



TEXTBOOK TESTBANKS

Test Bank for Advertising and Promotion: An Integrated Marketing Communications Perspective 13 2026 Release 1st Belch

TEST BANK SAMPLE PREVIEW

PUBLISHER

MHHE

COPYRIGHT

2026

RESOURCE TYPE

Test Bank

ISBN

9781266726279

*Test Bank for Advertising and
Promotion-An Integrated Marketing
Communications Perspective 13 2026
Release 1st Edition by Belch, Belch*

ISBN: 9781266726279

Correct answers located at the end of the chapter.

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

- 1) A consumer products company has been reviewing its advertising spending on traditional media such as television, radio, and print. The company noticed that its competitors across the country are spending less on traditional advertising and more on _____, which includes online search, display, and video ads, as well as advertising on social media.
 - A) online advertising
 - B) one-stop advertising
 - C) digital advertising
 - D) social media advertising
 - E) video advertising

- 2) Prior to the development of integrated marketing communications, which promotional function dominated in most companies?
 - A) mass-media advertising
 - B) sales promotion
 - C) public relations
 - D) publicity
 - E) direct marketing

- 3) According to the American Marketing Association, the organization that represents marketing professionals in the United States and Canada, marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create _____ that satisfy individual and organizational objectives.
 - A) opportunities
 - B) plans
 - C) advertisements
 - D) exchanges
 - E) contributions

- 4) Cooper Corp. is learning more about its customers' perception of value. An independent survey showed that Cooper's customers weigh all of the benefits of a product against all the costs of acquiring and consuming it. Benefits are categorized as functional, _____, and/or psychological.
- A) empirical
 - B) experiential
 - C) emotional
 - D) empathetic
 - E) empathic
- 5) Which scenario best illustrates a marketing exchange?
- A) The server gave Mateo a menu who then placed his food order.
 - B) Adam helped Libby replace the air filter in her furnace.
 - C) Carter and Fatima gave their son a skateboard for his birthday.
 - D) Ms. Gomez gave Moses a box of homemade fudge in return for painting her fence.
 - E) Rebecca asked Genesis if she could borrow her pen because hers had stopped working.
- 6) According to the American Marketing Association's definition of marketing, which statement is true?
- A) Most marketers are seeking a one-time exchange or transaction with their customers.
 - B) The focus of production-driven companies is on developing and sustaining relationships with their customers.
 - C) Successful companies recognize that creating and delivering value to their customers is extremely important.
 - D) Although marketing plays an important role in developing relationships with customers, it does not help in maintaining them.
 - E) By definition, a marketing transaction must involve the exchange of money.

- 7) Value can best be defined as
- A) the coordination of all seller-initiated efforts to set up channels of information and persuasion in order to sell goods and services or promote an idea.
 - B) the combination of factors such as name, logo, design, and packaging that comes to mind when consumers think about a brand.
 - C) the desire and ability of two or more parties to exchange something of importance with one another.
 - D) the customer's perception of all of the benefits of a product or service weighed against all the costs of acquiring and consuming it.
 - E) the amount of funds invested by the shareholders of a company in promoting its product portfolio.
- 8) The four Ps of the marketing mix are product, price, promotion, and
- A) people.
 - B) place.
 - C) package.
 - D) process.
 - E) perception.
- 9) Price, product, place, and promotion together form the
- A) points of parity.
 - B) promotional mix.
 - C) marketing mix.
 - D) supply chain components.
 - E) exchange mix.

- 10) Wrightway Rescue has always worked with Action Advertising, a traditional advertising agency. Now Wrightway's new marketing vice president wants to add in other types of promotional specialists and has asked Action to start using a variety of promotional tools rather than relying primarily on media advertising. The new vice president is embracing the concept of
- A) international marketing communications.
 - B) interdepartmental marketing communications.
 - C) informational marketing communications.
 - D) integrated marketing communications.
 - E) intradepartmental marketing communications.
- 11) A nationwide retailer recognizes the importance of identifying every opportunity to deliver on the brand promise, strengthen customer relationships, and deepen customer loyalty. By using an integrated marketing communications approach to _____ its messaging function, everything the company says and does will communicate a common theme and positioning.
- A) organize
 - B) centralize
 - C) energize
 - D) formalize
 - E) maximize
- 12) Mint Manufacturing's goals are to both generate short-term financial returns and build long-term brand and shareholder value. The company has chosen to use a strategic business process called _____ to plan, develop, execute, and evaluate coordinated, measurable, persuasive brand communications programs over time with consumers, customers, prospects, employees, associates, and other targeted relevant external and internal audiences.
- A) international marketing communications
 - B) interdepartmental marketing communications
 - C) informational marketing communications
 - D) integrated marketing communications
 - E) intradepartmental marketing communications

- 13) A new athletic wear company used mass media to gain traction among customers. The company used sales promotions and public relations to achieve the long-term targets and goals identified by its top management. In addition, the company opted for direct marketing on a project-to-project basis. The combination of these various promotional tools is commonly referred to as
- A) mobile marketing.
 - B) sales promotion activities.
 - C) integrated marketing communications.
 - D) omnichannel retailing.
 - E) search advertising
- 14) The process of combining mass-media advertisements with other promotional elements such as direct marketing, public relations, and sales promotion is known as
- A) media fragmentation.
 - B) micromarketing.
 - C) integrated marketing communications.
 - D) social media.
 - E) digital advertising.
- 15) Which statement best defines “integrated marketing communications”?
- A) It is a term used in cause marketing that speaks about the degree of control customers hold over the cause they choose to support.
 - B) It involves coordinating the various promotional elements and other marketing activities that communicate with a firm’s customers.
 - C) It is software that gathers and analyzes information about customer interactions with all the employees of a company.
 - D) It is a collection of informational resources that describe a company’s products and services and assists in marketing the same.
 - E) It involves dividing customers into similar subgroups based on their media usage, demographics, psychographics, and product usage.

- 16) Which statement is true of integrated marketing communication?
- A) It does *not* include sales promotion.
 - B) It calls for a “big-picture” approach to promotional activities.
 - C) It segregates and highlights various independent promotional activities.
 - D) It is also typically referred to as “mobile marketing.”
 - E) It relies on mass-media advertising.
- 17) The central theme of the concept of _____ is that all of an organization’s promotional elements and marketing activities reach out consistently and in a unified manner with its customers.
- A) the marketing mix
 - B) exchange
 - C) integrated marketing communications
 - D) the promotional mix
 - E) cumulative prospect theory
- 18) According to the American Association of Advertising Agencies, _____ is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic role of a variety of communication disciplines and combines them to provide clarity, consistency, and maximum impact.
- A) brand equity
 - B) local advertising
 - C) selective-demand marketing communications
 - D) integrated marketing communications
 - E) professional advertising
- 19) In the advertising industry, terms such as *new advertising*, *orchestration*, and *seamless communication* were used to describe the concept of
- A) positioning.
 - B) integration.
 - C) channel conflict.
 - D) relationship marketing.
 - E) diffusion.

- 20) The 4As' definition of integrated marketing communications focuses on
- A) the organization creating a sustainable supply chain for developing a socially responsible business.
 - B) the fact that nonpersonal communications must be totally avoided for a better communications impact.
 - C) the employees keeping track of future prospects by maintaining a customer interaction tracker.
 - D) the development of bait-and-switch marketing activities in all organizations.
 - E) the process of using all forms of promotion to achieve maximum communication impact.
- 21) The primary goal of an integrated marketing communications program is to
- A) have a company's entire marketing and promotional activities project a consistent, unified image to its customers.
 - B) control all facets of a product's distribution.
 - C) communicate with customers primarily through mass-media advertising.
 - D) have complete control over all partners in the distribution channel and to slow down the rate of diffusion of new products among customers.
 - E) use marketing to create a strong distribution network that is capable of destabilizing any competition.
- 22) According to the definition of integrated marketing communications (IMC) given by the late Don Schultz, which statement is true of IMC?
- A) It is a tactical separation of various communication activities.
 - B) It does *not* view the audience as an important part of the IMC process.
 - C) It does *not* view the employees as an important part of the IMC process.
 - D) It is viewed as an ongoing strategic business process.
 - E) It simply involves bundling promotional mix elements together.

- 23) Montblanc uses classic design, a distinctive brand name, a focused distribution strategy to exclusive retailers, and celebrities in its advertising to position its watches as high-quality, high-status products. This is an example of a(n)_____ approach.
- A) direct marketing
 - B) mobile marketing
 - C) integrated marketing communications
 - D) old-generation marketing
 - E) mass media
- 24) What has been described as one of the “new-generation” marketing approaches being used by companies to better focus their efforts in acquiring, retaining, and developing relationships with customers and other stakeholders?
- A) decentralized communication systems
 - B) bait-and-switch marketing approaches
 - C) integrated marketing communications
 - D) mass-media advertising
 - E) customer newsletter service
- 25) One reason marketers are adopting the IMC approach is they understand the value of
- A) duplicating the various communications functions.
 - B) not having to integrate the various communications functions.
 - C) minimizing their investment return regarding the communications functions.
 - D) having the various communications functions operate autonomously.
 - E) strategically integrating the various communications functions.
- 26) The Internet has become a leading advertising medium, replicating many of the services that were once capturing mass audiences assembled by network television and augmented by other mass media. With the mass audiences fragmenting at an accelerating rate, many marketers are turning to
- A) individualized marketing.
 - B) personalized marketing.
 - C) mass marketing.
 - D) micromarketing.
 - E) macromarketing.

- 27) The advertising industry, as well as online publishers such as newspapers, magazines, blogs, and the myriad websites available on the Internet, are very concerned over the impact _____ are having on their digital advertising business.
- A) streaming apps
 - B) ad blockers
 - C) paid ads
 - D) music apps
 - E) mobile apps
- 28) Because most millennial and Gen Z age consumers have grown up in a brand-conscious, media-heavy, and information-filled world, they are actively seeking ways to _____ advertising.
- A) employ
 - B) manipulate
 - C) understand
 - D) embrace
 - E) avoid
- 29) To respond to media fragmentation, marketers are increasing their spending on _____
- A) mass-media communication.
 - B) television advertising.
 - C) micromarketing.
 - D) mass production.
 - E) product packaging.

- 30) True Grit energy drink's tagline is "Fuel your fire within." Ads for the product feature a country music star saying, "True Grit: When you need to power through." These ads appear regularly on television and in print media. At the same time, True Grit runs a sweepstakes contest for its customers. To enter the contest, customers must fill out a \$1-off coupon. By using IMC, True Grit is hoping to primarily create _____ for its new product, which is the combination of many factors, including the name, logo, symbols, design, packaging, and performance of the product.
- A) brand evangelism
 - B) brand dilution
 - C) brand language
 - D) brand identity
 - E) brand repositioning
- 31) _____ is the sum of all points of encounter or contact that consumers have with the brand, and it extends beyond the experience or outcome of using it.
- A) Brand evangelism
 - B) Brand identity
 - C) Brand extension
 - D) Brand differentiation
 - E) Brand engagement
- 32) The chief marketing officer who noted that "the future of marketing isn't about getting people to buy your brand, but to buy *into* your brand" recognized that marketing is now in the _____ era, and companies must connect with consumers based on trust, transparency, engagement, and authenticity.
- A) relationship
 - B) cynicism
 - C) promotion
 - D) development
 - E) sustainability

- 33) Because brands are becoming less about the actual product or service and more about how people relate to them, companies that have used _____ as the cornerstone of their brand-building efforts must find new ways to connect with consumers.
- A) interactive media
 - B) mass-media advertising
 - C) online marketing
 - D) product placement
 - E) personal selling
- 34) An important issue for both consumers and corporations is _____, which refers to the development that meets the needs of the current generation without compromising the ability of future generations to meet their needs.
- A) green marketing
 - B) sustainability
 - C) corporate social responsibility
 - D) brand consciousness
 - E) longevity
- 35) When a company or a brand takes a stand by engaging in efforts to promote social, political, economic or environmental reform to help drive change in order to improve society, it is engaged in
- A) green marketing.
 - B) sustainability.
 - C) corporate social responsibility.
 - D) brand consciousness.
 - E) brand activism.
- 36) _____ is the coordination of all seller-initiated efforts to set up channels of information and persuasion to sell goods and services.
- A) Branding
 - B) Product distribution
 - C) Pricing
 - D) Promotion
 - E) Market segmentation

- 37) Which term refers to a carefully planned, controlled program, one that requires coordination of all seller-initiated efforts to set up channels of information and persuasion in order to sell goods and services?
- A) advertising
 - B) promotion
 - C) personal selling
 - D) marketing
 - E) public relations
- 38) The basic elements that are used to accomplish an organization's marketing communication objectives are referred to as
- A) the marketing mix.
 - B) marketing strategy tools.
 - C) the growth-share matrix.
 - D) the promotional mix.
 - E) the hype cycle.
- 39) Traditionally, which of the following has been considered an element of the promotional mix?
- A) packaging
 - B) advertising
 - C) direct marketing
 - D) interactive media
 - E) branding
- 40) Which element of the promotional mix is defined as a paid form of nonpersonal presentation of ideas, goods, or services by an identified sponsor?
- A) advertising
 - B) branding
 - C) packaging
 - D) publicity
 - E) sales promotion

