The Relationship between Integrated Marketing Communication, Market Orientation, and Brand Orientation

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THE RELATIONSHIP BETWEEN INTEGRATED MARKETING COMMUNICATION, MARKET ORIENTATION, AND BRAND ORIENTATION

Mike Reid, Sandra Luxton, and Felix Mavondo

ABSTRACT: This paper relates integrated marketing communication (IMC) to market orientation (MO), brand orientation (BO), and external performance measures. The perspective adopted here argues that for clarity of meaning, IMC should be grounded and interpreted with these other concepts in mind. Specifically, this paper clarifies the links between IMC, MO, and BO, and proposes a testable model linking the relationships among these concepts and facets of customers, and organizational performance. The paper concludes by discussing implications of the study for both academics and practitioners.

Marketing communication plays an important role in building and maintaining stakeholder relationships, and in leveraging these relationships in terms of brand and channel equity (Dawar 2004; Duncan and Moriarty 1998; Lannon and Cooper 1983; Srivastava, Fahy, and Shervani 2000; White 1999). As Dawar states: “Advertising and promotions of brands drive traffic and sales volume; marketing efforts and outcomes are measured and managed at the brand level; and brands are central to a firm’s responses to short-term competitive moves. In effect, brands have become the focal point of many a company’s marketing efforts and are seen as a source of market power, competitive leverage and higher returns” (2004, p. 31).

In response to concerns about the impact of hostile marketing environments on brand equity and increased management expectations related to marketing performance and accountability, many organizations are considering how to improve the management and integration of their marketing communication programs using integrated marketing communication (IMC). Nevertheless, various authors support the contention that there is ambiguity surrounding the definition of IMC, with no consistent or mutually agreed upon meaning, and with many areas in need of clarification (Baker and Mitchell 2000; Beard 1996; Cornelissen 2001; Duncan and Mulhern 2004; Kitchen and Schultz 1999; Low 2000; Phelps 1996). This ambiguity is likely to have an impact on the development of measures to operationalize and assess IMC in organizations. Indeed, Pickton and Hartley (1998, p. 450) state: “It is very difficult to conceptualize the big picture and to muster all the organizational influences needed to achieve integration. There are many levels and dimensions to integration which all pose their individual and collective difficulties. To be implemented, IMC requires the involvement of the whole organization and its agents from the chief executive downward. It needs consideration from the highest corporate strategic level down to the day-to-day implementation of individual tactical activity.”

In recognizing this complexity, this paper attempts to explain the role of IMC in organizations. The paper also attempts to delineate or establish a relationship between IMC, market orientation (MO), and an emerging concept of brand orientation (BO) by proposing that both MO and BO are necessary conditions for successful IMC. We accept that IMC can be conceived at two distinct levels, that is, strategic or tactical; however, we will emphasize the strategic component of IMC, which takes into account the cultural and learning requirements of positioning brands over time. The paper recognizes the complementarities between IMC to MO and BO, and how each addresses a critical facet of achieving a competitive advantage through building brand equity.

Figure 1 introduces our discussion and presents the relationship between the three concepts. Briefly, market orientation represents the culture of the organization through the adoption of the marketing concept and the systems and processes that underlie being market oriented (Harris 1998). Brand orientation represents the functional or business-unit focus on brands and brand strategies that support strong customer and stakeholder relationships regardless of the brand being at the corporate or product level, or being a service or a manufactured good (Bridson and Evans 2004). IMC in this...
model represents the development of integrated marketing communication to achieve stated brand and communication objectives, and provides the bridge between brand strategy and actions taken to build the necessary customer and stakeholder relationships. In doing so, IMC draws on the cultural predisposition to work cooperatively, leveraging the market- and customer-sensing mechanisms of the organization to devise message and media strategies. Furthermore, it adopts an informed zero-based approach to choosing the appropriate tools for the communication task and is also linked to brand and target-market history through the learning mechanisms of a market- and brand-oriented organization (Stewart 1996).

In justifying and presenting our model, we first present a background to the IMC, MO, and BO concepts, highlighting various approaches to conceptualizing IMC and the linkages to MO and BO. We then present a model that illustrates the testable relationships between market orientation, brand orientation, and IMC, as well as the linkages to performance outcomes. Finally, we discuss the managerial and research implications of this paper.

THE CONCEPT AND DIMENSIONS OF IMC

In a recent white paper on IMC (Duncan and Mulhern 2004), it was stated that its scope was expanding and the concept and process were still evolving. It was also argued that IMC is generally considered to be a philosophy or process related to strategically managing all brand messages in a way that contributes to the building of strong brands. In attempting to achieve this aim, managers of the IMC process are likely to draw on the cultural predisposition to work cooperatively, leverage the market- and customer-sensing mechanisms of the organization to devise message and media strategies, and adopt an informed approach to choosing and orchestrating the right tools for the communication task.

