

## **Development, Implementation and Effectiveness of IMC (Integrated Marketing Communications) Program in Bangladesh: A Study on Square Consumer Products Ltd.**

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**Abstract:** *This article torches upon 1) examination of the relationship between IMC management and sales performance of RADHUNI, a powder spice brand, 2) impact on brand, and 3) effectiveness of the overall IMC program on consumer behavior. The results showed that there was a significantly positive correlation of IMC management in organizations with sales performances and on consumer behavior. When considered in each dimension, the findings show that 1) sale-related performance appears to be related to IMC expenditure, correlation is significant at the 0.05 level (2-tailed), 2) brand performance appears to be related to clear, consistent and meaningful brand message in all communication touch point. (significant at the 0.05 level) and 3) customer behavior appears to be related to proper blend of all dimensions of IMC management in organizations from advertising to packaging. Two factors are composed of six variables that affect consumer behavior, can be labeled as “IMC performance” depending on 3 variables: brand knowledge, advertisement, and appearance of package (colorful and informative), explain the variances most at the rate of 43.348% and “non IMC Performances” depending on 3 variables: quality, price and availability that explain the variances at the rate of 32.837%. These results are consistent with previous studies (Dewhirst & Davis, 2005; Reid, 2002, 2003, 2005; and Reid et al., 2001) to show correlations between IMC management in organizations and performances. Therefore, this evidence can suggest that IMC implementation in organizations of consumer product companies in Bangladesh should be recognized by all managers who are responsible for marketing communications or brand communications and they should seek to implement the IMC process as a way of improving their performances.*

**Keywords:** *IMC, Bangladesh, Development, Measuring, Effectiveness, Square Consumer Products Ltd. RADHUNI.*

In an age of increasing information overload, the consumer has developed a coping mechanism to deal with the amount of information being received. There is increasing evidence that customers and prospects are basing most of their purchasing decisions on what they perceive to be important or true (or what they think is right or correct) beyond the solid, rational, economically derived information. In today's ever changing

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“Nanosecond Culture” of social networks, empowered customers and hyper competition. In the given situation, we need to be prepared to immediately implement holistic thinking on our marketing and communications strategy. Integrated Marketing Communication (IMC) is one of the most important communications trends adopted all over.

The integrated marketing communications (IMC) concept has been largely regarded as an important marketing management issue since early last decade, because of the effectiveness of the integration of marketing communications tools to optimize the communications impact on target consumers (Kotler, 2000; Schultz & Kitchen, 1997). One of the most important reasons is increased efforts to measure and improve marketing communication return on investment (ROI) by both clients and agencies (G. Belch & M. Belch, 2004; Cornelissen, 2000, 2001; Shimp, 2000). Moreover, there are several reasons for the growing importance of IMC. There are a lot of studies to show the adoption of various marketing managers who implement IMC in their organizations in the United States, the United Kingdom, South Africa, New Zealand, Australia, and India (Eagle & Kitchen, 2000; Kallmeyer & Abratt, 2001; Kitchen & Schultz, 1998, 1999; Low, 2000; Reid, 2003, 2005). However, the comprehensive study of IMC practices of companies in Bangladesh is still in the beginning stage. In this backdrop, this study seeks to explore and extend the knowledge of IMC by investigating how the IMC management in organizations affects outcomes, especially in terms of sales and creating and leveraging brand based asset. Additionally, it also seeks to find the indicators that marketing executives can use in measuring the effectiveness of the overall IMC program because the issue of measurement of the overall IMC program remains a major question (Kitchen & Schultz, 1998, 1999; Reid, 2003).

### **Statement of Problem**

Despite all indicators pointing to the need for a clear understanding of the business value of integrated marketing communications (IMC), marketers today remain unsure of how IMC works and how to properly measure its business value. Marketers see IMC as simply amounts to bundling promotional mix elements together to create the “one-voice” phenomenon, then it is not saying much that is new, relevant, or even interesting (Kitchen *et al.*, 2004) but there has been no general clarification of how IMC differs from advertising, sales promotion and other promotional tools used separately in promoting goods and services since all these are blend to support sponsorship activities.

### **Literature Review**

Integrated Marketing Communications (IMC), according to The American Marketing Association, is “a planning process designed to assure that all brand contacts received by

a customer or prospect for a product, service, or organization are relevant to that person and consistent over time.” This new "sound bite" approach to gathering marketing information demands that a marketer's statements about products or services must be clear, concise, consistent, and comprehensible through all forms of communication or the consumer will simply ignore them. Any minor inconsistency that does not match the existing "mind map" and will be ignored.

A variety of definitions have emerged surrounding the concept and understanding of what IMC means. Table 1 presents a number of the most commonly proposed definitions. Although IMC has a variety of definitions, it has a commonly basic principle. That is, IMC is the marketing communication planning process by using any forms of communication tools and contact points to create long-term relationships with stakeholders for maximizing communications impact effectively.

However, the definition of IMC by the AAAA (American Association of Advertising Agencies) was adopted for this study, not only because it was utilized by the AAAA but also because it was largely used in previous studies (Kallmeyer & Abratt, 2001; Kitchen & Schultz, 1998, 1999; Schultz & Kitchen, 1997). There have been few empirical studies to examine relationships between IMC implementation and marketing performances (brand, customer, and sales performances) (Cornelissen, 2000, 2001; Low, 2000). Reid (2002, 2003, and 2005) and Reid, Johnson, Ratcliffe, Skrip, & Wilson (2001) examined the IMC-performance relationships and provide further insights into IMC outcomes. Table 2 summarizes a number of findings of effectiveness of IMC using different variables.

