develop an understanding of the challenges facing entrepreneurs and small businesses, especially in the area of marketing communications.

##### Explain the benefits and costs of reaching small business customers effectively.

##### Understand the importance of managing small business advertising as an effective message.

##### Learn how to match a salesperson's personality with the needs of a business customer.

##### Apply the database to customer relationship management (CRM).

#### THE PASTA HOUSE CO.:

##### Neighborhood Marketing Builds Big Profits

The "Hot" in St. Louis, Missouri, is not only the weather, but also the food. The Pasta House Co. is a chain of Italian restaurants that has been successful in St. Louis for over 20 years. The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service.

The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service. The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service. The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service.

The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service. The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service. The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service.

The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service. The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service. The company's success is due to its focus on neighborhood marketing and its commitment to providing high-quality food and service.

► **A new approach to integrating ethics into IMC programs.** The first edition of this text contained a stand-alone chapter on regulations and ethics. This edition features ethics vignettes in each chapter. The vignettes are designed to identify key issues from the chapter and lead to discussion regarding ethical concerns. The legal issues associated with advertising regulation have been moved to Chapter 13 where they are discussed in conjunction with public relations. Having already covered the major forms of marketing communications, students are better able to understand the role of regulations at this point in the course.

► **Greater emphasis on branding.** Brand management is presented throughout the text where it is applicable to the IMC issue involved. This discussion builds on materials presented in Chapter 2 regarding corporate image, brand management, brand equity, and brand parity.

► **Enhanced visual appeal.**

This edition contains a substantially greater number of ads than the previous version. These new ads make the book more visually appealing while at the same time provide students with examples of various advertising and promotional tactics. We are especially indebted to Shannon Wyczynski from the Joplin Globe, who gave us access to numerous ads that support Chapter 15 regarding small business IMC programs.

awareness of the company. The objective defines how the trade show booth will be constructed and manned. For example, if the goal is to generate awareness, then the exhibit should include an attention-getting feature. Bright lights, characters in colorful costumes, and music are ways to attract attention. If instead the goal is to generate customer interest in company products, then the products should be displayed in a manner that makes it easy for prospective customers to examine them. Also, the booth should be manned by personnel with expertise and product knowledge.

Sponsorships can be another creative way to locate customers and place the name of the company in the consumer's mind. For a small business, a sponsorship program should be a local event or organization. It is important to make sure the image is consistent with the IMC theme of the sponsoring company. When established carefully, various goals may be reached, such as winning new customers or creating a positive image to attract new employees.<sup>12</sup>

Cost is a concern with sponsorships; however, there are many options. A restaurant or dairy store can sponsor a little league baseball or soccer team at a low cost. A furniture store may develop a relationship with an art gallery without spending significant funds.



This award-winning ad ("Best Use of 4-color" and "Best of Show," Missouri Press Association Award Ceremony) is an excellent method for creating brand awareness of an automobile Web site. Source: Used with permission of the Joplin Globe, Joplin, Missouri.

An advertisement for the Magnolia House informing customers of the type of merchandise the company sells. Source: Used with permission of the Joplin Globe, Joplin, Missouri.

A Cut-N-Heaven understands the needs of their customers. Source: Used with permission of the Joplin Globe, Joplin, Missouri.

For Your Fairy Dogmother, the major factor in the decision to purchase the service was convenience. Once customers discovered that Your Fairy Dogmother would come to their homes, it was easy to decide to give the company a try. Also, the company's name suggested that the family dog would be treated with extra special care. By understanding and then defining the needs of her customers, Otto has been able to develop a successful small business.<sup>6</sup>

Through careful research, marketing professionals in businesses such as Your Fairy Dogmother, VIPdesk, and Geeks On Call have been able to identify a target market. Demographic characteristics are vital, but the research must go beyond demographics to include psychographic and purchasing behavior information. Understanding the attitudes, interests, and opinions of individuals in the target market is important in developing an IMC plan that will reach those consumers.

**Creating a Clearly Defined Product**

A clearly defined product means that everyone knows exactly what the company intends to deliver. As Leslie Godwin, a career and life-transition counselor pointed out, it is just as important to say what your company *won't* do as what it will do.<sup>7</sup> She noted that a psychotherapist participating in a new group of doctors with a business card that says, "Specializes in treating children, adults, adolescents, groups, and individuals" is overstating the professional's talents. Compared to an ob/gyn who claims she specializes in "women struggling with menopause," the differences are obvious. One professional is trying to be all things to all people. The other has more logically spelled out a form of expertise that would be attractive to a specific set of people.

