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Journal of Integrated Marketing Communications

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2006

The Blur Age

EFFECTIVE COMMUNICATIONS IN TODAY'S CHANGING ENVIRONMENT

by Rudolph Magnani

ABSTRACT

Marketers in today's environment must deal with the proliferation of information constantly bombarding consumers. What will be described is a method of ordering and exploring the three areas that highlight the effectiveness of IMC—moving it out of the theoretical and conceptual and into functional, successful marketing for today's Blur Age. By controlling and orchestrating myriad marketing disciplines to maintain consistency, aligning client operational structure to drive marketing and business goals, and creating a business model and internal culture that realizes the behaviors and practices of an effective IMC model, marketers can increase their efficacy and thrive in a blurring communications environment.

ALVIN TOFFLER ADVANCES in his 1984 book *The Third Wave* that the information technology future offers the opportunity of improved social-globe conditions. However the promise of the Information Age has been supplanted by a new reality, the "Blur Age." In one dimension and in a vast oversimplification of Toffler's premise, he postulates that evolving from "The First Wave" agricultural and "The Second Wave" industrial to "The Third Wave" access to technology and the societal "info-sphere" that follows will bring dramatic changes and optimistic new forms in 21st century democracy. This is no doubt conceivable, but as Toffler concedes, periods of chaos will mark that change. As clichéd as it is, we are undoubtedly in

a period of insurmountable information overload chaos and the patterns of illumination and access have yet to be realized.

For marketers fighting for brand mind share, preference, trial, and (the holy grail) loyalty, the cacophony of "information" that characterizes the Blur Age has diminished the consumer's conscious ability to respond. In this Blur Age reality, marketers must align three structural dimensions: contact management, internal company alignment, and agency alignment. They must also use integrated marketing communications (IMC) to impose communication clarity. In addition to discussing the cause and consequences of the marketer's dilemma, described within are methods for companies to develop more

effective communications programs in today's blurred communication environment.

Yes, it's chaos...now market in it

There are many extrapolations of daily brand impressions: 3,000 daily brand exposures is one of the estimates (Finegan, 2001). At a certain point the number fails to matter, for we have exceeded any reasonable expectation for cognition. When the human mind recognizes approximately 80,000 words and when there are millions of brand permutations to respond to, most brand promises don't even get in line. With 64 television and cable networks joined by more than 500 channels, 900 annual direct-mail initiatives per person, 5,000 radio stations, 10,000 print options, billions of Web pages with four million additional pages added daily (the list is conservative), you physically cannot be anywhere at anytime without some sort of brand intrusion (Garfield, 2005).

Compounding this communications log jam is the mind-saturated stiff arm that audiences are giving marketers. As a culture, our society's cynicism toward marketing has ripened over time. In an attempt to stabilize the chaos surrounding us, our commercial-battered psyches have taught us to filter and ignore. Three-quarters of Americans are turned off by commercials; even more are tuned out or simply skipped (Garfield, 2005). Weaned on modern marketing, we unconsciously screen out most contacts and retain little.

Marketing professionals have seen the explosive evidence, and to a great extent the institutions of marketing have failed to grapple with it—not for lack of concern or apathy, but for lack of new models that have demonstrated impact. Most affected, in particular, are consumer products and services companies that have national or global markets but have local or regional budgets. These companies are most vulnerable because of the financial metrics of traditional mass media. Local budgets on an effective national

or global scale are woefully starved, rendering voice to the imperceptible. In a media environment that dictates ideally effective reach and frequency numbers (150–400 GRPs), a company in the metropolitan Chicago area would spend upward of \$4 million annually. Multiply that by all the top national markets and you will quickly exceed \$40 million to \$50 million in paid media annually. Guess what? Ninety-three percent of American companies spent less than \$20 million and 70 percent spent less than \$3 million in 2004 (Kelly, Scott & Madison, 2005). For the profound majority of companies, budgets for national campaigns, let alone global campaigns, reach the equivalent of less than what is ideally needed in a single market like Chicago.

What worked for marketers 50, 25, even five years ago is not working today—evidenced by not only the increasing cost of reaching consumers but by the limited effectiveness of that reach. Mounds of evidence exist for the permeated decline of communications access to intended consumer targets. In a recent survey, 1,000 consumers were asked to recall taglines from 25 of America's most well-known companies, including Wendy's, Coca-Cola, Kmart, and Sears. Fewer than half were recalled by 5 percent of the respondents, and one-fifth were recalled by 1 percent or less (Newman, 2005). These are companies spending millions annually on paid media and they can't create a lasting impression of their primary message beyond their brand name. Take the test yourself. Do you know Ford's latest tagline? They hope you do. On average they've spent \$2.2 billion annually in the U.S. since 2003 ("U.S. Company Revenue," 2004). The contact points themselves are also becoming less effective in reach. In 1957, the "I Love Lucy" show on any given night routinely garnered a 67 percent audience share. In more recent times, the widely popular and highly anticipated "Seinfeld" and "Friends"

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finales reached 22 percent and 20 percent of the audience share, respectively (Kelly, Scott & Madison, 2005). Most publications have slivers of share. And Ford's tagline? "Built For the Road Ahead."

