

Communication Codes of Intellectual Support for Management Decisions

V P Meshalkin¹, V M Kiselev², S V Savinkov^{1,2}, T P Danko², V R Meshkov²

¹Mendeleev University of Chemical Technology of Russia, Miusskaya sq., 9, Moscow, 125047, Russia

²Plekhanov Russian University of Economics, Stremyanny lane, 36, Moscow, 117997, Russia

E-mail: vpmeshalkin@mail.ru, kisselev.vm@mail.ru, savinkov.sv@gmail.com, tpdanko@gmail.com, meshkov_vr@mail.ru

Abstract. Modern marketing is based on the concept of integrated marketing communication as the only way for brands to communicate with consumers. This type of communications has a number of serious advantages besides classic marketing approach due to synergy-effect of each component although it is still have a number of issues. The authors of this article combines theoretical basis of modern marketing communication approach in order to develop special communication codes of intellectual support for management decision making.

1. Introduction

The concept of the integrated marketing communications is standard among marketing experts. Scientists: D. Schultz, S. Tannenbaum, R. Lauterborn F.J. Kitchen define it as "... a new way of understanding the whole, made of separate parts as advertising, public relations, sales promotion, management of relationship with clients, personnel and contact audiences ...". J. Burnett and S. Moriarty, in their turn, define an essence of a complex of the integrated marketing communications: "... the concept unites all instruments of marketing communications in it – from advertising to packing, intended for formation of the appeals, sent by the company for allocation of the goods". Such information materials for support of decision-making process do not require special training in production and for this reason they are produced unprofessionally, at the level of intuition of employees who do not have scientific competencies. That is why such tools (infographics) have become generally accepted in practice. Practitioners of systems engineering develop these materials based primarily on the rules of graphic design and corporate identity of organizations.

The cause of the theory of the integrated marketing communications consists in the tendencies of efficiency's falling of the marketing communications making a complex, which were outlined in the end of the 20th century. This falling is noted by practices of marketing communications of many countries and reflects changes in society: growth of a role of IT, mass character of impact on society of mass media, increase of experience in consumption of goods of clients, growth of cost of communications.

In response to the outlined tendencies, there was also a theory of the integrated marketing communications assuming that advantages of each of separate elements of that complex of marketing communications would compensate shortcomings of other elements. Besides, all elements of the

complex of the integrated marketing communications are combined so that there was a synergy enhancing effect of communication influence. According to modern researches, the synergetic effect of marketing communications is a timely alternative of the falling of effectiveness and economic efficiency of marketing communications, which began at the end of the 20th century, proceeding in the current global marketing situation.

Therefore, the integrated marketing communications have the general purpose achievement of synergy between its separate components and generation of bigger efficiency, than in realization of strategy of consecutive application of each of them separately.

Achievement of this specified purpose, depends on how full communication potential is used - set of means of communication influence and set of the tools used during the developing and realization of these means. The provided formulation of communication potential needs specification because of plurality of opportunities of communications of the company with target audience.

2. Integrated communication approach

The synergetic effect can be reached only if one and all elements of this plurality are adequate to the purposes of communications. The given specification will allow companies to avoid serious mistakes in practical communication activities. This is because the elements of the integrated marketing communications, included in a complex without assessment of their adequacy to the communication purposes, can, on the one hand, significantly reduce total effect of communication, and monotony of perception of this communication by recipients, on the other.

The last phenomenon can be explained with the known psychophysical law of Weber (Fechner) which defines dependence of mentality of the client on the physical quantity of external incentives. At the same time for growth of a client response in an arithmetic progression, it is necessary to provide differentiation physical (and emotional) incentives in a logarithmic progression. Therefore, the most important part of marketing at company is assessment of efficiency of the integrated marketing communications and separate components, optimization of their combination on structure and application conditions.

