



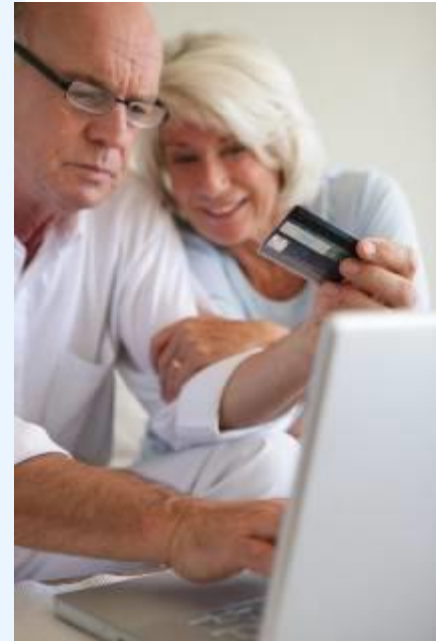
Global Marketing Communications Decisions I: Advertising and Public Relations

Chapter 13

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Introduction

Marketing communications tell customers about the benefits and values that a company, product, or service offers



IMC

- Integrated Marketing Communications (IMC) is becoming more popular because of the challenges of communicating across national borders

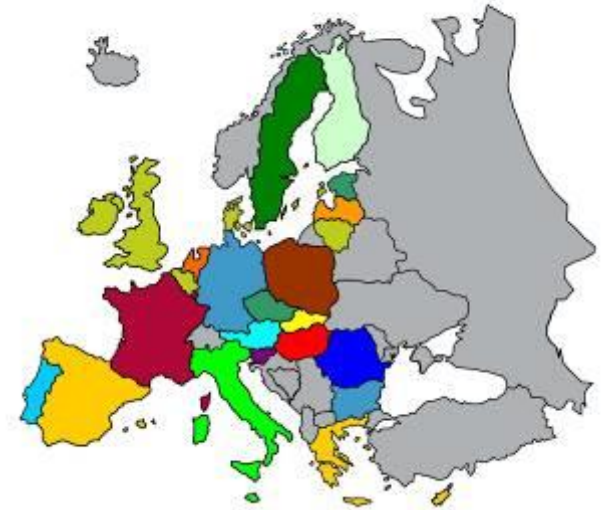
“We have an integrated marketing model that involves all elements of the marketing mix from digital to sports marketing, from event marketing to advertising to entertainment, all sitting at the table driving ideas.”

-Trevor Edwards, VP for global brand and category management at Nike



Global Advertising

- Advertising is any sponsored, paid message that is communicated in a non-personal way
 - Single country
 - Regional
 - Global
- Global advertising is the use of the same advertising appeals, messages, art, copy, photographs, stories, and video segments in multiple country markets



Standardization vs. Adaptation

- Primary Issue
 - Must the specific advertising message and media strategy be changed from region to region or country to country?
- Think of cultural and legal issues

Standardization vs. Adaptation

- Four difficulties that compromise an organization's communication efforts
 - The message may not get through to the intended recipient.
 - The message may reach the target audience but may not be understood or may even be misunderstood.
 - The message may reach the target audience and may be understood but still may not induce the recipient to take the action desired by the sender.
 - The effectiveness of the message can be impaired by *noise*.

Standardization vs. Adaptation

“Eighteen-year olds in Paris have more in common with 18-year-olds in New York than with their own parents. They buy the same products, go to the same movies, listen to the same music, sip the same colas. Global advertising merely works on that premise.”

- William Roedy, Director, MTV Europe



Standardization vs. Adaptation



“I can think of very few truly global ads that work. Brands are often at different stages around the world, and that means there are different advertising jobs to do.”

Michael Conrad, Chief
Creative Officer, Leo
Burnett Worldwide

Standardization vs. Adaptation



“We have been in Sweden for 60 years and in China for only 4 or 5 so our feeling is that retailing is local. It is important to take advantage of local humor, and the things on people’s minds.”

Nils Larsson,
IKEA

Pattern Advertising

- A middle ground between 100% standardization and 100% adaptation
- A basic pan-regional or global communication concept for which copy, artwork, or other elements can be adapted as required for individual countries

Pattern Advertising

Similar:

- Include layout
- Dominant visuals on left
- Brand signature and slogan



LA MEILLEURE
génétique fait
toute la différence

BtTM

HERCULEX 7 HX HERCULEX 200 HX

La technologie qui produit*

PIONEER
A DUPONT COMPANY

Le meilleur Bt. Le fait obtenu par la génétique Pioneer, confère, à tout moment. Plus, il agit la protection résistante contre les insectes, la meilleure maîtrise de l'industrie, interne au plant, contre la pyrale du maïs, le vergrin noir, et la chrysothrips des racines du maïs. Tous les hybrides possédant les caractéristiques héréditaires contiennent le gène LibertyLink® et la marque sont offerts avec le gène Roundup Ready® 2.


