MEASURING INTEGRATED MARKETING COMMUNICATION

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Abstract

The concept of integrated marketing communications continues to gain widespread attention and interest among academics and practitioners around the world. Among the objectives of our paper may be considered dealing with changes in the conceptualization of integrated marketing communication and measuring the dimensions of this conceptual area. Two priorities guide our paper: 1) a more complete view for the conceptualization of integrated marketing communication; and 2) an empirical analysis for measuring the concept of integrated marketing communication. The study present a four dimensional conceptualization of integrated marketing communications and empirically develops its measurement instrument with 15-item scale. This paper presents the results of a study that examines integrated marketing communication in the sample of Slovenian companies and it closes with the implications of the findings.

Keywords: integrated marketing communication, measuring integrated marketing communication, conceptualization of integrated marketing communication in Slovenia.

JEL classification: M3

1. INTRODUCTION

In today's environment marketers are forced to use a number of communication tools to reach target audiences. Successful marketing communications requires the use of various instruments of marketing communication, through which they share a unique message to targeted audiences [Markwick and Fill, 1997]. A prerequisite for effective marketing communications is the consistency of sented messages through various channels of communication. Lamons [2003] emphasizes the importance of integration, not only the communication of messages, but all marketing communications in order to achieve the greatest possible synergy effects. Also Kitchen and Schultz [2003] state that there is not enough to integrate all communication activities at the level of individual product or service,
but we need to integrate the entire communication of an organization. Increased the need for
greater strategic integration of all instruments of marketing communication, so the organiza-
began to use the process of integrated marketing communication, which includes
coordination of the various instruments of communication [Smith et al. 2002].

In the period from the nineties onwards, we have witnessed a relatively high preval-
ence of integrated marketing communication approach in the field of marketing. It also
noticed the amount of published theoretical as well as the prevalence of that concept in ad-
vertising and other agencies. Nevertheless, the scope of integrated marketing
communication is still seen as a young field. This type of view is addressing us the question
about the conceptual definition of the field of integrated marketing communication. Thus,
we can not avoid issues that are somehow constant companion way of this theoretical field;
is essentially a question of whether this is really a new concept or is it paraphrasing only for
old ideas in the field of marketing communication. This controversy is based upon doubt
about the theoretical basis for integrated marketing communications and the lack of empiri-
cal research in the field identified in the integrated marketing communications literature.

The first study on integrated marketing communication (IMC) has carried out the
American Association of Advertising Agencies, which define IMC as »the concept of mar-
keting communication, which sees the added value in all-inclusive plan. The latter takes into
account the strategic importance of the various instruments of communication - such as ad-
vertising, sales promotion, public relations, direct marketing - and a combination of these
instruments, to ensure clarity, consistency and maximum communication impact« [Schultz
et al., 1994; in the Kitchen and Schultz , 1999, 24]. Followed by subsequent research in the
field of IMC, not only within the U.S. [Duncan and Everett, 1993; McArthur and Griffin,
1997, Schultz and Kitchen, 1997], but also international research [Reid, 2003; Gould et al.
1999].

Although marketers intuitively embrace the »integration« of marketing communica-
tion, empirical research in this area is scarce. The IMC framework is built on the foundation
that if multiple communications are deployed appropriately, they can enhance one another’s
contributions (Belch and Belch, 2003). The IMC concept has been characterized as both a
relational process and a business competency [Reid, 2003]. Its goals and outcomes are often
linked to building relationships with customers and other stakeholders through ongoing dia-
logue and the subsequent effects on sales and profits [Smith et al. 2004]. Furthermore, as a
business competency, IMC suggests integrated management of multiple media to achieve
superior outcomes [Naik and Raman, 2003].

Many organizations are considering how to improve the management and integra-
tion of their marketing communication programs using integrated marketing communication
(IMC). Nevertheless, various authors support the contention that there is ambiguity sur-
rounding the definition of IMC, with no consistent or mutually agreed upon meaning, and
with many areas in need of clarification [Cornelissen 2001; Kitchen and Schultz, 1999;
Low, 2000; Phelps and Johnson, 1996]. This ambiguity is likely to have an impact on the
development of measures to operationalize and assess IMC in organizations. Indeed, Pick-
ton and Hartley [1998, 450] state: »It is very difficult to conceptualize the big picture and to
muster all the organizational influences needed to achieve integration. There are many lev-
els and dimensions to integration which all pose their individual and collective difficulties«
[Reid et al. 2005].