At assessment of efficiency of communications, J. Lancaster and L. Messinem recommend to answer the following questions:

- To what consumer group marketing communications are directed?
- What information do consumer groups have to obtain?
- What objectives have to be achieved by means of communications?
- What is the price of means of achievement of these objectives?
- How shares in financing of the budget of these communications are distributed between participants of communications and in responsibility for achievement of the goals?
 - How to control achievement of the goals of marketing communications?
 - What criteria demonstrate efficiency of communications?

For increase in accuracy of measurement of efficiency of marketing communications, it is necessary to add the list of questions without which assessment of efficiency of communications will be not rather exact:

- Who is a communicator? What is his purpose?
- How data-based and decisively the contents of the address for target audience are? Whether correctly it identifies its sense?
 - Whether address transmission media meet expectations of target audience and places of reception of marketing communications? Are these channels optimum from the point of view of efficiency of achievement of the goals of communications?
 - Whether the target audience reacts to communications correctly?
 - Whether there is an interrelation between the cost of the budget of marketing communications and achievement of their purposes?

The concept of the integrated marketing communications (IMC), i.e. sharing of advertising, Public Relations, sales promotion, direct sale, communications in client zones, etc. with other elements of a complex of marketing – is one of the most considerable marketing achievements of the 90th years of the last century. After the huge weakening of efficiency of the components of a complex of marketing most of theorists and practitioners of marketing arrived at "an idea that each instrument of marketing communications has certain advantages on an equal basis with shortcomings, each tool has a certain mission in respect of achievement of goals of allocation of goods therefore the most effective option of allocation will be the integrated marketing communication (IMC)".

In the past communication elements were often considered as separate kinds of activity while the marketing philosophy now considers that integration is absolutely necessary for achievement of success as it is well formulated in the following quote of S. Plavucas: "The marketing specialist who is successfully working in modern conditions is the one who coordinates a communication complex". Integrated marketing communication allows coordinating and strengthening separate instruments of communication for achievement of the maximum influence.

Integration of the communications (IMC) used in marketing is defined as "a new way of understanding the whole which seems made of such separate parts as advertising, public relations, sales promotion, logistics, the organization of relationship with employees, etc." by world famous experts in the field of marketing D. Schultz, S. Tannenbaum and R. Lauterborn. Eventually, all efforts on integration of all subjects and objects participating in process of interaction and exchange of information reconstruct separate marketing communications for this purpose "to see it in the way the consumer can see it – as a flow of information from a uniform source".

Classification of IMK made by P. Smith, K. Berri and A. Pulford, which can be taken as a basis, includes: personal selling's, allocation of sales (sales promotion, advertising, direct marketing, sponsorship, exhibitions, the corporate style, packing, advertising in a point of sale, verbal messages (word of mouth), the Internet and new media.

According to the opinion of the doctor of sociological sciences, F.I. Sharkov, the integrated marketing communications are "interaction of forms of communications at which each of them has to be integrated with other instruments of marketing and is supported by them for achievement of maximum efficiency".

Other words, the purpose for combination of various instruments of marketing communications is obtaining effect of synergy. Synergism – the term which became recently popular in relation to a complex of marketing communications means effect of interaction of various instruments of the communications arising at their sharing. The effect of synergy arises due to combination of the advantages inherent in each instrument of marketing communications separately.

For example, a lack of advertising is absence in immediate purchase for target client audience. The companies can successfully compensate this issue by tools of other components of the above-stated complex, such as direct marketing, personal selling's, POSM for stimulation in client zones. Shortcomings of three specified communications – short duration of application and lack of orientation on establishment of the long-term confidential relations with target audience are successfully compensated by instruments of advertising.

3. Integrated marketing communication environment

According to the researches nowadays we can notice a transformation and interpenetration of communication channels: verbal and non-verbal, rational and irrational what can be also named "neuro-marketing". So, it is expedient to classify the concept "integrated marketing communication environment (IMCE)" – a form of realization of multichannel, multidirectional system of the integrated marketing communications. Moreover, all this forms make the set of the elements, which are in the relations and communications with each other forming a certain integrity and unity, set of conditions in which activity of participants of marketing communication proceeds; people around, a situation and set of the interconnected or interacting elements connected by community of these conditions.

