

B8602: Advertising and Integrated Communications
Columbia University
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COURSE DESCRIPTION

Over the past decade, the number of choices that consumers have to consume different brands and different media has exploded. This means that now, more than ever, brands must engage with potential consumers. How do you get through to your core audience effectively and efficiently and move them from the point of awareness to the point of purchase and repeat purchase? This is the main question that this course addresses. The course focus is on the design of suitable messages, as well as on the utility of different media vehicles, at different points of the consumer decision chain. If you are interested in consumer marketing then this course is a crucial element of your marketing toolkit. You will learn to appreciate the key communication challenges in today's marketing environment and will receive frameworks to help you think about how to talk to your customers and build your brand as the environment evolves.

An integrated marketing communications plan that integrates all elements of the promotion mix--advertising, personal selling, public relations, sales promotions, sponsorship, direct response, and interactive marketing--results in maximum impact. Although we will spend a lot of time talking about advertising in this course, we will also address some other elements of integrated marketing communication strategies including "viral" marketing and "buzz" marketing.

READINGS

Textbook: *Advertising: Principles and Practice*, Seventh Edition, by William Wells, John Burnett, and Sandra Moriarty, Prentice Hall (available at the Columbia Bookstore).

Case Packet: Cases will be available as a packet of readings.

COURSE OBJECTIVES

This course is designed for MBA students who seek careers in which you will make marketing communication decisions (e.g., advertising and direct marketing; brand management; media and entertainment). It is also appropriate for students who just desire an understanding of how communication strategies work (e.g., marketing consultants).

The more specific objectives of this course are to:

1. increase your understanding of the communication process.

2. make you knowledgeable about the important issues in planning and evaluating integrated marketing communications.
3. help you to apply the appropriate theories and tools to plan, develop, and evaluate marketing communications.
4. give you hands-on experience with constructing a complete advertising plan (a group advertising plan will be the main assignment in the course).

COURSE ORGANIZATION

The course is organized around the marketing communication decisions that must be made in four main areas: communication objectives, message strategies, advertising research, and media planning. These sessions address "who, what, when, where, how, and why" types of questions. Who are the targets of the communication program? What are the objectives of the communication program? What is to be communicated? How should it be communicated? What is the impact of the communications program? Which means of communication are to be used?

Applications to advertising will be a dominant part of our discussion during the first half of the semester. Once we've worked our way through the communication process and applied it to advertising, we'll turn our focus to non-traditional forms of communication and the other elements of an integrated marketing communication plan.

We will learn the concepts through *lectures/discussions, in class mini-assignments, cases, workshops, and guest speakers.*

Cases are assigned to provide you with an opportunity to apply your knowledge. On the days in which a case is assigned, it is expected that you have not only read the case but you've already formed strategic decisions that you are willing to share (and perhaps modify!) in the class discussion.

Guest speakers are also a part of our learning environment in this course. Participation of the guest speakers requires some flexibility in scheduling. Your understanding is appreciated.

GRADING

Your overall evaluation is based on several things: class participation, 2 individual mini-assignments, and a group ad plan project that includes a paper and a presentation.

Assignment:	Due Date:	% of Grade:
Class Participation		10%
Mini-assignments (all individual; type B):		
Target Market Profile	Oct. 4th	20%
Evaluating a Web Ad Campaign	Nov. 1st	20%
Ad Plan Project (group):		
Presentation	Dec. 6th	10%
Paper	Dec. 6th	40%

DESCRIPTION OF EACH ELEMENT OF YOUR GRADE

For the purpose of the ad plan project, you'll work in groups of three to four students. You may select your own group members.

CLASS PARTICIPATION

Participation includes regular attendance and contribution to class discussions. There will be plenty of time for students to contribute to class discussions. You'll be graded based on the *quality* of your contribution, not the amount of time you demand in the discussion.

In case discussions, high quality class participation includes comments that add to our understanding of a situation and go beyond mere repetition of case facts. You should also take into account the comments and analyses of your classmates to move our discussion *forward*. Case preparation guidelines for each case are provided in the syllabus and are on BOLD.

MINI ASSIGNMENTS

All assignments are due at the beginning of the class unless otherwise noted. Late assignments will be graded down. The assignments are briefly described below; detailed instructions will be provided later.