In furthering the debate and development of the IMC concept, Kitchen, Joanne, and Tao (2004) suggest that IMC is the major communications development of the last decade, and that it is a potential driver of competitive advantage. The power of IMC is said to counter a range of changes in the marketing communication environment that are having an impact on the ability of companies to attract, retain, and leverage customers. Kitchen, Joanne, and Tao (2004) also argue that IMC seems to have passed through, and is still passing through, significant debate over its meaning and purpose, and that it is struggling to emerge and distinguish itself from other marketing concepts such as integrated marketing, CRM (customer relationship management), and market orientation. From Kitchen, Joanne, and Tao’s (2004) perspective, IMC needs to be seen as a new paradigm that will facilitate the management of marketing communication.

IMC is centered on building and leveraging customer and consumer interests and relationships. This relationship orientation ties IMC to one-to-one marketing and CRM, and challenges managers to deal with the integration, alignment, measurement, and accountability of both traditional and new interactive marketing approaches (Baker and Mitchell 2000). In further extending this notion of customer-oriented communication, managers must realize that as long as IMC provides the organization with a superior market advantage, on occasions, it can be a market driver, and on others, it may be market driven (Carrillat, Jaramillo, and Locander 2004; Duncan and Mulhern 2004; Jaworski, Kohli, and Sahay 2000).

Defining IMC and Philosophy

Since initial attempts to define IMC in the early 1990s, an abundance of definitions have emerged, and have been discussed in detail in many recent papers (Duncan 2002; Gould 2004; Kitchen, Joanne, and Tao 2004; Kliatchko 2005). In Duncan’s representation, IMC is seen as “a process for managing the customer relationships that drive brand value. More specifically, it is a cross-functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data driven, purposeful dialogue with them” (2002, p. 8).

As an indication of ongoing conceptual and theoretical development, a recent IMC white paper suggested that IMC should

- be more strategic than executional,
- be about more than just advertising and sales promotion messages,
• include two-way as well as one-way communication, and
• be results driven.

This has led to a redefinition of IMC as "an on-going, interactive, cross-functional process of brand communication planning, execution, and evaluation that integrates all parties in the exchange process in order to maximize mutual satisfaction of each other’s wants and needs" (Duncan and Mulhern 2004, p. 9). This redefinition reflects a shift to view the management of marketing communication more as an interweaving of processes that cross traditional departmental boundaries, employing the knowledge and skills of specialists and non-specialists alike (Cornelissen 2001).

IMC is also regarded by some as a management philosophy to be incorporated into the organization’s approach to business (Cornelissen 2001; Duncan 1998), whereas others regard it primarily as a process of campaign development connected to a wider brand strategy (Nowak and Phelps 1994; Percy 1997). The notion of IMC as a philosophy or concept was evident as early as 1991 in the widely cited definition by the American Association of Advertising Agencies (see Caywood, Schultz, and Wang 1991). Furthermore, Duncan and Everett, when speaking of the experience in large U.S.-based organizations, suggested, "an organization that has an IMC philosophy may or may not physically integrate into one department the people responsible for the various marketing communication functions, although the trend is to do so" (1993, p. 31).

IMC as a philosophy suggests that an organization may subscribe to the concept of integrating communication whereby the emphasis is on raising awareness of the benefits, and hence intention, to integrate communication messages. Establishing a positive and conscious attitude toward integration may build "esprit de corps" with a flow-on effect on what is done and how it is done, that is, organizational artifacts and values (Harris 1998). This may occur without necessarily physically integrating the functional areas responsible for message creation and delivery (Duncan and Everett 1993; Stewart 1996). At its most basic, it may be a matter of directing internal staff and external service providers such as advertising agencies to ensure that positioning strategy and communication consistency are attained. In this sense, the guiding philosophy acknowledges the value of IMC, legitimizes the language used, and sees coordinated and integrated communication processes as a desired outcome. We view the philosophical domain of IMC as being similar to that of brand orientation, to which it is strongly related and which is discussed below.

IMC as Process

Duncan and Mulhern (2004) note that a common element to most of the recent definitions of IMC is its representation as either a strategic or tactical process. It is commonly understood that the strategic dimension of marketing management is the framework that provides guidance for actions (tactics) to be taken, and, at the same time, is shaped by the actions taken and the response to such actions by competitors, customers, and other stakeholders. In a broad sense, strategic focus emphasizes the proper identification of market opportunities as the basis for marketing planning and growth, with the objective of achieving sustainable competitive advantage (Rust et al. 2004). Tactical dimensions relate to the shorter-term activities to be used in implementing those strategies to achieve planned marketing objectives.

