

CHAPTER 5

Issues in the implementation of integrated communication

5.1 INTRODUCTION

According to Schultz *et al.* (1993), integrated communication has, since its inception, received substantial attention from both the academic and practitioner communities. Pettegrew (2000:29) argues that the widespread attention paid to integrated communication is largely a function of its "... strong intuitive appeal – it makes good sense". However, in order to elevate marketing and communication management to the level of business management, organisations should be aware of, and attend to, the issues in the implementation of integrated communication. Although Pettegrew (2000:9) advocates the concept of integrated communication, organisations have not yet accomplished the extensive implementation of the fundamental notions represented in the concept of integrated communication.

Schultz *et al.* (1992) state that the acceptance of integrated communication has not been as rapid as was hoped. Furthermore, proponents of integrated communication and integrated marketing communication are asking an important rhetorical question in integrated communication "that has hounded" economies (McCloskey, 1990), and marketing (Fortini-Campbell, 1992) and integrated communication (Schultz, *et al.*, 1993): "If IMC is so good, why is it not being implemented?"

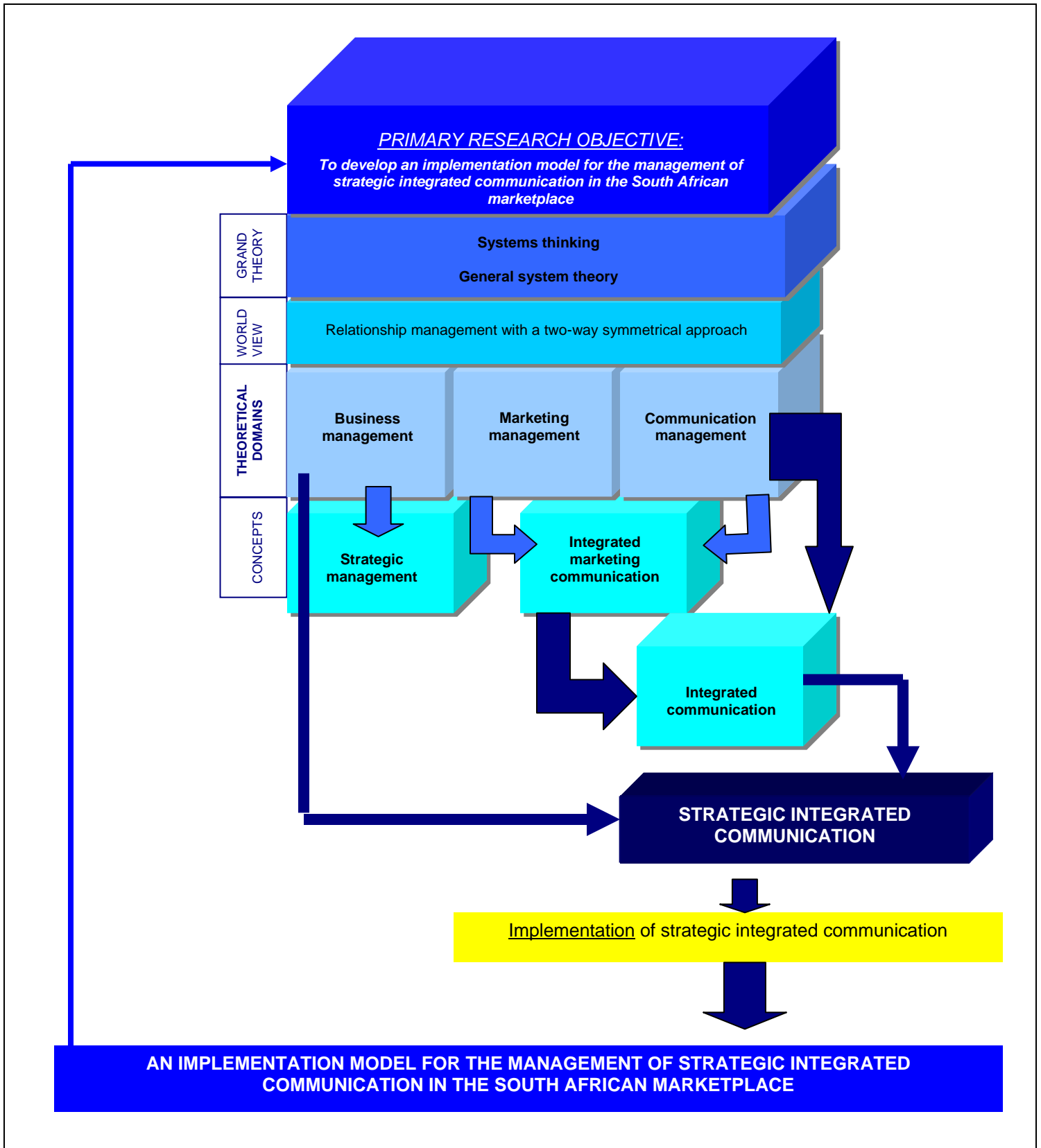
From the origins of integrated communication, there has been much more emphasis placed on the implementation of an integrated communication *programme* than on the *organisational* implementation of integrated

communication as a concept. However, the integrated communication programme is only one facet of the concept of integrated communication. It is therefore necessary for the organisation to implement the concept and underlying principles of integrated communication before the organisation can implement an integrated communication programme. Niemann (2002) states that the integrated communication programme can be seen as the advanced application of integrated communication within the organisational context.

In this chapter, the issues surrounding the implementation of integrated communication are discussed. Firstly, the focus falls on *when* integrated communication is likely to be needed in an organisation, and then *what* is needed to be integrated is discussed. The focus is then on the minimum requirements for integrated communication in organisations. This is followed by focusing on the problems of integrated communication implementation. The chapter concludes with a discussion on the barriers in the implementation of integrated communication.

Figure 5.1 provides a summary of the meta-theoretical framework of the current study with the purpose of addressing the research objectives of phase 1 of this study, continuing to focus on the implementation of strategic integrated communication, which is highlighted in yellow.

