

Evaluating the effectiveness of the campaign marketing essay



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BUSTER**

1) Create a model that visualises the steps for a consumer integrated marketing communications campaign, showing what factors influence each step. You are required to use relevant theoretical literature (journals papers, books, book chapters) in order to justify your suggestions. After developing your theoretical model,

2) Apply the model to your favourite athletic shoe brand. Use secondary research to find out information about the brand, your own personal experience and knowledge of the brand in order to explain how the brand's marketing communication programme works. Write up your analysis and use your model to explain your analysis.

Adidas Star Wars Collection

Introduction – Integrated Marketing Communications

Although various definitions of I. M. C. are given from marketing experts, there is not a universally accepted definition. It is thus better to distinguish four different perspectives – definitions of I. M. C:

1. I. M. C. is the strict coordination of the elements of the promotion mix.
2. I. M. C. is the strict coordination of the elements of the promotion mix per se and of the overall marketing mix.
3. I. M. C. is the strict coordination of the promotion mix, the marketing mix, and all the « contacts» that the consumer may have with the company and the brand. This perspective includes, in addition to the two first, things like the company's mission and culture, recruitment methods, etc.

4. I. M. C. is a concept of marketing communications planning that recognizes the added value provided by the comprehensive communication plan that evaluates the strategic role of a variety of communication tools (e. g. general advertising, sales promotion, direct marketing, public relations) and composes the tools to ensure consistency, clarity and maximum impact of the message to the target audience (Duncan 2002: 48).

Moreover, according to Shimp (2000: 21), the I. M. C. has four main features:

First, effect on behavior. The objective of I. M. C. is to affect the behavior of consumers and prompt them in action. While the ultimate success of an IMC program is judged by whether it affects consumer behavior, it would not be unrealistic to expect a behavioral response from every I. M. C. program.

Second, neutrality towards the choice of media and methods of communication. The I. M. C. does not consider any media or communication methods better than others, but it uses all the means where the consumer is receptive to, and they are chosen based on cost - benefit analysis. Moreover, I. M. C. perceives as potential channels of communication all the " contacts" that the consumer has with the brand or the company.

Third, synergy. All elements of an I. M. C. program must " speak with a single voice." Each contact of the consumer with the brand or the company strengthens thereby any similar contact so as a result the amount of contacts is larger than all of its components (each contact separately).

Fourth, relations. Establishing relationships is the key to modern marketing, and I. M. C. is the key to building relationships. Creating relationships

requires a dialogue between the brand and the consumer. The result of this dialogue is the commitment to the brand (brand loyalty).

According to Ogdan (1998: 120) , the I. M. C. is characterized by the following axioms (maxims):

First, I. M. C. has nothing to do simply with advertising, direct marketing, public relations, etc. The I. M. C. is consumer focused and tries to clarify in what kind of promotions s/he responds to. In other words, the challenge of behavioral response from consumers is the goal of the marketer. If the consumer does not react behaviorally, then the marketer has failed.

Second, companies (and organizations) cannot achieve their goals if they do not have good relations with the public. Businesses need to develop relationships with their audience that are not limited to the simple sale of a product or a service.

Third, I. M. C. requires cooperation in the strategy and not just in the execution of the promotional program. This means that the strategy should be decided beforehand by all people responsible for the communication program.

Fourth, during the design of strategic communication plans, the role to be played in the various elements of the promotion mix should be fully clarified because each of these promotion elements has strong and weak characteristics. For example, advertising, despite its advantages, is perceived by consumers as not credible, whereas public relations are perceived as (more) reliable.

What matters is the goal of the I. M. C. which is one: the transmission of the message that the marketer wants to pass with a single voice in order to obtain the maximum return on communications investment (Witkoski 2002: 8).

STEPS OF AN IMC PLAN AND ADIDAS STAR WARS

1. Introduction

2. Objectives

3. Strategy

Stages of the IMC – Adidas Star Wars

Executive Summary

Adidas Star Wars is a newly launched campaign of Adidas. In the present plan, certain improvement recommendations on Adidas Star Wars promotional campaign will be presented. A large part of the recommendations will be based on a competition analysis with Nike.

