

Integrated Marketing Communications in U.S. Advertising Agencies: An Exploratory Study



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This paper reviews the development of the concept of Integrated Marketing Communications (IMC) in terms of its theoretical foundations through an exploratory study of IMC within a judgment sample of U.S. advertising agencies (total estimated billings-\$20.4 billion). The paper considers the arguments advanced from both academic and practitioner sides in relation to what IMC is and whether it offers significant value to advertising agencies and their clients in the rapidly changing communications marketplace leading toward the next millennium.



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THIS PAPER IS ONE OF A SERIES relating to a continuing, now becoming worldwide, investigation of the emergent concept and field of Integrated Marketing Communications (IMC). The original research in this field began in 1991 by faculty at the Medill School of Journalism, Northwestern University, in the United States (Caywood et al., 1991). This paper extends knowledge on how the concept of IMC is diffusing by providing an initial analysis of data on how senior advertising agency executives perceive IMC use and development in the United States. It provides a perspective on the current state of IMC and levels of implementation and usage in an important segment of the marketing communications landscape. Additional studies will follow with advertising agencies in India, Australia, New Zealand, and Norway. A similar study has already been conducted in the United Kingdom. Results of that study are not included here.

This paper represents an interactive effort among three groups: the IMC faculty, Medill School of Journalism, Northwestern University, Evanston, Illinois, U.S.; the Research Centre for Corporate and Marketing Communications, Strathclyde University, Glasgow, Scotland, U.K.; and the American Association of Advertising Agencies (AAAA), New York, NY, U.S. The second group was responsible for adapting and extending the original research study conducted by Northwestern University in 1991 (Caywood et al., 1991). The study was furthered by the support of

the 4A's which provided not only a membership list of active agencies for questionnaire distribution but a cover letter of support as well.

The research explored three related objectives:

1. To deepen understanding of how and in what areas the IMC concept is developing in the United States
2. To examine the extent to which a group of major U.S. advertising agency executives are developing, practicing, or utilizing IMC on behalf of their clients.
3. To understand the importance and value of traditional advertising agencies in a marketplace where IMC is apparently becoming more important.

The research is predicated on the dynamic that there may well be wide variation and differing views concerning what IMC conceptually represents and how it might be practiced. Thus, the implementation of an integrated approach by advertising agencies for their clients may well differ not only in thought but in practice. Thus the paper is not necessarily concerned with either a consensual or conclusive mission. Its overall aim is to explore the multiple dimensions of the IMC concept, thus helping underpin future research.

LITERATURE REVIEW

Prior to the study conducted by Caywood et al. (1991) there appears to be little or no formal dis-

cussion or even description of what is now called Integrated Marketing Communications. While doubtless there had been practitioner discussions and trade press articles, the Northwestern study, funded by the 4A's and the Association of National Advertisers (ANA) appears to be the first formal, well-defined attempt to bring some understanding of the concept to the literature. Thus, most of the history of IMC thinking and discussion is generally less than seven years old. While there has been considerable debate and discussion of the subject, i.e., who does it, how it is done, etc., the formal presentation of research, theory development, and other materials by either practitioners or academics has been slow in coming.

Given its history, much of the IMC literature and learning has focused on the explanation of IMC in the marketplace, i.e., what it is, how it operates in the communications arena, etc., rather than on theory building or understanding of the basic principles. These points must be kept in mind, for while the literature is sparse at this point, it is apparently growing rather rapidly.

Schultz (1991) formalized the IMC discussion in the United States by arguing that nothing [in the United States] had received as much publicity and discussion at learned meetings, while seeing little real activity, as had the concept of IMC in 1990. At that time most manufacturers and marketing organizations in the United States were still trying to sort out the need for and value of IMC. What is evident now, some six years later, is that the concept is still undergoing development.

A special issue of the *Journal of Marketing Communications* (1996) devoted to IMC found virtually all the papers dealt with theory building and/or identification of key issues—in other words IMC still appeared to be in a pre-paradigm as op-

posed to a post-paradigm state. This is as expected for integration is not the norm in Western cultures despite papers to the contrary (Kotler, 1972, 1986, 1997; Kitchen and Proctor, 1991; Kitchen, 1993, 1994, 1996; Kitchen and Moss, 1995; Duncan, 1993, 1995; Duncan and Everett, 1993; Novelli, 1989-1990; Waterschoot and van Bulte, 1992). However, most mainstream marketing texts and more specialized books on marketing communications have practically all adopted some type of integrated communication approach or perspective (Kotler, 1997; Zikmund and D'Amico, 1996; Shimp, 1993; Belch and Belch, 1995; Krugman et al., 1994), a sure sign that IMC is progressing into acceptability and is becoming entrenched as perceived "academic wisdom" in general marketing.

