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The Implementation of Integrated Marketing Communications in the Automotive Industry

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## Abstract

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The objective of this thesis was to investigate how automotive brands are implementing Integrated Marketing Communication (IMC) to enhance their brands and ensure customers purchase their products or services.

Qualitative research was the fundamental methodology used in this thesis. The preliminary data were gathered by conducting online semi-structured interviews with marketing communication experts who provided knowledge of the implementation of an IMC strategy within the automotive industry.

The key findings were that IMC required the car brand's message to be consistently conveyed to target audiences across all channels to ensure consumers recognized the brand. The information transferred via different channels should be complementary. The application of marketing communication instruments should combine the automotive enterprise's overall strategy with the local strategy. Customer databases play a vital role in IMC. Currently, vehicle firms still collect consumer contact information from the dealer side. Therefore, auto companies should prepare to build their customer databases to tailor segmentation and read customer behaviors for the future.

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**Keywords:** Integrated Marketing Communications, IMC, automotive
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1 Introduction

1.1 Background

Over the past decade, the marketing communications environment has changed significantly. According to Marketing Charts (2022), budgets of the communication industry is increasing due to the rising number of media types. However, the effectiveness of advertising information transmission is on a declining trend. Customers are not only sceptical but also tired of mass marketing. (Oancea 2015) Therefore, companies should investigate new strategies as the basis to strengthen their brands in the mind of their consumers.

Redi (2002) outlines that Integrated Marketing Communications (IMC) is becoming essential and compatible as the global marketing communications environment changes. The digitalisation of media and communications has resulted in a substantial shift in consumer requirements, enabling the need for an integrated structure of marketing communications. IMC focuses on the integration and utilisation of the enterprise’s all resources. IMC’s core value is establishing an effective relationship between a brand and its consumers (Fill 2009: 267). IMC emphasises the coordination of internal and external activities of the enterprise to maximise the influence of its marketing communications. IMC is the integration of different channels to form a synergy of information transmission to establish a distinct brand personality. The goal of IMC is to make consumers trust the brand and keep it in the minds of consumers for the long term (Fill 2009: 267).

The automobile is a high-involvement product, meaning buyers go through a lengthy thinking process and analyse a lot of elements before purchasing. Therefore, this study focused on the automotive market to comprehend the significance of marketing communications deployment in such marketplaces. As a significant contributor to the EU’s GDP, taxes from the automotive industry represents 440.4 billion euros; the external commercial balance of the EU in
passenger vehicles is 74 billion euros in 2020. (Eurasian Rail Alliance Index 2022)

1.1 Research objectives and questions

The purpose of IMC for manufacturers and distributors is to deliver the same message and activities to their audiences through different channels to strengthen their brand. Therefore, the objective of the thesis was to investigate how automotive brands are implementing IMC to enhance their brands and ensure customers purchase their products or services. The study aimed to identify if an IMC strategy can help manufacturers and dealers establish an effective communication connection with consumers so that consumers better understand the actual value of cars. Moreover, additional research questions were investigated to aid this study:

- What is IMC?
- What are the marketing communication tools?
- How are marketing communication tools combined and integrated to effectively advance the automotive industry goals?

1.2 Structure overview

This thesis has six parts: introduction, IMC literature review, research methodology, limitations of the thesis, discussion and findings, and conclusion. The introduction describes the background of IMC and states research objectives and questions to determine the study’s direction and scope. The literature review formulates the definition and characteristics of IMC, the communication process, brand positioning, customer databases, the marketing communications tools and IMC’s practice to achieve a preliminary theoretical knowledge of IMC. The study methodology provides research designs and the data collection approach to consider the reliability of the thesis. The discussion presents the research findings through interviews with marketers who
implement the marketing communications strategy in a multinational automotive company. The last conclusion chapter summarizes the thesis and offers suggestions for further investigation.
2 Literature review

2.1 Definition of IMC

Grönroos (2004) defines marketing as a market-oriented approach, which is a process of business activities to meet consumer needs and achieve corporate goals, including marketing research, target market selection, product development, product promotion and a series of market-related business operations. The American Marketing Association (2017) approves the concept of marketing, pointing out that marketing is a series of activities, processes and systems which bring value to consumers and other stakeholders as a whole in the creation, communication, dissemination and exchange of products or services. Kotler and Keller (2016: 27) comment that marketing is a process in which an enterprise obtains consumer benefits and returns to create customer values and establish a solid relationship with them. They emphasize that marketing is not only regarded as a sales technique but is highly valued as part of the main task of enterprise management and operation.

Kotler, Armstrong, Harris & Piercy (2017: 194-215) developed a marketing process model, as shown in Figure 1. The red centre position for marketing represents the needs and desires of the consumer. The second layer shows the marketing strategy based on segmentation, target market selection, differentiation, and positioning to create customer value and achieve profitable consumer relationships. Segmentation refers to an enterprise that divides customers into several customer groups according to a certain standard. Target is to evaluate the attractiveness of each segment and select one or several segments as the target market. Differentiation and positioning mean differentiated market offerings to occupy a clear, unique, and privileged place in the minds of buyers. The positioning aims to provide particular points of interest for this target market. A brand should plan for positioning to maximize its superiority in its target markets and design the marketing mix.
Based on the marketing strategy, the third layer is the integrated marketing mix, including product, price, place, and promotion (4Ps). According to Kotler et al. (2017: 263-305), the marketing mix is a collection of controllable elements that enterprises can use to influence buyers’ decisions. The four variables in the marketing mix help a business develop a unique selling point and build a brand image. Product strategy refers to how a company achieves its marketing goals by providing various tangible and intangible products suitable for consumer needs to the target market. It includes the combination and application of controllable elements such as styles, varieties, quality, specifications, packaging, trademarks, features, brands, and different service measures associated to the product. The promotion strategy is an approach for enterprises to stimulate consumers’ desire to purchase their products through various means of information dissemination. Pricing strategy refers to an enterprise achieving its marketing objectives by setting prices and changing prices according to market discipline, including discount prices, allowances, payment terms, commercial credit, and pricing techniques. Place strategy can combine and apply controllable factors such as distribution-related channel coverage, commodity circulation links, intermediaries, network settings, storage and transportation.