Dinosaurs may look cool, but they don't get much work these days

Advertising is showing its age. The forms most practiced today grew out of a communications revolution introduced roughly 57 years ago. Last year, men ages 18 to 34 started using the newest mass medium, the Internet, more than television. This year, at-home women with children did likewise. These watershed moments profoundly signaled a change that had been in the making for more than a decade and will inform and direct the model for marketing communications today.

In the first quarter of 2005, Internet advertising surpassed all other forms in percentage of growth (Garfield, 2005). This is not to say traditional mass media will evaporate. Still vastly dominant today, these media are simply becoming other contact points in the ever more surgical segmentation of audiences—audiences that will be theoretically

reached by one-on-one contact, from intrusive to permissive to on-demand. What's clear is the marketing model has changed. Preemptive adaptation rarely occurs and so it is that many marketers have not changed from the patterns and habits of the more than 50-year-old model. Integrated marketing and digital technology are at the vanguard, the new form. The marketers who succeed in adapting to the changes imposed by the marketplace will be able to take advantage. Toffler's Third Wave of info-sphere can be accessed. What is commonly called alternative,

digital, or guerrilla marketing is none of these, it's simply marketing. Marketers must improve their understanding of total integration, evolve mediums of contact, and use the technology that created the communication barriers to overcome the communication barriers.

It is from this point that marketing's future must navigate. IMC is not a new idea, but in some ways it has been a misunderstood idea—in definition, scope, and practice. Beyond IMC and the principles of 360 degree marketing is the need to integrate and align the structural dimensions—contact management across traditional and new media, internal company structure, and the least understood, agency structure.

Contact management: Branding is no longer a line item, it's a lifestyle

Controlling and orchestrating the myriad of marketing disciplines to increase effectiveness is one goal of IMC, and a term coined at Northwestern University, "all points of brand contact," is at play here (Schultz & Schultz, 2004). Without getting into a specific tome on IMC, one component of brand integration is a holistic unification of every point of contact. Anyone reading this understands IMC and its benefits: In the costly world of marketing, diluting or forfeiting any morsel of the message is unsound, but it happens all the time. The usual cause can begin to be attributed to a lack of internal integration. There isn't a company we've first talked to in the last 25 years with perfectly aligned strategies and operational marketing structure. Why? A number of reasons: job mobility and the inherent creation of new agendas (marketing directors have an average life span of less than two years), siloed organizational structures, politics, rapid change, and the inability to update quickly, short-term quarterly report thinking, and inattentive discipline. It is no small task to herd these cats, yet it is a mandatory dimension of marketing success.

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Internal company alignment: Focus is everything

A truly effective program can only begin when all the key drivers are aligned—only teams win. For any company, one of the first marketing goals is aligning as many internal structural factors as possible. Begin with an audit to identify broken links, and restructure and align all elements that directly effect marketing, be it IT, sales, product development, customer service, or PR. Identify and engage champions for the process. The basis for the implementation of an IMC program will not succeed without an internal structural form. To effectively drive marketing and business goals, alignment must begin at the company itself because the market punishes ambiguity. History is rife with failure for companies who have lost focus, lost identity in the marketplace. Being in the ambiguous middle for American companies is deadly whether you're Oldsmobile or Montgomery Ward. Today, icon brands such as Sears face a challenge of relevance because of a lack of clarity.

Agency alignment: The brand drives the creative, the creative drives the brand

Just as marketing structural alignment is necessary for companies to successfully execute IMC programs, so too is the structural alignment of the “agency” partner. Again, traditional marketing training and habits have left a residual imprint on many agencies—not all however. There is an emerging class of interactive, creative, and relatively young agencies, as well as some transformed agencies that have foreseen the impact of new technologies. They have intuitively and purposefully engaged audiences the way they want to be engaged. These agencies are by necessity a talented mix, infusing digital natives with universal and traditional marketing practices. Their business models support the nuanced intricacies demanded by holistic integrated

marketing. Their staffs are prepared to put the same creative energy into the preparation of a sales meeting as they would for a national ad. They do not suffer from a long-engrained culture weaned on mass media and expectations of silver-bullet solutions to drive objectives.

This new form of innovation has come from nimble agencies that have integrated their own companies as well as their marketing approaches—agencies who have created a culture where all marketing initiatives are given equal value, where account executives and creatives have cross-disciplined responsibilities and sensibilities, and where research, planning, PR, promotions, interactive, and media are all integrated at all touch points, not with different names and agendas. Creating this culture takes time and there is a certain trial and error involved. Teams are formed from practice and cohesive, integrated teams play an integral role in producing effective IMC programs. More members need be engaged; there are more disciplines to bridge. The hierarchal model struggles because great internal communications come from transparency, inclusion, and dialogue, not just need-to-know information. It's a big round table and reflects the greater egalitarian view of new media and progressive companies.