**Table 1: Definitions of IMC**

<b>Writer</b>	<b>Year</b>	<b>Definition</b>
American Association of Advertising Agencies	1989	A concept of marketing communications planning that recognizes the added value in a program that integrates a variety of strategic disciplines, e.g. general advertising, direct response, sales promotion and public relations – and combines these disciplines to provide clarity, consistency and maximum communication impact.
Schultz	1991	The process of managing all sources of information about a product/service to which a customer or prospect is exposed, which behaviorally moves the customer toward a sale and maintains customer loyalty.
Keegan, Moriarty, Duncan	1992	The strategic coordination of all messages and media used by an organization to collectively influence its perceived brand value.

Kotler et al.	1999	IMC is the concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent and compelling message about the organization and its products.
Duncan	2002	A cross-functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven purposeful dialogue with them.
Schultz and Schultz	2004	IMC is a strategic business process used to plan, develop, execute and evaluate coordinated, measurable, persuasive brand communication programs over time with consumers, customers, prospects, and other targeted, relevant external and internal audiences.
Kliatcho	2005	IMC is the concept and process of strategically managing audience-focused, channel-centered, and results-driven brand communication programs over time.

In measuring the IMC management in previous studies (Reid, 2002, 2003, 2005; Reid, et al., 2001), the IMC mini-audit created by Duncan and Moriarty (1997) was adopted. This audit views integration in the management of marketing communications across five constructs: 1) organizational infrastructure 2) interactivity 3) mission marketing 4) strategic consistency 5) planning and evaluation. In this framework, marketing communications is the glue that enables the connection between the company's efforts and customers' response (Duncan & Moriarty, 1997). This framework is adopted in measuring the IMC implementation in this research. Additionally, for measuring performances; three basic dimensions were largely employed in previous studies (Gray, Matear, Boshoff & Matheson, 1998; Reid, 2002, 2003, 2005; Reid, et al., 2001). These three dimensions include : 1) sales-related performance – evaluation of market share growth, sale growth, overall profitability, and sales income, 2) brand strength-related performance – evaluation of comparative brand awareness, ability to command premium prices, and level of favorable channel support, 3) customer satisfaction related performance – comparative customer satisfaction and level of customer brand loyalty. Besides, Reid (2002, 2003, 2005) found that there was a positive association between these various performance measures and IMC management as measured through the Duncan-Moriarty IMC mini-audit. Therefore, these dimensions are adopted in measuring the IMC marketing performances in this study.

**Table 2 : Research Findings of Effectiveness of IMC using Different Variables**

Author	Year	Variable used	Technique	Findings
Leong et al	1996	advertising expenditure, sales	cointegration	a strong positive relationship
Metwally	1997	advertising expenditure, sales	regression	strongly correlated
Pagan et al	2001	advertising expenditure, sales	bivariate Vector Auto Regression model	positive relationship
Kamber	2002	advertising expenditure, sales, company size, past sales growth	Regression model	Measurable positive relationship
Joshi and Hanssens	2004	advertising spending, market capitalization, share price	Vector Auto Regression model	Positive impact of advertising on market capitalization.
Kim	2007	advertising and publicity, sales revenue, corporate reputation	time-series analysis	positive effect
Sharma and Sharma	2009	advertising expenditure, sales, manufacturing, non-manufacturing	-	more for manufacturing less for non-manufacturing
Siddhanta et. al	2012	Integrated Marketing Communication, Net Sales revenue	error correction model	strongly correlated

*Source: Compiled by the authors for this research.*

There are two basic approaches to measuring the effectiveness of the IMC program. One approach is to merely take on the measurement of each of the promotional tools used in a campaign, trying to measure the effectiveness of each communication tool. For example, Sales promotion can be measured by using four communication frameworks: 1) the ability to gain the consumer's attention, 2) the ability to relate the messages in an easy-to-follow, straightforward manner that can be clearly interpreted, 3) the persuasive capability, and 4) the ability to produce a favorable impact in purchase behavior (Gadener & Trivedi, 1998). The other approach is to take on the measurement of the overall IMC program. But, there has still been a key question: what indicators are suitable for measuring the overall IMC program? However, based on reviewing relevant literatures on the measurement of the effectiveness of each communication tool (Gadener & Trivedi,

1998; Kitchen & Pelsmacker, 2004; Semenik, 2002), the researcher found that indicators suitable for measuring the overall IMC program should be drawn from both marketing-based perspectives and communications-based perspectives. Therefore, four indicators were found and adopted in this study. They include: 1) performance-based perspectives- i) sales growth, ii) market share growth, and 2) communications-based perspectives- i) brand awareness, ii) brand recall and image.

For measuring effectiveness of overall IMC program on consumer buying behavior, researcher has developed some variables related to integrated marketing communications and other variables not related to IMC. These are: 1) brand knowledge, 2) price, 3) quality, 4) attractive advertisement, 5) colorful and informative packaging, 6) channel convenience, and 7) non-availability of other brand

### **Objectives of the Study**

The study is intended to meet the following objectives-

- i. To analyze how Square Consumer Products Ltd. develops their IMC program.
- ii. To analyze how much effective the IMC program for Square Consumer Products Ltd.
- iii. To acquaint the techniques, tools, & procedures adopted by Square Consumer Products Ltd.

### **Research Questions**

1. Is there any relationship between IMC and sales?
2. Does IMC have any impact on corporate brand awareness?
3. Does IMC have impact on recall and persuasion effect on consumers?

### **Methodology**

In view of the objectives, the study is intended to use the following design-

### **Selection of Organization**

Many organizations in Bangladesh use IMC to provide a clear picture or to portray their image such as private organizations, public organizations, and multinationals. But the

proposed study has selected Square Consumer Products Ltd. because it's an organization that operates only within Bangladesh. Therefore it would be helpful to measure the effectiveness of IMC program in Bangladesh.