Marketing management analyses the environment to determine strategy through analysis, planning, implementation, and control. It is necessary to manage corrective action to achieve the best marketing strategy and the integrated marketing mix. Accurately translating strategy into planning, then smoothly implementing planning into action, finally measuring and evaluating returns on investment.
In a promotional strategy, companies should communicate their customer value clearly and persuasively to achieve their sales goals. There are various tools for promotion strategy. Enterprises need to build a consistent, clear, and compelling message for their brands to engage and attract customers.

Marketing specialists should carefully study consumers' needs and wants to develop products, provide reasonable prices, offer convenient distribution channels, and formulate promotional or communication plans to attract consumers' interest. The core function of IMC in the marketing model is to deliver the brand's message to make a pleasant and memorable impression on consumers. IMC is a significant concept in marketing since it helps companies
effectively communicate with their target audiences and create long-term relationships. (Pickton & Broderick 2005: 21)

In the late 1990s, the idea of IMC attracted extensive interest and attention in academia. In 1993, the world’s first IMC monograph, “Integrated Marketing Communication”, co-authored by Northwestern University Professors Don Schultz, Stanley Tannenbaum, and Robert Lauterborn, was published in the United States. It marked the formation of the theoretical concept of integrated marketing. (Kliatchko 2005) There are many studies on the definition of IMC. The following paragraphs are the influential definitions of IMC research in the academic community, as Table 1 presented.

Table 1. Evolution of IMC definitions

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<td>Schultz, Tannenbaum and Lauterborn,</td>
<td>1993</td>
<td>IMC is a persuasive communication planning process that takes different forms to existing and potential consumers over a long period of time.</td>
</tr>
<tr>
<td>The American Association of Advertising Agencies</td>
<td>1993</td>
<td>IMC as a marketing communication concept that emphasizes added value.</td>
</tr>
<tr>
<td>Duncan and Moriarty</td>
<td>1997</td>
<td>IMC refers to the development and coordination of strategic communication activities by a company or brand to enable itself to communicate with stakeholders through various media to establish constructive relationships and strengthen mutually beneficial relationships between them.</td>
</tr>
<tr>
<td>Schultz and Schultz</td>
<td>2004</td>
<td>IMC is a strategic process of planning, developing, executing, and evaluating measurables, coordinating, convincing communication processes with target consumers and other relevant internal and external audiences.</td>
</tr>
<tr>
<td>Reference</td>
<td>Year</td>
<td>Definition</td>
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<tr>
<td>Kliatchko</td>
<td>2005</td>
<td>IMC is a communication method that pursues the full utilisation of communication and the optimisation of communication benefits.</td>
</tr>
<tr>
<td>Porcu, Del Barrio-García and Kitchen</td>
<td>2012</td>
<td>IMC is a strategy to communicate with target audiences through integrated marketing mix with a single voice concept.</td>
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Schultz et al. (1993) point out that IMC is a persuasive communication planning process that takes different forms for existing and potential consumers. Its purpose is to influence the behaviour of selected communication audiences directly. According to Duncan and Evereet (1993), the American Association of Advertising Agencies defines IMC as a marketing communication concept emphasising added value. The philosophy highlights the integrated strategic application of communication instruments such as direct marketing, advertising, and sales promotion to provide a clear, consistent, and effective communication impact (Eagel & Kitchen 2000).

Duncan and Moriarty (1997) introduced the concept of stakeholders to explain IMC: “IMC refers to the development and coordination of strategic communication activities by a company or brand to enable itself to communicate with stakeholders (e.g., consumers, investors, employees, and the general public) through various media to establish constructive relationships and strengthen mutually beneficial relationships between them.” Schultz and Schultz (2004) define the new concept of IMC as a strategic process for planning, developing, executing, and evaluating measurable, coordinated, convinced communication processes with target consumers and other relevant internal and external audiences. Porcu et al. (2012) summarise that the purpose of IMC is to communicate with target audiences through all marketing communications approaches with one voice, one sound and one sight to establish a solid corporate and brand image.
It is feasible to synthesise a definition that will fit this thesis's aim based on examining the above research IMC's definitions. IMC is a management process that focuses on selected target audiences and integrates relevant audience points of marketing communications activities to achieve greater message consistency. The impact of IMC is more significant than the integration of marketing communications mix or promotional elements. It involves the management and organisation of all agencies, from analysing and planning to implementing and controlling all marketing communications, promotional tools, messaging and media for maximum cost-effectiveness and increased sales.

From the above definitions, Pickton and Broderick (2005: 28-30) summarize the 4Cs model as the characteristic of IMC, including consistency, coherence, continuity and complementarity.

