Consumer Behaviour and PR

Dr. Breda McCarthy
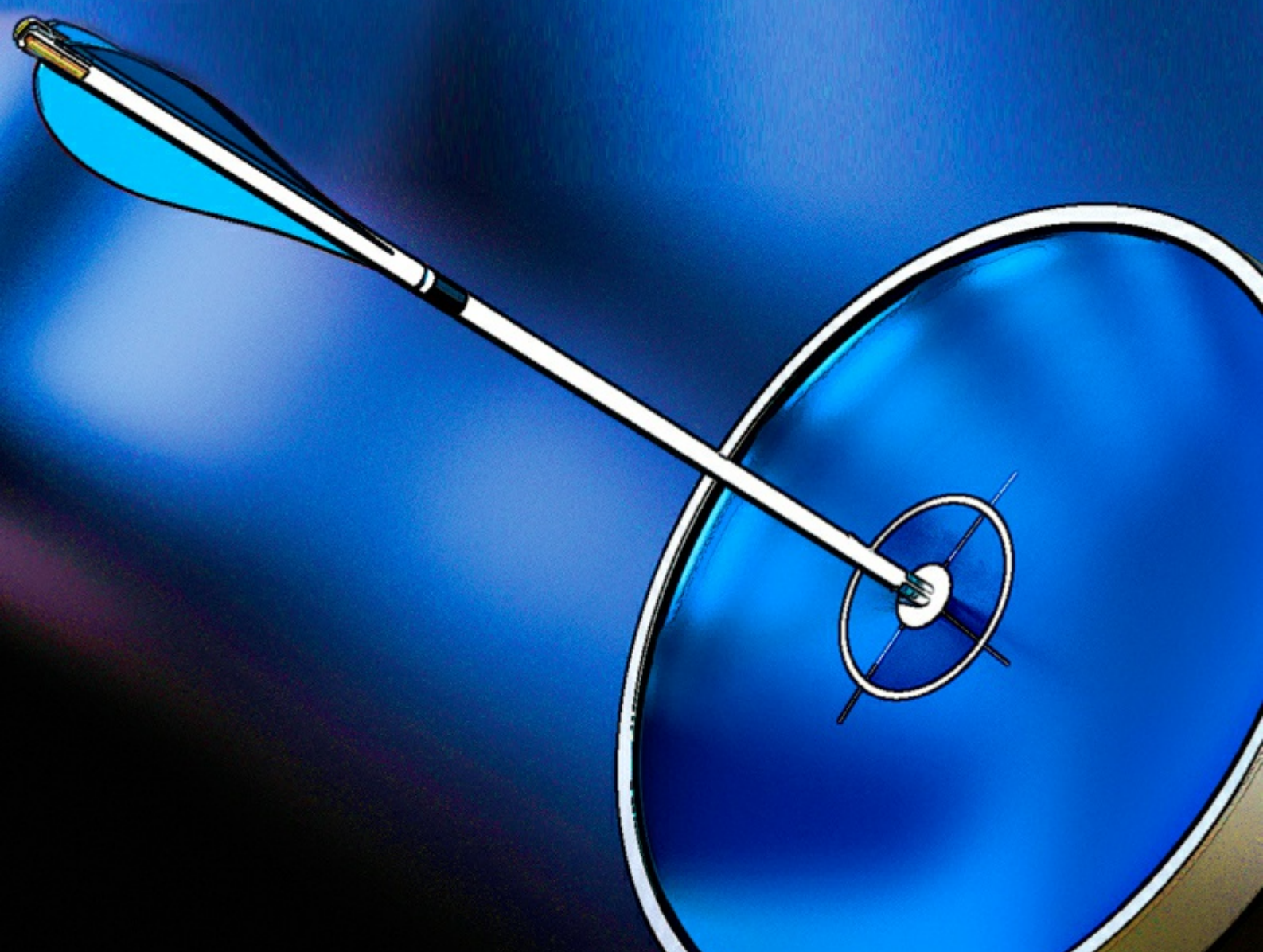
Dr. Breda McCarthy

Consumer Behaviour and PR

„Sincere thanks is given to Lynne Eagle, Professor of Marketing,
James Cook University, for acting as a reviewer".

Contents

Part 1: Consumer behaviour

Learning objectives

After reading this chapter, you should be able to:

- Explain the consumer decision making process and evaluate its implications for marketers and marketing communications
- Examine three models that demonstrate how individuals evaluate alternatives
- Critically discuss trends in the marketing environment that are affecting consumer behaviour

1   Overview

Consumer behaviour is a discipline, in the social sciences, which deals with why consumers buy, or do not buy, products or services. Consumer behavior is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires (Solomon, Russell-Bennett and Previte, 2013). Why should managers, advertisers or other marketing professionals study consumer behavior? Very simply, understanding consumer behavior makes good business sense. The marketing concept asserts that organisations need to satisfy the needs of consumers if they are to survive and thrive in today's world. Marketers can only satisfy these needs to the extent that they understand the people, or organisations, that will use the products and services they sell.

The consumer decision-making process is examined in this chapter. All stages in the process are key to integrated marketing communications (IMC). Integrated Marketing Communications is defined by Ang (2014: p. 4) as follows:

> "IMC is defined as a research-based, audience-focused, result-driven, communication planning process that aims to execute a brand communication program over time so that thre is clairy and conistency in the positioning of the brand. This is achieved by coordinating different communication disciplines and integrating the creative content across different media. The ultimate aim is to achieve short-term financial gain and long-term brand equity".

For instance, an effective IMC campaign targets potential buyers involved in these processes and seeks to present a particular product or brand as a solution to the customer's problem. Persuasive marketing communications can lead the customer from problem recognition to purchase and good marketing can foster customer satisfaction and brand loyalty. Customer attitudes, values and cognition are examined in this chapter. A review of the trends present in the marketing environment is also provided.

The following case study highlights the importance of understanding consumer behaviour.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

2 Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

A simple buying decision is made every day by a large number of Australians and this decision is to buy cigarettes. Why do they do it? Some individuals would say that it simply reflects addictive behaviour. The claim that nicotine is more addictive than cocaine is a common one, but it is not valid. However, both are highly addicting drugs for which patterns of use and the development of dependence are strongly influenced by factors such as availability, price, social pressures, regulations and the characteristics of the drug itself (Henningfield, Cohen and Slade, 1991). Situational and social factors influence the behaviour of smokers, young and old. Smokers who want to give up often state that they wish they had never started; peer group influence in their teens had a strong impact on their decision to start smoking in the first place. Even mature adults find it difficult to stop smoking because they find themselves in social situations – at the backyard barbeques, coffee shops, restaurants, pubs and night clubs – that they associate with smoking. The ban on smoking in public places, which made it more inconvenient to smoke, did not break this association with smoking and socialising. In fact, it gave smokers a reason to talk to fellow smokers, chat up members of the opposite sex, and complain about the restrictions on personal freedom.

Understanding consumer behaviour is crucial to the success of anti-smoking campaigns. The National Tobacco Campaign in Australia aims to contribute to a reduction in the prevalence of adult daily smoking from 15.9 per cent to 10 per cent or less by 2018 (Australian Government, 2013). The campaign, which features television, radio, print, outdoor and online advertising, focuses on the negative consequences of smoking. As a result, smoking has lost some its 'coolness' and 'edginess'. In Australia, the _Tobacco Plain Packaging Act 2011_ and the _Tobacco Plain Packaging Regulations 2011_ are part of the federal government's efforts to reduce smoking rates (Department of Health and Aging, 2012). The legislation prohibits the use of logos, brand imagery and promotional text on tobacco products and packaging, and includes restrictions on colour, size, format and materials of packaging, as well as the appearance of brand and variant names. It is expected that the visceral images shown on the packaging and the use of fear appeals will resonate with smokers.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Numerous steps have been taken to reduce the marketing communications power of the cigarette industry. The World Health Organisation (WHO) Framework Convention on tobacco control banned advertising and promotion of tobacco products in all media. Most countries have bans on the advertising of tobacco products on the internet, on social media and in virtual stores. However, the industry remains one step ahead of the regulators. Researchers at the University of Sydney found that 'pro-smoking' smartphone apps are readily available. They defined 'pro-smoking' apps as those that provided information about brands of tobacco, where to buy tobacco products or images of tobacco brands or cigarettes. Some of the apps are designed to mimic cigarette smoking (BinDihm, Freeman and Trevena, 2012). For instance users can light up and smoke a virtual cigarette. Other apps depict a phone battery as a burning cigarette. If a brand logo is visible in these apps, then the brand owner faces hefty fines for breaching the law. It must be noted that Australian laws banning tobacco advertising on the internet only extend to those ads that originate in Australia, in other words ads which are published by an Australian organisation or an Australian citizen.

Promotion of smoking in new media is now emerging which traditionally has not been subjected to extensive monitoring by the government (Eagle et al., 2014). The anti-smoking lobby is concerned that these apps are deliberately targeted at teenagers as they are fun, highly visible and easily accessible. On smartphone app stores such as Apple and Android, hundreds of apps can be downloaded and delivered directly to mobile devices (Kellow, 2012). Furthermore, e-cigarettes, virtual images of cigarettes, ashtrays, embers and so on are likely to trigger cravings for tobacco. It is believed that the new frontier for tobacco advertising will be through mobile media, cyber-games, virtual reality and apps (Eagle et al., 2014). Mobile media represents a great opportunity to reach and engage young consumers. The government and the anti-smoking lobby need to understand what drives consumers to use certain branded mobile apps if they want to reduce smoking rates.

