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Two pros prove real value of media integration



By Don E. Schultz

More than a dozen years ago, my colleagues at Northwestern University and I developed the concept of integrated marketing communications (IMC).

In those early years, we argued that consistent forms, methods and uses of communication could provide advantages and returns to both the marketing organization and the consumer. (Remember, this was before the commercialization of the Web and the Internet, and other forms of interactive communication that have so radically changed how we think about communications impact.)

Early on, the mega-advertising agencies backed the idea of integration. They saw it as a way to become the one-stop

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shop for all an advertiser's needs. They coined the phrase "one sight, one sound" suggesting that they, and they alone, could bring all the marketer's communications programs together. But too often, they couldn't. They never got the functional agencies they had purchased—generally sales promotion, public relations, direct marketing and the like—to work together, simply because they continued to operate them as independent entities. So, while advertising agencies generally supported integration, they never quite achieved it.

Media organizations tried integration by putting together packages of media properties they owned or controlled, using combination offers, such as, "Buy these two and we'll throw in the third." They had the same problem. The media barons couldn't get their properties to work together well enough to make the proposition interesting to advertisers.

More recently, a new crop of media agencies emerged. "Media-neutral" has been their catchphrase, which essentially means they supposedly start with a blank slate and plan media programs from scratch. Generally, that translates as not starting with a base television schedule, but instead trying to find combinations of media that somehow are more involving, effective or efficient than the traditional media planning systems that have been in place for 50 years. Those concepts haven't seemed to work either.

No one has successfully illustrated, demonstrated or proven that an integrated program worked better than a nonintegrated one.

Certainly there have been attempts. Personally, I have reviewed at least four Ph.D. dissertations that have tried to prove that integration is a value-adding process. I have probably seen 30 or more articles and papers over the same period. Each has tried to develop some basis for demonstrating that an integrated communications program works better than a nonintegrated one. Generally, those have been without success as well.

Recently, the evidence most of us have sought to support integration and an IMC approach finally appeared.

Writing in the November 2003 issue of the *Journal of Marketing Research*, two professors, Prasad A. Naik, associate professor of management at the University of California, Davis' Graduate School of Management, and Kalyan Raman, professor of marketing at the University of



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Michigan, Flint's School of Management, seem to have broken the code on integration—at least on media integration. In their work, they have shown why and how media integration occurs and the value it can provide a marketing organization.

The key is synergy: Media work better together in combination than they do alone. And while the idea is not new, it has traditionally been difficult to prove.

Naik and Raman have provided a methodology to identify the media synergy that exists within a promotional program—that is, the increased effects the same marketing communications message appearing in different media can have on product sales over time.

Many market and media researchers have long suspected that some type of synergistic effects would occur if they ran various forms of media elements together. But identifying this synergy in the mass media has been most difficult to prove, particularly in terms of connecting the results to actual market sales.

Direct marketing professionals have understood media synergy for years. For example, they know running mass media

in support of a direct mail drop commonly generates greater response than either alone. What has been missing from the mass media, however, has been the ability to identify which medium was the most important, driving the greatest amount of sales. That's what Naik and Raman have provided.

Perhaps the most important thing Naik and Raman have done is develop a statistical methodology that can be implemented using data the marketing organization typically has available, such as historical sales results and communications investments. For their example, Naik and Raman used marketplace data and brand advertising from the mid-1990s on Dockers brand menswear to demonstrate their approach.

In total, using the Naik and Raman approach, a marketer can better determine how much to invest in which advertising medium, which media form or forms to use, which one to emphasize, how to better understand advertising carryover effects and several other traditionally difficult media allocation questions.

Most importantly, at least to those of us

who have been toiling in the IMC arena for some time, Naik and Raman have provided the first glimpse of the importance and value of integration, at least in the selection and use of mass media forms to support marketplace product promotion.

Perhaps without planning it, Naik and Raman have also blasted another hole in the current media planning process battleship, which relies almost entirely on myths, outdated conceptual models, unproven hypotheses and buyer intuition. It certainly is an area that could benefit from some radically new thinking such as these two professors have provided. ■

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