A Literature Review on the Constructs of Integrated Marketing Communication (IMC) and Brand Equity

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Abstract: ***The marketing mix management paradigm has played an influential role in the development of marketing theory and practice; and it has dominated marketing thought and research since its introduction. The initial four elements or 4P's of the marketing mix included: product, price, promotion (marketing communication) and place. Since its inception however, new forces in the environment have called for new marketing and business practices paradigm shifts. Companies now need fresh thinking about how to operate and compete in the new marketing environment. This has led to the development of Integrated Marketing Communication, which is a more comprehensive approach to marketing. This has been linked to brand equity concept WHICH has attained much importance with marketers AS it provides guidance on how marketing programs can effectively contribute to the value of a brand, as well as how the value can be advantageously exploited. The purpose of this paper was to: review existing theoretical, empirical and conceptual literature on the constructs of Integrated Marketing and brand equity; identify emerging theoretical, conceptual and empirical gaps that forms the basis of future research; propose a conceptual model to respond to the identified gaps. A cross sectional research design is proposed for this study. Proposed target population is the government's Huduma centres. These being a new initiative by the government the study will be of value add.***

Keywords: Integrated Marketing Communication (IMC), brand equity, Kenya

1. Introduction

Integrated marketing communications (IMC) developed during the 1990s as an endeavor to achieve consistency across marketing communications disciplines and media that had become fragmented over time through the cultivation of individual disciplines, competition and the development of independent communication objectives (Duncan and Caywood, 1996). IMC grew out of the need for marketing organizations to move beyond functionally driven, internally focused approaches to marketing and communication. It attempts to shift focus from an "inside-out," internal orientation to one that is "outside- in". It employs a variety of traditional and nontraditional communication tools and methods to deliver messages to customers, prospects, and other important audiences, coordinating all activities to achieve consistency and synergy.

However, IMC, as it has been practiced by leading organizations, does not end with coordinated message delivery. The ultimate goals of IMC are to institute customer-oriented sensibilities and business processes in all aspects of the organization and its

Historically, Schultz and Schultz (2003) contended that the evolution of IMC was driven by three main influential changes that affect the marketing communication industry as a whole. These are the development and diffusion of digital technology, the elevation of branding as the major tool for differentiating products, and the marketing and business focus on globalization. These three changes challenged and raised alarm on accountability and financial returns of marketing communication activities; the strategic quests to address those challenges gave birth to IMC. During the era of brand copycatting in the 1980s world evolving economies believed in innovating by imitating, and consequently deterred the triumph of true innovators especially in the private products industries (Schultz, 2003).

The quest to suppress the detriments of the brand imitation on economic growth and efforts on placating the true innovators brought about the conception of a better approach of consistent communication with their clients, branding products by communicating the unique features of their brands to them and a way of ensuring message recall and increasing communication effectiveness. This was the first evolutionary aim behind the practice of IMC. From the early 1990s, studies, essays and texts have evolved to explain the IMC model, the process of implementing it and stages of adopting it (Schultz, 2003).

There was substantial achievements from those efforts, most of which was inclined to defining and explaining the true model of IMC principles, resultantly one of the first consensus definitions was summarized and can be quoted as follows; Integrated marketing communication is a strategic business process used to plan, develop, execute, and evaluate coordinated, measurable, persuasive brand communication programs over time with consumers, customers, prospects, and other targeted, relevant external and internal audiences (Schultz, 2000).

Early empirical studies on IMC confirmed the growth of IMC in the US, UK, New Zealand, Australia and India and argued with similar tones that IMC is developing though there were little differences in their findings especially on the practicality and on the true implementation of IMC (Schultz 2004). Caywood (1996) developed seven stages of IMC implementation: awareness, image, functional, coordinated consumer-based, stakeholder based, and relationship management. On the other hand, Kitchen (2000) developed a four implementation stage of IMC tactical coordination, outside in, IT base, and management level.

2. Empirical Literature Review

Mubushar, Haider & Iftikhar (2013) study sought to investigate the effect of integrated marketing communication on customer based brand equity with mediating role of corporate reputation in cellular industry of Pakistan in the area of Rawalpindi and Islamabad. Data was of adapted research questionnaire. SPSS software was used in conducting reliability, correlation, regression, and mediation analysis. Their findings were that advertising, personal selling, price, promotion, public relation and direct marketing haveextensive force on the ingredients of brand equitywhich is measured with the help of brand awareness, brandassociation, brand loyalty and perceived quality (Aaker 1991).

This study focuses on contribution of brand equity to financial health. Mubushar, (2013) studied how managers can use brand equity for the identity, differentiation, and long term financial health of the company. The study used questionnaires which is ideal when the intention is to establiish a snapshot of firm activities within a given period. Luxton (2005) study sought to establish management of IMC through strategic decoupling without any focus on contribution of brand equity to financial health. The study found out that understanding practice requires surfacing participants, tacit knowledge, which can only be reached by close interaction between the researcher and participant after significant time in the field. The study also noted that such approaches can also help marketers gain new insights about market behavior, forcing them to reconstruct their views of market realities (Zaltman 1997). The target population was wine firms in Malysia, where research administered questionnaire were used to collect information from the selected respondents.

