Issues In Marketing Communication

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Abstract:
Marketing Communication is known by variety of names but most commonly we know it as one of the element of marketing mix – Promotion. Marketing Communication is not a new concept as it appeared marketing literature in 1980s and became a hot topic of discussion among marketing professionals in 1990s.

Marketing Communication environment has undergone sea change from what it was in 1990. Communication technology and Internet is very much responsible for flattening the world and the change in the way people interact and communicate. This has initiated thinking among all types of organizations. The need to integrate variety of often diverse promotional activities is becoming significant. Conventional approaches to marketing which place lot of importance on mass media seems inappropriate in situations where customers have access to information about products and services and media is fragmenting to possible extent.

The paper comprehensively discusses different issues like role of social media, fragmentation of media, Economic issues, effective use of different tools, massage impact and credibility, measurement issues, the role played by CRM.

Keywords: Marketing communications, Marketing strategy, IMC, Media fragmentation, Social Media.

The emergence and development of integrated marketing communication (IMC) has been determined by a number of trends in various areas of marketing – the increased fragmentation and segmentation of markets, relationship marketing and direct marketing, information technology – the development of new communication technologies and database applications and communication - increased fragmentation of media audiences, multiplicity and diffusion of media channels.

Marketing Communication is known by variety of names but most commonly we know it as one of the element of marketing mix – Promotion. Marketing Communication is not a new concept as it appeared marketing literature in 1980s and became a hot topic of discussion among marketing professionals in 1990s. The IMC approach has received recognition at the end of the 1990s, as a result of the existing trends to reduce the budget allocated to mass advertising campaigns and to concentrate on segmented and more personalised communication with consumers. The increased fragmentation of media and
customers, as well as the revolution introduced in mass communication by the new communication channels – internet and mobile communication technologies – has created the need for a new approach to marketing communication, that can insure centralised management and a consistency of corporate messages.

This paper discusses some of issues in marketing communication like fragmentation of media, media Consumption pattern , status of social networking, Convergence of media, measurement problem, economic issues.

**Extreme Fragmentation of Media :**

There is no longer concept of mass media or niche media which will reach to majority of target customers. Now the advertisers are equipped with lot of options including mobile texting, mobile web applications, I-phone, blogs, youtube, networking sites, ect. The list is getting lengthier with the advancement in communication technology.

The challenge before marketers is made more complex by the fact that simple promotional choices of the past – fewer media options, bigger target segment, lower costs - is getting replaced rapidly by so called fragmented media.

Companies can longer ignore web 2.0 : the fact that young generation everywhere making a habit of web 2.0. That’s why companies can not ignore the importance of Web 2.0 in the future. More than 20% companies in US make use of Web 2.0 for external as well as internal communication. On practical side the application of cheaper but one of the most effective technology like web 2.0 can be seen from the success and potential of Facebook, Wikipedia, Linkedin.

Fig.2 depicts the media consumption pattern of young generation. From this figure it is clear that no media is dominant and young generation is consuming information from diverse sources. They are connected with each other though facebook; communicate with texting; learn by using Goggle, Wikipedia; share thoughts, Videos, pictures through chatting, blogs, mobiles, I-phones.

The key for success is which media is consumed and allocation of budgeted resources in proportionate way. For effective marketing communications is necessary the consistency among all communication messages across media , so that trust can be build and there is consistency in target audiences perceptions. Coordination with the business strategy leads to the consistency of massage.

**Social Media :**

One of the distinctions that need to be made is that between social media and social networks. Social media can be called a strategy and an outlet for broadcasting like youtube, whilst social networking is a tool and a utility for connecting with others like linkedin, facebook, tweeter. Social networking tools are spreading into core areas of the value chain, including the marketing and communications, human relations, and customer service departments.

Businesses, both large and small, are undoubtedly benefiting significantly from consumers shift to new media outlets such as social networking sites as a way to obtain information. Small and medium-sized businesses are actively using social networking channels to generate leads, but this remains a growth opportunity for larger companies. More than ever, companies are turning to new media marketing efforts and benefitting from the popularity of new media among consumers by saving money on advertising and marketing while still being able to reach a large audience.

According to the study, more than 50 per cent of Indian respondents surveyed agree that they take the help of social media sites to purchase products and services online.

Among the Indian respondents, 71 per cent said that they trust recommendations from family while
making an online purchase decision, followed by recommendations from friends (64 per cent respondents) and online product reviews (29 per cent). Online reviews and opinions are most important for respondents, when buying products such as consumer electronics, software, or a car. The study further reveals that more than four in 10 Indian respondents say that they are more likely to share (post a review/ tweet/ review) a negative product or service experience online, than a positive experience.

In India 64% businesses use social media in some capacity, well ahead of China (48%) and Brazil (44%). Advertising is the main reason, this social media is used, followed by communication with the customers. Businesses in emerging markets are embracing social media much faster than their peers in mature market. This is wake call for people reluctant to embrace digital opportunities who could lose out in e-commerce market. In India less than 10% population use internet but that is potential market of 1 million people, so sheer size of population is making the difference.