- 41) Advertising is defined as any
- A) paid form of nonpersonal communication about a product, service, or company.
 - B) form of media communication that provides an opportunity for immediate feedback.
 - C) communication that moves a product from one level to another level of the distribution channel.
 - D) personal communication from a company's representative to prospective buyers.
 - E) nonpersonal communication about a product or service that is not paid for or run under identified sponsorship.
- 42) Before sending an advertising message to its audience, Epic Advertising Agency is working with its client to better understand how the audience will interpret and respond to that message. This is important because with the exception of direct-response advertising, the _____ nature of advertising makes it is difficult to get immediate feedback.
- A) random
 - B) personal
 - C) private
 - D) nonpersonal
 - E) privileged
- 43) A company is creating an advertising budget with the goal of reaching a large number of customers. Which form of media advertising is a particularly effective way to reach a mass market?
- A) radio advertising
 - B) newspaper advertising
 - C) television advertising
 - D) mailer advertising
 - E) magazine advertising
- 44) Which factor is generally neglected through the use of advertising?
- A) ability to reach mass markets
 - B) low cost per contact
 - C) ability to create brand images and symbolism
 - D) immediate feedback
 - E) control of message content and media placement

- 45) Which statement is true of media advertising as a form of promotion?
- A) It is a cost-effective way to reach large numbers of consumers.
 - B) It is a nonpaid form of promotion.
 - C) The sponsor or advertiser is not identified.
 - D) There is immediate feedback and capability to close sales.
 - E) It makes use of nontraditional media.
- 46) A large soap manufacturing firm has introduced a new soap. The company wants to promote the soap to broad audiences across various countries in a persuasive and cost-effective manner. At the same time, it also wants to enhance the overall company image. The promotional budget is about \$1 million. Which form of promotion should the company use for the promotion of its new soap?
- A) mass advertising
 - B) direct marketing
 - C) personal selling
 - D) sales promotion
 - E) publicity
- 47) The best-known and most widely discussed form of promotion is
- A) personal selling.
 - B) sales promotion.
 - C) direct marketing.
 - D) advertising.
 - E) publicity/public relations.
- 48) Which promotional mix element would best suit a firm that wants to reach a large consumer audience while keeping the cost per contact low and creating a symbolic image or appeal for a new brand?
- A) advertising
 - B) personal selling
 - C) sampling
 - D) couponing
 - E) door-to-door selling

- 49) Which of the following statements is true of advertising?
- A) Advertising attempts to create a personal relationship with consumers.
 - B) The nature and purpose of advertising are usually the same across various industries.
 - C) Advertising is a valuable tool for building brand and company equity.
 - D) Advertising is used only for the promotion of mass consumer products.
 - E) One disadvantage of advertising is that it is extremely personal to consumers.
- 50) Advertising done by manufacturers of well-known brands on a countrywide basis or in most regions of the country to consumer markets is known as _____ advertising.
- A) professional
 - B) trade
 - C) business-to-business
 - D) national
 - E) direct-response
- 51) A perfume manufacturing company spends about \$1 million annually on advertising. The company seeks to remind its customers in the United States about the brand and its features, benefits, and uses. It primarily strives to reinforce its image and initiate product purchase. In the context of the types of advertising to consumer markets, this manufacturer is using
- A) national advertising.
 - B) primary-demand advertising.
 - C) trade advertising.
 - D) business-to-business advertising.
 - E) professional advertising.
- 52) Local merchants use _____ advertising to encourage consumers to shop at a specific store, use a local service, or patronize a particular establishment.
- A) trade
 - B) professional
 - C) direct-response
 - D) retail
 - E) national

- 53) Speciality Spirits placed a weekly advertisement in the local newspapers. The advertisement stated that Specialty Spirits would sell all cases of domestic beer at a flat rate of \$20 from Monday to Wednesday between 1 p.m. and 3 p.m. at select locations. Specialty Spirits most likely used
- A) national advertising.
 - B) trade advertising.
 - C) retail advertising.
 - D) primary-demand advertising.
 - E) direct-response advertising.
- 54) Advertising done for the purpose of building store traffic and encouraging consumers to make a purchase takes the form of _____ advertising.
- A) trade
 - B) facultative
 - C) professional
 - D) direct-action
 - E) B2B
- 55) Which statement is true of retail advertising?
- A) It is done by large companies on a nationwide basis or in most regions of the country.
 - B) It takes the form of direct-response advertising.
 - C) It is done to build store traffic and sales.
 - D) It is designed to stimulate demand for the general product class or an entire industry.
 - E) It is targeted at marketing channel members such as wholesalers, distributors, and suppliers.
- 56) Retail or local advertising often takes the form of
- A) trade advertising.
 - B) selective-demand advertising.
 - C) bait-and-switch advertising.
 - D) direct-action advertising.
 - E) indirect-response advertising.

- 57) Primary-demand advertising is designed to
- A) influence the purchase of only industrial goods and services.
 - B) stimulate demand for a general product class or entire industry.
 - C) help launch a specific line extension.
 - D) stimulate demand for existing products that are underselling.
 - E) create a market share gain for the industry leader.
- 58) In the context of advertising for consumer markets, _____ advertising focuses on creating demand for a specific company's brand.
- A) primary-demand
 - B) selective-demand
 - C) trade
 - D) professional
 - E) industrial
- 59) A manufacturer of dairy products has come up with new global ads that promote the benefits of drinking milk as well as demonstrate the various uses of milk. This is an example of
- A) trade advertising.
 - B) primary-demand advertising.
 - C) secondary-demand advertising.
 - D) retail advertising.
 - E) professional advertising.
- 60) The National Egg Association has been promoting the benefits of eggs for many years. It aims to educate customers about the nutritional value of eggs through ads that are aired in several states. It is making use of
- A) direct-response advertising.
 - B) professional advertising.
 - C) primary-demand advertising.
 - D) selective-demand advertising.
 - E) trade advertising.

- 61) Which statement best describes selective-demand advertising?
- A) It focuses on creating demand for a specific company's brands.
 - B) It is done by retailers or local merchants to encourage consumers to shop at a specific store, use a local service, or patronize a particular establishment.
 - C) It focuses on creating demand for an entire industry.
 - D) It focuses on targeting individuals who buy or influence the purchase of industrial goods or services for their companies.
 - E) It is one of the four Ps of the marketing mix.
- 62) Which advertisement is an example of retail advertising?
- A) advertisement for a health drink that compares its benefits to its competitor's
 - B) advertising done by the Beef Council to stimulate the demand for beef
 - C) advertisement for Chippers Potato Chips placed in a trade magazine to promote it to food store managers
 - D) advertisement for Big Town Car Service that appears in newspapers all across the country
 - E) advertisement in a newspaper for a discount at a restaurant located on the outskirts of San Diego
- 63) _____ advertising is targeted at individuals who influence the purchase of goods and services used to make other products.
- A) Professional
 - B) Primary-demand
 - C) Retail
 - D) Business-to-business
 - E) Direct-response
- 64) Advertisements for Sturdy Stainless bakeware, Blue Star ovens, RestEasy ticketing system software, and Luxe Linens featured in *Gourmet Goods*, a journal for restaurant owners/operators, are examples of _____ advertising.
- A) retail
 - B) direct-response
 - C) business-to-business
 - D) direct-mail
 - E) primary-demand

- 65) A company that manufactures stethoscopes has placed an ad in *Pulse*, a magazine primarily read by doctors. The company is trying to improve sales by directly reaching out to its primary market segment. This is an example of
- A) business-to-business advertising.
 - B) trade advertising.
 - C) professional advertising.
 - D) primary-demand advertising.
 - E) direct-action advertising.
- 66) _____ advertising is targeted at marketing channel members such as wholesalers, distributors, and retailers in order to encourage them to stock more of a particular brand.
- A) National
 - B) Selective-demand
 - C) Professional
 - D) Trade
 - E) Retail
- 67) Which situation is an example of trade advertising?
- A) Lovelace LLC is using print advertising to attract supply managers from other companies.
 - B) Harvest Inc., a seed supplier, places an ad in *Growth*, a magazine frequently circulated among plant nursery owners and operators.
 - C) Candyman Corp., a sweets manufacturer, hopes to attract wholesalers and retailers by placing an ad in *Destination*, a weekly hotel magazine.
 - D) Leticia, a chiropractor, places an ad in a local newspaper to advertise her new clinic.
 - E) The California Egg Industry Association runs a series of television ads that educate people about the nutritional value of eggs.
- 68) Which statement is true of direct marketing?
- A) Traditionally, it has not been considered an element of the promotional mix.
 - B) It is synonymous with direct mail.
 - C) The rapid growth of the Internet is discouraging the growth of direct marketing.
 - D) It is seldom, if ever, used by companies that have an external salesforce.
 - E) It is less direct when compared to mail-order catalogs.

- 69) Long Lost Loves is a company that sells vintage dolls. If you order one doll from the company, you will receive multiple mailings each month providing you with information relating to new products and offers. Which promotional element is Long Lost Loves using in this scenario?
- A) advertising
 - B) sales promotion
 - C) direct marketing
 - D) publicity
 - E) pricing
- 70) A major tool of direct marketing is _____ advertising, where a product is promoted through an ad that encourages the consumer to purchase straight from the manufacturer.
- A) direct-response
 - B) primary-demand
 - C) business-to-business
 - D) trade
 - E) selective-demand
- 71) Which statement is true of direct-response advertising?
- A) It encourages consumers to purchase straight from the manufacturer.
 - B) It targets wholesalers, retailers, and other members of the supply chain.
 - C) It is also known as primary-demand advertising.
 - D) It primarily targets professionals such as doctors, lawyers, and engineers.
 - E) It does not use the Internet as a means of advertising.
- 72) Database management, direct selling, telemarketing, and direct-response advertising are all tools of
- A) bait advertising.
 - B) buzz marketing.
 - C) direct marketing.
 - D) switch marketing.
 - E) trade marketing.

- 73) An advertising agency is working with a client to create demand for its brand. The agency is recommending a class of advertising that will emphasize the reasons consumers should purchase the client's brand. This class of advertising is called
- A) trade advertising.
 - B) professional advertising.
 - C) business-to-business advertising.
 - D) direct-response advertising.
 - E) selective-demand advertising.
- 74) Make It Rain produces water-conserving showerheads and faucets that are used mostly in hotels and fitness centers. The company is looking to expand its consumer base. What type of advertising will help Make It Rain reach potential customers interested in using its showerheads and faucets in its facilities?
- A) trade advertising
 - B) professional advertising
 - C) business-to-business advertising
 - D) direct-response advertising
 - E) primary-demand advertising
- 75) North Law is coming out with a new software that will assist lawyers and legal assistants with trial preparation. What type of advertising will help North Law reach its audience?
- A) trade advertising
 - B) professional advertising
 - C) business-to-business advertising
 - D) direct-response advertising
 - E) primary-demand advertising

- 76) Charming Charlie's has decided to change its inventory strategy. The company is closing its storefronts to rely instead on its supply chain network of manufacturers to ship goods directly to Charming Charlie's customers. Charming Charlie's will now use _____ as its primary medium for reaching consumers.
- A) trade advertising
 - B) professional advertising
 - C) business-to-business advertising
 - D) direct-response advertising
 - E) primary-demand advertising
- 77) Over the last decade, a home goods retailer has evolved its marketing and distribution channels from having only retail stores to adding both mobile apps and online catalogs. In addition, the company strategically uses these methods to influence a customer's shopping experience, including research before a purchase and service after a sale. This direct-marketing approach is called
- A) trade-oriented sales promotion.
 - B) omnichannel retailing.
 - C) customer-oriented sales promotion.
 - D) mobile retailing.
 - E) consumer-oriented sales promotions.
- 78) Omnichannel retailing can be described as
- A) a manufacturer that operates more than one retail outlet.
 - B) using more than one supplier to service customers in a specific geographic area.
 - C) selling goods through only one retailer via an exclusive contract.
 - D) a strategy where companies sell their products through multiple distribution channels.
 - E) a strategy where companies utilize more than one form of advertising.
- 79) Which statement is true of the Internet as a marketing medium?
- A) It is considered to be a traditional medium.
 - B) It does not facilitate two-way communication.
 - C) It enables marketers to gather valuable personal information from customers.
 - D) It does not enable real-time adjustment of offers.
 - E) It cannot be integrated with other media programs, such as direct mail and telemarketing.

- 80) Which form of promotion allows for a two-way flow of communication whereby users can participate in and modify the form and content of the information they receive in real time?
- A) direct mail
 - B) public relations
 - C) advertising
 - D) interactive marketing
 - E) publicity
- 81) _____ includes those marketing activities that provide extra value or incentives for purchasing a product, such as coupons and premiums.
- A) Direct marketing
 - B) Advertising
 - C) Public relations
 - D) Sales promotion
 - E) Publicity
- 82) Sales promotions targeted at the ultimate users of a product, such as couponing, sampling, premiums, contests, or sweepstakes, are part of
- A) consumer-oriented sales promotion.
 - B) trade-oriented sales promotion.
 - C) buzz promotion.
 - D) bait-and-switch sales promotion.
 - E) channel-initiated sales promotion.
- 83) A personal care products company includes monthly coupons in its magazine advertisements. This is an example of
- A) consumer-oriented sales promotion.
 - B) industrial sales promotion.
 - C) business-oriented sales promotion.
 - D) trade-oriented sales promotion.
 - E) service-oriented sales promotion.