2.1   Consumer purchasing process

Finding ways to influence the consumer decision making process is vital for both marketers and specialists in the area of integrated marketing communications (IMC). These steps are as follows (Quester, Pettigrew, Kopanidis and Hill, 2014, p. 20):

- Problem recognition
- Information search
- Evaluation of alternatives
- Store choice and purchase
- Post-purchase activities

Each step of the decision-making process is important; however, two steps are directly related to integrated marketing communications (IMC) campaigns: (1) information search, and (2) the evaluation of alternatives.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

2.2   Problem recognition

The first step of the decision-making process occurs when the consumer notices a need or want. A gap exists between an individual's current state and desired state. The need or problem may be simple or complex and it can be influenced by numerous factors (Belch and Belch, 2012):

- Out-of-stock or routine depletion, where consumers use up their existing supply of products and it must be replenished;
- Dissatisfaction, where consumers become dissatisfied with the existing product or service provider;
- New needs, this may arise from changes in consumers' lives or a move to a new stage in the family life cycle. For instance, becoming a parent often results in demand for baby clothing, baby furniture and so forth. In some cases, the purchase of a product leads to the purchase of related products or accessories (i.e., purchase of an iPad and iPad cover). Research and development and the introduction of new products and services to the marketplace can also stimulate consumers' desires to buy something novel.
- Social norms and influence of other people, such as when a consumer visits a friend's apartment and sees his or her new digital television and feels the desire to buy one as well.

Successful entrepreneurs are adept at identifying unmet needs. Uber (https://www.uber.com) is an example of an entrepreneurial venture that uses a smart phone app to connect drivers with riders. An individual can request a car by using Uber's iPhone or Android app. Uber then sends the nearest driver to the customer's location to pick them up and Uber automatically charges the credit card for the taxi service. However, local government has accused Uber of side-stepping laws in relation to taxi licences and creating unfair competition for registered taxi-drivers (BBC News, 2014). The term 'mum entrepreneurs' is now in vogue and it refers to women who combine stay-at-home motherhood with business ventures; they are good at identifying the needs of pregnant women and new parents. The global reach of the internet means that targeting niche markets can be lucrative. For instance, organic baby skincare and organic cotton nappies are products aimed at a niche market.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Needs, as outlined in Maslow's (1954, p. 236) theory of motivation, can be placed in a hierarchy ranging from basic to advanced. People will not focus on higher level needs until their basic needs have been fulfilled. Human needs may be physical in nature such as the need for food and water; people have a basic need for security, such as the need to feel safe and free from harm. Needs may be psychological in nature, such as social needs (the need for friendship, love and a sense of belonging), the need for self-esteem (status, ego enhancement) and self-actualisation (self-fulfillment, realising one's full potential). Clearly, people need to feel valued, to feel like they matter. Maslow's theory of motivation is very relevant to marketers. A motivation is a desired end state, and as consumers, we behave in certain ways in order to achieve some desired end state. In modern society, at the subsistence or survival level, needs are generally well-met, and consumers do not need to focus on food, clean water, clothing and basic shelter. However, a new mother may be motivated to buy organic baby food in order to care for her newborn infant. At the level of safety, the focus may move to home security products and house and contents insurance. At the level of belonging, the human need for social recognition and being part of a social group may give rise to marketing opportunities, such as online dating apps, chat-lines, clubs and societies. Fair trade brands are increasingly visible in supermarkets. According to the International Fair Trade Organisation, fair trade is an alternative approach to conventional trade based on a partnership between producers and traders, businesses and consumers. Fairtrade's vision is a world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future (Fair Trade International, 2015). Fair Trade products appeal to our belonging needs since the purchas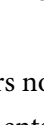e of the brand provides consumers with a sense of belonging to a global, more equitable society. At the level of esteem, the focus may be on cosmetics, fast cars, home improvements, furniture, fashion clothes, drinks, lifestyle products and services. Self-actualization is generally understood in non-material terms, and it refers to being all that one can be, realizing one's full potential; here the focus may be on products and services that promote self-improvement, including volunteer tourism, yoga retreats and tertiary education.

A basic tenet of marketing is to meet the needs of customers, thus analyzing the needs of customers and positioning the brand as a solution to a customer problem is the key to success. Product attributes and benefits need to be brought to the attention of consumers in this problem recognition stage. For example, the Australian clothing brand Bonds (http://www.bonds.com.au/) uses marketing communications which may act as a catalyst for an individual to buy new underwear. Their website regularly has price specials and uses attractive models to display the various types of underwear that suits different body shapes. A need can be triggered by a marketing communication. Advertising (along with other forms of marketing communication) helps consumers recognise when they have a problem and need to make a purchase that can help alleviate the problem, such as using light-weight camping utensils when going trekking. The dairy foods sector is adept at highlighting problems and positioned their products as 'solutions' to these problems. According to the Fonterra, New Zealand's global co-operatively owned company, eating three serves of calcium-rich dairy foods throughout life can help to maintain strong bones and may help to slow down the bone loss that occurs naturally with age (Fonterra, 2015). It must be noted that the medical evidence linking calcium intake with the prevention of osteoporosis is weak (Hegsted, 1994).

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Timely reminders can be used to alert consumers to the need to purchase certain products, for instance vitamins to prevent the catching of winter colds. In some cases, consumers have inactive problems or needs of which they are unaware. This can pose challenges for marketing communications. For instance, the need for health insurance isn't really seen as a problem by young adults.

In some cases, marketers attempt to encourage consumers not to be content with their current situation and try to create new needs and wants. Some advertisements play on consumers' fears and insecurities, such as the need to apply anti-wrinkle cream or use a deodorant that won't lead to unsightly sweat marks. This raises ethical issues and is one of the criticisms of marketing and its impact on society.
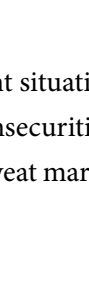
Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

Market research plays a key role in identifying consumer needs or problems associated with products. Market research can take various forms. Ethnography is defined as "the study of people and cultures" (Ang, 2014, p. 42). In practice, ethnographic research involves participant observation research; the researcher becomes immersed in the social milieu of the participants, observing how they live, work, shop and go about their daily lives (Ang, 2014). The type of research is designed to provide descriptive information along with the researcher's interpretations of what has been observed. Procter & Gamble developed the Swiffer home-cleaning solutions through ethnographic studies (Ohler, Samuel and McMurray, 2013)**,** after observing how consumers sweep and dust their homes. Traditionally the term ethnography referred to research by anthropologists who spent long periods of time living within a specific culture to learn more about the people. Today ethnographic studies have become a diverse field and are used successfully as a form of consumer research. Other forms of research such as surveys, interviews and focus groups can help reveal how consumers feel about the brand or product. Market research and marketing intelligence often reveals pertinent information that leads to product redesign and the satisfaction of consumers' needs.

2.3   Information search

Once a problem has been recognised, the consumer begins an internal search, mentally recalling products that might satisfy the need. Often, the individual remembers how the need was met in the past. If a particular brand was chosen and the experience was positive, the consumer repeats the purchase decision and the information search ends. When a previous purchase did not work out or if the consumer wishes to try something else, a more extensive internal search may result.

Internal search

During an internal search, the consumer thinks about all the alternatives that he or she is aware of and this this is known as the "awareness set" (Quester et al., 2014, p. 95). Making sure an organisation's brand becomes part of the consumer's evoked set, the set of potential purchase alternatives, is one objective of integrated marketing communications, because it increases the chance that the brand will be purchased. A product with a high level of brand awareness and brand equity will likely to be included in the consumer's evoked set.

External search

Following an internal search, the consumer makes a decision regarding an external search. When the consumer has sufficient internal information, he or she moves to the next step of the decision-making process: evaluating the alternatives. A consumer who remains uncertain about the right brand to purchase undertakes an external search. External information can be gathered from a variety of sources, including family and friends, relatives, experts, books, magazines, newspapers, advertisements (and other forms of integrated marketing communications), in-store displays, salespeople and the Internet.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Word-of-mouth (WOM) and viral maketing have a strong influence on consumer behaviour. Word-of-mouth refers to spoken communication as a means of transmitting information (Oxford Dictionary, 2015). Viral marketing refers to ads that are "passed along from one person to another, spreading very quickly, almost like a disease" (Ang, 2014, p. 135). Many marketers have come up with ways to induce consumers to recommend their product or service to family and friends. Individuals are sometimes offered a financial incentive to spread the word, such as free merchandise or a discount if the message is passed along to friends who make a purchase. For example, Fitness First (http://refer.fitnessfirst.com.au) has a 'refer a friend' promotion where a free guest pass can be emailed to a friend and the referrer gets a reward. The file sharing service, dropbox, (http://www.dropbox.com) created awareness for their business in a very short space of time and with a surprisingly low marketing budget. Viral marketing, where consumers were encouraged to pass along a message by email, helped this organisation gain new consumers.

For most consumers, search begins at a search engine. Google has dominated the search market for many years and it is the number one search engine in Australia, well ahead of Yahoo! and Bing. (Web Search, 2015). It is used to find information on organisations, products, maps, news and entertainment – in fact, just about everything! Google pioneered 'universal search' which refers to the inclusion of search results from multiple content sources such as videos, images, maps, books and websites. The search results are almost instantaneous for the user. One key marketing communications goal is to make sure that an organisation's name or brand is listed at the top of the search results. SEO, or search engine optimization, is the process of increasing the probability of a particular organisation's website emerging from a natural or organic search. It is also possible to pay for small text ads that appear at the top or side of a search result; these ads pop up when a particular word is typed in and they can increase brand name awareness. Google's tool for placing and managing advertising is called Google AdWords (http:///ww.google.com/adwords).