While various authors and researchers have developed some type of IMC approach or concept for their teaching and research, each appears to have done so independent of the others, or at least each has developed the concept from his or her own view. There does not, at this time, appear to be any consistent or mutually agreed upon definition, description, or process to identify what is IMC and what it is not. Thus, while the subject is generally accepted in the marketing literature, at this point there are still many grey areas which are in need of clarification,

Against this groundswell of academic opinion, ably supported by case study material (mainly U.S. in origin), discordant voices can be heard asking "what's new?" (Hutton, 1995; Wolter, 1993; Griffin, 1997); or "what does IMC actually

mean?" (Phelps et al., 1994; Nowak and Phelps, 1994). The real issue expressed by many academics and practitioners (Kitchen, 1996) is that IMC may be no more than another management "fad," no different from Total Quality Management (TQM) or reengineering or Efficient Customer Response (ECR). Indeed, these experts argue that IMC is simply another term used, perhaps to embrace many already well-known notions, or a minority concern voiced by those anxious to differentiate themselves in some way from the mainstream, perhaps "much ado about nothing."

It could be argued that these latter arguments are missing the point. Insofar as marketing communications is concerned, most activities in the past have focused on breaking down concepts and activities into ever more finite specializations. Few marketing or communications approaches have involved integration or holistic thinking. It appears that much marketing thought is driven by the basics of segments and segmentation. So, despite the development of integrative or systems thinking, particularly in the area of marketing and marketing communications, this may not be reflected in companies practicing communications or in advertising agencies servicing their needs. Indeed, generally, the decomposition of existing systems and processes underpins the nature of social science investigation, that is, to separate, reduce, or individualize activities and events, the assumption apparently being that if the parts of the subject can be understood, the whole can be understood as well. So, the concept of inte-

gration, while conceptually sound, may be met with skepticism, challenge, even rejection by both academicians and practitioners alike. Certainly specialists, say in advertising or direct marketing or sales promotion, may not want to see the whole, only their part of it.

Recent studies have tended to show that while IMC is welcomed, accepted, and attempted elsewhere, its prevalence may not be as strong as in the United States (Rose, 1996). Its practice is still indeterminate in global communication strategies (Grein and Gould, 1996) despite the overarching integration of advertising and only advertising in global promotional campaigns (Keegan, 1995). Further, evidence (Duncan and Caywood, 1996) tends to support the view that IMC is contingent on the extensive use of behavioral (preferably individualized) databases (Jackson and Wang, 1994; Junu, 1993) which underpin the process of active organizational learning in order to develop increasingly sophisticated integrated marketing communication techniques and activities.

Since databases are often considered to be so critical to the development and practice of IMC, it is worth considering how these are evolving on a global scale. To alleviate the concerns that a behavioral database is required for the practice of integrated marketing communications, an emerging concept of what a database is and what data is or may be needed to practice IMC in a less research-developed economy should be considered. Increasingly, the concept of a database is taken to include all the information which an organization can gather on both customers and consumers (Schultz, 1996). While there is often a critical lack of consumer or end-user data in channel-delivered systems, business-to-business and service organizations have considerable internal data. This allows them to develop the required behavioral databases. Indeed, even within

fast-moving consumer goods organizations, there is substantial customer (channel) data which could provide the basis for the development of a consumer (end-user) database. Unfortunately, it is the lack of connection or cooperation between marketing, sales, and research which prevents the use of this systemwide data. So, it may be that the lack of actual data is more a function of the lack of internal ability to gather existing data than it is one of lack of actual marketplace information (Schultz, 1996).