IMCE unites not only all types of marketing communications (advertising, public relations, direct marketing, sales promotion, brand – communications, etc.), and instruments of marketing communications (tools of corporate image, formation of an image of the politician, the system of addresses and drawing up slogans, advertising, packings, etc.), but also all subjects of communication. It not only interaction of forms of a complex of communications at which each of them is integrated with other instruments of marketing and is supported by them for achievement of maximum efficiency but also interaction of producers, sellers, clients, which can act both as senders and as recipients of marketing communications, and messages accept multidirectional character (show internal and external properties). All this will lead to increase in value of goods increase in efficiency of communication in general.

The theorist of IMC D. Schultz offered IMC as unidirectional, but which is carried out in the different ways. Information in the course of implementation of communication is transformed, adapts due to expansion of knowledge and shift in information technologies, which are available to all participants of communication. Based on the newest researches of psychology, there is an opportunity to allocate multi-touch communication channels that the tendency of strengthening of influence due to complex influence on all channels of perception confirms: sound, light, flavoring, tactile feelings.

Thus, concept IMCE – includes all this types of communications, participants of communication process, means, methods, external and internal conditions and also multidirectional communications between them.

The integrated marketing communication in client zones of goods (IMCMP) will be a special case of IMCE. Feature of realization of IMCMP is the limitation of application by a framework of the enterprises of home shopping service and service trade. These are not communications any more as there was earlier "one to many" or "one to one" as D. Schultz writes. These are multidirectional communications "many to many".

One more major line of IMCMP is cooperation in the course of their realization of two main types of communicators at once – the producer and directly the owner of the retail enterprise. Especially it is characteristic of producers of goods of national and international brands. The relevance of similar cooperation is explained by coincidence of interests of these participants of market process in achievement of a main objective of IMCMP – sales promotion of the goods realized at retail. Target audience of IMCMP is the set of the individual clients buying goods for own needs.

4. Acknowledgments

The reported study was funded by RFBR according to the research project № 18-07-00275. 2018.

References

- [1] Kiselev V M, Fedyunin D V, Kutyorkina L V 2017 *M. : Brand communication: a textbook: in 2 books Book 1* Plekhanov Russian University of Economics 244 ISBN 978-5-7307-1209-6. 26
- [2] Kiselev V M, Fedyunin D V, Kutyorkina L V M 2017 *Brand communication: a textbook: in 2 books Book 2* Plekhanov Russian University of Economics 352 ISBN 978-5-7307-1210-2 27
- [3] Darwin C 2014 *The Expression of the Emotions in Man and Animals Philosophical Library/Open Road*
- [4] Dimbleby R, Burton G 2007 *More than words: an introduction to communication Routledge 4 ed.*
- [5] Dravnieks A, Masurat T, Land R 1984 *Hedonics of odors & Odors Descriptions Journal of the Air Pollution Control Assotiation* **34** 752–755
- [6] Fan W, Lin Y C, Parimoo S 1995 *Olfactory receptor like genes are located in the human major histocompatibility complex Genomics* **27** 119–123
- [7] Gibbons B 1986 *The intimate Sense of Smell National Geographic Magazine* **170** 324–361
- [8] Glasser W, Choice M D *Theory: A New Psychology of Personal Freedom Harper Collins Publishers*
- [9] Harpars R, Bata–Smith E C, Land D G 1968 *Odors Discription & Odor Classification London:*