Marketing communications, which includes advertising, personal selling, direct marketing, interactive marketing, sponsorship and public relations, all play a role in informing, educating and persuading the consumer to buy a particular product or brand. E-mail plays an important role in IMC strategy. E-mail is a form of direct marketing and it uses an electronic channel to deliver a message. It has the advantage of measurability, marketers are able to analyse the number of responses (clicks) generated and the cost of each response. Email is cost effective but the consent or permission of the consumer must be sought before emails can be sent out. The Australian eMarketing Code of Practice aims to reduce the volume of unsolicited commercial electronic messages received by consumers and promote best-practice use of commercial email in compliance with the Spam Act (ACMA, 2013).

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

The amount of time a consumer spends on an external search will depends on several factors: *the ability to search, motivation* and *costs versus benefits* (Schmidt and Spreng, 1996). Motivation is determined by three factors (Clow and Baack, 2010): *level of involvement*, *need for cognition* and *level of shopping enthusiasm*. Figure 1 shows the factors that influence the amount of time spent on external search.
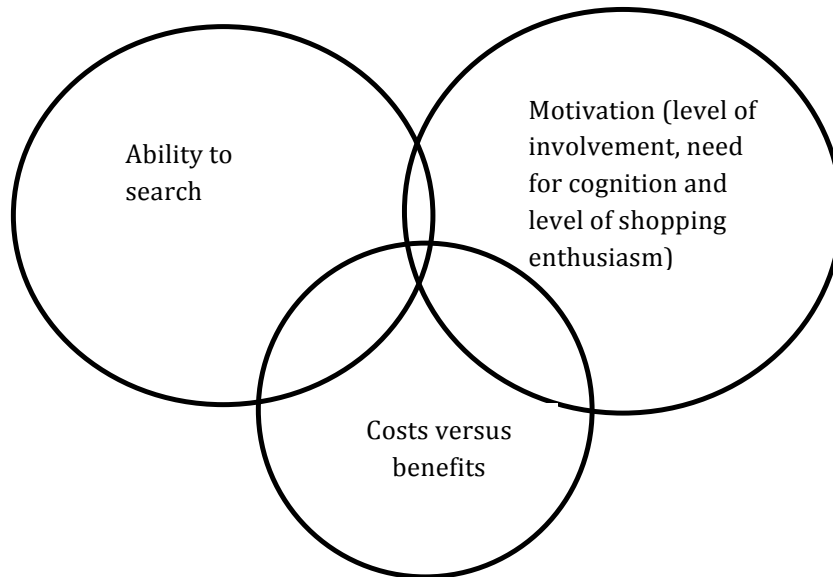

Figure 1: Factors determining amount of time spent on external search
Source: Adapted from Clow and Baack (2010) and Schmidt and Spreng (1996)

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

The ability to search partially determines the extent of external search. Ability consists of a person's educational level combined with the specific knowledge the consumer has about a product and the brands in that product category. Educated individuals are more likely to spend time searching for information. They are also more inclined to visit stores or search online prior to making decisions. There tends to be an inverse relationship between knowledge and search time. The knowledgeable consumer normally spends less time on the external search process because of the extensive knowledge he or she already possesses. In other words, the more you know, the less effort you put into searching for information.

The degree to which an external search takes place also depends on the consumer's level of motivation. The greater the motivation, the more time spent on an external search. Motivation is determined by three factors (Clow and Baack, 2010, p. 84): (1) level of involvement, (2) need for cognition and (3) level of shopping enthusiasm.

Involvement

Individuals experience greater motivation to search for information when involvement levels are high. Involvement reflects the extent to which a stimulus or task is relevant to a consumer's existing needs, wants or values. Involvement, or degree of interest in a particular product, varies from person to person. The level of involvement is influenced by factors such as the cost of the product, its importance and risk attached to the purchase. The higher the price, the more time an individual will spend searching for information. Product involvement depends on importance and risk. Choosing footwear might not be an important decision to some young males but picking shoes for a job interview however may spur greater involvement due to the social ramifications of dressing poorly at such an important event. There are different types of risk: performance risk refers to the risk of the product or service failing to perform as expected resulting in customer dissatisfaction (i.e, laser eye surgery not resulting in perfect vision), physical risk refers to the risk of injury or damage (i.e., risk of infection from surgery, risk of injury from participating in adventure sports), social risk refers to the risk of looking bad in the eyes of one's peers (i.e., unfashionable clothing), financial risk refers to the risk of not making a wise investment or losing money (i.e., paying too much for a house) and psychological risk refers to personal feelings of regret, fears or anxieties (i.e., "I made the wrong decision"). The role of marketers is to reduce risk for the consumer. This can be achieved in various ways: stressing company reputation, offering guarantees, free trials, customer testimonials and so forth.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

There are many examples where previously low-involvement purchases suddenly become high-involvement purchases. For instance, the purchase of electricity for a household used to be routine or habitual but it can suddenly become high involvement due to changes in the marketing environment. Households that would like to switch to solar power and more sustainable forms of energy consumption have to think more carefully about the decision. As another example, the online retailer, Farfetch (http://www.farfetch.com/au/unfollow) sells designer label sandals for hundreds of dollars, using the tagline "Unfollow. For Fashion Lovers, Not Followers." This suggests that a low involvement product, such as flip-flops and flat sandals, is a high involvement purchase for some fashion-conscious women.

The study of consumer behaviour distinguishes between three forms of decision making: extensive, limited and routine (Martin and Schouten, 2014, p. 81). These three forms of decision making are linked to involvement. Extensive problem solving refers to an extensive search for information, learning and the careful evaluation of purchase alternatives. It is used to reduce the perceived risks associated with high-involvement purchases. New, unfamiliar or very expensive 'once in a life-time' purchases are subject to extensive problem solving, such as overseas holidays, property, cars, an engagement ring or wedding dress. Limited problem solving involves the limited search for information and limited evaluation of alternatives. It tends to be linked with lower-risk purchases such as clothing or footwear and items that are bought on a regular basis. Routine purchasing involves habitual purchasing made with little or no external search. It is linked with everyday purchases such as food and drink. To develop effective marketing communications, marketers need to have some understanding of the decision-making processes consumers employ.

Need for cognition and shopping orientation

The need for cognition is a personality characteristic that identifies individuals who engage in, and enjoy, mental activities. People with a high need for cognition tend to evaluate more information and make more optimal in-store purchase decisions. The search also depends on a person's shopping orientation (Li, Kuo and Russell, 1999) or enthusiasm for shopping. Consumers who enjoy shopping undertake a more in-depth search for products and services. To summarise, three key factors, involvement, need for cognition and enthusiasm for shopping, combine to determine the individual's motivation to search for additional information.

To summarise, from a marketing communications perspective, the search process represents an important time to reach the consumer. The consumer's objective in making the effort to perform an external search is to acquire information leading to a better, more informed decision.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

2.4   Evaluation of alternatives

The third step in the consumer buying decision-making process is the evaluation of alternatives. This stage involves the mental weighing of the potential costs and benefits associated with one or more products being considered for purchase. Attributes such as a product or brand's price, style, prestige, brand name, performance are examples of attributes that demand consideration by the consumer. Consumers differ regarding the importance they place on each attribute.

Three models portray the nature of the evaluation process: (1) the evoked set approach, (2) the multiattribute approach and (3) affect-referral (Clow and Baack, 2010, p. 90). Understanding how consumers evaluate choices helps the firm's specialised communications agencies develop materials that lead consumers to favour a given brand.

The evoked set method

Narayan and Markin (1975) made a major contribution to the literature when they developed a model of the evoked set formation process. They identified the awareness set and its subsets. The evoked set consists of the brands the individual considers in a purchasing situation. In addition to the evoked set, two other sets of brands become part of the evaluation of alternatives stage: the 'inept set' and the 'inert set'. The inept set consists of the brands that are not acceptable; they are not considered because they elicit negative feelings. These negative sentiments are normally caused by a bad customer service experience or a bad experience with a particular brand. They can also stem from negative word of mouth (i.e, disparaging comments made by a friend) or from a negative reaction to an advertisement (and other elements of marketing communications). The inert set holds the brands that the consumer is aware of but to which the consumer has neutral feelings. In other words, the consumer is indifferent to these brands. Furthermore, the consumer lacks knowledge about these brands and usually eliminates them as alternatives. In most purchase situations, the only brands considered are those in the evoked set.

One goal of marketing communications is to move the brand from a consumer's inert set to the evoked set. Placing a brand name in the evoked sets of consumers is often the primary goal of marketing communications. The consumer should see the brand name frequently in as many locations as possible. The brand and its key benefits should be embedded into the consumer's long-term memory. When a consumer evaluates alternatives, and if the organisation's brand becomes part of the set being considered, then the advertisement (and other elements of marketing communications) has been successful.

The multiattribute approach

Another model the explains how consumers evaluate purchasing alternatives is the multiattribute approach. It is most useful for understanding high-involvement types of purchases. The multiattribute model (Wilkie and Pessemier, 1983) suggests that a consumer's attitude towards a brand is determined by

- The brand's performance on the product or brand attributes
- The importance of each attribute to the consumer

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

The higher a brand rates on attributes that are important to the consumer, the more likely it will be purchased. For instance, a consumer interested in sustainability might choose one brand over another depending on attributes such as:

- Natural ingredients
- Organic certification
- Renewable or recycled materials used for packaging
- Fair trade policies

Hence, a 'green' or ethical consumer could end up buying an eco-friendly household cleaner, and more specifically, a brand like Seventh Generation, after using the multi-attribute approach.