Issues on the measurability of marketing communication programs have also been a
focus of discussion among academics and practitioners since the early stages of the devel-
opment of the integrated marketing communications concept [Kliatchko, 2005, 11]. A study conducted by Low [2000] showed that implementing IMC may be strongly related to better marketing results in terms of sales, market share and profits for an organisation.

In summary, the literature offers limited empirical and theoretical insights into the conceptualization and measurement of integrated marketing communications. In recognizing this complexity, first this paper attempts to develop a conceptualization of IMC in organizations. Second, the present paper develops and empirically validates a measurement instrument to conceptualize the IMC.

2. LITERATURE REVIEW

Integrated Marketing Communications (IMC) is still subject to varying terminology, bearing names such as, »orchestration«, »total branding«, »whole egg«, »integrated communications«. No matter what it is called, this new approach to business and marketing communications planning has become an irreversible prevailing tendency among academics and industry practitioners. IMC emerged as a natural evolution in marketing communications, brought about by drastic changes in at least three main areas: the marketplace, media and communications, and consumers [Kliatchko, 2005, 7]. The basic concept of integrated marketing communication is based on the synergy of individual instruments of marketing communication, which are mutually reinforcing and complementary, and their effect is greater in comparison with the separate use of individual instruments of marketing communication [Duncan and Everett, 1993], which in turn leads to lower cost of communications [Fill, 2001].

However, the scope of integrated marketing communication is still seen as a young field. Phelps and Johnson [1996] also observe different statements regarding the definition of integrated marketing communications. On the one hand, some authors have advocated restriction of this approach to marketing communication functions, while other authors argued that these features does not make sense to be considered separately from other processes in the organization. Some authors, however, emphasize cooperation and coordination between the functions of marketing and public relations within the organization [Harris, 1993].

Dewhist and Davis [2005] and Phelps and Johnson [1996] have noted that the integrated marketing communication is a young discipline, which still needs such a treatment of theoretical foundations as well as demonstrating its effectiveness in marketing practice. Similarly, Schultz [2004], one of the most visible authors in this area said later that the empirical research related to these areas, is still in development stage. Belch and Belch [2003, 9] defined integrated marketing communication as one of the most typical developmental trends in the nineties and as a phenomenon, which continues its growth in the 21 century.

Cornelissen and Lock [2000] and Cornelissen [2001], however, seem to uphold the contrary opinion and have revisited the issue on the validity of the IMC concept. They suggest that IMC is but one more among many management fashions and that it is theoretically underdeveloped and ambiguously defined. Some authors, however, defended the concept, because they believe that through an integrated marketing communications organizations achieve competitive advantage [Caywood, Ewing, 1991].

The transition from the conceptual definition of transaction in the internet or interactive marketing based on relationships is the driving force for the enforcement of the new concept of integrated marketing communications [Fill, 1999]. IMC is based on integrity, interactivity and build a complex relationship.
In the subsequent period, the conceptual definition of the field shifted to a broader definition. Subsequent definition was much broader-based and integrated marketing communication is considered as a strategic business process aimed at different external and internal audiences. Such changes in the conceptual definitions are also reflected in the developed measurement instruments used in the empirical research [Reid, 2005].

From the literature studied and the definitions of integrated marketing communication can pull the following characteristics of the latter [Spotts et al. 1998]:
- integration of the various instruments of marketing communication,
- orientation to the buyer or to the target groups at the beginning of the communication process,
- creation of a consistent communication message,
- creation of long-term relationship between customers and the organization and management of all contact points of the organization with its customers.

Kitchen and Schultz [2003] indicate the four aspects of integration in organizations that contribute to the successful implementation of IMC:
- Tactical coordination. The initial level of integration of all communication activities in order to create a basis for the IMC.
- Redefinition of the role of marketing communications. The second stage of the integration of IMC, which focuses on the external aspect of the integration and seeks to cover all contact points with the organization of its target public. The organization at this stage to integrate both external and internal communication activities.
- The application of information technology. Organization of the use of new information technologies for the storage, understanding data to make them easier to use, evaluate and monitor the process of IMC.
- Financial and strategic integration. This is the highest level of integration and combining the previous three aspects of integration. The fourth level of integration includes the ability of measuring the financial effects of the use of IMC.