Figure 5.1 Chapter 5 in relation to meta-theoretical framework



5.2 WHEN SHOULD INTEGRATED COMMUNICATION BE IMPLEMENTED?

According to Percy (1997:164), the source of identifying a need for integrated communication is the complexity of the markets that are dealt with. The more complex the market, the more likely it will be that multiple or innovative solutions will be required. In this complex market, many factors can further contribute to the complexity of the communication problem. Yeshin (2000:328) argues that the most obvious contribution to complexity is multiple communication objectives. There are various other factors that contribute to the complexity of the communication problem. In broad terms, this involves the complexity of the target audience, the complexity of the product or service itself, and the complexity of the distribution of the product or service.

5.2.1 Complexity of target audience

There are a number of target audience considerations that lead to complexity in planning and delivering communication in an organisation. The more the people involved in the decision process, the more difficult the communication task. In the simple case, where one person plays all the roles in the decision-making process, a straightforward message to a single individual is all that is required. As more people become involved in the decision, the potential need for multiple messages through a variety of media or delivery systems increases. Moriarty (1994:39) refers to multiple messages in the integrated communication message typology. According to Duncan and Moriarty (1997:78), the integrated communication message typology is a model of various message types that are communicated by an organisation. Duncan (1997) identifies four types of messages of which an organisation needs to be aware, so that it can control or, if not control, influence them in the integrated communication message typology model. These messages are: planned, inferred, maintenance and unplanned messages. These messages are therefore based on the idea mentioned in Chapter 3 that everything an organisation presents or does not present is a

communication moment for the organisation. All these communication moments must be managed actively by the organisation according to the integrated communication message typology model.

In accordance with this notion of communication moments, Schultz *et al.* (1994:83) reason that each contact point (communication moment) that the stakeholder has with the organisation is a communication opportunity, therefore emphasising the idea of multiple communication moments in an organisation.

5.2.2 Complexity of product or service

The second factor contributing to the complexity of a communication problem in an organisation is product or service complexity. If the product or service is highly technical or innovative, the communication task can be more complex. For example, when a new customer electronics product is introduced, people need to be made aware of it, and interest in this product needs to be stimulated. Furthermore, they will want a high level of information to complete what is usually a high involvement decision. If a number of models is available, the information requirements will again be greater.

5.2.3 Complexity of distribution

Percy (1997:165) claims that an often overlooked opportunity for integrated communication can be found in the distribution of a product or service. This however, extends beyond trade promotions. Many delivery systems have a major influence on a brand being chosen by customers. This factor contributes to the complexity of a communication problem, and refers to the trend of increased global marketing that has necessitated new ways of communication for organisations. Even if an organisation is not selling outside its native country, it must be aware that its competitors will increasingly be foreign based (Kitchen & Schultz, 1999:21). These changes underline the increase in competition and the

need for organisations to concentrate on maximum efficiency in all their operations (Gonring, 2000-2001:2).

According to Percy (1997:165), if there is complexity in the marketplace, as evident from Section 2.6 (Chapter 2), it is likely that integrated communication will be needed. For integrated communication to be implemented, there are certain elements of the organisation that need to be integrated. These elements are to be considered further, together with findings from phase 2 (the in-depth interviews in the South African market) for the development of the conceptual model of strategic integrated communication implementation in the South African business landscape. These elements are explored in the following section.

5.3 WHAT SHOULD BE INTEGRATED?

Duncan and Moriarty (1997:25) are of the opinion that, in order for integrated communication messages to have maximum impact, an organisation must integrate the following: employees, customers and other stakeholders, corporate learning, brand position as well as “the big creative idea. Furthermore, the corporate mission could also be seen as an important aspect to be integrated and has been added to the list of the aforementioned authors. Each of these is expanded on in the following section, to demonstrate the breadth of integrated communication.

5.3.1 Employees

Duncan (2001:22) argues that many employees do not have a basic understanding of what their organisation manufactures, how their organisation operates or what their specific role is in building customer relationships. The most common reason for this is that employees have not been integrated into the organisation. More specifically, employees have not been educated about the need for being customer focused. Duncan and Moriarty (1997:24) propose that

the way to integrate employees into a customer-focused approach is through internal marketing. Chiocchi (1999-2000:1) defines internal marketing as: "... an ongoing program that promotes the customer-focus philosophy and keeps employees informed of important marketing activities that affect both them and the company's customers". Today, internal marketing is essential because more and more employees have the opportunity to engage in a communication moment with the customer. The reason for this is the increase in interactivity, due to Internet and other two-way communication opportunities.

Additionally, Bernstein (2000-2001:2) maintains that the more employees feel part of the organisation and the better informed they are about its business strategies, the higher their morale. Duncan (2001:23) acknowledges this and states that research has shown that organisations with high employee morale have higher levels of customer satisfaction.

5.3.2 Customers and other stakeholders

Customers and other stakeholders need to be integrated into the total operations of the organisation. In other words, they need to have input about how the organisation operates. Duncan (2001:23) declares that such input will ensure a more customer-focused organisation. McKenna (1995:92) agrees and adds that customers should be integrated into activities such as product planning.

Duncan and Moriarty (1997:25) propose that as speed and flexibility increase in manufacturing, so too must communication between an organisation and its stakeholders. One way to achieve this is to have frequent, in-depth interactions with customers and stakeholders in order to detect more quickly their changing wants, needs and concerns. The more feedback and dialogue is facilitated, the more integrated the customers and stakeholders will be in the organisation's planning and operations. Peppers and Rogers (1999:25) add in this regard that as an organisation moves to more customised marketing, they need the support

of more customised communication. Therefore, interactive communication is fundamental to any relationship. This is why the definitions of integrated communication discussed in Chapter 3 include interactivity as a critical component.