Providing consumers with information about a brand's performance on criteria that are likely to be used is the key to success in IMC campaigns. This can be achieved on a brand's website, in brochures and print ads, where consumers often gather information in relation to high-involvement decisions. Retailers and the sales force also play a role in the provision of information; getting information to consumers just as they need that information presents the greatest challenge to the marketer but also the greatest opportunity for a sale.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

Technology-based products are often designed with multiple features and benefits; for instance an advertisement for a camera may highlight features such as screen size, weight, storage, shutter speed and megapixels, as well as price, style and customer service. It must be noted that consumers shouldn't be overloaded with information. Information overload means the too much information seriously impairs or inhibits consumer decision making abilities (Herbig and Kramer, 1994). Consumers, faced with too little time and too much stress, become unhappy with the complexity of everyday products in their lives. Marketers should promote a few design principles so the product won't intimidate potential customers, and the simplicity and usability of the product should be stressed in promotion. Stressing a limited number of benefits means that products become comprehensible, manageable and likely to succeed (Herbig and Kramer, 1994). Over time, consumers can obtain additional information to evaluate the product. For example, BMW tends to emphasise design and performance, as witnessed by the tag line 'the ultimate driving machine', which was since been replaced with 'sheer driving pleasure' (http://www.bmw.com). The consumer can learn about other features, such as fuel efficiency, safety, CO_2 emissions and accessories (i.e, sunblinds and adapters for Apple iPhone) at a later stage by exploring the website.

Affect referral

A third model of consumer evaluations of purchase alternatives, affect referral, suggests that consumers choose the brands they like the best, or the ones with which they have emotional connections. In many sitations, consumers do not carefully evaluate brands or think a lot about product attributes. Instead, they simply buy the brand that incites positive feelings (Clow and Baack, 2010, p. 92). Confectionary, breakfast cereals, cola and coffee are some of the products that consumers select in this way. These purchases tend to have low levels of involvement. They also tend to be frequently purchased products. The affect referral model also explains the purchase of high priced and 'socially-conspicious' brands. As an example, GoldCoast Skateboards (http://skategoldcoast.com/) is based in California and specializes in longboards, cruisers and skateboards. Design is critical to the brand's success. The craftsmanship, colour and aesthetic appeal of the product makes it stand out from competing brands. For some consumers, GoldCoast represents the best brand of skateboards and will be purchased using the affect referral approach.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

The affect referral model explains three things (Clow and Baack, 2010, p. 92) which are: mental energy, prior purchase decisions and emotional bonding. First, this approach to product evaluation saves mental energy. Some purchases do not deserve much effort and consumers want make a choice quickly rather than analysing every alternative. Second, a multiattribute model approach might have been used previously when making a purchase. The person has already spent a great deal of time considering various product attributes, deciding which are most critical, and reaching a decision. Going through the process again would be 'reinventing the wheel'. Third, consumers often develop emotional bonds with brands. In terms of the purchase decision, an emotional bond with a product can be the strongest and most salient factor in the decision (Schneider, 2004). In some cases, the connection between the consumer and the brand can be so strong that brand communities emerge (Stratton and Northcoat, 2014). Successful brands like Harley Davidson, Apple and Lego have established emotional bonds with consumers. A bond generates brand loyalty and enhances brand equity. Consequently, consumers do not evaluate alternatives because of the strong bond with the brand.

2.5   Store choice and purchase

The store choice and purchase process involves all the decisions necessary to complete a transaction, such as deciding what to buy and where to buy the product or brand. In some cases, it may involve arranging finance, deciding on the method of payment and the method of delivery.
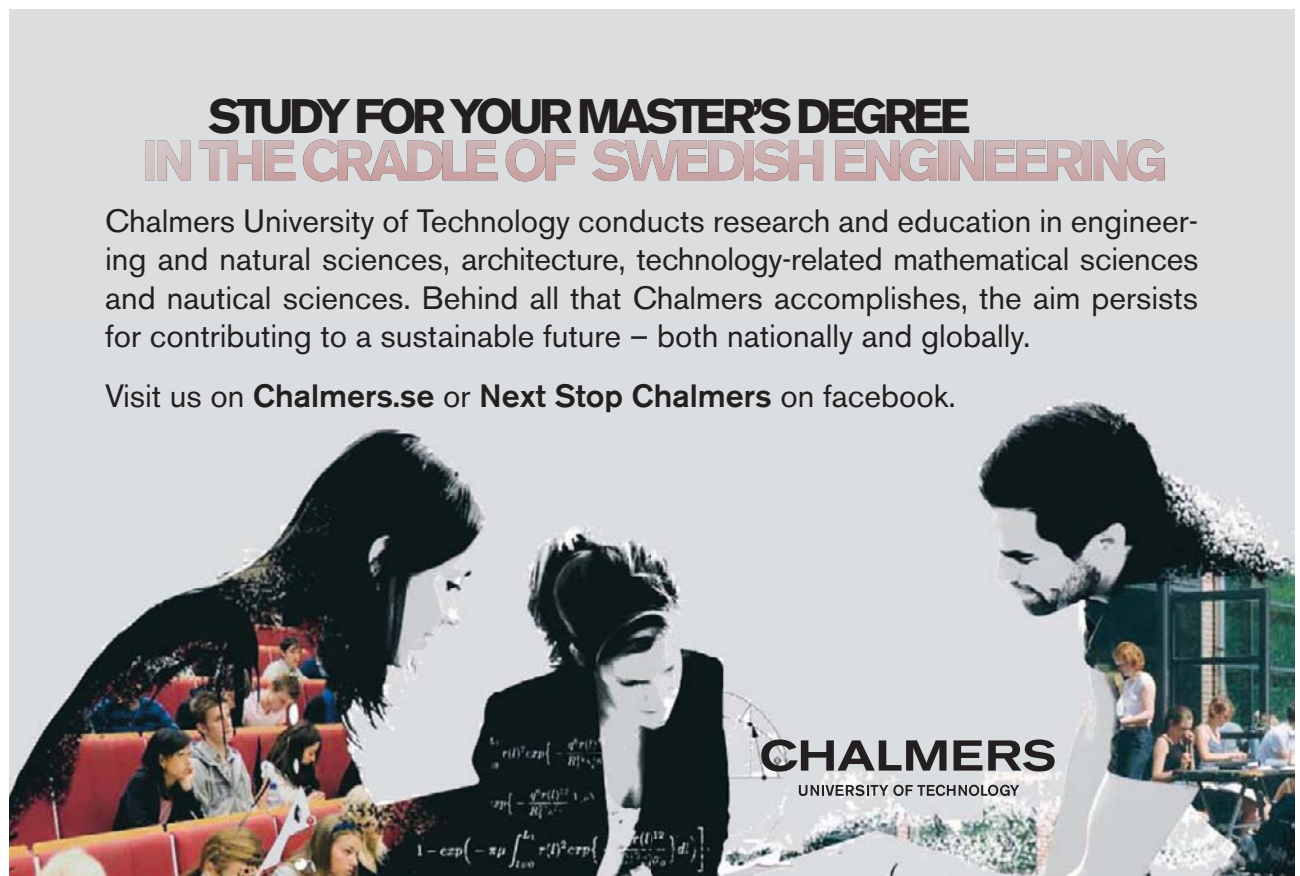
Most consumer products are acquired through some form of retail outlet, be that a department store like David Jones or a supermarket like Coles and Woolworths. The retailing sector is very diverse and it includes grocery retailers, book retailing, furniture retailing, petrol retailing, hardware and DIY, clothing, footwear and consumer electronics. Retailing is an important sector in the services-based economy and a major employer. Retailers purchase products from manufacturers for the purpose of re-selling them to final consumers and as such, they are an important link between producers and consumers. Retailers often sell their own brands, known as store brands; these brands are generally brands of a reasonable quality that appeal to the cost-conscious consumer. Store brands give the retailer more power in the channel and the manufacturer's brands compete with them for shelf space. Woolworths has a range of brands to suit the needs of different target markets, including Woolworths Home Brands aimed at the cost-conscious consumer, Woolworths Select aimed at the quality conscious consumer and Woolworths Free From (gluten-free range) aimed at the individual with special dietary needs (Woolworths, 2015).

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Online retailing is a very dynamic area of marketing. Bricks-and-mortar or physical stores are a real asset to retailers as they allow consumers to have a hands-on experience of goods; however, there has been a substantial cultural change in how people are shopping. For example footwear is now bought online. soleRebels (http://www.solerebelsfootwear.co), is a Fair Trade certified footwear company that sells colourful, eco-friendly sandals that are made from recycled materials such truck tyres, along with natural fibers such as jute, koba and organic cotton. The eco-sensitive products are sold around the world through the website. As familiarity with, and confidence in, online shopping grows, retailers have to move online and capitalise on the trend towards multi-channel shopping. More and more retailers complement the traditional retail experience in-store by adding digital technologies such as QR codes that enable a shopper to access further details about a product if required (Vaswani, 2012). In Australia, online sales accounted for 6 per cent of total retail spending in in 2010, which equates to $12.6 billion. Online penetration of retail sales in Australia is high in categories such as books, CDs, DVDs, clothing, sporting goods, electrical and electronic goods, cosmetics and toys, but much lower for groceries (Productivity Commission, 2011). Many consumers first conduct online research before making a purchase in retail stores. The number of women shopping online is now greater than the number of Australian males shopping online (Nielsen, 2012).