Issues on the measurability of IMC programs have also been a focus of discussion among academics and practitioners since the early stages of the development of the IMC concept. A study conducted by Low [2000] showed that implementing IMC may be strongly related to better marketing results in terms of sales, market share and profits for an organization. The common explanation is that, through IMC, a firm or a manager can attain "synergy" between all of their marketing communication activities and decisions and that this synergy leads to performance benefits. The synergy ensures that the use of alternate communication tools is mutually reinforcing, leading to a level of enhanced productivity and performance [Duncan and Moriarty, 1997].

Every instrument of marketing communication is appropriate and effective in achieving specific communications goals. The instruments of marketing communication must be linked and coordinated so that they function in harmony and bring synergy effects and leads to a level of enhanced productivity and performance [Pickton and Broderick, 2001].

2.1. Development and past research of IMC measures

In order to develop an investigation in this research field, it is necessary to adopt first a perspective to define the dimensions of marketing communication. Next, it is necessary to
identify or, alternatively, develop a valid, reliable measurement scale of the proposed concepts.

In justifying the measurement of the IMC, the following dimensions were conceptualized for the purpose of exploratory factor analysis: characteristics of communication messages, unified communications for consistent message and image, differentiated communications to target groups and bidirectional communications. We highlighted various approaches to conceptualizing the above concepts based on the previous review of the definitions in the IMC literature.

**Characteristics of communication messages**

Communication messages that are sent from an attractive and credible source are the most convincing [Goebel et al. 2004; Herbig and Milewicz, 1994]. Communication message consists of message content and design, which is the way of transmission of the content [Schiffman and Kanuk, 2000]. In the evaluation of products or service customers are looking for useful information about the product to be purchased [Biehal and Sheinin, 2007], useful properties of the product and additional service and quality of the product which would like to purchase [Cutler and Javalgi, 1994]. The content of the communication messages is able to encourage the learning process for the consumer [Garretson and Burton, 2005]. The effectiveness of IMC is further dependent on the coherence and consistency of communication messages [Kitchen, Schultz, 2003; Carlson et al. 2003; Duncan and Moriarty, 1998; Kitchen and Schultz, 1999; McGrath, 2005], in addition to the content includes appropriate form and structure.

**Unified communications for consistent message and image**

Integrated marketing communications is the result of the coordinated operation between the functions of the organization and strategy of marketing communication resulting from the strategic goals and business strategy [Moorman and Miner, 1998; Lynn et al. 2002; Reid, 2003; Smith et al. 2002]. The development of marketing communication goals and coordination with the business strategy leads to a consistent strategy of integrated marketing communication. The strategy of marketing communication is in line with the vision, strategy and mission of the organization [Fill, 1999] and in line with the marketing strategy [Duncan and Moriarty, 1998]. Results of some studies demonstrate the positive impact of the mission of the organization on its financial performance. The vision and mission of the organization are able to answer the most basic questions about the existence of any organization, such as: why there is a certain organization, what it is its purpose and which meets the needs of [Bart et al. 2001].

For effective marketing communications is necessary the consistency among all communication messages, so that trust can be build and there is coherence in target audiences perceptions. The key to managing the point of perception is to deliver and receive messages on a platform of strategic consistency [Duncan and Moriarty, 1998; Kitchen and Schultz, 2003; Carlson et al. 2003]. In line with market orientation, the sharing of information across departments, the involvement of all departments in the preparation of business plans and strategies, the interactions of marketing personnel with other departments are the prerequisite for interfunctional coordination [Ride et al. 2005].
Differentiated communications to target groups

No company is unable to satisfy the needs of all consumers, because they are diversified, and they can not satisfy in full, with all its shades, which are individual in nature, it is necessary to determine the target groups. Segmentation and selection of the target audiences allow the precise formulation of the message and passing it on to the desired consumers. In addition, the segmentation of the target market and the definition of target groups may improve the effectiveness of marketing communications.

Consumers obviously vary on a host of different characteristics - demographic, psychographic, and behavioral. Any one of these characteristics may impact consumers’ response to marketing communications [MacInnis and Jaworski, 1989]. Many of these characteristics, however, can be related to a few key dimensions that have an important impact on the integrated marketing communications, as follows. First, knowing target groups (i.e. consumers) may differ in company’s prior knowledge, especially in terms of what they know about target audiences in terms of: 1) the product or service category, 2) the company or organization that makes the product or provides the service, 3) the brand, and 4) past communications for the brand [Keller, 2001]. The same note also Schiffman and Kanuk [2000], who say that customers vary in their knowledge of products or service [Barret et al. 1999] and past experience with the product or the organization. It has been argued that this is because consumers often base their purchase decisions not on what they can explicitly remember about an advertisement but on what they know about the product. This knowledge is reflected in implicit memory traces, and so the existence and enhancement of these should provide a better indicator of mere exposure effects on brand choice [Grimes and Kitchen, 2007].