- Churchill* 788
- [10] Hildebrand J G, Shepherd G M 1997 Mechanisms of olfactory discrimination *Annu Rev Neurosa* **20** 595–63
- [11] Howard J A, Sheth J N 1969 *A Theory of Buyer Behavior* Wiley
- [12] Kiselev V, Plushcheva L, Savinkov S, Loshkov B, Samoilenko I 2017 Valuation of emotion in business communications In: Legal protection, economics and management of intellectual property Collection of scientific papers *Application to the magazine Economics Business. Banks* **7** 60-73
- [13] Kiselev V M, Kiseleva T F 2019 Multisensory properties of goods as the basis of their identification and positioning Interdisciplinary research: Monograph *M.: RuSains* 258 2nd ed. ISBN: 978-5-4365-3247-9
- [14] Kiselev V M, Korkacheva O V, Savinkov S V, Ivanov A V, Fedorova A V 2015 Convergent branding concept for corporate behavioral design **5(83)** 119-131
- [15] Kiselev V M, Plushcheva L V 2017 Infogramms by means of olfactory communication *Economy. Business. Banks* **1** 91-100
- [16] Kiselev V M, Plyusheva L V, Syaglova Yu V 2010 Methodical apparatus of marketing communications in client areas, olfactory communication *Scientific monograph* Kemerovo: Kemerovo Institute (branch) of the State Educational Institution of Higher Professional Education RGTEU 188
- [17] Kiselev V M, Plyusheva L V, Syaglova Yu V 2017 Multi-touch marketing communications. Info and identity design: monograph *RUSINS* (Moscow) 236
- [18] Kiselev V M, Pramanova T N, Kazantsev A A 2007 Visual merchandising: the theory and practice of visual communications in distribution channels Training allowance 2nd ed. (Kemerovo) 268
- [19] Kiselev V M, Savinkov S V, Ivanov A V, Fedorov A V, Terentyev V A, Sokolov M D 2016 Evaluation of the effectiveness and competitive advantages of graphic solutions for visual communications In: Bulletin of the Plekhanov Russian University of Economics **3(87)** 106-113
- [20] Kiselev V M, Savinkov S V, Gudkova E G, Ivanov A V, Fedorova A V 2015 Plekhanov's brand book: a modern arsenal of branding technologies In: XIX International Scientific and Practical Conference of the heads of the departments of marketing, advertising and public relations, design and related areas Collection of materials *M. MosGU* 164-176
- [21] Kiselev V M, Savinkov S V, Kozlov V N, Ivanov A V, Fedorova A V 2016 Scientometric approach to the assessment of graphic solutions of visual communications in corporate branding In: XX International Scientific and Practical Conference of the Heads of the Departments of Marketing, Advertising and Public Relations, Design and Related Areas Collection of materials *M. RANPA* 323-329
- [22] Kiselev V M, Savinkov S V, Terentyev V A, Meshalkin V P 2019 Cognitive Communications: Information Support of Management Decisions *Advances in Economics, Business and Management Research* vol 79 281-284 International Scientific Conference "Far East Con" (ISCFEC 2019) *Pub. Atlantis Press* ISBN 978-94-6252-715-7 ISSN 2352-5428 DOI: doi.org/10.2991/iscfec-19.2019.79. <https://download.atlantis-press.com/article/125906409.pdf>
- [23] Kiselev V M, Syaglova Y V, Pljushcheva L V 2014 The effect of the taste sensations upon the perceived consumer value of a consumer, non-food related trade offer *Life Science Journal* **11(12)** 230-233
- [24] Kiselev V M, Syaglova Yu V, Plyusheva L V 2017 Multi-touch marketing communications Info and identity design: Monograph *M.: RuSains* 236 ISBN 978-5-4365-1486-4
- [25] Kiselev V M, Syaglova Yu V 2016 Transformation of marketing paradigms (cyclical dynamic model) *The deposited manuscript of the Russian Copyright Society* **23672**
- [26] Kiselev V M, Savinkov S V 2016 Visual properties of goods as effective converged communications *Ekonomika. Biznes. Banki* vol 8 208-220
- [27] Kiselev V M, Savinkov S V, Syaglova Y V 2017 Visual support of management decisions by