5.3.3 Corporate learning

The third element that needs to be integrated in organisations is corporate learning, which relates to the idea of *learning organisations* as discussed in Chapter 2, Section 2.2.3. Employees who regularly interact with customers should have access to all the information the organisation has on each customer. One aspect to promote corporate learning is described by Schultz (1995:5-6), which states that in many organisations each department has its own customer databases. Duncan (2001:24) adds that unless databases are integrated into a common database management system, it is difficult or impossible to have a complete understanding of a customer and to provide a knowledgeable response to requests and complaints. As organisations expand their databases, this information needs to be integrated into a meaningful form – knowledge. The knowledge about customers should then be made available to everyone who can use it to increase customer service or to add value to the brand in the organisation.

5.3.4 Brand positioning

Another element that needs to be integrated for integrated communication to be effective is brand positioning. Customers and potential customers form their opinions of a brand based on a variety of brand messages. Therefore, Duncan and Moriarty (1997:25) argue that the brand position should be integrated in all brand contact points where it is reasonable to do so. The more a brand's position is integrated into all the messages originating from all message sources, the more consistent and distinct the organisation's identity and reputation will be.

5.3.5 “The big creative idea”

Today, organisations have become larger and able to afford more communication expertise, both internally and externally. Integrated brand messages have become diffused as each marketing communication specialty group comes up with its own ideas. However, Duncan (2001:219) proposes that a brand needs to have one “big creative idea” and then ensure that it is integrated into all the integrated communication messages. He states that “the big creative idea” provides a single focus to all communication efforts, gives direction to both message design and message delivery, and must be reflected in the executions of all the messages.

5.3.6 Corporate mission

The final element that needs to be integrated is the corporate mission of the organisation. It should be noted that literature on this element that should be integrated focuses explicitly on the mission and does not mention the corporate vision, making no differentiation between the concepts. It can therefore be argued that the corporate mission, as stated in literature, assumes the corporate vision. Duncan and Moriarty (1997:26) reason that “... an organization that has a real mission based on a set of corporate values can maximize the impact of the mission by integrating it into everything it does”. Stakeholders are usually impressed with the corporate integrity of an organisation, but only if they are convinced it exists. Duncan (2001:24) proposes that the first step in this direction is to combine all so-called philanthropic efforts into a single, major programme that reinforces the organisation’s mission and creates greater awareness of the organisation’s social investment. Furthermore, integrating the mission into the organisation’s business operation, however, serves as a call to unity and provides a common, consistent focus for all employees.

Knowing what needs to be integrated in the organisation is a good starting point for integrated communication implementation. However, there are minimal requirements needed before integrated communication implementation can be considered by the organisation. These six are a) structural requirements, b) customer-orientation requirement, c) brand requirement, d) management requirement, e) cultural requirement and f) uniqueness requirement. These minimal requirements are a good foundation for unity of effort in the implementation of integrated communication.

5.4 MINIMAL REQUIREMENTS FOR THE IMPLEMENTATION OF INTEGRATED COMMUNICATION

Schultz *et al.* (1994:117-120) propose that the organisation must have mastered eight key areas before true integrated communication can be considered in an organisation. Eppes (1998-1999) agrees with the eight key areas proposed by Schultz *et al.* (1994:117-120), but states that an organisation should as an absolute minimum at least have access to these key areas. The reason for referring to “true integrated communication” is that Duncan and Moriarty (1997:14) state that all organisations are integrated to a certain extent. Therefore, integrated communication is a natural component of all organisations. However, the degree of integratedness in organisations varies. Similar to the eight key areas suggested by Schultz *et al.* (1994:117-120) and Eppes (1998-1999), Pettegrew (2000) identifies six suggestions before “true integrated communication” can be considered by the organisation. By using the set from Pettegrew (2000) as a basis, and integrating the eight requirements suggested by Schultz *et al.* (1994:117-120) and Eppes (1998-1999), a single comprehensive set of minimal requirements is developed. However, in studying integrated communication, most authors in the field suggest various methods and resources that can contribute to the implementation of integrated communication. In the following section, these suggestions are amalgamated into, and based on, six minimal requirements for the implementation of integrated communication.

5.4.1 Structural requirements

For an organisation to consider true integrated communication, it should create global processes of internal and external standardisation of operating, producing, transporting and communicating (Kitchen & Schultz, 2000:67). The reason for the standardisation is to ensure consistency of all messages (as discussed in the integrated communication message typology model in Section 5.2.1). Furthermore, Gronstedt (2000:115) declares from a structural point of view that the organisation should create flatter organisational hierarchies to prevent departmental silos obstructing the creation and retention of customers. This refers to the notion of Duncan (2001:763) as well as Niemann and Crystal (2002:14) of cross-functional planning. The idea suggested by Gronstedt (2000:115) is conversely only the initial framework for the more advanced idea of cross-functional planning. However, Duncan (2001:90) strongly proposes cross-functionality of processes in the organisation as a prerequisite. He argues that cross-functionality is essential so that all the departments in the organisation are able to cooperate with each other in the planning and monitoring of relationships with stakeholders and the brand.

Given the existing communication systems in an organisation, it is neither practical nor possible for communication to be planned or executed by every unit or business group. The brand has a certain meaning or value that must be maintained. For example, one would not give a local retailer the authority to change, adapt or re-invent the IBM logo. There must be some consistency across all media forms and customer groups.

The most common approach in establishing a communication central authority is the use of a marketing communication structure or, as it is called, a “marcom” manager (Schultz, *et al.*, 1994:167). The marcom manager is the central controller of a broad assortment of communication specialists. Working in combination with the marketing manager, the marcom manager plans the overall

communication programme, and initiates and controls the various types of communication activities that are developed by the communication specialists. This idea is in line with Hunter's model of integrated communication implementation (1997), Stage 3, where he proposes that a single department is set up for the management of marketing, corporate and internal communication.

