Integrated Marketing Communications

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Class Meetings:

**Day-MBA** Wednesdays, 9-11:50 p.m., AOB4 # 261
**Sac-MBA** Wednesdays, 6-9 p.m., OCM 2
**Bay-MBA** Fridays, 2-5 & 6-9 p.m.

Office Hours: Students can meet me any time without appointment.

Course Outline

Course Description

Advertising transforms commodities (e.g., cars, chips, and computers) into brands (e.g., BMW, Pentium, Dell). By building strong brands, it enables companies to charge price premiums, gain competitive advantage, and sustain long-run profitability. Consequently, companies typically spend several millions of dollars on marketing communications and, collectively, they spend about $250 billion each year on advertising alone—a sum that exceeds the gross domestic product (at purchasing parity) of 85% of the nations of the world, which includes the developed economies like Switzerland, Hong Kong, and Singapore.

In this course, we will cover issues of designing and implementing advertising and promotional plans. Specifically, we study the institutional aspects of advertising, consumer behavior, assessing ad effectiveness and allocation, creative strategy, use & abuse of consumer and trade promotions, PR & placement, social media and the emerging media landscape. We will discuss the role of “integrating” all the marketing communication activities (e.g., television, print, PR, direct mail, and the new media) to achieve synergistic impact. The course focuses on managerial aspects of decision-making for building brands profitably.

Class Objectives

1. To learn institutional aspects of advertising: agency structure, functions, compensation, evaluation, and agency-client relationship
2. To set advertising objectives, measuring ad effectiveness, budgeting methods
3. To study various creative styles, and when to use which ones
4. To know various types of consumer and trade promotions, when to use which ones, and potential problems and abuse
5. To understand media landscape (both the old and the new) and how to achieve synergy via an “integrated” strategy.
Class Administration

Classes consist of lectures, cases, articles, and projects. Lectures provide concepts and principles of advertising, promotions, direct marketing, and IMC. Cases are used to develop the skills in problem-solving. Students are expected to carefully read and thoroughly analyze the assigned case, consider information available at the time of the case event, identify the relevant issues, generate alternatives, and recommend actions. Articles are written by leading scholars in the specific topics and furnish literature reviews or discuss the state-of-the-art issues.

Project. A small group of students will form teams (~ 5 or so), and each team will identify a topic of interest related to advertising, promotion, database marketing, or new media (e.g., blogs, social network, web-chatter). For example, what characteristics of commercials such as humor, music, or computer animation make them memorable? What are the current approaches to measure effectiveness of Internet advertising? To not restrict your creativity in selecting topics, I do not provide further examples here. The teams will do research on their chosen topic to provide valuable information, fresh perspectives, and/or new insights. A final report and its presentation will summarize your findings.

Grading

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<th>Points</th>
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<td>25</td>
<td>Class participation and quality of discussions</td>
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<td>Mid-term Exam</td>
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<td>Final Exam</td>
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<td>Project</td>
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Optional Texts (Need not buy)


Course Packet: Required readings as below:

- Mountain Dew Case, HBS CD-ROM (one copy per group of students)
- “Optimal Marketing,” by Corstjens and Merrihue, HBR article
- “Integrated Marketing Communications,” HBS Note.
- “Sales Promotion,” by Scott Neslin, Handbook of Marketing.