This division into strategic and tactical dimensions is considered to be congruent with earlier classifications according to vertical and horizontal integration (Cornelissen 2001; Smith 1996) and process and organizational levels (Duncan and Moriarty 1998). Vertical integration requires that marketing and communication objectives be aligned with higher-level corporate objectives and corporate missions, whereas horizontal integration focuses on the marketing mix coordination across business functions such as production, finance, and distribution. All personnel in these functional areas are required to work cooperatively and consistently, conscious that decisions made by any of them can send messages that ultimately influence customers (Smith 1996). This is also consistent with Petrison and Wang’s (1996) proposition that IMC could be interpreted in two distinct ways: "planning integration" and "executional integration." Planning integration advocates that to maximize efficiency and effectiveness, marketers need to coordinate all marketing activities to ensure that they are in line with the overall strategy of the product and brand (vertical), whereas executional integration is associated with consistency between communication messages (horizontal). It is useful to point out that implementing integration of any kind is fraught with difficulty and requires management to overcome many barriers in the process (see Baker and Mitchell 2000; Duncan and Everett 1993; Kitchen and Schultz 1999; Pickton and Hartley 1998; Smith 1996).

The division between strategic and tactical dimensions is also reflected in Schultz’s (Schultz 1998; Schultz and Schultz 1998) representation of integration as a continuum from lower-level integration through to "absolute integration" involving a number of evolutionary phases:

**Phase 1:** Tactical coordination of messages that ensures consistent depiction of core values.

**Phase 2:** Redefining the scope of marketing communications to take an "outside-in" approach, with all potential communication focused on consumers’ perceptions.

**Phase 3:** Application of information technology to turn customer data into customer knowledge.
TABLE I
Strategic and Tactical Characteristics of Integrated Marketing Communication (IMC)

<table>
<thead>
<tr>
<th>Strategic</th>
<th>Tactical</th>
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<tbody>
<tr>
<td>1. Driven by market-based assets and financial expectations</td>
<td>1. Campaign-level consistency</td>
</tr>
<tr>
<td>2. Customer and stakeholder connectivity</td>
<td>2. Campaign-level clarity</td>
</tr>
<tr>
<td>3. Strategic consistency</td>
<td>3. Campaign-level coordination</td>
</tr>
<tr>
<td>4. Cross-functional integration</td>
<td></td>
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<tr>
<td>5. Resource commitment for IMC</td>
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</tbody>
</table>

Phase 4: Strategic and financial integration for consistent monitoring of performance of marketing communication efforts for return on investment.

A review of the contributions of various researchers has been undertaken to elucidate the components of IMC that potentially fall under the banner of strategic versus tactical aspects of IMC, which is summarized in Table 1. The significance of this division is the recognition that IMC is a holistic process. While bringing the global or “big picture” strategic aspects of IMC to the fore has been widely advocated, it is nonetheless still critical to ensure that the day-to-day management of tactical aspects are not overlooked or taken as a “given” if an effective IMC approach is to be implemented. In essence, recent definitions (such as those highlighted earlier) reflect these dual aspects of IMC.

While strategic-level IMC relates to effecting the brand-positioning strategy in a holistic sense, the tactical aspects of IMC primarily relate to the planning and implementation of individual holistic campaigns that, over time, work to build and reinforce brand positioning and contribute incrementally to building strong customer-based brand equity. In essence, this should reflect best practice in developing and implementing individual campaigns. For the purposes of this paper, our focus is primarily on the strategic aspects of IMC.

Strategic Dimensions of IMC

The strategic dimensions of IMC relate primarily to the quality, comprehensiveness, and flexibility of the process of IMC planning and strategy development. In this model, the parameters of IMC at the strategic level can be grouped under five broad dimensions:

1. Market-Based Assets and Financial Expectations

It is imperative that IMC planning is performance or outcome driven (Duncan and Moriarty 1997; Duncan and Mulhern 2004; Kitchen, Brignall, and Li 2004; Low 2000; Schultz 1998; Schultz, Cole, and Bailey 2004; Smith 1996). The decisions made with regard to devising and effecting strategy need to be underpinned and shared through clear and consistent linkages to building and maintaining brand equity and to financial indicators of performance such as sales, market share, profit, and return on investment. The use of improved data and measurement technologies are paramount in shaping IMC and facilitating its acceptance by senior management.

2. Customer and Stakeholder Connectivity

IMC requires the adoption of an “outside-in” approach that enhances customer connectivity and organizational responsiveness to change by putting the customer first (Duncan and Moriarty 1997; Pickton and Hartley 1998; Schultz 1998; Smith 1996). More specifically, IMC planners and strategists require the existence, calibration, and application of a marketing information system designed to elicit a clear understanding of brand touch points, effect a timely dialogue with customers and other key stakeholders, and facilitate insights into competitive brand activity. The existence of a database calibrated to measure customer and stakeholder responsiveness of campaigns will also facilitate measurement of performance.