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Stores, and not just brands, form the evoked set (Black, 1984). For instance, parents who need new toys for their children, and who are familiar with Kmart, may decide to visit that store and select one of the brands there. Store image refers to the target market's perception of all the attributes associated with a store or retail outlet. For example, components such as quality, selection, style (e.g. fashionable or not) and price help shape store image. German discount retailers such as Aldi and Lidl tend to target lower socio-economic groups, along with students and price-sensitive families. Other factors such as the size of the store and its location can draw shoppers to the store. IKEA, along with many other retailers, pays close attention to store location. IKEA tends to locate its stores in outer-city locations, areas that have good transport links and that are close to large urban populations.

In-store decision-making is an important topic to retailers and product manufacturers seeking to increase sales. For the manufacturer, key decisions are as follows: shelf space position, brand-image advertising; whether to adopt an exclusive or intensive distribution strategy; strategies for the use of sales promotion and point-of-purchase displays; whether to invest in training programs for retail sales staff and co-operative advertising. Co-operative advertising is an agreement where retailers share the cost of such advertising with manufacturers (Quester, Pettigrew, Kopanidis and Hill, 2014). One study found that consumers were more likely to make an in-store decision when the product was displayed at the end of the aisle or at the checkout register than if it was displayed in-aisle. Deal prone consumers made more in-store decisions. Consumers with a higher level of purchase involvement were less prone to making in-store decisions (Inman and Winer, 1988). A host of factors affect consumer behaviour, such as whether the consumer is shopping along or with others, point-of-purchase displays, price reductions, store layout, stock-outs, sales personnel and queues. It is not unusual for people to get frustrated with long queues and leave the store without making a purchase. Apple has invested in company-owned retail stores around the world. It is an example of an organisation that seeks to influence consumers though product displays, store design and high quality customer service. Some staff members are employed as product specialists, are highly trained and expected to give customers an answer to just about any technical question.

Store design and store atmospherics is the key to forging important connection with customers and leaving with them a lasting memory of their experience. It's something women have known for generations: there's more to shopping than coming home with bags of stuff. Retailers and retail developers know that giving the consumer a memorable experience and appealing to the five senses will lead consumers to stay longer, shop more, and leave with pleasant memories. Fashion retailers know they have to have some music playing and turn the lights on so that consumers will linger and be able to see how the clothes look when they try them on. Most supermarkets have in-store bakeries and the attractive array of baked goods and smell of freshly-baked bread can entice consumers to buy more. It is not uncommon for shoppers to enter a supermarket or retail store with the intention of purchasing a particular brand and leave with a different brand or additional items.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

2.6 Post-purchase behavior

This stage covers post-purchase dissonance, product use, product disposal, along with concepts of customer satisfaction, repeat purchasing behavior and customer loyalty. The term 'dissonance' refers to regret, doubt or anxiety about the correctness of one's decision after a purchase has been made. It is often associated with high-involvement purchases and extended decision making, such as the decision to buy a car or a house. The probability of post-purchase dissonance, and the magnitude of dissonance, is a function of four factors (Quester, Pettigrew, Kopanidis and Hill, 2014):

- The degree of commitment and/or whether the decision can be revoked
- The importance of the decision to the consumer
- The difficulty of choosing among the alternatives
- The individual's tendency to experience anxiety

For the marketer, a key question is how can dissonance be reduced? How can marketers help consumers? Very often, marketers will seek to reassure the customer that they made the right purchase decision. They do this though marketing communications, such as by running advertisements that show people who are satisfied with their purchases; follow-up sales call and follow-up customer satisfaction surveys.

Product usage behaviours are all the behaviours associated with a consumer's use of a product after it is purchased, but before it is used up or discarded. Marketers are interested in how consumers use a particular product since it may be used in innovative ways or may have multiple uses. For instance, baking soda is used as a baking ingredient, a cleaning agent and as an ingredient in toothpaste. Today, consumers are becoming more environmentally conscious and sustainable usage behaviour could include careful usage of a product, such as not wasting food or regularly servicing a car. Disposition behaviors (also known as disposal behaviours) are all the behaviours associated with a product once a consumer no longer uses it. For many consumers, this could involve recycling and thinking twice before throwing something into landfill. Marketers are increasingly getting involved in product disposal, such as Apple with its recycling programme for computers. Apple also encourages consumers to bring their old iPods or mobile phones to an Apple Retail Store and receive a 10% discount on the purchase of a new iPod (Apple, 2015).

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

Achieving customer satisfaction is a key goal in marketing. Satisfied customers should be pleased with the performance or physical functioning of the product and gain satisfaction from other attributes such as design, packaging, brand image and after-sales service. In many cases, there is an affective or emotional response associated with owing and using a product. If the customer is satisfied, then brand loyalty often emerges. Brand loyalty, however, is different from simple repeat purchasing behaviour; it implies a psychological commitment to the brand and not simply routine or frequent purchasing. Evaluation of a product or a service is influenced by the customer's expectations – what they expected prior to entering into an exchange – and perceived performance of the product or service – how the product performs in the eyes of the customer. In some cases, organisations 'over-promise' and customers end up being disappointed with the product or service. If customer dissatisfaction occurs, there are several possible outcomes (Quester, Pettigrew, Kopanidis and Hill, 2014):

- The consumer takes no action
- The consumer switches brands, products or stores
- The consumer warns friends, family and colleagues and engages in negative word-of-mouth
- The consumer takes direct action by complaining to the company, to a consumer rights organisation, to the government and by posting comments to online complaint sites. In some cases, retailers actually encourage customers to post reviews of their products and services (i.e., tripadvisor.com; epinion.com). In some cases, the consumer takes legal action.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

To avoid these negative outcomes, marketers need to satisfy consumers by:

- being honest and creating reasonable expectations through marketing communications
- maintaining consistent quality so that the customer's expectations are fulfilled
- having a complaints policy and dealing with complaints promptly
- offering money-back guarantees

Customer service is critical to the success of organisations. More and more organisations are establishing a 'Customer Charter' where they make explicit promises in areas such as delivery time, quality and safety; if promises are not met, then money-back guarantees are offered. Research shows that speed and personal contact are important in retaining the customer after there has been a breakdown in service (Weiser, 1995).

2.7 Consumer attitudes

A great deal of advertising attempts to create favourable attitudes, reinforce current positive attitudes or change negative attitudes. For instance, fast food companies struggle to get people to see their menu items as being fresh, healthy and nutritious and overcoming negative towards fast food is very difficult. Fast food tends to be associated with high levels of obesity. Positive attitudes are often featured in marketing communications campaigns. Most people consider recorded voices in customer service calls or being 'put on hold' to be a nuisance. An advertising creative can tap into that attitude and use it to present a service in a more favourable light. By stressing contact with 'real people' and fast response times, a negative attitude can be turned into a more positive experience.

An attitude is a mental position taken towards a topic, a person or an event that influences the holder's feelings, perceptions, learning processes and subsequent behaviour (Fishbein and Ajzen, 1975). Attitudes can drive purchase decisions. A consumer holding a positive attitude towards a brand is more likely to buy it. Someone who enjoys an advertisement, and other elements of marketing communications, will be more likely to purchase the product. However, the theory of planned behaviour (Ajzen, 1991) shows that there is generally a gap between attitudes and behaviour. For instance, research shows that many consumers have positive attitudes towards locally-grown, organic food and are concerned about food miles, but barriers to purchase exist, such as the premium price, lack of availability, seasonality, lack of variety and the inconvenience associated with buying the food at farmers' markets and organic stores. In other words, there are high levels of interest in locally-grown organic food, and this interest seems to be spreading across groups and countries, but it is a long road between concern and action.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new
frontier of cigarette marketing communications?

Attitudes consist of three components: (1) affective (feelings), (2) cognitive (beliefs), and (3) behaviourial (response tendencies). This model is referred to as the tri-component attitude model (Quester, Pettigrew, Kopanidis and Hill, 2014, p. 337). The affective component consists of the feelings or emotions a person has about the object. The cognitive component refers to a person's mental images, understanding and interpretations of the object or issue. The behaviourial component contains an individual's intentions, actions or behaviour.

Attitudes develop in various ways (see Figure 2).

Cognitive → Affective → Behavioural

Affective → Behavioural → Cognitive

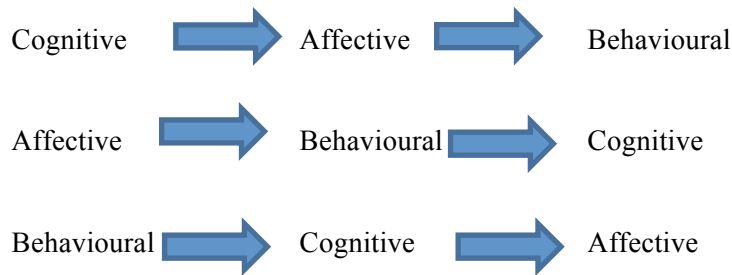Behavioural → Cognitive → Affective

Figure 2: Development of Attitudes: Alternative Models
Source: Author-derived

One common sequence of events that takes place in attitude formation is: Cognitive → Affective → Behavioural (Clow and Baack, 2010). Most of the time, a person first develops an understanding of an idea or an object. In the case of marketing, this understanding revolves around the features and benefits of the product or service. These thoughts, understandings or beliefs emerge from exposure to marketing communications or to word-of-mouth advertising. For instance, a consumer seeing the **Australasian New Car Assessment Program (Ancap)** website or advertisement (http://www.ancap.com.au/) might develop the impression that Ancap is a reputable organisation that has concern for peoples' safety as its number one priority.

The affective part of the attitude refers to the general feelings or emotions a person attaches to something. Products and services can generate an emotional reaction. For instance, negative emotions are often associated with cigarettes and smoking. The marketing communications shown in the following government website: http://health.gov.au/internet/main/publishing.nsf/Content/tobacco-warn-cigar attempts to influence emotions. In many cases, emotions are not aroused. When considering items such as tissue paper or cough medicine, emotions or attitudes about them will be relatively benign.

