**Chapter 1**

##### Integrated Marketing Communications

## **LEARNING OBJECTIVES**

Students should be able to answer the following questions:

**1** How does communication take place?

**2** What is an integrated marketing communications program?

**3** What new trends are affecting marketing communications?

**4** What are the components of an integrated marketing communications program?

**5** What does the term GIMC mean?

**Overview**

### Advertising and promotion face a rapidly shifting landscape. A decline in traditional media viewing combined with the rise in internet usage and the use of social media have created a new order.

### Effective advertising and marketing campaigns often now involve more than one well-made commercial, because such a wide variety of media is available.

### Current advertising and marketing methods range from simple stand-alone billboard advertisements to complex, multilingual global web sites.

### **Miracle Whip<vignette><title></title><subtitle id="Part01.subtitle">**

### </subtitle>

In early 2011, Miracle Whip was promoted in a surprising new way. In essence, consumers were asked if they "loved" or "hated" the product. The advertising agency, mcgarrybowen, directed the entire advertising and social media campaign. Using the concept, "We're not for everyone," the marketing program acknowledges the inherent polarization of the product by inviting consumers to tell the world if they love the product or hate it.

**Questions for Students:**

1. How have social media and the Internet changed marketing and advertising?

2. Did you see this campaign? What was your reaction?

3. Was this campaign a work of “genius” or of “mad men?”

<para>This chapter explains the nature of an integrated advertising and marketing communications program.

First, communication processes are described. Understanding how communication works builds the foundation for an integrated marketing program.

Also, the trends affecting marketing communications are noted.

Next, an integrated marketing communications program is described.

Finally, the integrated marketing communications process is applied to global or international operations, creating a<emphasis></emphasis> <emphasis>*globally integrated marketing communications (GIMC)* program.

**Learning Objective # 1:** How does communication take place?

#### The Nature of Communication

Communication is defined as transmitting, receiving, and processing information. The parts of a communications model are displayed in Figure 1.1. Components that should be discussed include:

* *Sender*—the person(s) attempting to deliver a message or idea.
* *Encoding processes*—the verbal (words, sounds) and nonverbal (gestures, facial expression, posture) cues that the sender utilizes in dispatching the message.
* *Transmission device*—all of the items that carry the message from the sender to the receiver.
* *Decoding*—takes place when the receiver employs any set of his or her senses (hearing, seeing, feeling, etc.) in the attempt to capture the message.
* *Receiver*—the intended audience for a message.
* *Feedback*—information the sender obtains from the receiver regarding the

receiver’s perception or interpretation of a message.

* *Noise*—anything that distorts or disrupts a message.

Figure 1.1 A Model of Communication

A message, from a company such as Chick fil A, is being prepared by the Sender.

Encoding processes include all of the verbal and nonverbal cues that are part of the marketing message.

Messages travel to audiences via various transmission devices, such as a television, billboard, Sunday paper with a coupon, or a letter to the purchasing agent of a large retail store.

Decoding occurs when the receiver’s (consumer’s) senses are touched in some way by the message.

Feedback occurs through inquiries, trips to the store, and purchases.

Noise is all of the factors that prevent the consumer from seeing the message. A classic example is clutter, which exists when consumers are exposed to hundreds of marketing messages per day, and most are tuned out (see Figure 1.2)

Figure 1.2 Displays examples of communication noise that affect television.

*Question for Students:* Can you think of additional examples of noise in advertising or marketing communications?

**Learning Objective # 2:** What is an integrated marketing communications program?

#### Integrated Marketing Communications

Integrated marketing communications (IMC) is the coordination and integration of all marketing communication tools, avenues, and sources in a company into a seamless program designed to maximize the impact on customers and other stakeholders.

The program should cover all of a firm’s business-to-business, market channel, customer-focused, and internally-directed communications.

The marketing mix consists of:

* Products
* Pricing systems
* Distribution systems
* Promotional programs

The promotions mix consists of:

* Advertising
* Sales promotions (including consumer and trade promotions)
* Personal selling activities

The IMC promotions mix also includes:

* Database marketing
* Direct response marketing
* Online marketing
* Social media
* Guerilla marketing
* Alternative marketing
* Public relations programs

Figure 1.3 displays all of these elements.