Any form of new company is liable to fall into the trap of trying to please every potential customer. Unfortunately, this leads to no clear sense of identity for employees, customers, and company leaders. A simple question to ask is, "What do we do well?" The goal is to feature that good, service, or skill.

Once the product is clearly defined, it is important to carefully create a brand name, logo, and other word-based marketing elements such as the company's slogan and advertising tag line. These items must communicate the nature of the clearly defined good or service, or other efforts will not be as likely to succeed. Brand names such as The Pasta House Co. or Champion Dry Cleaners clearly spell out to customers what the business is all about. While VIPdesk and Geeks On Call are easy to remember, it is less clear to consumers exactly what type of service is being provided. These companies will have to expend greater effort in defining the business so that customers see the advantage in giving the firm a try.

**Developing a Unique Market Niche**

This process is also known as having a **unique selling position (USP)**. A USP is some feature that allows the newly formed company to stand alone and be distinct from all other competitors. This may be based on price, the offer of a service not previously available, or some other feature that is not easily duplicated in the market. VIPdesk, which is used by 10.5 million people, offers services via the Internet, phone, or through a wireless device. No other

### JAVANET INTERNET CAFÉ

The IMC Plan Pro software disk provided with your textbook contains four sample IMC plans as well as the template you will use to design a plan. Each section of this textbook highlights a different sample IMC plan. Section 1 features JavaNet Internet Café's sample plan.

Studying the sample IMC plan with the chapter material will help you learn how to create your own IMC plan while focusing on the information provided in the chapter itself. For example, Chapter 1 notes that an effective integrated marketing communications program begins with the precise assessment of several factors. First, the nature of the company must be clearly understood. Second, the potential customer base must be identified. And third, the key message which is to be delivered to everyone must be established. Everyone includes company employees, suppliers and partners, advertising agencies and other marketing organizations, and customers. These tasks are carried out in the JavaNet Internet Café example.

Read the Executive Summary (Section 1.0) for the JavaNet Internet Café example provided on the IMC Plan Pro disk. JavaNet is an Internet café seeking to take advantage of high quality coffee, combined with quality Internet access, for several distinct consumer groups. This information forms the foundation for what is to follow throughout the plan. Success in building a strong, clear voice for a company starts with knowing who you are.

**IMC  
PlanPro** !  
**IMC  
PLAN PRO**

### Conducting a Promotions Opportunity Analysis for Your Product

Each of the products listed in Chapter 1 has various kinds of competitors. In order to build a complete and solid IMC program, it is important to begin by following each of the steps of the promotions opportunity analysis. Also, to succeed, you need to identify key target markets for your item. This includes both consumer markets and business-to-business opportunities. In addition, it will be important to consider the possible international customers as you proceed. Go to the Prentice-Hall Web site at [www.prenhall.com/clow](http://www.prenhall.com/clow) or access the IMC Plan Pro disk that accompanied this textbook to develop a market analysis for your product by completing the exercise for Chapter 5.

**BUILDING AN  
IMC  
CAMPAIGN**  
**IMC  
PlanPro** !

We have enhanced the projects part of the text by doing two key things:

- ▶ **"Building Your IMC Campaign" exercises now begin in the chapter-opening vignette and tie everything together at the end of the chapter.** We found that waiting until the end of the chapter to introduce the campaign project left too many loose ends. We

now introduce the project at the beginning of the chapter and return to it at the end.

- ▶ **New IMC Plan Pro Sample Cases.** New sample IMC plans have been added to the IMC Plan Pro CD-ROM that accompanies the textbook. These new samples cover a variety of businesses, letting students see multiple ways of developing an IMC Plan.

Finally, we have enhanced the supplements part of the teaching package by adding an exciting new supplement and adding to our video offerings.

In all, we think these improvements and additions help to make *Integrated Advertising, Promotion, and Marketing Communication* the most integrated and effective IMC teaching and learning package available.

# THE STUDENT INTEGRATED LEARNING PACKAGE

To learn the material properly, students must first have a text that engages them. Next, students must go outside of the text and learn by doing. Because of this, we have created the following features with the student in mind:

- Lead-in vignettes.** Each chapter begins with a vignette that is related to the topic being presented. The majority of the vignettes revolve around success stories in companies students will recognize, such as Starbucks and Papa John's Pizza. In this edition, new vignettes have been introduced including features on the Dell dude and the AFLAC duck to keep the stories fresh and recognizable.

## PART I: THE IMC FOUNDATION

### Integrated Marketing Communications

**Chapter Objectives**

- Recognize the critical role communication plays in marketing programs.
- Review the nature of the communication process.
- Apply a communication model to marketing issues.
- Discover the nature of a totally integrated advertising and marketing communications approach.
- Expand the concept of integrated marketing communications to the global level.

