

PROMOTION AND INTEGRATED MARKETING COMMUNICATION AS A PROCESS WITH INFLUENCE IN CONSUMER BEHAVIOR

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Abstract

We need to have in mind the fact that combination of promotion element as part of marketing mix of the company, and knowledge for consumer shall be an efficient mean available to marketers. Expenses for promotion in majority of cases are a biggest part of marketing activities as process, and we are a witness that budget for promotion in many companies are up to millions. We link the matter of knowing of consumer and its needs as a manner to relief promotion activities management as good as possible. If there is no knowledge on behavior regarding the subject of consumers and decisions taken by him during purchase then as a result there is inefficient consumption of huge sums of budget dedicated to promotion. Project reviews combination of two parts of marketing process, (however not separately from other process activities) as very important, and explicates different theoretical concepts and practical situations on which the company should use the knowledge for consumer and promotion elements in order to achieve marketing objectives.

Key words: Marketing, consumer, consumer's needs, consumer's demands, promotion,

JEL Classification: M3, M30, M37

1. Introduction -

Marketing as a concept is accepted widely as "organized activity and directed-managed by will to fulfill consumer's needs" [McDonald 2004]. Company during its determination of the offer for the market in majority of cases special importance gives to product and its brand, however during designing of its best possible product it is verified that it is not worth knowing product physical characteristics and ingredient but certainly must be known and understand psychological and social side of consumer as individual or as a part of a group. Psychological side has to do with his behavior while social side with his belongings and surrounding where he is located. Knowing the consumer's behavior and his decisions for purchase are treated by many authors as: Engel et all (1968); Howard and Seth (1969); Nicosia (1966), that are the most quoted during subject treatment of consumer's behaviors during purchase. Majority of researches and created models from mentioned authors and others have as a base differential products, treated as a special product or certain brand or purchase location (shop, trade chains), and have the possibility that these models would not be adequate for the explanation of behavior during process of decision making, as such can be mentioned electricity as specific product. It is important that marketers to understand existing differences in value of usage of classic products and not materialized products as services. Project has the intention to know the manner of consumer's behavior in special subjects as image, reliability and intercommunio consumer-company. There are several roles that consumer is presented with different behavior, as: *Initiator* – or the person who issues the matter that is needed that any need or demand must be fulfilled (ex. Demand for a computer is initiated by children in family); as *influencer* – a person or persons that excite or support the need or demand expressed by initiator, as *purchaser* – presents the person that performs the purchase or supply with that product, as *User* – that in fact is the individual or group that uses or consumes the product.[Kotler,Keller,2009]. Marketers must know all abovementioned roles but be focused on role of the purchaser, as individual faced to and who is physically there during purchase process. Based on these knowledge

in the company is established a communication strategy with consumer and market in general. Depending from company objectives promotion mix instruments to be used can be determined. Promotion entirely has to do with public communication with intention of influencing the purchase and usage of company products and services. A slightly broader definition of promotion is this: "... any form of communication, used for the purpose of informing, persuading or reminding the people about products, services, images, ideas and involvement of society influence " [Bearden, Ingram, LaForge,2001]. On other hands IMK (Integrated marketing communications) is a process that has to do with management of all aspects where the intention is that element as advertisement, personal sale, sale promotion and other elements of promotion to be engaged together as a unified force and not used separately and not harmonized. Integrated Marketing Communication (IMC): "is the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program that maximizes the impact on consumers and other end users at a minimal cost" [Clow, Baack,2007]. Another definition of IMC "... is a process for planning, executing and monitoring the brand messages that create the customer relationships" [Duncan, 2005]. Based on theoretical knowledge we can count several communication with consumer as: Knowing the needs, finding the purchasers, creating the brand, alternative evaluation of possibilities, stimulating the decision making to purchase, stimulating of loyalty or client link for product or brand, [Cravens,2000]. There are endless possibilities of objective determination during usage of certain elements of promotional mix.