Figure 1.4 Lists the steps required to complete a marketing plan.

1. Situational analysis (examining problems and opportunities in the organization’s external environment and strengths and weaknesses in the firm itself).
2. Defining marketing objectives (sales, market share, competitive position, and customer actions desired).
3. Budget preparation.
4. Finalizing marketing strategies and tactics
5. Evaluation of performance.

**Learning Objective # 3:** What new trends are affecting marketing communications?

#### Emerging Trends in Marketing Communications

Figure 1.5 Illustrates current trends affecting marketing communications

<section id="ch01lev2sec7"><title id="ch01lev2sec7.title"Adva**Emphasis on Accountability and Measurable Results**</title>

Advertising agencies are expected to produce tangible outcomes. Promotional dollars must be spent carefully.

Many companies have become less inclined to rely on 30-second television spots. Instead, alternative communication venues and methods are combined with special events where names, profiles, and addresses of prospective customers can be collected and tracked.

**Explosion of Digital Media**

Smartphones, tablets, and text-messaging systems have created a new landscape and, in some cases, nearly a new language.

These digital marketing techniques seek to create experiences with a brand rather than mere purchases with little or no emotional attachment

Digital marketing cannot be considered as an option for companies, but rather as a mandatory ingredient. Marketers now seek to engage a brand with all current and prospective customers in order to achieve success.

**Integration of Media Platforms**

Today’s consumers spend an average of 5 hours and 16 minutes in front of screens other than television.

When combined with television (which consumers watch for an additional 4 hours and 31 minutes per day), the total becomes more than 10 hours per day examining some kind of screen.

Figure 1.6 Four ways consumers interact across multiple media formats:

*Content grazing*involves looking at two or more screens simultaneously to access unrelated content, such as watching TV and texting a friend at the same time.

*Investigative spider-webbing* occurs when consumers pursue or investigate specific content across multiple platforms, such as watching a football game and accessing stats for various players on her PCs or mobile phone.

*Quantam journey* focuses on completing a specific task, such as when a consumer looks for a Chinese restaurant using a PC to locate one in the area, then obtains consumer reviews of the units close by on a smartphone, and finally employs a map app to locate the restaurant or to place an order.

*Social spider-webbing* occurs when consumers share content or information across multiple devices, such as by posting pictures on Facebook from a laptop then texting friends to go check them out.

</title><

#### Changes in Channel Power

Retailers seek to maintain channel power by controlling shelf space and purchase data that allows them to determine which products and brands are placed on store shelves.

The internet and information technology have shifted more power to the consumer. Both individual customers and businesses can shop online and even place orders without ever visiting a retail store.

Individuals and businesses can also post negative comments online.

Understanding shifts in channel power has become essential. Marketers cannot rely solely on mass media advertising. They must incorporate social media and engage consumers with their brands.

#### Increases in Global Competition

Consumers can purchase goods and services from anyplace in the world. Competition no longer comes from the firm just down the street—it can also come from a firm 10,000 miles away.

This shift affects manufacturers, retailers, and intermediaries. Customers want both value and price. Quality relationships between members of the marketing channel help to acquire and keep customers.

#### Increase in Brand Parity

Many products have nearly identical benefits. When consumers believe that most brands provide the same set of attributes, the result is *<keyterm id="ch01term12" role="strong" preference="0">brand parity</keyterm>.* This means shoppers will purchase from a group of accepted brands rather than one specific brand.

Marketers must generate messages in a voice that expresses a clear difference.

They must build some type of perceived brand superiority for the company and its products or services.

**Emphasis on Customer Engagement**

A *contact point*is any place where customers interact with or acquire additional information about a firm.</para></glossdef></glossentry>

Customer engagement programs often utilize digital media; however, they should also become part of a more integrated marketing approach.

**The Restaurant Industry**

Many of the examples of integrated marketing communications in this textbook will be drawn from the restaurant and food industries.

Subway offers an example of a company with a visible spokesperson (Jared) with memorable advertising that consumers can relate to, even when Jared experienced a major weight gain.

Figure 1.7 Composite Scores of Top Ten Restaurants on Advertising Perceptions

**Learning Objective # 4:** What are the components of an integrated marketing

communications program?