**PAPA JOHN'S PIZZA:**  
An Integrated Marketing Communications Approach

Would you recognize a Papa John's Pizza sign from a distance? Many people would, given the distinctive green and red emblem and logo, which is designed to attract attention and place the store in a flashing light.

Papa John's began as a small, one-store operation that evolved out of the need to rescue a failing tavern. Quick success meant expansion to 4 stores in two years and 23 stores in five years. Currently, Papa John's plans to complete more than 2,000 units with over \$1 billion in sales in a mature industry most felt was saturated with competitors.

In order to survive in a highly competitive marketplace, Papa John's needed to develop a distinctive voice. One clear message was needed to permeate every aspect of the business, including hiring decisions, selection of locations, and all business strategies and tactics.

At the strategic level, each of the Big Three pizza companies—Pizza Hut, Domino's, and Little Caesar's—holds a distinct niche in the market. Papa John's offers more variety and a down atmosphere. Domino's emphasizes quick delivery, and Little Caesar's focuses on price. Its strategy is competing theme. Papa John's strongly centers its efforts on quality, including the overall theme of "Better Ingredients, Better Pizzas." Owner John Schnatter makes a concerted effort to keep his product "simple, consistent, and focused," by making personal visits to as many locations as possible each year.

In selecting locations, Papa John's tries to purchase prime real estate in prominent locations and then courts on in bright signs and logos to attract attention. As one manager at the organization stated, "We think the customer comes where a store is." The effort to find choice locations reemphasizes quality in every aspect of the organization's operation.

Papa John's five employees based on their compatibility with an overall organizational attitude. Individuals are selected who are "warm, friendly, and nice," according to one human resource officer. As Steve Southgate, vice president of human resources, put it, "We can teach people about food and wine, and how to carry things, but we can't teach someone how to be warm and friendly. These people are not just serving food. They make the difference in whether someone will return to this restaurant."

The pizza itself is the major focus of the quality campaign. The ingredients are developed by key centralized communicators that provide fresh dough and sauce, with a careful eye on consistency and quality. The final product always includes a small tub of garlic butter and two hot peppers with each pie, which promotes the perception that the customer is getting "more bang for the buck," according to Gerry Durrell, editor and publisher of *Pizza Today*. Papa John's patrons expect quality at a reasonable price. There are no in-store salad bars that add to costs, and the menu is limited to pizzas, breadsticks, cheese sticks, and soft drinks.

The Papa John's story is repeated on the walls of many of its stores. Takehome menus not only describe to retail customers but also find their way into other businesses, where employees can use them to order a quick, high-quality lunch. The menus have the same colors and logo as the store signs and delivery vehicles that carry the product to homes and other businesses. The hats and uniforms workers wear also carry the logo and emphasize the theme.

Advertisements, employees, locations, logos, hats, uniforms, takehome menus, delivery vehicles, suppliers, and the product itself all combine to form an integrated advertising and marketing communications theme emphasizing quality. The theme clearly works, as witnessed by the firm's phenomenal growth and outstanding success. Customers know what they're getting when they step up to Papa John's.

In the future, Papa John's intends to continue its long-term expansion plans by opening more than 1,000 international units, beginning with stores in Mexico and Canada. Even so, the goal still remains to provide quality. As owner-manager Schnatter states, "I demand consistency so the consumer is not confused."

- Business-to-business marketing concepts.**

A large number of marketing students are likely to hold jobs that emphasize sales to other businesses. Therefore, business-to-business components have been incorporated in many of the discussions throughout the text. Examples, cases, text illustrations, and Internet exercises have been woven into the materials. Also a complete examination of business-to-business buyer behavior is provided in Chapter 4.

- International marketing discussions.** Students are curious about the world around them, especially in light of the events of September 11, 2001. Many marketing texts address international issues as an add-on. While there are some separate discussions of international issues, this book features international concerns where they correlate with the materials being presented. Further international cases are found in several chapters. These end-of-chapter features lead students to discover a more integrated approach to advertising, promotions, and marketing communications in both domestic and international markets.

## Business-to-Business Buyer Behavior

**Chapter Objectives**

- Identify the types of business buyers in the global marketplace.
- Review the buying decision-making process and apply it to business-to-business marketing.
- Recognize the challenges of dual channel (retail and business-to-business) marketing programs.
- Understand the role environment factors companies that sell to other businesses.

**INTEL BUNNIES:**  
The Next Generation in Brand Awareness

Quick, name all of the companies you can think of that sell microprocessors for computers and the brand names of their products. If you are the typical consumer, you can identify one: Pentium. A few more sophisticated computer consumers may be able to recall one or two more but in the next breath would probably report that the Pentium is "the best." How did Intel reach this point?