2. Consumer's behavior and used elements of promotional mix,

Taking from company orientation and carefulness to consumer's behavior would be different, even today's there are companies that oriented to manufacture or sale as philosophy of their business, and in focus to its mission activity have "maximization of earnings" and not "consumer". Taking from this knowledge we shall give

importance to consumer and his behavior in order to create his offer. Base on traditional concept of marketing there are four basic variables that could be controlled and which creates marketing mix – product, price, promotion and place. Till the product as variable can be changed and adapt, if we have information for consumer's behaviors and their needs company could understand what product can be successful. When we are at the price must be consider consumer's sensitivity to changes in price between competitive products, and if company has information regarding possibilities and consumer's demands to pay for the product then would relief formulation of strategy for price determination. Next element of marketing mix is place or the manner of distribution of product from manufacturer to consumer. Knowing the stand of consumer to place where they want to perform the purchase we have consumers that prefers small shops, the others the big ones (hypermarkets and shopping mall), and today's is purchase through telephone, internet, etc. These places where consumers prefer the purchase we call them distribution channels. Promotion as element of marketing mix has to do with communication with consumer and in company must be aware for positive or negative reaction of consumers to delivered orders for them from the company. In this project other elements of marketing shall not be treated in relation to consumer and his behavior, however it shall be oriented to relation of promotion as factor and variable to which company counts and invests in order of

communicating with consumers and in general with public. Consumer behavior, explained above, is not simply a process of decision making for purchase, however here must have knowledge also for influence factors and motives during purchase. If also we know the fact that behavior of consumers includes also finding of answer to the question who are purchasers of the market, what do they purchase, when, how, and where, for the company in communication subject a promotional mix formulation is performed in order to impact and feed with information these consumers, in appropriate time, manner and size. It is of a special importance that will help the company to focus in two matters: 1) to determine that how well the certain product fulfills the needs, and/or 2) precisely understand which are changes in product offered that are necessary to offer the best solution in order to fulfill the needs of consumer's requirements, [Cravens, 2000]. In the following are analyzed in general influence and possibility of using relevant elements of promotional mix to inform consumer for offered product by company, price, and place where it can be found. Promotion can influence to create image for company or for its products, but it should be mentioned that presents integration of all system of marketing in the company. During communication strategy formulation policies must be created for each component of promotional mix, and based on these instructions a strategy shall be determined further for using of each element of promotional mix.

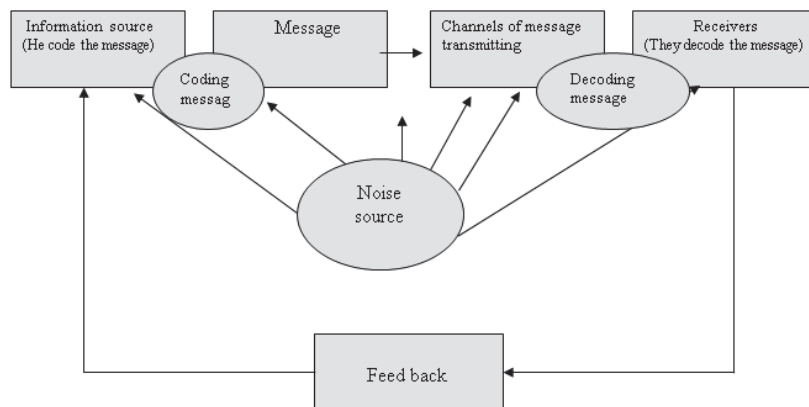


Fig.1. Marketing Communication System, (source Ukaj,2008)

Advertisement, Promotion stimulates and helps company business, but cannot create the base for sale without support and efficient performance of tasks by other activities of Marketing Mix, the same goes also for advertisement as among the other important elements of promotional mix used by companies in their communication with public and purchaser and his consumers. Main intention of advertisement is to inform, stimulate, and convince actual or potential consumers.