Decisions and action tendencies are the behavioural parts of attitudes. For instance, if a person feels strongly enough about skin cancer, he or she will avoid sun-bathing and will wear sunscreen. Most attitudes are not held that strongly. Some people might feel favourably about a topic, such as green marketing, but this does not necessarily change their purchasing behaviour.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Attitudes develop in other ways. An alternative process is: Affective → Behavioural → Cognitive (Clow and Baack, 2010). Marketing communications can first appeal to the emotions or feelings held by consumers in order to move them to 'like' a product and purchase it (the behaviourial omponent). Cognitive understanding of the product comes after the purchase. For example, a consumer visits the website, or see the ad for Uniworld Cruises, (http://uniworldcruises.com.au), is drawn to the idea of being 'pampered' in a luxury boutique cruise line. Emotionally, he or she has a desire to book a river cruise and takes action. Cognitive reasoning about booking a cruise follows the emotional experience.

Some attitudes result from a third combination of the components, as follows: Behavioural → Cognitive → Affective (Clow and Baack, 2010). Purchases that require little thought, that have a low price, or do not demand any emotional investment might follow this path. For instance, while walking through a supermarket, a consumer may notice a new brand of biscuits on sale. The person may have never seen the brand before, but, because it is attractively packaged, decides to put it into the shopping basket. The consumer goes home, eats the biscuits and discovers a liking for its taste and texture. Finally, the consumer reads the package to learn more about contents, including how many calories it contained. He or she finally develops feelings towards the product that might affect future purchases.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

No matter which path is taken to develop attitudes, each component will be present, to some extent. Some attitudes are relatively trivial (e.g. 'I like sailing, even though I hardly ever get time to sail'). Others are staunchly held, such as 'I hate cigarette smoke!' Both are associated with feelings towards things, including products in the marketplace that may eventually result in purchases. Atttiudes that are strongly held can be difficult to change. The 'elaboration likelihood model' (Petty and Cacioppo, 1986; Petty, Cacioppo and Shuman, 1993) is a model of how attitudes are formed and how they can be changed under different levels of involvement. High involvement results in a 'central route' to attitude change, where consumers think carefully about the message and logical appeals can help change attitudes. Low involvement results in the 'peripheral route' to attitude change, whereby consumers are not interested in reading a lot of information and hence emotional appeals (i.e., humour, celebrity endorsement) and hedonic appeals (i.e., linking product consumption with pleasurable experiences) tend to be more effective.

2.8   Consumer values

Attitudes reflect an individual's personal values. Values are strongly held beliefs about what is desirable. Values frame attitudes and lead to the judgments that guide personal actions. Values tend to endure. They normally form during childhood, although they can change as a person matures and experiences life. Factors that affect a person's values include the individual's personality, the family, work environment and culture. By appealing to basic values, marketers try to convince prospective consumers that the organisation's products align with their values (Clow and Baack, 2010, p. 87).

The World Wildlife Fund (http://www.wwf.org.au) and Greenpeace (http://www.greenpeace.org/australia/en) are not-for-profit organisations that use visually arresting imagery to highlight animal welfare issues, various environmental issues and the consequences of global warming. Individuals who possess strong environmental values tend to pay attention to green advertisements. These types of advertisements are available for viewing on the 'Ads of the World' website (http://adsoftheworld.com) which is a large archive of creative adverts from around the world.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

In terms of consumer decision-making processes, both attitudes and values are influential. A product or service tied to a relatively universal value, such as patriotism, helps an organisation present a product or service in a positive image. Coles (http://www.coles.com.au/) attempted to do this with its 'We Support Aussie Growers' communications campaign which was replete with Australian imagery. The campaign was based on research by Coles that found that Australian consumers are among "the most passionate in the world when it comes to supporting local producers, with almost 70 per cent placing a high or very high level of importance on choosing products made in their own country" (Coles, 2012). The goal was to transfer positive feelings of patriotism to Coles' service. However, this trust in Australian- grown produce was undermined after a current affairs program, Four Corners, revealed serious abuses of labour in the fresh produce sector. Their investigation revealed the food being picked, packed and processed by exploited labour was sold to consumers nationwide. Farmers tend to employ a labour-hire contractor who sources the workers on behalf of the farmers. This practice leaves the workers vulnerable to exploitation. There was evidence of labour-hire contractors taking large cuts from their workers' wages, which left the migrant workers getting paid well below the legal minimum wage. The National Farmers Federation responded by stating that mistreatment of workers had no place on Australian farms (Meldrom-Hanna, Russell and Christodoulo, 2015). It remains to be seen whether consumer attitudes towards Australian grown produce will shift from positive to negative. Woolworths, the Australian supermarket chain, attempted to appeal to universal values such as patriotism in a recent campaign on Anzac Day. Anzac Day is observed on 25 April each year. Anzac Day is named after the Australian and New Zealand Army Corps, which landed at Gallipoli in Turkey during World War I on 25 April 1915. Anzac Day is a solemn day where Australians remember the sacrifice of all Australians who served and died in wars, conflicts and peacekeeping operations (Commonwealth of Australia, 2014). An online campaign led by Woolworths caused outrage among customers, who accused the supermarket giant of exploiting the Anzac Day centenary. In its commemoration website, Woolworths featured its logo and the line "fresh in our memories" which echoed its brand slogan "Woolworths – The Fresh Food People (http://www.woolworths.com.au). The grocery giant was forced to apologise and delete its Anzac commemoration website (In Daily, 2015).

2.9   Ethics box: marketers turn to advergames to appeal to children

Children are a significant consumer group and their purchasing power is growing. They also play a key role in family buying behaviour, and through pester power they can persuade their parents to buy everything from breakfast cereals to toys to household goods. The benefits of reaching children are clear – brand loyalty can be established at an early age and retained into adulthood.

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Advergames are increasingly being used as part of a marketing campaign to promote products and brands to children. Advergames are games that are hosted on company websites and they are developed exclusively to promote brands. While product placement in movies and videos is not a new marketing tactic, "advergames" turn the concept of "product placement" into "product entertainment". Advergames engage consumers for extended periods of time, typically 10–15 minutes, which, when compared with a traditionally broadcast 30-second commercial, is a very high level of interaction (Chapman, Kelly, Bochynska and Kornman, 2008). The main aim of advergames is to increase brand name awareness and establish brand preference, but they can also be used to collect data about consumers. Advergaming is available on the majority of websites targeting children. One advergame for Kellogg's Froot Loops requires children to find Froot Loops cereal pieces before the monster gets them ([http://www.frootloops. com/gamesitemap.html](http://www.frootloops.com/gamesitemap.html)). Most advergames are simple but entertaining. The majority of advergames incorporate brand logos, sound and have features to extend game play such as prompting children to play again. It is assumed that children are highly susceptible to persuasion via advergames, but empirical evidence is scarce. A recent study concluded that brand prominence in advergames led to increased brand recall and recognition, whereas game involvement led to more positive brand attitudes. Most children were unaware of the persuasive intent of the advergame, i.e., that they are being targeted as consumers (van Reijmersdal, Rozendaal and Buijzen, 2012).

Given the concern with obesity rates, academics in the public health area are increasingly concerned about the marketing of energy-dense foods to children and adolescents, such as high-sugar drinks, ice cream, chocolate, confectionery (Freeman and Chapman, 2008). There are ethical issues associated with marketing to children. The American Psychological Association (APA) noted that children, especially under the age of eight, normally lack the ability to recognize advertising as biased or untrue, and consequently view them as true (Mallinckrodt and Mizerski, 2007).
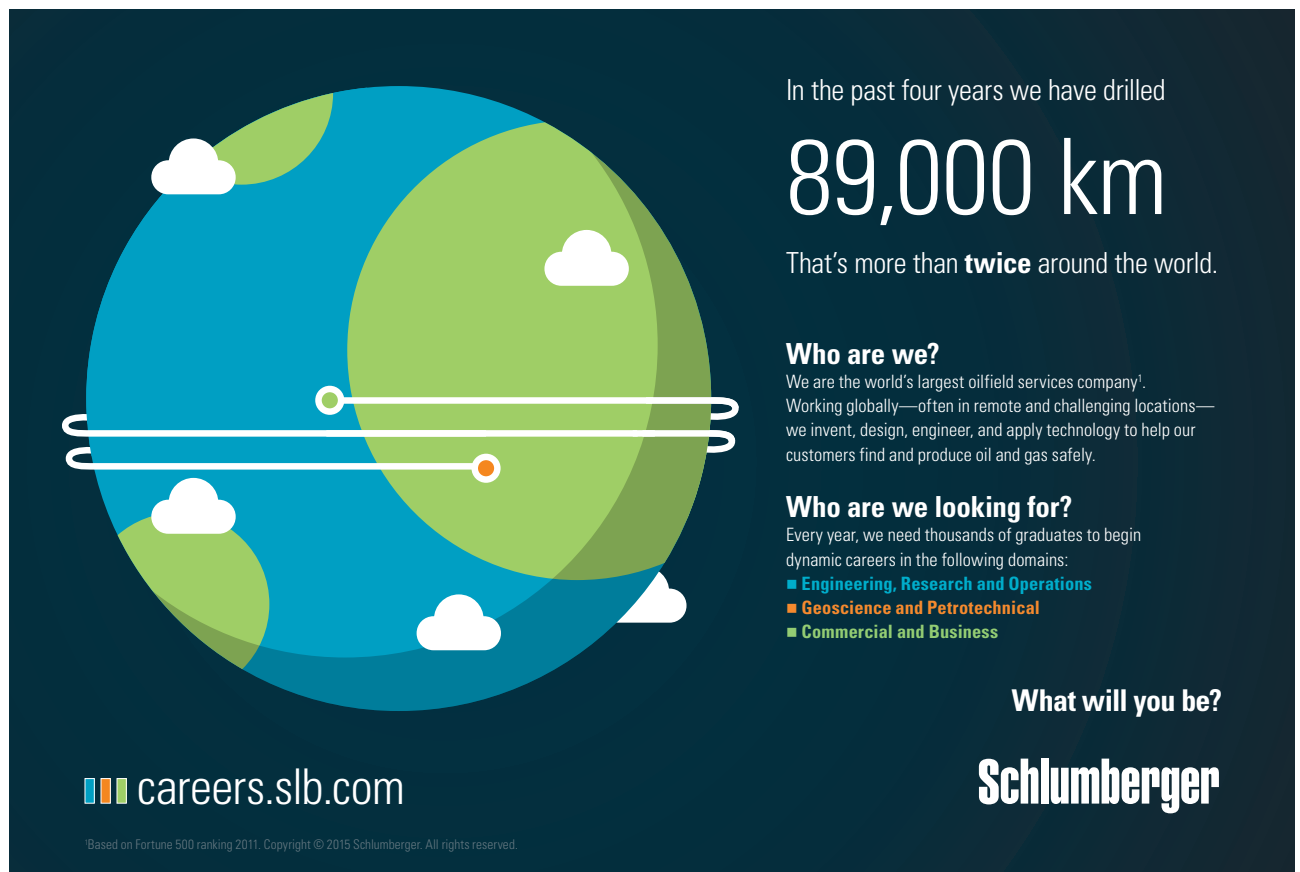
Marketers use other techniques to attract children to the brand, such as the use of a brand mascot, cartoon characters or professional sports players. For example Freddo is a popular brand of chocolate with children (see https://www.cadbury.com.au/Products/Pre-teens-Confectionery/Freddo.aspx).