### **Measurement of Effectiveness of IMC Programs**

Some of the following methods have been used according to feasibility to examine the effectiveness of IMC program e.g.-

- a. Consumer survey
- b. Awareness test
- c. Recall test

### **Selection of Consumers**

A convenience sample of 165 consumers was selected from eight supershops - Agora, PQS, Mena Bazar, Family World, Nandon, Shopno, Welcome, and BDR Fair price Shop located in Dhaka city. Primary data were collected from these customers by means of a pre-tested questionnaire. Out total of 165 questionnaires were distributed, and a total of hundred and sixty (160) were retrieve from participants, comprising of males to females so as to ensure and control extraneous variables such as gender that might affect the outcome of the study.

### **Research Hypotheses**

The study set out to address the following three hypotheses:

- There is a significant relationship between IMC program and sales increase
- There is a significant relationship between effective IMC program and brand awareness
- IMC have significant recall and persuasion effect on consumers.

### **Primary Sources of Data**

Focus group and Depth interviews with the employees of Square Consumer Products Ltd. and consumers were conducted through a structured questionnaire consisting of both open and closed ended questions to collect information. Employees' demographic

profiles compose of questions including sex, age, education, position, years in position, years at company, and type of business. Open-ended questions pertained to issues such as company knowledge about IMC (Integrated Marketing Communications), how company implement IMC program and ways the company determine the effectiveness of any IMC activities.

A survey on the topic was conducted involving consumer (both actual and potential) to determine how consumers' perceive the company's IMC activities. Participants were recruited to fit the demographic profile. A total of 165 questionnaires were distributed. And a total of seventy (160) were retrieve from participants, comprising of males to females so as to ensure and control extraneous variables such as gender that might affect the outcome of the study.

### **Secondary Sources of Data**

Secondary data were collected from web site of Square Consumer Products Ltd., booklets, brochures, annual reports, major publications, newsletters, journals and other existing documents relevant with the study, marketing books, and the Internet.

### **Data Analysis and Test of Reliability**

After reviewing relevant literatures on measuring the effectiveness of marketing communications, the researcher found that indicators suitable for measuring the overall IMC program should be drawn from both marketing-based perspectives and communications-based perspectives. Therefore, four indicators were found and adopted in this study. They include: 1) performance-based perspectives- i) sales growth, ii) market share growth, and 2) communications-based perspectives- i) brand awareness, ii) Brand recall and image

For measuring effectiveness of overall IMC program on consumer buying behavior, researcher has developed some variables related to integrated marketing communications and other variables not related to IMC. These are: 1) brand knowledge, 2) price, 3) quality, 4) Attractive advertisement, 5) colorful and informative packaging, 6) channel convenience, and 7) non-availability of other brand. Respondents were asked to rate these indicators for measuring the overall IMC program. All of them were also measured using a seven-point Likert (1 = strongly disagree, 7 = strongly agree).

To differentiate between proposed relationships and empirically supported relationships, a discussion of each proposition were divided in to two parts. First, propositions are developed on the basis of the qualitative data from the exploratory study and other

conceptual work from the literature. Second, for each proposition, empirical evidence that supports and refutes the proposition was reviewed.

Validity is how well or correctly a test measures what it seeks to measure and reliability is how the test produces the same results when used on different occasions. The instrument used was carefully structured to target issues relating to the research questions sequentially. The same questionnaires were used throughout the research. Evidence of reliability was obvious after data collected was compared to those collected during pre - testing.

The data were analyzed with statistical manipulations. For data analysis, percent, frequency,

Pearson's product moment correlation, One-sample *t* test and exploratory factor analysis were used in statistical analysis at the 0.05 level of significance. In drawing valid conclusion and making reasonable decisions the test of hypothesis and significance were applied to test reliability and precision of the findings.

### **An Overview of Square Consumer Products Ltd.**

In 2001 Square Consumer Products Limited, has started its journey as a member of Square Group, the leading corporate house in Bangladesh. Within a short span of time, it has been able to create a strong foothold in the market through its quality products and customer services. For its obsession with quality management, the company had obtained the international quality standard ISO 9001 in 2005. Strong commitments to quality, adoption of advanced technology, stress on human resource development, focus on continuous improvement and introduction of new products for the growing markets have given the company a decisive position in the industry. Recently the company achieved ISO 22000 for its food safety management system. Objective of SCPL is to continue to provide the very best of what the consumer wants, to explore new segments of market and to cater to it, to continue to assure intrinsic quality of hygienic food products, to enhance consumers' standard of food habit, to ensure that the products are available at consumers' doorsteps, to enhance the strength and skill of the organization that will contribute to company's increasing growth both in domestic and global markets

**Table 3 : Some Important Aspect of SCPL**

<b>Square Consumer Products Limited</b>	
<b>Year of Establishment</b>	2001
<b>Commencement of Production</b>	June 2001 as Manufacturing Business
<b>Target Market</b>	Bangladesh and currently being exported to countries like USA, UK, UAE, Italy, Germany, Saudi Arabia, Kuwait & South Korea
<b>Investment</b>	US\$ 15.00 million
<b>Annual Turnover</b>	US\$ 47.14 million
<b>Annual Growth</b>	45.00%

Source: Square Corporate Information at [www.squaregroup-bd.com](http://www.squaregroup-bd.com)

#### **Product Assortment of SCPL**

RADHUNI is the flagship brand of the company. Just after its introduction, RADHUNI drew the attention of housewives who demanded convenience and timesaving cooking. The product range of RADHUNI is enriched with basic spices, mixed spices, cereals & pulses based products, edible oil and dairy.