- **Consistency**: Corporates should communicate a brand’s core message to target customers in all marketing activities. Consistency is the foundation of all marketing activities. It plays an essential role in creating brand memories when potential consumers browse a brand or product’s webpage, articles or advertisement.

- **Coherence**: Corporates maintain the idea of logical interrelatedness when formulating different messages. A brand should ensure that its statements are connected through a variety of channels to achieve the goal of building a long-lasting connection with its target audience.

- **Continuity**: While marketing content changes over time, the core content of a brand can maintain long-term consistency. For example, successful campaigns are all based on the same core idea or message, except for how they use updated media tools.

- **Complementarity**: The elements of IMC seek synergy. Each part supports the other to produce a balanced whole.
2.2 Brand positioning

Effective brand positioning establishes the direction and goals for IMC. What kind of brand value does integrated marketing want to achieve? What kind of cultural information is spread out to consumers? Marketing communications are the voice of the brand (De Pelsmacker, Geuens and Bergh 2021: 46). Brand positioning is the foundation of marketing communications. The effectiveness of brand positioning is reflected in consumers accepting and resonating with the information transmitted by the brand (De Pelsmacker et al. 2021: 68). Without the overall image design of the brand in advance, corporate marketing will lose its direction.

Brand positioning is the process by which a company plans and demonstrates the uniqueness of a brand (or product) to a target consumer group (Kotler et al. 2017: 244-245). It enables potential customers to interpret the brand correctly, generating brand preference and purchase action. The main task of brand positioning is to find, communicate and demonstrate the differentiation advantages of one’s brand, meaning a kind of product manufactured by a specific firm and marketed under a certain name (De Pelsmacker et al. 2021: 45).

2.2.1 Consumer research

Brand positioning aims to match the blank spots in the target consumer’s mental model and make a deep impression in their minds. Therefore, studying consumer behavior is a priority for businesses. As far as brand positioning is concerned, consumer research focuses on the following three aspects:

- How consumers perceive brands and their products.
- Patterns in which consumers receive and interpret information
- Competitive brand investigation

Brand positioning is not about investigating what competitive brands are doing but asking: How do consumers perceive competitors’ brands in their minds? Do
consumers perceive the difference between a brand and its competitors? What is the difference? Do consumers care about this difference? (Houraghan 2022)

2.2.2 The basic brand positioning principles

Brand positioning planners should have an interpretation of consumers’ minds to achieve the goals of positioning. At the same time, it is also necessary for companies to follow some below positioning principles, which will help companies accurately position their brands.

- Realize brand value differentiation: A successful brand positioning strategy should be able to create differences, create characteristics, and make the brand stand out from many similar brands. If the brand value is not significantly different from other competing brands, it will be difficult to attract people’s attention.

- The positioning strategy should be market-oriented: enterprises need to position their products in the position preferred by the target consumers through a series of promotion activities so that audiences can notice the brand and feel it is what they require.

- Positioning should be concise and focus on critical points: The information that consumers can remember is minimal. Brand positioners should seize one or two essential elements of the brand and express them concisely and clearly so that consumers can easily interpret and remember them. (Patel 2022)

2.3 The communication process

As IMC is about the consistent communication of value it is necessary to review the communication process in advance. According to Egan (2007: 29), communication refers to exchanging information by human beings through symbols and media. Many communications are far from achieving their
objectives since the seemingly simple communication process is often highly complicated.

Schramm (1955), the founder of the communication study, regards messages as a fundamental symbol. He believes that the premise of communication is both parties must have a common cognition so that the message can be accurately conveyed from one party to another. Shannon and Weaver (1962) propose a linear mass communication model consisting of eight elements. Various elements can be represented in Figure 2.

![Figure 2. Basic communications process (Shannon & Weaver 1962)](image)

The sender chooses a specific symbolic form to represent the message it conveys. The communication process begins, and this process is called encoding. After encoding is information development, which contains the message or content that the sender wants to convey. When receivers receive the information, they must restore the sender’s information symbols to an idea that can be accurately perceived. This process is the decode. It is a forward
flow process from senders to receivers, which completes the information expression in the communication process.

The process of communication must be disturbed by information from various aspects, and this information interference is noise. When the message breaks through the noise and reaches the receiver, the recipient’s action after sensing the message is called the response. In the response, the part of the information that goes back to the sender is the feedback. It closes the communication process in a loop and enables the sender to monitor the decode and reception of the information it sends.

The field of perception of the recipient has an impact on the decoding process, which depends on the receiver’s perceptions, experiences, attitudes and values (Blythe 2000: 2). The more overlap between the sender’s and receiver’s ‘field of perception’, the more likely they will comprehend each other (Egan 2007: 30-34).

2.4 Consumer database

Companies should build a database of customers and potential customers as IMC’s start and end, including demographic data, consumer psychological statistics, consumer purchase records and consumer retention. The customer database analysis is the basis for formulating the entire marketing communication program (Fill 2009: 632). Continuous updating, changing, and strengthening customer information flow is the soul and vitality of the customer database (Blythe 2000: 165-169). Consumer databases are a powerful tool for planning an overall marketing plan and controlling and measuring communications campaigns. It can integrate relevant resources, such as email, telephone, sales, third-party and other channels, and coordinate and dispatch in a unified manner.

