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Chapter 1—An Overview of Integrated Marketing Communications

1. Marketing communications play an important role for *all* companies.

TRUE/FALSE

	ANS: T	PTS:	1
2.	According to a recen business marketers.	t study,	integrated marketing communications is seldom employed by business-to-
	ANS: F	PTS:	1
3.	The marketing commimportance in recent		ons component of the marketing mix has decreased dramatically in s.
	ANS: F	PTS:	1
4.	Marketing and comn	nunicati	ons are virtually inseparable.
	ANS: T	PTS:	1
5.	The use of marketing services.	g comm	unications is not appropriate for organizations delivering not-for-profit
	ANS: F	PTS:	1
6.	Most marketing com	munica	tions occur at the brand level.
	ANS: T	PTS:	1
7.	The term <i>brand</i> is a marketing efforts.	conveni	ent (and appropriate) label for describing any object of concerted
	ANS: T	PTS:	1
8.	Brands perform a cri offering from compe		ategic role by providing a key means for differentiating one company's rands.
	ANS: T	PTS:	1
9.		so on, a	arious communication elements, such as advertising, sales promotions, as virtually separate activities rather than integrated tools that work on goal.
	ANS: T	PTS:	1
10.			unications, or simply IMC, is the philosophy and practice of carefully ry marketing communications elements.
	ANS: F	PTS:	1

11.	One reason firms have not practiced IMC is because different units within organizations have specialized in separate aspects of marketing communications.		
	ANS: T PTS: 1		
12.	One reason firms have not practiced IMC is because outside suppliers, such as advertising, public relations, and promotion agencies, have been reluctant to broaden their function beyond the one as of marketing communications in which they have developed expertise and built their reputations.	pect	
	ANS: T PTS: 1		
13.	In reality, IMC is little more than a management fad that is short lived.		
	ANS: F PTS: 1		
14.	Novice managers are more likely than experienced managers to practice IMC.		
	ANS: F PTS: 1		
15.	By closely integrating multiple communication tools and media, brand managers achieve duplicity which means multiple methods in combination with one another yield more positive communication results than do the tools used individually.		
	ANS: F PTS: 1		
16.	The integrated marketing communication process starts by determining the strengths and weakness of the marketer.	es	
	ANS: F PTS: 1		
17.	The IMC approach uses the "inside-out" approach in identifying communication vehicles.		
	ANS: F PTS: 1		
18.	The use of integrated marketing communications is restricted to the mass media.		
	ANS: F PTS: 1		
19.	The terms <i>touch point</i> and <i>contact</i> are used interchangeably to mean any message medium capable reaching target customers and presenting the brand in a favorable light.	of	
	ANS: T PTS: 1		
20.	Coordination of messages and media is absolutely critical to achieving a strong and unified brand image and moving consumers to action.		
	ANS: T PTS: 1		
21.	A positioning statement is the key idea that encapsulates what a brand is intended to stand for in its target market's mind.		
	ANS: T PTS: 1		

22.	Successful marketing communication requires building relationships between brands and their consumers/customers.		
	ANS: T	PTS:	1
23.	One thing that has not media advertising.	t change	ed in marketing communication practices is the dependence on mass
	ANS: F	PTS:	1
24.			ons elements and the determination of messages, media, and momentum s in the brand-level marcom decision process.
	ANS: F	PTS:	1
25.	The various types of b decisions.	orand-le	evel marcom decisions include fundamental decisions and implementation
	ANS: T	PTS:	1
26.	The objective of mark customers to favorable		communications is to enhance brand equity as a means of moving a toward the brand.
	ANS: T	PTS:	1
27.	A brand has no equity	if cons	sumers are unfamiliar with it.
	ANS: T	PTS:	1
28.	Selection of target seg	gments	is a critical step toward effective and efficient marketing communications.
	ANS: T	PTS:	1
29.	A brand's name is the competitive brands in		l idea that encapsulates a brand's meaning and distinctiveness relative to oduct category.
	ANS: F	PTS:	1
30.			the marcom decision process are conceptual and strategic, and the practical and tactical.
	ANS: T	PTS:	1
31.	There is an optimum idetermined using com		e of expenditures between advertising and promotion that can be models.
	ANS: F	PTS:	1
32.	Systematic decision mused to reach the target	_	requires that message content be dictated primarily by the media vehicle ence.
	ANS: F	PTS:	1
33.	The concept of media	is relev	vant to all marcom tools.