From this scenario two arguments arise: The first, in favor of integration, centers on rapidly diffusing information technologies which are impacting the marketplace, consumers, media, and distribution of products and services (Shocker et al., 1994). This argument has been particularly well advanced by Rayport and Sviokla (1994) whose approach to retailing as "marketplace" rather than "marketplace" leads to a wide variety of supporting arguments for new forms of electronic communication which impact not only existing systems but evolve into new forms such as the World Wide Web and the nebulous Internet (Kitchen and Wheeler, 1997). These arguments, though led by U.S. academics and practitioners, are finding some correspondence in the literature, albeit embryonic and emergent, drawn from the international market. The second argument against IMC challenges the approaches as being nothing more than traditional marketing and advertising dressed up in new clothes and given a new title. Such an argument suggests that integration is nothing new, that it revolves around an academic argument, and has few real managerial implications (Sloan, 1994; Griffin, 1997). The latter would appear to be an argument that would find some correspondence in many practitioner groups. Therefore the time is ripe for an exploratory academic study, tack-

ling not companies, but advertising agencies in the United States. Results of this initial study follow.

METHODOLOGY

The study was based upon the "construct explication" approach. IMC was defined, both conceptually and operationally, and "real world" measurements were then developed through a series of scaled questions. The conceptual definition of IMC used in this research was:

IMC is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines (for example, general advertising, direct response, sales promotion, and public relations) and combines these disciplines to provide clarity, consistency, and maximum communications impact (Schultz, 1993).

Operational exploration focused on areas related to this definition. The original research instrument was developed to quantify perceived conceptual and operational aspects of IMC and was adapted from the original Northwestern University study (Caywood et al., 1991). Thus, some comparisons of the U.S. adoption and development in 1990 and the diffusion of the concept in 1997 are possible.

The research instrument was an 89-item, self-administered questionnaire (estimated completion time-30 minutes). Questions were organized into three major topic areas, each related to the three objectives: (1) reaction to the definition; (2) personal and organizational demographics; (3) agreement or otherwise with contingent statements using a 10-point Likert scale (1-strongly disagree to 10—strongly agree). The remainder of the questions were categorical, descriptive, or

open-ended. The questionnaire, originally developed by the faculty at Northwestern University, was adapted and extended. It was then pretested by submission to experts at the 4A's and via screening by 10 industry practitioners.

Questionnaires were sent to a selected list of members of the 4A's in the United States which was provided by that organization. Each questionnaire was accompanied by a cover letter from the researchers along with a letter of support from the CEO of the 4A's encouraging participation. A postage-paid envelope was enclosed. Respondents could request a summary of the research findings. The questionnaire was sent via first-class mail to 4A members in fall 1996. A follow-up mailing was made in early 1997. By the cut-off date 126 usable responses had been received, a response rate of 28 percent. Thus perceptions of IMC as given relate purely to a judgment sample of advertising agency executives who were members of the 4A's.

RESEARCH FINDINGS

Who responded

Responses were received from agency executives with titles ranging from president, CEO/chairman to chief integration officer, director of integrated marketing, account supervisor, research director, and even creative director. Respondents have spent an average of 13.4 years with their current firm. Of the respondents, the majority (65) possessed a bachelor's degree, 36 possessed a graduate degree, and 22 possessed a post-graduate degree. Only 3 of the total of 126 respondents had an educational level lower than a bachelor's degree.

Executives from agencies of all sizes responded to the survey. The mean annual gross billings were \$161.98 million (range from \$18 thousand to \$6 billion). Gross

TABLE 1
Respondent by Billings

Agency Billing (last reported annual figure)	Number of Agencies	% of Total Respondents
Small	69	54.76
Medium	24	19.04
Large	28	22.22
Missing Data	5	3.96
Total	126	100.00

billings were used to stratify the size of agency to enhance the analysis for specific questions. Agencies were arbitrarily divided into three categories: small (billings less than \$50 million), medium (billings from \$50 to \$100 million), and large (billings greater than \$100 million). Table 1 shows the number of responses from agencies in the three groups. As can be seen, responses were skewed toward smaller agencies, i.e., \$50 million or less in billings.

Amount of time devoted to client IMC programs

Table 2 indicates the amount of time agency executives estimated they devoted to IMC programs on behalf of client firms. Most agencies are spending a substantial portion of their time assisting clients with Integrated Marketing Communications programs. Table 2 shows that 75 percent of all agencies responding devote at least 25 percent of their client time to IMC programs. And, a full 25 percent report spending 75 percent + of their client time on IMC programs.