Cadbury spent millions of dollars creating a new Internet cartoon series featuring Freddo the Frog. The marketing features puzzles, games and activities embedded within the cartoon where children can be involved in the cartoon's development. Cadbury claims this represents responsible marketing, as no chocolate is featured (Jollo, 2011). Birds Eye is a well-known brand in the frozen food industry, owned by Simplot, Australia. Its television advertising features the Birds Eye Birds, and according to the website, they "help prepare a variety of delicious meals in these fun commercials" (http://birdseye.com.au/Meet-the-birds). Company websites usually contain at least one downloadable item such as screen wallpaper, screensavers, desktop items and colouring pages. Websites often contain features to allow individuals to customise the site. These include features to create a personal account, participate in a website community or be involved in online shopping (Weber, Story and Harnack, 2006).

Consumer Behaviour and PR

Case Study: virtual smoking and apps – the new frontier of cigarette marketing communications?

Many European countries have strict regulations on advertising to children. Sweden has a long-standing ban on all television advertising aimed at children under 12, including toys, sweets and drinks (Jolly, 2011). In Australian, there are no statutory regulations on the marketing of products and services to children. At present, most websites have features designed to protect children from inappropriate material. These include privacy codes, marketing codes, statements about the need to be over the age 12 of enter the site and the requirement of parental consent to enter the website. Online marketing is subject to the voluntary *Advertising and Marketing Communications to Children* and the *Food and Beverages Advertising and Marketing Communications Code* developed by the Australian Association of National Advertisers (AANA, 2012). However this code does not cover advergames, and this is a loophole that can be exploited by marketers. Internationally, previous attempts to regulate Internet content have failed, primarily due to its constantly changing structure, whereby regulations are quickly made redundant, and its global nature, so that those wishing to avoid regulations can simply move their site off-shore.

Questions

1. What do you think? Should the government ban advergames aimed at children?
2. Whose responsibility is it to make sure children are not unduly influenced by advertising – their parents, the government, the internet service provider or advertisers?

3   Perception

Perception is the process by which people select, organize, and interpret information to form a meaningful picture of the world (Armstrong et al., 2011). In other words, it refers to how people make sense of their world and perceptions will vary from one person to the next. From a marketing point of view, three processes deserve attention:

1. Selective attention is the tendency for people to screen out most of the information to which they are exposed. Consumers are exposed to hundreds of marketing messages daily. Many are ignored. Marketers go to great lengths to get their advertisements, or other forms or marketing communication, noticed and there are various ways of overcoming this attention barrier. Specialists in the area of marketing communications will use a variety of tactics, such as loud music, sound, large text and visually arresting images, to capture the attention of the consumer and break through the clutter.
2. Selective distortion refers to the tendency of people to interpret information in a way that will support what they already believe or value. Thus marketers know that communication is rife with problems and the intended message can be misunderstood; therefore, it is important to pre-test and post-test advertisements (and other elements of marketing communications).
3. Selective retention means that people will remember some information and forget other pieces of information. In general, people will retain information that supports their attitudes and beliefs. Thus repetition may be important to ensure that the message is retained by the target market.

3.1   Cognition

Knowing how people store, retrieve and evaluate information assists marketers and communications agencies to develop better advertisements (and other elements of marketing communications). The first step is to understand cognition – how various thought processes and memories work (Clow and Baack, 2010, p. 88).

Cognitive maps are simulations of the knowledge structures and memories embedded in an individual's brain (Kearney and Kaplan, 1997; Kaplan and Kaplan, 1989). These structures contain a person's assumptions, beliefs, interpretation of facts, feelings and attitudes about the larger world. These thought processes interpret new information and determine a response to fresh information or a novel situation. Figure 1 shows a cognitive map for a consumer of Sizzler, an Australian chain of restaurants. The website emphasises 'variety and freedom to choose' (http://www.sizzler.com.au) and it is these features that differentiate Sizzler from other restaurants; consumers are free to help themselves to whatever they wish as regards the soup, salad, pasta, fruit and dessert bars.
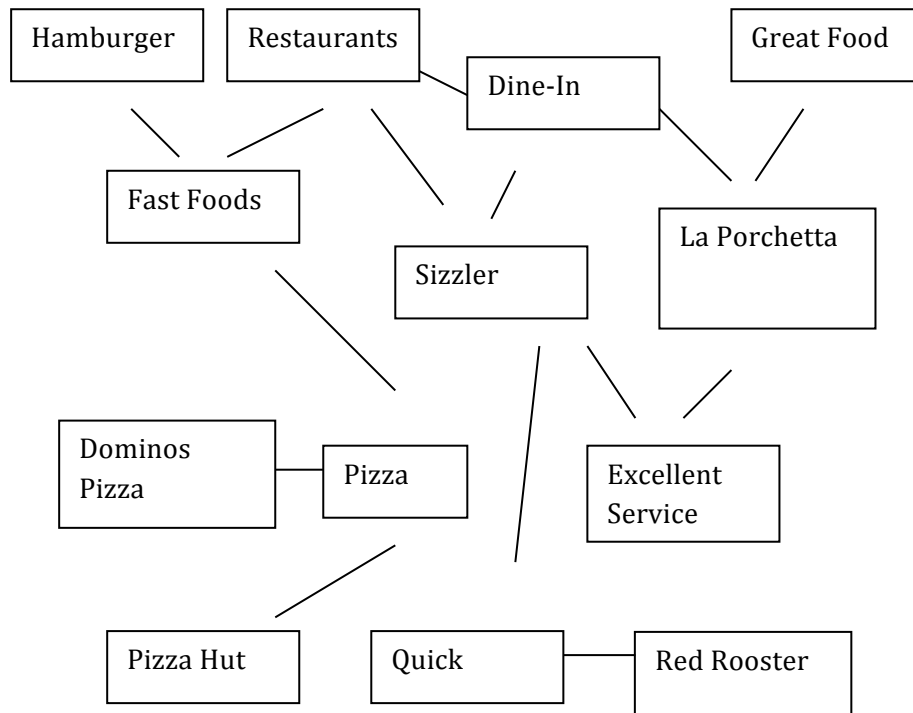
Figure 3: A Cognitive Map for Sizzler
Source: Author-derived.

Sizzler positions itself as a casual diner in the Australian market. Consumers are free to order as much as they like from the self-service counter which includes the daily roast, soup, salad and dessert. Sizzler is popular among Australian consumers on account of its value-for-money proposition. When a consumer thinks about Sizzler, she connects images of it to other restaurants offering fast food and others that provide dine-in services. In this case, the individual recognises Sizzler as a dine-in establishment. The consumer also believes that Sizzler offers friendly service and that the service is reasonably quick. Next, when the person thinks of fast service, her thoughts turn to Red Rooster (http://www.redrooster.com.au/). When she thinks of excellent service, she recalls La Porchetta's restaurant (http://www.laporchetta.com.au/locations).

Cognitive structures contain many linkages and can exist on several levels. For instance, the cognitive map can be basic (like Figure 1) or it can be more spatial and may conjure images of the actual physical location of Sizzler. Another cognitive level related to Sizzler is the person's recall of the interior of the restaurant along with other linkages that occur at that level. The consumer can even have thoughts about Sizzler that focus on employees, including a relationship she had with a server who is a friend. Therefore, cognitive processing occurs on many levels using highly complex mechanisms.