	ANS: T PTS: 1
34.	The ultimate objective of successful marketing communications is to cut costs.
	ANS: F PTS: 1
35.	Purchase intentions are not valid communication measures.
	ANS: F PTS: 1
MUL	ΓIPLE CHOICE
1.	The marketing mix for a brand consists of a. product b. price c. promotion d. place e. All of these are correct.
	ANS: E PTS: 1
2.	Marketing communications is used by which type of organization? a. business-to-business organizations b. consumer marketing organizations c. not-for-profit organizations d. None of these are correct. e. All of these are correct.
	ANS: E PTS: 1
3.	Which of the following is NOT a form of media advertising? a. television b. radio c. magazines d. sales promotions e. newspapers
	ANS: D PTS: 1
4.	Coupons, trade shows, buying allowances, premiums, and price-off deals are all examples of a. media advertising b. promotions c. place advertising d. point-of-purchase advertising e. public relations
	ANS: B PTS: 1
5.	Which term is preferred by most marketing practitioners to refer to the collection of advertising, sales promotions, public relations, event marketing, and other communication devices? a. marketing promotion b. promotion c. sales promotion

	d. marketing comne. integrated market	nunications eting communications
	ANS: D	PTS: 1
6.	Which of the follow a. product b. brand c. communication d. promotion e. integration	ing terms serves as a summary means for describing all forms of marketing focus?
	ANS: B	PTS: 1
7.	Which of the follow a. product b. service c. retail outlet d. person e. All of these are	ing could be a brand?
	ANS: E	PTS: 1
8.	Current marketing p a. direct marketing b. e-mail c. coupons d. integration e. assessment	hilosophy holds that is absolutely imperative for success.
	ANS: D	PTS: 1
9.	communications electrical at a communication of the	eting communications
	ANS: E	PTS: 1
10.	specialist model to a a. no way to assess b. managerial paro c. fear that change d. reluctance of agr communications e. fear of reduction	the effectiveness of integration chialism might lead to possible budget cutbacks in their areas of control encies to broaden their function beyond the one aspect of marketing in which they have developed expertise and built their reputations in authority and power
	ANS: A	PTS: 1
11.	a. Novice manager	ing statements is true regarding the adoption of IMC? s are more likely than experienced managers to practice IMC. n marketing services rather than products are more likely to have adopted

	 c. Business-to-business firms are more likely to adopt IMC than business-to-consumer firms. d. Less sophisticated firms are likely adherents to IMC. e. All of these are correct.
	ANS: B PTS: 1
12.	Milo is employed by a manufacturer of consumer packaged goods products. His job entails the planning, creation, integration, and implementation of diverse forms of marcom, such as advertising, sales promotion, publicity releases, events, etc., that are delivered over time to a brand's targeted customers and prospects with the ultimate goal of influencing or directly affecting their behavior. Milo is performing a. integrated marketing (IM) b. marketing communications (marcom) c. integrated marketing communications (IMC) d. promotion marketing (PM) e. integrated promotion management (IPM) ANS: C PTS: 1
13.	The ultimate goal of integrated marketing communications is to a. increase brand awareness b. affect the behavior of the targeted audience c. learn how to outsell the competition d. lower production costs e. All of these are correct.
	ANS: B PTS: 1
14.	What is achieved when multiple methods are used in combination with one another yielding more positive communication results than when the tools are used individually? a. synergy b. duplicity c. multiplicity d. redundancy e. repetition
	ANS: A PTS: 1
15.	 Which of the following is NOT a key feature of IMC? a. The customer represents the starting point for all marketing communications activities. b. Brand managers and their agencies should be amenable to using various marketing communication tools. c. Multiple messages must speak with a single voice. d. The ultimate goal is to influence brand awareness and enhance consumer attitudes toward the brand. e. Build relationships.
	ANS: D PTS: 1
16.	A key feature of IMC is that the process should a. use an "inside-out" approach b. be restricted to only one or a select number of communication media c. use the same media to reach all target audiences to improve efficiency d. start with the customer or prospect and then work back to the brand communicator in