To develop further understanding of how much time is being devoted to client IMC programs, the data from the table above was cross-tabulated with agency-size information. The results are shown in Table 3. One hazard of separating the

agencies by size is that the number of respondents in each cell becomes quite small. But, to fully understand the size of agency involved in IMC programs, this was necessary.

It is interesting to note that almost 60 percent of small agencies devote over 50 percent of their time to IMC programs for clients. Only 46 percent of medium and 36 percent of large agencies responding devote over 50 percent to client IMC programs. Also of interest is the high percentage of medium-size agencies reporting over 75 percent of their time devoted to IMC and a much lower percentage for large agencies at about 17 percent. Almost

TABLE 2
Amount of Time Devoted to IMC Programs for Client Firms

Amount of Time (%)	Percentage Distribution for All Agencies
10% or less	9.68
10 to 24%	15.32
25 to 49%	25.00
50 to 74%	25.00
75% or more	25.00

TABLE 3
Amount of Time Devoted to IMC by Agency Size

Agency Size	Amount of Time Devoted	Total Number	% of That Agency Size
Small	under 10%	8	11.59
	10% to 24%	5	7.25
	25% to 49%	15	21.74
	50% to 74%	24	34.78
	over 75%	17	24.64
Total of small		69	100.00
Medium	under 10%	1	4.17
	10% to 24%	4	16.67
	25% to 49%	8	33.33
	50% to 74%	2	8.33
	over 75%	9	37.50
Total of Medium		24	100.00
Large	under 10%	4	14.29
	10% to 24%	7	25.00
	25% to 49%	7	25.00
	50% to 74%	5	17.86
	over 75%	5	17.86
Total of Large		28	100.00

40 percent of large agencies reported spending less than 25 percent of their time developing client IMC programs while small and medium were both about half that. This data appears to confirm the industry perception that small agencies spend more time devoted to client IMC programs than do large or larger agencies.

IMC impact on budgets

Agency executives believe client budgets will be positively effected by Integrated Marketing Communications activities. Two-thirds of respondent agencies feel that Integrated Marketing Communications will have a positive effect on client budgets. There has often been concern

that the adoption or use of IMC approaches will result in lower or decreased client spending. Such is not the case based on the response from agencies in the survey. Table 4 shows the responses for agen-

TABLE 4
Client Budget Changes in 1996

Client Budget Will:	No. for	% of	No. for	% of
	All Clients	Total Agencies	the Integrated Clients	% of Total Agencies
Increase	92	73.0	84	66.6
Remain the same	25	19.8	32	25.4
Decrease	4	3.1	5	4.0

cies who work with clients who practice IMC and those who do not.

The discussion of budgets and budgeting now leads to where and how client moneys are being spent. Table 5 shows the client budget breakdown for 1996.

Advertising, for clients who in the opinion of U.S. advertising agencies are not considered integrated, accounts for almost 60 percent of client communication budgets. The Standard Deviation column is a measure of the dispersion around the mean. Thus, the budget allocation for Advertising could have been as high as 77 percent or as low as 41 percent depending on the respondent. In comparison, Direct Marketing could be as low as 3 percent or as high as 21 percent, a substantially lower variability around the mean.

How agencies are compensated for IMC

IMC has also raised questions about agency compensation. Table 6 shows a summary of agency compensation methods.

Of the 126 total agencies who responded to the question regarding mode of compensation 82 had some part of their compensation received as a "fee." The traditional mode of compensation based on commissions is very low compared to the other forms, with the "mix of commission and fee" being the second highest.

When asked to respond to the statement, "Clients will compensate agencies

TABLE 5
Nonintegrated Clients' Budget Allocations for 1996

Function	Mean	Standard	
		Deviation	Count
Advertising	59	18	81
Sales Promotion	18	13	75
Marketing-PR	9	8	70
Direct Marketing	12	9	73

agreed with the definition, they seemed to be looking for an additional input about the measurability and execution: needing ways to operationalize the concept. Some comments implied that the strength of IMC lay in focusing on specific target markets and in its execution, not just planning.

Are there barriers to IMC implementation?

Agency executives were asked about barriers involved in effectively implementing IMC for clients. Their responses are summarized in Table 8. It is apparent that agencies are quite confident IMC can be implemented in client organizations. It is also apparent that agencies feel they are qualified to work across SBUs at a client company and believed they could do a better job if one agency handled more of the client business.