That is not to say there is not order and structure. Internal agency integration requires the seamless interface of many disciplines: Habits in process must become instinctual, problems must be solved with a multitask approach, and a holistic mentality must prevail (a constant looking up at the big picture while exercising passion on the small details). These elements comprise an ordered process incorporating traditional marketing disciplines, overlaid with new solutions technologies. An agency culture fostering dialogue where the individual members who are speaking different trade languages and have different experience and expertise communicate faultlessly, with open door, cross-disciplined seating to erase departmental thinking. The agency is

patterned after the holistic integration it pursues for marketing effectiveness and success.

Sorry, you do have to sweat the small stuff

There are many companies large and small who have adopted integration as part of their culture; that clarity affects all of their actions and is a key to their success. Companies such as Starbucks, Wal-Mart, Gap Inc., Dell, Procter & Gamble, Amazon, Apple, BMW, and IKEA (there are many, many more) are all examples of highly visible companies that have found success in the Blur Age. In all the manifestations and applications of their brand, at all points of contact, their dialogue is aligned to a singular vision. From products to culture to advertising to nearly every fragment of their being, these companies are stellar performers in their respective categories. It is because of their success that the clarity and flawless integration of these companies is so visible. Is it the marketing integration that drives that clarity, that success? Or is it the functioning of well-organized entities with clarity of vision that exhibits these traits? It's all of these factors. The very essence of IMC done right mandates that all things align. No one silver bullet, no one big idea, no lottery ticket mentality to marketing made these companies successful. It was silver buckshot, it all works, all integrated.

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That was easy: all of the companies mentioned spend millions on paid media marketing. Now how does a company with \$5 million (the majority) speak to customers on a national and global dimension and achieve success—in an identical way with one twist. Greater reliance on key influencer drivers. The smaller companies must exhibit the same top to bottom saturated integration as all-stars, but because of their limited budgets they must rely more on word-of-mouth marketing. Otherwise, they would have

to believe that their \$5 million can drive mind share, preference, trial, and loyalty the same way Wal-Mart's \$450 million can.

MacGregor Golf: Integration brings success

An American icon brand such as MacGregor Golf demonstrates the positive effects of a well-executed, wholly integrated IMC program.

For 75 of its more than 100-year history, MacGregor Golf was the number one brand in golf known for making premium golf equipment. Starting in the mid-seventies and after a series of owners as a public company, MacGregor found itself with drastically lower sales, a single-digit market share down from 55 percent, and perennial financial losses. During this time MacGregor attempted to come back to profitability and market share by expanding into mass-market distribution with lower end equipment. The brand had lost focus with a short-term sales strategy that attempted to play off the equity of the MacGregor brand in new channels. Compounding the effect of this effort was inconsistent and poorly executed product. Over time the brand lost relevance among new customers. The MacGregor brand maintained a small but loyal base with historic fondness for its history. However that base quickly eroded; the brand had become your father's Oldsmobile. MacGregor was facing its demise.

In 1999 a new owner with a vision for reviving the brand bought the rapidly fading company. The first two years were precarious. The newly privately held company cut most of its product lines, all its management and sales staff, half of its work force, and pulled out of all mass markets and online sales. The company was cut in half, reducing sales to less than \$20 million. In a similar strategy to Harley-Davidson, MacGregor concentrated on its core business and refocused on producing only the best products in each category. With a budget of under \$5 million in 2001,

MacGregor embarked on a new marketing campaign after an extensive internal audit that produced and galvanized internal alignment in sales, product development, and marketing—one vision, one voice. A comprehensive brand repositioning plan was developed with a messaging hierarchy and tactical communications strategy. In the first two years, marketing concentrated on key influencers and trade since resources were limited. An all points of brand contact plan was implemented including broadcast, print, product graphics, sales materials, catalogs, direct mail, Web, blogs, public relations, point-of-purchase, merchandising, tour players, and tour demo days. All points of brand contact focused on a limited but critical audience to drive viral word-of-mouth.

In 2004 MacGregor sales in the U.S. grew to \$75 million, and \$135 glob-

ally. Today MacGregor is well on its way to becoming a renaissance icon.

Circumstances change, human nature doesn't

The alignment and orchestration of all points of brand contact and the alignment of the marketing structure of both the company and its marketing partner are the first-order needs for the beginning of effective IMC programs. The frustrated blindsiding of marketing effectiveness in the new world order has been caused by the lack of these alignments and has been the Achilles' heel for the effective implementation of IMC. All-in-all, a disciplined IMC process, new form contact technologies, creativity, an understanding of the constancy of human nature, and the embrace of complete

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