IMC.

	determining the most appropriate messages and media e. utilize the same communication media over time
	ANS: D PTS: 1
17.	Which approach will best serve the customers' information needs and motivate them to purchase the brand? a. inside-out b. outside-in c. top-down d. bottom-up e. combination
	ANS: B PTS: 1
18.	Today, consumers are not only passive receivers of marcom messages, but are often active participants in the marcom process due to a. economic advances b. technological developments c. increases in the use of sales promotion d. changes in demographics e. expansion of advertising agency services
	ANS: B PTS: 1
19.	Brand managers should turn to alternative means of marcom as the option of first choice rather than automatically defaulting to a. sales promotion b. personal selling c. point-of-purchase advertising d. event marketing e. mass media advertising
20.	ANS: E PTS: 1 Which of the following terms is used to mean any message medium capable of reaching target customers and presenting the brand in a favorable light? a. touch point b. contact c. intersection d. touch point and contact e. touch point, contact, and intersection
	ANS: D PTS: 1
21.	The idea of surrounding the customer or prospect with a brand's marcom messages, or that a brand's touch points should be everywhere the target audience is, is known as a. consumer-oriented marketing b. the media-neutral approach c. 360-degree branding d. the rotation principle e. event marketing
	ANS: C PTS: 1

22.	The marketing manager for Carver Products, Inc. asked her research staff to identify all of the points of contact that consumers are likely to have with Carver's products. The marketing manager would most likely use this information in designing a(n) a. point-of-purchase display b. board of director's report c. integrated marketing communications program d. marketing research survey e. slice-of-life television commercial
	ANS: C PTS: 1
23.	The context (or medium used) influences the that the message has. a. impact b. reach c. frequency d. integration e. touch points
	ANS: A PTS: 1
24.	The idea that "context matters," and that not all touch points are equally effective, has been termed by marcom practitioners. a. synergy b. media mix c. awareness generation d. engagement e. contact
	ANS: D PTS: 1
25.	 What does the phrase, "speak with a single voice," mean? a. Carefully select those tools that are most appropriate for the communications objective at hand. b. Reach the target audience efficiently and effectively using whatever touch points are most appropriate. c. Successful marketing communications requires building relationships between brands and their consumers/customers. d. All marketing communication elements should use the same endorser so that consumers do not get confused. e. Coordination of messages and media is absolutely critical to achieving a strong and unified brand image and moving consumers to action.
	ANS: E PTS: 1
26.	Karen is attempting to put into words the key idea that encapsulates what her company's brand is intended to stand for in its target market's mind. Karen is writing a a. relationship statement b. creative brief c. positioning statement d. contact brief e. touch point ANS: C PTS: 1