3. Strategic Consistency

This dimension recognizes that all parts of the brand entity send a message to customers and other stakeholders. The coordination of brand messages, from whatever source, including other aspects of the marketing mix, coordination of customer-facing staff, and, more broadly, contact with the organization, must be consistent to protect brand image (Duncan and Moriarty 1997). Achieving strategic consistency has also been likened to central coordination of IMC programs (Cornelissen 2001; Duncan and Moriarty 1997; Eagle and Kitchen 2000; Low 2000; Pickton and Hartley 1998). Enabling strategic consistency requires the use of meetings and other planning mechanisms that facilitate linkages between marketing and brand strategy and IMC strategy, and also the use of mechanisms to ensure that the brand has the best opportunity for achieving one voice/one look across all elements of the marketing mix (Duncan and Moriarty 1997; Eagle and Kitchen 2000; Schultz 1998; Smith 1996). The issue of consistency should also extend to cover the design and implement-
tation of campaigns over time (Duncan and Moriarty 1997; Eagle and Kitchen 2000; Phelps and Johnson 1996).

4. Cross-Functional Integration

It has been argued that an organization cannot be integrated externally without being integrated internally (Duncan and Mulhern 2004). Cross-functional integration is built on focused internal marketing processes and provides the foundation for effective IMC planning and reporting (Conduit and Mavondo 2001; Cornelissen 2001; Duncan and Moriarty 1997). Top management needs to be involved to drive the process (Duncan and Mulhern 2004), and there needs to be a willingness to change policies that inhibit the implementation of IMC (Phelps and Johnson 1996; Smith 1996).

5. Resource Commitment for IMC

In order for IMC to be performed effectively, there must be adequate resource provision, including time, funds, and skilled and knowledgeable personnel (Duncan and Moriarty 1997; Eagle and Kitchen 2000; Smith 1996). Resource commitment can also be a useful mechanism for signaling the legitimacy of behaviors and mental models consistent with implementing IMC.

MARKET ORIENTATION AND ITS RELATIONSHIP TO IMC

Market orientation has been an implicit theme underlying the implementation and management of IMC. There is an assumption that firms adopting IMC have in place a customer-centric orientation and systems for linking the organization to the market and customer, as well as processes, systems, and mental models that link various functional areas of the organization (Duncan and Moriarty 1998; Slater 1997; Stewart 1996).

Market orientation in various forms has been discussed extensively in the literature (Carrillat, Jaramillo, and Locander 2004; Kohli and Jaworski 1990; Narver and Slater 1990). Helfert, Ritter, and Walter (2002) split the literature into three main streams: (1) a behavioral perspective (e.g., Kohli and Jaworski 1990), where market orientation is focused on organization-wide market intelligence generation, dissemination, and responsiveness to the information; (2) a cultural perspective (e.g., Narver and Slater 1990), where market orientation is reflected through the values and attitudes of the organization in providing superior customer value through paying attention to current and emerging customer needs; and (3) a competitive perspective that understands current and potential competitors and coordinates the organizational resources to deliver superior customer value. Other researchers have adopted a systems perspective (e.g., Becker and Hom-burg 1999), where market orientation is conceptualized in terms of different systems underpinning the organizational activities (i.e., organization, information, planning, controlling, and human resources). Despite these apparent differences, there are important overlaps in these conceptualizations (Cadogan and Diamantopoulos 1995). In the final analysis, one realizes that market orientation suggests that all information on all important buying influences permeates every corporate function, and that strategic and tactical decisions are made interfunctionally and interdivisionally.

A review and synthesis of the ideas embedded in market orientation concludes that it consists of:

- **A customer orientation:** Active encouragement of customer comments and complaints, an after-sales service emphasis, regular evaluation of ways to create superior product/service value, and the regular measurement of customer satisfaction levels.
- **A competitor orientation:** The regular monitoring of competitor activity, the collection and use of market information on competitors to develop marketing plans, and using the sales force to monitor and report competitor activity.
- **Interfunctional coordination:** The sharing of market information across departments, the involvement of all departments in the preparation of business plans and strategies, the integration of the activities across departments, the interaction of marketing personnel with other departments, and joint assessment of customer needs.
- **A profit emphasis:** Based on the capability of management information systems to determine the profitability of each major customer, product line, sales territory, and distribution channel.

From Figure 1 we imply that the primary link between IMC and market orientation is through interfunctional coordination. Fundamental to the success of market orientation is the coordination of effort across departments to ensure that organizational resources optimally serve to create customer value. As noted in our prior discussion of IMC, fundamental to effective IMC is the harmonization of the business's voice in support of the brand (be it product or corporate). Given the conceptualization of market orientation as an aspect of an organization's culture, we suggest that it is therefore a foundation for IMC. The common link between MO and IMC through interfunctional coordination is consistent with internal marketing (Conduit and Mavondo 2001; Lings 2004). It is evident that one of the main contributions to emerge from IMC is the concept of emphasizing the employees who may be the principal means of communicating the brand value. As noted by Berry and Parasuraman in discussing the internalizing process for service brands: "Internalizing the brand in-
volves explaining and selling the brand to employees. . . sharing with employees the research and strategy behind the brand. . . training employees in brand-strengthening behaviors and rewarding and celebrating employees whose actions support the brand” (1991, p. 129).

