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## Introduction

Scholars and business people alike have been trying to address the best marketing and management practices to ensure the success of organizations. Recently the concepts of branding and integrated marketing communications (IMC) have been put forth as drivers of success. There is a body of literature which relates brand orientation, market orientation and IMC to outcomes such as brand performance and marketing communications performance (Lee and Park, 2007; Low, 2000 and Naik, P.A., Raman, K. 2003 ). To describe this succinctly, a company's strategic brand orientation and strategic market orientation drive the components and focus of the IMC which then result in outcomes such as brand image and brand awareness as well as brand performance outcomes such as sales, market share and revenue generation. This paper proposes to examine the relationship between IMC and revenue generation.

## Current Model

The American Marketing Association ( Schultz 1993, p. 17) defines IMC as: "A concept of marketing communications planning that recognizes the added value of [a] comprehensive plan that evaluates the strategic roles of a variety of communication disciplines—for example, general advertising, direct response, sales promotion and public relations—and combines these disciplines to provide clarity, consistency, and maximum communications impact." For many years marketing communications were not integrated. Advertising, public relations, direct response were not coordinated. In fact, a debate still exists as to the measurable value of integrating marketing communications (Cornelissen, 2001; 2003). However, to a great extent, current advertising literature and marketing practitioners have begun to accept the concept that there are benefits of integrating marketing communications to create communication synergy

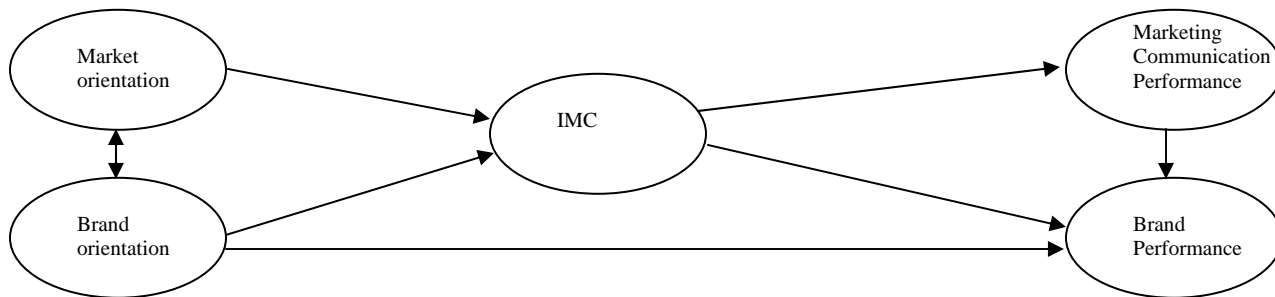
across media. Studies looking at IMC adoption have reported results ranging from 66% to 75 % and as high as 95% of the responding organizations reporting implementing IMC (Carlson, Grove and Dorsch, 2003) and the trend is to believe that IMC is not going to go away and will continue to be a driving force in both academia and management decision making (Gould, 2000).

Current IMC research has begun to estimate and infer the effectiveness of and synergy among multimedia communications, specifically, the synergy among the media budget, media mix, and advertising carryover (Naik and Raman, 2003). They further provided empirical evidence of the synergy between television and print advertising in consumer markets demonstrating not only media effectiveness but also cross-media synergy. This synergy exceeds the sum of the individual effects. Also Dewhirst and Davis, 2005 demonstrated that greater brand equity and shareholder value were achieved using three IMC practices (brand communication, cross-functional planning and monitoring, and data-driven targeting and communication).

Within the IMC literature there are several somewhat divergent streams. There are those like Schultz and Duncan who view IMC as a managed coordinated process, while another group (Grunig and Grunig, 1998) contends that IMC should eliminate the M and be IC or integrated communications. A difference which both alters the philosophy of the communications and changes the overarching control of communications. Integrated communications would be reserved for the overall corporate image and be the purview of the public relations department. While this is an interesting intellectual debate, the proposed study, while recognizing the existence of this literature, will not address this debate or focus on the IC literature. While the brand image, brand attitude and brand recall are also outcomes of IMC and have been

empirically explored (McGrath, 2005; Ratnatunga & Ewing, 2005) they are encompassed in the brand outcomes. .

Figure One



Reid, Luxon, Mavondo (2005)

Reid, Luxon, Mavondo (2005) conceptually (figure 1) demonstrated the nexus between market orientation, brand orientation and IMC with the commonality being brand identity. They denote market orientation in this model as including both a customer and competitor orientation, having interfunctional coordination and an emphasis on profit. Brand orientation consists of shared brand vision, functionality and brand positioning while including a brand return on investment, a value-adding capability and symbolism. They further contend that IMC is the mediating variable between market orientation and brand orientation and the desired outcome of marketing communication performance and brand performance. Typically performance measures in marketing are seen as expenses however in this model IMC is being treated as an investment in communication and the measures encompass internal process metrics and return on campaign efforts. On the other hand, brand performance is related to customer and market impact measures in addition to profit and cash flow. As such companies implementing an IMC strategy would see the benefits of such a strategy as a positive outcome in brand and marketing performance.