#### IMC Components and the Design of This Text

Figure 1.8 An Overview of the IMC model

The foundation of the IMC plan includes:

* Corporate and brand management (Chapter 2)
* Analysis of buyer behaviors (Chapter 3)
* The IMC planning process (Chapter 4)

Advertising includes:

* Advertising campaign management, including the major functions of all those involved in an advertising campaign, advertising goals and advertising theories (Chapter 5)
* Advertising design focused on message strategies, appeals, executions, and spokespersons (Chapter 6)
* Traditional media channels, including television, radio, magazines, newspapers, outdoor signs, and direct mail (Chapter 7)

Digital and alternative include:

* <OLINK>Digital marketing integrates e-commerce programs with recent trends in interactive marketing, such as online advertising, search engine optimization, and mobile advertising (Chapter 8)
* Social meSoSocial media and new trends in the area (Chapter 9)
* Alternative marketing programs, including buzz marketing, guerilla marketing, product placements and branded entertainment, and lifestyle marketing (Chapter 10)

Selling components include:

* Database, direct response programs, and personal selling (Chapter 11)
* Sales Promotions (consumer and trade promotions) (Chapter 12)
* Public relations and sponsorships (Chapter 13)

Integration includes:

* Regulations and ethics (Chapter 14)
* IMC evaluation (Chapter 15)

**Learning Objective # 5:** What does the term GIMC mean?

**International Implications**

In the past, marketers had two different strategies for global companies. One was to *standardize* the product and message across countries. The second is called *adaptation*, in which the product and message are customized for each region.

The Globally Integrated Marketing Communications (GIMC) approach is easier to apply when a company has relied on the standardization method; however, GIMC can and should be used with either standardization or adaptation.

In terms of marketing, perhaps the best philosophy to follow is “market globally but act locally.”

**INTEGRATED CAMPAIGNS IN ACTION MyLAB**

In many of the upcoming chapters, this section will present some basic information about various integrated advertising and marketing campaigns. The insights resulted from personal interviews with members of the advertising agencies and client companies. These are real campaigns develop by advertising agencies or internal marketing departments of companies. These campaigns allow you the opportunity to illustrate how advertising agencies and companies develop campaigns using principles presented in the textbook. Some of the brands include:

* Section 1: Progressive Bank (Chapter 4)
* Section 2: The Snoring Center (Chapter 7)
* Section 3: Interstate Batteries (Chapter 10)
* Section 4: Wayport Austintatious (Chapter 13)
* Section 5: Centric Credit Union (Chapter 15)

***Important Note to Professors:***

*The MyLab feature at Pearson will grant you access to the Integrated Campaigns in Action within the Instructor’s Resource section.*

*The authors’ blog for professors and students may be found at:*

<http://blogclowbaack.net/>

*Both methods contain actual print materials produced for the campaign. Broadcasts material such as video ads, TV ads, and radio ads are embedded using YouTube and Pearson servers.*

*These features bring to life the exciting process of building integrated advertising and marketing campaigns. Most important, you will have access to insights and background information from the agencies and the companies involved in how the campaigns were created.*

###### **IMPLICATIONS FOR MARKETING ACCOUNT EXECUTIVES**

**(Note to professors -- these materials are not in the text. They provide a method for you to summarize the chapter in a different way)**

Describe the role of marketing account executive to students. This individual is in charge of the connection between an advertising agency and a client company. Review the following ideas:

Account executives are going to be asked to justify how marketing funds are being spent. Therefore, three things are important:

1. Make sure that all marketing efforts focus on an integrated theme.
2. Establish clear-cut marketing objectives in the area of communication.
3. Recognize the difference between short-term outcomes (immediate sales, coupon redemptions, Internet “hits”) and longer-term brand equity and company image issues. Both are vital components in the marketing success of a firm over time.

Remember that because account executives are being held accountable, they also tend to hold more power. Effective use of this power would include:

* Careful selection of creatives who will stay focused on company themes, objectives, and desired outcomes.
* Realistic expectations when campaigns are designed, so that they don’t “oversell” anticipated outcomes.
* Precisely tuned measurement instruments, which provide clear information regarding success and failure rates for individual marketing communications campaigns.