Figure 1 also suggests that competitor orientation provides a partial context in which IMC takes place and that competitor orientation is critical to the nexus between IMC, MO, and BO, as discussed further in the next section.

**BRAND ORIENTATION AND ITS RELATIONSHIP WITH IMC**

The term “brand orientation” was first used in its current context by Urde (1994), who defines it as “an approach in which the processes of the organization revolve around the creation, development, and protection of brand identity in an ongoing interaction with target customers with the aim of achieving lasting competitive advantages” (Urde 1999, p. 117). Brand orientation thus represents the functional or business-unit focus on brands that support strong customer and stakeholder relationships regardless of the brand being at the corporate or product level or being a service or manufactured product (Bridson and Evans 2004), and suggests that an organization has a clear brand vision and identity. This also implies that market-sensing systems have been calibrated to provide insight into managing the relationship between the brand and its main stakeholders.

In providing a background to brand orientation, Ewing and Napoli (2004) suggest that brand management has been viewed from several perspectives, with some authors having taken a broad overview of the brand management process (Kapferer 1997; Keller 1998; Park, Jaworski, and MacInnis 1986), while others have focused on specific elements or themes, including creating a unique brand identity, structuring brand portfolios, managing brand communication, and monitoring brand value (Aaker 1996; Duncan and Moriarty 1998; Keller 2000). By focusing on each of these aspects, an organization is able to effectively monitor consumers’ brand perceptions, identify whether such perceptions correspond with their own brand vision, and instigate strategies that reinforce positive brand beliefs or change negative perceptions.

In recognizing this need to use brands as a basis for competitive advantage, organizations are reaching beyond the traditional market orientation framework and are developing a brand orientation. In this sense, one sees market orientation, with its long-term focus, as creating the conditions for brand orientation as a means of translating the goals and objectives of market orientation into a medium- to long-term actionable set of activities.

A review of the literature (Bridson and Evans 2004; Ewing and Napoli 2004; Simoes and Dibb 2001) indicates the notion that brand orientation should be embedded in all organizational activities to build a strong relationship with principal stakeholders. Bridson and Evans’s (2004) conceptualization and operationalization of brand orientation indicates four components: (1) a focus on distinctiveness (measured using elements of Narver and Slater 1990 and Hankinson 2000), (2) functionality (utility) (drawn from de Chernatony and Dall’Olmo Riley 1997 and Bhat and Reddy 1998), (3) value adding (incorporating elements from McEnally and de Chernatony 1999), and (4) symbolic capabilities (similar to Goodyear 1996 and Kapferer 1997). We emphasize this to indicate the linkages or potential linkages to IMC.

The model currently under development asserts that the link between IMC and brand orientation is related to the development of brand identity (see Figure 1). We argue that to create successful brand identity, it is necessary to ensure that brand messages are strategically driven, with the synchronization of communication being identified as one of the most important aspects of the brand orientation process (Urde 1994). Consistency of the brand message has been identified as being one of the key determinants of brand success by a number of authors (Aaker 1996; de Chernatony and Segal-Horn 2003; Urde 1994). Duncan and Moriarty (1998, p. 6), for instance, suggest, “messages sent by the company’s overall business practices and philosophies have communications dimensions. . . . its mission, hiring practices, philanthropies, corporate culture, and practice of responding to inquiries all send messages that confirm, strengthen, or weaken brand relationships.” Duncan and Moriarty (1998) further suggest that the implications of “everything sends a message” is that brand messages must be strategically consistent, and that there is a focus on other stakeholders beyond customers.

To further highlight the link between IMC and brand orientation, we note that the focus of brand orientation is also on creating brand distinctiveness. We argue that the distinctiveness of a brand in the eyes of consumers is not a property of the actual product, but a product of communication of the brand. We note that brand functionality (utility) is not an absolute attribute of a product or service because many products can potentially serve the same function. This leads us to suggest that brand functionality is heavily influenced by brand communication. These arguments indicate the close relationship and interdependence of brand orientation and IMC. Two further aspects of brand orientation operationalized in Bridson and Evans’s (2004) paper are value adding and symbolic value. Brand orientation seeks to add value to an existing or new product or service to give it a competitive advantage and a reason for customers to choose it. Value is increasingly being created outside the physical product by such factors as interactions between the customer and organization, responsiveness to complaints, and customer needs and expectations.
These activities lie in the domain of IMC, implying that successful value adding is critically dependent on the effectiveness of IMC. Finally, the symbolic value of a brand is not an inherent attribute of the brand, nor does it exist outside the communication, behavior, and attitude of the business, or how these are perceived by the consumers.