1. Target Market Profile Assignment

You will be given a product category and asked to profile the target segment for a brand using Simmons Choices III data (available on CD in the library). Please contact Jim Coen (coen@columbia.edu) to set up appointments if you need help using the software.

2. Evaluating an Ad Campaign Assignment

You will be provided with background materials on an ad campaign. Your assignment is to evaluate the ad campaign. You'll want to consider the target market, the objectives of the ad, and whether/how the ad meets the objectives. How could the ad be improved to better meet its objectives?

AD PLAN PROJECT

We will work with an advertising agency/company on a "live case." The agency has agreed to share information with us to assist with the creation of an ad plan. Class teams will act as mini-ad agencies pitching for the account and will compete to win it. More details will be presented in class.

There are two parts to this assignment: a paper and a presentation. You will receive a grade on both parts of this assignment.

1. The Paper

Consider your group to be an advertising agency and this paper a pitch to win a new business account. You'll discuss the feasibility of the given target market, campaign objectives, and your resulting ad campaign with media plan and evaluation metrics. Justify your campaign as one which appeals to your target market and effectively meets the campaign objectives. Also justify your media choices. Your paper will give much more detail about your campaign than you will be able to fit into your project presentation. Your grade will be based on your ability to

communicate to me that you have learned the course material and can effectively apply the appropriate concepts and information to a real world situation.

A list of useful books, magazines and other information sources is appended to this syllabus. Also, go to <http://www.columbia.edu/cu/lweb/indiv/business/guides/mktg.html> to see a list of useful information sources.

Format: Papers should be double-spaced with 11 or 12 point font and one-inch margins. No page limit but don't waste words.

2. The Presentation

You'll give a brief presentation in which you will try to sell us (me, ad agency representatives, and the other students) on your campaign. The point of this presentation is to be interesting and persuasive. The order of presentations will be determined by a random draw.

OTHER ISSUES

All students are expected to be on time and to participate fully in the class discussions (i.e., no multi-tasking). Laptops, PDA's etc. are distracting and should be put away during class hours to help us all get the most from the classroom experience. Seriously.

COURSE SCHEDULE

Date	Topic	Reading	Assignment
Wed Sept 6	Introduction	Ch. 1, Ch. 2	
MODULE 1: OBJECTIVES AND MESSAGE			
Mon Sept 11	Communication Objectives: Target, Task, Theme	Ch. 4. Ch. 5	DUE: Personal profile form (last page of syllabus) Complete survey at http://www.sric-bi.com/VALS/presurvey.shtml before class
Wed Sept 13	Message Strategy: What to say	Ch. 6	
Mon Sept 18	From Objectives to Message Case: Launching the New MINI	Case (on CD)	Inform me of groups
Wed Sept 20	Presentation of Ad Plan Project Problem	Ch. 7	
Mon Sept 25	Message Tactics: How to say it	Ch. 12	
Wed Sept 27	Research in Message Decisions Case: Mountain Dew	Case (on CD)	
Mon Oct 2	Integrative Case: Propecia-- Helping Make Hair Loss History	Case	
MODULE 2: ADVERTISING RESEARCH			
Wed Oct 4	Advertising Research I: Copy Testing and Tracking Concepts	Ch. 19	DUE: Target Market Profile Assignment
Mon Oct 9	Advertising Research II: Interpretation of Copy Testing and Tracking Results		
MODULE 3: MEDIA DECISIONS			
Wed Oct 11	New Media Case: Yesmail.com	Case	
Mon Oct 16	Workshop: Design Creative Ads Facilitator: Erez Tsalik, SIT	Ch. 13 Science article (on BOLD)	
Oct 18, 23	Break		
Wed Oct 25	Media: Classes, Vehicles, Schedules	Ch. 8, Ch. 9	
Mon Oct 30	Media Planning: Reach, Frequency, GRPs	Ch. 11	
Wed Nov 1	Media Budgeting		DUE: Evaluating an Ad Campaign

