Strategic Communications and Marketing: Understanding Institutions and Roles
The Era of Choice

- Dominant factor affecting strategic communicators: Choice
  - More consumer options
  - More media options

- Different forces drive this trend
  - Changes in Demographics and Lifestyles
  - Technological Development
Big Changes

- Changes in Household Composition
- Growth of Ethnic Populations
- “Graying” of America
- Shifts in Women in the Workforce
- Polarization into Rich and Poor
Changing Household Composition

Household Composition
People Ages 18 and Older

Living With Spouse & Children
Living With Spouse, No Children
Living Alone
Living With Children, No Spouse

NOTE: People in group quarters, other family households and non-family households not shown.

SOURCE: Pew Research Center calculations of Decennial Census and American Community Survey data.
Distribution of U.S. Population by Race/Ethnicity, 2010 and 2050

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>2010</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>White, Non-Hispanic</td>
<td>64.7%</td>
<td>46.3%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>16.0%</td>
<td>30.2%</td>
</tr>
<tr>
<td>African-American, Non-Hispanic</td>
<td>12.2%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Asian</td>
<td>4.5%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Native Hawaiian and Pacific Islander</td>
<td>0.1%</td>
<td>3.0%</td>
</tr>
<tr>
<td>American Indian/Alaska Native</td>
<td>15%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>0.1%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

Total = 310.2 million

Total = 439.0 million

NOTES: All racial groups non-Hispanic. Data do not include residents of Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Mariana Islands. Totals may not add to 100%.

Aging of the Baby Boomers

1900

1970

2000

2030

Baby-boom generation, born between 1946 and 1964
Income Polarization

- Wealth among a few is increasing
- Middle class shrinking and many remain poor
  - Wealth concentrated among top 10%

**Average Household Income**
before taxes

- top 1%
- top 20%
- second 20%
- third 20%
- fourth 20%
- bottom 20%

**Change in Share of Income**
vs. 1979, after taxes
Women’s Family Structure at Age 35

Americans are...
- More Diverse
  - In Their Family Structure
  - Ethnically and Racially
  - In terms of Income and Age
  - With more Working Women

There is no “mass market” anymore
- Makes strategic communication more complex and challenging
Options for Demassified Audience

- More options are giving Viewers/listeners more control over what/when/where they watch/listen to
  - Podcasts
  - DVR
  - VOD
  - Laptops
  - Smartphones
Driven by Broadband Internet

high-speed broadband connection, over time. As of May 2013, 70% of adults have home broadband.

Source: Pew Internet & American Life Project Surveys, March 2000-May 2013. Question wording has
How Consumers Accumulated Screen Time
Average Daily Minutes, Core Sample, N=752 observed days, Spring and Fall 2008
All participants, including non-users of various media, including concurrent media exposure

By age group:
- 65+
  - 421 minutes
  - Total: 8hrs 18mins
- 55-64
  - 346 minutes
  - Total: 8hrs 32mins
- 45-54
  - 336 minutes
  - Total: 9hrs 34mins
- 35-44
  - 230 minutes
  - Total: 8hrs 33mins
- 25-34
  - 256 minutes
  - Total: 8hrs 31mins
- 18-24
  - 210 minutes
  - Total: 8hrs 30mins

1st screen:
- Live TV: 309min
- Playback via DVR: 15min
- DVD or VCR: 23min
- Console games: 7min
- Total 1st screen: 363min

2nd screen:
- Web: 49min
- Email: 37min
- IM: 8min
- Software: 46min
- Computer video: 2min
- Total 2nd screen: 143min

3rd screen:
- Mobile talk: 17min
- Mobile text: 2min
- Mobile other (e.g., camera, etc.): 0.5min
- Mobile web: 1min
- Total 3rd screen: 20min

4th screen:
- Environmental/Other video 4min
- In-Cinema movie 2min
- GPS navigation: 2min
- Total 4th screen: 8min
And so...

- Choice Creates Challenges
- Diminished Effectiveness
  - Hard to Find Consumers
  - Hard to Get Noticed
  - Hard to Hold Attention
  - Hard to Encourage Response
Response...

- Strategic communicators need to become less reliant on traditional marketing tactics and pursue a new generation of tools/techniques.
- Traditional marketing is not going away.
- Must be complemented by emerging strategic communication techniques.
Integrated Marketing Communications

- Need to coordinate strategic communications approaches
  - Advertising, Public Relations, Promotions, Direct Response, Interactive, and more
  - Mutual reinforcement of core themes
  - Creates synergy and memorability
Segmentation and Targeting

- Need to define multiple audiences
- Defined by usage, lifestyle, behavior
- Speak to targets based on their individual needs and wants
Positioning and Branding

- Strategies must Build visibility, trust, and loyalty through the creation and reinforcement of a clear identity

- Differentiates your brand from competitors with messages that are relevant, original and impactful = ROI
Relationship Marketing

- Develop a long-term interactive communication process between a defined segment and the brand
- Use a full array of communication messages and channels to build ties
- Digital, social, and mobile media are key to building relationships
Big Data for Digital

- Technology allows narrowcasting and micro-marketing to individuals
- Grounded in synthesis of purchasing and media consumption behaviors
  - Detailed data on individual consumers
- All the opportunities of the Internet
  - Google, Amazon, Yahoo!
Pull Together into a Communication Plan

- Right strategy
- Right messages
- Right audiences
- Right media outlets
- Right events
- Right promotions
Stages of Planning

- **Situation Analysis** - Understand market, competition, brand, and consumers to define problems & opportunities.

- **Campaign Strategy** - Utilize research to determine target, desired position, and branding strategies.

- **Creative Plan** - Build message elements off of the creative brief that distills core messaging elements.

- **Media Plan** - Select media apertures, channels, and vehicles to secure optimal message placement.

- **Public Relations and Promotions Plan** - Manage stakeholder opinions, media relations, and value-added.