In general, we suggest that BO consists of the following six elements, drawn from the brand orientation literature:

- **Shared brand vision**: The brand is central to corporate decision making and the corporate mission. It involves a broadened perspective on the operations of the organization, with strategic goals being directly related to the brand. The brand is considered to be integral with other resources and competencies, and there is an explicitly communicated vision with clear allocation of responsibility and authority.

- **Shared brand functionality**: The organization recognizes that the brand facilitates differentiation from competitors by communicating specific functional attributes and benefits to customers.

- **Shared brand positioning**: The brand forms a means of identification, differentiation, and a guarantee of consistency to customers. The organization recognizes that the brand is central to building customer loyalty in the marketplace, and all communication related to the brand is linked to appropriate competitive positioning and value.

- **Brand return on investment (ROI; financial performance)**: The brand and building brand equity are acknowledged as being critically important in achieving positional advantage in the market and in leveraging this into financial rewards. Brand-oriented managers see brands as underpinning the organization's strategic resource base.

- **Brand symbolism**: Managerial recognition that the brand has a strong emotional and symbolic appeal, and is an expression of customers' personality and values. The emotional aspects communicated in relation to the brand are recognized for their ability to bond a customer to a brand.

- **Brand value-adding capability**: To achieve brand objectives, organizations need to manage their internal and external activities to maximize value-adding capabilities. Brand orientation focuses on consumers' utilitarian satisfaction, and hence a critical role in this is the communication of the beliefs and capabilities the organization employs to add value beyond the functional aspects. This can include, for example, an emphasis on service, quality, or brand personality, and it facilitates the establishment of mutual brand knowledge with customers and other key stakeholders.

### BRINGING IMC, MO, AND BO TOGETHER

Figure 1 is designed to show the overlapping and interdependent conceptualization of the relationship between IMC, MO, and BO. We start by noting that the interplay between IMC, MO, and BO occurs in a context of competition. Thus, MO, through the dimension of competitor orientation, provides the context. By being conceptualized and operationalized as organizational culture, MO is conceived as being foundational to both IMC and BO. In prior discussion, we have noted that a principal link between IMC and MO is provided by their common reference to interfunctional coordination, which is also closely related to the concept of internal marketing. We observe that interfunctional coordination in the context of MO is a means of optimizing resource use, while in the context of IMC, it is maximizing communication effectiveness and consistency. However, the foundational base is the same; that is, departments or functional areas must cooperate and be integrated to achieve optimum results for the organization.

Our earlier discussion also noted that the principal link between IMC and BO is the brand. BO seeks to provide a foundation for building and managing brands that are distinctive, that provide functional and symbolic value for customers and stakeholders, and that are the basis for ongoing profitable relationships. We have noted that to achieve these objectives, integrated marketing communication is a sine qua non. Though somewhat peripheral to the focus of this paper, we also note that the principal link between MO and BO is the customer, since BO provides a means of translating the long-term objectives of MO into an actionable set of activities.

The most interesting observation from Figure 1 is what we have labeled as the NEXUS—the area where the dynamic interplay of IMC, MO, and BO occurs. The position labeled the NEXUS represents the region of commonality among MO, BO, and IMC. This provides the common link between the three concepts. It can be seen that in this region, there is an equal contribution from MO, BO, and IMC. Clearly, the dominant feature of this region is simultaneous focus on customers, interfunctional coordination, and brand identity. The larger this region can be made, the closer the harmonization between MO, BO, and IMC, and the more effective the organization becomes at building brand equity (or however performance is measured).

This suggests that a full understanding of the dynamics at the NEXUS between the three concepts involves understanding the shared commonality of focus. The three concepts are concerned with meeting the needs of customers while recognizing that IMC has to meet the needs and expectations of a wide range of other stakeholders, such as investors, media, and employees. There is also an indication that fundamental to all three concepts is the need for integration, without which there is no cultivation of shared meaning or commitment.
We note that brand identity also emerges as a critical concept. The brand's identity creates value through customer franchise, which leads to brand equity. This is a focus for MO and BO, and it is increasingly becoming the central role of IMC. Finally, Figure 1 does not negate the contributions of the other elements of MO (i.e., competitor orientation) or the various aspects of brand orientation and IMC, since these also contribute to the NEXUS region and can be incorporated conceptually, and in any empirical consideration. This analysis leads us to conclude that IMC, MO, and BO are three partly overlapping concepts, each vital to the fulfillment of organizational objectives, and each a worthwhile academic and practical field of further investigation.

Drawing from the discussion presented above and from the work of Cornelissen, Lock, and Gardner (2001), we develop the following hypotheses (see Figure 2).