This centralised approach, with the establishment of a communication controller, assumes that the existing organisation will not be changed (Sirgy, 1998:136). This is a consolidation of the communication function into one person or group. Thus, this structure is fairly easy to implement although there are inherent problems brought about by the existing organisational structures. It does, however, initiate the process of centralisation, which can then lead to the integration of the organisation's communication activities.

5.4.2 Customer-orientation requirements

Gronstedt (2000:22) has the same opinion as Kitchen and Schultz (2000:67) in stating that it is necessary for an organisation to start with customers, not products (thus the outside-in approach suggested by Schultz (1993a:12)). Organisations that consider "true integrated communication" therefore need to be aware of the demands of a stakeholder century organisation and be able to adapt to these demands. Similarly, Eppes (1998-1999:6) and Gronstedt (2000:22) agree that it is further necessary for the organisation to identify and value customers and prospects. However, Schultz *et al.* (1994:177), Gronstedt (2000:23) as well as Kitchen and Schultz (2000:67) propose that it is not only necessary to identify and value customers and prospects, but also to identify customer and prospect contact points. This is to maximise valuing customers and prospects. It is therefore essential for an organisation considering "true integrated communication" to align the organisation's interactive response capabilities with the needs and demands of the stakeholders (Schultz, *et al.*, 1994:177).

For integrated communication to work, the organisation must therefore commit to the customer (and the stakeholder in a broader sense). It must identify, *learn* about, work and be concerned with customers (and stakeholders) at all times and at all levels. An organisation following this dedication to customers and stakeholders is referred to as a *learning organisation* (as stated earlier in Chapter 2, Section 2.2.3). A learning organisation has a feedback programme that involves four dimensions: a) ongoing data collection, b) continuous aggregation of this data, c) periodic trend analysis (looking for a “critical mass” of comments or behaviours suggesting problems or opportunities), and d) making information available to those who need it to do their jobs better (Duncan, 2001:279). It is therefore imperative for the organisation to have a strong database-driven strategy in order to ensure that learning takes place regarding the customers and the stakeholders.

The organisation must refocus its energies on locating and satisfying customers and stakeholders rather than just making products or providing services. It must therefore adjust communication programmes to make them customer (and stakeholder) friendly and customer (and stakeholder) active. Therefore, an organisation that truly follows an integrated communication approach must function as a customer or stakeholder century organisation as opposed to a product century organisation, as explained in Chapter 3. For this reason, organisations must commit to the Peter Drucker principle as quoted by Schultz *et al.* (1994:178), which supports this notion, stating that: The organisation is in business to build and satisfy customers (stakeholders). This will be a major change for most organisations but it is necessary for integrated communication to succeed.

5.4.3 Brand requirements

It is of vital importance for the organisation to view itself as a brand. Organisations must value their own brand, as the customers and stakeholders

are unlikely to value it if the owners are not seen to value it (Duncan & Moriarty, 1997:14). Again this refers to the notion of the integrated message typology model discussed in Section 5.2.1.

Verwey (2002:173) states that an organisation's brand is more than the image it presents to its customers through marketing and marketing communication. It is also the experience customers have of an organisation and its products. The success of a message depends not only on its appeal, but also on how well it aligns with the delivery of the actual promise to the customer. Totzi and Stotz (2002:2) note that an organisation's marketing can attract customers, but only a positive customer experience that matches the brand promise can capture and retain customers over time. Verwey (2002:173) therefore maintains that internal branding translates the organisation's brand promise into internal behaviours and systems that support people in turning the promise into the reality of customer experience.

5.4.4 Management requirements

For "true" integrated communication to be considered, the CEO must voice direct support for adopting integrated communication, because without this critical element, integrated communication efforts are condemned (Pettegrew, 2000:2). Regardless of the organisation, its structure or type of business, for integrated communication to be successful, it must start at the top management level and filter down through the organisation. It cannot start at the middle or at the bottom and work its way up. Top-down direction and commitment are vital for integrated communication (Pettegrew, 2000:34). The CEO must actively support integrated communication. He or she must remove the many barriers that will prevent the implementation of integrated communication. This means not merely financial support, but aggressive internal support in the form of directives, memorandums and, in some cases, what Schultz *et al.* (1994:178) refer to as "cheerleading". It

must be clear to every employee that integrated communication is vital and is supported at top management if it is to succeed.

Furthermore, structural and functional managerial issues must become a critical component of any effective integrated communication implementation in an organisation. Of particular importance is establishing a communication czar who will become the evangelist and conscience of the integrated communication implementation effort in the organisation (Schultz, *et al.*, 1993:167). While decentralisation of management is critical to being competitive in today's marketplace, the centralisation or consolidation of the communication function is necessary. There must be a broad view of communication and well-defined and well-established strategies to build and protect the brands marketed by the organisations. This cannot be done on a decentralised basis.

In any organisation, the corporate leadership must retain the communication function and it must be viewed as one of the major activities of that group, like financial or other corporate functions. Local implementations of well-planned and well-organised communication strategies are possible, but there can be little question that communication must be in the hands of generalists with a broad view of the entire corporate operation. The communication programme must be orchestrated so that a clear, concise relationship is built with each individual customer. Communication in the customer and stakeholder century is too important to put in the hands of unskilled managers or low-level employees, for it is the future of the organisation (Schultz, *et al.*, 1994:179).

5.4.5 Cultural requirements

Alignment through high-performance cultures in true integrated communication consideration is vital. Alignment mirrors the level of an individual's emotional investment in the organisational purpose, defined by Verwey (2002:179) as the meshing of organisational purpose with organisational practice. Fineman

(1993:13) notes that organisations are "... sites where individuals make meaning for themselves and have their meanings shaped". In essence, this occurs when individuals have internalised organisational values and beliefs (in terms of their most fundamental meanings), and can act instinctively in accordance with these values.

Furthermore, from a cultural requirement point of view, Pettegrew (2000:2) reasons that organisations should beware of strong marketing cultures, because issues such as corporate reputation can be overshadowed by "popular" concepts such as brand management. Although the cultural requirements are important to consider in the implementation of integrated communication, correspondingly, organisations should be sensitive to the political, social and economic environment as a requirement for integrated communication implementation, as these factors have a great influence on the viability of the implementation of integrated communication.