Account executives should be reminded of several points from the communications model:

1. How the communications process works.
2. What can go wrong (clutter, poor media selection, etc.).
3. Ways to overcome clutter and send a clear, coherent message to all concerned.

Account executives must be aware of the technologies and alternative media available for sending and receiving messages. These include:

* Social networks
* Blogs
* Buzz marketing
* Guerilla marketing
* Lifestyle marketing

Account executives must utilize the total IMC approach.

* + Note that it is a building process that begins with an effective overall marketing plan.
  + Conceptualize advertising as part of the IMC program, and fit other marketing activities together with ads to construct a more powerful approach to the promotions part of the marketing mix.
  + Discover ways to incorporate IMC efforts to make better contacts with those internal to the company (employees, other department heads, management teams, etc.).
  + Watch for shifts in channel power, especially when customers have clearly established the ability to make decisions by seeking out information on their own (through Web sites, personal visits, responses to advertisements, and so forth).
  + The account executive must rethink methods to reach consumers in ways which keep the company at the forefront as they make purchase decisions.
  + Focus on ways to make an IMC message a global message. This involves keeping a theme intact although adapting that theme to the requisites of individual countries and cultures.

###### **REVIEW QUESTIONS**

**1-1 Define communication. How does it play a crucial role in marketing and business?**

Communication may be defined as transmitting, receiving, and processing information. It is critical to business because through communication businesses make contact with potential customers and complete transactions.

**1-2 What are the parts of an individual communications model?**

The parts of the individual human communications model are:

Senders—the persons or companies sending messages.

Encoding—transforming an idea to an attention-getting form, such as through an advertise­­ment or personal (e.g., personal selling) medium.

Transmission devices—occurs when a channel or medium delivers the message through the channel.

Decoding—occurs when the receiver’s senses are touched in some way by the message.

Receivers—the person who receives the message as encoded by the sender.

**1-3 Who are the typical senders in marketing communications? Who are the typical receivers?**

The typical senders in the communications model are companies seeking to sell a product or idea. The typical receivers in the communication model are potential customers who are looking to buy the product.

**1-4 Name the transmission devices, both human and nonhuman, which carry marketing messages.**

Transmission devices include television advertisements, billboards, and coupons from a Sunday paper (nonhuman). They also include people (humans) telling other people about an advertisement and other messages.

**1-5 Define clutter. Name some of the forms of clutter in marketing communications.**

Clutter is the most common form of noise in the marketing communications. It occurs when receivers are exposed to many different messages (television, radio, billboards, bunches of ads in the Wednesday paper, etc.) in one day and therefore

some messages get tuned out.

**1-6 Define integrated marketing communications (IMC).**

Integrated marketing communications as the coordination and integration of all marketing communication tools, avenues, and sources in a company into a seamless program designed to maximize the impact on customers and other stakeholders. The program should cover all of a firm’s business-to-business, market channel, customer-focused, and internally-directed communications.

**1-7 What are the four parts of the marketing mix?**

The four parts in the marketing mix are taken from: product, price, promotion, and distribution. This book concentrates on the promotions mix, through advertising, personal selling, consumer and business-to-business promotions, publicity, and direct marketing.

**1-8 What steps are required to write a marketing plan?**

The steps in writing a marketing plan are:

1. Situation analysis
2. Marketing objectives
3. Marketing budget
4. Marketing strategy and tactics
5. Evaluation

**1-<general-problem id="ch01ps01gen001" label="1" maxpoints="1"><inst>9 What trends were given to explain the growth in importance of IMC plans in this chapter?**

Trends include the an emphasis on accountability, the explosion of digital media, integration of media platforms,</title>< changes in channel power, increases in global competition, increases in perceptions of brand parity, and an emphasis on customer engagement.

1-<general-problem id="ch01ps01gen012" label="12" maxpoints="1"><inst>10 How has the explosion of the digital arena impacted marketing communications?

Digital media has created a new landscape and, in some cases, nearly a new language. Digital marketing techniques seek to create experiences with a brand rather than mere purchases with little or no emotional attachment. It cannot be considered as an option for companies, but rather as a mandatory ingredient. Marketers now seek to engage a brand with all current and prospective customers in order to achieve success.