Media Consumption:

While media and society play a great role in shaping each other, for marketers, media is a double edged sword. If they are unable to tap the right media vehicle and/or develop the right communication strategy at any given point in time, they can end up far behind in the marketplace. But to do so, it is extremely important to know how media and media consumption patterns are evolving in their target markets.

According to KPMG analysis of the Indian media & entertainment industry, TV & print have experienced a sizable growth in the last few years. Where the newspaper industry has had a 6% CAGR (compounded annual growth rate) in the last four years, television has grown by double that figure (12% CAGR). Whatever technological advancement comes in the coming years, people will still prefer to go through pages of newspapers in the morning or watch cricket match or favorite reality show on television. So print and television will prevail as major segment in advertising industry. As per the PwC Entertainment & Media Report 2010, print advertising remained the largest segment in the advertising industry at 46% followed by TV with 41% share.

The appeal of radio is back on track post the slowdown, and so is its appeal for brands looking for mass penetration. While in 2009, radio advertising was broadly used by product categories like cellular phones, social advertising, independent retailers et al, now radio is also used by realty guys, automobiles, banking & finance and a lot of other corporate brands. The RAM report confirms that the audience has grown by 24% in the last one year.

The mobile phone is obviously the most potent tool of all. Gartner reports that 140 million mobile devices were sold in India in 2010. Some 117 million were sold in 2011, and they expect the number to grow to 206 million in 2014. With the current figures, India becomes the 2nd largest wireless market in the world after China. According to TAM Annual Universe Update 2010, India has 134 million TV households. But the same country has 771.2 million mobile phones and 548.7 million active mobile subscribers (Source: TRAI Data as on 31st January, 2011).

If the Internet is the present then mobile is definitely the future of media consumption because while it has all the potential of being a strong penetration channel, it still has a long way to go. Moreover, only 4-5% of the mobile market is occupied by smartphones, but some trends can be leveraged within the mobile industry. Brands like P&G and Adidas are already formulating their mobile marketing budgets. The number of people hooked on to mobile internet in India, according to Google, now has more than doubled, from about 8-10 million in the beginning of the year 2009. The company says March-April 2010 was the inflation point in terms of traffic to Google Mobile, when it saw a four-fold increase in Google searches on mobiles. According to the report of JUXT, market Research Company, active in-
Internet users in India are more than 65 million. Number of online buyers increased up to 22.1 million including 8.6 million ‘Online travel’ Customers.

**Convergence of Media:**

One particular brand of television –“Panasonic – Ideas for life” is already talking about this convergence. In that model they talk about nice quality picture on LED screen, in addition to that you get in touch with customers using tweeter, facebook, ect and interwith with them by using online skype. Business tickers, entertainment, new tickers can as well watched. This is real time convergence of media. As media converge online, the distinctions between various forms of advertising will disappear. Branding and direct, electronic and print, it will all become part of one seamless marketing continuum online.

Newspapers, radio, television, movies, telecommunications and every other entertainment, communication or information medium we can think of, coming to us through a single pipeline.

**Measurement Issue:**

The marketing communications industry has a wide variety of methods and criteria that differ by discipline, media and audience type. Each discipline tends to apply different metrics, which are often only loosely connected with sustainable brand success – but are relatively easy to capture. So:

- Advertising is measured by awareness.
- PR is measured by column inches of copy.
- Direct marketing is measured by response rates.
- Personal selling is measured by call volumes and sales.
- Events are measured by numbers of participants and leads.
- Sales promotion is measured by short-term market share and sales volume gains.

Until now there has been no planning and evaluation methodology that enables common practice and perspectives across all disciplines, communication groups and agencies. The absence of a unified method means that marketers and other change agents can neither specify communication objectives nor evaluate results to a universal standard. This makes comparison and discussion between the methods difficult, and makes it hard to collate, compare and analyse results between either contemporaneous or sequential communication projects.

There is need for a revised approach to both IMC and CRM that regards IMC and CRM as a single unified planning and evaluation discipline. This accommodates all communication avenue available to the brand, including the sales force, PR, internal marketing, design and merchandising. We call it just plain integrated marketing. This is not an issue of functional power but rather of shared thinking and collaborative processes across all departments. Nor is it a question of creating monotonic communication: the point of the unified approach is to maximize creative potential by choosing from the full palette of possibilities.

The labels IMC and CRM have had certain utility, because each expresses a particular focus of excellence – the emphasis on integration and coordination across communication in IMC. IMC has tended to be more significant in FMCG, at the same time as CRM has been used more in business-to-business and service-based markets, including financial services, where one-to-one direct communication may be more important. However, this does not mean that the two approaches are fundamentally different.
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Fig. 1 Source: “Brand preference and lifestyle study – By Mr. Vikas Dole”

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Fig. 3 Source: “Brand preference and lifestyle study – By Mr. Vikas Dole”

Fig. 4 Source: “Brand preference and lifestyle study – By Mr. Vikas Dole”
Marketing management

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