Personal sale, With changes that happens in the internal environment or those outside the company, role of promotion elements changes also in company communication with consumers. Personal sale is a very individual activity of communication of seller (representative) of company with consumer. Personal sale more have to do with psychology. A good seller would get

close and communicate with each different client, depending from as how the Seller estimates that consumer perceives himself. Staff engaged in personal sale must pass through several stages distinctly when attempts to perform a sale. **Researches and estimations**, through identifying potential clients and possible choice of purchaser. **Preliminary preparation for sale**, by identifying client individual needs and few of main issues that would determine if they shall purchase or go further. **Approach to consumer**, main issue here is as how to make a first contact with client. Achieving success in this phase – through earning of any interest from potential consumer whether a direct deny – is a main attribution of a good seller. **Performing presentation**, a presentation or demonstration of a product allows a seller to sale “product benefits” for consumer. However, as per any effective

communication, this phase have to do with a listening, as well as during talk of consumer must be attract to a transaction, in this way he or she feels/thinks that product purchase is a sensitive decision and/or desirable from he/she. **Remarks solution**, although effective presentation is essential, the ability to overtake Remarks/Contradictions of consumers for product purchase is another exponent of effective sale staff. This requires understanding of personality and type of possible purchaser – is required different access, these shall be depending from stand/attitude of purchaser or consumer. Example, in several cases an access “excess honesty” shall have effect (work done), while in other cases seller would have to

“perform flatters” to purchaser. **Conclude deals**, by stimulating possible client to purchase the product. Few sellers have the ability to stages 1-5, but find this phase as challenging. **Follow up**, this is not necessary in all situations, but in case if the product is expensive and, maybe, requires transport and installation, then an information call of consumer can help to provide repeated purchase in the future. If there is no call, a client can take it that interest of sale personnel to extend/long only for one sale, and this has no chance to encourage him to repeat the purchase. After all, personal effective sale have to do with also around developing relationship with clients.



Fig 2. The process of fulfilling the customer needs influenced by the marketing environment (source McDonald,2004)

Sale promotion, Sale promotion has direct influence to consumer’s behavior offering them financial inducement to purchase a product. It is example of simple and direct form of promotion. There are a number of stimulation that could be performed and offer to consumers. By acting alone Sale promotion has a small chance to convert not interested individual to product consumer. However, in a market with a competition offering approximately similar product, a smart usage of Sale promotion and its techniques can help to "increase" the sale. Techniques of Sale promotion also in order to force-convince wholesalers to supply company's products.

Publicity, It is impersonal communication, concerning marketer’s organization, product, service or idea that is not directly funded by the identified sponsor. It is not always under the control of the company and therefore it is not always positive. Requires less funds and achieved greater credibility than other forms of promotion, descriptions of new products or brands; brand comparisons in trade journals, newspapers, or news magazines; or discussions on local and national radio and TV talk shows provide product information to consumers. For more publicity communications may be considered more credible because they are not presented by the marketing organization. In real business environments marketers sometimes stage “media events” in the hope of garnering free publicity.

Sponsoring, One of intentions of promotion is to increase business knowledge - to increase information for it, and to create business positive image and products. Sponsoring and public relation are used often for this purpose. Many culture/entertainment events now accept sponsoring in several forms. Specially, sport and artistic important events are often sponsored by huge corporations. Combining with public relations, sponsoring can raise a knowing a business and creation of links favorable between a business and events or sponsored activity.

Public Relation, Public relations use massive media to do publicity and to communicate successive positive/stories news for business activities. As activities that are special/unique events are referred as event of Public Relations. Sustained activities, by combining few event parallel in the same time period, are referred as Campaign of Public Relations. A Business that follows an event of Public Relations, or pointing a campaign of PR shall aim to use publicity in different ways, including:

- having a press conference
- releasing of articles/press in relation to business or products in newspapers and magazines
- providing a support for product from key actors of environment (athlete, politicians, artists)
- releasing a statements for press that are wide spotted or quoted
- presenting photos made in business environment, its staff or products in media.