**1-11 Identify and describe the four ways consumers interact with multiple media formats.**

Content grazinginvolves looking at two or more screens simultaneously to access unrelated content, such as watching TV and texting a friend at the same time.

Investigative spider-webbing occurs when consumers pursue or investigate specific content across multiple platforms, such as watching a football game and accessing stats for various players on her PCs or mobile phone.

Quantam journey focuses on completing a specific task, such as when a consumer looks for a Chinese restaurant using a PC to locate one in the area, then obtains consumer reviews of the units close by on a smartphone, and finally employs a map app to locate the restaurant or to place an order.

Social spider-webbing occurs when consumers share content or information across multiple devices, such as by posting pictures on Facebook from a laptop then texting friends to go check them out.

**1-12 What is channel power? How has it changed in the past few decades?**

Channel power is who has the most influence in the marketing channel. It has changed because of technology, which has shifted power from producer to the retailer and the final consumer.

1-13 What is brand parity? How is it related to successful marketing efforts?

Brand parity is a situation in which consumers believe that many brands offer the same set of attributes. The result is that consumers will purchase from a group of accepted brands rather than one specific brand. Successful marketing overcomes this problem by making one brand seem better or more preferable.

**1-14 What is a contact point? How do marketers link contact points to customer engagement?**

A contact point is any place where customers interact with or acquire additional information about a firm. Customer engagement programs often utilize digital media; however, they should also become part of a more integrated marketing approach.

**1-<general-problem id="ch01ps01gen011" label="11" maxpoints="1"><inst>15 </inst><question id="ch01ps01q011"><para>What are the components of an integrated marketing communications program, as outlined in this textbook?</para></question></general-problem>**

The IMC foundation includes corporate and brand management, understanding buyer behaviors, and communications research.

Advertising management programs include campaign management, design issues, and the selection of traditional media.

Digital and alternative programs include <OLINK>digital marketing, social media, and alternative marketing.

Selling components include: database, direct response programs, and personal selling, sales promotions, and public relations and sponsorships.

Integration includes regulations and ethics along with IMC evaluation.

**1-16 What is a GIMC? Why is it important for multinational firms?**

GIMC is a globally integrated marketing communications program. A GIMC program has the same goals as IMC except on a larger scale. These programs are important for companies that choose to compete internationally, so that the firm’s unified message is presented effectively in other nations and regions.

1-17 What is the difference between standardization and adaptation in GIMC

programs?

The difference between standardization and adaptation is how the product is marketed. Standardization means the company sells the same product in different countries and maintains the same basic message. Adaptation means adjusting the message for various individual countries or regions. Both can be a part of a GIMC program.

###### **CRITICAL THINKING EXERCISES**

**Discussion Questions**

**1-18 Do you use Miracle Whip? Ask five people how they feel about the product. Using YouTube and the website from this book, view the 2011 campaign. Evaluate its impact and explain whether you believe the campaign was a good idea. Defend your answer.**

Student answers will vary. There may be debate about the taste of Miracle Whip as well as the effectiveness of the campaign.

**1-19 The marketing director for a furniture manufacturer has been assigned the task of developing an integrated marketing communications program to emphasizing 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. What type of noise may interfere with the communication process?**

Students may refer to the communication process illustrated in Figure 1.1 for ideas. In the discussion, students may note several things. The marketing director may run into problems if the company is already known in some other way. In essence, the sender is being misinterpreted. Encoding problems would include the use of language in commercials. Transmission problems consist of any breakdown in the actual movement of the message (Internet crash, radio station off-the air, etc.). Decoding may be an issue if the receiver is impaired. Also, noise in various marketing channels could prevent the advertiser from being able to change consumer’s minds.

**✪ 1-20 What do you typically do during commercials on television? What percentage of the time do you watch commercials? What makes you watch? Ask these same questions of five other people. What type of activities do people engage in during commercials?**

Refer to the Mylab for answers to this and all starred Mylab questions.

**1-21 Examine the four ways consumers interact across multiple media formats. Which best describes you? Explain why.**

Student answers will vary. The four ways are:

Content grazinginvolves looking at two or more screens simultaneously to access unrelated content, such as watching TV and texting a friend at the same time.