5.4.6 Uniqueness requirements

Any true integrated communication effort must be adapted to the unique character of a particular organisational structure. Duncan and Moriarty (1997:12) postulate that "one-size-fits all" integrated communication does not exist. For integrated communication to work effectively, it must reflect the unique culture in which it must operate. Additionally, integrated communication must be viewed beyond narrow integrated communication success in traditional businesses for exemplars (Pettegrew, 2000:2).

For integrated communication to thrive, the total organisation must recognise that communication will be one of its most important competitive weapons. When products are at parity, distribution is similar, pricing is equal, and high levels of customer services are common; then the lone competitive weapon that the communication professional has is communication and relationships with

customers. Communication can and must become the sustainable competitive advantage that the organisation uses to remain a viable factor in the marketplace. This requires new thinking and a new understanding of communication by all levels of management, but it is a must if the organisation is to succeed (Schultz, *et al.*, 1994:178).

These six minimal requirements for integrated communication implementation are however threatened by various problems to integrated communication implementation. The following section will focus on these problems in integrated communication implementation.

5.5 PROBLEMS IN THE IMPLEMENTATION OF INTEGRATED COMMUNICATION

There is little substantive evidence that integrated communication, according to the definitional components discussed in Chapter 3, is practised widely or effectively among organisations. A study by Duncan in 1991, as described in Duncan & Moriarty (1997:17), revealed that almost 60% of corporate marketing managers were familiar with the term “integrated communication”. Prahalad and Hamel (1994:95) report a survey revealing that fewer than one-in-three (31%) believe success is attributable to better execution of communication functions. A large percentage of CEOs have said that success in business today is more a function of “newcomers who have changed the rules of the game” (Cornelissen, 2000:2).

Perhaps most evident is the fact that many organisations cited as exemplars in integrated communication literature seem to have fairly narrow marketing communication programmes that may, on closer scrutiny, not represent integrated communication well at all. Accordingly, Pettegrew (2000:32) argues that while organisations such as Nike and Proctor and Gamble “... do an excellent job with the marketing side of marketing communication without

integrating their public and employee relations functions”, their corporate reputations have suffered. However, the research of Gronstedt (2000) and Harris (1998) show evidence to the contrary, in discussing various organisations that have implemented integrated communication fairly successfully. Such organisations include Saturn, FedEx, Xerox, Coca-Cola, Eastman Kodak, Harley Davidson and McDonalds. However, these are only examples of fairly successful integrated communication implementation organisations, because as expressed by Duncan and Moriarty (1997:xvii): “... integrated communication is a continuum, and the far right side is the perfectly integrated company. To our knowledge, that company does not exist”.

Integrated communication theory has provided a vague or incomplete explanation of the organisational impediments that often prevent organisations from implementing integrated communication completely or effectively (Pettegrew, 2000:32). According to him, in almost 100 articles and books about integrated communication, fewer than three essays address cultural and structural functional barriers, and one resource focuses exclusively on organisational problems to integrated communication, from the agency perspective. In the few essays that do address organisational problems to integrated communication, the most important problem, and the need for the support of integrated communication by top-level management, particularly the CEO, is ignored. If integrated communication scholars are to address the criticism posed in Pettegrew (2000), the issue of CEO support for integrated communication must be placed on the theoretical front discussions. Therefore, if problems in integrated communication implementation are to be overcome, the communicator must have the knowledge and comprehension of the core organisational competencies as well as a close link with top management to ensure the alignment of communication objectives with the strategic intent of the organisation.

The various barriers to integrated communication implementation are discussed in the following section.

5.6 BARRIERS TO THE IMPLEMENTATION OF INTEGRATED COMMUNICATION

As with many other innovative concepts, there is resistance to change. In most organisations, there are established “ways of doing things”, solidified positions, turf and budget concerns (and disputes) and, more importantly, corporate cultures that have grown to be accepted as “the right way to do things”. In these types of organisations, there is no real inclination to change. In the following section, seven common barriers to integrated communication implementation are discussed. The first four are a) structural barriers, b) manager’s perceptions of integrated communication, c) compensational barriers and d) marketing trends as barriers.

5.6.1 Structural barriers

In discussing several barriers to integration, Schultz *et al.* (1993:167) have identified a barrier seen as the key to the problems in implementing integrated communication. The researcher points out that “... integration requires communication across brands, SBUs, and functional specialties”, yet “... almost all organisations have spent their time developing vertical communication programs”.

Integration demands cross-training in organisations, a process hindered by vertical structures (Gonring, 1994:47). Duncan and Everett (1993:32) state that a first step could be to develop teams throughout the organisation and create an opportunity for cross-functional assignments and advancement through acceptance of greater responsibility. Kitchen and Schultz (1999:30) agree and

add that breaking down the number of salary ranges could also help to flatten organisational levels.

The result, according to the three-dimensional approach to integrated communication (as discussed in Chapter 4, Section 4.6) suggested by Gronstedt (2000), is a need for *horizontal* relationships struggling within a *vertical* organisation. This leads to problems at the organisational level, where parallel structures, multiple departments and functional specialties discourage the kind of communication between specialties required for integrated communication. This type of problem is epitomised by the brand management concept, and recent moves by some large packaged goods organisations to category or channel management are likely to worsen the problem (Percy, 1997:174).

Integrated communication requires a central planning expertise in marketing communication (Duncan, 2001:14). With diffused resources, individual manager relationships with marketing communication agencies, and the lack of an incentive to cooperate, as well as problems when it comes to effectively implementing integrated communication, organizational barriers are inevitable. According to Percy (1997:174), there are two components to an organisation's decision-making structure that contribute to these problems: organisational structure and what Percy (1997:174) refers to as organisational character or the way an organisation "thinks". Based on this idea by Percy (1997:174), the three structural barriers of a) organisational structure barriers, b) organisational character barriers and c) technological barriers are focused on in the following sub-section.