- means of infogramming *Ekonomika. Biznes. Banki* vol 1 121-136
- [28] Kleinginna P R, Kleinginna A M 1981 A categorized list of emotion definition, with suggestions for a consensual definition *Motivation and Emotion* **5** 345–379
- [29] Lancet D, Ben-Arier N 1993 Olfactory receptors *Curr Bid.* **20** 668–674
- [30] Langer S K 2011 *An Introduction to Symbolic Logic*. Dover Publications 3rd Ed.
- [31] Lewis D 2013 *The Brain Sell: How the new mind sciences and the persuasion industry are reading our thoughts, influencing our emotions, and stimulating us to shop* *Nicholas Brealey* 306
- [32] Lindstrom M, Underhill P 2010 *Buyology: Truth and Lies About Why We Buy* *Crown Business; Reprint ed.*
- [33] Morgan T 2016 *Visual Merchandising: Windows and in-store displays for retail* *Laurence King Publishing* 224
- [34] Morin C, Renvoise P 2018 *The Persuasion Code: How Neuromarketing Can Help You Persuade Anyone Anywhere, Anytime*. *Wiley 1 ed.*
- [35] Nash J, Kuhn H W, Nasar S 2001 *The Essential John Nash* *Princeton University Press: 1st ed.*
- [36] Packard V 2007 *The hidden persuaders* *Ig Publishing Reissue* Ed 240
- [37] Pegler M 1998 *Visual Merchandising & Display* *Fairchild Books & Visuals* 368
- [38] Peters T 2010 *The Pursuit of Wow! Every Person's Guide to Topsy-Turvy Times* *Vintage* 370
- [39] Pine II B J, Gilmore J H 2011 *The Experience Economy Updated Edition*. *Harvard Business Review Press* 400
- [40] Renvoise P 2007 *Neuromarketing: Understanding the Buy Buttons in Your Customer's Brain* *Thomas Nelson Publishers: Edinburgh (UK)* 216
- [41] Roland B, Howard R 1983 *Empire of Signs* Hill and Wang
- [42] Sampson E 1996 *The Image Factor A Guide to Effective Self-presentation to Enhance Career Development* *Kogan Page*
- [43] Schleidt M, Neuman P, Morishita H 1998 *Pleasure & Disgust: Memories & Associations of Pleasant & Unpleasant Odors in Germany & Japan* *Chemical Senses* **13** 279–293
- [44] Sharkov F I, Alekseev A N, Kiselev V M, Potapchuk V A 2016 *Design as communication* *Communicology* **4** 3 177-187
- [45] Sheth J N, Mittal B 2003 *Customer Behavior: A Managerial Perspective* *South-Western College Pub 2 ed.*
- [46] Stevenson R J, Prescott S, Boakes R A 2000 *Confusing Tastes & Smells*. *Chem. Senses* **24** 627–635
- [47] Syaglova Yu V 2017 *The impact of the change of the paradigm stage of marketing on the methodology of global entrepreneurship in the sphere of commodity production* *Marketing in Russia and abroad* **1** 93-99
- [48] Syaglova Yu V 2005 *Visual merchandising in the system of marketing communications: Ref. Thesis for the degree of Candidate Sciences (Moscow)* 17
- [49] Thaler R H, Sunstein C R 2008 *Nudge: Improving Decisions About Health, Wealth, and Happiness* *Yale University Press*
- [50] 2002 *The sixth sense of retail* Jos De Vries–Looka Book 121
- [51] Trayndl A 2016 *Neyromarketing. Vizualizatsiya emotsiy* *Alpina Pablisherz* 114
- [52] Worth S 1981 *Studying Visual* *University of Pennsylvania Press*
- [53] Zaltman G 2003 *How Customers Think: Essential Insights into the Mind of the Market* 1st ed. *Harvard Business School Press*
- [54] Zaltman G 2018 *UNLOCKED: Keys to Improve Your Thinking* *Independently Published*