2.1 Promotion strategy towards knowing the consumer, Consumer remains as focus of company activities also at strategy selection for achieving of objectives. An efficient promotion is depending from bound audience selection and defining of base strategy and marketing mix elements that will be used to achieve objectives in the market or markets bounds. In order to make efficient communication with audience marketing mix elements must be planned well only when we know the process of decision making of the purchaser, respectively must have knowledge regarding how consumer are purchasing. Further it is important knowing and having information what stage is purchase process, as well as knowledge who is involved in purchase process. Depending from whether the consumer should be informed for newness, innovations or achievements media is also selected and message for consumers and public in general. When there is a case to stimulate consumers for

action it is wished to put consideration to newness, added value, or product preferences and the offer that are in favor to fulfilling the consumers needs, and in this case media must be selected and adequate messages that shall stimulate purchase. Consumers loyal and also potential must also receive always messages and information from company for quality, added value, and offer preferences, in order to keep earned position to consumer's conquest but also raising their reliability to product and company. Promotion strategy to be applied to company activities depends very from factors as: human and professional potential, financial potential, live cycle of product, etc..

2.2 Promotion effects evaluation,

Marketing as concept knows the need that developed activities in the company to be controlled, and one of assistance in this direction gives measurement of promotion or communication effects of company with public. This shows as how and how much this communication was effective towards objectives and standards determined by communication plan. The reason of measurement of promotion effects is not simply fluffiness of communication objectives, but also can and should take information regarding what are the reasons of not fulfilling the objectives, at any level as results discrepancy to determined objectives. Gathered data usually serves to management in order to take measures and activities to fulfill or change communication activities.

3. Case study

Questions:

1n. How often do you use the Promotion to communicate with “costumers” to promote corporate image with?

	Very often	Often	Occasionally	Never
The market?	11%	25%	8%	55%
Customers?	10%	30%	28%	30%
The local community?	2%	8%	5%	75%
The employees?	15%	14%	11%	60%
Environmentalist, eg?	2%	8%	7%	80%
Government agencies	5%	6%	8%	80%
Commercial Chambers, eg	10%	15%	10%	65%

2n. Which of Promotion elements used for communication you see as most efficient in influencing the customer behavior

	Sometimes	Frequently	Most of time	Never
Advertising?	15%	25%	35%	25%
Personal sale?	18%	33%	41%	8%
Sales promotion?	12%	25%	15%	48%
Publicity?	8%	5%	10%	77%
Public Relations, eg?	7%	9%	7%	77%
Sponsorship	20%	25%	32%	27%
Internet, eg	11%	23%	28%	48%

3n. Which are objectives that company wants to achieve by using promotion strategy, in relation to costumers?

The survey was taken in Pristina region, by sending questionnaire as many as possible. Only those participants who have completed the questionnaire will be accounted as valid survey. Personal delivery to company management was used to perform the survey, and use Microsoft Office Excel to do statistic and data analysis. The research method of this study is a survey research, which collect information from a participant through a questionnaire. The purpose of this research is to analyze understanding the current and future behaviors from consumers and relation and impact of promotion in their respond to company communication strategy according feedback from participants. The interaction of promotion and advertising communication with the consumers is often a subtle and complex and it therefore requires more care and planning [Hackley, 2010] Use of the quantitative methods as it is survey bring the information's that has to be transformed in statistics related figures and tables, all this based on individual respond of got on questioner. The questioner design was done for multiply needs and objectives, where except general information's questions (statistical, demographic data are collected from the respondents,) we had a part about customer behavior and impact of promotion used by company. From this survey, there are following information gathered as important for this study:

	Very often	Often	Occasionally	Never
To alter attitudes?	22%	28%	31%	19%
To create desire?	19%	27%	33%	21%
To direct actions?	20%	26%	33%	21%
To remind?	25%	30%	30%	15%
To Inform, eg?	23%	32%	28%	17%
To Demonstrate ?	11%	25%	30%	24%
To generate enquires ?	20%	22%	28%	30%

3.1 Result analyses and discussion

In the section, of the questioner related the customer behavior and use of promotion elements following questions have been covered in order to know the respondent's experience and strategy of communication with people and overall public. Due to this survey is based on offering questioners' for filling at their premises, therefore, all of the questionnaire are collected from respondents that had free chose and enough time to answer based on their own experience, knowledge and understanding of problems raised.