27.	Which of the following encapsulates what a brand is intended to stand for in its target market's mind and then consistently delivers the same idea across all media channels? a. positioning statement b. contact point c. relationship statement d. creative brief e. creative platform
	ANS: A PTS: 1
28.	A key characteristic of IMC is the building of relationships with customers. Which of the following is NOT a benefit of building relationships? a. repeat purchases b. loyalty toward a brand c. enduring links between a brand and its customers d. greater profitability e. huge acquisition costs
	ANS: E PTS: 1
29.	The fact that it costs five to 10 times more to land a new customer than to keep a current customer has been compared to a(n) a. clogged drain b. leaky bucket c. sand castle d. ice sculpture e. bee hive
	ANS: B PTS: 1
30.	Frequency, loyalty, or ambassador programs and creating brand experiences that make positive and lasting impressions are ways to a. speak with one voice b. create synergy c. build customer/brand relationships d. start with the customer/prospect e. reach consumers who cannot be reached through traditional mass media
	ANS: C PTS: 1
31.	One way relationships between brands and customers are nurtured is by creating brand experiences that make positive and lasting impressions. This is done by creating special events or developing exciting venues that attempt to a. appeal to consumers' demographic characteristics b. reposition products or services by connecting with consumers' functional needs c. generate increased sales to current customers d. develop new target markets e. build the sensation that the brand is relevant to the consumer's lifestyle
	ANS: E PTS: 1
32.	The ultimate objective of IMC is to a. start with the customer or prospect b. move people to action c. carefully select those tools that are most appropriate for the communications objective at

hand

- d. use as many communications outlets as possible to reach the target audience
- e. speak with a single voice

ANS: B PTS: 1

- 33. Which of the following is NOT a change in marketing communication practices?
 - a. increased reliance on outside suppliers, or specialized services
 - b. reduced dependence on mass media advertising
 - c. increased reliance on highly targeted communication methods
 - d. heightened demands on suppliers
 - e. increased efforts to assess communications' return on investment

ANS: A PTS: 1

- 34. When counseling its clients in selecting appropriate marcom tools, McCann Worldgroup uses an approach that requires that the brand marketer first identify the goal(s) a marcom program is designed to accomplish and then identify the best way to allocate the marketer's budget. What is this approach known as?
 - a. inside-out
 - b. bottom-up
 - c. media-neutral
 - d. media-centric
 - e. goal oriented

ANS: C PTS: 1

- 35. What is the greatest obstacle to implementing integrated marketing communications?
 - a. There is a lack of interest in IMC by top management.
 - b. The cost for implementing an IMC program is difficult to justify.
 - c. Little can be gained by coordinating the various marketing communications elements.
 - d. Few providers of marketing communication services have the far-ranging skills to plan and execute programs that cut across all major forms of marketing communications.
 - e. Measuring the return on investment is nearly impossible.

ANS: D PTS: 1

- 36. Which of the following is a fundamental decision in the brand-level marcom decision process?
 - a. targeting
 - b. positioning
 - c. setting objectives
 - d. budgeting
 - e. All of these are correct.

ANS: E PTS: 1

- 37. Which of the following is an implementation decision in the brand-level marcom decision process?
 - a. targeting
 - b. mixing elements
 - c. budgeting
 - d. positioning
 - e. setting objectives

ANS: B PTS: 1

38.	Julie and her department are responsible for making brand-level fundamental and implementation marcom decisions. What are the expected outcomes of these decisions? a. increasing sales and profits b. enhancing brand awareness and attitudes c. enhancing brand equity and affecting behavior d. increasing purchase intentions and affecting behavior e. enhancing brand equity and increasing brand awareness
	ANS: C PTS: 1
39.	The objective of marketing communications is to as a means of moving customers to favorable action toward the brand. a. increase brand awareness b. cut costs c. increase product usage d. enhance brand equity e. increase the rate of purchase ANS: D PTS: 1
40.	allows marketing communicators to deliver messages more precisely and to prevent wasted coverage to people falling outside the intended audience. a. Targeting b. Positioning c. Budgeting d. Setting objectives e. Momentum
	ANS: A PTS: 1
41.	Which of the following variables do companies use to identify potential target markets? a. demographic characteristics b. lifestyles c. product usage patterns d. geographic considerations e. All of these are correct.
	ANS: E PTS: 1
42.	A brand's represents the key feature, benefit, or image that it stands for in the target audience's collective mind. a. equity b. image c. position d. name e. trademark
	ANS: C PTS: 1
43.	Which of the following is NOT a budgeting method? a. top-down budgeting (TD) b. bottom-up budgeting (BU) c. top-down/bottom-up/top-down process (TDBUTD) d. bottom-up/top-down process (BUTD) e. top-down/bottom-up process (TDBU)