- 84) Which statement is true of trade-oriented sales promotion?
- A) It is also known as buzz promotion.
 - B) It targets members of the supply chain.
 - C) It is targeted at the ultimate user of a product.
 - D) It uses rebates and couponing.
 - E) It includes sweepstakes and premiums.
- 85) Sales promotion programs targeted at marketing intermediaries such as wholesalers, distributors, and retailers are part of
- A) consumer-oriented sales promotion.
 - B) trade-oriented sales promotion.
 - C) user-oriented sales promotion.
 - D) intrinsic sales promotion.
 - E) bait-and-switch sales promotion.
- 86) A large food manufacturer has selected an advertising method to stimulate short-term sales by offering customers samples and same-day coupons for immediate discount at point of purchase. This method is known as
- A) trade-oriented sales promotion.
 - B) omnichannel retailing.
 - C) customer-oriented sales promotion.
 - D) mobile retailing.
 - E) consumer-oriented sales promotions.
- 87) Dynamic Industries has multiple supply channels, including wholesalers, distributors, and retailers. They are running a sales contest to encourage these partners to stock and promote their products. This contest is an example of
- A) a trade-oriented sales promotion.
 - B) omnichannel retailing.
 - C) a customer-oriented sales promotion.
 - D) mobile retailing.
 - E) a consumer-oriented sales promotion.

- 88) An important part of the promotional mix is nonpersonal communications, or communications that are not directly paid for by the company. This is called _____; it usually comes from press releases, editorials, feature articles, or news releases.
- A) paid media
 - B) public relations
 - C) personal selling
 - D) publicity
 - E) a touch point
- 89) _____ refers to nonpersonal communication regarding an organization, product, service, or idea not directly paid for or run under identified sponsorship.
- A) Advertising
 - B) Sales promotion
 - C) Publicity
 - D) Public relations
 - E) Telemarketing
- 90) Which statement correctly states a primary difference between publicity and advertising?
- A) Unlike advertising, publicity is done only by retailers.
 - B) Unlike publicity, advertising does not utilize mass media.
 - C) Unlike advertising, publicity is not paid for by the sponsoring organization.
 - D) Unlike advertising, publicity is institutional in character.
 - E) Unlike publicity, advertising leads to less skepticism among consumers.
- 91) Which statement correctly identifies a similarity between publicity and advertising?
- A) Both are nonpaid forms of communication.
 - B) Both are run by an unidentified sponsor.
 - C) Both involve nonpersonal communication to a mass audience.
 - D) Both are not directly paid for by the company.
 - E) Both frequently provide an opportunity for immediate feedback.

- 92) One of the primary advantages inherent in the use of publicity is its
- A) ability to be personalized.
 - B) credibility.
 - C) negligible variable costs.
 - D) tangibility.
 - E) ability to be closely controlled.
- 93) Because of the perceived objectivity of the source, which element of the promotional mix is usually regarded as most credible?
- A) advertising
 - B) publicity
 - C) packaging
 - D) sales promotion
 - E) direct marketing
- 94) Which statement about publicity is true?
- A) Publicity is a form of communication that is directly run under an identified sponsorship.
 - B) Publicity is the only tool used in a firm's public relations efforts.
 - C) Publicity usually comes in the form of a news story or an editorial.
 - D) Publicity has more of a long-term, ongoing purpose than public relations.
 - E) Publicity refers to personal communications regarding an organization and its products.
- 95) Green Grocer LLC has released new advertising that features its efforts to support human rights, fair trade, and environmental sustainability. This type of promotion, called _____, involves managing relationships with a number of important audiences, including investors, employees, suppliers, communities, and governments (federal, state, and local) as well as consumers.
- A) paid media
 - B) public relations
 - C) personal selling
 - D) publicity
 - E) touch point

- 96) A local newspaper published an article about the latest line of reuseable tote bags from Birdie Bags. The bags were made with used clothing sourced from households across the country. The article also included select photographs and offered consumers a “sneak peek” into the manufacturing process. This form of nonpersonal marketing communication is known as
- A) sales promotion.
 - B) digital marketing.
 - C) personal selling.
 - D) public relations.
 - E) publicity.
- 97) A review of a movie in a local magazine or on a popular daily television show is an example of
- A) personal selling.
 - B) publicity.
 - C) direct marketing.
 - D) public relations.
 - E) sales promotion.
- 98) What is a disadvantage of publicity?
- A) Publicity is expensive to implement as it is directly paid for and run under identified sponsorship.
 - B) Publicity has relatively low credibility with the audience.
 - C) Publicity is not always under an organization’s control and can be unfavorable.
 - D) Publicity is not useful with a market segmentation strategy.
 - E) Publicity makes a market aggregation strategy ineffective.
- 99) A lawsuit charged a mortgage lender with racism because it allegedly charged higher rates to borrowers who were Black than to other borrowers. News of the lawsuit was reported by the wire service, and it appeared in several newspapers. This news report is an example of
- A) sales detraction.
 - B) negative advertising.
 - C) cause selling.
 - D) negative publicity.
 - E) bait-and-switch advertising.

- 100) Oak Tree Loans, a mortgage lender, was charged with a discrimination lawsuit. It alleged that the company was offering loans at higher rates of interest to Asian consumers. In response to these allegations, Oak Tree sent out e-mail queries to its Asian customers to get feedback on their experiences with the firm's lending offices. This feedback was subsequently collected and released to the news media. This is an example of
- A) public relations.
 - B) advertising.
 - C) publicity.
 - D) sales promotion.
 - E) cause marketing.
- 101) When an organization systematically plans and distributes information in an attempt to control and manage its image and the nature of the publicity it receives, it is engaging in
- A) buzz marketing.
 - B) reactive disinformation.
 - C) bait-and-switch marketing.
 - D) public relations.
 - E) sales promotion.
- 102) Which statement is true of public relations?
- A) It is synonymous with sales promotions.
 - B) It is narrower in perspective than publicity.
 - C) It includes fund-raising, sponsorship of special events, and special publications.
 - D) It avoids using advertising as a tool to enhance an organization's image.
 - E) It refers to personal communications regarding an organization and its products.
- 103) _____ is a form of one-on-one communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea.
- A) Advertising
 - B) Sales promotion
 - C) Publicity
 - D) Interactive marketing
 - E) Personal selling

- 104) Green-T Lawn Service is a company founded on contact between the buyer and the seller, either face to face or through telecommunications. The value of this method of promotion is the seller can see or hear the potential buyer's reactions, allowing them to modify or tailor the message. Known as _____, this type of program may be coordinated with media advertising, digital marketing, and sales promotion in an integrated marketing communications program.
- A) paid media
 - B) public relations
 - C) personal selling
 - D) publicity
 - E) touch point
- 105) _____ is a promotional mix element that allows for direct contact between a buyer and seller and allows a message to be modified according to the needs or reactions of the customer.
- A) Advertising
 - B) Sales promotion
 - C) Public relations
 - D) Publicity
 - E) Personal selling
- 106) How does personal selling differ from advertising?
- A) Unlike advertising, personal selling does not result in direct sales.
 - B) Unlike advertising, personal selling can be tailored to meet customers' specific needs.
 - C) Unlike advertising, personal selling can attract mass attention.
 - D) Unlike advertising, personal selling tends to have a lower cost per individual.
 - E) Unlike advertising, personal selling does not provide accurate feedback.
- 107) The promotional mix element that allows for the most immediate and precise feedback from the customer is
- A) advertising.
 - B) sales promotion.
 - C) public relations.
 - D) publicity.
 - E) personal selling.

- 108) Which promotional tool best suits a business-to-business marketer who sells expensive, risky, and often complex products?
- A) print advertising
 - B) sales promotion
 - C) public relations
 - D) personal selling
 - E) publicity
- 109) What is the major advantage of personal selling over advertising as a communication method?
- A) Personal selling involves the usage of mass media, whereas advertising does not.
 - B) Personal selling improves the image of the firm, whereas advertising does not.
 - C) Personal selling activates the receiver's selective processes, whereas advertising does not.
 - D) Personal selling results in sales responses that are difficult to measure, whereas advertising results in immediate feedback.
 - E) Personal selling involves direct contact between the buyer and seller, whereas advertising deals with indirect contact.
- 110) Keven called Mamie to present information about a meal plan package his company was offering. Mamie responded unfavorably to his description of the offer, so Keven modified the message. Which characteristic of personal selling did Keven benefit from in this scenario?
- A) the ability to target specific markets
 - B) the ability to target specific customer types
 - C) autonomy from the advertising or marketing department
 - D) the ability to respond to immediate feedback
 - E) indirect contact between the buyer and the seller

- 111) Adorn LLC continues to build its integrated marketing communications promotional mix strategy by looking at audience contacts. The company also recognizes that not all touch points are equally effective and can often be divergent in a company's ability to control. Adorn is currently trying to develop various strategies to anticipate_____, which are personal communications that come from friends, associates, neighbors, co-workers, or family members.
- A) intrinsic touch points
 - B) unexpected touch points
 - C) customer-initiated touch points
 - D) extrinsic touch points
 - E) company-created touch points
- 112) Conscientious Cinema just released a documentary on the impact of captivity on orca whales. Childhood fans of the popular movie *Free Willy*, now grown and environmentally conscious Millennials, and Gen Zers, inundated social media with mentions, online reviews, and spurred media coverage creating greater interest in the film, extending the film's time in the theater. Conscientious Cinema benefited from
- A) paid media.
 - B) brand media.
 - C) owned media.
 - D) advertising media.
 - E) earned media.
- 113) Each and every opportunity the customer has to interact with the company and/or its brands or have an encounter or experience with it is
- A) a service point.
 - B) an inference point.
 - C) a reference point
 - D) a touch point.
 - E) a display point.

- 114) According to Tom Duncan's basic categories of contact or touch points, which term best describes planned marketing communication messages created by an organization such as advertisements, websites and social media sites, apps, news/press releases, packaging, brochures, and sale promotions?
- A) channel-created touch points
 - B) unexpected touch points
 - C) company-created touch points
 - D) intrinsic touch points
 - E) customer-initiated touch points
- 115) According to Tom Duncan's basic categories of contact or touch points, which term best describes interactions that occur with a company or brand during the process of buying or using the product or service?
- A) intrinsic touch points
 - B) company-created touch points
 - C) unexpected touch points
 - D) customer-initiated touch points
 - E) distributive touch points
- 116) Which type of touch point relates to unanticipated references or information about a company or brand that a customer or prospect receives from sources that are beyond the control of the organization?
- A) company-created touch point
 - B) intrinsic touch point
 - C) user-created touch point
 - D) unexpected touch point
 - E) customer-initiated touch point

- 117) Gael goes to a large electronics retailer to get information on an upcoming laptop purchase. He discusses his purchase with a retail salesperson who is not under the direct control of the laptop manufacturer. Which of the four basic categories of touch points does the retail salesperson represent?
- A) company-created touch point
 - B) planned touch point
 - C) intrinsic touch point
 - D) unexpected touch point
 - E) customer-initiated touch point
- 118) Aline calls a mobile phone store to inquire about a new phone available in the market. The customer service operator sends her an e-mail with the product details along with other specifications Aline requested. Which type of touch point is illustrated in this scenario?
- A) company-created touch point
 - B) intrinsic touch point
 - C) extrinsic touch point
 - D) unexpected touch point
 - E) customer-initiated touch point
- 119) A company is looking at touch point channels where it can use its media budget to leverage its target audience through social media ads, online banner ads, and video ads. This type of media is called
- A) paid media.
 - B) brand media.
 - C) owned media.
 - D) advertising media.
 - E) earned media.

- 120) Eye to Eye Interiors has been successful with its website. Now the company is posting a weekly YouTube lesson on easy home makeovers and DIY tips and has reached out to its customer base, encouraging them to follow the company on Instagram. Eye to Eye Interiors is using
- A) paid media.
 - B) brand media
 - C) owned media.
 - D) advertising media.
 - E) earned media.
- 121) Evaline Enterprises is working with Millennium Marketing to develop a promotional plan. Millennium is documenting where Evaline has been as a brand and its current position in the market. Millennium has also held brainstorming sessions with Evaline's leaders to identify where the company intends to be in the next three years and how it anticipates getting there. Millennium Marketing is creating
- A) a promotional plan.
 - B) a marketing plan.
 - C) a promotional program.
 - D) a communication plan.
 - E) a marketing program.
- 122) A flooring company is reviewing its media-mix options to reach its target audience for cost effectiveness. The company has created a series of goals for sales, market share, and profitability. This company is writing
- A) a marketing plan.
 - B) communication objectives.
 - C) marketing objectives.
 - D) a communication plan.
 - E) a marketing program.