Questions:

How often do you use the Promotion to communicate with "costumers" to promote corporate image with?

Most of respondents have used the promotion to communicate with their clients and those others that are not directly using product/services company is offering. In this case especially promotion is used for communicating with customers, around 70% of respondents use promotion in different forms for communication, and in this case around 80% of respondents don't use promotion as element for communicating with Government, Environmentalists, and other agencies as interested parties in business. This shows clearly the aim and objective of respondents to communicate directly with customer in order to somehow influence in their behavior and attract them to use their product or service. It also shows that the dispersion between answers "very often" and "never", where is indicative that at all parties to whom are directed promotion messages except "customer" the answer "never" is up to 80% that lead us to conclude that communication with other interested parties is left side as a way of influencing in public at all.

Which of Promotion elements used for communication you see as most efficient in influencing the customer behavior

As we can see that there is more than 75% of the respondents that use some or one of the promotion elements listed in questioner, and that there is personal sale which is the highest percentage among other elements with 92% of use by companies as a way for communication with customers and most effective way of influencing in their decisions to use product/service of the company. Furthermore there is to be mentioned the use of the Internet as a way of communication and marketing of products/services, there is big portion of respondents who

have Internet communication experience and 48% of them who do not use internet as a promotion tool. The influence of other elements of promotion is in favor of creation of relation with customers and influence in their behavior is distributed well, and gives a impression that respondents are aware of role of each promotion elements in creation of contacts with customers and people at all. There is to be emphasized the way of using promotion tools as per respondent answers where except personal sale on other hand for advertising and sponsorship we have more percentage of answers with "most of time" than "frequently" and "sometimes", also in other elements of promotion we have this dispersion of percentage, except at the Public Relation that have highest percentage at "never" and very closely are with "sometimes" and "most of time, than "frequently", this lead us to conclude that PR is tool that is not explored by companies as a capable element in communicating with customer and other interested parties and public at all.

Which are objectives that company wants to achieve by using promotion strategy, in relation to costumer?

This question is of importance for companies or respondents which will help them to distinguish the objectives to be achieved on each of market segments, in order to make marketing strategies based on customer need, and phase of the product/service life cycle or actually company business cycle crossing. The objectives were listed are the most used by companies in wide market. The objective "to remind" and "to inform" are the most popular for respondents, and are as choice when the promotion strategy and use of promotion elements id to be decided. There is percentage of 85% of them that set as a objective "to remind" and followed by "to inform" with 83%, Compare with other objectives listed we emphasize that respondents are dispersed when set objectives between " very often" and "never", this lead to conclude that there is big potential for companies to use different tools of promotion mix, to influence in customer behavior, depend on the segment, target and position (STP) of the product/service, or company. Compare with international companies and the way of setting objectives for communication with customer, we see that respondents of this survey are more traditional on setting more comprehensive objectives instead breaking them according to aims and core objectives of company.

4. Conclusion

Marketing formulation strategy to achieve objectives of the company presents to us as the most important part and critical of entire marketing process. We conclude that this determines the level of success of the company in general. Communication with consumer and knowing the needs and his wants, gives the company necessary information which are preferences to be used, weaknesses to be eliminated, but also the manner how to achieve that. In this paper is unfolded need to know about consumer and its behavior but also the way of communication through the favorable promotional mix implemented by the company. Here is confirmed that if company understand clearly the importance of knowing the consumer and its role in doing business, easily shall determine for promotional mix to be used, however we conclude that these are not main issues of marketing process but these along with other parts as

planning, product, price and place form logically a entirety that enables the achievement of marketing objectives. Preferences of this partial review of marketing process elements enables us to be focused to a specific issue, and those then reliefs the work of marketers that by combining the marketing mix elements to achieve marketing objectives and in this way also to relief the flow of this process. In this research has been demonstrated that consumer behavior and marketing mix elements as it is promotion and integrated marketing communication are undeniably linked, and through the understanding of the former actions and behavior, the latter may be more appropriately defined. By reviewing this issue separately we believe that will help marketers to formulate a strategy and achieve objective in much easily way and more meaningful for companies success.

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