	ANS: C PTS: 1
44.	Joan Kaufman is a senior manager of a large conglomerate. She decides how much money is allocated to each subunit. This is an example of budgeting. a. top-down b. bottom-up c. bottom-up/top-down d. top-down/bottom-up e. hierarchy
	ANS: A PTS: 1
45.	The most frequently used budgeting method is a. top-down (TD) b. bottom-up (BU) c. top-down/bottom-up/top-down (TDBUTD) d. bottom-up/top-down (BUTD) e. top-down/bottom-up (TDBU)
	ANS: D PTS: 1
46.	John is a subunit manager at a large consumer packaged goods manufacturer. Every year, he submits a budget request to the vice president of marketing, who coordinates the various requests and then submits an overall budget to top management for approval. This is an example of budgeting. a. top-down b. bottom-up c. top-down/bottom-up d. bottom-up/top-down e. combination
	ANS: D PTS: 1
47.	All marketing communications should be a. directed to a particular target market b. clearly positioned c. created to achieve a specific objective d. undertaken to accomplish the objective within budget constraints e. All of these are correct. ANS: E PTS: 1
	ANS: E PTS: 1
48.	Fundamental decisions in the brand-level marcom decision process are, and implementation decisions are a. tactical; strategic b. strategic; tactical c. long-term; short-term d. short-term; long-term e. practical; conceptual
	ANS: B PTS: 1
49.	Over the past two decades, the trend has moved toward greater expenditures on a. advertising b. public relations c. personal selling

	d. promotionse. point-of-purchase displays
	ANS: D PTS: 1
50.	 The decision regarding how to allocate resources between the marcom elements has been described as an "ill-structured" problem. What does this mean? a. There is no solution to the problem. b. It is difficult to define the problem. c. There is no way of determining the mathematical optimum allocation among marcom elements. d. There are solutions, but they are not acceptable. e. There is no way to measure whether the solution chosen was the correct one.
	ANS: C PTS: 1
51.	For a given level of expenditure, there is no way of determining the mathematical optimum allocation between advertising and promotion because a. advertising and promotions are somewhat interchangeable b. advertising and promotions produce a synergistic effect c. advertising is appropriate for early stages of the product life cycle, and promotion is more appropriate during later stages d. they are somewhat interchangeable and produce a synergistic effect e. None of these are correct.
	ANS: D PTS: 1
52.	Allison is trying to determine how much to allocate for advertising and how much to allocate for promotions during the next year. Which implementation decision is Allison making? a. mixing elements b. creating messages c. selecting media d. establishing momentum e. targeting ANS: A PTS: 1
53.	A satisfactory mixture of advertising and promotion expenditures can be formulated by considering the different purposes of each. A key strategic consideration is whether a. short- or long-term goals are more important b. the budget would allow for the relatively larger expense of advertising c. the organization has the expertise in its current staff to develop successful promotions d. the majority of the target market is price sensitive e. use of sales promotion is necessary given current economic conditions ANS: A PTS: 1
51	The term media applies to which marcom tool?
54.	The term <i>media</i> applies to which marcom tool? a. advertising b. public relations c. promotions d. personal selling e. All of these are correct.
	ANS: E PTS: 1