- 123) Myers Group is developing goals for its promotional program to take the company through the next three years. Myers plans to create awareness of image and further define the attitudes and preferences of its current and potential customer base. Myers Group is writing
- A) a marketing plan.
 - B) communication objectives.
 - C) marketing objectives.
 - D) a communication plan.
 - E) a marketing program.
- 124) How does the integrated marketing communications (IMC) plan approach differ from traditional approaches to promotion?
- A) IMC puts more emphasis on advertising and less on sales promotion.
 - B) IMC puts more emphasis on sales promotion and less on public relations and publicity.
 - C) IMC recognizes that marketers must be able to use a wide range of marketing and promotional tools to present a consistent image to target audiences.
 - D) IMC places barriers around the various marketing and promotional functions and requires that they be planned and managed separately.
 - E) IMC predominately makes use of mass-media communications in order to attract and retain customers.
- 125) _____ involves the process for planning, executing, evaluating, and controlling the use of various promotional-mix elements to effectively reach target audiences.
- A) Marketing information system management
 - B) Integrated marketing communications management
 - C) Customer relationship management
 - D) Differential communications management
 - E) Communications process accounting
- 126) The first step in the IMC planning process is the
- A) analysis of the communication process.
 - B) determination of a budget.
 - C) review of the marketing plan.
 - D) development of an advertising message.
 - E) distribution of sales promotion materials.

- 127) Typically, a marketing plan includes
- A) a corporate mission statement.
 - B) individual job specifications.
 - C) a media schedule.
 - D) a detailed situation analysis.
 - E) articles of incorporation.
- 128) The stage of the IMC planning process that comes immediately after the overall marketing plan is reviewed is the
- A) integration and implementation of marketing communications strategies.
 - B) development of marketing job descriptions.
 - C) promotional program situation analysis.
 - D) budget determination.
 - E) analysis of market forecasts.
- 129) According to an integrated marketing communications planning model, which activity is best associated with the review of the marketing plan step?
- A) integrating promotional mix strategies
 - B) analyzing source, message, and channel factors
 - C) assessing environmental influences
 - D) setting direct-marketing objectives
 - E) purchasing media time and space
- 130) According to an integrated marketing communications planning model, which activity is best associated with the step “integrate and implement marketing communications strategies”?
- A) purchasing media time and space
 - B) analyzing source, message, and channel factors
 - C) allocating tentative budgets
 - D) identifying niche market segments
 - E) establishing communication goals and objectives

- 131) According to an integrated marketing communications planning model, which activity is best associated with the step “analysis of promotional program situation”?
- A) developing selling roles and responsibilities
 - B) setting advertising objectives
 - C) analyzing consumer behavior
 - D) purchasing media time and space
 - E) setting a tentative marketing communications budget
- 132) According to an integrated marketing communications planning model, which activity is best associated with the step “analysis of communications process”?
- A) allocating tentative budgets
 - B) analyzing source, message, and channel factors
 - C) competitive analysis
 - D) designing and implementing direct-marketing programs
 - E) external analysis
- 133) According to an integrated marketing communications planning model, which activity is best associated with the step “developing integrated marketing communications program”?
- A) examining overall marketing plan and objectives
 - B) internal analysis
 - C) analyzing receiver’s response processes
 - D) determining advertising budget
 - E) external analysis
- 134) Which of the following is an area of focus in an internal analysis?
- A) product/service offering
 - B) positioning strategies
 - C) competitors
 - D) market segments
 - E) consumer buying patterns

- 135) Which outcome would *most likely* be a result of an internal analysis?
- A) A company determines that it is not capable of implementing and managing certain areas of the IMC program.
 - B) A company determines that the growth potential of the market has diminished.
 - C) A company finds that consumer behavior patterns are in line with its product offerings.
 - D) A company identifies that there are three major competitors trying to capture the same market share as it is.
 - E) A company is happy to learn that its brand is perceived favorably by consumers.
- 136) Which question is a firm likely to ask during an external analysis?
- A) What are the strengths and weaknesses of our product or service?
 - B) Who influences the decision to buy our product?
 - C) How does our product or service compare with competition?
 - D) What are our product's key benefits?
 - E) Does our product have unique selling points?
- 137) Which outcome would *most likely* be a result of an external analysis?
- A) A company determines that it is not capable of implementing and managing certain areas of the IMC program.
 - B) A company realizes that its advertising campaign has produced a negative image of the company.
 - C) A company's sponsorship of a local charity event has garnered positive reactions from its customer base.
 - D) A company identifies that its product packaging does not allow it to stand out from competitors.
 - E) A company learns that its position as leader in the marketplace has fallen.
- 138) Once marketing and communication objectives have been set, what is the next stage in the IMC planning process?
- A) budget determination
 - B) developing the advertising message
 - C) reviewing the marketing plan
 - D) recruitment of marketing and promotion personnel
 - E) development of the IMC program

- 139) The development of the advertising message that the marketer wants to convey to its target audience is called the
- A) creative strategy.
 - B) media strategy.
 - C) distribution strategy.
 - D) channel strategy.
 - E) user strategy.
- 140) _____ involves determining which communication channels will be used to deliver the advertising message to the target audience.
- A) Media strategy
 - B) Creative strategy
 - C) Reactionary strategy
 - D) Intrinsic strategy
 - E) User strategy
- 141) What is the final stage in the integrated marketing communications (IMC) planning process?
- A) reviewing the marketing plan and situation analysis
 - B) determining the promotional budget
 - C) monitoring, evaluating, and controlling the promotional program
 - D) developing the integrated marketing communications program
 - E) determining the media strategy
- 142) The final stage of the integrated marketing communications (IMC) planning process involves
- A) deciding the role of each promotional-mix element.
 - B) determining the importance of each promotional-mix element.
 - C) finding out the coordination between all of the promotional-mix elements.
 - D) monitoring, evaluating, and controlling the promotional program.
 - E) performing activities to implement the promotional program.

- 143) Capria is assessing the strengths and weaknesses of her brand from an image perspective. She is in which stage of the integrated marketing communication planning process?
- A) internal analysis
 - B) external analysis
 - C) communication process analysis
 - D) communication objectives
 - E) budget determination
- 144) Factors including needs and wants, expectations, and personal preferences, as well as subjective factors such as style, design, and brand image help consumers determine the _____ of a product or service.
- A) price
 - B) longevity
 - C) suitability
 - D) value
 - E) promotion
- 145) Over the past decade, many companies and brands have added which of the following to their integrated marketing communication strategy?
- A) personal selling
 - B) social media influencers
 - C) public relations
 - D) direct marketing
 - E) sales promotion
- 146) Which of the following is considered a traditional media channel?
- A) computers
 - B) smartphones
 - C) magazines
 - D) connected TVs
 - E) tablets

- 147) Which of the following is true about today's business-to-business (B2B) marketing?
- A) B2B marketers are using approaches such as storytelling and humor.
 - B) B2B marketers continue to use a traditional mix of IMC tools.
 - C) B2B marketing is restricted to social media.
 - D) B2B marketers have needed to move away from creativity to ensure clarity.
 - E) B2B marketing is restricted to traditional media like print advertising.
- 148) Mondelēz International food manufacturer recently chose to promote its new OREO Space Dunk cookie only on Instagram and Tik Tok with online ads on Amazon, Target, and Walmart. This marks a shift in advertising dollars toward _____ media.
- A) traditional
 - B) social
 - C) digital
 - D) paid
 - E) earned

Answer Key

Test name: Chapter 01

- 1) C
- 2) A
- 3) D
- 4) B
- 5) D
- 6) C
- 7) D
- 8) B
- 9) C
- 10) D
- 11) B
- 12) D
- 13) C
- 14) C
- 15) B
- 16) B
- 17) C
- 18) D
- 19) B
- 20) E
- 21) A
- 22) D
- 23) C
- 24) C
- 25) E
- 26) D
- 27) B
- 28) E
- 29) C
- 30) D
- 31) B
- 32) A
- 33) B
- 34) B
- 35) E
- 36) D
- 37) B

- 38) D
- 39) B
- 40) A
- 41) A
- 42) D
- 43) C
- 44) D
- 45) A
- 46) A
- 47) D
- 48) A
- 49) C
- 50) D
- 51) A
- 52) D
- 53) C
- 54) D
- 55) C
- 56) D
- 57) B
- 58) B
- 59) B
- 60) C
- 61) A
- 62) E
- 63) D
- 64) C
- 65) C
- 66) D
- 67) C
- 68) A
- 69) C
- 70) A
- 71) A
- 72) C
- 73) E
- 74) C
- 75) B
- 76) D
- 77) B

- 78) D
- 79) C
- 80) D
- 81) D
- 82) A
- 83) A
- 84) B
- 85) B
- 86) E
- 87) A
- 88) D
- 89) C
- 90) C
- 91) C
- 92) B
- 93) B
- 94) C
- 95) B
- 96) E
- 97) B
- 98) C
- 99) D
- 100) A
- 101) D
- 102) C
- 103) E
- 104) C
- 105) E
- 106) B
- 107) E
- 108) D
- 109) E
- 110) D
- 111) B
- 112) E
- 113) D
- 114) C
- 115) A
- 116) D
- 117) C

- 118) E
- 119) A
- 120) C
- 121) B
- 122) C
- 123) B
- 124) C
- 125) B
- 126) C
- 127) D
- 128) C
- 129) C
- 130) A
- 131) C
- 132) B
- 133) D
- 134) A
- 135) A
- 136) B
- 137) E
- 138) A
- 139) A
- 140) A
- 141) C
- 142) D
- 143) A
- 144) D
- 145) B
- 146) C
- 147) A
- 148) C

CHAPTER 1

AN INTRODUCTION TO INTEGRATED MARKETING COMMUNICATIONS

Chapter Overview

The purpose of this opening chapter is to provide students with an overview of the field of advertising and promotion and its role in the marketing process. It introduces the concept of integrated marketing communications (IMC), its evolution, and examines how various marketing and promotional elements must be coordinated to communicate effectively. We also discuss the reasons for the growing importance of the IMC perspective in planning and executing advertising and promotional programs. Marketers understand the value of strategically integrating various communication functions rather than having them operate autonomously. The move to integrated marketing communications also reflects an adaptation by marketers to a changing environment, particularly with respect to consumers, technology, and media. The various elements of the promotional mix are introduced in this chapter along with a brief discussion of these basic tools of IMC. We discuss how many companies are taking an audience contact or touch point perspective in developing their IMC programs and examine four basic categories of touch points. This chapter also examines the various tasks and responsibilities involved in advertising and promotion management, and a model of the integrated marketing communications planning process is presented. Lastly, we give an overview of the perspective and organization of the rest of the text.

Learning Objectives

- 1-1. Describe the role of advertising and other promotional elements in marketing.
- 1-2. Discuss the evolution of the integrated marketing communications (IMC) concept.
- 1-3. Explain the increasing value of the IMC perspective in advertising and promotional programs.
- 1-4. Identify the elements of the promotional mix.
- 1-5. Identify the contact points between marketers and their target audiences.
- 1-6. Describe the steps in the IMC planning process.

Chapter and Lecture Outline

I. INTRODUCTION TO ADVERTISING AND PROMOTION

The chapter begins with a brief discussion of the changing roles of advertising and promotional strategy in modern marketing. Specifically, it offers a case study about marketing approaches in the footwear and apparel market. The case discusses a market dominated by brands including Nike, Adidas, Puma, Brooks, and Saucony. A new Switzerland-based market entrant, On, positioned itself as a premium footwear and lifestyle brand. Its tactics attract new users to the premium sneaker and lifestyle brand and convert consumers from other brands. Instructors should discuss how the roles of advertising and other forms of marketing communication are changing. Increases in audience fragmentation and a shift to digital media have spearheaded this change in brand/consumer communication. Consumers are no longer passive message recipients who wait to receive unfiltered advertising messages. They want more control of the content they receive and actively seek out more information. Brands must be willing to adapt their strategies, moving away from solely an advertising focus to a holistic approach that attempts to engage consumers in a conversation: an IMC approach. Instructors should also stress the difference between IMC, advertising, and public relations.

II. THE GROWTH OF ADVERTISING AND PROMOTION

Advertising and promotion are integral parts of our social and economic systems. Advertising has evolved into a vital communication system for both consumers and businesses. In market-based economies, consumers rely on advertising and other forms of promotion to provide them with information they can use in making purchase decisions. Corporations rely on advertising and promotion to help them market their products and services.

Evidence of the increasing importance of advertising and promotion in the marketing process comes from the growth in expenditures in these areas over the past decade. In 1980, U.S. spending in advertising was \$53 billion, more than 90 percent (\$49 billion) was spent on sales promotion. In 2022, \$330 billion was spent on advertising. Of that, \$129 billion was spent on traditional advertising media such as TV, radio, magazines, newspapers, and out of home (OOH). Digital/online advertising accounted for the other \$201 billion. Billions more are spent by both domestic and foreign companies in other promotional areas such as direct marketing, event sponsorship, interactive marketing, sponsorships, consumer and trade promotions, and public relations efforts. The substantial growth in expenditures for advertising and promotion reflects the expansion of the U.S. and global economies. Expansion-minded marketers are taking advantage of growth opportunities in various regions of the world and leveraging integrated marketing opportunities through methods such as event sponsorship and the Internet.