Investigative spider-webbing occurs when consumers pursue or investigate specific content across multiple platforms, such as watching a football game and accessing stats for various players on her PCs or mobile phone.

Quantam journey focuses on completing a specific task, such as when a consumer looks for a Chinese restaurant using a PC to locate one in the area, then obtains consumer reviews of the units close by on a smartphone, and finally employs a map app to locate the restaurant or to place an order.

Social spider-webbing occurs when consumers share content or information across multiple devices, such as by posting pictures on Facebook from a laptop then texting friends to go check them out.

**✪ 1-22 The use of social media has exploded during the last decade. Discuss your personal use of social media. Which social media platforms do you use? Why did you select those particular ones? How do you use social media?**

Refer to the Mylab for answers to this and all starred Mylab questions.

✪ **1-23 Brand parity has become a major issue for companies. Identify three product categories where the brand you purchase is not very important. Why is the brand name not important? Identify three product categories where the brand is important. What brand or brands do you typically purchase in each category?**

Refer to the Mylab for answers to this and all starred Mylab questions.

**1-24 The marketing director for a manufacturer of automobile tires has been asked to integrate the company's marketing program internationally. Should the director use a standardization or adaptation approach? How could the company’s marketing team be certain that their marketing program would be effectively integrated among the different countries where they sell tires?**

The marketing director, in choosing whether to use a standardization or adaptation approach, should look at the type of product being sold as well as regional differences. If the tires are exactly the same, this would suggest a standardization approach. If the tires are adapted to regional conditions, then the message may need to be adapted. Also, marketing managers should always be aware of communication and cultural differences in various countries, suggesting at least a degree of adaptation for a standardized message.

###### **INTEGRATED LEARNING EXERCISES**

**1-<general-problem id="ch01ps03gen001" label="1" maxpoints="1"><inst>25 </inst><question id="ch01ps03q001"><para>Access the website of Chick-fil-A at** [**www.chickfila.com**](http://www.chickfila.com)**. Access Chick-fil-A’s competitors KFC (**[**www.kfc.com**](http://www.kfc.com)**), Popeye's (**[**www.popeyes.com**](http://www.popeyes.com)**), Church’s Chicken (**[**www.churchschiken.com**](http://www.churchschiken.com)**), and Bojangles (**[**www.bojangles.com**](http://www.bojangles.com)**). Which sites have a link to Facebook, Twitter, or other social media site? Compare and contrast the information available and the design of each company’s website. Which website did you like the best? Why? Which one did you like the least? Why?**

Student answers will vary by site chosen at the time.

**1-26 Figure 1.7 identified the top ten restaurants based on a composite score of advertising perceptions from a survey by Technomic Consumer Brand Metrics. Pick one of the restaurants and access the company’s website. Go to YouTube and locate at least 3 ads for the restaurant. Is the company’s advertising effective? Why or why not? From the website, describe how does the restaurant utilizes social media. In your opinion, does the restaurant integrate all of its marketing messages? Why or why not?**

Student answers will vary based on the site and its current information.

**1-27 Information is one key to developing a successful integrated marketing communications program. Access each of the following Web sites and examine the types of information and news that are available on each site. How would this information help in developing an integrated marketing campaign?**

**a. Brandweek (www.brandweek.com)**

**b. Adweek (www.adweek.com)**

**c. Mediaweek (www.mediaweek.com)**

**d. Branding Asia (www.brandingasia.com)**

Student answers will vary based on the site and its current information.

**blog exercises**

Access the authors’ blog for this textbook at the URLs provided to complete these exercises. Answer the questions that are posed on the blog.

1.28 Chick-fil-A campaign, <http://blogclowbaack.net/2014/04/24/chick-fil-a-chapter-1/>

1.20 Subway advertising, <http://blogclowbaack.net/2014/04/24/subway-chapter-1/>

1.30 Integrated marketing, <http://blogclowbaack.net/2014/04/24/imc-chapter-1/>

These exercises provide you with an additional tool to engage your students.

**Student Project: Creative Corner**

This is an analysis of advertising for Red Robin restaurant including social media components.

**CASES**

**Case 1 Wake Up Call for 8:00**

**1-31 What coffee brands would constitute Eight O’Clock Coffee’s primary competition?**

Most students will probably note Starbucks.