A good customer database allows users to query the status of customer orders and track customer changes and needs. Therefore, the customer database management system improves the ability of the sales representative
responsible for customer service to communicate with the customer. (Kotler & Keller 2016: 662-663) These service representatives can find out what customers have ordered and what problems they have encountered. Such knowledge helps them serve customers warmly and attentively, which in turn increases customer retention. To improve the effectiveness of marketing communications, companies should figure out how to optimise to utilise their customer database. Marketing professionals need to recognise the role of customer databases in the following areas (Blythe 2000: 167):

- How much does the business have to pay for IMC to attract a new consumer?

- Does the business keep in touch with target customers when it conducts IMC strategies?

- What resources does the company have to obtain data on current and potential customers?

- Can the business identify such a potential customer? He or she is an existing consumer of other brand, but he or she will be affected by your marketing communications to purchase your products at the same time.

- Can businesses influence the lifestyles of their buyers?

The database can record customer history. If the buyers confirm their identity, enterprises will establish their brief profiles. Then businesses are able to personalise conversations for individual customers based on the consumers’ specific situations or requirements. If customer feedback, such as complaining, complimenting, or asking, is properly quantified, it will help companies design new products, solve problems, and develop IMC strategies. The database reveals market changes. If a business continues to pay attention to its buyers, it will inadvertently acquire consumers’ changing interests and tastes. (Shimp & Andrews 2012: 412-414)
Customer databases are an essential resource for IMC. The database needs to focus on customer categorisation information, for example, new expectations and loyalty, and use this information to remind users. The brand positioning and market segmentation of products will rely on customer data analysis. Fully grasping data and analysing effective results can directly guide customer service operations to receive higher buyer satisfaction. (Fill 2009: 635-638) The high satisfaction will undoubtedly drive a new round of sales behaviour, enabling enterprises to create higher returns. Databases can create customers and integrate integrated marketing communications with other business plans to make companies more competitive (Shimp & Andrews 2012: 414). Therefore, the customer database is a strategic hub that penetrates every enterprise business unit.

2.5 Marketing communication tools

Marketing specialists recognize how important it is to use the marketing communications methods most effective for a specific campaign when reaching out to their target consumers. There are five marketing communication instruments. Each instrument of the communications mix has a unique capacity for communication and is employed to accomplish distinct goals. In this chapter, three primary marketing communications instruments are introduced, advertising, public relations, and direct marketing, since they are a collection of diverse programmes designed to connect successfully with consumers (De Pelsmacker et al. 2021: 3).

2.5.1 Advertising

The first primary instrument is advertising, an essential promotional tool and the most widely recognized form of marketing communication. According to De Pelsmacker et al. (2021: 200), advertising can be defined as the use of various media by an organization or individual to transmit its goods, services, or ideas to achieve the effect of promotion. It can reach many audiences with basic
statements that help recipients interpret what a product is and what its principal purpose is.

Advertising is an activity that introduces and promotes products, services, organizations, or concepts through non-personal communication forms based on payments by clear advertisers (Ralph 1965: 9). Paid means that the advertising space or time slot needs to be purchased. Non-personal communication refers to the media (such as magazines, the Internet, radio, television, and newspapers) that advertisements can convey information to a large number of groups. (Belch & Belch 2009: 272-276) However, it is difficult to get feedback from the recipients of advertisement information on time. Advertising has the following characteristics compared with other instruments of marketing communications:

- An economical tool for communicating with audiences: because advertising uses a relatively low-cost way of reaching the masses, it is conducive to the introduction of new brands, increasing the demand for existing brands, and establishing the primary concept of brands in mature markets.

- Enhancing brand value: David Ogilvy, the Father of Advertising, proposes that each advertisement is a long-term investment in the brand image (Branding Strategy Insider 2022). Companies can increase the value of their output through three approaches – innovation, improving product quality, and changing consumer perceptions. These three methods are interdependent. Advertising increases brand value by influencing consumer perceptions.

- Assisting with other promotions: the role of advertising is to assist other marketing communication tools. For example, advertising can be used as coupons to attract consumers’ attention to products or services. When the salesperson reaches the prospective customer, the advertisement
can assist the sales representative in providing an essential product introduction. (Pickton & Broderick 2005: 595-598)

People purchase cars for rational and emotional reasons. Consumers like specific attributes of car, for example, gas consumption and accessories, but they may also like the vehicle’s appearance and the car’s image. The more benefits a brand provides to audiences, the more competitive advantage the brand has. (Pickton & Broderick 2005: 604-606) Marketers should also pay attention to brand value. In other words, other selling points should be based on brand value as the core content. (Fill 2009: 496) One of the core values of the Swedish vehicle brand Volvo is ‘safety’ (Volvo 2022). Target audiences can receive the safety message from the Volvo brand in different advertisement topics, as shown in Figure 3.

![Figure 3. The creativity in advertising of Volvo (1 Bartosik 2019; 2 Leurquin 2014; 3 Waterhouse 2013)](image)

When consumers open a browser or App, they are bombarded by various advertisements. Thus, it is crucial for creative advertising to stand out from the
continual barrage of materials. When a group of creatives collaborate to produce a campaign that artistically and successfully communicates the message of a business or organization, this is creative advertising (Reinartz & Saffert 2013). The purpose of creativity is to help brands to promote their products or services as well as create a following. A highly imaginative advertisement is likely to create an impression on consumers, according to Dahlén, Rosengren and Törn (2008). Customers perceive a brand as high-quality and noteworthy since they are impressed with its creative advertising. Nissan’s advertisement is one example of creative advertising, as Figure 4 illustrates. The ad, which shapes Nissan’s mini-version into the form of a running shoe, directly captures the fun and excitement of the audience with its stunning profile.