5.6.1.1 Organisational structure barriers

Although there is broad agreement among communication and marketing professionals on the need for integrated communication (Duncan & Everett, 1993:30-39; Schultz, *et al.*, 1993; Schultz, 1993b:17), the very organisational

structure of many organisations stands in the way of its being effectively implemented. As Schultz *et al.* (1994:157) argue, "... there is little doubt that organisational structures are one of the largest barriers to integrated communication in most organisations". At the core of this problem is an organisation's inability to manage the interrelationships of information and material among the various agencies involved in supplying marketing communication services. Percy (1997:174) states that there are various specific structural factors that can make this problematic, namely a) low standing of marketing communication personnel and b) fields of specialisation.

- *Low standing of marketing communication*

For many executives in top management, spending money on marketing communication is a luxury that can be afforded only when all else is going well (Percy, 1997:174). With this approach, it is not surprising that those most responsible for marketing communication occupy lower-level positions within the organisation. Senior management does, however, reserve the right to approve a campaign, and often does, but it is rare to find senior management involved in the planning of marketing communication. Rather, it is generally more junior brand managers (or their equivalents) who do the actual strategic planning, and the results of their work are passed on up the management ladder for approval. Even at organisations where there are specific managers for advertising or promotion, these managers have little power within the organisation. They almost never have final responsibility for the budget (Percy, 1997:175).

Furthermore, communication in general is also seen as low in precedence. Schultz *et al.* (1994:162) argue that in many organisations communications "... are developed and implemented at the lowest levels, that is, by the most junior and inexperienced employees". Yarbrough (1996:69) agrees and adds that being at a low level in the organisational order implies that

communication is not accepted as being imperative. Not being part of management means that the communication departments will not have the final say and suggestions are authenticated only by managers outside the communication field (Gonring, 1994:47).

Adding to this problem is the trend towards decentralised decision-making as pointed out by Schultz (1993b:16). With more and more people empowered to make decisions at lower and lower levels, it makes it very difficult, if not impossible, to ensure an integrated communication approach. Decentralisation in an organisation can be a two-way sword with regard to integrated marketing communication. On the one hand, according to Kitchen and Schultz (1999:30), there is a current trend of management to take decision-making down to the lowest possible level in the organisation. This could prove counter-productive to integrated marketing communication, because it would be impossible to centralise control over decisions in the organisation. On the other hand, there is a need for employees to be empowered and able to respond to customers and other stakeholders. This creates problems for the organisation's communication programme, especially where employees do not possess the skills necessary to deal with customers. Furthermore, it is virtually impossible to maintain a single, integrated approach, while delegating decision-making powers to the lowest level.

- *Barriers in the different communication specialisation fields*

To manage integrated communication effectively, those in charge should ideally be communication generalists. In organisations today, people are specialising in a particular area; and these specialists rarely communicate with each other. They have their own budgets and their own suppliers, and they jealously guard the areas they control. This is what Schultz *et al.*

(1994:158) refer to as ego and turf battles between individuals and departments.

Yarbrough (1996:69) states that most employees are reluctant to move to integration because they believe it will require them to give up some of the power and the prestige to which their present positions entitle them. Schultz (1993b:16) agrees with this statement and adds that some employees also think that integrated communication will take away some of their often hard-won turf. Wightman (1999:19) as well as Kitchen and Schultz (2000:208) suggest that it might threaten the employees' perceived position in the organisation and that even fewer managers want to give up any territory or position, for this is how they calculate their value to the organisation.

Integration necessitates a broad view of the customer, the marketplace, competition and communication. Schultz (1993b:16) argues that integrated communication creates the need for a move from the production century principle of specialisation in an organisation. Alternatively, in the stakeholder century, the focus is on employees with multiple skills (Wightman, 1999:19). This means that organisations require employees with a general understanding and knowledge of the business world as a whole. The reason for this is to have employees with an understanding of the concept of synergy within the organisation.

5.6.1.2 Organisational character barriers

In addition to the problem inherent in the way in which most organisations are structured, there are more intangible aspects of an organisation's thinking and behaviour that also pose problems for implementing integrated communication. The traditional organisational structure can impede the flow of information and ideas within the organisation. It is very difficult for the entire organisation to share a common understanding of that organisation's communication, because

of this type of structural barrier. Yet it is important for everyone working at an organisation to understand and communicate the appropriate “image” in any communication. Anyone who has any contact with customers must reflect the image projected by the organisation’s communication. This again refers to the integrated message typology of Duncan and Moriarty (1997:98) and furthermore the integrated communication synergy approach of Moriarty (1994:42). The latter approach identifies three different components of integration, namely consistency, interactivity and mission. This approach leads to an understanding of the complexity of corporate message synergy (Gonring, 1994:45). According to Percy (1997:176), too often only those directly involved with the marketing communication programme are familiar with it, which in turn creates a serious problem for integrated communication implementation. Percy (1997:176) therefore identifies two organisational character barriers namely a) financial versus customer emphasis and b) the culture of the organisation.

- *Financial versus customer emphasis*

Another important aspect of the character of an organisation that bears upon integrated communication implementation is the misguided emphasis on financial rather than consumer considerations in the development of a communication strategy (Percy, 1997:176). This refers to organisations functioning as a customer-centric organisation (Gronstedt, 2000) or what Schultz (1993a:12) refers to as an outside-in organisation. Schultz *et al.* (1993) refer to some of the problems that come from this increasing reliance on financial analysis to guide a communication strategy. The researchers point out that the attitude of most managers is to let financial considerations drive their thinking when setting objectives, rather than customer wants or needs. However, the customer is the centre of integrated communication. Integrated communication requires an understanding of how consumers make decisions and behave. When a communication professional’s attention is more financially focused than customer focused, the environment will be

less likely to nurture integrated communication successfully. In relation to this, the second organisational character barrier is that of the culture of the organisation.