Particularly noteworthy is the increase in the marketing communications dollars spent online. For the first time ever, in 2019, digital ad dollars in the U.S. surpassed those dollars spent on traditional advertising media. Specifically, 54 percent of advertising dollars in the United States went to digital advertising efforts while 46 percent went to traditional advertising media. By 2022, digital advertising accounted for nearly two-thirds of all advertising spending. The increase in digital advertising resulted largely from spending in print versions of magazines and newspapers as well direct mail—with the largest digital ad category being paid search on search engines. These upward trends in ad spending, and particularly digital ad spending, are seen globally, although U.S. advertising spending accounts for 40 percent of the world's advertising expenditures.

III. THE ROLE OF MARKETING

Many students may already have taken a marketing course; however, it might still be helpful to start with the definition marketing to emphasize that it involves more than just selling or other promotion functions. For more than two decades, the American Marketing Association, the association that represents marketing professionals in the United States and Canada, defined **marketing** as:

the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.

The above definition of marketing focused on **exchange** as a central concept in the range of activities involved in the marketing process. Many experts argue that *exchange* is the core phenomenon or domain for study in marketing. A discussion on exchange can emphasize the nature of exchange and what is needed for this process to occur, including two or more parties with something of value to one another; a desire and ability to give up their something of value to the other party; and a way for the parties to communicate with one another.

In 2007, the AMA adopted a revised definition of marketing:

Marketing is the activity, set of institutions, and processes for creating, communicating, and delivering exchange offerings that have value for customers, clients, partners and society at large.

This definition of marketing is more reflective of the role of nonmarketers in the marketing process. It also focuses on the essential role marketing plays in developing and sustaining consumer relationships and delivering *value* to them.

Value is the customer's perception of all benefits of a product or service relative to all costs of acquiring and using it. Benefits can be functional (related to performance), experiential (relating to feelings associated like to use the product), or psychological (feelings that result from owning a particular brand). Costs include the money paid for the product or service, other factors such as acquiring information, making the purchase, learning how to use a product or service, maintaining it, and eventually disposing of it.

- A. The Marketing Mix—The four elements of the **marketing mix** (product, price, place, and promotion) can be introduced, and the importance of effectively coordinating these elements into a marketing program that facilitates exchange with a target audience should be noted. The instructor should point out that while this course focuses on the promotion element of the marketing mix, the promotional program must be part of a viable marketing strategy and coordinated with other marketing mix variables. This leads into a discussion of the concept of integrated marketing communications.

IV. INTEGRATED MARKETING COMMUNICATIONS

- A. The Evolution of IMC—In the past, many marketers built strong barriers around the various marketing and promotional functions, planning and managing them separately with different budgets, market views, goals, and objectives; however, in the 1980s, many companies began moving toward the concept of integrated marketing communications (IMC), and a more strategic integration of its promotional tools. As marketers embraced the concept of IMC, they began asking their advertising agencies to coordinate the use of a variety of promotional tools rather than relying primarily on media advertising. Several companies began looking beyond traditional advertising

agencies, using other types of promotional specialists to develop and implement various components of their promotional plans. As the advertising industry recognized that IMC was more than just a passing trend, terms such as *new advertising*, *orchestration*, and *seamless communication* were used to describe the concept of integration.

In 1989, a task force from the American Association of Advertising Agencies (4As) developed one of the first definitions of **integrated marketing communications (MC)** defining it as:

a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines—for example, general advertising, direct response, sales promotion, and public relations—and combines these disciplines to provide clarity, consistency, and maximum communications impact.

Integrated marketing communications calls for a “big picture” approach to planning marketing and promotion programs and coordinating communication functions. With this integrated approach, *all* of a company’s marketing and promotional activities should project a consistent and unified image to the marketplace. However, advocates of IMC argue for an even broader perspective that considers *all sources of brand or company contact* that a customer or prospect has with a company, product, or service.

An example of this unified communication approach is provided by Montblanc, a luxury leather goods, technology, watch, and other accessories. The brand recognizes that each interaction consumers have with it serves as an opportunity to deliver on its brand promise of quality products, to strengthen customer relationships, and deepen loyalty. For example, Montblanc’s IMC approach in its global “Mark Makers” campaign is designed to celebrate those who live by intuition rather than rules. The campaign emphasizes its core belief that everyone can make a meaningful contribution while advancing knowledge and following their inspiration. It showcases celebrities associated with artistry and creativity as brand ambassadors, and utilizes print, digital, and social media to convey the brand’s message. This example highlights the advertising industry’s recognition that a broader perspective of the advertising discipline was needed to involve a more strategic perspective that would open up more opportunities for brands to engage with consumers.

- B. A Contemporary Perspective of IMC—As IMC evolves and marketers develop a better understanding of the concept, they are recognizing that it involves more than just coordinating the elements of marketing and communications program to reflect “one look, one voice.” IMC is being recognized as a business process that helps companies identify the most appropriate and effective methods for communicating and building relationships with customers and other stakeholders. Don Schultz of Northwestern University, one of the major proponents and thought leaders in the area, developed a new definition of IMC:

Integrated marketing communications is a strategic business process used to plan, develop, execute and evaluate coordinated, measurable, brand communications programs over time with consumers, customers, prospects, employees, associates and other targeted relevant external and internal audiences. The goal is to generate both short-term financial returns and build long-term brand and shareholder value.

This definition views IMC as an ongoing strategic business process rather than just tactical integration of various communication activities. It also recognizes that there are a number of relevant audiences that are an important part of this process beyond just customers such as prospects, suppliers, investors, interest groups, and the general public. This definition illustrates the growing emphasis being placed on accountability and measured outcomes of marketing communication programs.

- C. Reasons for the Growing Importance of IMC—There are a number of reasons why marketers are adopting the concept of IMC. A fundamental reason is that they recognize the value of strategically integrating the various communication functions rather than having them operate autonomously, taking advantage of synergy among promotional tools. The move also reflects an adaptation by marketers to a changing environment, particularly with respect to consumers, technology, and media consumption behavior. One of the major developments that has led to the adoption of IMC is the fragmentation of media and the shift from mass to *micromarketing*. The IMC movement is also being driven by a “marketing revolution” that is changing the ways companies market their products and services. Major changes in the media landscape driving this change include:

- Audiences are more fragmented than ever before, leaving media planners and buyers with much more difficult decisions to make when it comes to ad placement.
- Over the past decade, more households have been “cutting the cord” from traditional cable services in favor of video streaming alternatives. Faster Internet connections and an abundance of video streaming devices are contributing to the decline of subscribers to cable and satellite services.
- The Internet has become the leading advertising medium, with online versions of nearly every magazine, newspaper, and television and radio station, as well as millions of websites that cater to very specific interests of consumers.
- Advertisers can use the Internet a more precisely and targeted way than traditional media.

- D. Challenges Impacting IMC—While IMC has become widely accepted as a strategic business process for brand communications, marketers face many challenges in implementing it. A major challenge is the proliferation of nontraditional media, coupled with the changing media consumption behavior of consumers. Today’s consumers are no longer just recipients of messages or media content but can in fact control, create, influence, recreate, alter, and engage in shaping content across platforms and communication channels. In the digital age, the consumer is in control of the integration process.

Marketers are also challenged by consumers who are less responsive to and actively seek to avoid their advertising messages. Younger consumers are especially skeptical of advertising. In addition, the advertising industry, as well as online publishers such as newspapers, magazines, blogs, and others, is concerned about the impact of ad blockers on digital advertising.

The IMC movement is being reshaped by fundamental changes in how companies market their products and services and an ongoing marketing revolution. Most agencies recognize that their future success depends on their ability to develop and place advertising messages in a rapidly evolving field of digital marketing, including social media and mobile marketing.

- E. **The Role of IMC in Branding**—One of the major reasons for the growing importance of integrated marketing communications over the past decade is that it plays a major role in the process of developing and sustaining brand identity and equity. *Brand identity* is a combination of many factors including the name, logo, symbols, design, packaging, and performance of a product or service and the associations that consumers form about a brand. It is the sum of all points of contact that consumers have with a brand, including all forms of integrated marketing communication used by a company. Figure 1–1 shows the world’s 10 best global brands from the 2024 Interbrand rankings.

The relationship between brands and their customers has become increasingly complex. Companies value chain is more visible, and consumers often select brands based on companies’ social, economic, and environmental policies. **Sustainability**, referred to as development that meets the needs of the current generation without compromising the ability of future generations to meet their needs, has become a major concern for both consumers and corporations.

Marketers are recognizing that many consumers evaluate them based not only on their support of the environment but on their positions on social, political, and economic issues and often factor this into purchase decisions. This has led to an increase in **brand activism**, which involves a company or brand taking a stand and engaging in efforts to promote social, political, economic, or environmental reform to help drive change in order to improve society. See Ethical Perspective 1–1 for a further discussion of brand activism.

V. THE PROMOTIONAL MIX: THE TOOLS FOR IMC

Promotion is defined as the coordination of all seller-initiated efforts to set up channels of information and persuasion to sell goods and services or promote an idea. Promotion is best viewed as the communication function of marketing. The discussion of integrated marketing communications should point out how other marketing elements, such as brand name, package design, price, or retail outlets, implicitly communicate with consumers. However, most of an organization’s communication with the marketplace takes place through a carefully planned and controlled promotional program which utilizes elements of the promotional mix. The **promotional mix** is defined as the basic tools or elements that are used to accomplish an organization’s objectives. The role and function of each promotional mix element in the marketing program can be discussed with its advantages and limitations.

- A. **Advertising**—Any paid form of nonpersonal communication about an organization, product, service, or idea by an identified sponsor.

Each element of this definition is described in the text. It would be beneficial for instructors to break down the definition for students. Advertising is a *paid* form of communication, meaning that it is almost always purchased (except for PSAs). The *nonpersonal* element indicates that advertising involves mass media that transmit a message to a large group of people at the same time with little to no opportunity for immediate feedback. Advertising is done for organizations, products, services, and ideas and is typically most beneficial for products and services targeted at a mass consumer audience. Finally, advertising comes from an identified sponsor.

Advantages:

- Cost-effective way for communicating, particularly with large audiences.
- Ability to create images and symbolic appeals and for differentiating similar products and services.
- Valuable tool for creating and maintaining brand equity.
- Ability to strike responsive chord with audience through creative advertising.
- Opportunity to leverage popular advertising campaigns into successful IMC programs which can generate support from retailers and other trade members.
- Ability to control the message (what, when, and how something is said and where it is delivered).

Disadvantages:

- Cost of producing and placing ads can be very high, particularly television commercials.
- Can be difficult to determine the effectiveness of advertising.
- Credibility and image problems associated with advertising.
- Vast number of ads has created clutter problems and consumers are not paying attention to much of the advertising they see and/or hear.

The nature and purpose of advertising differ from one industry to another and across various situations, as does its role and function in the promotional program. The common classifications of advertising to the consumer market include national, retail, local, and primary versus selective demand advertising. Classifications of advertising to the business and professional market include business-to-business, professional, and trade advertising. These classifications are described in Figure 1–4.

- B. **Direct Marketing**—A system of marketing by which organizations communicate directly with target customers to generate a response or a transaction. Direct marketing has not traditionally been considered an element of the promotional mix. However, because it has become such an integral part of the integrated marketing communications program of many organizations, this text views it as a component of the promotional mix.

Advantages:

- Changes in society (two-income households, greater use of credit) have made consumers more receptive to the convenience of direct marketed products.
- Direct marketing allows a company to be very selective and target its marketing communications to specific customer segments.
- Messages can be customized to meet the needs of specific market segments.
- Effectiveness of direct marketing efforts is easier to assess than other forms of promotion.
- Many companies now have extensive databases that can be used to target current and prospective customers, particularly through digital media.

Disadvantages:

- Unsolicited mail and phone calls bombard consumers and businesses making them less receptive to direct marketing.
- Direct marketing suffers from an image problem.
- Too many direct marketing messages create clutter as message compete for consumers' attention.

One of the major tools of direct marketing is **direct response advertising**. This is when an ad promoting a product is promoted, encourages consumers to purchase the product directly from manufacturers. Direct mail, television, and Internet advertising are the primary platforms used by direct response ads. Some companies that distribute their products through traditional distribution channels or operate their own sales forces also utilize **omnichannel retailing**, meaning the company products are sold through multiple distribution channels including retail stores, online, catalogs, and mobile apps. This type of strategy uses a combination of offline and online channels to influence customers' shopping experience and often involves the use of direct marketing tools as part of the IMC mix.

- C. Digital/Internet Marketing—Digital media, specifically **interactive media**, allow for a two-way flow of communication whereby users can participate in and modify the information they receive in real time. The major interactive medium is the Internet, which is a global collection of computer networks linking public and private computer systems. While the most prevalent perspective on the Internet is that it is an advertising medium, it can be used for other elements of the promotional mix as well, including sales promotion, direct marketing, and public relations.

