

## Notes on Integrated Marketing from the working documents folder

*All of these notes derive from the Media Neutral Planning Report from the Chartered Institute of Marketing, Critical Marketing Knowledge, 2002.*

Kate Howe, Managing Director of Leo Burnett reports that Leo Burnett have restructured their organisation as an ideas collective in order to be able to deliver an integrated approach to communications. In this structure they believe that they can provide a whole range of different types of communication by partnering each client with a communications director and planning director team. Each project will have a media neutral project manager assigned who will report to the communications director for the client and will be responsible for finding the best solutions and liaising across the different disciplines. Furthermore it has changed the way it has developed strategic thinking by replacing the traditional planning department with a new group called Leo IQ, which also includes experts such as business strategists, econometricians and consumer researchers. Therefore aims to provide a cross discipline strategy team to work across the entire company. Kate Howe believes that the future of media neutrality is education and training and that those working in the industry need retraining to extend their skills outside their specialism. She also thinks that there is a real opportunity to permanently change the industry by training those that enter the profession at graduate level. Finally, she argues that it costs agencies more money to provide media neutral execution. In addition to these increased costs she also suggests that production budgets may need to increase as well as there being additional costs for additional activities such as PR, creating a website or a data base.

- We should ask her why she thinks the costs will increase and what the reactions have been to the restructuring of Leo Burnett.

John Wilkins, partner at London based advertising agency Naked Communications states that you need a core creative idea that can translate across the variety of channels so that consumers make the link and the brand tells a consistent story. He argues that it is important that the creative idea is interpreted in different ways through the specific channels and that marketers should not confuse the creative thought with creative ad. If the message is too creatively similar then the brand becomes a blanket communicator, and he believes that this is a disincentive to consumer involvement.

This is reported in Louella Miles, The Currency of Ideas.

In the same article by Louella Miles, Steve Hatch, Head of Strategy at Media Communications Specialists Mediaedge: cia states that without some form of vision there is almost no point in generating [communication] ideas. According to Hatch, "ideas are one step beyond concept and vision, they are almost a stepping stone." In other words Hatch argues that the marketer needs a vision and then a series of ideas that connect the vision to the

consumer. He believes that it is important that brands do not have single ideas because no one idea will meet every brands needs.

- This suggests something like an archetypal idea or vision from which many creative ideas can spring which then translate into different executions through different media. The example that is used to illustrate this is a campaign for Fosters called Pit Girls. This used two ideas: men's desire to look at beautiful women and the nations obsession with celebrities to translate the Fosters vision, the no worries brand attitude. The concept was a team of five models who attended each Grand Prix Race (Sponsored by Fosters) wearing branded clothing and reporting back via FHM and FHM.com and syndicated to such sites as ITVF1 and Capital Radio. FHM readers were encouraged to vote for them in the magazines 100 sexiest women context and TV idents ran on emaps channels with pre-recorded trails on KISS and Big City Broadcast to a total of 3.1 million listeners. Furthermore the campaign claims to have delivered over 650,000 pounds worth of PR outside the Grand Prix's traditional coverage and generated a 15% uplift in sales in the 300 on trade outlets picked for the promotion, and all in a competitive and declining market.

Claire Spencer, Managing Director of i to i Research reports from their i to i tracker work that they are seeing a strong compound effect when all parts of the [marketing communications] discipline are working together to support a key idea or proposition. She claims that you can apply this at the planning staging by identifying and testing how the key idea plays out through different disciplines. For example you can use on line panels to post stimulus materials to evaluate advertising, editorial, face to face marketing or viral marketing.

- You should contact Claire Spencer to get more background to the i to i tracker work and how she advocates the planning process.

A case study that involved i to i was the British Heart Week campaign which by using multiple media reached 60% of the over 45's at a cost per person of less then 1 pence and educated three and a half million people about heart failure for just 2 pence per person more.

- Quoted in Louella Miles article, The Currency of Ideas.

In an article, Move Towards a Redefinition of Media, by John Billett, Chairman of billetts, he reports that billetts first presented the case for the quantified benefits of mixed media planning in October 2000 in its 'Media Maze Problem; The Mixed Media Solution' paper to the marketing forum on the Aurora. Virtually exclusive TV campaigns were tracked as delivering cost per advertising awareness points at a fourfold premium over the mixed media of 50/50/television/magazine campaigns.

He reports that Billetts research among major advertisers shows uncertainty about validation. There is 93% of advertisers who pre-test campaigns will prevalidate TV campaigns but only 30% of press campaigns. The figures for other media are considerably lower. His American research suggests that the same discriminatory practices are followed in the United States. Copy testing improves both TV and print advertising, but while advertisers test virtually all TV messages, they test very few print ads. Furthermore their research has shown that in more than 50% of the tracked campaigns the media specifics have been determined before establishing campaign objectives. According to their research 47% of advertisers say that advertising agencies don't advise on the best media for individual campaigns and 31% are unsure. He reports that one media agency chief stated that it takes 3 times as long to spend a client's print pound as it does to spend a TV pound. Billetts believes that when profits are under pressure, loss of neutrality may not be far behind. According to Billetts, 'with mixed media scheduling as the new norm, each medium should be of equal value at the planning stage. It is nonsense to invest in multimedia if we treat each medium of different worth before we start.' Furthermore he argues that we need to replace media research with people research. The focus of all current industry efforts is on media research, mostly funded by the sponsoring media owner and designed to quantify and understand the consumption of that medium. Billetts believes that as an alternative we need to measure the patterns of the entire media exposure repertoire of key target groups, as well as their single media habits. 'Unless we understand more exactly the extent to which the target groups views television and reads magazines and used the Internet, etc, we can never optimise the media mix for a given campaign'. He sights the excellent work by the Very Important People Research (Viper) Research Consortium covering media behaviour across media for a selective target group as a sound model and template for media mix optimisation. (He warns that its neutrality is hampered by the need for the wide range of media owner founders to enjoy equal opportunities to progress). He also sights the growth of data fusion as an encouraging step forward for bringing disparate sources of media and related information together. Billetts also sights the problems with researching consumer exposure to media. For example TV measurement typically fails to take into account the level of distractions, attention to and empathy with the surrounding program. With press advertising, measurement only extends to contact with the average issue, not the specific one, nor does it distinguish between you and repeat [...ship] of the same issue, nor does it take into account the wide variance of with-in issue readership (ie different people reading different parts) as highlighted in their research (New Premiums: New Discounts). He also argues that we need a new media currency. For example the delivery of 200 units of TV exposure (TVRs) cannot be compared with delivery of 200 units of print exposure (GRP's). Furthermore he argues that media is now a far bigger concept than that espoused by the traditional advertising agency and to some extent the media agencies. A redefinition of the word media is now underway. He sights some examples of the need to rethink media:

- Given that the conventional TV spot is now just one opportunity, there is no virtue in separating, for example sponsorship, from television ads either by structure or in implementation (as is current practice).
- The separation of direct marketing (and the extended concept of CRM) and conventional display advertising at the planning stage owes more to marketing services structures than it does to optimising communication effectiveness. None of the top 10 media agencies encompasses mail media in their structure of deliverables according to Billett and indication of the inadequacy of media neutral operations.
- He sights experiential marketing as an interesting way of widening perceptions of brand personality (eg Nike Town), which is also a measurable, and accountable communication force. He confirms our argument that location is a medium.
- Promotional support is according to Billett undoubtedly a medium. The supermarket is the new mass medium. He states that it is not uncommon for marketing budgets to be split between media and promotions in the ratio of 1:5 at least. This owes as much to weaknesses in advertising effectiveness measures as to the demands of retailers.
- The internet is not only a new way of doing business but also an advertising medium.

Billetts suggests seven action points for advertisers.

According to Graham Hales, Director, Interbrand, 'A successful brand is the sum of all its parts. It is a coherent thought permeating a business – its focal point, objective, aspiration, rallying core, goal and corporate ambition.' [Query sum of all its parts]. Furthermore, 'when a brand is coherent and works, planning its media is natural and instinctive.' From paper: Rise Above the Bland. According to Hales, the thinking that is going to inspire and galvanize the organisation needs to be big, brave and beautiful. It needs to be refreshing and worthy and its also going to have to appeal to the different stake audiences that the brand may seek to affect. Finally and crucially its going to have to be something that the organisation can be seen to be delivering against. The brand ambitions should mark out the differences between our organisation against the competitors and should ultimately provide an ownable territory for the brand. According to Hales, the only way an organisation can achieve its desired ambitions is to actually live those ambitions in a coherent and tangible way. He sights the example that if he wants to be regarded as the next Arnold Schwarzenegger, he had better go to the gym and pile on some muscles. He also sights some research by the University of California Psychology Department which tested 48 students with hundreds of words and identified that brand names engage the emotional, right hand side of the brain.

In a paper by Mike Nethercott, Marketing Director, Deloitte Consulting, titles Crisis and Opportunity he sights a recent study on brand value by Interbrand, Business Week and J.P.Morgan, which quantifiably demonstrated what Interbrands Jan Lindemann, Global Managing Director of Brand Valuation,

summed up as: 'Leading global brands have been created by companies that have employed an integrated marketing strategy based on a relevant and differentiated brand proposition. This has resulted in substantial brand and shareholder value.' Nethercott explicitly links the integrated marketing strategy to the importance of the integrity of a brand. (Context is in one debacle). According to Nethercott, 'Establishing the critical needs of your communication strategy should only be done within the bounds of a frank assessment of your company's core values and culture.' He argues that the real value is strategic communications may be that regardless of good or bad news, external and internal constituents are looking for clear indications that management understands the issues, cares about them and is demonstrating that they are acting upon them. For the messaging to hold up with the audiences, there must be a connection between what is stated and the reality of the situation. He also argues that silos endanger consistency and integration, particularly at a time of major change in the organisation. He reports a case study of the transformation of Deloitte Consulting to its new brand name, Braxton as an exercise in integrated marketing.

Graham Page, Head of MindShare Direct, in an article, The MNP Reality Check, gives a flow chart illustrating the media neutral top down perspective.

According to Chris Phil, Director of Studies, Marketing Programs, University of Portsmouth, media neutral planning is an approach to planning where all media have an equal probability of selection and those that are chosen are deemed the best vehicles to achieve the media plans objectives. I think this is incorrect. Media neutral planning says that all media have an equal possibility of selection not an equal probability of selection. The whole point of media neutral planning is that there is a differentiated probability according to the context. If you choose the right media for the right situation then all media have the possibility of being there but the right mix is what you are looking for.

In an article titled Focus, Simplify and Measure, Tom Nicholson, Director of Retail Public Relations at Sears, Roebuck and Co states that in a 1997 test in the United States of a new brand, Sears HomeCentral they found that combining advertising and public relations multiplied the effectiveness of the messaging. In the two markets relying on advertising alone calls to the repair business increased by 14% and 18% following the launch of the ads. In those markets where significant new coverage for the services took place along the same advertising rates the core volume increased by 32% and 38%, an average increase of 119% for an incremental cost of 10%.