



Integrated channel planning: Effective integration

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New analysis of the IPA Databank of case studies in effectiveness reveals that it is the number of marketing channels and their usage, not their integration around a core advertising idea, that delivers hard business success

It is a truth universally acknowledged that integrated campaigns are more effective. Clients issue 'integrated' briefs to their roster agencies and expect a joint solution to be delivered. The advertising and marketing communities work hard to deliver integrated campaigns and have spent many years debating the best ways to do it, how to organise themselves to deliver better 'integration' and the most profitable ways to be remunerated. This is because clients and agencies – together – believe that working in a collaborative way to deliver an integrated solution is far more powerful than the sum of the parts.

This year will see the 20th anniversary of the effective launch of the internet as a media channel. Since then, the pace of media diversity, evolution and capability has accelerated exponentially. Never has the media ecosystem available to a marketer been richer or more complex. Never has the opportunity to experiment and create new forms of brand and marketing experience been greater.

And yet, amid all the excitement and hype, there is a void. Clearly, individual media can be proven to deliver effective business results – whether a traditional TV campaign or a social media campaign. But in this rich media ecosystem, the big opportunity and challenge is to effectively connect and combine media in a way that delivers additive results over and above this. Which is where the void is located: until now, there has been no substantial analysis of how different approaches to organising and integrating marketing messages and media translate into business effectiveness today.

To address this glaring gap in our knowledge, the IPA commissioned a report: a deep analysis of over 250 case studies entered for the last seven years' IPA Effectiveness awards, focusing specifically on the media and creative approaches to integration that brands have taken – and, crucially, how these have translated into real business results.

We mined the same, but updated, IPA Databank that was analysed in *Marketing in the Era of Accountability* (Les Binet and Peter Field). However, whereas Binet and Field focused on establishing the practices and metrics that increase profitability, this report takes a different theme: in a rapidly evolving media environment, how can advertisers structure and organise a campaign to greatest effect? What's the most effective approach to 'integration'? Has the much derided 'matching luggage' approach really had its day as a way of tying a campaign together across media? And, if so, what is the best replacement?

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It's this theme that is the core of this report: the effectiveness of traditional integration, and the question of whether the looser, more conceptual forms of organisation, which we have called 'orchestration', can deliver better business results.

FROM INTEGRATION TO ORCHESTRATION

There has never been an industrywide, standardised way of segmenting integration; each agency or advertiser prefers a bespoke, integrated methodology or process. In our experience, these processes are either ideacentric, and based on integration by 'message across channels', or channelcentric; looking at the most effective combination of channels to target an audience or drive particular results.

We proposed a 'message and ideacentric' segmentation of the IPA Databank. This is partly due to necessity; the richest source of insight around 'integration' within the IPA Effectiveness awards submissions was around messages and ideas, but it also builds for the future. In a time with an everaccelerating expansion in the number of communication channels and their increasing diversification, it will become impossible for brands to outshout their competition in 'bought' advertising media without a strong idea that allows them to amplify activity in their 'owned' channels, such as stores or websites, or access 'earned' channels such as PR or social media. Strong ideas have longevity, live across all brand touchpoints and are interesting enough for people to want to participate. It is for this reason that we believe an ideacentric approach is increasingly critical to the future of marketing channel planning.

We uncovered four distinct ways that campaigns were integrating messages exemplified in the Databank case studies.

1. **No integration**

Either single advertising channel campaigns or the brand has taken a *laissez faire* approach to merging channels.

2. **Advertising-led integration**

around a common creative platform. This ranges from visual identity only – the so-called 'matching luggage' approach – to a full-scale advertising creative idea across multiple disciplines, including nonadvertising channels.

3. **Brand idea-led orchestration**

where there was unification around a shared brand concept or needstate platform. Within this segment, the creative work does not 'look and feel' united by a common advertising idea, yet the audience is able to decode the strands as part of one brand's message.

4. **Participation-led orchestration**

where the goal between brand and audiences is to create a common dialogue, cocreation, experience or 'conversation'.

The IPA Databank contains numerous celebrated examples across the segments. From the 'no integration' segment, which encompasses single medium campaigns, such as Bounty paper towels that used TV as the sole advertising medium, to more complex campaigns from the likes of Halifax Bank and British Telecom, which generally use a number of different communication channels and marketing disciplines, but did not seek to integrate all messages under one idea or brand concept.