Bidirectional communications

Numerous studies emphasize the role of involvement in the communications message and its impact on changes in attitudes towards certain brands. Brengman, Geuens and De Pelsmacker [2001] used the elaboration likelihood model for processing of information, which emphasizes the ability to process and motivation in processing the communication message. In order for initiated certain stimuli at the customer, the communication messages differ both in content, which can be informative or emotional nature, as in design and creative communication strategy [Brengman et al. 2001].

IMC has traditionally been identified as persuasion, which entails a primarily one-way communication mode [Spotts et al. 1998]. In marketing relationships, however, communication serves roles other than persuasion, such roles as informing, listening and answering, which require interaction and two-way communication forms. The increasing importance of communication in today's marketplace is demonstrating by its ability to manage two-way communication. An important part of any communication model is feedback, by which the receiver’s response is made known to the sender [Duncan and Moriarty, 1998]. Marketing communications also need to provide clarity and fast, pertinent and timely information in order that decisions can be made. An effective marketing communication occurs when the consumer can correctly interpret the initial message as it was meant to be sent. The understanding of messages brings to effective marketing communications. As a result, enhanced understanding of communication messages generated by the ability to engage in two-way conversations is essential.
3. RESEARCH DESIGN

3.1. Sample and data collection procedure

The main research instrument for empirical investigation, e.g. a questionnaire, was developed on the derived theoretical basis. The covering letters with questionnaires were mailed to the corporate directors, marketing directors or directors of 1000 the Slovenian enterprises. We choose the convenience sample. The survey was conducted in May, 2010. We determined 59 no deliverable and noncompliance questionnaires (e.g. incorrect address, respondents reported that wouldn’t respond to surveys). The total of 269 (210 usable) returned questionnaires was conducted in May, 2010. We determined 59 no deliverable and noncompliance questionnaires (e.g. incorrect address, respondents reported that wouldn’t respond to surveys). The total of 269 (210 usable) returned questionnaires represents a of 22.3% response rate, which is quite satisfactory, given that average top management survey response rate in the business-to-business markets are approximately of 15% [Malhotra and Birks, 2003; quoted in Wilkinson and Young, 2004, 577]. The results present in this paper are related to the sample of 210 respondents. The collected empirical data were processed with SPSS.

The relevant data of the companies were provided mainly by marketing directors (28,6 % of cases), followed by company’s directors or presidents of the managing board with 28,1 %, members of top management (19,0 %), business consultants (9,0 %) and head executives (5,7 %). Heads of public relations offices or heads of marketing and public relations offices answered in 7, 2 % and counseling specialists answered in 2, 4 %.

Company size was determined regarding the number of employees. The sample consists of 45, 2 % small companies, 23, 8 % middle sized companies and 31, 0 % of large companies. The companies included in the sample are distributed according to industries as follows. 42, 4 % of respondents belong to production oriented companies, 30, 4% of respondents belong to service oriented companies and 24, 3 % were trade oriented companies. The sample consists of 2, 4 % of institutions and 0, 5 % of government organizations.

3.2. Assessment of validity and reliability of the scale

One of main goals of this study is to develop a comprehensive measurement instrument that captures the multiple dimensions of IMC and empirically validates its reliability and validity. The multi-item scale instrument for IMC was empirically assessed for its reliability and validity following Churchill's [1979] recommendations.

The scales utilized for this study are taken from literature in integrated marketing communications context with some modifications where needed to fit the current study’s context. All the constructs, e.g characteristics of communication messages, unified communications for consistent message and image, differentiated communications to target groups and bidirectional communications were measured on the Likert scale. The respondents had to indicate their agreement with the statements on the 7-point Likert (1 strongly disagree to 7 strongly agree) scales.