The staggering growth and success rate of the Intel Pentium brand can be traced to an increased demand for personal computers. The original Intel 486 name could not be patented, because numbers are part of the description of the product's use. This "feedback" caused Intel to develop a new brand name right at the time when everyone needed processors, but no one knew their names. The Pentium brand was advertised extensively both in the consumer retail market and in business trade publications directed toward computer manufacturers and software companies. Consumers began asking if the PCs they were about to buy had Pentium processors. At the same time, Intel formed a major alliance with Microsoft as Windows 95 was introduced. Suddenly Intel held a major advantage in the marketplace.

In 1994, a math expert discovered a flaw in one part of the Pentium processor. A serious problem, named the "Wides Clutter Bug" was also revealed. What seemed like major obstacles, however, only added to name recognition of the Pentium processor. The company swiftly pointed out that the mathematical flaw would affect only a very small number of applications and put as quickly developed methods to overcome the Wides Clutter Bug problem. By the end of the year, what could have been a tremendous problem had become a triumph for Intel.

**INTEGRATED LEARNING EXPERIENCE**

Visual images are an important feature of any attempt to market a product globally. Access the Sun Microsystems marketing resource center at [www.sun.com/sunmc](http://www.sun.com/sunmc), and the "advertising" section of that center. Next, go to the "International Gallery" part of the site. Examine the advertisements for Sun that appear in various countries throughout the world. What are the similarities? What are the differences? To obtain more information, access the "Outdoor," "Radio," and "TV" sections. To view an ad agency's perspective, access Leo Burnett Agency at [www.leoburnett.com](http://www.leoburnett.com). At the "Work" section, look at the examples of the agency's various print, television, or other media advertisements. What are the differences in the ads across the various countries?



## COMMUNICATION ACTION

### Hewlett-Packard

An excellent example of an integrated marketing communications program is provided by the software systems engineering division (SED) of Hewlett-Packard. This group initiated its IMC process through workshops designed to help HP's employees better understand the dilemmas faced by its customers. These workshops were directed by representatives from sales, product marketing, engineering, and customer support departments within HP. Each had a different perspective of the customer and provided valuable input into the various dilemmas faced by end users. The team approach allowed everyone to see the customer from a more holistic perspective.

Based on input from these departments, a creative strategy emerged with a strong focus on customer needs. The theme "we understand" was adopted. HP's marketing emphasis centered on the idea that members of the company understood the issues, pressures, and constraints that software developers faced. Knowing about unrealistic deadlines, hidden-code errors, and other problems and how to cope with these issues was the key. HP's leaders believed they could solve transition problems for customers by moving to object-oriented programming and simultaneously developing multiple applications of company software. The theme was integrated into all of HP's marketing programs. It was launched in an advertising campaign, then reinforced in three direct mailings. The same message was used in trade show handouts and displays. HP's Web site was redesigned around the same principle.

The "we understand" idea served as an umbrella that all marketing strategies and tactics would then utilize. The integrated approach allowed HP to speak with one voice regardless of the communication method customers encountered when they contacted the firm. This more fully integrated program was more than just the theme, however. It began with effective communication within and built outward to the point where HP's end users (other business) could see and experience a real difference in the products and services that were being provided.

Source: P. Griffith Lindell, "You Need an Integrated Attitude to Develop IMC," *Marketing News*, 31, no. 11 (May 26, 1997), p. 6.

► **"Communication Action" box.** In each chapter, one key illustration of the subject matter in a real-world setting is presented as a "Communication Action" box. These features include business-to-business, consumer, and international examples. In addition, interviews of professionals from the worlds of advertising and marketing are presented as "Communication Action" boxes in some chapters.

► **Key Terms glossary.** In the end-of-chapter materials that follow the text, a glossary of key terms and their definitions is provided. The terms are displayed in the order that they appear in the chapter. When combined with the subject and author index included at the end of the book, there is ready access to each new term that is used.

## CRITICAL THINKING EXERCISES

### Discussion Questions

1. The marketing director for a furniture manufacturer is assigned the task of developing an integrated marketing communications program to emphasize the furniture's natural look. Discuss the problems the director may encounter in developing this message and in ensuring that consumers understand the message correctly. Refer to the communication process in Figure 1.1 for ideas. What type of noise may interfere with the communication process?
2. Referring to Exercise 1, assume the director wants to develop an integrated marketing communications program emphasizing a theme focused on the furniture's natural look. This theme applies to all of their markets, that is, both retailers and consumers. Using Figure 1.4 as a guide, briefly discuss each element of the integrated marketing communications plan and how to incorporate it into an overall theme.
3. The marketing director for a manufacturer of automobile tires wants to integrate its marketing program internationally.