Further supporting the link between branding and IMC Kitchen and Schultz (2003) and Schultz, 1998; 2004 have also proposed that branding is central to marketing communications. Empirically this has been demonstrated by Ratnatunga, Ewing 2005 who demonstrate that IMC practices (advertising, direct marketing, sponsorships, promotions and internet) impact branding variables such as recognition which in turn impacts revenue such as future sales. McGrath, 2005 addresses the validity of IMC and that messages using key aspects of an IMC strategy prompt stronger attitudes toward brand level than messages using traditional strategy.

### Internal Marketing

Internal marketing is a subset of marketing communications that has been largely left out of the integrated marketing communications literature. Internal marketing refers to communicating the organizational values and goals of an organization to employees through example or through internal communications channels. This communication reflects a systematic and ongoing process not just one time speeches or training offered. (Wieske, Ahearne, Lam and van Dick 2009).

Internal marketing has been found to have a positive impact on both internal and external goals for organizations. Internally, there was increased job satisfaction (Ahmed, Rafiq and Saad 2003) and work motivation (Bell, Menguc and Stefani 2004) as well as organizational commitment (Carauna and Calleya 1998) and organizational identification (Wieske, Ahearne, Lam and van Dick 2009).

The relationship of internal marketing to external goals has been empirically explored by Bell and Menguc 2002 and Bell, Menguc and Stefani 2004 who found internal marketing was positively related to service quality. Lings and Greenley (2009) found internal marketing to be causally related to a firms market orientation, financial performance and customer satisfaction.

### IMC and Market Orientation

As noted earlier Reid, Luxon, Mavondo (2005) denoted market orientation in this model as including both a customer and competitor orientation, having interfunctional coordination and an emphasis on profit. The adapted model is changed to reflect internal marketing's role within IMC and the impact of internal communication on having a greater marketing orientation and a greater customer service. Thus the relationship within the model is changed from a one way indicator flowing from the market orientation to IMC to a two way arrow to reflect the interrelationship and impact between the two variables as demonstrated empirically by Lings and Greenley (2009). Therefore proposition one is:

- P1 – The practices of integrated marketing communication will have a positive impact on a firms marketing orientation.

### IMC and Brand Orientation

Brand orientation as defined here is comprised of shared brand vision, functionality and brand positioning while including a brand return on investment, a value-adding capability and symbolism. In the previous conceptual model brand orientation guided the integrated marketing communications and the brand performance. The shared brand vision and symbolism are conveyed and internalized through, and due to, an organizations internal marketing. The direction of the connection should be two way to represent this. In the adapted model the direction of the arrow is changed from being one way from brand orientation to a two way arrow to reflect the impact of internal communications. Therefore proposition two is:

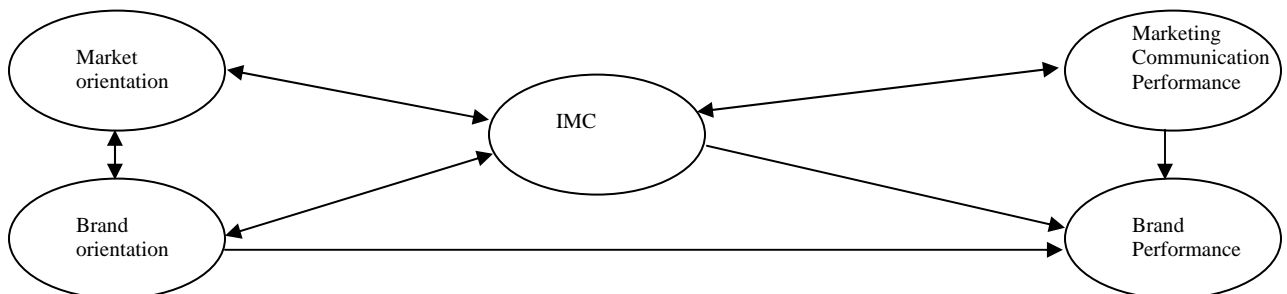
- P2 – Integrated marketing communications impacts brand orientation through internal marketing which results in a greater sense of shared vision and symbolism.

### IMC and Marketing Communications Performance

IMC has been modeled as the mediating variable between market orientation and brand orientation and the desired outcome of marketing communication performance and brand performance. Typically performance measures in marketing are seen as expenses however in this model IMC is being treated as an investment in communication and the measures encompass internal process metrics and return on campaign efforts. On the other hand, brand performance is related to customer and market impact measures in addition to profit and cash flow. As such companies and nonprofits implementing an IMC strategy would see the benefits of such a strategy as a positive outcome in brand and marketing performance. We propose extending this to include a two way arrow to incorporate feedback and adjustments to the IMC campaign based on the results. In this manner the constructs of organizational learning and feedback are incorporated into the model. Strategic agility is also implied in the ability to adjust. Thus, proposition three is:

P3 - To reflect the impacts of feedback and organizational learning the connection between IMC and the Performance Variables should reflect the two way interaction.

The resultant model is :



### Summary

This model reflects the inclusion of internal marketing and its impact within the organization. Once included as a intra-organizational function of integrated marketing communications internal marketing's impact can be seen to change the relationships among the constructs of marketing orientation, brand orientation and IMC as well as IMC performance to reflect their dyadic relationships.



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