Figure 4. The creativity advertisement of Nissan (Freeport Press 2015)
2.5.2 Public relations

The second primary instrument is public relations, like advertising, aims to promote brands, organizations, products, and services. Kotler et al. (2017: 454) defines PR as delivering positive brand messages to potential consumers through unpaid media. The core function of PR is to enhance the brand value and goods of the business.

There are two types of PR, proactive and reactive. Proactive PR is formulated based on the company's marketing goals, which are characterized by attacking rather than defending. The main scope of proactive PR is applied when launching a new product or upgrading products. Proactive PR is integrated with other IMC tools to increase product visibility, credibility, and news value. (Pickton & Broderick 2005: 549-557) Viewers have a certain degree of scepticism about the guiding tendency of advertising content because advertising is paid. However, a publicity event has greater credibility because it is free. (Moloney 2006) The selected models of vehicles by magazines such as Auto Trends greatly influence potential vehicle buyers. Even niche media can have a significant impact on audiences. For example, Pontiac was awarded the Best Domestic Car by MotorWeek in Las Vegas in 2003. The show was 30 minutes long and aired on about 300 public radio stations. Chrysler also heavily promoted the Jeep Cherokee, awarded by the 4-Wheel & Off-Road magazine. It has become a common way for auto companies to brag about their performance. (Belch & Belch 2009: 550)

The use of social engagement is an important task in proactive PR. Its purpose is to bridge the dialogue between business and society (Kotler and Keller 2016: 631). There are many specific forms of participation, such as public welfare activities and donation. It is conducive to forming a good public image of the enterprise. The COVID-19 Donation Match, launched in response to Ford Motor Company employees volunteering during the pandemic, has supported relief efforts in 20 countries. (Dearborn 2020) The action has brought the relationship
with consumers closer so that audiences can recognize the brand for the first time.

Sponsorship is also an effective and standard tool for proactive PR. An enterprise sponsors an event and provides funds to obtain the right to display a brand name, logo, or advertising message. (Pickton & Broderick 2005: 574) International events have always been a favoured opportunity for car companies to cooperate. Hyundai Motor Group has closely collaborated with the world's soccer governing body FIFA. In the 2002 World Cup, Hyundai Motor paid 1.5 billion euros for sponsorship rights. Sixty billion people had viewed its advertisements, and brand awareness had increased by 30%, equivalent to the effect that could only be achieved with an investment of 5 billion dollars on weekdays. (Jolley 2010)

Reactive PR is often used by companies in the face of unpredictable market or external environment changes. The most commonly used is crisis management. How reactive PR is handled affects the corporate image in the long term. Enterprises should immediately put the factors that may directly impact the results. (Belch & Belch 2009: 553-560)

The most prominent benefit of PR is the effectiveness of this communication strategy in establishing open and trustworthy connections with customers. PR can help the enterprise’s overall communications and marketing strategy reach more audiences, making more people aware of the brand. The company’s market position will begin to enjoy the extra advantage of qualified new leads as PR starts to enhance its reputation and credibility. The reliability of an organization is closely linked to how the public perceives its brand. When someone else talks favourably about a firm’s brand, the brand’s trustworthiness is bolstered, which is another significant advantage of PR.

PR offers several benefits, but also confront some obstacles in marketing. Measuring the success of PR operations may be a challenging task. Firms are able to track the number of published articles and media mentions, but it can be
difficult to monitor the effect this has on their audiences. Even if a company invests resources and time into composing a press release, procuring appropriate photographs, and engaging in conversation with journalists, there is no assurance that their story will be published. In contrast to advertising, enterprises are unable to fully control how the media portrays their industry, when and where their message will appear. (Hurley 2022)

2.5.3 Direct marketing

The third primary tool is direct marketing. While promotional mix tools such as advertising and PR effectively shape the brand image and transmit a message, direct marketing can directly communicate with consumers to generate immediate behavioural responses (Kotler & Keller 2016: 657). According to Blythe (2000: 160), the American Direct Marketing Association (ADMA) defines direct marketing: as an enterprise that directly releases a product or service message to target audiences for profit through the combination and optimization of diversified media to seek a direct response from consumers. Direct marketing is a marketing approach that comprehensively utilizes various media to control marketing effects accurately. It focuses on the input-output ratio and strategy of marketing effect. (Fill 2009: 624-626)

The biggest difference between direct marketing and other IMC tools is the utilization of media, including direct mail, the Internet, etc. Direct mail refers to the medium of advertising by selectively sending print advertisements directly to users through the mailing network. Some common forms include catalogues, manuals, price lists, postcards, brochures, corporate publications, posters, and samples. (Pickton & Broderick 2005: 627) The marketer can freely address the particular groups of customers, posting time and advertising content. Direct mail advertising for the automotive industry is crucial for driving consumers to service centres, websites, aftersales marketing suppliers, and dealerships. In automotive aftersales marketing, marketers often offer coupons or special discounts to consumers through direct mail advertising to encourage them to return to the dealership for routine maintenance and services on the vehicle.
Postcards are widely used in automotive direct mail campaigns because they cost a reasonable amount to mail. As shown in Figure 5, the Toyota postcard was mailed in summer of 2021. A top offer is highlighted in bold black letters against a white background. The benefits are laid out in an easy-to-understand bullet point format. The copy in the flash provides additional details about the promotion. (Bobnak 2021)

Figure 5. A Toyota Postcard (Bobnak 2021)

Nissan mails loyalty in June 2021 very well. Two models are highlighted in the huge photograph that spans the front of the postcard. The ‘Private Offer’
capitalises on exclusivity via an emotive copy driver. A monetary reward of $500 is offered.