**RUCHI** is another brand of *Square Consumer Products Limited* with strong commitment to quality & focus on introducing new products for the growing market have introduced its “Ready – to –Eat” snacks. Dedication to health & hygiene production process with mouth watering innovative products **RUCHI** cut a unique emerging brand position in the market.



The name **Chashi** denotes to the people who produce agricultural crops and have a positive imagery in their personality like honest, dedicated, hard-working, very much close to the soil etc. This brand will mainly cater to the upper market with the authentic taste and quality of traditionally enriched food products.

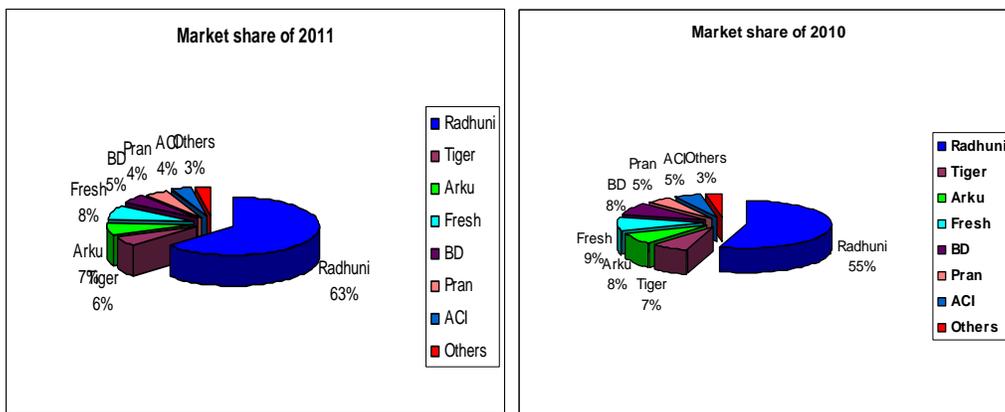


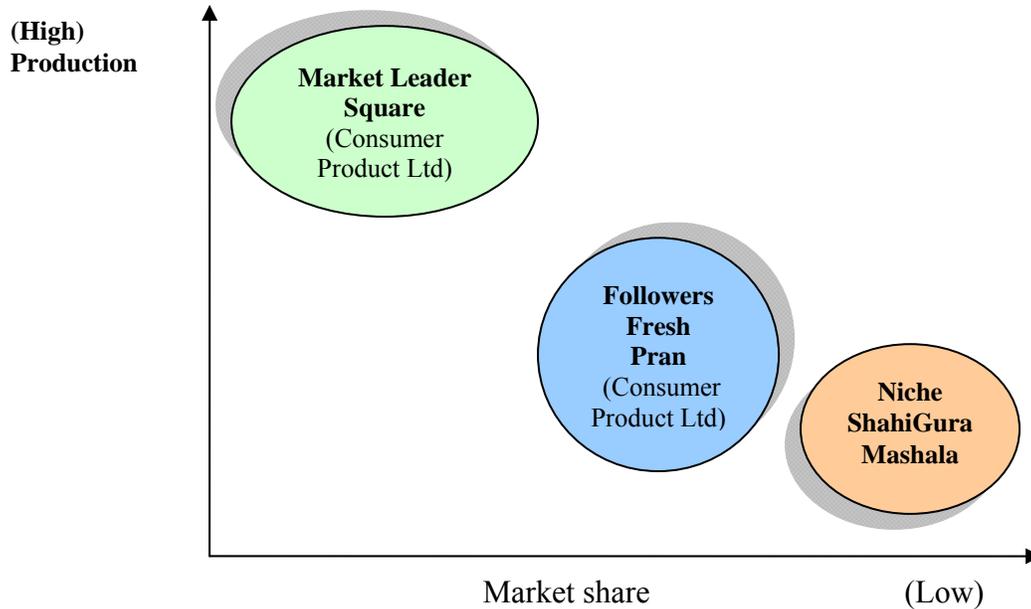
**Market Share and Strategic Position SCPL**

This section highlights Market Share of RADHUNI and strategic position Square Consumer Products Ltd.

**Graph 1**

Market Share of RADHUNI (Year of 2010 and 2011)



**Graph 2 : Strategic Position of Square Consumer Products Ltd.**

### **IMC Development and Implementation: The case of Radhuni, a Square brand of Powder Spice**

Square Consumer Products Ltd. (SCPL) is not just a brand name in Bangladesh. It is an icon in business world. At the very beginning of its commencement of SCPL it targets housewives who demanded convenience and timesaving cooking with its basic spices brand RADHUNI. At present RADHUNI is a successful brand. Under the flagship of this brand SCPL has become able to launch a remarkable number of line and brand extension because of its effectiveness in developing and implementing of IMC program.

Powder spices have enormous contribution to enhance the cuisines and food test. Powder spices are famous for its contribution to make delicious cuisines and dishes. Now a day, where people of this urban society facing difficulties to cope with time, people have chooses ready-made Powder spices for cuisines. Packet Powder Spices products are getting popularity in day by day in Bangladesh because of its easy to use and also it saves the cooking time for the consumers. There are several brands Powder Spices are available in the market such as RADHUNI, ACI Pure, Arku, BD Food, Fresh, Tiger etc. According

to the producer of all the brands ensure the taste and flavor of home grinded spices and can be used to prepare any of the desired dishes.

RADHUNI is the flagship brand of the company. Just after its introduction, RADHUNI drew the attention of housewives who demanded convenience and timesaving cooking. The product range of RADHUNI is enriched with basic spices, mixed spices, cereals & pulses based products, edible oil and dairy. Value proposition of RADHUNI is “RADHUNI is easy to use and make tasty your food” and Brand slogan of RADHUNI is “committed to excellence”.