The proliferation of the Internet has also given rise to the development and growth of social media. **Social media** are online means of communication and interactions among people that are used to create, share, and exchange content such as information, insights, experiences, perspectives, and media. Nearly three-quarters of Americans have a social media profile with social media usage being highest among young adults (18–29). For many years, consumers accessed the Internet and even social media through their personal computers, but with the growth of smartphones and tablets, many consumers shifted to the use of mobile devices to access the Internet and social media. This has led to a rapid growth in **mobile marketing**, whereby marketing messages are designed for and sent directly to these devices. Mobile advertising spending reached nearly \$137 billion in 2022, and now accounts for more than two-thirds of digital advertising spending. Digital and Social Media Perspective 1–1 discusses the dependence of the media on revenue from advertising and how this business model is being challenged.

Advantages:

- The Internet can be used for a variety of integrated marketing communication functions including advertising, direct marketing, sales promotion, public relations, and selling. The Internet is also the foundation for social media sites such as Facebook and X (formerly Twitter), which are becoming an integral part of many marketers' IMC programs, as well as mobile marketing.
- Messages can be tailored to appeal to the specific interests and needs of the target audience.

- The interactive nature of the Internet leads to a higher degree of customer involvement when customers are visiting a website.
- The Internet makes it possible to provide customers with a great deal of information regarding product and service descriptions and specifications, purchase information and more. Information provided by marketers can be updated and changed continually.
- The Internet has tremendous creative potential, as a well-designed website can attract a great deal of attention and interest among customers and be an effective way to generate interest in a company as well as its various products and services.

Disadvantages:

- The Internet is not yet a complete mass medium, as some U.S. households do not have access to the Internet and many do not have broadband access. In some countries, this percentage is much higher.
- Many consumers do not pay attention to banner ads leading to low click-through rate.
- A great deal of clutter on the Internet makes it difficult for advertising messages to be noticed.

- D. **Sales Promotion**—Marketing activities that provide extra value or incentive to the sales force, distributors, or the ultimate consumer can stimulate immediate sales. Sales promotion is generally broken into two major categories: consumer-oriented and trade-oriented activities. *Consumer-oriented sales promotions* are targeted to the ultimate user of a product or service (i.e., coupons, sampling, premiums, rebates, contests, sweepstakes). *Trade-oriented sales promotion* is targeted toward marketing intermediaries (i.e., wholesalers, distributors, and retailers). Examples of this include price deals, merchandising allowances, and trade shows.

Advantages:

- Provides extra incentive to consumers or middlemen to purchase or promote a brand.
- Way of appealing to price-sensitive consumers.
- Way of generating extra interest in a product or ad.
- Effects can often be more directly measured than those of advertising.
- Can be used as a way to build or reinforce brand equity.

Disadvantages:

- Many companies are becoming too reliant on sales promotion and focusing excessively on short-run marketing planning and performance.
- Many forms of sales promotion do not help set up or reinforce brand image and short-term sales gains are often achieved at the expense of long-term brand equity.
- Problems with sales promotion clutter as consumers are inundated with too many coupons, contests, sweepstakes, and other promotional offers.
- Consumers may become over-reliant on sales promotion incentives which can undermine the development of favorable attitudes and brand loyalty.

- In some industries, promotion wars may develop whereby marketers' sales promotion incentives extensively, which results in lower profit margins and makes it difficult to sell products at full price.

It is important to distinguish between *promotion* and *sales promotion*, as the two terms relate to different marketing concepts. In this text, the term *promotion* refers to the element of the marketing mix through which firms communicate with their customers. However, many marketing and advertising practitioners use the term promotion in reference to sales promotion activities. The term promotion is used in its broader sense. When discussing *sales promotion* activities, the term refers specifically to one element of the promotional mix.

E. Publicity/Public Relations

1. **Publicity**—Nonpersonal communication about an organization, product, service, or idea that is neither directly paid for nor sponsored. Examples include news stories, editorials, and announcements about an organization or its products and services.
2. **Public Relations**—A strategic communication process that builds mutually beneficial relationships between organizations and their publics.

The distinction should be made between publicity and public relations, noting that public relations generally has a broader objective than publicity. The purpose of Public Relations is to establish and maintain a positive image of the company among its various audiences such as employees, consumers, and the community. Publicity is an important communications technique used in public relations; however, other tools may also be used. Public Relations has become an integral part of many companies' IMC strategy. Additionally, a distinction should be made between advertising and publicity. While publicity involves nonpersonal communication to a mass audience, it is not paid for directly by the company. Instead, the company attempts to get the media to run favorable stories about them.

Advantages of publicity:

- Credibility of publicity is usually higher than other forms of marketing communication.
- Low-cost way of communicating.
- Often has news value and generates word-of-mouth discussion among consumers.

Disadvantages of publicity:

- Lack of control over what is said, when, where, and how it is said.
- Can be both negative and positive.

- F. **Personal Selling**—Direct person-to-person communication whereby a seller attempts to assist and/or persuade prospective buyers to purchase a company's product or service or act on an idea. Personal selling is the final element of an organization's promotional mix but is not a direct part of the IMC program of most companies and is often not in the control of the advertising or marketing communications manager.

Advantages:

- Direct contact between buyer and seller allows for more communication flexibility.
- Can tailor and adapt message to specific needs or situation of the customer.
- Allows for more immediate and direct feedback.
- Promotional efforts can be targeted to specific markets and customers who are best prospects.

Disadvantages:

- High cost per contact.
- Expensive way to reach large audiences.
- Difficult to have consistent and uniform message delivered to all customers.

VI. IMC INVOLVES AUDIENCE CONTACTS

The various promotional mix elements are the major tools that marketers use to communicate with current and/or prospective customers as well as other relevant audiences. Many companies are taking an *audience contact* or *touch point* perspective in developing their IMC programs whereby they consider all of the potential ways of reaching their target audience with their messages. A **touch point** is every opportunity the customer has to see or hear about the company and/or its brands or have an encounter or experience with it.

The various ways that a customer can come into contact with a company or brand are shown in Figure 1–5. It is the responsibility of those involved in the marketing communications planning process to determine how each of these contact tools can be used to communicate with the target audience and how they can be combined to form an effective IMC program. Tom Duncan notes that there are four basic categories of contact or touch points which include:

- *Company-created touch points* are planned marketing communication messages such as advertisements, websites, news/press releases, packaging, sales promotion offers, and point-of-purchase display.
 - *Intrinsic touch points* are interactions that occur with a company or brand during the process of buying or using a product or service such as discussion with retail sales personnel or customer service representatives. These are not always under the direct control of the marketing department or IMC program.
 - *Unexpected touch points* are unanticipated references or information about a company or brand that a customer or prospect receives that is beyond the control of the organization. This includes word-of-mouth messages as well as information from various media sources.
 - *Customer-initiated touch points* are interactions that occur whenever a customer or prospect contacts a company. These contacts often involve inquiries or complaints that must be handled properly by the company such as through customer service departments.
- A. Paid, Owned, and Earned Media—Another categorization of the various types of customer touch points that has become very popular is that of paid, owned, and earned media as shown in Figure 1–7. Marketers making effective use of IMC today will use a combination of all three forms of

media and must determine how valuable each of the various forms of media and contact tools are for communicating with their current and prospective customers and how these can best be combined for the creation of an effective IMC program.

- **Paid media** refers to channels a marketer pays to leverage and includes traditional advertising media such as television, radio, print, outdoor, and direct mail as well as various forms of digital advertising such as paid search and online display and video ads.
- **Owned media** refers to channels of marketing communication that a company controls, such as its websites, blogs, and mobile apps as well as social media channels such as Facebook, Twitter, Instagram, and YouTube.
- **Earned media** is exposure for a company or brand that it did not have to pay for and is generated by outside entities such as the media or the general public. Earned media has traditionally been viewed as exposure for a company or brand generated by its public relations/publicity efforts or through favorable word of mouth.

VII. THE IMC PLANNING PROCESS

Integrated marketing communications management is defined as the process of planning, executing, evaluating, and controlling the use of the various promotional-mix elements to effectively communicate with target audiences. It involves coordinating the promotional mix elements to develop a controlled and integrated program of effective marketing communication. It involves various decision areas such as:

- Which promotional tools to use and how to combine them effectively.
- Determining the size of and distributing the advertising and promotional budget.
- Determining the influence of various factors on the promotional mix including the type of product, target market, decision process of the buyer, stage of the product life cycle, and channels of distribution.
- What percentage of the budget should be allocated to advertising, sales promotion, the Internet, sponsorships, and personal selling.

This process is guided by the development of the **integrated marketing communications plan**, which provides the framework for developing, implementing, and controlling an organization's IMC program and activities. At this point, it is helpful to go through the Integrated Marketing Communications Planning Model presented in Figure 1–8 of the text.

The steps in the Integrated Marketing Communications Planning Model include:

- A. **Review of the Marketing Plan**—The first step in the IMC planning process is to review the **marketing plan**, which is a document that describes the overall marketing strategy and programs developed for an organization, a product/service line, or an individual brand. The marketing plan generally includes five basic elements: (1) a detailed situation analysis, (2) specific marketing objectives, (3) a marketing strategy that includes selection of target market(s), (4) a program for implementing the marketing strategy, and (5) a process for monitoring and evaluating performance.

- B. **Promotional Program Situation Analysis**—After the development of the marketing plan, a situation analysis is conducted to assess the factors that influence or are relevant to the development of the promotional strategy. This includes both an internal and external analysis.
1. **Internal analysis**—Assesses relevant areas involving the product/service offering and the firm itself. This involves assessing the company's performance, the strengths and weaknesses of the company as well as its products, and reviewing their previous promotional efforts.
 2. **External analysis**—Focuses on factors such as characteristics of the firm's customers, market segments, positioning strategies, and competitors. Figure 1–9 outlines the important questions to address in both an internal and external analysis.
- C. **Analysis of the Communication Process**—This involves determining how the company can effectively communicate with customers in the target market. An important part of this stage of the IMC planning process is developing communication objectives which refer to what the firm seeks to accomplish with its promotional program. It is also important during this stage to establish communication goals and objectives. Distinguish with students the difference between marketing objectives and communication objectives.
- Marketing objectives** are what is to be accomplished by the overall marketing program. Often stated in terms of sales, market share, or profitability.
- Communication objectives** are what the firm seeks to accomplish with its promotional program. Often stated in terms of the nature of the message to be communicated or what specific communication effects are to be achieved.
- D. **Budget Determination**—Two basic issues must be addressed with regard to the IMC budget while keeping in mind what needs to be done to accomplish communication objectives:
- How much money will be spent on marketing communication.
 - How the money will be allocated across different media, geographic markets, and time periods.
- E. **Developing the Integrated Marketing Communications Program**—The most involved and detailed part of the promotional planning process occurs at this stage as decisions have to be made regarding the role and importance of each IMC tool and their coordination with one another. Each IMC tool has its own set of objectives, budget, messaging, and media strategy as shown in Figure 1–8. These include:
- Advertising message and media strategy and tactics.
 - Direct marketing message and media strategy and tactics.
 - Digital/Internet Marketing message and media strategy and tactics.
 - Sales promotion message and media strategy and tactics.
 - Public relations/publicity strategy and tactics.
 - Personal selling—sales strategy and tactics.
- F. **Monitoring, Evaluation, and Control**—The final stage of the IMC planning process involves monitoring, evaluating, and controlling the promotional program. At this stage, the marketer should

be gathering feedback concerning how well the IMC program is working and whether it is meeting its objectives. It is important to note that information regarding the results achieved by the IMC program is used in subsequent promotional planning and strategy development.

PERSPECTIVE AND ORGANIZATION OF THIS TEXT

In the contemporary business world, professionals must understand and use a variety of marketing communication tools, not just the ones in which they specialize. This text views advertising and promotion from an integrated marketing communications perspective and examines the promotional-mix elements and their roles in an organization's integrated marketing communications efforts. The purpose of this book is to provide a thorough understanding of the field of advertising and other elements of a firm's promotional mix and show how they are combined to form an integrated marketing communications program. It also examines special topic areas and perspectives that have become increasingly important in contemporary marketing.

Teaching Suggestions

This initial chapter is designed to provide the student with an overview of the field of advertising and promotion and a brief look at the role of IMC in the marketing process. The instructor should be careful not to go into an in-depth discussion of marketing since this is covered in detail in Chapter 2. You should introduce the concept of integrated marketing communications discuss its evolution, and note how this approach differs from more traditional perspectives of advertising and promotional planning. In this edition, we have provided an updated perspective of IMC which recognizes that it involves more than just coordinating the various elements into a "one look, one voice" approach. It is important to define the six elements of the promotional mix, discuss their role as marketing communication tools, their advantages and limitations. Note that our view of the elements of the promotional mix goes beyond the traditional communication tools of advertising, sales promotion, publicity/public relations, and personal selling, as we also include direct marketing and digital/Internet marketing as part of the mix. Direct marketing and digital/Internet have become major methods by which modern-day marketers communicate with their target audiences and we feel they are best viewed as distinct IMC tools.