- *Culture of the organisation*

Together, the manager's own background and the culture of the organisation determine how managers think (Percy, 1997:176). This potential problem is then compounded in the integrated communication case when the culture of the marketer must interact with the culture of the communication agencies. Managers from different organisations are likely to have different views of what makes effective communication.

Literature on management addresses the idea that an organisation will have its own defining corporate culture, and that employees of the organisation will absorb that culture. While that culture will not completely determine an individual manager's way of doing things, it will have a significant impact on its development (Prensky, McCarty & Lucas, 1996:167-184). According to Percy (1997:177), this inevitably leads to organisational feelings such as "this is the way we do it"; "we have always done it this way" and "it works for us". These kinds of attitudes can, however, get in the way of integrated thinking and planning. This can occur both within an organisation and working with outside agencies.

5.6.1.3 Technological barriers

Another barrier to the implementation of integrated communication in organisations in terms of the structural barriers is the absence of databases and the accompanying technology to track and profile customers and other key stakeholders (Schultz, *et al.*, 1994:158). Goring (1994:47) declares that marketing technology exists to determine customer behaviour, but organisations

have been slow to accept it. Schultz *et al.* (1994:177) argue that some industries struggle with database development more than others (e.g. packaged goods). However, Duncan and Moriarty (1997:29) maintain that everyone can follow the lead of financial services and direct mailers, many of which have become proficient at identifying segments and sending them targeted messages.

5.6.2 Manager's perceptions of integrated communication

The second barrier identified to the implementation of integrated communication is manager's perceptions of integrated communication. When managers come from different backgrounds or have different marketing communication specialties, either within the organisation or from communication agencies, they are likely to have different perceptions of what constitutes integrated communication. Another implication of this is that managers have different perceptions of the roles various employees should play in integrated communication implementation.

For this reason, is it not surprising to find that there are a number of notions about how best to accomplish the implementation of integrated communication. According to Duncan and Everett (1993:30-39), the 1991 study among marketing managers found a variety of opinions about how integrated communication should be achieved. Among the managers who said they were familiar with the term "integrated communication", about 60% seemed to look at the responsibility of integrated communication planning in roughly the same way: Thirty-five per cent felt they would collectively set communication strategies with all the appropriate agencies, and then specific assignments would be executed by the best qualified agency. Another 25% felt they alone were responsible for setting the integrated communication strategy, but would then make specific assignments to appropriate agencies and expect them to coordinate the execution (Duncan & Everett, 1993:30-39).

Percy (1997:178) argues that while the communication professional must take the lead in integrated communication planning, strategy should be worked out among all relevant parties, who then execute creative work guided by the common creative brief(s), coordinated through the communication professional.

According to Duncan and Everett (1993:30-39) among the remaining managers in the previously mentioned study, 25% felt that they would work with one agency to execute everything (the notion of full-service agencies or “one-stop shopping” encouraged by some advertising agencies); and 7% felt they would set the communication strategy and then have it executed by the individual agency most appropriate for each task. However, different perceptions of integrated communication will mediate effective implementation, but more disconcerting is the natural resistance to change that the idea of integrated communication is likely to trigger, making it difficult to implement despite general acceptance of the benefits. Resistance to change as barriers, and politics and power as emotional barriers are discussed in the following section as part of the barrier that manager’s perceptions hold of integrated communication.

5.6.2.1 Resistance to change

Percy (1997:178) states that the most serious concern is a fear that the manager responsible for integrated communication will not fully appreciate someone else’s area of expertise. This is a problem that is especially compounded when advertising takes the lead, because of long-held feelings that advertising managers simply do not understand or even consider other means of marketing communication (which is too often the case). This is aggravated by the short-term tactical experience, for example, of those working in promotion versus the more long-term thinking of advertising managers. If employees feel the integrated communication manager does not fully appreciate their worth, they are certain to worry about where their specialties fit in, in departmental budgeting, and fear

their jobs become less important or even redundant. Such feelings easily cause resistance to the implementation of integrated communication (Percy, 1997:178).

The disciplines in an organisation must overcome their fear of conceding control to a single planning system. Group performance measures help to change current power structures in the organisation, because team members are representative of the entire organisation, and when performance is measured at a group level, team members are likely to be concerned with the performance of the whole group. A significant tenet in measuring performance is “that what is measured is what will be delivered”. Thus, the performance measurement system should be in line with the required performance of the employee. This, in return, relates back to the need for cross-functional teams and cross-functional planning (Duncan & Moriarty, 1997:181; Duncan, 2001:9-10) in the organisation.

5.6.2.2 Politics and power

Another way of looking at some of these issues of resistance to change is in terms of both intra-organisational and inter-organisational politics. According to Prensky, *et al.* (1996:168), it does not matter if the motivation is individual self-interest or an actual belief in the superiority of one’s way of doing things, the result is the same. Employees, departments and organisations want power and the rewards that go with it. Too often managers and their staff believe they will be giving up too much if they implement effective integrated communication. Compensation is only one aspect of this problem. There are feelings of prestige and position that have in many cases been hard-won, that the combining of responsibilities required by integrated communication seem to threaten. In the light of the fact that this barrier is based on the emotional connection of communication practitioners to hard-won ground, this can be regarded as one of the most difficult barriers to overcome, which will in turn have a long-term effect on the acceptance of integrated communication.

5.6.3 Compensational barriers

The third barrier to integrated communication implementation identified, is compensational barriers in the organisation. Compensation issues are less of a direct problem within an organisation than within agencies, but even this is still a problem. As remuneration systems are specifically changing in agencies, compensational barriers are becoming more prominent. All the previously discussed barriers also lead to worries about salaries and promotion, and consequently dampen enthusiasm for integrated communication.

