

## The Effect of Implementing Integrated Marketing Communication Systems on Improving Marketing Function “A case study on OFFTEC Company”

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### Abstract

The aim of this research paper is to examine the effect of implementing integrated marketing communication systems such as website on internet, direct marketing, sales promotions, publicity, and public relation on improving marketing function. In order to reach the objective of the study, a field questionnaire survey was designed containing all aspects of the integrated marketing communication tools, and it was conducted on the case study “OFFTEC” company throughout the current year 2017. The study concluded that implementing integrated marketing communication tools are most effective when they are used in coordination with other elements of marketing programs, and changing consumer perception towards the company’s product should be the aim of these integrated tools.

**Keywords:** Consumer perception, Direct marketing, Integrated marketing communication, Marketing function, Sales promotion, OFFTEC Company.

### I. Introduction

The science of marketing can be described as one of the most important tools of the value chain activities. Usually value chain activities starts with research and development (R&D), then product design, production process, marketing, distribution, and finally, customer service. Marketing activities is the most important between them, and sales targets can’t be achieved without the art of marketing. Traditional marketing is no more effective in the world of today, and that because of new technological communication devices as the smart mobile phones with its enormous applications. These devices are taking our breath, and it’s considered one of the huge revolutions of this century. In these rapid changes Integrated Marketing Communication (IMC) can be used to overcome the traditional marketing tools.

Integrated Marketing Communication includes many components under its functions. These components work together in order to improve marketing functions. Advertising is one these elements, it can be defined as any paid form of non-personal communication about an organization, product, service, or idea by an identified sponsor. The paid aspect refers to the space or time for an advertising message generally must be bought. The non-personal means that advertising involves mass media that can transmit the message to a large group of individual at the same time (Belch & Belch, 2015). Using direct marketing to follow up an advertising campaign and linking the direct marketing piece to a dedicated website page is an example of integrated marketing communication. Each element of the campaign reinforces the others and moves prospects toward a purchasing decision. Advertising is the most used element by marketers to promote their product, it also the most important tool by a company that target a very large amount of market.

Advertising can be used by company to create their brands and symbolic appeals. An integrated campaign makes use of the full range of communication media to perform specific roles. Advertising raises awareness of a product and generates leads for follow up. Press information reinforces advertising by expanding on the advertising messages. Direct mail or email provides a follow up mechanism to the advertising campaign and offers more detailed information to prospects via brochures or links to a website. Telemarketing and sales support material, such as sales and product guides, help the sales force to follow up the strongest

prospects. Newsletters and email campaigns help to maintain contact and build relationships with prospects until they are ready to buy (Bacik & Fedorko & Simova. 2012).

The current research problem focuses on finding the effect of implementing integrated marketing communication systems such as advertising, website on internet, direct marketing, sales promotions, publicity, and public relation on improving marketing function of OFFTEC Company, which is, the case study of this research paper.

In order to stand on study importance, the current research is going to cover all aspects of the integrated marketing communications, which is an approach of planning communications that provides the company with potentials capable of getting better results from campaigns and reduce marketing costs. By integrating tools such as advertising, direct mail, social media, telemarketing and sales promotion, we provide clarity, consistency and maximum communications impact to improve the marketing functions.

The objectives of the current study aims to examine the effect of integrated marketing communications on improving the marketing function of the company through the study its elements, and the steps of developing an integrated marketing communication plan.

## **II. Literature Review**

Integrated Marketing Communication is one of the new generation marketing approaches being used by company to better focus their efforts in acquiring, retaining, and developing relationship with customers and other stakeholders (Duncan & Moriaty, 1998).

Integrated marketing communication combines different media to improve the results of marketing campaigns. Using direct marketing to follow up an advertising campaign and linking the direct marketing piece to a dedicated website page is an example of integrated marketing communication. Each element of the campaign reinforces the others and moves prospects toward a purchasing decision.

Elements of Integrated Marketing Communication:

Consistency of message is one of the most important elements of integrated marketing communication. The copy style and content should be consistent across all media. When prospects read an advertisement, visit a website, pick up a leaflet or take a call from a telemarketing specialist, they should perceive the same product descriptions and benefit statements in each communication (Belch & Belch, 2015).