You should also emphasize that there are a variety of ways by which customers come into contact with a company and/or its brands. There is a discussion of IMC involving audience contacts and Figure 1–5 of the text is an excellent way of showing the various contact tools. A discussion of the categorization of the type of contact points into paid, owned, and earned media is provided. When discussing these various types of contact points, you might use Figure 1–7 to explain what is included under each category such as what is in a company's ability to control or influence. It is important to review the various factors that underlie the adoption of an IMC approach to advertising and promotion by many companies. You might also spend some time discussing the pros and cons of IMC. Although we advocate the IMC approach in this text, the discipline is still evolving.

During an introductory lecture, there is latitude to discuss various issues and aspects concerning each promotional mix variable. For example, various perspectives regarding advertising such as its social and economic effect might be noted along with common complaints and criticisms of advertising. We do not suggest going into a detailed discussion of these charges at this early stage of the course. We feel that students are best able to evaluate and appraise various arguments for and against advertising and other promotional mix elements toward the end of the course.

We feel that it is important in either the first or second lecture to cover the integrated marketing communications planning model shown in Figure 1–8 in some detail. This text is built around this model and it provides the student with the “big picture” as to the decision sequence and various considerations involved in the development of an advertising and promotional program. It is also important to communicate to students that advertising and promotion management is a process. A great deal of internal and external analyses, as well as the coordination of the promotional mix elements, is required to develop an effective program of marketing communications that can be integrated into an organization’s overall marketing strategy and tactics.

Answers to Discussion Questions

- 1. Discuss the role of integrated marketing communications in the marketing program for On and how the company uses various IMC tools to compete in the athletic shoe and apparel market. (LO 1-2, 1-5)**

Using a coordinated IMC approach, On has carved a niche for itself even in an industry dominated by strong brands such as Nike and New Balance. On uses consistent messaging through social media, influencer partnerships with celebrities and athletes such as Zendaya and Roger Federer to build a strong following. The brand’s innovative culture stands out through unique product launches including CloudTec®, Light Spray technology, and bold designs. The brand appeals not only through performance but also lifestyle positioning. Furthermore, grassroots efforts like Athletics Clubs and “Dream Together” campaign brings consumers and brand together in a community spirit. On expands its reach through high-end fashion retailers like Bloomingdale’s and Nordstrom. Such coordinated use of IMC elements enables On to differentiate itself from industry players and position itself as among the leader in the field.

- 2. Evaluate the success of On in competing in the running shoe market against major brands such as Nike, Adidas, Asics, and others. What factors account for the strong growth of On running shoes? Do you think the company can continue to increase its market share in running shoes and apparel? Why or why not? (LO 1-1, 1-4, 1-5)**

Within the running shoe market segment, On has carved out a niche for itself by carefully distinguishing its positioning relating to a lifestyle and a performance brand. In comparison to the dominant brands such as Nike, ASICS, and Adidas, the Swiss brand On has successfully placed itself in the area within mid- to low-range performance that blends with premium lifestyle band. This unique positioning offers On an opportunity to appeal style conscious and community appeal. ASICS, on the other hand, primarily targets performance-focused serious runners with its highly specialized running shoes such as GEL-Kayano. Nike offers a broad range of shoes covering performance and lifestyle functionalities with models from Pegasus, Vaporfly to Air Force 1. Adidas could be visualized as a mid-range brand positioning itself between performance and comfort with models like Adizero and Supernova. The guiding philosophies of each of these brands also differ: ASICS runs with “Sound Body, Sound Mind,” while Nike reflects with its “Just Do It” empowering philosophy, and Adidas is guided by its “Own the Game” philosophy centering on versatility and empowerment. On has differentiates itself specializing on high-end lifestyle models with mid-range innovative technology focus such as CloudTec® and Light Spray.

3. Discuss the role integrated marketing communications plays in the marketing program of companies and organizations. Discuss how the use of the various promotional-mix tools has changed over the past decade and the factors driving these changes. (LO 1-1, 1-4)

Integrated marketing communications plays a critical role in the marketing program of most companies and organizations, as it provides a means to communicate with consumers and influence their purchase decisions. Unlike traditional advertising, IMC recognizes the value of using a variety of communication tools rather than relying primarily on media advertising, which might be supplemented with tactical promotions. IMC involves coordinating all of a company's promotional elements and marketing activities to deliver a consistent message to the target audience.

While traditional advertising relies primarily on ads through mass media to reach the target audience, IMC recognizes that consumers' perceptions of a company and its brands result from the bundle of messages or contacts they receive from the firm. The IMC approach ensures all of a company's marketing and promotional activities project a consistent, unified message and image to the market, while considering which elements of the promotional mix are most effective in communicating with the target audience.

There are many reasons why the IMC approach is becoming so popular among marketers. By coordinating their marketing communication efforts, companies can avoid duplication, take advantage of synergies among communication tools, and develop more efficient and effective marketing communication programs. The movement toward IMC is also being driven by shift of marketing dollars from media advertising to other forms of promotion, a move away from advertising-focused approaches (which rely on mass media such as television and magazines) to solve communication problems, a shift in marketplace power from manufacturers to retailers, the rapid growth of database marketing, increased demand for accountability from advertising agencies and the ways they are compensated, and the rapid growth of the Internet.

The growth of the integrated marketing communications (IMC) is driven by fundamental changes in the way companies market their products and services. Marketers and advertising agencies are increasingly adopting IMC and advocating for integration. Consumers are disengaged from traditional advertising, prompting marketers to explore alternative ways to reach their target audiences. The continued fragmentation of media markets and the rapid growth of interactive media and online services are creating new opportunities to engage with consumers. While IMC will continue to have its critics and may undergo some changes, it is unlikely the traditional system of advertising and mass media will dominate or function autonomously.

4. Why is it important for marketers to build and maintain a strong brand identity? Discuss how marketers use advertising and other IMC tools to build their brand identity. (LO 1-2, 1-3, 1-4)

Marketers have recognized a shift in consumers' media consumption. Consumers are increasingly moving away from traditional forms of media consumption in favor of online and digital experiences. With the proliferation of digital media, consumers are still passive viewers of media, but consumers are also actively engaged and content creators of media. Advertisers have shifted from primarily using push media (i.e., television, radio, newspapers) to pull media (websites, social media, and other sources where two-way dialogue can be initiated with consumers) to effectively reach consumers in the digital age. Additionally, with widespread and pervasive Internet access, consumers rely on mobile phones or other devices. There are more apps, websites, and social media platforms than ever before

where advertisers can attempt to engage with consumers. As consumers on these platforms, advertisers are constantly looking for ways to engage with them in these new ways. This trend will likely continue. Consumers who say they hate advertising likely just mean that they hate being yelled at by a brand and told what and how to think about things and what to buy. Advertisers will continue to pursue authentic communication experiences, increasingly occurring online.

5. Ethical Perspective 1–1 discusses how many companies are becoming involved in brand activism. Discuss the pros and cons of companies becoming involved with and/or taking a position on controversial social, economic, and political issues. (LO 1-1, 1-2)

For many companies and brands, neutrality is no longer an option. They must determine how to align their values with those of their customers, employees, and society at large. Staying ambivalent on controversial issues can be risky, particularly for brands targeting younger consumers. Studies show that young people around the world are growing up with a deeper sense of purpose than earlier generations and prefer companies and brands that directly support causes they care about.

Research shows that Millennials and Gen Z, important age cohorts for marketers given their size and spending power, gravitate toward brands that support their values, stand for a cause, and give back to the community. This represents the positive aspect of engaging with controversial social, economic, and political issues. However, some argue that the downside is that such corporate support could be a little more than a public relations stunt—inauthentic, opportunistic, imitative, or “woke washing”—which devalues such activism overall.

6. Discuss some of the ways technology is making it possible for consumers to avoid advertising messages and the impact this is having on the advertising and media industries. (LO 1-2, 1-3)

Since audiences are now empowered to control the kind of messages or content they want to receive—including where, when, and how they want them—the function of integrator has shifted from marketers to the consumers themselves and in the digital age, the consumer is in control of the integration process. Many consumers are turned off by advertising and other forms of marketing communication because they are tired of being bombarded with sales messages.

Younger consumers in the millennial and gen Z age cohorts (which include most college students) are particularly skeptical of advertising. Nearly all of this cohort have smartphones and are spending less time with traditional media. However, like other age cohorts, they are also actively seeking ways to avoid advertising messages, not only on television but online as well. They are installing ad blockers on their computers, tablets, and smartphones and skipping out of online ads as quickly as possible. The use of ad blockers is highest for personal computers but their use on mobile devices has nearly doubled over the past five years. The primary reasons consumers use ad blockers is that they feel websites are more manageable without banner ads, they wish to avoid irrelevant or offensive images/messages, and they have privacy concerns such as not wanting their online behavior tracked.

The advertising industry, along with online publishers such as newspapers, magazines, blogs, and online sites, is highly concerned about the impact of ad blockers on digital advertising-business. Companies that sell advertising space on their websites, apps, and social media sites are paid based on the number of people who see, watch, or click on the ads, so ad blockers have the potential to undermine their basic business model.

- 7. Digital and Social Media Perspective 1–1 discusses how many marketers are shifting their media spending from traditional media such as television to digital channels such as social media. Discuss reasons marketers are spending more on digital than traditional media? Do expect this trend to continue? How might traditional media such as television get marketers to allocate more of their advertising budgets back to them? (LO 1-4, 1-5)**

Netflix dominates the streaming market with 221 million subscribers worldwide including 75 million in the United States and Canada. Since the inception of its streaming service in 2007, Netflix had resisted offering an ad-supported tier as subscriber growth skyrocketed. But in 2022, Netflix announced that it would begin testing an ad-supported, lower-priced subscription tier. The announcement came after disclosing that it had lost 200,000 subscribers during the first three months of the year as a result of stiffer competition and rising inflation that was pressuring households to tighten their budgets.

Netflix made this move because it is concerned about ignoring a large customer segment which wants streaming but at a lower-priced tier. The move could make sense for Netflix's bottom line as analysts estimate that the company could generate \$1.2 billion in the United States alone by 2025. Time will tell if consumers stick with this level of ad-supported service or prefer to pay a higher amount for ad-free streaming.

- 8. What is meant by the categorization of touch points into paid, owned, and earned media? Choose a specific company or brand and discuss how it is using these three categories of media. (LO 1-5)**

Paid media refers to channels a marketer pays to leverage and includes traditional advertising media, such as television, radio, print, outdoor, and direct mail, as well as various forms of digital advertising, such as paid search and online display and video ads. Owned media refers to channels of marketing communication that a company controls, such as its websites, blogs, and mobile apps, as well as social media channels such as Facebook, X (formerly Twitter), Instagram, Snapchat, and YouTube. Earned media is exposure for a company or brand that it did not have to pay for and is generated by outside entities such as the media or the general public. Earned media has traditionally been viewed as exposure for a company or brand generated by its public relations/publicity efforts or through favorable word of mouth. However, with the growth of digital media, earned media now occurs online through social media and viral marketing efforts of marketers.

Students should be asked to choose a company or brand and analyze how it is using the three categories of touch points as part of its Integrated Marketing Communications (IMC) program. For example, add Nike example.

- 9. Why is it important for those who work in marketing to understand and appreciate all the various IMC tools and how they can be used effectively? (LO 1-5, 1-6)**

The roles of advertising and other forms of marketing communication are changing in the modern world of marketing. Today's marketers recognize that the rapidly changing media environment is making it increasingly difficult to reach their target audiences and communicate effectively with them. The fragmentation of markets, the decline of traditional media such as magazines and newspapers, the growth of the Internet and new forms of digital and social media, the emergence of global markets, economic uncertainties, and changing lifestyles and media usage patterns of consumers are all changing the ways companies market their products and services and communicate

with current and prospective customers. Developing marketing communications programs that are responsive to these changes is critical to the success of nearly every company that competes in the marketplace.

In the contemporary business world, individuals working in marketing, advertising, and other promotional areas are expected to understand and use a variety of marketing communication tools, not just the one in which they specialize. Although media advertising may be the most visible part of the communications program, understanding its role in contemporary marketing requires attention to other promotional areas such as the Internet and digital marketing, direct marketing, sales promotion, and public relations—not all the promotional-mix areas are under the direct control of the advertising or marketing communications manager. All departments must communicate with each other to coordinate all the organization's marketing communication tools.

- 10. Assume a company is developing an IMC plan for a new product that will compete in a specific category or segment of the beverage market. Discuss some of the factors that should be considered as part of an external analysis when developing the IMC plan. (LO 1-6)**

Information from a competitive analysis would be beneficial for a new beverage brand. The brand should consider direct and indirect competitors, what the new beverage offers that their competitors does not, how competitors are promoting themselves, how they can differentiate themselves in their marketing efforts, and how their marketing budget compares with competitors.

Additionally, the brand should analyze environmental factors that could impact the beverage's success. For example, would health trends in society potentially hurt the brand? Are there any policies on promoting certain beverages in certain places or in certain ways that the brand should be aware of? Finally, the brand must consider who customers are for their competitors, how consumers consider beverages, and how they make decisions in the beverage market.