Should the director use a standardization or adaptation approach? How could the company be certain that its marketing program would effectively be integrated among the different countries where it sells tires?

4. Look up each of the following companies on the Internet. For each company, discuss how effective its Web site is in communicating an overall message. Also, discuss how well the marketing team integrates the material on the Web site. How well does the Web site integrate the company's advertising with other marketing communications?

- a. Revlon ([www.revlon.com](http://www.revlon.com))
- b. Reebok ([www.reebok.com](http://www.reebok.com))
- c. J.B. Hunt ([www.jbhunt.com](http://www.jbhunt.com))
- d. United Airlines ([www.ual.com](http://www.ual.com))
- e. Steamboat Resorts ([www.steamboatresorts.com](http://www.steamboatresorts.com))

► **Discussion and Critical Thinking Exercises.** The end-of-chapter materials also contain several short scenarios and exercises to help students review chapter concepts by applying them in various settings. Internet exercises lead students to Web sites where advertisements can be assessed for

quality. Innovative approaches, such as asking students to prepare and evaluate various kinds of advertisements and advertising campaigns, are also suggested.

### JENNY'S HAIR SALON

## CASE 2

Jenny Burns finished high school in the late 1980s. She had no real interest in college. She loved fashion, style, and "glamour." Moving out on her own meant trying to find a job that would accommodate her love of trendy things. She decided to become a hairstylist. After taking all the courses and gaining her cosmetology license, Jenny worked for two years at an independent salon, which went out of business when the owner developed health problems.

After careful deliberation, and with some help from an SBA loan, Jenny opened her own salon on the outskirts of Grand Lake, Oklahoma. The building boom had just taken over the area, and she was convinced she would make a good living because of the growing population and bustle of activities present, especially in the summertime.

The new business, "Jenny's Hair Salon," was started. She used newspaper advertisements, radio spots, and coupons in a local advertising pamphlet to announce her grand opening. Her location was visible and accessible to residents of the major town near the lake, Grove, Oklahoma. Unfortunately, there was no quality sign maker in town, so Jenny had to rely on a portable flashing sign to present the name of her business.

When the business opened, Jenny was able to attract a solid clientele, because she was one of only two salons in town. The other business tended to

► **Cases.** At the conclusion of each chapter, two cases are available as assignments or to generate discussion. These cases assist student learning by providing plausible scenarios that require thought and review of chapter materials. The short cases are designed to help students conceptually understand chapter components as well as larger, more general marketing issues.

## ► **Integrated Learning**

**Experiences.** At key points in each chapter, the text guides students to the Internet to access information that ties into the subject matter covered in the text. These places are marked in the book and are also highlighted on the Instructor's Teaching CD-ROM, making it possible for the instructor to go directly to a Web site while using PowerPoint slides.

### INTEGRATED LEARNING EXPERIENCE

The use of animation in advertisements has increased in popularity because of computer technology sophistication. Even the Green Giant and the Pillsbury Doughboy are still popular. Each has a Web site. The Green Giant is available at [www.greengiant.com](http://www.greengiant.com). Be sure to check out "The Green Giant Around the World." The Doughboy is at [www.doughboy.com](http://www.doughboy.com). Notice that Pillsbury created both animations. To get an insight into the mind of an animation creative, read Vince Backeberg's 3D Site at [www.teleport.com/~v3d/index.html](http://www.teleport.com/~v3d/index.html). If you are interested in adding animation to your Web site, or when a business wants to add animation, Animation Factory at [www.camelotdesign.com](http://www.camelotdesign.com) contains several thousand free animations. Free animation also is available at the Animation Library at [www.animationlibrary.com](http://www.animationlibrary.com).

STOP

- **Building Your IMC Campaign exercises.** At the beginning of each chapter, we reference one of the sample IMC programs to illustrate the materials presented in that chapter. At the conclusion of each chapter, students are given an exercise designed to lead them through the development of their own personalized IMC programs, from start to finish. These exercises help students understand chapter materials and apply them to an ongoing company.
- **IMC Plan Pro.** Each book contains a CD-ROM disk containing the IMC Plan Pro program. This commercial software produced by Palo Alto software serves as a valuable supplement for students during the course and as a professional tool after graduation.

Using these materials will expose students to an integrated learning package.