			Assignment
Mon Nov 6	Case: Suave: Media Budgeting and Allocation	Case	
MODULE 4: ALTERNATIVES TO MASS ADVERTISING AND COURSE INTEGRATION			
Wed Nov 8	Guest Speaker: Prof. Patrick Barwise on the Impact of PVRs		
Mon Nov 13	Case: Building Brand Community on the Harley Davidson Posse Ride	Case (on CD)	
Wed Nov 15	Traditional vs. Nontraditional Advertising Viral Marketing Case: Marketing James Patterson	Ch. 10 Case	
Mon Nov 20	Sponsorship and Public Relations Case: BMW Films	Ch. 16 Case Article: How Event Sponsors are Really Identified (on BOLD)	
Nov 22	<i>Thanksgiving</i>		
Mon Nov 27	Guest Speaker: Prof. Dan Goldstein on Advertising Online and the Google Model	Ch. 17	
Wed Nov 29	Applying Communication concepts to De-Marketing Problems Case: American Legacy: The Truth Campaign	Case	
Mon Dec 4	Review Case: Inside Intel Inside	Case	
Wed Dec 6	Project Presentations		DUE: Ad Plan

Launching the new MINI

To prepare for a meeting with Crispin Porter + Bogusky to discuss Year 2 strategy, you are evaluating the creative materials used for the launch. Given the brand communications that you and the agency have produced, what strategy is implied?

Mountain Dew

Carefully analyze the Mountain Dew ads as well as video story-boards. Put yourself in the shoes of Scott Moffitt. Which ads do you recommend be aired? Why?

Propecia: Helping Make Hair Loss History

1. When and what type of ads should Tom Casola run after launch? Under what circumstances would you use each type of ad? Is there a point where you would consider a switch in Propecia's advertising strategy?
2. Define Propecia's potential customer base. What is Propecia competing against in the consumer's mind? What can be learned from Rogaine's experience in the marketplace?
3. What message should Propecia convey to potential customers? How does this message affect acquisition of patients? How does this message affect the retention of patients?
4. What role does a physician play in this context? Is the role different than for conditions such as high cholesterol, high blood pressure or diabetes? How much detailing effort is necessary? Please justify your answer anticipating management concerns.
5. Do you think a first year sales forecast of \$60 million would be conservative or optimistic? How many patients might Merck obtain in its first year? What does it depend on? What will be the source of future growth?

Yesmail.com

1. What solution would you favor for the recruitment of new members? Should Tolmie pick the "networksolution," or should he build a proprietary membership list, or should he do both?
2. What does YM bring to its members? How would you maintain/enhance that value?
3. What does YM bring to its clients? What do you think of YM's pricing policy?
4. What is the future of agents such as YM?

Suave (C)

The vice president of marketing at Helene Curtis must decide on an advertising budget and media mix allocation for Suave shampoo, the primary product in the \$100 million Suave product line. The low-priced high-volume shampoo has begun to lose share, industry sales have been flat, and competitors have announced a flood of new, heavily promoted products.

1. What can you say about Suave and its competitive position in the market? Who is Suave's target customer?
2. Transform Case Exhibit 1 to get the following information for **each brand** for the years 1980, 1981, 1982, and 1983.

Unit sales (millions)
Dollar sales (\$ millions)
Price per unit (\$)
Ad expenditures (\$ millions)
Advertising/Sales (%)
Ad share/ market share

3. Plot dollar sales (on y-axis) as a function of advertising expenditures (on x-axis). Use data from all brands for all four years. What does this plot suggest to you about the relationship between advertising and sales in the shampoo market? What are the implications of this plot for the Suave advertising budget -- in other words, should it be increased?
4. Can your conclusions in question 2 above be erroneous? In other words, what other marketing variables might you want to consider before interpreting the plot in question 2 above? How would each of these variables affect the relationship between advertising and sales?
5. What do the split-cable test results suggest about the profitability impact of increasing the ad budget?
6. Based on your analysis to the questions above, which of the two budgets (\$7.8 vs. 10.2 million) do you recommend for Suave? Why?
7. How would you break down your budget from question 6 between print and TV? For the TV budget, would you choose to allocate 100% to prime time or 50% to day and 50% to prime? Calculate CPM's and impressions for each plan.

Hint: For the second question above, your recommendation should be based on your advertising and media objectives

Compare the two plans (100% prime vs. 50-50) in terms of gross impressions and CPM for your recommended target audience from question 1. Follow the steps given below:

1. Use the data in exhibit 10 to calculate the CPM for your target audience delivered by prime time and by day time (delivery includes duplication so don't worry about frequency in this exercise).

