Integrated Marketing Communications

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Class Meetings: Fridays, 2-5 & 6-9 pm on Apr. 2, 16, 30, May 14, May 28.

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 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, projects, and guest speaker. 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 less), and each team will identify a topic of interest related to advertising, promotion, database marketing, or emerging media (e.g., blogs, social network, web-chatter). For example, what characteristics of YouTube videos help or hurt viewership? How to manage marketing communications before, after and during a product harm crisis (e.g., Toyota’s “moving forward”!). To not restrict your creativity, I do not provide further examples of topics. The teams will choose a topic (and get go/no-go from me) and then do research on it to provide valuable information, fresh perspectives, and/or new insights. A final report and its presentation will summarize your findings.

**Grading**

- 25 points  Class participation and quality of discussions
- 25 points  Mid-term Exam
- 25 points  Final Exam
- 25 points  Project

**Course Packet:** Required readings as below:


   Description: The key role of selecting creative in brand communications, the problems with building a brand in a turbulent cultural environment, the challenges of extending an advertising campaign, and the senior management skills needed to interpret ads are highlighted.


   Description: Samsung Inc. determines how to allocate billion dollars to various marketing activities and regions by using hard data, not intuition. Marketing executives undertook an intensive 18-month project to gather diverse and detailed information about more than 400 possible product-category and country combinations. It collected all that data in a single, easy-to-access site and used the software's analytical power to predict the impact of different allocation scenarios. Such what-if testing enables management to find the budget allocation that will yield the highest total marketing ROI. Samsung also worked to anticipate and defuse organizational resistance to change.

Description: This case focuses on major strategic issues that firms face when formulating and implementing a sales promotion, including: cannibalization, brand equity erosion, forward-buying, pass-through, and consumer stockpiling. Based on calculating top-line revenue, marketing margin, and return on marketing investment (ROMI) for prior promotions, students can recommend the most financially and strategically defensible initiative from a choice of several competing sales promotions.


Description: This case introduces the concept of inbound marketing, pulling customer prospects toward a business through the use of Web 2.0 tools and applications like blogging, search engine optimization, and social media. Students follow the growth of HubSpot, an entrepreneurial venture which, in its quest for growth, faces significant challenges including: developing market segmentation and targeting strategies to decide which customer to serve and which to turn away, and determining whether inbound marketing programs can generate enough scale or traditional outbound marketing methods are needed to accelerate growth.


Description: Public relations (PR) is an important component of a firm's integrated marketing communications strategy. This paper defines contemporary PR practices and develops rules for successful implementation.


7. “RFID at the METRO Group” by Zeynep Ton, Vincent Dessain, Monika Stachowiak-Joulain, Apr 01, 2009, Product number: 606053-PDF-ENG.

Description: Introduces radio frequency identification (RFID) as the next generation of automatic identification technologies. Showcases the use of technology by the world’s third-largest retailer. Foreshadows the shape of things to come for in-store Marketing Communications in the 21st Century.

Optional Texts (Need not buy)