55.	The word refers to an object's force or speed of movement. a. drive b. push c. momentum d. force e. pull
	ANS: C PTS: 1
56.	Harvey is a brand manager for a national brand of soft drinks. He is making the implementation decisions in the marcom decision process, and he wants a marcom tool that is most capable of directly affecting consumer behavior. Which tool should he use? a. advertising b. sales promotion c. publicity d. events e. point-of-purchase display
	ANS: B PTS: 1
57.	Which of the following is an example of a communication outcome? a. increase sales to grocery stores by 10 percent b. increase total sales by 15 percent c. maintain existing sales levels in Japan d. increase brand awareness by 15 percent e. increase sales in Mexico by 15 percent
	ANS: D PTS: 1
58.	Which of the following is NOT a communications outcome measure? a. purchase intentions b. brand awareness c. message comprehension d. attitude toward the brand e. All of these are measures of communication outcomes. ANS: E PTS: 1
59.	Program evaluation is accomplished by a. developing a budget that is based on marcom objectives and includes an optimum balance of advertising and promotion b. measuring the results of marcom efforts against the objectives that were established c. collecting data on consumers' demographics and lifestyles d. constructing a database of information on the target market, economic conditions, and competitors' marcom strategies e. comparing budgeted marcom expenditures against share-of-voice ANS: B PTS: 1
60.	One important factor that has led more firms to perform research and acquire data to determine whether implemented marcom decisions have accomplished the objectives they were expected to achieve is a. increasing demand for accountability b. rapidly changing consumer tastes and preferences c. changing economic conditions

d. increasing marcom expenses

e. less reliance on outside agencies to perform the marcom function

ANS: A PTS: 1

ESSAY

1. Compare and contrast the terms *promotion* and *marketing communications*, and list the primary tools of marketing communications.

ANS:

The "4P" characterization of marketing has led to widespread use of the term *promotion* for describing communications with prospects and customers. However, the term *marketing communications* is preferred by most marketing practitioners as well as many educators and is the term used to refer to the collection of advertising, sales promotion, public relations, event marketing, and other communication devices; comparatively, the text uses the term *promotions* as a shorthand reference to sales promotions. The primary tools of marketing communications include media advertising (e.g., TV, radio, magazines, newspapers), direct response and interactive advertising (e.g., direct mail, telephone solicitation, online advertising), place advertising (e.g., billboards and bulletins, posters, transit ads, cinema ads), store signage and point-of-purchase advertising (e.g., external store signs, in-store shelf signs, shopping cart ads, in-store radio and TV), trade- and consumer-oriented promotions (e.g., trade deals and buying allowances, display and advertising allowances, trade shows, cooperative advertising, samples, coupons, premiums, refunds/rebates, contests/sweepstakes, promotional games, bonus packs, price-off deals), and event marketing and sponsorships (e.g., sponsorship of sporting events, arts, fairs, festivals, and causes).

PTS: 1

2. Describe the basic philosophy underlying integrated marketing communications (IMC), and discuss reasons why firms have not practiced IMC all along and why there is a reluctance to change.

ANS:

The philosophy underlying IMC is the careful coordination of a brand's sundry marketing communications elements. The reasons firms have not practiced IMC all along include: (1) organizations have handled advertising, sales promotions, point-of-purchase displays, and other communication tools as virtually separate practices because different units within organizations have specialized in separate aspects of marketing communications and (2) outside suppliers (i.e., advertising agencies, PR agencies, and sales promotion agencies) also have tended to specialize in single facets of marketing communications rather than possess expertise across the board.

There has been a reluctance to change from this single-function, specialist model due to managerial parochialism (e.g., advertising people sometimes view the world exclusively from an advertising perspective and are blind to other communication traditions) and for fear that change might lead to budget cutbacks in their areas of control and reductions in their authority and power. Agencies also have resisted change due to reluctance to broaden their function beyond the one aspect of marketing communications in which they have developed expertise and built their reputations.

PTS: 1

3. Explain what the payoff is from using integrated marketing communications.

ANS:

The payoff is that by closely integrating multiple communications tools and media, brand managers achieve synergy. That is, multiple methods in combination with one another yield more positive communication results than do the tools used individually.