- 1- Design consistency also is important. Using the same colors, photographs and other visual elements helps to reinforce the important campaign messages and links the various campaign elements together. As an added bonus, design consistency can help reduce campaign costs by specifying standard elements and reusing visual material across all media.
- 2- Reinforcement is a key element. Integrated marketing communication ensures that all the elements of a marketing campaign work together to achieve objectives and deliver results. A campaign to improve sales through a retail network, for example, would include retailer training guides, templates for local advertising and direct marketing, sales incentives for the retailer sales force, and advertising that drives business to the retail network.
- 3- In business-to-business marketing, the purchasing process can be lengthy and complex, involving many different decision-makers and influencers. Integrated marketing communication helps your sales team to provide the information that

decision-makers need at each stage of the purchasing process. In a typical scenario, the buying team establishes its requirements, prepares a specification and short list of potential suppliers, evaluates proposals, and makes a final assessment of the most suitable suppliers. An integrated campaign aligns the communication program with the purchasing process at each stage to ensure success.

The steps in developing an Integrated Marketing Communication (ICM) plan can be achieved by using the same thematic message in different types of promotions. The idea behind the message remains consistent whether consumers see a magazine advertisement or the company's web page. An integrated marketing communication plan may leverage its multiple promotion sources. A print advertisement might direct consumers to enter a contest or sign up for personalized savings on a web site. Product packaging could play a role in an integrated marketing communications plan as well. This is often seen with rewards programs that allow consumers to "earn points" through purchases and participation in an online community (Kliatchko, 2015).

Customer analysis is the first step in developing an (ICM) plan. A customer analysis determines what makes the target consumer unique. This includes demographic characteristics, such as age, education level, gender, income, and geographic location. Once we know who we're going to target, we'll also need to determine how we're going to reach our audience. An analysis identifies the media an audience is likely to use, including specific magazines, newspapers and television shows.

Once we determine who our customer is, then we want to create a unique identity for our brand or company. The identity that we create will be more effective if it appeals to an important need or value. Creating a unique identity, or "positioning," is important, because it distinguishes our product from the competition. The message in our integrated marketing communications plan will embody this unique identity. Another way to think of positioning is to equate it with our main selling point (Linton, 2012).

A comprehensive integrated marketing communications plan will state specific objectives. For example, an objective of the marketing campaign might be to increase awareness by 25 percent. A second objective might be to reach the target audience twice a week during the campaign's first quarter. The plan's goals should be specific and measurable. You will want some way to determine whether the plan was effective. You might solicit feedback from members of your target audience to measure your objectives (Akers, 2017).

Since most forms of advertising and promotion involve spending money, you'll need to determine how much. Many plans specifically state the amount that will go toward advertisements, promotional contests and online social media. Part of your budget will need to account for the unexpected. If your competition matches your efforts, you may need to adjust the frequency of your promotions. You might need to adjust your message and brand identity to counter the competition. Many budgets account for a year of promotional activity (Kokemuller, 2017).

The discussion of our case study in this section aims to link the theoretical part by the objectives of this study. OFFTEC Holding Group (OHG) is a regional provider of innovative business technology, leasing and loyalty services and solutions, designed to create sustainable value to its customers, employees, suppliers, and shareholders. Committed to providing optimal solutions and delivering innovative ventures, OHG is a public shareholding company

listed on the Amman Stock Exchange as (OFTC) with a current total capital of USD 55 million. OHG houses three subsidiaries: OFFTEC, e-Points and Alwasleh. Launched in 2005, e-Points are Jordan's leading customer reward platform, boasting a network of leading retail, hospitality and service outlet partners. Additionally, Alwasleh, founded in 2011, is the first company in the Kingdom to specialize in the provision of convenient leasing and financing solutions for small and medium enterprises as well as public and private sector employees across Jordan. For more than 100 years, OFFTEC has provided comprehensive, innovative and high quality business and technology solutions to its clients, equipping local and regional companies with the tools they need to navigate today's rapidly evolving business environment. OFFTEC has an impressive track record of supporting businesses, organizations and governments in the MENA region with solutions to manage their enterprises and optimize customer support. Delivering tailored offerings that cater to each client's unique needs, regardless of their industry or sector, OFFTEC combines unparalleled experience and comprehensive capabilities in the areas of Banking Technologies, Office Technologies, Office Furniture, Physical Security, IT Infrastructure, Networking & IT Security Solutions, Plastic Card Technologies, and Software Solutions. OFFTEC is having a well planned and executed marketing communication strategy. They integrated advertising efforts with a variety of other communication technique such as website on internet, direct marketing, sales promotion, publicity, and public relation (PR) and event sponsorship. They are also recognizing that these communication tools are most effective when they are coordinated with other element of marketing program. From the case study we can see that OFFTEC company can be successful with using the Integrated Marketing Communication for their products, the community is aware of their product because OFFTEC management were using the marketing communication tool with correctly so the company can achieve these positive outcomes.

### **III. Method**

The primary data needed for the study objectives were collected through a field questionnaire survey, containing the integrated marketing communication tools and plan, and it was conducted on the case study "OFFTEC" company throughout the current year 2017.