To convey this message in a clear and consistent manner, SCPL develops various types of promotional activities like as advertising (TV commercials, newspaper ad. Billboard), sponsorship program (Shera RADHUNI Contest), trade promotions, and other public relation activities. As to search the research questions, how SCPL develop their promotional activities and whether they implement IMC concept in communicating marketing message, researcher has conduct depth interview and asked some relevant questions to the high officials of marketing department of SCPL.

Based on the findings of depth interview, research has conceptualized a model of IMC development and implementation of RADHUNI brand, a brand of SCPL (see figure below).

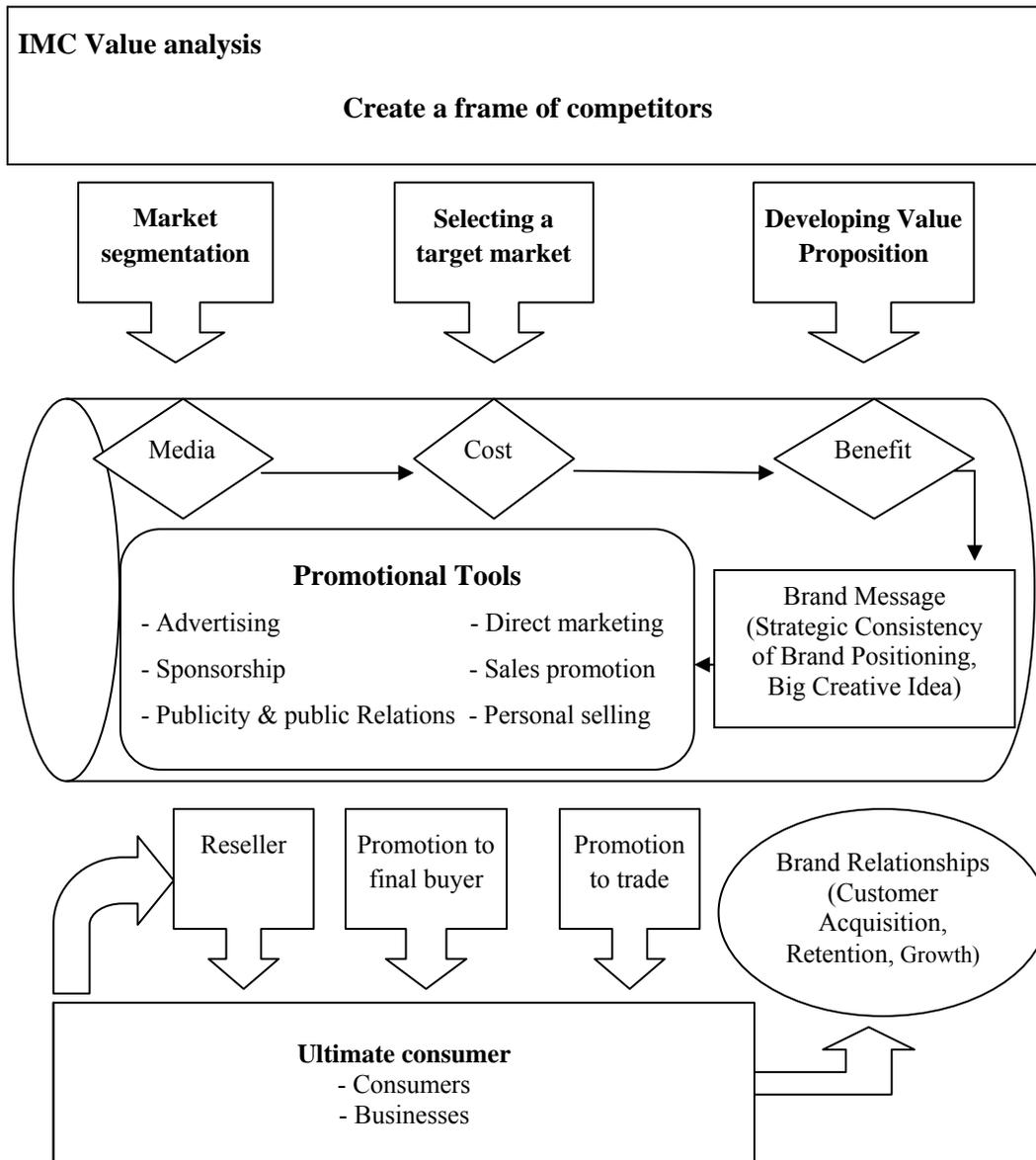
### **IMC Dimensions of RADHUNI**

#### **Television advertisement**

As the target consumers of RADHUNI are urban women in this case, uses of television for advertise will be very effective. That means television has high reach media for this particular product and TV is the most common and effective way of communication.

#### **Sales promotions**

Sales promotion is crucial in attracting consumer. It can be of push or pull in nature that directly or via the intermediaries. Sales promotion is important to increase the sales and to give incentives to intermediaries to make them satisfied. “RADHUNI” is giving retailers and wholesalers various type of sales promotion like handsome commission, cash incentives.



**Figure:** Constructed by Researcher based on Depth Interview

### Billboard advertisements

“RADHUNI” also use billboard ads for providing marketing message to build awareness in the target consumer’s mind. In the big cities, billboard ads are also very effective media. Women always roam around the city form shopping. So it will be also very

effective media to send messages to the potential buyers. For billboards it is very important to choose the place of billboard.

### **Newspaper advertisements**

As our targeted consumers are service holder women. So to position the product, RADHUNI also give advertisement on newspaper also. On the other hand some housewives also read women related pages in newspaper like – recipes for cooks, fashion pages etc. So it will be also helpful to send message through newspaper to our target consumers. It ranks forth as promotion tools

### **Contest and sponsorship of TV programs**

Moreover to promote “RADHUNI” company also arranges some sort of TV programs, where someone will teach different type of cooking with the “RADHUNI” powdered spice. Company also organize cooking contest to build awareness as Shera Raahuni Contest.