Situation Analysis.

o Company and Product History - "adidas' mission is to be the leading sports brand in the world. One major lever to achieve this is the brand's broad and unique product portfolio spanning from apparel and footwear for professional athletes to premium fashion. It allows adidas to address multiple consumer needs, exploit market opportunities from various angles as well as be less affected by one-dimensional market risks. adidas' commitment to product innovation and its rich heritage differentiates the brand from competitors and provides a solid platform for future growth." (Adidas 2010)

The primary purpose of the elaboration of the promotional strategy is to determine the proportions in which various types of projection are used in the formulation of the promotional mix. The factors affecting the decisions are numerous and are divided into two categories: external factors-related to the market and product and interior factors-related to the business and its distribution system (Novelli 2001: 7).

factors associated with the business and influence IMC

In many cases, companies use a promotion mix that seems inconsistent with the external market conditions (Kotler and Armstrong 2001: 150). There are many factors associated with the internal situation of the company, including:

Past practices: companies, (especially SMEs) quite often due to inactivity, follow the same promotion strategy systematically and without change. Emphasis may be given to any part of the promotional mix without any specific reason or cause. The only advantage is the relatively low cost of managing these situations.

Available financial resources: too often the lack of resources for large investments in advertising leads a firm to give emphasis on personal contacts. So, it may be based on a large number of salesmen to create demand in wholesalers and retailers.

Number of sales staff: if sales staff is small then the business tries to fill the gap by another means, even if personal contacts are needed in its industry.

Product range: if the product range of the company is large, then promotion is easier. Personal contacts are more effective (each contact can promote more products) and advertising is more effective (advertising for a product family is easier). (Gronroos and Lindberg - Repo 1998: 9).

Product Background. (first phase)

Product Factors

The offered product or service is crucial in determining the promotion mix.

More specifically:

Product category: it is one of the key factors in determining the promotion strategy. Consumer products that are cheap with high purchase frequency (soap, toothpaste, etc.) require an emphasis on advertising and promotions. Consumer products that are relatively expensive and have low-frequency purchases (e. g. furniture, electronics, cars, etc.) require a greater emphasis on personal contact. The promotion of services always requires a combination of advertising and personal contacts.

Product life cycle: depending on stage of the PLC, the requirements of promotion are different. In the early stages, personal contacts are crucial as the company seeks wholesalers and retailers. Advertising is also important for awareness and demand creation. In the middle stages, personal contacts lose their importance, and offers become more important. In mature stages, advertising almost stops and great importance is given to offers.

Product features: regardless of the product category, some features may require an emphasis on certain aspects of the promotional mix. If, for

example, it is required to demonstrate the product to become more fully understood by the buyer then personal contact is more appropriate. If the product has to satisfy certain emotional needs, then advertising (especially the television one) is more suitable and images can make the necessary communication more effective. If the product is such that requires adaptation to specific needs, then personal contacts are more appropriate. Finally, if the product has great elasticity of demand, i. e. changes in price lead to large fluctuations in demand, then offers are more appropriate (Keller 2001: 830).

It should be noted that these external and internal factors should never be considered separately in developing a promotional strategy.

Product R & D.

Adidas is specialized in:

- Footwear, clothing, equipment relating to all sports in collaboration with the innovation group AIT
- Adidas has 570 plants that support its supply chain. It uses advanced technology and has a holistic approach:
- It focuses on priority sports:

• Football

• track

• coaching and

Adidas,™ basketball

Originals Designers: McCartney, Yamamoto.

Adidas launched Star Wars trainers. Star Wars Collection was inspired by the film Star Wars. Its style is eighties chic and some of its trainers have the name of spaceships or characters, e. g. Tie Fighter, X-Wing pilot, etc. One type of trainers has some iconic scenes on them. Even the packaging is blistering, which reminds the film as well (Sneaker Freaker 2010).