Des aujourd'hui, veuillez contacter votre représentant Pioneer!

La technologie qui produit*

HERCULEX 7 HX Technologie de protection contre les insectes obtenue par les Agrobacterium et Pioneer 10. Pioneer 10.0 est une marque de Pioneer 10.0 Agrobacterium LLC.

Pioneer Seeds est une marque déposée de Pioneer Seeds et/ou de Pioneer 10.0.

* Le meilleur Bt. Le fait obtenu par la génétique Pioneer, confère, à tout moment. Plus, il agit la protection résistante contre les insectes, la meilleure maîtrise de l'industrie, interne au plant, contre la pyrale du maïs, le vergrin noir, et la chrysothrips des racines du maïs. Tous les hybrides possédant les caractéristiques héréditaires contiennent le gène LibertyLink® et la marque sont offerts avec le gène Roundup Ready® 2.



The Better
above ground and
below ground

BtTM

HERCULEX 200 HX

The Better Bt™ starts with unique Pioneer genetics, foundation of consistent performance and decades of top yields. Then it incorporates the industry's best in-plant pest control, Hercules® XTRA insect protection. Above ground, Pioneer® brand hybrids with Hercules XTRA not only provide excellent corn borer control, they also deliver the only available in-plant protection against western bean cutworm and black cutworm. Below ground, Hercules XTRA provides a higher level of rootworm control, expressed consistently across all hybrid families. All hybrids with Hercules traits also contain the LibertyLink® gene, most are also available with the Roundup Ready® 2 trait.

Technology That Yields*

PIONEER
A DUPONT COMPANY

To learn what makes Pioneer® brand hybrids with Hercules® XTRA™ The Better Bt™ go to www.pioneer.com/betterbt

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Contrasting:

- Photos
- Body copy is localized, not simply translated

Advertising Agencies: Organizations and Brands

- Understanding the term *organization* is key
 - Umbrella corporations/holding companies have one or more 'core' advertising agencies
 - Each 'organization' has units specializing in direct marketing, marketing services, public relations, or research
- Individual agencies are considered brands
 - Full service brands create advertising, and provide services such as market research, media buying, and direct marketing

Selecting an Advertising Agency

- Company organization
 - Companies that are decentralized may want to leave the choice to the local subsidiary
- National responsiveness
 - Is the global agency familiar with local culture and buying habits of a particular country?
- Area coverage
 - Does the agency cover all relevant markets?
- Buyer perception
 - What kind of brand awareness does the company want to project?

Top 10 Global Advertising Agency Brands

Agency	Estimated Worldwide Revenue 2008 (millions)
1. Dentsu (Dentsu)	\$2,472
2. BBDO Worldwide (Omnicom)	1,986
3. McCann-Erickson Worldwide (Interpublic)	1,741
4. DDB Worldwide (Omnicom)	1,509
5. TBWA Worldwide (Omnicom)	1,357
6. JWT (WPP)	1,157
7. Publicis (Publicis)	1,071
8. Leo Burnett Worldwide (Publicis)	795
9. Saatchi & Saatchi (Publicis)	790
10. Ogilvy & Mather Worldwide (WPP)	771

Creating Global Advertising

- **Creative strategy**—a statement or concept of what a particular message or campaign will say
- **Big idea**—“The flash of insight that synthesizes the purpose of the strategy, joins the product benefit with consumer desire in a fresh, involving way, brings the subject to life, and makes the reader or audience stop, look, and listen.”

John O’Toole, legendary ad man

The Big Idea

“The Big Idea is easier to illustrate than define, and easier to illustrate by what it is not than by what it is. It is not a “position” ... It is not an “execution” ... It is not a slogan. The Big Idea is the bridge between an advertising strategy, temporal and worldly, and an image, powerful and lasting.”