2. Use the budget allocated to primetime or daytime and the CPM obtained in step 1 above to compute how many in your target audience are delivered by each plan.
3. Weight prime time and day time based on your assumptions about the impact of each. Apply these weights and calculate the total weighted impressions for each plan.
4. Finally, calculate the CPM weighted impressions. Based on this analysis, which media plan do you recommend and why?

Building Brand Community On The Harley-Davidson Posse Ride

This case concerns the second Harley-Davidson (H-D) Posse Ride, a 2,300 mile, 10-day motorcycle trek from South Padre Island, Texas, to the Canadian border. Through rich ethnographic data captured on text and on film, the case helps students get inside one of the world's strongest brands to consider issues of brand loyalty, brand community, close-to-the-customer philosophy, and the day-to-day execution of relationship marketing programs. Questions addressed include: what benefits accrue from these types of programs? How should their effectiveness be measured? Can brand community be built?

1. Should Harley-Davidson continue to sponsor the Posse Ride? Why or why not? What role should the Posse Ride play in the events mix?
2. How should the Posse Ride be designed to maximize its effectiveness and profit-making potential, should you decide to keep it?
3. Evaluate Harley's strategy and performance in "getting close to its customers." What is Harley Owners Group's role in developing community for the Harley-Davidson brand?

Marketing James Patterson

Patterson and his publisher seem to think that selling his books through book clubs is a drain on profits. Do you agree? What should he do about the club channel?

Compare the economic implications of selling books through the two retail channels (bookstores and mass merchants) vs. the club channels.

What problem if any do the clubs solve for publishers and authors? What would be lost if they disappeared?

BMW Films

1. Was the BMW Films idea a good one? How successful has the campaign been?
2. What was the motivation behind the idea? Who was the target market for the BMW Films campaign?
3. Describe the typical North American BMW customer. How does BMW's U.S. customer base compare to that of its competitors?
4. How healthy is the BMW brand in North America, relative to previous years? What (if any) are the current weaknesses in the BMW brand? What do you make of BMW's growth strategy?
5. What should McDowell do? Which option should he pick?

American Legacy: Beyond the Truth Campaign

1. Research has shown that 80% of all smokers begin smoking before the age of 18. Why is smoking so attractive to a 13-year old?
2. What was the rationale behind Legacy's decision to focus on prevention, and target sensation-seeking teens between the ages of 12 and 17? Do you agree with this rationale?
3. Legacy made a number of interesting decisions with respect to the truth advertising campaign. For example, it decided that (1) the campaign would not be a "call to action," i.e., that the ads would not urge kids to quit smoking; (2) it would not identify itself as the sponsor of any of the ads; (3) it would focus exclusively on the tobacco industry—rather than politicians, parents, the media, marketers, etc.—as the enemy in all of the ads; and (4) it would use graphic images such as body bags, urine, dog feces, etc. to communicate its message. Do you agree with these decisions? How "truthful" was this campaign?
4. How was the truth campaign different than most traditional public service campaigns? More generally, why are most traditional public service campaigns ineffective?
5. By comparison, how effective was the truth campaign? What accounts for its success? What are the benchmarks you are using to evaluate its success?
6. Why did Legacy decide to build a truth "brand" rather than stay with the traditional PSA paradigm? From Legacy's perspective, was the difference simply semantic, or was it more significant than that? In what ways is truth brand the same/different as other well-known brands, like Nike, Diesel, or Mercedes-Benz?
7. What percentage of resources currently devoted to truth should Legacy divert to the cessation campaign? Which elements of the truth approach are applicable to cessation? Would a similar approach work? Why or why not?

Inside Intel Inside

1. What was the original motivation behind Intel's decision to launch the Intel Inside branding campaign?
2. What factors have accounted for the success of the campaign?
3. What are the current problems Intel is facing in the PC market?
4. What has been the brand promise in all of Intel's advertising campaigns throughout the years? Lewnes says that "the core values of the brand have been constant all along." What are these core values? On the other hand, how has the company's advertising evolved over time? What do you think of the Blue Man Group advertisements? Why does Lewnes consider this campaign to be "one of the biggest advertising breakthroughs" in the company's ten-year history? Do you agree with the direction the campaign appears to be taking?
5. From a consumer perspective, how does the Intel Inside logo affect your PC buying decisions?
6. Should the company extend the "Intel Inside" branding campaign to other non-PC categories such as cell phones and PDAs? Why or why not? What does Pollace mean when she says, "We need to be thinking about computing, which can encompass any number of different devices?"
7. More generally, what does it take to brand an "ingredient"? Can any company pull it off? In any product category? Could another component manufacturer have pulled off a similar feat in the PC category?