The questionnaire was designed out of 17 questions, which (8) questions were specified to Elements of Integrated Marketing Communication and (9) questions were specified to Steps of developing an Integrated Marketing Communication (ICM) plan. Resolution data were analyzed using the statistical program SPSS.

Quantitative data were collected using a self-administered questionnaire, in which the employees were asked to state the likelihood (on a 5-point scale: [5] strongly agree; [4] agree; [3] neutral; [2] disagree; [1] strongly disagree).

Other Data is collected from secondary sources. Secondary data is collected from articles published by the well-known periodicals, books, and dissertations.

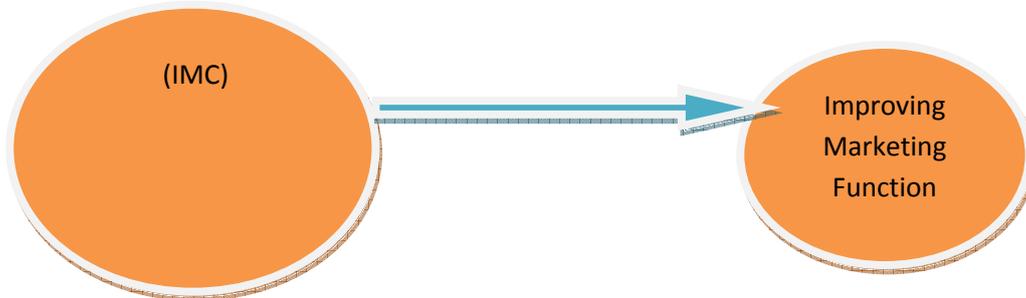
#### **III.1: Statistical Analysis**

The Statistical Package for Social Sciences SPSS was applied in analyzing the data received; Statistical Analysis tools include the followings:

1. Descriptive Statistics, mainly frequencies and percentages, were used to analyze sample characteristics according to job, educational level, professional certificates, and experience.

2. Correlation, simple regression were used to analyze and describe study variables from a statistical point.
3. Reliability Test using Cronbach’s Alpha was used to test the reliability of the scale.

**III.2 Research Design (Exhibit-1)**



Research design is formed out of the independent Variables, Integrated Marketing Communication Tools (IMC), and the dependent variable, improving marketing function. The Model in Exhibit-1 shows the effect of integrated Marketing Communication Systems on improving marketing function.

**III.3 Study Hypothesis**

H01: There is no statistical effect of Consistency of message on improving marketing function.

H02: There is no statistical effect of Design consistency on improving marketing function.

H03: There is no statistical effect of Reinforcement on improving marketing function.

H04: There is no statistical effect of Business-to-business marketing on improving marketing function.

**III.4 Data Analysis and Findings**

**III.4.1: Reliability test:**

Cronbach’s alpha was used to test the internal reliability of the measurement instrument. According to Uma Sekrnan, a Cronbach’s Alpha of 0.60 or higher is considered acceptable (Sekrnan, 2003). The Cronbach’s Alphas ( $\alpha$ ) was 0.878. Table (1), illustrate this result.

**Table: 1 Reliability Statistics**

Cronbach's Alpha	N of Items
.878	17

This indicates that for each measurement of a variable, the items are correlated and hence highly consistent.

**III.4.2 Study Community**

The study community is formed out of the employees of OFFTEC Company. 60 copies of the questionnaire were delivered by hand to the respondents, 52 copies were returned (percentage of 86%); these 52 copies were accepted and used in the analysis of the original distributed copies, Table (2) shows these results.

Table (2):	Items	No.	Percentages
Questionnaires Distributed		60	100%
Questionnaires recovered		52	86%

### III.4.3 Data Analysis of the Demographic Characteristics of the Respondents

Table (3), illustrates the demographic characteristics distribution of the study sample.

Table(3): Variable	Group	Frequencies	%
Sex	Male	39	75
	Female	13	25
Total		52	100%
Age	Less than 25 years	7	13
	From 25 years—35 years	23	44
	More than 35 years—45 years	10	19
	More than 45 years	12	24
Total		52	100%
Professional Certificate	CMA or PhD Degree	3	9
	Bachelor Degree	25	69
	Other	8	22
Total		52	100%
Job Title	Head of department	11	21
	Officer	35	67
	Manager	6	12
Total		52	100%
Experiences	Less than 5 years	5	10
	From 5 years – 10 years	14	27
	More than 10 years – 15 years	9	17
	More than 15 years	24	46
Total		52	100%

The demographic characteristics distribution of the study sample shows that most of respondent 75% were male, 25% were females. Also it shows that, most of respondent were having experience of more than 15 years, and 67% of them were having the bachelor degree.

### III.4.4 Data Analysis of the Study

The arithmetic means and the standard deviation has been calculated of all study questionnaires.