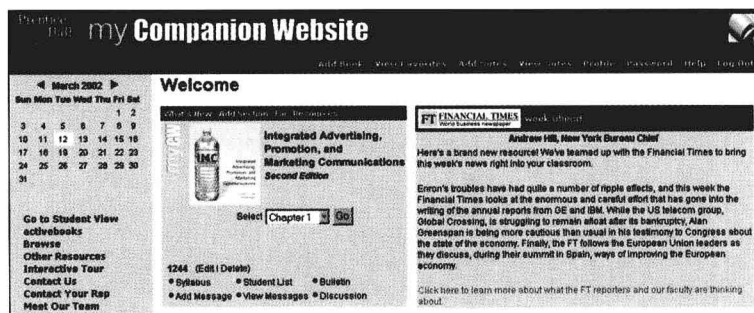
## THE INSTRUCTOR'S INTEGRATED TEACHING PACKAGE

The best way to teach IMC is with an integrated teaching package. We have prepared all of the supplements to make sure everything works together. The textbook includes the following instructional supplements:

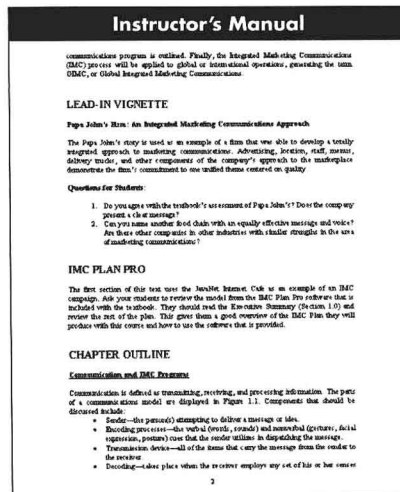
- **PowerPoint Presentation.** The PowerPoint presentation features print advertisements, slides that build concepts over several steps, discussion questions, Web links, and video snippets. The print ads not only include ads from the text but also additional ads. The slides, Website links, video clips, and questions form a coherent presentation for the class. The print advertisements are accompanied by questions or captions relating them to the concepts within the chapter. Integrated Learning Experiences take the class to Websites referenced in the text. The end of every chapter's PowerPoint set includes materials regarding the IMC campaign. These files are available on the Instructor's Resource CD-ROM, and a download version may be found on the Companion Website.

## NEW

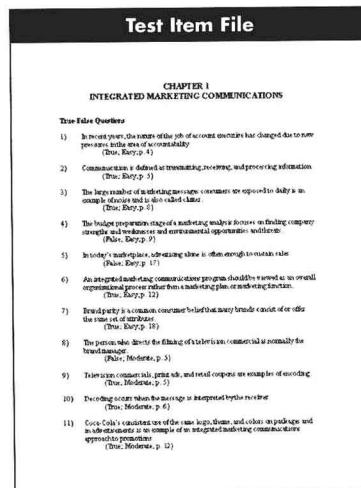
- **Website.** The Companion Website contains chapter objectives, faculty resources, and links to company sites referenced in the text. Study guide questions for each chapter are available, and students can receive e-mail results, complete with grade reports, directly from professors. The Companion Website also includes details and information to direct students through the process of building an IMC campaign, and serves as an alternative for those who desire not to use the IMC Plan Pro disk. For faculty, the PowerPoint slides, Instructor's Manual, and other resources may be accessed.



- Instructor's Manual.** This resource provides support and suggestions for instructors. A complete outline is provided for each chapter, including key words and their definitions, important themes, references to text figures, and the Implications for Marketing Professionals materials. Review questions, discussion questions, and application questions are all answered thoroughly by the authors, and the chapter-opening vignettes are also explained. A separate IMC section offers guidance and solutions for the "Building an IMC Campaign" activities.



- Test Item File.** A test item file containing over 1,400 true-false, multiple-choice, and short-answer questions is available. It includes page references and difficulty level so that instructors can provide greater feedback to students. The test item file itself is available in print and electronic formats. The new TestGen-EQ test generation software is a computerized package that allows instructors to custom design, save, and generate classroom tests. The test program permits instructors to edit, add, or delete questions from the test bank; analyze test results; and organize a database of tests and student results. The new software allows for greater flexibility and ease of use. It provides many options for organizing and displaying tests, along with a search and sort feature.



- Instructor's Resource CD-ROM.** The Instructor's Resource CD-ROM contains additional presentation materials for instructors to bring into class, including figures from the book, a version of the electronic test bank, and advertisements not found in the text. This is in addition to inclusion of the electronic files for the Instructor's Manual and full PowerPoint Presentation.
- Advertisement transparencies.** Many of the ads shown in the text are reproduced as transparencies, as well as additional ads not found in the text.
- The Prentice-Hall Advertising Video Library.** A video library is available for use in the classroom. Using today's popular news magazine format, students are taken on location and behind closed doors. Each news story profiles a well-known or up-and-coming company leading the way in its industry. Teaching materials to accompany the video library are available on the Companion Website.