**1-32 Would you characterize coffee consumption as a situation in which brand parity or brand loyalty exists? Why?**

Student answers will vary, depending in part on whether the individual drinks coffee or is a coffee snob. Those who are will likely be more brand loyal.

**1-33 Who is the target market for Eight O’Clock Coffee’s brand refresh program? Will the campaign be effective in reaching the right audience? Why or why not?**

The campaign targets more affluent customers.

**1-34 Evaluate the value of using social media for this type of marketing communications effort. Is it necessary or helpful? Why or why not?**

Student answers will vary; however, this represents a new trend in marketing communications and was reported to achieve some success.

**Case 2 A New Salsa Sensation**

**1-35 Can you think of a brand name that could be used not only for salsa, but for any other product related to salsa that Hector's company might sell?**

Student answers will vary, but are likely to contain the word "Mexican."

**1-36 How can Hector's company compete with Pace and Old El Paso? Is there a market niche the company can locate?**

Student answers may vary. The goal is to get them thinking about how to respond to brand parity.

**1-37 What kinds of advertising and promotions tactics should the company use? Will the tactics be the same in 5 years?**

Students will not yet be exposed to many of the tactics available, such as coupons, free samples, cross-ruff offers, and others. They might be led to mention lifestyle events or buzz marketing, if they have sufficient information about them.

**1-38 How can the company utilize social media to gain fans and stimulate sales?**

The goal would be to create friends and loyal followers.

MyMarketingLab

Go to **mymktlab.com** for the answers to the following Assisted-graded writing questions:

**1-39.** For years, Nike’s advertising tagline was “Just do it.” What meaning was conveyed by the tagline? Do you think this conveys a clear message about the company’s operations?

**1-40.** Find each of the following companies on the Internet. For each company, discuss how effective its website is in communicating an overall message. Also, discuss how well the marketing team integrates the material on the website. How well does the website integrate the company’s advertising with other marketing communications?

Revlon ([www.revlon.com](http://www.revlon.com))

J.B. Hunt ([www.jbhunt.com](http://www.jbhunt.com))

JD Bank ([www.jdbank.com](http://www.jdbank.com))

Red Lobster (www.redlobster.com)

**Bonus Case**

<title id="ch01sb02.title">**The Cable Company**</title>

<para>Rachel Peterson knew she faced several major challenges as she took the job of marketing director for CableNOW. The company was the sole cable provider for six communities in northeast Louisiana. All of the cities were essentially “licensed monopolies” in the sense that no other cable company could compete within the city limits. In spite of this edge, however, competition was becoming a major problem.</para>

<para>Satellite television was the primary competitor for CableNOW’s customers. Both DirecTV and the Dish Network had set up operations in the six communities. The two providers were able to charge lower prices for basic services. They had also started to compete by offering price reductions on installations. This made switching from cable to satellite much easier for local residents.</para>

<para>CableNOW’s primary selling point was in the delivery of programming during bad weather. Thunderstorms and snowstorms completely disrupt a satellite signal. Severe weather is common in that part of Louisiana; however, the weather events do not affect a cable picture. CableNOW also held a competitive advantage because the company offered local business and real estate listings to subscribers. The firm also was able to provide local radar and weather forecasts during the “Local on the 8s” segments on the Weather Channel. The satellite companies could not provide these special options.</para>

<para>When Rachel took the job, she knew another issue was about to unfold. CableNOW had been able to transmit each city’s local channels as part of the basic cable package. Until this year, the satellite companies could not. Dish Network was changing the mix. Dish Network had just signed a contract to provide the local stations to subscribers. DirecTV did not, but did offer a greater number of channels in the company’s basic package. As a result, Rachel knew she had her work cut out as the marketing department struggled to maintain share in each city.</para>

**(1) What image or theme should CableNOW portray to subscribers?**

Probably one that suggests they are the best "local" option.

**(2) Can you think of a way to emphasize the advantages CableNOW has in an advertising program?**

One option would be the local weather emphasis. Not only does the CableNOW signal work during bad weather, it is the only way to get local radar and information during storms.

**(3) Do you believe CableNOW will survive these changes over the next 10 years? Why or why not?**

Student opinions will vary. The company does have an uphill battle.