Table (4) illustrates Elements of Integrated Marketing Communication

No.	Table (4): Elements of Integrated Marketing Communication	A. Means	S. Deviation	Order
1	<u>Consistency of message:</u> When prospects read an advertisement, visit a website, pick up a leaflet or take a call from a telemarketing specialist, they should perceive the same product descriptions and benefit statements in each communication.	4.08	0.69	high
2	<u>Design consistency:</u> The company is using the same colors, photographs and other visual elements in their advertising campaign messages and links the various campaign elements	3.66	0.75	high

	together.			
3	<u>Reinforcement:</u> When the company lunches a campaign to improve sales through a retail network, would the company include retailer training guides in their campaign.	3.69	1.01	high
4	When the company lunches a campaign to improve sales through a retail network, would the company include templates for local advertising and direct marketing in their campaign	3.75	0.73	high
5	When the company lunches a campaign to improve sales through a retail network, would the company include , sales incentives for the retailer sales force in their campaign	4.02	0.84	high
6	When the company lunches a campaign to improve sales through a retail network, would the company include advertising that drives business to the retail network in their campaign	3.77	0.79	high
7	<u>Business-to-business marketing:</u> The sales team provide information that decision-makers need at each stage of the purchasing process	3.61	0.90	high
8	Management aligns the communication program with the purchasing process at each stage to ensure success	3.44	0.73	high
	Total	3.75	0.45	high

Table (5) Illustrate steps of developing an Integrated Marketing Communication (ICM) plan

No.	Table(5): Steps of developing an Integrated Marketing Communication (ICM) plan	A. Means	S. Deviation	Order
9	<u>Customer analysis:</u> In developing an (ICM) plan the company performs a customer analysis to determine the target consumer through identifying demographic characteristics, such as age, education level, gender, income, and geographic location.	3.97	0.77	high
10	In developing an (ICM) plan the company perform a customer analysis to determine the target consumer through identifying the media an audience is likely to use, including specific magazines, newspapers and television shows.	3.97	0.84	high
11	<u>Creating a unique identity for our brand or company:</u> The company brand is distinguished from	3.72	0.61	high

	other product's competition.			
12	<u>Stating specific objectives:</u> The company plan's specific and measurable goals.	3.88	0.74	high
13	One of the objectives of the marketing campaign launched is to increase the target of audience.	3.66	0.75	high
14	One of the objectives of the marketing campaign launched is to increase the percentage of awareness of the company's products.	3.80	0.57	high
15	The company always makes survey feedback to determine whether the plan and target audience was effective.	3.52	0.55	high
16	<u>Advertising Cash Budget:</u> Advertising plans specifically state the amount that will go toward advertisements, promotional contests and online social media.	3.75	0.60	high
17	The company in its budget accounts for the unexpected and it adjust the frequency of promotions or it adjust message and brand identity to counter the competition.	3.94	0.67	high

### III.4.5 Results and test hypotheses using simple regression and correlation

Table (6) illustrates simple regression that examines the main hypothesis.

Model		R	R Square	Adjusted R Square	Std. Error of the Estimate
dimension0	1	.354 <sup>a</sup>	0.125	0.108	0.31225

Table (7) Correlations Analysis

		MAK	ICM
MAK	Pearson Correlation	1	.354*
	Sig. (2-tailed)		0.01
	N	52	52
ICM	Pearson Correlation	.354*	1
	Sig. (2-tailed)	0.01	
	N	52	52

\*. Correlation is significant at the 0.05 level (2-tailed).

Table (7) illustrates correlation between the independent variable marketing function (MAK), and the dependent variable integrated marketing communication (ICM)

It is noticed from Table (6), that the R & R square are relatively low, but acceptable and shows positive regression. Also we can notice in table (6) that, the standard error of the estimated variables, which is a measure of variability, equals 31%, which reflect more accurate variables. Also it is noticed from correlation test in Table (7), that the level of significance is (0.010), and the correlation calculated is significant at the 0.05 level (2-tailed).

As the correlation is significant, it means that, the integrated Marketing Communication Systems have effect on marketing function and it can improve it.

#### **IV. Conclusions & Recommendations**

According to data analysis, and hypothesis testing the study had concluded the following:

- The integrated Marketing Communication Systems have effect on marketing function and it can improve it.
- The study concluded that implementing integrated marketing communication tools are most effective when they are used in coordination with other elements of marketing programs.

According to the study conclusions the researchers recommend the following:

- Management should work on changing consumer perception towards the company's product, and should employ effective promotion strategies towards company's brand and clients.
- Management should enhance these integrated tools in order to increase sales and achieve the company targets in terms of money and audience

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