Of interest in the agency responses is the strong disagreement that IMC programs will increase costs or that extra staff will be required to manage an IMC program. Thus, even with the perhaps increased efforts needed to integrate, agency executives apparently believe cost is not an IMC problem.

TABLE 6
Compensation System

Mode of Compensation	Number of Agencies
Full commission	47
Reduced commission	32
Fee	82
Project basis	51
Mix of Commission and fee	77

public relations) . . . and combines these disciplines to provide clarity, consistency, and maximum communications impact (Schultz, 1993).

Respondents were asked if this particular definition captures the meaning of IMC. Table 7 shows the response to that question and includes respondent comments about the definition.

The scale for the question went from (1) Strongly Disagree to (10) Strongly Agree. The mean response value of 6.31 shows there is some agreement but no real conviction. From the comments, it appears that, while conceptually most respondents

for additional responsibilities of developing integrated programs," there was a mean response score of 5.82, meaning only a few more agency executives agree with the statement than those who do not. Thus, it does not appear agencies believe they will be paid more for developing IMC programs.

WHAT IS IMC?

A definition for IMC was proposed. It was:

IMC is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines (for example, general advertising, direct response, sales promotion, and

TABLE 7
Reactions of IMC Definition

Statement	Mean	Standard Deviation
Definition captures IMC meaning	6.31	2.26
Comments:		
Integration is about letting an idea drive how and when media is used.		
The starting point is consumer and the product message.		
Need to add an element of measurement/quantification analysis.		
It is more than planning-it is results oriented.		
It is influencing the client's decision process from awareness to point-of-sale.		
It starts with an integrated strategy which all disciplines can work against.		
Add that it starts with the consumer's needs.		

TABLE 8
Perceived Barriers to IMC Programs

Abbreviated Statement	Mean	Standard Deviation
IMC programs at one agency help bring client SBUs together.	7.04	2.19
Requires client staff to be more generalist.	6.31	2.26
Integrated agencies do not have talent in all marcom areas.	5.99	2.61
IMC means client staff have to develop new skills.	5.68	2.42
IMC gives a few individuals too much control.	5.54	2.46
Clients decide the "what" and "how" of IMC programs.	5.17	2.37
Client staff lack expertise to undertake IMC programs.	5.17	2.32
Client centralization difficulties.	4.78	2.35
Client organizational structures constrain IMC development.	4.73	2.62
Goes against client's corporate culture.	4.15	2.21
Over-dependence on single suppliers.	4.12	2.42
IMC implies additional staff to manage programs.	3.69	2.02
IMC programs modification difficulties.	3.27	2.09
Provides advertising agencies too much control.	3.23	1.84
Increased cost.	2.89	1.81

CONTINGENT ISSUES

We now explore some more specific areas of agency views of IMC. The first of these relates to internal beliefs and considerations about IMC. Major aspects are summarized in Table 9.

The strong agreement that IMC would "increase impact," make "creative ideas more effective," and provide "greater communication consistency" all support the agency view that IMC could and would improve client returns from their marketing communication investments. However, it is not clear whether agency executives feel clients will achieve a greater control over their budget or responsibilities. Agency executives also do not agree they can provide faster solutions, or more effective measurement if they apply IMC, perhaps indicating that while agencies recognize the potential

value of IMC, they are not certain about its time and cost efficiencies.

Table 10 shows how agency executives perceive their client organizations and their drive toward integration. Respondents believe the drive for Integrated Marketing Communications is coming mostly from marketing personnel (mean 7.44), then advertising (mean 7.02), followed by other corporate functions (mean 6.63), and less likely from sales (mean 5.57). One of the challenges to further adoption of IMC will be the degree to which various groups across organizations grasp the concepts and implement the process of IMC.

Can one agency do IMC?

Respondents to the survey did not agree that clients will work with a variety of unaffiliated agencies. Respondents do agree,

however, that agencies will have to offer a broader spectrum of services in an IMC environment. Table 11 shows how respondents agreed or disagreed with various statements.

Agency executives do not strongly expect clients to work with large numbers of unaffiliated agencies to provide marketing communication solutions. The broader range of services may be related to a "one stop" shopping mentality for all marketing communications tactical needs, but it also may be more than that. Clients may be expecting more involvement in strategic development, customer information gathering, or a whole spectrum of services along the value chain.