The real concern over compensation, according to Percy (1997:179), lies with those agencies that serve the communication needs of the marketer. This has certainly proved to be a stumbling-block for many large advertising agencies that have tried to offer their clients a full range of communication services. Group managers at these agencies are traditionally rewarded based on their total billings and income.

Somehow these managers must be compensated without regard for how much is spent on their particular specialty, but in terms of the overall business. Without such a scheme, effective integrated communication is impossible because those in charge of a particular type of communication will be more concerned with “selling” their specialty, not with how their specialty will best contribute to an overall integrated communication approach.

5.6.4 Marketing trends as barriers

The fourth barrier to integrated communication implementation is that of some trends in marketing. A major trend in marketing has been niche marketing and micro-marketing (Duncan, 2001:23). These two types of marketing are increasingly popular ways of addressing complex or diverse markets. However, too many marketers believe that each segment requires individual and distinct

communication programmes. If a single brand is involved, an integrated communication programme is most effective. The executions need not be identical, but the overall look and feel should be similar. This refers to the idea of synergy.

Percy (1997:181) states that multiple positions or images have a negative impact on a brand. Similarly, they have a negative impact to change images related to the brand too frequently. Images and messages should evolve, not change radically. This can be a danger with micro-marketing and the flexibility of direct marketing. Duncan (2001:23) agrees with this notion and argues that when an organisation is not integrated internally, it is difficult, if not impossible, for the brand to be integrated externally in the minds of the customer. When a brand is not integrated, it becomes apparent to the customers. Customers may say that the brand does not interrelate. Percy (1997:181) further states that it is important to guard against ignoring the disciplines associated with integrated communication, because the organisation is focusing narrowly on a particular group or market segment. Therefore, the organisation has to work from one of the principles of integrated communication: all the marketing communication functions have an equal opportunity to be used in integrated communication (Duncan, 1997).

The last three barriers of the seven common barriers to integrated communication implementation to be discussed are a) organisations think that they are already integrated, b) short-term planning and c) lack of core capability in communication.

5.6.5 Organisations think they are already integrated

When the subject of integration is mentioned, the primary reaction of employees is often that they are already integrated (Schultz, 1993b:16 and Percy, 1997:180). For example, some employees responsible for public relations in an

organisation, at the very least, consult with the human resources personnel in the organisation before releasing a new campaign. In this regard, Duncan and Moriarty (1997:29) state that beyond such limited interaction (and often only when it is considered necessary), there is often no, or very limited, communication regarding the overall communication objectives of an organisation.

5.6.6 Short-term planning

A further barrier to the implementation of integrated communication is to have a short-term planning focus (Percy, 1997:178). One of the effects of integrated communication is to have an effect on customer behaviour over time. Short-term planning focuses on the idea that new customer acquisitions weaken an organisation's ability to build a loyal customer base (Schultz, 1993b:16). It is therefore essential for an organisation to have a long-term strategic planning approach for integrated communication, in order to align communication objectives with who the organisation is and where it is headed.

5.6.7 Lack of a core capability in communication

Duncan and Moriarty (1997:29) propose that another barrier to integrated marketing communication in organisations is the lack of core capability in communication among those responsible for managing communication. This lack of communication proficiency in the organisation results further in disagreement on the marketing and marketing communication objectives of the organisation. In return, this then also leads to a misapprehension or lack of understanding among this department of the relative and changing significance of customers and stakeholders (Duncan & Everett, 1993:32). Therefore, the organisational communicator should, undoubtedly, have a comprehension and knowledge of the core organisational competencies in order to align communication objectives with those of the organisation as a whole.

Gonring (1994:49) contends that although these barriers to integration are a major challenge to the organisation, they can also provide the opportunity for communication to gain a standing in the organisation. This integrated approach will result in higher revenues, due to a more focused communication strategy as well as limited expenditure on communication, given the synergies resulting from an integrated approach. The revenue generation influence is positive on the top line of the organisation's income statement, while the combined effect of increased revenue and lower expenditure contributes to an improved end result.

5.7 CONCLUSION

The effect of the integrated communication for the organisation is a drive towards centralised planning, implementation and budgeting, in all its communication functions. Integrated communication creates true accountability by maximising resources and linking communication activities directly to organisational goals, therefore part of the business management of the organisation, thereby positively affecting the organisation's income statement through increased effectiveness.

Issues surrounding the controversial implementation of integrated communication were the focal point of this chapter. However, a basic understanding of the concept of integrated communication and the development of the concept as discussed in Chapter 3 must first be recognised by employees. The various barriers related to the implementation of integrated communication as well as possible solutions to these problems were discussed.

Only when these barriers are realised and active attention is paid to these problems to implementing integrated communication can the communication professional move towards the actual implementation of the concept and advance marketing management and communication management to the level of business management. In the South African context, these barriers, although mostly global barriers, are similarly applicable. However, in this context, where

organisations in other countries can adapt and apply the existing models (as discussed in Chapter 4), the South African context has specific needs and challenges. The existing models can therefore not merely be adapted to suit the South African context. It is therefore imperative that an implementation model, learning from the existing models, and based on the barriers to implementation and the unique context of the environment, is developed for the South African context.

The literature review conducted in Chapters 2, 3, 4 and 5 (phase 1 of this study) together with the empirical findings are used to develop an integrated communication implementation model for the South African context. Chapters 2 – 5 therefore addressed the secondary research objectives 1 – 4 of the study. These objectives were: Firstly, to determine theoretically the relation between strategic communication and integrated communication in the implementation of strategic integrated communication; secondly, to clarify theoretically the perceptible current universal challenging issues in the implementation of integrated communication; thirdly, to illustrate the existing global approach to integrated communication implementation, from a theoretical viewpoint; and fourthly, to study existing models of integrated communication implementation so as to produce a conceptual implementation model for the management of strategic integrated communication for the South African business landscape.

The next chapter focuses on the meta-theory of phase 2 of the current study, where in-depth interviews were conducted to empirically establish the current state of integrated communication among advertising and communication agencies in South Africa.