Figure 6. A Nissan promotional loyalty. (Bobnak 2021)

Direct marketing has several advantages. The ability to target certain demographic group with a tailored message is a key benefit of digital marketing. Targeting online direct marketing to a particular target enables marketers to establish attainable objectives and increase sales on a limited budget. When using direct marketing, businesses can stay in touch with their clients and continue to provide value to the connection. The marketing communication team can directly measure the result of direct response campaigns.

Although direct marketing has various advantages, it also faces many challenges. When a client receives a great volume of marketing emails or direct mail, it may be difficult for firm communications to stand out from the competition (Gaille 2016). Sometimes, consumers treat direct mail as junk mail or telemarketing as spam. Customers who find the marketing strategies unpleasant may form a bad connection with a brand and become less inclined to purchase. This is more common when campaigns are less focused. There are privacy and data protection rules governing direct marketing. (Robinson
2022) Marketers must be certain that the mailing list comprises those who have agreed to receive marketing communication from the enterprise.
3 Research methodology

The methodology part includes the way of doing research and the fundamental terminology associated with it to find out a correct approach to collect and analyse data. The concept of research is any systematic, objective, and structured investigation to make informed and timely judgments. It is carried out by an individual or group with expertise and scientific approaches and performs an open, honest and impartial study. (Sontakki 2009: 6)

3.1 Research design

The marketing research process comprises a wide range of activities. According to Sontakki (2009: 7), the purpose of marketing research is at enterprise-specific marketing issues, using scientific research methods to systematically design, collect, organise, analyse, and report business-related data and research results. It is necessary to collect data specific to the market segment under consideration. Kotler and Keller (2016: 124) comment that a company should examine and interpret the generated data to identify whether any patterns or important data points will be applied in the decision-making process. Marketing research should be undertaken objectively to produce reliable data representing the actual circumstances’ actual condition (Lumen 2022).

The research process can be broken down into four steps, as Figure 7 presents. The starting point of a research procedure is defining marketing problems and setting objectives. This drives the whole process to ensure that the study targets the correct issue. The second step is formulating a research plan to collect the necessary academic knowledge to accomplish the study objective. It outlines the steps required to gather the data needed to construct a study that tests the assumptions of interest, determines viable solutions to research issues, and provides the data required to make decisions. The third stage is data collection. There are many sources of information that businesses can utilise and proactively seek out. Data can be divided into preliminary research and secondary research. Preliminary data is the original data collected by the
enterprise to investigate a specific problem. Secondary data means the data already exists and is organised to study a particular situation. The last step is the presenting report. It’s essential to consult with the marketing specialists who have the most insight into the issues when interpreting the results at this stage. The objective is to deliver the results to management in a form that aids decision-making. (Kotler et al. 2017: 109-124)

Figure 7. The process of marketing research (Kotler et al. 2017: 109)

Exploratory, descriptive, and causal research are the three primary types of research design. Exploratory research refers to collecting preliminary data to point out the hypotheses and obtain the idea of solving the problem. Descriptive research is a quantitative description of various market elements and corporate marketing. Causal research investigates the mutual causal relationship of many factors in marketing. (Kotler et al. 2017: 110)

Investigating a subject via a research approach is the most typical strategy to enhance the researcher’s understanding. Qualitative and quantitative research are the most prevalent methods of conducting research in different industries (Alchemer 2020). Qualitative research is about gaining insight by uncovering questions, understanding events, analysing human behaviour and perspectives, and answering questions (Surbhi 2018). It is the way researchers use to define a problem or deal with it. Quantitative research is the opposite concept of qualitative research. It means mathematical tools will be introduced to analyse the number of things to examine and study the data. Quantitative research is nearly always necessary to extrapolate from a sample to the general population to obtain a specific degree of accuracy in data sources to guarantee that it is accurate (Suja 2008: 53).
3.2 Data collection methods

In order to gather relevant data for this thesis, both exploratory and descriptive research approaches will be applied. The primary purpose of exploratory research is to provide information to help investigators recognize and understand the problems they face. Descriptive research studies phenomena, questions, and facts utilizing observation, investigation, and interview. Qualitative research was the fundamental methodology used in this thesis, for example, collecting relevant books, journals, and magazines, to interpret the subject. The goal was to conduct interviews with two marketing communication professionals with a comprehensive insight into the automotive industry’s marketing communication process to ensure that the data would be highly relevant to the topic.

Gill, Stewart, Treasure, and Chadwick (2008) outlined the notion of semi-structured interviews, which are vocally delivered surveys in which preset questions are asked in response to comments that need more clarification. As a result, they are reasonably fast and simple to conduct, and they may be beneficial when specific issues need to be clarified. This study sought in-depth interviews to learn about the professionals’ perspectives on corporate, business, and marketing issues. Online semi-structured interviews were organized as a qualitative approach to get knowledge and insight into applying the IMC strategy in the automotive industry. The semi-structured interviews were videotaped with the permission of marketing communication specialists to be analyzed in detail. The conversations were summarized and provided in written form. According to Sreejesh, Mohapatra and Anusree (2014: 48-50), a semi-structured interview provides some freedom throughout the interview. The interviewer’s responsibility in this form of interview is to ensure that the only research relevant questions and topics are covered. In this method, the interviewer will be able to schedule a specific time for each question and have the flexibility to adjust to the various replies.
The question list is located in the thesis's appendix. There are three parts to the list. The first section, including questions 1-3, focuses on general questions about the development of marketing and IMC. The goal is to understand the interviewees' knowledge of the subjects and review how the subjects have changed over time in their views and see if this correlates with the changes noted in the literature. The second section, including questions 4-7, concentrates on the communication process, brand positioning and IMC strategy. The purpose is to get an insight into what marketing communication plans, strategies, and follow-ups are in a vehicle marketing campaign. The third section, including questions 8-10, focuses on marketing communication instruments. The objective is to obtain information on how marketing communication tools are integrated to achieve sales goals.