## ORGANIZATION OF THE TEXTBOOK

### Part I: The IMC Foundation

Being heard in a cluttered marketplace is one of the major obstacles most firms face. The past decade has introduced numerous new ways to vend products and many new venues to promote those products. The key to an effective advertising, promotions, and integrated marketing communications program is to develop the one clear voice that will be heard over the din of so many ads and marketing tactics. Meeting this challenge involves bringing together every aspect of the firm's marketing efforts, and having them focus as a team on one message.

**Chapter One, Integrated Marketing Communications**, presents a basic model of communication and describes how it applies to marketing goods and services. An overview of the entire IMC approach is presented containing four parts: the foundation, advertising tools, promotional tools, and integration tools.

**Chapter Two, Corporate Image and Brand Management**, describes the elements of corporate image and brand management. The role of the brand name, package, label, company logos, and other branding issues are described.

**Chapter Three, Consumer Buyer Behavior**, reviews the steps of the consumer buyer behavior process. Individual decision-making models are identified. Tactics to influence buyers are also described.

**Chapter Four, Business-to-Business Buyer Behavior**, is a presentation of buying decisions made in business-to-business marketing relationships. The roles played by members of the buying center are noted. Methods that can be used to reach individual members are suggested.

**Chapter Five, Promotions Opportunity Analysis**, discusses the nature of a promotions opportunity analysis program. Market segmentation in consumer and business-to-business settings is also presented.

### Part II: IMC Advertising Tools

**Chapter Six, Advertising Management**, describes the overall process of managing an ad campaign. Selection criteria used in choosing an agency are provided.

**Chapter Seven, Advertising Design: Theoretical Frameworks and Types of Appeals**, analyzes the various kinds of appeals that can be used in creating ads. Sex, fear, rational approaches, and other methods are noted. Advantages and appropriate usage of each type of appeal is discussed.

**Chapter Eight, Advertising Design: Message Strategies and Executional Frameworks**, explains the individual executional frameworks that are available, such as the slice-of-life, demonstration, and testimonial forms. Also, sources and spokespersons are analyzed.

**Chapter Nine, Advertising Media Selection,** completes the advertising section by reviewing the various media that are available, including both more conventional methods such as television and radio as well as more recent venues including the Internet and guerilla marketing programs.

### **Part III: IMC Promotional Tools**

A fully integrated marketing communications program requires the inclusion of other company activities. Many customers are persuaded to make purchases through the use of marketing tactics other than advertising. This is also true in the business-to-business sector. This is the focus of Part Three.

**Chapter Ten, Trade Promotions,** details the various kinds of trade promotions that are useful to marketing teams. Advantages and costs of each are defined.

**Chapter Eleven, Consumer Promotions,** notes the connections between consumer promotions, advertisements, and effective IMC programs. Benefits and costs of consumer promotions tactics are identified.

**Chapter Twelve, Personal Selling, Database Marketing, and Customer Relationship Management,** examines personal selling, database management, and customer relationship management programs. All of these buyer-focused activities must be integrated with other communications that consumers experience.

**Chapter Thirteen, Public Relations, Regulations, and Sponsorship Programs,** notes the importance of quality public relations efforts and the role of government and industry regulations within the integrated marketing communications plan. Individual sponsorship programs are noted in light of their contributions and costs.

### **Part IV: IMC Integration Tools**

The strings that tie together a complete IMC program include other important marketing activities as well as the assessment of the levels of success of a company's efforts. This final section provides information about the Internet, special concerns for small businesses, and assessment programs.

**Chapter Fourteen, Internet Marketing,** gives special attention to Internet marketing and e-commerce programs. This form of marketing must be carefully integrated with other company activities.

**Chapter Fifteen, IMC for Small Businesses and Entrepreneurial Ventures,** is devoted to the special IMC challenges for small businesses and entrepreneurial companies. Limited budgets and limited customer awareness must be overcome to successfully build and sustain a new firm.

**Chapter Sixteen, Evaluating an Integrated Marketing Program,** is the assessment chapter. Managers who are faced with accountability issues require quality methods for analyzing the effectiveness of their IMC programs. This chapter describes the tools that are available.