Agency executives also seem to guardedly agree that clients will continue to utilize external marcom people and facilities. They don't agree with any certainty that advertising agencies will work more closely with public relations, direct marketing, or sales promotion agencies. This leaves the responsibility for integration, in the opinion of the agency, squarely on the shoulders of the marketer and not the agency.

IMC AND MEASUREMENT

Clients and agencies developing and executing IMC programs do not perceive IMC as avoiding the issue of measurement. Table 12 shows responses to questions specifically dealing with the issue of measuring the effects, value, or return on marketing spending.

There is, however, no strong agreement on whether the measurements currently used can be effective in measuring IMC programs. How to measure IMC programs seems to be an issue that most executives are not able to clearly answer, though it is a criteria which is very important to them. Some of the suggestions for measurement were:

TABLE 9
Internal Beliefs and Considerations about IMC

Abbreviated Statement	Mean	Standard Deviation
Increased impact	9.41	1.43
Creative ideas more effective when IMC used	9.41	1.43
Greater communications consistency	9.31	1.16
Increases impact of marcom programs	9.24	1.11
Increases importance of one brand personality, one voice	8.53	1.76
Enables greater client control over marketing communication	8.47	1.42
Helps eliminate miscommunications that can occur when several agencies are used	8.26	2.05
Greater client control over their communication budget	7.89	3.63
Provides client with greater professional expertise	7.49	2.19
IMC necessitates fewer meetings	7.01	2.51
Enables client consolidation of responsibilities	6.94	2.12
Agency can provide faster solutions	6.91	2.39
Provides method for effective measurements	6.87	2.43
Reduces cost of marcom programs	6.82	2.41

TABLE 11
Perceived Interaction among Different Communication Agencies

Abbreviated Statement	Mean	Standard Deviation
Agency will offer a broader range of services	9.09	1.48
Clients expect closer interaction between advertising agencies	7.42	2.73
Client firms reliance on external marcom personnel	7.25	2.01
Clients expect closer interaction between PR and ad agency	6.55	2.76
Clients expect closer interaction between direct marketing and ad agency	6.51	2.98
Clients expect closer interaction between Sales promotion and ad agency	6.21	3.28
Clients to work with variety of unaffiliated agencies	5.54	2.63

TABLE 10
Drive for IMC

The Drive for IMC Comes from:	Mean
Marketing personnel	7.44
Advertising personnel	7.02
Other corporate functions	6.63
Sales group	5.57
Other	3.33

- Each element needs to be measured individually.
- The total program should be evaluated against its objectives and goals.
- The objectives should be measurable.
- Results should be measured.

From the responses to these questions it is clear that no satisfactory methodology is currently known to agency executives or their clients to measure marketing communications effectiveness. Or, if there is such a methodology available, it has not been sufficiently disseminated among IMC practitioners, especially agency executives.

Is IMC a fad?

IMC does not appear to be a fad. It is being driven into client organizations due to real business needs and is not the "philosophy of the day." Agency executives note a number of reasons for the adoption of IMC by many clients. Table 13 shows responses to questions regarding where IMC is coming from and why it is moving ahead.

The first three statements from Table 13, which have the highest means, are the factors that express the "concept" (synergy among promotional tools), "belief" (recognizing that future success depends on helping clients), and "tool" (rapid growth and development of database marketing)

TABLE 12
IMC measurement Issues

Abbreviated Statement	Mean	Standard Deviation
IMC evaluation relies on measurements similar to those used.	5.56	2.53
IMC makes evaluation of Marcoms' effectiveness more difficult.	3.29	2.37
IMC neatly sidesteps the issue of measuring program.	2.61	1.96

TABLE 13
Marketing Communication Criteria

Abbreviated Statement	Mean	Standard Deviation
call for synergy among promotional tools	8.04	1.65
rapid growth and development of database marketing	7.55	2.11
recognizing that future success depends on helping clients	7.46	2.15
emergence of a variety of compensation methods	7.39	2.25
rapid growth of IMC importance	7.34	2.05
fragmentation of media markets	6.92	2.31
ongoing revolution changing rules of marketing	6.88	2.36
changing role of advertising agencies	6.84	2.61
changes in media buying practices	6.34	2.25
shift in marketplace power from manufacturers to retailers	5.86	2.34
shift in advertising dollars to sales promotion	5.53	2.31
escalating price competition	5.21	2.06
lack of the "rules of marketing"	5.12	3.07
recognizing that traditional advertising is too expensive	4.94	2.29

of IMC. Because of the acceptance of these concepts, it is logical that the response to "rapid growth of IMC importance" has a high degree of agreement.