Two interviewees work in a Japanese motor corporation headquartered in Finland, which employs about 175 professionals. The headquarters is an import and marketing firm that operates in the Nordic and Baltic regions for its automotive brand. One respondent is the Aftersales Marketing Manager, and another is the Retail Marketing Manager. Both of them monitor marketing communication strategies in their team. Due to the car company's confidential policy, the brand's name is not allowed to be used in the research of a personal thesis. Thus, the interviewees' names would not appear in this thesis.
4 Limitations of the research

Sample size and time constraints were the significant limitations of this thesis. The goal was to conduct semi-structured interviews with more professionals to gain a comprehensive insight into how IMC is implemented in the automotive industry. While the author would like to run as many interviews as possible for the Bachelor’s thesis, time limitations prevented this. It is essential to acknowledge that the sample size utilized in this thesis is insufficient to deliver data that could support any generalizations regarding the entire automotive industry.

Furthermore, the interviewees' different experiences in the industry can affect the quality of the data collected. In this thesis, one of the interviewees has worked in marketing for over 20 years. She has worked as the Customer Relationship Management (CRM) Manager. Her experience covered the head office, regional office and local office experience. However, another has ten years of experience in automotive marketing. He has moved to the Aftersales Department in a car company for only one year. Also, when evaluating the validity of this thesis, it is necessary to consider the possibility of misinterpreting the collected data.
5 Analysis and findings

5.1 Development of marketing and IMC definition

Both interviewers clearly defined the marketing, which is consistent with Figure 1. Marketing is the process of promoting and selling a product or service to consumers, including market analysis and advertising. Marketing is one of the most parts of every organization. It comprises activities like carrying out market research, setting up business and market segmentation, creating product descriptions, establishing webpages, and enhancing customer services. Many businesses employ marketing tactics to accomplish their objectives, such as promoting themselves and increasing product sales. Products and Services, Place, Price, and Promotion (4P) are the four main elements of the marketing strategy.

Regarding the concept of IMC, it is a way for businesses to convey a unified message to their target audiences and successfully influence their behaviour and attitudes. IMC is a component of promotional operations. Consequently, IMC can be considered one of the parts of marketing. The goal of general marketing is to raise brand recognition and produce revenue. However, the aim of IMC is to maximize the effect of a company’s promotional instruments by coordinating the usage of all of the channels and methods to offer a coherent message.

The automotive industry is slow to become digitalized in marketing. However, the pandemic has accelerated the digitalization in the automotive business. One of the fundamental changes or differences is that brands have realized the importance of having their customer data. Purchasing a car is the second most significant investment in human beings’ life in terms of value after a house or apartment in Nordics. If a vehicle brand can capture customers once they have made a significant investment and treat them well, it is more likely that the consumers will remain with the car brand. Since the consumers feel safe and less risky. But all of the communications on the marketing that the brand would
like to do towards the consumers during the life cycle of the car ownership, it depends on whether they have the customer content or the data about the General Data Protection Regulation (GDPR). According to Burgess (2020), GDPR is the world's strongest set of data privacy standards. It expands individuals' rights to access their data and restricts how businesses may use this information. Vehicle companies should be prepared well when GDPR arrives, as they can no longer use customer contact information collected from dealership networks. Obviously, car companies can segment buyers into a more refined market, and analyze and compare the level of customer satisfaction and competition in each segmentation, so as to recommend the most suitable products or services to consumers. Car companies can segment buyers into a more refined market, and analyze and compare the level of customer satisfaction and competition in each segmentation to recommend the most suitable products or services to consumers.

Another significant change is the kind of customers who are more educated than 15 years ago in automotive marketing. Consumers already beforehand have gathered so much information about vehicles from the Internet that previously was not that available and they might already have a pre-list of brands in their hands. Therefore, marketing communication specialists focused more on digital and social media assets during the pandemic.

5.2 Communication process and IMC strategy

In a vehicle marketing campaign, the first step is the Nordic headquarters analyses the last quarterly campaign results and customer satisfaction or feedback to create a new quarterly campaign plan. In the second step, the Nordic headquarter will offer the promotional template to each Country team who can confirm the campaign items and raise the budget depending on the local marketing and policies. In the third step, the Nordic headquarter will present the next quarterly marketing campaign planning and declare the budget. In the fourth step, when the European headquarter approves the campaign validation, the Nordic headquarters will communicate with the
advertising agency and country teams to prepare marketing communication materials. Finally, the country team will successfully launch the marketing communication materials for the new quarter with the advertising agency on time. During the marketing campaign planning project, all the involved internal stakeholders actively participated in the communication process to ensure the consistency of information.