Suggested Readings and Reference Sources

Books:

- Cialdini, Robert B. (1993), *Influence: The Psychology of Persuasion*.
- Fox, Stephen (1984) *The Mirror Makers*, Random House Vintage Books: New York.
- Ogilvy, David (1963) *Confessions of an Advertising Man*, Atheneum: New York.
- Ogilvy, David (1983), *Ogilvy on Advertising*, Random House Vintage Books: New York.
- Packard, Vance (1961) *The Hidden Persuaders*
- Rothenberg, Randall (1995), *Where the Suckers Moon: The Life and Death of an Advertising Campaign*, Random House Vintage Books: New York.
- Underhill, Paco, *Why We Buy: The Science of Shopping*.

Magazines:

- Advertising Age (www.adage.com)
- Adweek (www.adweek.com)
- American Demographics (www.americandemographics.com)
- Businessweek (www.businessweek.com)
- Mediaweek (www.mediaweek.com)
- Brandweek (www.brandweek.com)
- PROMO (www.industryclick.com)
- Sales and Marketing Management (especially their survey of buying power—www.salesandmarketing.com)

Newspapers:

- *The Wall Street Journal* (www.wsj.com)
- *The New York Times* (www.nytimes.com)

Journals:

- Journal of Advertising
- Journal of Advertising Research

Data Reference Sources (in the library):

See <http://www.columbia.edu/cu/lweb/indiv/business/guides/mktg.html>

- Product/Brand Information
 - Encyclopedia of Major Marketing Campaigns
 - Standard and Poor's Industry Survey (www.standardandpoors.com)
 - Market Share Reporter
 - Standard Directory of Advertising Agencies
- Category/Brand Users Information
 - Lifestyle Market Analyst
 - Simmons Market Research Bureau (Choices III CD in library)
 - Mediamark (aka MRI) Research Reports (CD in library)
- Media audience Information
 - Consumer Dimensions
 - TV Dimensions

- Nielsen Station Index (www.nielsenmedia.com)
- Magazine Dimensions
- Simmons Market Research Bureau (Choices III CD in library)
- Mediamark (aka MRI) Research Reports (CD in library)
- Advertising Budgets
 - CMR Ad \$ summary (formerly Leading National Advertisers)
 - Standard Directory of Advertisers
 - Advertising Ratios and Budgets
 - Brand Week Superbrands
- Advertising Rates
 - Standard Rates and Data Services
 - Marketer's Guide to Media

Consumer Trends:

- See also American Demographics (www.americandemographics.com)
- www.gallup.com
- www.louisharris.com
- www.yankelovich.com

Organizations:

- American Marketing Association (www.marketingpower.com)
- American Association of Advertising Agencies (AAAA of 4As) (www.aaaa.org)
- Direct Marketing Association (www.the-dma.org)
- Public Relations Society of America (www.prsa.org)
- Advertising Educational Foundation (www.aef.com)—a source of lots of info including industry events and career information)

Other Interesting Sites:

- www.adcritic.com
- www.adeater.com
- www.ifilm.com
- www.adforum.com
- advertising.utexas.edu/world (a marketing communications directory and archive of ads)

Personal Profile Form

So I can learn more about you (a member of my target market!), please answer the following questions.

1. What is your educational background?

2. Have you ever worked in any of the following industries? (Check yes or no.) If so, in what capacity? (If you need more space, you can use the other side of this form.)

(please check one)

Industry	Yes?	No?	If yes, describe (what job/product/brands?)
Advertising			
Public Relations			
Direct Marketing			
Interactive Mktg			
Personal Selling			
Media			
Marketing			
Consulting			

3. Have you taken an advertising or communications management course before?

4. What do you hope to get out of this course?

5. What would you like to be doing in your career 3 years from now?

6. What other marketing electives have you *completed* already?

7. Are you taking any other marketing electives this semester? If yes, which ones?

8. When it comes to working in groups, what is your greatest strength and what is your greatest weakness?