-Randall Rothenberg, author



Advertising Appeal

- Rational approach
 - Depend on logic and speak to the consumer's intellect; based on the consumer's need for information



- Emotional approach
 - Tugs at the heartstrings or uses humor

Advertising Appeal

- Selling proposition
 - The promise or claim that captures the reason for buying the product or the benefit that ownership confers
- Creative execution
 - The way an appeal or proposition is presented—straight sell, scientific evidence, demonstration, comparison, slice of life, animation, fantasy, dramatization

Art Directors and Art Direction



- Art Directors
 - Advertising professional who has the general responsibility for the overall look of an ad
 - Will choose graphics, pictures, type styles, and other visual elements that appear in an ad
- Art Direction
 - The visual presentation of an advertisement

Copy and Copywriters



- Copy is written or spoken communication elements
- Copywriters are language specialists who develop headlines, subheads, and body copy

Advertising Copy Mistakes

- In Asia, Pepsi's "Come Alive" was interpreted as asking to bring ancestors back from the dead
- In China, Citicorp's "Citi Never Sleeps" was taken to mean that Citi had a sleeping disorder, like insomnia
- McDonald's does not use multiple 4's in advertising prices in China; "four" sounds like the word "death"

Cultural Considerations

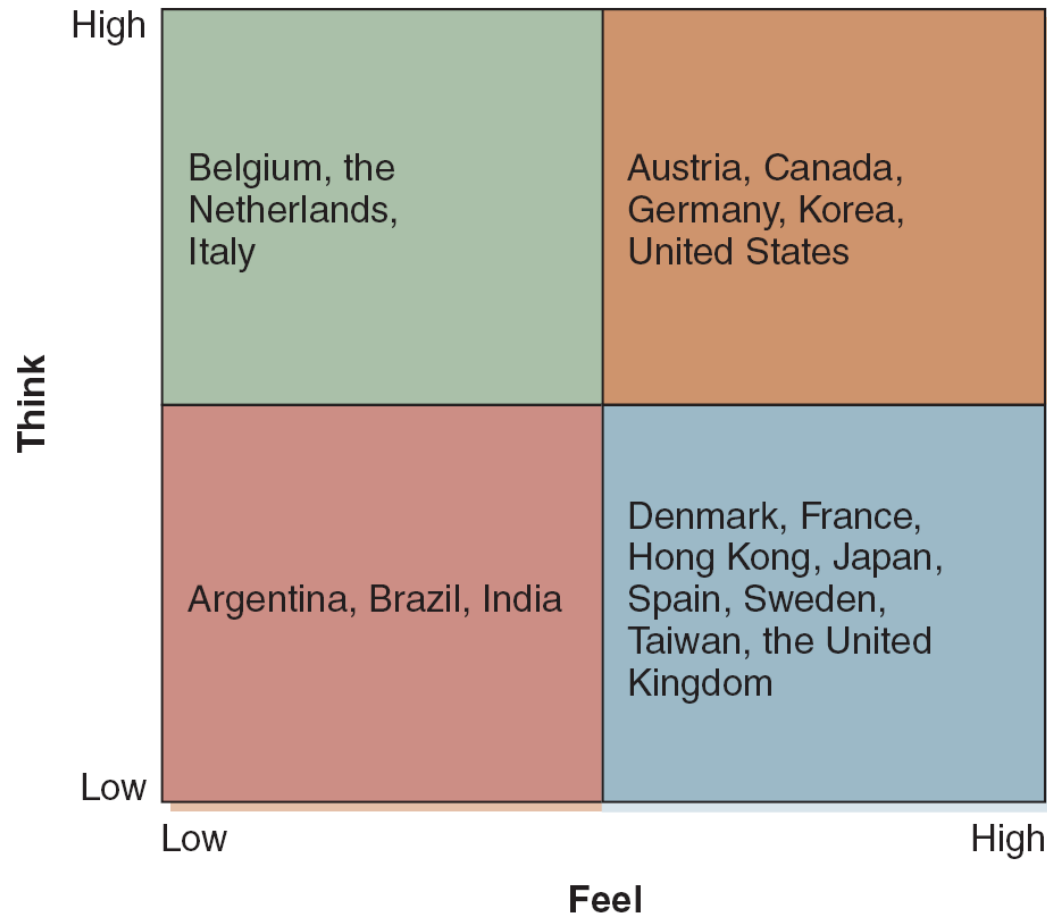
- Images of male/female intimacy are in bad taste in Japan; illegal in Saudi Arabia
- Wedding rings are worn on the right hand in Spain, Denmark, Holland, Germany
- European men kiss the hands of married women only, not single women
- In Germany, France and Japan, a man enters a door before a woman; no ladies first!