First, exploratory factor analysis was conducted with the scale items to examine the dimensionality of the 24 scale items. Exploratory factor analysis is used to identify/examine the underlying dimensions during the item pool purification process [Malhotra and Birks, 2003]. Formal statistics were available for testing the appropriateness of the factor model. Bartlett’s test of sphericity has a large value of test statistic (Bartlett test of sphericity = 1354, 840; Sig. 0.000), which favours the rejection of our null hypothesis that the variables are uncorrelated in the population. The index of Kaiser-Meyer-Olkin (KMO) measurement
The initial solution with varimax rotation extracted five factors (using the criterion of eigenvalue of greater than one) with some items loaded on more than one factor. The items with high loadings on more than one factor were eliminated and then factor analysis was performed again. This procedure continued until a clear factor structure emerged. Nine items out of 24 were eliminated from the pool in the process, resulting in 15 scale items with the four-factor solution. The results of the final four-factor solution including the factor loadings of individual items representing the four dimensions and related statistics are summarized in Table 1.

Next, Cronbach alphas were calculated for the scale items that operationalize each dimension to assess the internal consistency of the scale items across the four dimensions. The coefficient alpha values of the four dimensions were 0.68, 0.86, 0.82, and 0.78. The results indicate that the reliability of the 15-item scale for IMC is robust from a psychometric standard [Nunnally, 1978]. The 15-item scale representing the four unique dimensions of IMC accounted for 67.4 percent of variance. In summary, the reliabilities and factor structure indicate that the final 15-item scale and its four dimensions have sound and stable psychometric properties.

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<tr>
<th>Latent variable (construct)</th>
<th>Manifest variable (measures)</th>
<th>Factor loading*</th>
<th>Cronbach α</th>
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<tr>
<td>Characteristics of</td>
<td>Rational appeals (v1)</td>
<td>0.787</td>
<td>0.6830</td>
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<td>communications messages</td>
<td>Useful characteristics (v2)</td>
<td>0.778</td>
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<td>Technical specifications (v3)</td>
<td>0.768</td>
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<td>Unified communications</td>
<td>Coordination with marketing</td>
<td>0.846</td>
<td>0.8573</td>
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<td>for consistent</td>
<td>strategy (v4)</td>
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<td>message and image</td>
<td>Consistency of communication</td>
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<td>messages (v5)</td>
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<td>To derive from strategic</td>
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<td>(v6)</td>
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<td>Trust and support of top</td>
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<td>management (v7)</td>
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<td>Centralization of</td>
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<td>implementation and control</td>
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<td>of marketing communications</td>
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<td>Differentiated</td>
<td>Knowledge of the brand (v9)</td>
<td>0.867</td>
<td>0.8235</td>
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<td>communications to target</td>
<td>Knowledge of product (v10)</td>
<td>0.823</td>
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<td>groups</td>
<td>Knowledge of customer (v11)</td>
<td>0.814</td>
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<td>Knowledge of marketing</td>
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<td>communications (v12)</td>
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<td>Bidirectional</td>
<td>Punctuality and clearness of</td>
<td>0.837</td>
<td>0.7793</td>
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<td>communications</td>
<td>communication process (v13)</td>
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<td>Understanding messages (v14)</td>
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<td>Enough information (v15)</td>
<td>0.696</td>
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*Varimax rotated four factors were extracted by principal component analysis. Percent of variance explained: 67.4%.
4. CONCLUSION

Over a decade of intense research integrated marketing communications (IMC) has become one of the most widely used concepts in the marketing communications field. Despite its popularity the concept of IMC is still not yet understood and measured [Schultz and Kitchen, 1997]. Identifying important dimensions of IMC has been an important step toward the conceptual foundation of IMC. The present study developed a four dimensional conceptualization of IMC based on IMC literature namely: characteristics of communication messages, unified communications for consistent message and image, differentiated communications to target groups and bidirectional communications.

The characteristics of communication messages are important features when developing consistent communications and consist of message content and design. Unified communications subsumes coordination of various messages to project a single brand identity. The effectiveness of IMC depends on the coherence and consistency of communication messages. The differentiated communications to target groups signifies that knowing the customers, their product brand, and their marketing communications should be considered when preparing different communication campaigns for target groups. Bidirectional communication underscores the growing importance in two-way communication to generate results like effective communication. In summary, the proposed conceptualization of IMC encompasses a range of important IMC activities that were identified in previous studies [Nowak and Phelps, 1994].

The present study empirically developed a measurement instrument of IMC with empirical validation with scale survey. The empirical assessment of IMC measures indicate that 15-item scale, measuring four dimensions possess reliabilities and construct validity. The measurement instrument in this study will assist practitioners to better assess the scope and to measure the impact of IMC on marketing communication performance, because of a lack of valid measures of the construct.

References