Dewhirst and Davis (2005) study sought to investigate the impact of IMC on brand strategy on found out that brand strategy was effectively employed where critical IMC practices: strategically consistent brand communication, cross-functional planning and monitoring, and data driven targeting and communication were evident. Gap identified was that more study is needed on IMC in different sectors to see how integration varies in different industry conditions; there has also been a lack of attention paid to understanding the catalysts that prompt organizations to adopt an IMC approach. The target population consisted of tobbacco manufacturers. The study haad adopted descriptive research design where researcher administered questionnaire were used to obtain information.

Eagle and Kitchen (2000) intended to establish the impact of integrated marketing communication on brand equity by leveraging capability enhancing marketing expenses to economic values through the use of specific combinations of expense leveraged value indices. The study found out that it is now widely accepted that intangible assets provide the most sustainable source of competitive advantage (Litman 2000). Brand equity often accounts for a major portion of shareholder value where firms need to go beyond individual asset values whether tangible or intangible and begin to recognize how these assets work in concert to provide the capability of an organization to enhance its shareholder value(Balachandran, 2004). Target population were firms in NewZealand.

Moriarty(2000) examined the relationship between the IMC process and brand outcomes. The study target population were managers from consumer goods and service organizations. The study found out that a positive relationship existed between the implementation of the IMC process and brand outcomes. It was also found that IMC is used more in companies with a market orientation, and in those that encounter a high level of competition. The study focused on IMC process, however IMC consists of various components. Also brand outcomes are several including brand purchase and equity and hence general.

Reid, Luxton and Mavondo (2005) sought to investigate the relationship between.The study proposed a testable model linking the IMC, Market Orientation, and Brand Orientation, concepts and facets of customers, and organizational performance whereIMC is regarded by some as a management philosophy to be incorporated into the organization's approach to business.Market orientation was viewed in three different perspectives, cultural, behavioural and competiitve perspeective. Brand orientaion was viewed to consist of shared brand vision, shared brand functionality, shared brand positioning, brand return on investement, brand symbolism and brand value-adding capability.

This is relevant in the study in the sense that brand awareneness though IMC. These orientations therefore further facilitate brand performance.

Chen (2007) study investigated the impact of importation on brand equity on high and low product involvement. The gap for this study was that its focus was on direct relationships overlooked the mediator and moderator relationships. The target population were university students due to their susceptibility towards preference of goods that were being investigated in the study. The study adopted case study research design and found out that source channel had a significant impact on brand equity. Source channel in this case refered to two categories of goods where, authorized goods maximised on effeciveness and efficiency in the market due to compliance by regulations whereas gray goods were good yet to be authorized and hence depended on consumer preference for selection. Brand equity consisted of five dimensions including perceived quality, brand loyalty, associations,awareness and market behaviour. This findings therefore reinforce that brand equity results from consumer attention which results from communication and awareness.

Ballester, Navarro and Sicilia (2012) study sought to investigate the levels of consistency among brand messages that were effective in development of customer brand equity. The limitation for this study was that it focused on familiarity and consistency, other IMC factors were excluded.

The study used experimental research design where IMC campaigns composed of two different tools were assessed by respondents and the tools were manipulated using brand familiarity and message consistency. The study established that consistency of messages dependent on familiarity, where familiar brands that were moderately consistent in messages improved recall and hence brand equity. There was no significant influence of unfamiliar products on levels of consistency.

Ratnatunga and Ewing (2005) proposed a model to assess the impact of integrated marketing communication on brand equity by leveraging capability-enhancing marketing expenses to economic values through the use of specific combinations of expense-leveraged value indices. Study limitation was that its focus was on IMC and equity and only few variables were used and based on IMC tools. The study found out that IMC variables that had an impact on brand equity value were advertising, direct marketing, public relations, sponsorship and internet. Brand equity was measured in terms of brand performance, perceived quality. The study however did not include other variables that affect brand equity, such as, mediating and moderating variables.

Madhavaram,Badrinarayanan and McDonald (2005) study on IMC and brand equity noted that brand equity and brand identity contacts were essential in the creation of customer brand equity. However, it focused on only two items brand identity and brand equity. The study proposed that firms able to influence IMC through brand identity contacts were better able to influence brand equity through brand equity contacts. Where contact in this aspect consisted of interactions between brand stewards, customers, prospects and publics. Brand identity contact factors included brand identity oriented culture, top management support and internal market orientation. Brand equity contact factors included IMC energy constructs and IMC effectiveness.

3. Methodology

This being empirical research, a critical review of existing studies and other literature was used to identify the Integrated Marketing Communication (IMC) and brand equity in Kenya, priority was given to peer reviewed materials.

4. Conclusion and Recommendation

The reviewed literature leads to a conclusion that there exists a relationship between IMC and brand equity, however the limited studies exists that focuses on contribution of brand equity to financial health. From the reviewed literature the study recommends that organizations practicing IMC in their marketing activities should consider an integration of not just the tools of communication but also marketing communication sources and coordination of marketing activities in improving brand equity and identity in the firms. In addition the traditional marketing promotional mix has long been used in market communication, the study proposes shift to modern communication tools so as to foster competitive advantage.

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