Cultural Considerations–Japanese and American Differences

- Indirect rather than direct forms of expression are preferred in the messages
- There is often little relationship between ad content and the advertised product
- Only brief dialogue or narration is used in television commercials, with minimal explanatory content
- Humor is used to create a bond of mutual feelings
- Famous celebrities appear as close acquaintances or everyday people
- Priority is placed on company trust rather than product quality
- The product name is impressed on the viewer with short, 15-second commercials

“Think” and “Feel” Country Clusters



Cultural Considerations

Type of Appeal	Cultural/Market Factors	Countries Where Appeal Is Appropriate
Rational/argument	Monochronic cultures with low power distance, high uncertainty avoidance, and a good supply of marketing professionals.	Austria, Belgium, Germany, Italy, United States
Rational/lecture	Collectivist cultures with high power distance and high uncertainty avoidance.	Belgium, Italy, Mexico
Emotional/psychological	Collectivist cultures with high power distance, high advertising expenditures, and strict government control.	Hong Kong, Taiwan, France, United States, South Korea, Spain
Emotional/dramatic	Cultures with high power distance, high advertising expenditures, and a limited supply of advertising professionals.	Hong Kong, France, Japan

Global Media Decisions

- Prepare new copy for foreign markets in host country's language
- Translate the original copy into target language
- Leave some or all copy elements in home country language



Global Advertising Expenditures and Media Vehicles

- More money spent in U.S. than anywhere else in the world; \$141.7 billion in 2008
- Japan is #2 at \$60 billion
- 1/3 of current growth in ad spending in BRIC
- Worldwide, TV is the #1 medium with estimated spending of \$176 billion in 2008; TV spending increased 78% between 1990 and 2000 in the EU

Media Decisions: Arab Countries

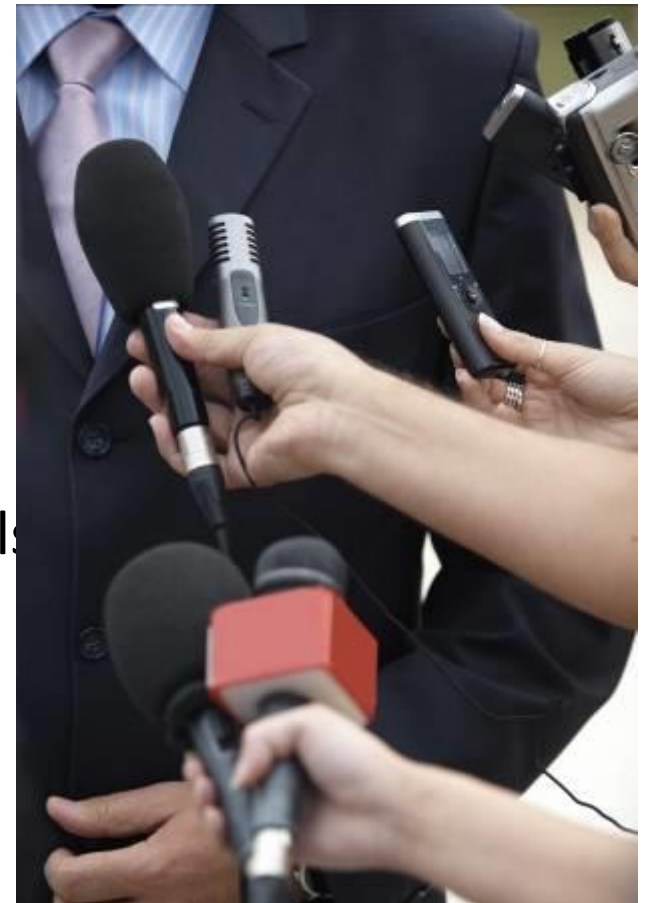
- Use of comparative advertising claims is prohibited
- Non-censored films cannot be advertised
- Women may only appear in those commercials that relate to family affairs, and their appearance must be in a decent manner that ensures feminine dignity
- Women must wear a long suitable dress which fully covers her body except face and palms

Media Decisions: Europe and Asia

- Limited TV ads in Sweden, Norway, and Denmark
- No advertising to children under 12 in Sweden where spending on print media is 3 times higher than TV
- India has 300 daily newspapers that cost about a dime. India lacks cable TV service; 1 out of 4 Indians have Internet access
- Moscow commuters spend hours in traffic with little time for newspapers or TV

Public Relations and Publicity

- Fosters goodwill and understanding
- Generates favorable publicity
- Tools
 - News releases
 - Media kits
 - Press conferences
 - Tours
 - Articles in trade and professional journals
 - TV and radio talk show appearances
 - Special events



Advertising as a PR Function

- Corporate advertising
 - Compensates for lack of control over publicity
 - Calls attention to the company's other communication efforts
- Image advertising
 - Enhances the public's perception, creates goodwill
- Advocacy advertising
 - Presents the company's point of view on a particular issue

The Growing Role of Public Relations in Global Marketing

- Public Relations expenditures are growing at an average of 20% per year
 - In India they are reported to be growing by 200% annually
- 
- Reasons for the growth
 - Increased governmental relations between countries
 - Technology
 - Societal issues like the environment

Public Relations Practices Around the World

- Public relations practices can be affected by:
 - Cultural traditions
 - Social and political contexts
 - Economic environments
- Public relations professionals must understand these differences and tailor the message appropriately