**H1:** *The higher the level of market orientation, the higher the level of IMC.*

**H2:** *The higher the level of market orientation, the higher the level of brand orientation.*

**H3:** *The higher the level of brand orientation, the higher the level of IMC.*

**H4:** *Brand orientation mediates the relationship between market orientation and IMC.*

**LINKING IMC TO MARKETING OUTCOMES**

The IMC–brand performance link is, in principle, supported in the literature, with IMC providing campaign, brand, and organizational benefits (Duncan and Moriarty 1998; Kitchen and Schultz 1999; Low 2000; Reid 2003; Schultz, Cole, and Bailey 2004; Swain 2004). Nevertheless, despite this conceptual support, very little empirical evidence exists to substantiate the value of IMC in quantifiable terms (Baker and Mitchell 2000; Cornelissen and Locke 2000; Eagle and Kitchen 2000; Kitchen, Brignell, and Li 2004; Low 2000; Swain 2004).

One of the problems associated with performance measures in marketing is the conceptualization of marketing inputs. As a discipline, we think of IMC as an investment in communication, but accountants see this as an expense. This creates problems of revenue-stream recognition. Thus, apparently suitable measures of IMC become inappropriate when closely examined from an accounting perspective. There are no easy answers, but attempts must be made to improve the situation. Such measures as ROI (Ambler et al. 2002; Kitchen and Schultz 2001), return on touch point investment (ROTPI) (Schultz, Cole, and Bailey 2004), and improvements in brand equity and customer equity (Duncan and Mulhern 2004; Hutton 1996; Keller 1993) are useful, but must be seen in the context in which marketing inputs are accounted for in the balance sheet and income statements. (See Table 2.)

In our view, a “chain of IMC productivity” is likely to exist that links performance in marketing communication management and campaigns with customer and brand equity outcomes, and parallels the brand value chain concept espoused by Keller and Lehmann (2003) and Ambler et al. (2002). In a recent article on measuring marketing productivity, Rust et al. (2004) also developed a framework that links marketing strategy and tactics to customer, marketplace, and financial benefits for the organization. From an IMC perspective, Rust et al. (2004) identify the impact of marketing strategy and
### TABLE 2
Integrated Marketing Communication (IMC) Outcome Measures

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<th>IMC performance level</th>
<th>Source</th>
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<tbody>
<tr>
<td><strong>Marketing communication performance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational</td>
<td>Beard 1996; Cornelissen and Lock 2001; Hartley and Pickton 1999; Linton and Morley 1995; Schultz 1993; Stewart 1996</td>
<td>Psychosocial outcomes, including reduced interdepartmental conflict, decreased transaction costs through cooperation, reduced duplication of effort, reduced duplication of communication strategies, clear alignment of brand positioning, one voice–one look.</td>
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<tr>
<td>Campaign</td>
<td>Cornelissen and Lock 2000; Linton and Morley 1995; Rossiter and Bellman 2005</td>
<td>Synergy between the communication mix (batting above weight), perceptions of success on indirect campaign objectives relative to competitors, economic return on campaign investment (ROCI).</td>
</tr>
<tr>
<td><strong>Brand performance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market impact and position-related</td>
<td>Aaker 1996; Ambler et al. 2002; Blattberg and Deighton 1996; Duncan and Moriarty 1997; Keller 1993; Rust et al. 2004; Srivastava et al. 1998</td>
<td>Low price elasticity of customers, price premiums, decreasing sales and servicing costs, decreasing rate of churn and defection, share of wallet trend, market-share position, sales and sales growth.</td>
</tr>
<tr>
<td>Financial impact and impact on firm value</td>
<td>Rust et al. 2004; Srivastava et al. 1998</td>
<td>Profit and profit growth, EBIT (earnings before interest and taxes), cash flow stability and growth, ROI (return on investment)/ROBI (return on brand investment—current and future), EVA (economic value-add), MVA (market value-add), market capitalization, share price.</td>
</tr>
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</table>
tactics (including marketing communication) on customer attitudes, loyalty, satisfaction, churn, and retention, among others. These intermediate measures of performance can then be aggregated to the level of marketing assets and measured through metrics related to brand equity and customer equity. Finally, such actions have flow on effects to financial impact (ROI, EVA [economic value-added]), as measured by financial position (including profits and cash flow). The net result of this chain of impacts is felt through the increased organization value and market value of the firm.

In our model (Figure 2), we propose measurement of brand outcomes at two interrelated levels, including marketing communication performance and brand performance. Table 2 identifies a range of possible measures that can be employed to gauge this performance. In general, marketing-communication performance measures encompass internal process metrics and return on campaign efforts, whereas brand performance in this model is related to customer impact and market impact measures, as well as profit and cash flow metrics.