It also includes globally celebrated examples of branched ideas, such as Johnnie Walker's 'Keep Walking' and Honda's 'The Power of Dreams'. These campaigns have been termed 'orchestrated', rather than integrated, as we needed a new term to

describe the looser, more fluid approach to integration seen in the latter part of the decade. Orchestration describes the complexity of developing, creating and delivering effective campaigns across a vastly increased number of channels; it is becoming increasingly like conducting an orchestra. Within these 'brand idealed' case studies, channel specialists are able to adapt the campaign to the strengths of each medium.

And, finally, towards the end of the decade, we saw the emergence of the 'participation-led' segment. The way ideas flow across channels in this segment is partly driven by the ability of digital media to engage an audience in conversation and allow two-way interactions between brands and audiences. Examples of this new type of campaign construction are Cadbury Wispa's relaunch in social media and Walkers crisps' 'Do us a Flavour' cocreation approach.

Finally, we were able to prove the hypothesis that has driven much of the industry's debate over the past decade. Do integrated campaigns deliver more than the sum of the parts? The results are surprising.

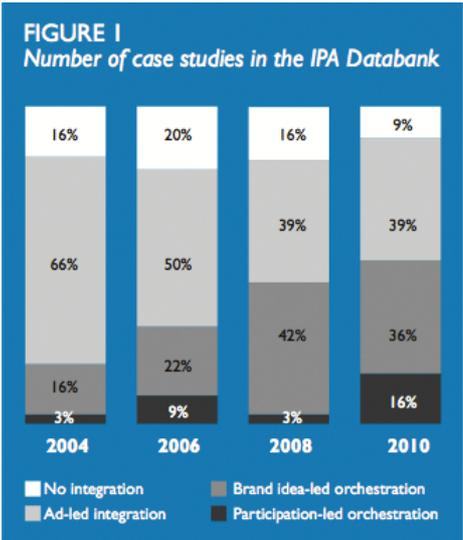
The data used in this analysis of the IPA Databank focuses on two main measures of effectiveness: hard business effects and soft/intermediate effects. 'Hard' measures include sales and share gains, price sensitivity, customer loyalty, penetration and, of course, profit, while soft/intermediate effects refer to the so-called 'soft' consumer measures, such as brand awareness, image and fame.

It should be noted that the Databank is a collection of successful case studies, so the effectiveness success rates (ESR) are generally high. What is important is not their absolute level, but the relative levels achieved by different practices and whether they are above average or not (ie do they appear to promote success or reduce it). In this way, any biases due to the nature of the sample (all cases are competitors in an effectiveness competition) can be eliminated.

HAS ORCHESTRATION SUPPLANTED INTEGRATION?

Our initial hypothesis was that this segmentation represented increasingly sophisticated approaches, from no integration as the least sophisticated approach to participation-led orchestration as the most. We were curious to see whether this hypothesis was valid, and whether there was any evidence of evolution towards what we had assumed represented the more sophisticated approach.

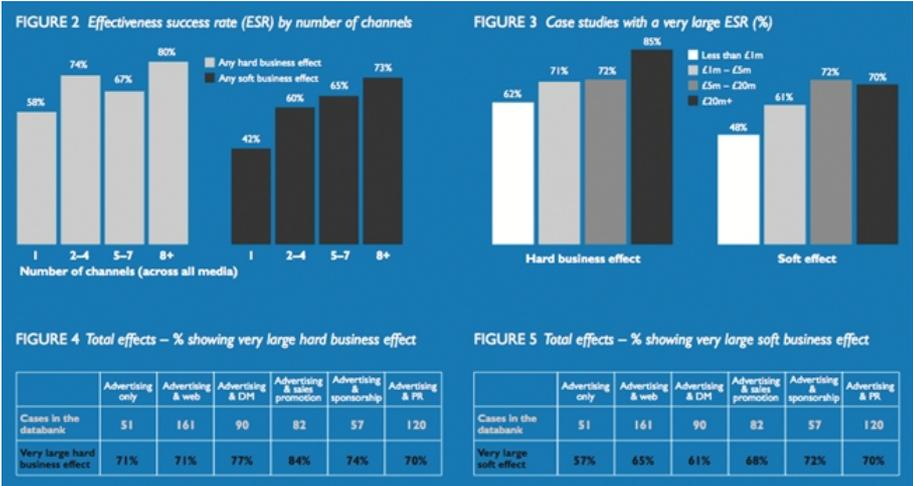
In 2004, 66% of campaigns fell into the second group; what might be thought of as the most traditional form of a campaign – individual executions linked by very strong creative ideas – a celebrity, a piece of music, an art directional style, for example. By 2010, the proportion of campaigns in this category had fallen markedly to 39%, with the main switch being to campaigns in the brand idealed category – up from 16% of entries to 36% (Figure 1). So there has been a clear evolution from campaigns unified by execution, to those connected by central brand values or united by a participatory idea.