Since it is a regional business unit where the marketing communication strategy comes from the European level. However, Nordic Automotive Headquarters also considers the country team's geographic factors when developing its marketing communications strategy. The key elements of the IMC strategy for the automotive industry are target audiences, brand, budget, implementation, and control. The global brand positioning strategy is relatively fixed since it looks at the long-term visions and plans to remind consumers. Due to semiconductor uncertainty, sometimes, new car models cannot launch on time. Therefore, the marketing communications teams must refine their approach to gain new business.

5.3 Market communication tools

The tools of marketing communication should be diversified to consumers. Some actions help build or strengthen a brand. Some activities work towards improving customer satisfaction and customer experience. Some communications can be quarterly or focus on the product. Therefore, marketing communication tools depend on the IMC strategy. The advertisements consumers find on TV are all created and designed by the European headquarters of the car brand, and the language is different in each country. Automobile companies' other marketing communication tool to communicate with end consumers is digital direct marketing. The digital department analyses quarterly communications results, such as the amount of downloading the brochure, click-through rate, unsubscribe rates, and open rate, so that the marketing communications team updates or modifies the strategy in time.
It is easy to get results from sales data when the communication activity is focused on the product. However, a customer satisfaction-related action is less measurable. When the unsubscribe rate is higher than the company’s benchmark in digital direct marketing, it does not mean the firm has lost the buyer. Auto businesses can try to send follow-up emails to keep consumers engaged outside of email, for example, offering other methods (e.g., Twitter or Instagram) to subscribe or asking the reason for the unsubscribing.
6 Conclusion

In this thesis, the author studies the position and role of IMC from the structure of marketing strategies (Figure 1) and sorts the evolution of IMC to interpret the concept of IMC comprehensively. An IMC strategy aims to produce and deliver a unified, persuasive sales message across all marketing intended promotional channels to engage the consumers. IMC serves as the voice of a brand and enables interaction with consumers. The fundamental objective of IMC is to enhance brand equity.

Automobile companies operate with the brand as a long-term asset. In IMC, consumer databases will play an even more critical role. Currently, auto companies still collect customer contact information from dealership networks. Therefore, car firms should prepare to build vital consumer databases to analyze and tailor segmentations in the future. Sufficient customer data reflects market demand and product feature requirements, guiding the company's design direction. The product's function, performance and price requirements will directly affect the design and production process of the development. Since the customer database is an information system, companies need a management expert who understands how information technology operates and how it can improve marketing communications programs. One of the most important tasks for marketing professionals is to develop a strong working relationship with one or more people in the information technology department. With an IMC strategy, auto marketers can simplify their marketing activities to save time and money, enhance lead generation and vehicle sales with a consistent message, and strengthen customer loyalty across numerous channels.

Whether direct selling, PR or advertising, they are all marketing communications with one purpose - to ensure the success of implementing IMC. How to efficiently integrate marketing communication instruments should be combined with the marketing objectives, target audiences, environments, local policies, competitors, etc. An IMC strategy emphasizes strategic
orientation and tactical continuity. The orientation of the strategy shows that all physical and psychological elements in a marketing strategy should be consistent, which can combine the overall strategy and local strategy of the auto enterprise. Continuity of tactics means that all information communicated in different media through different marketing communication tools should be related and serve a common goal.

When a brand can communicate with its target audience more than once through different marketing communication approaches, the messages start to connect with its consumers. A consumer is more likely to identify and trust a brand if its message is consistently conveyed across all channels. An IMC approach allows for such a reliable supply. Without IMC, the audience has a disconnected brand experience, and the intended message is less likely to transfer.

A fundamental challenge of IMC is how to strategically develop a brand image while maintaining the coherence of these image-carrying brand messages. IMC requires that all advertising, sponsorships, publicity, direct mail and packaging present the same look when launching the campaign in order to give audiences a unified brand message and culture. The most critical organizational and management work of IMC is coordination to ensure the entire information is consistent in IMC. Consistency can reduce self-consumption in different marketing communication processes and make brand information clearer while narrowing down marketing communication budgets.

An outstanding feature of IMC which is different from general marketing communication is that its communication objects are not only consumers and potential customers, but also other relevant interest groups, including the internal personnel of the enterprise. Therefore, the task of the IMC department, in addition to external communication, should also communicate with relevant departments within the company to maintain information coordination. At the same time, this information must be communicated to all departments of the company in time. In the interview, when the automotive market experts learned
that due to the shortage of semiconductors in the market, the vehicle models cannot be launched on time. All employees and stakeholders of the vehicle company need to know this information in order to coordinate with the new car sales department to refine its own department’s product market communication plan.
References


Appendices

The questions’ list of structured interviews

Section 1

1. What does the term marketing mean to you? How has marketing changed over your career?
2. Have you heard of integrated marketing communication (IMC)? Could you give your definition?
3. Do you see a difference between IMC and general or traditional marketing or how do you see the connection between the two?

Section 2

4. What is the communication process for automotive marketing campaigns? How does it work?
5. How do you create brand positioning with your communication or are you following the head office’s marketing communication team?
6. Have you implemented an IMC strategy in your team? If not, what is the marketing communication strategy of your team?
7. How often do you improve the strategy?

Section 3

8. What communication tools have you used for your marketing campaigns for the consumers? Where can you track the results?
9. It is often stated that consumers do not react favourably to direct mail – what is your view on this, and what role do you see direct mail playing in your organization’s marketing or IMC process?
10. How are marketing communication tools integrated to advance automotive industry goals effectively?