All of the communications tools work better if they work together in harmony rather than in isolation. Their sum is greater than their parts - providing they speak consistently with one voice all the time, every time. This is enhanced when integration goes beyond just the basic communications tools. There are other levels of integration such as Horizontal, Vertical, Internal, External and Data integration. Here is how they help to strengthen Integrated Communications.

Horizontal Integration occurs across the marketing mix and across business functions - for example, production, finance, distribution and communications should work together and be conscious that their decisions and actions send messages to customers.

While different departments such as sales, direct mail and advertising can help each other through Data Integration. This requires a marketing information system which collects and shares relevant data across different departments. Vertical Integration means marketing and communications objectives must support the higher level corporate objectives and corporate missions. Meanwhile Internal Integration requires internal marketing - keeping all staff informed and motivated about any new developments from new advertisements, to new corporate identities, new service standards, new strategic partners and so on. External Integration, on the other hand, requires external partners such as advertising and PR agencies to work closely together to deliver a single seamless solution - a cohesive message - an integrated message.

### Findings of the Study

This section provides the analysis and discussion of findings in order to satisfy the objectives of the study.

### Data Analysis and Interpretation

This section covers the statistical analysis and interpretation of the research data collected from the primary source. It mainly addresses the objectives and hypothesis of the study; it aims to examine the effect of IMC on marketing communication performance based on the response collated from the primary data. This exploratory analysis will give clues and insight to enable us to understand (1) is there any relationship between IMC expenditure and sales? (2) Does IMC have any impact on corporate brand awareness?, and (3) Does IMC have recall and persuasion effect on consumers?

### Demographic Profiles

In order to understand the results and conclusions drawn, it is important to assess the background of the sampled targets. This information in isolation does not add much information in addressing the set objectives, however, in combination with other variables, could revile and enable concrete assumptions to be formulated, tested and conclusions drawn during the cause of the analysis.

**Table 4 : Profile of Respondents**

Sex	Frequency	Percent (%)
Male	37	35.2
Female	68	64.8
Total	105	100
Age (years old)	Frequency	Percent (%)
25 – 30	23	21.9
31 – 35	34	32.4
36 – 40	33	31.4
Above 40	15	14.3
Total	105	100
Education	Frequency	Percent (%)
Lower than bachelor's degrees	29	27.6
Bachelor's degrees	46	43.8
Masters degrees and plus	25	23.8
Total	105	100

The major demographic variable explored was the gender of respondent. Demographic data are presented in **Table 4**. Among the 160 samples who answered the questionnaire, 105 samples answered they prefer RADHUNI when they consider spice and other related products. Out of 105, 37(35.2%) respondents were male, and 68(64.8%) respondents were female. Thirty-eight respondents (32.4%) were aged between 31 and 35 years. Most of them (43.8%) held bachelor's degree while about forty-eight percent of them (25) held masters degrees.

### Testing of Hypotheses

This section highlights three hypotheses that the study set out to address.

$H_1$  : *There is a significant relationship between IMC program and sales increase.*

In order to test this hypothesis, tabulation of sales volume and total IMC expenditure of RADHUNI were generated and analyzed the relationship by using SPSS 17.0 version. The Product movement correlation or Pearson's correlation test is to examine the significance relation between sales revenue and total IMC cost (sum of ads, sales promotion, and trade promotion) in **Table 5**

**Table 5 : Sales Revenue and Total IMC Expenditure**

Year (July-June)	Amount in Taka (in Year)				
	Sales Revenue	Advertising Cost	Sales Promotion	Trade Promotion	Total IMC Cost
2010-11	3207314733	342956	10996398	9002599	20341953
2009-10	2205549551	338041	10996398	5758337	17092776
2008-09	2205549551	330477	10929788	5758337	17018602
2007-08	1824823719	367941	6375840	3012443	9756224
2006-07	1536253115	284882	6083520	2931372	9299774

*Source: Financial Statements of RADHUNI (2006-07 to 2010-11)*

The value of Pearson Correlation Coefficient shown in table 5a (r) is 0.900, which implies that there is a strong positive linear association between years of sales revenue and total IMC expenditure and the corresponding significant value of 0.038 which is less

than 0.05 indicates that, the difference is significant. A Statistical conclusion can be drawn that IMC programs have significant impact on sales increase. We therefore reject the null hypothesis that there is no relationship between IMC program and sales increase.

**Table 5a : Output of Pearson Correlation Test**

<b>Pearson Correlation Test</b>			
<i>H<sub>1</sub> : There is a significant relationship between IMC program and sales increase</i>	<b>Observations</b>	<b>Correlation coefficient (r)</b>	<b>Significance</b>
	05	.900*	.038
*. Correlation is significant at the 0.05 level (2-tailed).			

*H<sub>2</sub> : There is a significant relationship between effective IMC program and brand awareness.*

Respondents were asked a question to determine how IMC impacts on their brand preferences, their understanding of the concept of IMC and the message that IMC communicates to them and how clearly they understand that message. Data is collected by using a 7-point Likert scale (1= strongly disagree, 7= strongly agree). It is important to notice that, the message that IMC affects their choice of brand. If this response truly reflects the action taken by customers of this brand, it implies a great disadvantage for companies that do not involve in IMC program. The hypothesis can be formulated as

$$H_{02} \leq 4.0$$

$$H_{12} > 4.0$$

Here, 4.0 is a neutral value on seven- point Likert scale.