Additional Discussion Questions (not shown in text)

- 11. Compare the definition of integrated marketing communications developed by Don Schultz with the original definition developed by the American Association of Advertising Agencies. How do they differ? (LO 1-2)**

The new definition of IMC developed by Don Schultz of Northwestern University is as follows: "Integrated marketing communications is a strategic business process used to plan, develop, execute and evaluate coordinated, measurable, brand communications programs over time with consumers, customers, prospects, employees, associates and other targeted relevant external and internal audiences. The goal is to generate both short-term financial returns and build long-term brand and shareholder value." This definition differs from the seminal definition of IMC developed by the 4As in several respects. It frames IMC as an ongoing strategic business process rather than merely a tactical integration of various communication activities. It also recognizes the importance of multiple relevant audiences in the marketing communications process, including customers, prospects suppliers, investors, interest groups, the general public, and internal audiences such as employees. The definition further reflects the growing emphasis on the demand for accountability and measurement of marketing communications outcomes. The original definition developed by the 4As has been criticized for focusing primarily on coordinating communication tools to ensure consistency in their look and feel. Both academicians and practitioners are recognizing the broader perspective

IMC offers as defined by Schultz, which places the discipline in a strategic framework. Choose a company and discuss how it communicates with its customers at the corporate, marketing, and marketing communications levels. (LO 1-1)

Messages can originate at all three levels, because a company's corporate activities, marketing mix activities, and marketing communications all have communication dimensions that can attract and retain customers. Students should be encouraged to select a company and analyze how it communicates with its customers at each level. At the corporate level, the analysis should focus on how a firm's business practices and philosophies, policies and procedures, hiring practices, corporate culture, and other factors communicate with customers and other relevant stakeholders. At the marketing level, the analysis should focus on how the company communicates through various elements of the marketing mix. The physical product communicates a great deal to consumers through elements such as shape, design, or appearance, or packaging. The price of a product may also signal quality, and the brand name is a form of communication. Companies also communicate with consumers through the selection of retail outlets where they choose to sell their products. Selling a product only through upscale specialty or department stores may communicate that it is a high-quality item. On the other hand, selling a product through discount stores or mass merchandise outlets may send a cue of lower quality.

There are numerous examples of how companies communicate with consumers through their marketing activities. For instance, products such as luxury watches (Concord, Movado, or Rolex) are positioned as premium offerings—priced high, sold exclusively through jewelry stores or high-end department stores, and designed to reflect an image of quality, prestige, and style. In contrast, brands such as Timex and Casio are designed primarily for functionality or sport, priced lower, and distributed through drug stores, sporting goods stores and mass merchandise outlets.

At the marketing communications level, the analysis should focus on the IMC tools the company employs, such as advertising, direct marketing, its website, sales promotion messages, publicity, public relations activities, such as event sponsorships, and personal selling efforts. The analysis of the company should consider whether these IMC tools represent one unified look, voice, and image; position; and identify the company or brand in a consistent manner.

12. Why are marketers putting so much emphasis on developing strong brands? Choose one of the Best Global Brands listed in Figure 1–1 and discuss how the company has used integrated marketing communications to build a strong brand image. (LO 1-3)

There are several reasons why marketers are putting so much emphasis on building strong brands. Consumers have a tremendous number of choices available in every product or service category and have less time available to make purchase decisions. Thus, they are putting a great deal of emphasis on well-known and trusted brand names to help simplify their decision making process. Also, consumers are often willing to pay a price premium for well-known brands which provides marketers with higher profit margins and helps them avoid price competition. Consumer product companies, as well as business-to-business marketers, recognize that brand equity is a very important asset and they are taking steps to build and support brand equity. Students should be encouraged to select one of the top 10 brands listed in Figure 1–1 and analyze how the company has used IMC to build a strong image. This analysis might include examination of the company's advertising, sales promotion

programs, product and service quality, public relations efforts, sponsorships, website, and other communication elements.

- 13. The various classifications of advertising to consumer and business-to-business markets are shown in Figure 1–4. Choose one category of advertising to consumer markets and one to the business-to-business market and find an ad that is an example of each. Explain the specific goals and objectives each company might have for the ad. (LO 1-4)**

Students should be encouraged to choose one of the various classifications of advertising to consumers, business-to-business, and professional markets, find an ad that they feel is an example of each and explain the company, association or organization's goals, and objectives for the ad. Figure 1–4 provides basic descriptions of each classification of advertising, along with insight on goals or objectives related to each type of advertising.

This assignment is helpful in getting students to recognize that the nature and purpose of advertising vary from one industry to another and across situations. For example, you might encourage them to find an example of advertising done either by a company or an industry trade association where the focus is on primary demand stimulation. Advertising campaigns by the Beef Board, National Pork Producers Council, or Potato Board are all very good examples of primary demand advertising. Students should look in some industry or trade publications for examples of business-to-business or advertising targeted at retailers. Publications such as *Progressive Grocer* or *Drug Store News* are a good source of trade advertising.

- 14. What is meant by primary versus selective demand advertising? Provide examples of each. Discuss when a marketer might focus on primary demand stimulation versus selective demand stimulation. (LO 1-4)**

Primary demand advertising is designed to stimulate demand for the general product category or the entire industry. Selective demand advertising focuses on creating demand for a specific company's brand, product, or service. Primary demand advertising is often done by industry trade associations to generate demand for the product category. This is often done for commodity products where it is difficult to differentiate an individual brand or association members recognize the value of promoting the product category. Examples include products such as milk, orange juice, pork, beef, potatoes, avocados, and raisins. Primary demand advertising is sometimes done by a company whose brand(s) dominates the market and will benefit the most from demand generation. For example, Gatorade has over 70 percent of the sports drink market and its ads often promote the value of its products for hydration versus water. Most advertising focuses on selective demand as the goal is to create demand for a specific brand. Consequently, the advertising will emphasize reasons for purchasing a particular brand and focus on differentiating a particular brand of a product or service from the competition.

- 15. Discuss some of the ways technology is making it possible for consumers to avoid advertising messages and the impact this is having on the advertising and media industries. (LO 1-2, 1-3)**

As discussed in Digital and Social Media Perspective 1–1, consumers have been avoiding advertising messages for years by changing channels during the commercial break of a television show or switching radio stations in their cars during a commercial break. Digital video recorders (DVRs) have given consumers an additional way to avoid TV ads by allowing consumers to fast-forward through the ads during playback of a recorded content. As marketers shift more of their advertising spending

online, advertisers need to deal with another tool, ad-blocking software that avoids commercials. Most consumers have installed ad-blocking software on their desktops and laptops and many on now doing so on their mobile devices such as smartphones and tablets. Apple began adding ad-blocking software to the operating system for its Safari mobile browser in 2015, and a few months later, ad-blocking capabilities became available for mobile devices using the popular Android operating system.

The increasing ability of consumers to avoid advertising messages is significantly affecting the advertising and media industries. Radio stations rely almost entirely on advertising revenue while TV stations get the majority of their income from the money marketers pay to air their commercials. Without advertising, television networks and local stations would have to rely heavily on viewers for revenue and the average household would have to pay much more for subscription TV services and get fewer channels. The television industry has already adapted its audience measurement system to account for delayed viewing that occurs when people play back recorded TV shows. In addition to the television industry, web publishers (including online magazines and newspapers) and social media sites would be devastated if they lost most of their advertising revenue. Most newspapers and magazines have been unsuccessful in getting people to pay for subscriptions to their digital editions, and/or they find a way around their firewalls. Digital advertising is critical to the survival of companies such as Google, Facebook, and Snapchat, all of which generate nearly all of their revenue from advertising. Although consumers may not like being bombarded by advertising messages, it is important for them to realize that the revenue generated by these ads, which in turn depends on the size of the audience they can deliver, is what allows these companies to survive.

16. Discuss how the digital revolution is impacting the way marketers plan and implement their integrated marketing communications programs. Identify three specific technological developments and discuss how each is affecting the IMC program of companies. (LO 1-3, 1-4)

There are many technological developments that are affecting IMC. Cable and digital satellite systems have vastly expanded the number of channels available to television viewers, contributing to the fragmentation of media markets. The average household in the United States, as well as many other countries, now receives 180 television channels compared with 60 at the beginning of the new millennium. The proliferation of channels, in addition to the penetration of new technologies such as DVRs, video-on-demand, and streaming, is also impacting television. The long-predicted convergence of television with computers has become a reality as consumers now have many other viewing options beyond the programming offered by the television networks. The rapid penetration of the Internet is another development, as it has led to media fragmentation, as hundreds of millions of consumers are now online and can visit a myriad of different websites. However, time spent online, particularly on social media, competes for time spent on traditional media such as television, radio, newspapers and magazines. One of the most significant changes is the penetration of smartphones as more than three-fourths of U.S. adults now own one and are using them to access the Internet. The growth in tablets also introduces yet another type of screen into the lives of many consumers. Magazines and newspapers have developed digital versions of their publications for consumers who want to read them online as well as on their mobile devices. Marketers are responding to these changes by increasing their spending on highly targeted media that reach specific market segments. Money once spent in broadly targeted mass media are now being allocated to more websites and social media that reach specific market segments. Marketers are developing mobile marketing applications that can deliver messages and promotional offers directly to consumers' mobile devices and can be targeted

to specific locations or consumption situations. They are also recognizing that it has become increasingly difficult to reach consumers through the mass media and are using a variety of other IMC tools such as sponsorships, branded entertainment, publicity/public relations, digital and social media (such as Facebook and Twitter) and in-store media to reach consumers.

The Internet is another technological development that has had a tremendous impact on the way companies design and implement their entire business and marketing strategies as well as their integrated marketing communications programs. Companies ranging from large multinational corporations to small local firms have developed websites to promote their products and services by providing current and potential customers with information, building images for their companies and brands even selling their products or services directly over the Internet. While many view the Internet as an advertising or promotional medium, it is a multimedia marketing communications tool that can be used to execute all elements of the promotional mix. Companies can advertise on the Internet by running banner ads or sponsorships on the websites of other companies or organizations. Marketers can offer sales promotion incentives such as coupons over the Internet, and host contests and sweepstakes online to encourage consumers to visit their websites to participate in them. Many companies are using the Internet for direct marketing. Many companies have made the Internet a major part of their direct marketing efforts and encourage consumers to visit their websites to view their merchandise and to place orders online. Companies are also using the Internet for publicity and public relations activities as most activities can now be conducted digitally. Many companies also maintain press releases on their websites, which can be accessed by the media and other relevant publics to learn more about these companies and their products and services.

17. Discuss the opportunities and challenges facing marketers with regard to the use of mobile marketing. What are some of the ways marketers can use mobile marketing as part of their IMC program? (LO 1-4, 1-5)

The Mobile Marketing Association defines mobile marketing as a set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network. It includes promotional activities designed for delivery on cellphones, smartphones, tablets, and other handheld devices including apps, messaging, e-commerce, and customer relationship management. The growing popularity of smartphones, tablets, and other mobile devices, along with the decision by wireless carriers to offer mobile services, has opened new marketing opportunities. Marketers are already sending interactive messages to consumers that contain promotional offers such as coupons that can be redeemed at the point of purchase. Many mobile messages are designed specifically for consumers' location or consumption context. An essential factor driving the growth of mobile marketing is the development of shopping services and apps that enhance consumers experience by making shopping more efficient, productive, and fun. Marketers are also developing their own brand-specific applications such as games, videos, and promotional offers as part of their mobile marketing programs.

One of the primary challenges marketers face with mobile marketing is possible resistance from consumers. Many consumers are reluctant to receive frequent messages on their smartphones or other mobile devices. Consequently, marketers must rely on consumers "opting in" to receive these messages. It is likely that most marketers will integrate tie-in their mobile marketing initiatives with other components of their IMC programs such as sales promotions or incentives for website visits. Mobile marketing, therefore, represents another channel to deliver messages to consumers and prompt

consumer response. Another challenge for mobile marketing is the relatively smaller screen size of mobile devices, which constrains the type and design of messages that can be sent to mobile devices. Marketers must also ensure that we develop responsive websites that can be adapted to smaller mobile screens.

18. Why is it important for those who work in marketing to understand and appreciate all the various integrated marketing communication tools and how they can be used effectively? (LO 1-6)

In today's business world, marketers employ a variety integrated marketing communication (IMC) tools to engage with their customers. The various promotional mix elements showed viewed as components of an integrated marketing communications program. An individual IMC activity such as advertising or sales promotion cannot be effectively managed without considering its relationship with other promotional mix elements. Advertising and promotional marketing professionals are expected to understand and employ a variety of marketing communication tools beyond the one they specialize in. For example, advertising agencies can no longer confine their services to creating and placing ads. Many agencies are involved in sales promotion, public relations, Internet/interactive media, direct marketing, event sponsorship, and other communication areas. Therefore, it is essential for those who work in advertising and promotion, on both the agency and client side, to understand and appreciate the value and limitations of all the promotional mix elements and how they can be combined to develop an effective program of integrated marketing communications.