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Promotion: Marketing Communications

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Promotion is how an organisation communicates with its customers and other stakeholders. Organisations use many promotional tools to achieve a range of objectives including increasing awareness of their product or service offering; communicating brand values; and building relationships with their customers and other stakeholders. Promotional tools or the marketing communications mix include advertising, sales promotions, public relations, sponsorship, direct marketing and personal selling. These tools are used across a range of media including print, television, radio, digital channels and the internet, as well as personal communications.

The choice of communication tools and media will be determined by the organisation's marketing strategy and the segmentation, targeting and positioning approach that supports this strategy, as discussed in Chapter 5. This chapter begins by discussing the role of promotion as part of the broader marketing strategy; how promotional tools support the delivery of this marketing strategy; and how the effectiveness of these communications in delivering marketing strategy is measured. It then discusses marketing communications theory and how this informs modern marketing practice. The remainder of the chapter provides a more detailed discussion on individual promotional tools.

Planning marketing communications

Communication strategy is driven by the organisation's marketing strategy and the segmentation, targeting and positioning approach that flows from this. The strategy will determine the organisation's high-level communications objectives and key messages, along with the audiences or stakeholder groups it wants to target. This in turn helps to determine the best promotional tools and media to deliver key messages to these target audiences. For example, an organisation wanting to increase sales will identify specific market segments that it will target

to generate sales, either as new customers or to increase its 'share of wallet' among existing customers. It may then use research to establish the most effective promotional tools and media to reach its target audiences. Effective marketing communications planning needs to be driven by data, including the organisation's own SWOT (internal strengths and weaknesses; external opportunities and threats), market analysis and a detailed understanding of target audiences. Figure 8.1 illustrates how an integrated and data-driven marketing communications planning process should work.

For example, the investment company Standard Life identified that many of its target audiences for investment products regularly travel through major UK airports and railway stations linking the financial centres of Edinburgh and London. The company commissioned a series of billboard advertisements to be displayed in Edinburgh and London airports and a selection of London train and tube stations, which financial sector commuters are known to pass through.

Effective marketing communications planning needs to be integrated so that a consistent image is delivered across all audiences and media. While companies may target a number of different audiences and stakeholder groups using a range of communications channels and media, they need to represent a consistent set of values and core messages to establish their identity and positioning so that all audiences know who they are and what they stand for. This is known as *integrated marketing communications (IMC)*. If organisations present very different images to their customer groups this undermines credibility and leaves positioning unclear. Organisations must develop a strong positioning, which supports their overall marketing strategy, and resonates with their target audiences.

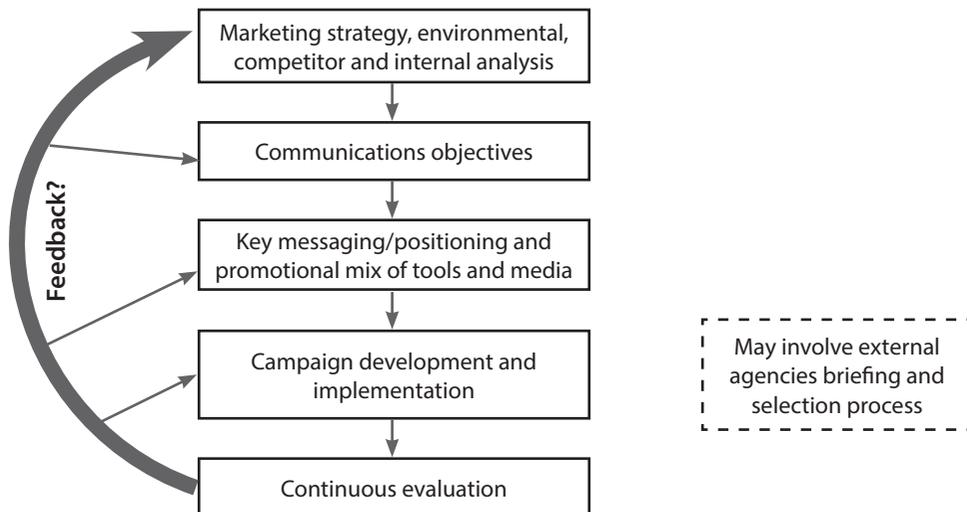


Figure 8.1: The marketing communications planning process

The first stage of communications planning is to establish the communications objectives, which will be derived from the marketing objectives. For example, if the overall objective is for growth through new markets, this may generate a number of communications objectives including establishing the brand in these new markets and promoting specific products or services to target segments. Alternatively, a company seeking growth from its existing markets will want to use communications to reinforce brand values and strengthen relationships with existing customers. Fill (2013) identifies four purposes of marketing communications, to differentiate, to reinforce, to inform or to persuade. This model, known as DRIP for short, is illustrated in Table 8.1.

Table 8.1: The four purposes of marketing communications. Adapted from Fill (2013:15)

Task	Explanation
Differentiate	To make product or service stand out from the competition
Reinforce	To consolidate previous customer experiences and messaging
Inform	To draw attention to product or service and its features
Persuade	To move potential customers towards purchase decision or further enquiry

Many organisations seek to differentiate themselves from their competition by stressing their Unique Selling Points (USPs), which might be based on product features and their associated customer benefits or more psychological benefits arising from intangible brand benefits.

Having established the communication objectives, the organisation then needs to translate these into key messages for the positioning it wants to establish and then work out the best communications mix to deliver these objectives. This involves marketing research to inform the development of creative work which will then be tested to ensure that the message and positioning is understood by the target audiences. Often more than one set of messages will be developed to suit distinct audience groups. Having developed the messaging the next step is to determine the promotional tools to be used and the media. These decisions involve several factors including the available budget and cost of each tool, the level of control over messaging and targeting, the perceived credibility and the potential geographical reach or dispersion of each tool (Fill, 2013). Table 8.2 illustrates how the various promotional tools compare across these key criteria. These factors need to be considered alongside the suitability of each tool for the communications objective and their relevance and effectiveness in reaching the target audiences. For example, national newspaper and magazine advertising is still a significant choice for international brands, but is only appropriate for companies with large budgets, and careful consideration needs to go into the selection of publications used to reach the relevant audiences for the brand and meet objectives.