**Table 6 : Frequency table of Response**

Research question	Response	Counts	Percent (%)
Does company's IMC to communicate a clear message about brand to target audience, generate goodwill and brand awareness?	strongly disagree	12	11.4
	disagree	9	8.6
	somewhat disagree	13	12.4
	neutral	14	13.3
	somewhat agree	13	12.4
	agree	24	22.9
	strongly agree	20	19.0
	Total	105	100.0

Source: Field Survey

The t value of One-sample test is 2.628 in Table 6a and the corresponding significant value of 0.010 which is less than 0.05 indicate that, that, the difference is significant. We therefore accept the alternative hypothesis,  $H_2$ . As one, of the objects of this study is to determine whether IMC affect awareness of brand, it can be concluded that, based on the responses, IMC does have a positive impact on brand awareness.

**Table 6a : Output of One-Sample Test**

<b>One-Sample Test Test Value = 4 (neutral)</b>				
$H_2$ : There is a significant relationship between effective IMC program and brand awareness.	Observations	t	df	Sig. (2-tailed)
	105	2.628	104	.010*
*significant at the 0.05 level (2-tailed).				

$H_3$ : IMC have significant impact on recall and persuasion effect on consumers.

The research questionnaire went further to examine whether IMC have significant impact on recall and persuasion effect on consumers. To test the hypothesis respondents were asked Does the name of RADHUNI Brand is easy to recall and have any persuasive feelings as its meaningful? Data is collected by using a 7-point Likert scale (1= strongly disagree, 7= strongly agree). It is important to notice that, the message that IMC affects their choice of brand. If this response truly reflects the action taken by customers of this brand, it implies a great disadvantage for companies that do not involve in IMC program. The hypothesis can be formulated as

$$H_{03} \leq 4.0$$

$$H_{13} > 4.0$$

Here, 4.0 is a neutral value on seven- point Likert scale.

**Table 7 : Frequency table of Response**

Research question	Response	Counts	Percent (%)
Does consistent and clear message in promotional media makes the name of RADHUNI Brand is easy to recall and creates any positive image?	strongly disagree	6	5.7
	disagree	10	9.5
	somewhat disagree	16	15.2
	neutral	19	18.1
	somewhat agree	8	7.6
	agree	25	23.8
	strongly agree	21	20.0
	Total	105	100.0

*Source: Field Survey*

In Table 7a the t value of One-sample test is 2.628 and the corresponding significant value of 0.010 which is less than 0.05 indicate that, that, the difference is significant. We therefore accept the alternative hypothesis,  $H_3$  and it can be concluded that, based on the responses, IMC does have a positive impact on brand recall and consumer behavior.

**Table 7a : Output of One-Sample Test**

<b>One-Sample Test</b> Test Value = 4 (neutral)				
<i>H<sub>3</sub> : IMC have significant impact on recall and persuasion effect on consumers.</i>	<b>Observations</b>	<i>t</i>	<b>df</b>	<b>Sig. (2-tailed)</b>
	105	3.494	104	.001*
*significant at the 0.05 level (2-tailed).				

### Measuring the Effectiveness of the Overall IMC Program on Consumer Behavior

#### *Factor Analysis*

For measuring effectiveness of overall IMC program on consumer buying behavior, researcher has developed some variables related to integrated marketing communications and other variables not related to IMC. These are: 1) brand knowledge, 2) price, 3) quality, 4) Attractive advertisement, 5) colorful and informative packaging, 6) channel convenience, and 7) non-availability of other brand.

To satisfy the research objective of measuring effectiveness of overall IMC on consumer behavior, this study performed factor analysis using a Principal Component Analysis (PCA) alongside with Varimax with Kaiser Normalization rotation method until the Eigen value of each factor was equal to 1 or more. Factor analysis is a data reduction technique that uses correlations between data variables. The underlying assumption of factor analysis is that a number of factors exist to explain the correlations or inter-relationships among observed variables (Chatfield and Collins, 1992).

The tested items were reduced from 7 original items into 2 factors as reported in Table 8. It is reported that factor 1 could be labeled as “*IMC performance*”, and factor 2 could be labeled as “*non IMC performance*”. Factor 1; graph 3, “*IMC performance*”, composed of 3 variables: brand knowledge, advertisement, and appearance of package (colorful and informative). This factor can explain the variances most at the rate of 43.348%. Factor 2; graph 3, “*non IMC Performances*”, composed of 3 variables: quality, price and availability. This factor can explain the variances at the rate of 32.837%. And cumulatively, these two factors can explain the variances at the rate of 76.185%. Based on results, this study concluded as consumer of RADHUNI is more influenced by integrated marketing communications (IMC).

**Table 8 : Rotated Factor loadings**

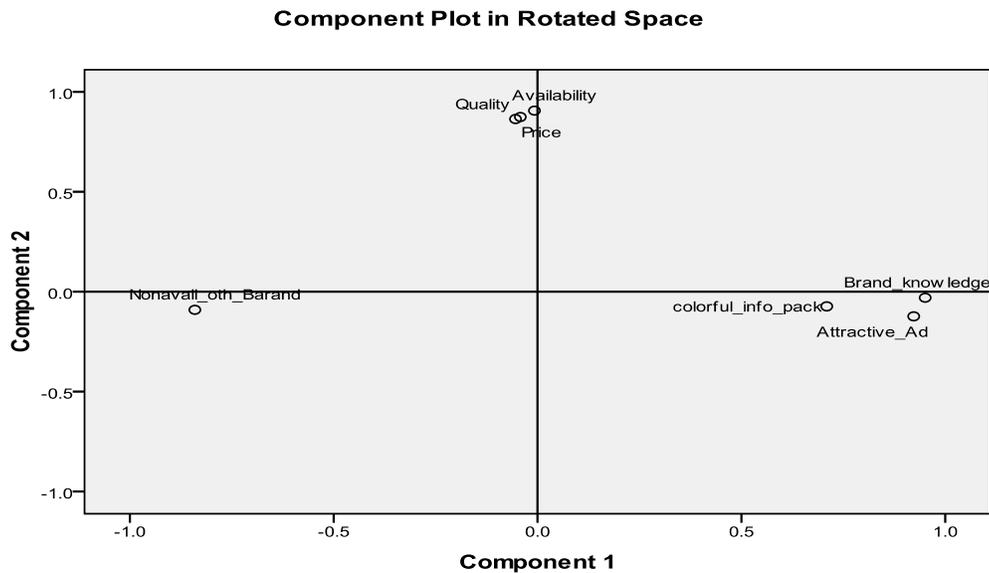
Measures (Variables)	Factor loadings	
	Factor 1	Factor 2
I know more about RADHUNI	.951	
Company gives attractive and meaningful advertisement	.923	
Colorful and informative packaging of RADNHUNI	.709	
RAHDHUNI provides quality assurance		.875
Price of RADNHUNI is Reasonable		.864
RADNHUNI is more available		.906
Eigenvalues	3.034	2.299
Variance explained	43.348	32.837