Given the lack of empirical research on the relationship between IMC and various performance outcomes, it is too early to specify an exact relationship between them. Nevertheless, from an operational perspective, IMC has been hypothesized to provide benefits in the coordination of marketing communication activities and across the various functions involved in the implementation of marketing campaigns (Beard 1996; Cornelissen and Lock 2000; Schultz 1993; Stewart 1996). Cornelissen and Lock (2000) present such benefits as being psychosocial, including reduced conflict and decreased transaction costs across functions. Additional means of cost savings relate to organizational infrastructure, in which cooperation among an organization’s departments avoids unnecessary duplication of communication strategies, thereby improving operational efficiency and message consistency (Hartley and Pickton 1999; Linton and Morley 1995).

From the perspective of individual campaigns, it could be expected that firms that have successfully implemented IMC would show improvement in the outcomes from individual campaigns. Cornelissen and Lock (2000) term these "functional outcomes," and include such things as synergy between the communication-mix elements of the campaign (Linton and Morley 1995) and improved ability to employ a wider and more appropriate range of communication tools resulting predominantly from the application of "zero-based" planning principles (Duncan and Moriarty 1997). The success of campaigns can potentially be measured using an economic analysis of return on campaign investment through direct behavioral objectives and, on a more subjective basis, on managers’ perceptions of success relative to competitors’ campaigns.

Generally, one would expect that organizations employing IMC would have a greater capacity to achieve their stated direct and indirect campaign objectives, including increased brand awareness, positive brand attitude and preference, brand action intention, and purchase facilitation (Rossiter and Bellman 2005). The successful attainment of such campaign objectives would likely be felt over time through increased customer and brand equity, measured through associated metrics. Increased customer and brand equity would likely be felt through improvements in price premiums achieved and reductions in price elasticity, as well as increased market share and improved profitability, among other factors (Keller and Lehmann 2003). Overall, one of the most desirable outcomes of effective IMC is more differentiation leading to more monopolistic brands (Rust et al. 2004), making the brand less vulnerable to competition.

From prior discussion, we advance the following hypotheses linking IMC, MO, and BO to performance measures.

- **H5**: IMC is directly and positively related to marketing communication performance.
- **H6**: IMC is directly and positively related to brand performance.
- **H7**: Marketing communication performance is directly and positively related to brand performance.
- **H8**: Brand orientation is directly and positively related to brand performance.
- **H9**: IMC totally mediates the relationship between MO and BO with marketing communication performance.

**CONCLUSION: MANAGERIAL AND RESEARCH IMPLICATIONS**

Throughout the discussion, we have attempted to show the complementarities between IMC, market orientation, and brand orientation. We have emphasized that each concept reflects specific emphasis, but collectively, they provide a rich description and complex insight into the relationship. For most organizations, the issue of what is an antecedent to what does not seriously arise, because it is the exploitation of the complementarities that is more important. However, for organizations with low market orientation, in this case, the cultural context for interfunctional coordination and focusing on customers, attempts to develop IMC may not succeed. This is because the cultural foundation for cooperation across functions, departments, and SBUs (strategic business units), or with suppliers and other stakeholders, may not exist. Along the same line of argument, we believe that where brand orientation is low, implying low sharing of corporate or brand identity and vision, attempts at introducing IMC may not be as successful as when both MO and BO are adequately developed.

The arguments presented in this study have implications
for managers. It is known and accepted that any form of integration is generally difficult. This is because efforts to integrate move people out of their comfort zones and threaten the status quo. It is also known that the reward systems in most organizations are not designed to reward cooperation (in fact, more often, organizations encourage competition and parochial interests). Some approaches to overcome this include building a strong market orientation and building a strong brand orientation. This allows for setting a positive cultural environment and will encourage routine cooperation, which will significantly assist in the implementation of IMC. From the model developed in this paper, there is a suggestion that IMC is positively associated with some performance metrics.

There is also the suggestion that perhaps IMC mediates the relationship between market orientation and performance, or that IMC mediates the relationship between brand orientation and performance, or both. This conceptualization provides a rich insight into how IMC might be linked to various performance measures.

Finally, we see the conceptual model presented in the paper as being imminently testable. The measures of market orientation have been around for over a decade and are becoming well accepted. The measures of brand orientation are slowly becoming acceptable, although still at an early stage of development. The performance measures suggested in the study have been empirically tested by other researchers and present no special problems with operationalization. The most difficult part of the model relates to the development of scales that adequately capture the essence of the IMC process and can link to the appropriate external performance measures. The use of existing instruments such as Duncan and Moriarty’s (1997) IMC miniaudit may prove useful as a starting point for testing these relationships. Overall, the data analysis implied by the model (structural equation modeling) is well established to provide direct, indirect, and total effects of the independent variables (MO and BO) through IMC, and the direct effects of IMC on external performance measures. The value of operationalizing this model will be seen through a clearer understanding of IMC’s relationship to other marketing concepts and to customer and brand equity and marketplace performance.

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