

Werner Pepels



Marketing Communications

Duncker & Humblot · Berlin

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By

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Preface

When it comes to advertising, everyone in marketing and especially beyond likes to contribute and many are supposed to know a lot about it. Yet behind marketing communications stand complex and complicated issues which are rarely formulated with the necessary theoretical depth and practical relevance. This is certainly not the case in this book, which provides an in-depth and comprehensive overview of the most important facets of marketing communications. After all, lasting market success can only be achieved with deep knowledge of the underlying principles. Exactly this is the mission of this book.

Book concept:

The content is characterized by a clear composition and fair knowledge representation. The text design, numerous diagrams, and a deep structure contribute to this.

A special feature of this book is that in addition to all theoretical foundation, the transfer of application is always sought through practical examples. This succeeds here among other things because the author disposes of authentic vocational practical experiences over a dozen years in the advertising industry and more than two dozen years of teaching experience in the subject at state universities. This distinguishes this book from purely scientific works of theoreticians, but also from somehow more fictional works of practical experts.

Book overview:

“Marketing communications” in the German original version is one of the established introductory books in the domain. Due to the respectable success, an English edition was now considered necessary, which offers non-native speakers a meaningful insight into marketing communications. The book takes a German perspective.

The content of this book is a transfer of the contents from the current German version in its 3rd edition with some specific additions. The translation of a highly specialized technical text still poses a great challenge, translation programs still fail with elaborate technical texts. At least the author’s training as a state-certified translator comes in handy. Nevertheless, despite careful review, there are certainly shortcomings that remain. The publisher is very interested in receiving feedback on this matter directed to D&H publishing house.

Target audience:

The book is aimed at

- Students in English-speaking bachelor and master programs in marketing or related fields at German and international universities of higher education or applied science,

- young professionals, working in industry, services, trade and export,
- career shifters from non-economic specializations,
- ascenders in the subject, especially at advertising/media agencies, management consultancies, special service providers or similar,
- professionals in marketing, sales and advertising who want a knowledge updating.

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The author wishes all readers every success possible in using the experiences presented here for their own advancement and the well-being of their organization.

Set-up of work:

The book consists of eight main chapters:

1. Basics of communication
2. Cornerstones for marketing communications
3. Advertising campaign formatting
4. Media of classical advertising
5. Online advertising
6. Non-classical advertising
7. Integrated marketing communications
8. Marketing communications controlling

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List of abbreviations

AIDA	Attention – Interest – Desire – Action (Stage model of advertising)
AIO	Attitudes – Interests – Opinions
ARD	First German television
A-t-l	Above the line (Classical advertising)
B-t-b	Business to business
B-t-c	Business to consumer
B-t-l	Below the line (Non-classical advertising)
b/w	Black/white (Single-colored)
Captcha	Completely automated public Turing test to tell computers and humans apart
CD	Corporate design
CEO	Chief executive officer
CI	Corporate identity
CMYK	Cyan – Magenta – Yellow – Key (Color mode)
CRM	Customer relationship management-System
CSR	Corporate social responsibility
CUG	Closed user group
DIY	Do it yourself
DTP	Desk top publishing
e. g.	exempli gratia (for example)
ERP	Enterprise resource planning-System
ERP3	Ethnocentric – polycentric – regiocentric – geocentric (Perlmutter)
ESG	Environment – Social – Governance
GDP	Gross domestic product
GI	General interest
GRP	Gross rating point
HKS	Color scale
HTML	Hyper text mark up language
i. e.	id est (that is)
I-TV	Interactive television
IP	Internet protocol
IPO	Initial public offering
NGO	Non-governmental organization
OEM	Original equipment manufacturer
OMD	Online – Multimedia – Digital
OTC	Over the counter
OTS	Opportunity to see
POS	Point of sale
PR	Public relations
Pro7	German private television station
QR	Quick response
R	Radio

RAL	Color scale
RTL	German private television station
SAT	German private television station
SERP	Search engine result page
SoA	Share of advertising
SoM	Share of market
TV	Television
URL	Uniform resource locator
ZBB	Zero base budgeting
ZDF	Second German television

1. Basics of communication

As few people are aware, communication is one of the most complicated things in our lives and often enough leads straight to chaos. In many cases, conflicts in the business as well as in the private sphere are in substance only about peanuts, the actual escalation is rather based on communication problems about this matter. Because

- said means not heard,
- heard means not understood,
- understood means not agreed,
- agreed means not implemented,
- implemented means not proven.

In essence, communication management (according to Lasswell) is all about

- *Who* (= communicator) *says what* (= message) *to whom* (= target person) *via which path* (= channel) *with which effect* (= goal).

1.1 Principles of communication

There are few basic principles as to workable communication, but they have to be observed strictly. Their meaning is explained subsequently.

1.1.1 “One cannot not communicate!”