Past Advertising Themes

“Impossible is Nothing” was a past successful Adidas advertising slogan. “The Brother Hood” which was a cooperation of Adidas and NBA, more specifically “The Brother Hood” was consisted of “Tracy McGrady of The Houston Rockets, Dwyane Wade of The Miami Heat, and Tim Duncan of The San Antonio Spurs, Chauncey.

Significant environmental (legal, social, etc.) influences.

The current global economic crisis affects consumer income thus consumer spending habits.

Current Brand SWOT (including problems and unique features of the brand).

STRENGTHS

One of the world’s biggest shoe manufacturers (first in Europe and second in the world following Nike)

A wide range of sports people supports it.

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Adidas sponsors big football teams

WEAKNESSES

Quite expensive and less flexible in pricing discounts.

OPPORTUNITIES

It can further expand its international markets and thus increase demand on its products.

Effective and impressive advertising can increase the market trends.

THREATS

Nike, that is Adidas largest competitor invests a lot of money in marketing and has a greater market share.

Some new brands like CAT, GAP have increased their promotional budget.

_ Relevant Marketing Data (Sales, Market Share, etc).

(first phase)

Nine Months 2010

Nine Months 2009

Change y-o-y in euro terms

Change y-o-y currency-neutral

€ in millions

€ in millions

in %

in %

Wholesale

6, 247

5, 516

13

8

Retail

1, 725

1, 409

22

16

Other Businesses

1, 086

984

10

3

Total1)

9, 059

7, 923

14

8

Nine Months 2010

Nine Months 2009

Change y-o-y

in euro terms

Change y-o-y currency-neutral

€ in millions

€ in millions

in %

in %

Western Europe

2, 875

2, 625

9

8

European Emerging Markets

1, 034

859

20

14

North America

2, 140

1, 818

18

12

Greater China

721

742

(3)

(7)

Other Asian Markets

1, 359

1, 152

18

5

Latin America

931

713

31

17

Total1)

9, 059

7, 923

14

8

Source: Adidas. 2010. Financial Data. Available at: <http://www.adidas.com>

Product Evaluation

Comparison to direct and indirect Competition. (listing their main competitors) in terms of how customers perceive the different brands in the market, their creative themes and marketing efforts and the product features.

competition: the movements of competitors can never be ignored in the promotion strategy. Although each firm strives to have its own approach, all

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the businesses in an industry often reach the same conclusions regarding the promotion options and strategy. Many times, however, a competitor makes a different move that forces the other competitors to follow suit immediately. If, for example, in an industry the conditions impose primarily personal contacts, a company suddenly spends a large amount in advertising, and then the other competitors make the same move. No doubt the moves of the competitors should always be monitored, but this does not mean that any moves must necessarily give rise to “retaliation”. A successful business always has its finger on the pulse of the market requirements for the preparation of the strategy and avoids imitating the opponents (Baker and Mitchell 2000: 84).

The main three Adidas competitors are: Nike and Reebok but Nike is its largest competitor.

Nike created has a dominant media presence, whereas Adidas mostly focused on global events and teams (Tagliabue 19484: 33). Nike focuses more on famous people like Michael Jordan.

Nike spends a lot in advertising but Adidas increased also its budget and launched successful campaigns, like “We know then- we know now” and “There is nothing between you and success, so exceed your own expectations and limitations” and “Earn it”.

Consumer Perceptions and Satisfaction.

Consumer like the new style however they think 200\$ per pair is quite expensive (Sneaker Freaker 2010).

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_ Retailer Perceptions

Geographic markets: the scope of a market and how widespread it is, are important factors in promotion decisions. If the market is widespread, then mass advertising is appropriate, but if it is concentrated in one area, then personal contacts are more useful. As the scope of the market increases from local to regional or national level, advertising becomes more important. At the local level, advertising can be restricted only to local media (Spotts et al. 213).

Retailers want Adidas in their stores since it is the second biggest shoe manufacturer of the world.

Distribution.