PTS: 1

4. Explain the five key features that undergird the philosophy and practice of integrated marketing communications.

ANS:

The five key IMC features are:

- 1. The customer represents the starting point for all marketing communications activities. The IMC approach avoids an "inside-out" approach (from company to customer) in identifying communication vehicles and instead starts with the customer ("outside-in") to determine those communication methods that will best serve the customers' information needs and motivate them to purchase the brand. The point of this feature is that brand managers and their agencies should not restrict themselves to only one set of communication media.
- 2. Brand managers and their agencies should be amenable to using various marketing communication tools. That is, carefully select those tools that are most appropriate for the communications objective at hand. Practitioners of IMC need to be receptive to using all forms of touch points, or contacts, as potential message delivery channels. The key feature of this IMC element is that it reflects a willingness on the part of brand communicators to use any communication outlets that are appropriate for reaching the target audience.
- 3. Multiple messages must speak with a single voice. Inherent in the philosophy and practice of IMC is the demand that a brand's assorted communication elements must all strive to present the same message and convey that message consistently across diverse message channels, or points of contact. Coordination of messages and media is absolutely critical to achieving a strong and unified brand image and moving consumers to action. In general, the single-voice principle involves selecting a specific positioning statement for a brand.
- 4. Build relationships rather than engage in flings. A relationship is an enduring link between a brand and its customers. Successful relationships between customers and brands lead to repeat purchasing and perhaps even loyalty toward a brand. One way to build brand/customer relationships is the use of frequency, loyalty, or ambassador programs. Relationships also are nurtured by creating brand experiences that make positive and lasting impressions, such as special events.
- 5. Don't lose focus of the ultimate objective: affect behavior! Marketing communications must do more than just influence brand awareness or enhance consumer attitudes toward the brand. The objective, in other words, is to move people to action.

PTS: 1

5. Discuss the changes in marketing communication practices that have been particularly prominent.

ANS:

1. Reduced dependence on mass media advertising. Many brand managers and their agencies have reduced the role of TV advertising, partially due to the fact that it is not as effective or cost efficient as it once was due to audience fragmentation and the availability of many alternative entertainment options. Moreover, other advertising and non-advertising communication tools often are superior to TV in achieving brand managers' objectives.

- 2. Increased reliance on highly targeted communication methods. Pinpointed communications are often less expensive and more effective than mass media advertising. Targeting messages is especially feasible today with the large, up-to-date databases of customers that are maintained by many organizations.
- 3. Heightened demands on suppliers. Now it is increasingly important for suppliers to offer multiple services, which explains why some major advertising agencies have expanded their offerings beyond just advertising services to include sales promotion assistance, public relations, direct marketing, and event marketing support.
- 4. *Increased efforts to assess communications' return on investment.* Systematic efforts are demanded to determine whether communication programs yield a reasonable return on their investment. The investment in marketing communications must be assessed in terms of the profit-to-investment ratio to determine whether changes are needed or whether other forms of investment might be more profitable.

PTS: 1

6. Debra is the brand manager for Tide laundry detergent, marketed by Procter & Gamble, and she is making the brand-level fundamental decisions in the marcom decision process. Discuss what she will be considering.

ANS:

The fundamental decisions in the brand-level marcom decision process include:

- 1. Targeting. Targeting allows marketing communicators to deliver messages more precisely and to prevent wasted coverage to people falling outside the intended audience. Selection of target segments is a critical step toward effective and efficient marketing communications. Companies identify potential target markets in terms of demographic characteristics, lifestyles, product usage patterns, and geographic considerations. Meaningful market segments generally represent consumers who share a combination of characteristics and demonstrate similar behavior.
- 2. *Positioning*. A brand's position represents the key feature, benefit, or image that it stands for in the target audience's collective mind. Debra must decide on Tide's positioning statement, which is the central idea that encapsulates the brand's meaning and distinctiveness vis-a-vis competitive brands in the laundry detergent category.
- 3. *Setting Objectives*. Marketing communicators' decisions are grounded in the underlying goals, or objectives, to be accomplished for a brand.
- 4. *Budgeting*. Financial resources are budgeted to specific marcom elements to accomplish desired objectives. Different budgeting methods include top-down budgeting (TD), bottom-up budgeting (BU), or a combination of the two (BUTD or TDBU).

PTS: 1