Looking across the IPA Databank, it can be seen that case studies that use either brand or participation-led orchestration deliver greater results on softer/intermediate measures of brand success, such as brand fame, brand awareness or brand image, than cases that are not integrated. They are also better than those united just by an advertising idea.

However, it is surprising to note that campaigns that are deemed 'not integrated' are more effective at delivering hard business success than ones integrated around an advertising idea or creative vehicle. This starts to suggest that a slavish pursuit of the perfect integrated campaign may not be the best way to achieve more effective communications in all circumstances. The addition of more communication channels, which are given separate tailored campaigns, may actually be an easier route to business success. This is a factor often omitted from the literature around integration; if achieving perfect message integration produces a better impact than a pragmatic approach but requires significantly more marketing resource to manage, is it still an effective route to pursue at a business level?

Another interesting finding to note is that campaigns that are orchestrated around a higher order idea or value appear to be more effective than those that follow the 'old' advertising model, with an incredible 79% of cases demonstrating a very large hard business effect. This segment perhaps represents the holy grail of branding and, for the first time, we have been able to evaluate the relative effectiveness of this route.



Notwithstanding the lower number of cases that fall under the participation-led sector, it is interesting to note that they are much less likely to demonstrate a hard business effect, and we seek to explore a number of reasons for this finding in the book from which this article is derived.

It was evident that multichannel campaigns are more effective than single channel ones. Analysing the total number of communications channels used, including advertising media, direct marketing, sales promotion, PR, interactive and web channels, we see a clear picture that for both hard and soft metrics, the more channels used, the more effective the campaign (Figure 2). What is clear is that multichannel campaigns are more effective across the board than single channel activity. However, there is clearly a budget effect for this analysis as the bigger the budget, the more channels are used, and the bigger the budget, the more effective the activity. This is true for both hard business results and the softer measures (Figure 3).

Despite the huge growth of alternative bought media channels over the past decade, adding TV into the marketing mix still produces better results on both hard and soft measures, than not including the medium: 75% of case studies with very high effectiveness in hard business results used TV, while 53% didn't; and 66% of cases that had high effectiveness in soft business benefits used TV, while 49% didn't.

If we dig deeper beyond the use of specific channels, we are able to analyse the most effective combinations of channels. We grouped the channels into six macro groups: advertising media; web and mobile; direct marketing/direct mail; sales promotion; sponsorship; and PR. The Databank is an advertising-biased sample of marketing activity and so the most useful analysis to conduct was advertising on its own, or in combination with other channels. We found some clear indications that advertising coupled with a direct sales channel (direct marketing or sales promotion) was the most effective route to hard business success (Figure 4).

This finding is, perhaps, not particularly surprising as these disciplines have a clear role at 'closing a sale'. But it is useful to have a working hypothesis proven on this scale.

When seeking to understand softer measures of effectiveness, such as brand awareness or brand fame, we can see a completely different picture. Advertising coupled with sponsorship and PR is by far the most effective route to drive 'softer/intermediate' measures of effectiveness (Figure 5).

This finding also reflects the difficulty, for both these channels, in trying to tie their use directly back to hard business measures. There is an acknowledgement that these channels provide a useful contribution to an overall campaign, but their effects are so wide ranging and long lasting they are difficult to isolate.

New models of marketing effectiveness: From Integration to Orchestration, by Kate Cox, John Crowther, Tracy Hubbard and Denise Turner, is published on 20 June 2011 by the IPA and Warc. It is available for purchase from the IPA at www.ipa.co.uk and Warc at www.warc.com/newmodels

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