Also in Table 13, there are sets of queries that explore the changes occurring in the marketplace. From the above responses we see that agency executives acknowledge that some of the traditional rules of communication and marketing are changing, which require substantial

change in communication objectives and attitudes.

DISCUSSION

With this survey, we have attempted to develop and provide a baseline of how IMC is considered, developing, and what agency executives in the United States believe will result from this new concept. It does appear from the survey that agency leaders believe IMC is an important con-

cept and approach and believe that their clients feel the same. There are, however, questions and concerns, chief of which seems to be how IMC programs should or could be evaluated. Intellectually, most agency executives seem to agree that "integration" and "IMC" are good ideas. They seem to have less evidence of why this is so or how the increased value of an integrated approach over more traditional discipline-related campaigns might be measured.

As was apparent in the initial study by Caywood et al., agency executives agreed that integration must come from the client. Agencies, no matter how skilled or capable, simply can't integrate a client's marketing communication programs unless the client leads the way. Agency executives do appear to believe that, given client support, they can create effective marketing communication programs across business units and divisions, but they are reliant on the client organization to commit to the process.

From this study, it does appear that IMC has moved from the "what is it?" to the "how can we do it?" stage of development in the United States. Agency executives appear to believe that IMC is important, that it is good for their clients, and are ready to "get on with it." Some nagging concerns still appear to be evident. The compensation issue appears to be one. Measurement, as mentioned earlier, is another. And, the issue of how the agency can become skilled and capable in all areas of communication is another. These are not easy issues to address nor does there appear to be much agreement among agency leaders how this might be done.

As noted in the tables, many of the questions asked had mean values in the 5 to 6 range. This meant that as many disagreed as agreed and that, perhaps more important, the agency executives neither

agreed nor disagreed with many of the questions asked. They either had no strong feelings one way or the other or did not know how to respond to the challenges which IMC presents. This seems to open the door for all types of research to help build a solid theoretical and practical approach to IMC.

DIRECTIONS FOR FUTURE RESEARCH

From this study, it is clear that compensation, measurement, and IMC development in terms of execution and implementation of integrated programs appear to be the key areas for future research. This is to be expected in any emerging field and IMC certainly appears to be that in the United States. The measurement issue seems to be particularly important. While agency executives believe IMC has value, measurement, which would justify these "gut feelings," appears to be critical to the development of the area. If there is no evidence that an IMC approach is better than or more effective than the traditional approaches agencies have been using, it is likely clients and agencies both will and should challenge the need for such IMC programs. Thus, measurement would appear to be a key element for future research.

The second major area for additional research is that of how clients and agencies can or should work together to develop and implement an IMC program. Clients apparently believe, and agencies agree, that the client must drive the integration process. Yet, having one group drive the process creates major issues for the agency. How do and how should clients and agencies work together in this new communication arena? That appears to be a critical question.

Finally, in theory building, an agreed-upon and agreeable definition of the subject is critical. Given the responses to the

agree/disagree question on the IMC definition we supplied, it does not appear there is widespread agreement on the Schultz definition. A mean score of 6.31 does not give that definition resounding support. Thus, one of the major issues for the academic community, if IMC is to develop a theory base, is to develop a more acceptable or relevant definition. Until that is done, we will likely find ourselves continuing to disagree on what IMC is and how we might practice it. **JAR**

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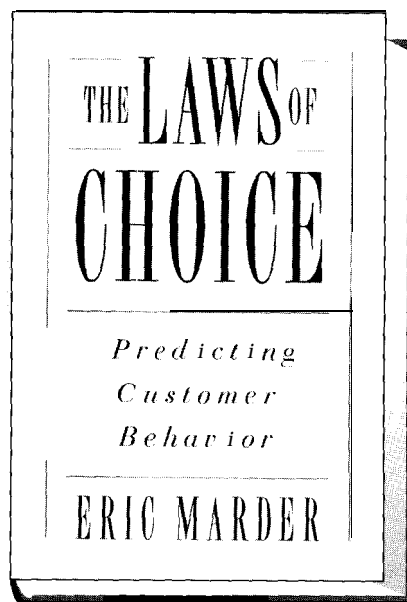
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