Communication is therefore not only vital, but also the cause of many evils. The big problem is that you cannot escape it, because you cannot not communicate (Watzlawick). Therefore, there is no choice between communication or non-communication, because non-communication also communicates, and to a much greater extent non-verbally. This is even more revealing, because in most cases it is difficult to consciously control it, whereas words can lie.

This means that the opinion, still widely held in companies and industries comparatively far removed from marketing, that advertising can be dispensed with, is no longer valid. Because the market forms its image of a seller anyway, only then without the seller being able to influence it. Since this image can be decisive for a purchase and thus promote the company's existence, investments in advertising

make a lot of sense and are money well spent. But the questions remain, where to allocate the financial means, which creative implementation could be a smashing one and how to get a good idea about the efficacy of the invest.

1.1.2 “Not the reality is the reality in the market!”

Another key sentence for understanding communication is (based on B. Spiegel): “Reality is not the reality in the market, but the target persons’ ideas about reality”. This means that marketing communication takes place on an emotional meta level, which more or less overlaps the underlying real (factual) level. Both levels can now, even permanently, differ from each other.

One example of this was the tobacco industry. On a real level, cigarettes are nothing more than rolls of tobacco wrapped in white paper with a fiber attachment in front of it, which are filled into packages of 20 and successively burned by ignition. The smoke that escapes, which is also extremely harmful to health, is inhaled and differences between the various brands within a sort are difficult or impossible to discern, even by experts. On this real level, however, hardly anyone would be willing to spend € 6–7 for a pack of cigarettes. Only the superimposition of the meta-level of communication turns these profane products into objects of desire, whereby the individual cigarette brands are then no longer considered interchangeable. Instead of rolled up cut tobacco, communication took place via Rocky Mountains, wild jungle, world view and multicultural exchange. The fact that there is a permanent gap between the two levels not only does not impair the market success of these products, but is even a strict prerequisite for this.

This applies, although perhaps not so strongly, to practically all products, especially consumer goods. The reasons for this are clear. First, the reality of the vast majority of market offerings is as boring as that of cigarettes. It is therefore not even worthwhile to advertise them. Secondly, the offers of different market participants are usually objectively similar to each other, so that it is hardly possible to offer comparative competitive advantages on the real level. This is even true for many capital goods. And thirdly, even where they actually exist, differences are usually no longer easily comprehensible for buyers, so that a real offer of a reward easily overtaxes their assessment capacity. Therefore it is almost unavoidable to aim at the meta-level during communication if one wants to achieve success in the market.

1.1.3 “The worm must taste to the fish and not to the fisher!”

Also of immense importance for communication is the statement that the worm must taste to the fish and not to the fisher. It says that the value of a message is defined only from the point of view of the addressees. This means that not the sender’s need to communicate what he wants to get rid of should be the focus

of communication, but only the presumed needs of his addressees. This would not be tragic if both interests were not significantly different. For example, the sender wants to convince addressees to buy his product instead of or in addition to another one and to give up purchasing power in return to balance his business. But the addressees are quite indifferent to just this, they are rather interested in acquiring only such benefits, which they estimate higher than the money sacrifice, which they have to pay for it. If the sender now argues from his point of view, he does not hit the nerve with it, i. e. the attention and interest of his addressees, and the communication is in vain, though not for free. For a promising communication it is rather necessary to regress one's own needs in favour of the needs of others, namely the potential customers. So although communication costs one's own money, one must not use it to serve one's own interests, but rather the interests of others. Success can only be achieved to the extent that communication can offer benefits that potential customers find attractive because they meet their needs. Communication that primarily satisfies the needs of the sender, on the other hand, will inevitably fail. Often this failure is to be found precisely in industries where marketing thinking is not yet firmly anchored, such as in the advertising of capital goods, which all too often still reflects the pride of the producers about their, admittedly often really considerable, performance, instead of showing that it is possible to successfully put oneself in the users' shoes and offer tailor-made problem solutions.

1.1.4 “Advertising does not sell, instead advertising helps to sell!”

Finally, one last, very decisive hint belongs here. “Advertising does not sell, instead advertising helps to sell.” Naturally the expectation of all advertisers is to receive concretely measurable sales results for their good money. This attitude is solely dictated by the commercial duty of care. Dubious advertising consultants are easily able to claim this for their advertising, because they know that the release of the budget depends on it. But nobody can really guarantee that $X \text{ €}$ advertising budget will generate at least $\text{€}X + 1$ profit. Realistic is only to promise to do everything professionally possible to reach this goal. Because advertising does not sell, but advertising is only one factor among countless others that lead to purchase or not purchase. This problem also prevents advertising success measurement, which is always welcome by advertisers. Because if advertising is only one factor among countless others, which is responsible for the economic success, an attribution of the share of advertising would only be feasible if it is possible to determine the performance contribution of all factors involved. But this is where practice has failed so far.