Star Wars is launched in Originals Stores and Hype DC (The adidas Originals Star Wars 2010).

The distribution system affects the promotional decisions in several ways:

The size of distribution: the more extensive the distribution of the product is the more appropriate advertising is to create demand.

Length of the distribution channel: the length of the distribution channel is the number of distribution levels until the product reaches the end user.

Long distribution channel means many intermediaries. The greater the length the greater emphasis is given on personal contacts so the course of the product from distributors to wholesalers and to retailers to be smooth.

Unlike the very small length, i. e. when the product is available directly to consumers, emphasis should be given on direct marketing.

Intermediaries: the involvement of intermediaries in the various distribution stages affects the promotion strategy view. If, for example, wholesalers have a large sales staff and good service to retailers then the business does not need to put great emphasis on personal contacts. Retailers also have a large impact on the promotion options. In many cases, retailers are the main promotion, since they are much more known to the public than the manufacturer. The less service at the retail level, the more necessary advertising becomes advertising for the manufacturer (Belch and Belch 2007: 210).

Consumer Evaluation

Demographic Profile (occupation, marital status, education, age, gender, etc).

Consumer type: if the company is addressed to the general public, then some combination of advertising (due to the size of the market), personal contacts (customers need help in comparing certain items), offers and direct marketing are more appropriate. It is noted however that in this case the characteristics of the product are the determinant strategic factor. If the business addresses to other businesses then great emphasis is given on personal contacts. The customers are usually well informed and demand better prices and service. It is often possible for consumer product companies to target both consumers and intermediaries. So they spend large amounts on mass advertising, but also use personal contacts and offers to <https://assignbuster.com/evaluating-the-effectiveness-of-the-campaign-marketing-essay/>

wholesalers and retailers. Often these costs are higher than the costs of mass advertising, especially in sectors where retailers have strong bargaining power.

Adidas Star Wars Collection is addressed to elder people with some heritage products like the white-and-green Stan Smith tennis shoes but also to the tech savvy 15 and 24 year old ones. However, its main target group is the 18-34 year-olds (Comer 2010).

Psychographic Profile (VALS - Values and Lifestyle)

People that want to be in fashion by being casual and they are or feel young.

Brand Positioning.

- o The location the company wants to occupy in customer's mind
- o What the company wants the customers to perceive on it
- o The image the company wants to convey to its customers (Wells et al. 2000: 165).

The image that Adidas wants to convey is of sports company that looks at the future (the sci fi image of Star Wars)

The IMC Objectives (SMART objectives integrated in AIDA Model).

- o Mention the time period, the product, follow the AIDA model

The purpose of Star Wars was to increase Attention and the Desire to own an Adidas pair of shoes.

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The USP (Unique Selling Proposition).

- o It should be ONLY ONE USP

- o Make a proposition (offer) to the consumer. What's in it for me? Why should I buy from you?

- o A proposition that competition either can't or doesn't offer or if

it exists it can be defended

- o It has to be very strong to move the consumers towards the company's brand (Shimp 2000: 137).

Adidas USP was that people should buy from it because it is so modern and progressive.

The Creative Strategy

- o Based on USP (Campaign Theme).

- o Promotional Appeal (Rational vs. Emotional).

- o Execution Technique (Factual Message, Comparison, Slice of Life, Fantasy, etc).

(Mc Donald and Wilson 2002: 99).

Adidas launched Star Wars by using Facebook and Google Maps to make Star Wars Death Star Superlaser.

In Facebook, Adidas had an application that as used in the movie. The Facebook customer can personalize his/her experience by using the Death Star control deck so s/he can, with the help from Google Maps, blow up his/her friends' streets. It was a funny and quite addictive game (Comer 2010).

The campaign photographs were also quite outstanding.

Conclusion

Adidas Star Wars Collection was quite an impressive and innovative campaign with a distinctive use of social media. Adidas used all the elements of the promotion mix. It is obvious that Adidas used the task method for calculating its budget and considered all the factors (internal and external) mentioned in the present essay.