## ACKNOWLEDGMENTS

We would like to thank the following individuals who assisted in the development of the second edition of this text through their careful and thoughtful reviews:

*Robert W. Armstrong, University of North Alabama*  
*Jerome Christa, Coastal Carolina University*  
*Stefanie Garcia, University of Central Florida*  
*Robert J. Gulovsen, Washington University – Saint Louis*  
*Sreedhar Kavil, St. John's University*  
*Tom Laughon, Florida State University*  
*William C. Lesch, University of North Dakota*  
*James M. Maskulka, Lehigh University*  
*Darrel D. Muehling, Washington State University*  
*Esther S. Page-Wood, Western Michigan University*  
*Venkatesh Shankar, University of Maryland*  
*Albert J. Taylor, Austin Peay State University*  
*Jerald Weaver, SUNY—Brockport*

We are grateful to these reviewers of the first edition:

*Craig Andrews, Marquette University*  
*Ronald Bauerly, Western Illinois University*  
*Mary Ellen Campbell, University of Montana*  
*Les Carlson, Clemson University*  
*Newell Chiesl, Indiana State University*  
*John Cragin, Oklahoma Baptist College*  
*J. Charlene Davis, Trinity University*  
*Steven Edwards, Michigan State University*  
*P. Everett Fergenson, Iona College*  
*James Finch, University of Wisconsin—La Crosse*  
*Thomas Jensen, University of Arkansas*  
*Russell W. Jones, University of Central Oklahoma*  
*Dave Kurtz, University of Arkansas*  
*Monle Lee, Indiana University—South Bend*  
*Ron Lennon, Barry University*  
*Charles L. Martin, Wichita State University*  
*Robert D. Montgomery, University of Evansville*  
*S. Scott Nadler, University of Alabama*  
*Ben Oumlil, University of Dayton*  
*Melodie R. Phillips, Middle Tennessee State University*

*Don Roy, Middle Tennessee State University*

*Elise Sautter, New Mexico State University*

*Janice E. Taylor, Miami University*

*Robert L. Underwood, Bradley University*

*Robert Welch, California State University—Long Beach*

While there were many individuals who helped us with advertising programs, we want to thank a few who were especially helpful. These include Ethel Uy of the Bozell Advertising Agency for giving us access to the "Got Milk" advertisements. Erin Flowers assisted us with a number of Procter & Gamble product ads, and Cynthia Miller assisted us in obtaining the Bijan advertisements. Cynthia also gave us insights into the work of creatives. Special thanks goes to Kerri Martin of BWM motorcycles and Gretchen Hoag of Publics Technology for taking time to share with us their thoughts concerning their work and the IMC process. And, as mentioned earlier, we are deeply indebted to the staff at the *Joplin Globe* for providing so many local advertisements.

On a personal note, we would like to thank Leah Johnson, who signed us for the first edition of the book. Bruce Kaplan and Katie Stevens are our current editors, and they have rendered insightful opinions and given us a great deal of quality advice as the second edition moved forward. We would also like to thank the entire Prentice Hall production team.

Kenneth Clow would like to thank the secretarial staff at the University of North Carolina at Pembroke and the University of Louisiana at Monroe. Both worked with him to ensure the work on this second edition continued while he was transitioning to a new job. He is especially thankful to his sons Dallas, Wes, Tim, and Roy who always provided encouragement and support.

Donald Baack would like to thank Mimi Morrison for her continual assistance in all his work at Pittsburg State University. Henry Crouch was most gracious in his role of department chair, and Christine Fogliasso has followed him nicely. Both made this work much easier. Dan Baack, his son, also contributed to this work.

We would like to especially thank our wives, Susan Clow and Pam Baack, for being patient and supportive during those times when we were swamped by the work involved in completing this edition. They have been enthusiastic and understanding throughout this entire journey.



# Brief Contents

## **PART I THE IMC FOUNDATION 2**

- 1 Integrated Marketing Communications 2
- 2 Corporate Image and Brand Management 26
- 3 Consumer Buyer Behavior 58
- 4 Business-to-Business Buyer Behavior 90
- 5 Promotions Opportunity Analysis 122

## **PART II IMC ADVERTISING TOOLS 160**

- 6 Advertising Management 160
- 7 Advertising Design: Theoretical Frameworks and Types of Appeals 192
- 8 Advertising Design: Message Strategies and Executional Frameworks 228
- 9 Advertising Media Selection 262

## **PART III IMC PROMOTIONAL TOOLS 304**

- 10 Trade Promotions 304
- 11 Consumer Promotions 336
- 12 Personal Selling, Database Marketing, and Customer Relationship Management 366
- 13 Public Relations, Regulations, and Sponsorship Programs 400

## **PART IV IMC INTEGRATION TOOLS 434**

- 14 Internet Marketing 434
- 15 IMC for Small Businesses and Entrepreneurial Ventures 464
- 16 Evaluating an Integrated Marketing Program 488