*Note: Ratings on 7- point scale with “1= strongly disagree” to “7 = strongly agree”*

**Table 9 : KMO and Bartlett's Test**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.721
Bartlett's Test of Sphericity	Approx. Chi-Square ( $\chi^2$ )	433.370
	df	21
	Sig.	.000

The Kaiser-Meyer-Olkin (KMO) measure, for the combined items of the variables shows a value of 0.721, indicating that the sampling adequacy was greater than 0.5 and therefore satisfactory. Barlett's Test showed a  $\chi^2$  of 433.370 at 1 percent significance level.



**Graph 3:** Factors Plot in Rotated Space

### Discussion and Implications

This study is aimed 1) to examine the relationship between IMC management and sales performance, 2) impact on brand, and 3) to find effectiveness of the overall IMC program on consumer behavior. The results showed that there was a significantly positive correlation of IMC management in organizations with sales performances and on consumer behavior. When considered in each dimension, the findings show that 1) sale-related performance appears to be related to IMC expenditure, 2) brand performance appears to be related to clear, consistent and meaningful brand message in all communication touch point, and 3) customer behavior appears to be related to proper blend of all dimensions of IMC management in organizations from advertising to packaging. These results are consistent with previous studies (Dewhirst & Davis, 2005; Reid, 2002, 2003, 2005; and Reid et al., 2001) to show correlations between IMC management in organizations and performances. Therefore, this evidence can suggest that IMC implementation in organizations of consumer product companies in Bangladesh

should be recognized by all managers who are responsible for marketing communications or brand communications and they should seek to implement the IMC process as a way of improving their performances.

### **Some Suggestions for Square Consumer Products Ltd.**

Currently, Square Consumer Products Ltd have started producing and marketing intrinsic quality of powdered spices (Like chili, turmeric, cumin and coriander), mixed spices and some ethnic snacks (Like Meat Curry Masala, Fish Curry Masala, Garam Masala, Haleem Mix, Chatpati Mix, Chanachur etc.) in terms of taste, flavor & texture. Beside these, it can plans for brand extension in manufacture and market various food& beverage items in future. This study is showing a good picture for this industry condition of Square Consumer Products Ltd. Following are some suggestions for SCPL:

- Beyond traditionally focusing on their efforts and resources on serving a relatively narrow, affluent segment, they can also target consumers of a developed market, make regular trips to the supermarket and chemist, with less frequent trips to a hypermarket or supercenter.
- To grow their business with these consumers, the consumer products companies may leverage heavy doses of trade and consumer promotion, while seeking to improve collaboration with retail customers to help deliver operating efficiencies.
- Square Consumer Product Ltd. should try for positioning, in consumers minds and serve the market by using its own brand value and pretty good reputation of its own Companies.
- Square Consumer Products Ltd. already has the wide range of products in the market. They can introduce some other new product with new concept. Now a day's people are more concern about their health. They can expand their organic product and new product in this category.

### **Conclusion**

Following Keller (2003) it can be remarked that the firm's marketing communications contribute to brand performance and sales. That is, effective communication enables the formations of brand awareness and a positive brand image. These then form the brand knowledge structures, which, in turn, trigger the differentiated responses that constitute brand equity and brand sales. According to Schultz (2004a), IMC strategy is a set of

processes that include the planning, development, execution, and evaluation of coordinated, measurable, persuasive brand communications programs over time with consumers, customers, prospects, employees, associates, and other targeted, relevant external and internal audiences. Therefore, effective IMC is an integral part of an effective brand equity strategy. Furthermore, one of the most challenging tasks that brand managers face in any organization is to take a call on the optimal promotional amount to be invested. Often managers treat this as an expense, curtail this expense when sales revenues fall, and hence fall in the trap of under promoting which leads to lesser and lesser revenue generation. Simultaneously, increasing the IMC budget has a positive impact on generation of sales revenue of a similar magnitude. This is exactly what the above study regarding the relationship between IMC expenses and sales revenue and on consumer behavior, involving the consumer products company in Bangladesh, over ten years, has to offer. Therefore, management should draw a strategic plan for any sponsorship program to be implemented. At the end note, we can conclude, effective IMC potentially enhances the effectiveness of the firm's portfolio of brands, and hence, could positively influence brand equity.

### **Scope for Further Research**

This study has been carried out with five years data from the consumer products company in Bangladesh. Because of restrictions from the company-side, data of several periods cannot be used in this study. The study may be extended in a way where the data may be so taken as to include more brands simultaneously and to include recession periods and then it may be checked whether or not companies actually spend more during a recession. Also, the analysis may be made into a cross sectional one (as consumer products and pharmaceuticals), with not one but quite a few industries into it and the relation between sales revenue and IMC expenditures being compared for the industries together.

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