In terms of new information and cognitive maps, new information is processed in different ways. New information that is consistent with current information tends to strengthen an existing linkage. For example, when a consumer views a Sizzler advertisement promoting great service, the advertisement may strengthen an existing belief, because the consumer has already concluded that Sizzler offers great service. From a marketing communications perspective, it is easier to strengthen linkages that already exist. Adding new linkages or modifying linkages will be more difficult. For example, if a consumer sees an advertisement featuring Sizzler's seafood selection, and the consumer did not know that Sizzler offers seafood, a different reaction occurs. In order for this information to remain in the consumer's mind, the consumer must create a new linkage between previous Sizzler images with images of seafood.

3.2   Learning and memory

Marketers go to great lengths to try and encourage consumers to learn about their products. Consumers must learn almost everything that is related to being a consumer: awareness of a product or a brand, its availability, its attributes so on. Learning is a feature of modern life. As consumers, we have to acquire new skills. We are living in the high-tech age, with products life cycles getting shorter all the time and new products are becoming more and more advanced. Hence, marketing managers are very interested in the nature of consumer learning. Learning describes changes in an individual's behavior arising from experience. Learning is defined as any change in the content or organisation of long-term memory (Quester, Pettigrew, Kopanisid and Rao Hill, 2014). Consumer learning refers to a process by which individuals acquire the purchase and consumption knowledge and experience they apply to future related behaviour (Belch, 2012, 142).

There are three main learning theories that explain how learning takes place: classical conditioning, operant conditioning and cognitive learning (Belch, 2012). The classical conditioning theory is associated with the psychologist Pavlov, and in particular, Pavlov's dog. In this classic experiment, the unconditioned stimulus (food) was paired with a conditioned stimulus (the ringing of the bell) and when the unconditioned stimulus (food) was removed, the dog still salivated at the ringing of the bell. Learning through classical conditioning plays an important role in marketing. Buyers can be conditioned to form favourable impressions of various brands through this associative learning process. For instance, jingles that we like will help us recall brands and evoke warm feelings towards the brand. Instrumental or operant conditioning is another learning theory. Learning is associated with positive reinforcement (reward) or avoiding negative reinforcement (punishment). For example, on Cadbury's Facebook page, the company claims to have "a passionate commitment to making everyone feel joyful" (https://www.facebook.com/CadburyDairyMilkAustralia). Many of its advertisements for chocolate emphasise the hedonistic aspects of eating chocolate. Advertising often highlights the benefits (or rewards) a consumer will receive from using the product or service, such as great tasting food, slimness from eating low-fat food, or admiring glances from the opposite sex. For instance, when Lynx launched its latest hair grooming products for men, viewers of a YouTube advertisement were told that men with great hair get attention (http://www.lynxau.com.au/). Advertising often encourages consumers to use a particular product or brand to avoid unpleasant consequences, such as social disapproval. Cognitive learning theorists focus on mental processes such as thinking, evaluation and decision-making. Consumers engage in this type of learning when they expend a lot of effort in making decisions and weighing up the pro's and cons of various purchase alternatives.

Memory is the total accumulation of prior learning experiences. Short-term memory is the portion of memory that is in use and long-term memory is the portion of memory that provides virtually unlimited, permanent storage of information (Quester, Pettigrew, Kopanisid and Rao Hill, 2014, p. 280). Information will be retained in short-term memory for only a few seconds. As stimuli reach an individual's senses, short-term memory processes them. Short-term memory retains limited pieces of information, meaning some messages are forgotten and others are added to long-term memory. When an organisation attempts to introduce consumers to a new brand, repetition of the brand name should occur in marketing communications. Repetition is important due to the limitations of short-term memory and it improves the chances of recall at a later stage.

3.3   External influences on consumer behaviour

The previous section discussed internal influences on consumers such as motivation, attitudes and values and perception. Consumers do not make purchase decisions in isolation. A number of external factors have been identified than may influence consumer decision making. These are discussed below and are households, culture and reference groups.

3.4   Household decision-making

As individuals, we consume products such as food, cars, clothes and electronic devices. Researchers in the social sciences have explored individual behaviour and proposed different models of decision making. Sometimes decisions are made rationally, where consumers weigh up the advantages and disadvantages of different products; sometimes our decisions are influenced by emotions or social factors such as reference group influence. However, decisions to consume products and services can also be made by households. A husband and wife, and their children, will make decisions to buy various products and services, such a home, furniture, a car, a holiday or energy.

Family members may assume a variety of roles in the decision-making process. These roles are as follows (Belch and Belch, 2012).

The initiator: the person responsible for initiating the purchase or getting other people to think about buying a particular product or service. In the case of a house, it could be the mother in the family who wants more space for a growing family.

The information provider: the person who gathers information. In the case of a new house purchase, the person with the most time to spare could gather information, such as gathering the property section of newspapers, visiting real estate websites and so on.

The influencer: the person who influences the decision of others. This could be the teenagers in the household who have their own needs and preferences, such as the desire for a swimming pool.

The decision-maker: the person who makes the final decision. This could be the primary income earner in the household.

The buyer or purchasing agent: the person who makes the purchase, such as arranging finance, making payment and signing the purchase agreement or contract.

The users: the people who use the product or service. In the case of a house, all family members are users of the house.

Each role has implications for marketers. First, the marketer must determine who is responsible for the various roles in the decision-making process so that messages can be directed at the right person. In many cases, marketers will develop different messages for each decision role. For example, Lego may use emotional appeals and magical themes in their advertising to appeal to children, who are often influencers in the household, but use educational appeals to appeal to parents who are the ultimate decision makers.

3.5   Culture

Culture refers to the values, norms and customs shared by a society. Cultures are made up of subcultures, such as the smaller groups within cultures whose beliefs, values, norms and patterns of behaviour set them apart from mainstream culture. Subcultures can be based on factors such as age, geography, religion and ethnicity.

Culture influences what we value and how we define ourselves. At this point in time, concern for the natural environment and interest in socially sustainable practices is becoming more central to our culture. While sustainable living is not yet the norm and is not yet part of mainstream culture, there are signs of change. Marketers are quite interested in spotting cultural shifts or cultural changes as they present marketing opportunities. In Australia, there has been a move from a culture of conspicuous consumption in the 1980s to one that increasingly values the environment, resourcefulness and frugality. People are learning to reduce waste, recycle and make choices that don't damage to the environment such as using less water, avoiding plastic, bicycle commuting, walking to work, not littering, buying local.

Most observers of the Chinese consumer market have seen it evolve from a traditional culture toward a more Westernized consumer society (Wang and Lin, 2009). To Australian tourism policy makers, China is one of the world's most attractive markets due to its large, emerging middle class and their increased disposable income. Even though only a small fraction of China's population of 1.3 billion is willing and able to travel overseas, the segment is still large and attractive. There has been a shift toward hedonic consumption in China. Chinese consumers, especially young consumers, are inclined to seek fun, enjoyment and instant gratification (Wang and Lin, 2009). Through overseas travel, they can satisfy their needs for both esteem and self-actualization. The concept of face, or *mianzi,* is of central importance in China. Face stands for prestige or reputation that is achieved in life through success and personal effort (Hsien, 1944). The concept is relevant to conspicuous consumption such as overseas travel. By traveling overseas and bringing home gifts, photographs and other tokens of the trip, the individual can impress others and achieve greater social status.

3.6   Reference groups and opinion leaders

A reference group is a group whose presumed perspectives or values are used by an individual as the basis for his or her judgments, opinions and actions. It has a major influence on our purchase decisions. Within references groups, some individuals act as opinion leaders in that they lead opinion and influence others. For instance famous actresses and models often have a major impact on female fashion and hairstyles. Celebrities are often role models and exert influence on consumers. Many brands use celebrities to persuade and influence consumers. For instance, featuring a well-known tennis player in an ad for a watch can send the message is that if we were to wear the same watch, then we too would be strong, powerful and successful. Many ads create a link between the product and the athlete, and stress the charisma, risk-taking, single-mindedness and determination of the athlete, all qualities that are needed to achieve success in the sporting field. For example Usain Bolt, said to be the fastest man on earth after his performance in the Olympics, is a brand ambassador for Puma (http://uk.puma.com/en_GB/sports/ambassadors/usain-bolt). Puma's slogan is "Forever Faster Puma". In 2014, Puma launched an advertisement titled "Calling All Troublemakers" where Usain Bolt appears in a hot tub next to scantily clad women and with other iconic sportsmen (Sheen, 2014). Bolt calls on all troublemakers, adding "obedience will be discouraged", thereby showing his charismatic and non-conformist personality. Furthermore, seeing an athlete endorse a particular brand makes the brand seem more prestigious and suggests that it must be good because a professional uses it.

There are many external factors that affect consumers' purchase decisions. Marketers consider all of these influences in developing marketing communications strategies.

3.7   Trends in the consumer buying environment

Studying the consumer decision making process can help marketers and be a powerful contributor to the creation of more effective marketing communications. It must be noted that the environment in which consumption takes place continually changes and evolves. Several trends in the consumer buying environment affect consumption and purchasing patterns. These are described in the next section.

Age Complexity and Aging of the Population

Technology has changed the way children grow up. Children are bombarded with advertisements and other elements of marketing communications, as well as video games, television shows, films and a myriad other images from an early age. Many believe children are 'growing up' too quickly and maturing at a much earlier age than previous generations. Fashions such as body piercings, tattooing, cropped tops, miniskirts and skinny jeans are worn by teenagers and even preteens. Marketers use the term "tweens" to describe children who are between childhood and adolescence, aged between the ages of 9 and 12. They spend their pocket money on CDs, computer games, clothing, sports equipment and cosmetics, however tween consumption and responses to advertising, are likely to vary across cultures (Andersen, Tufle, Rasmussen and Chan, 2008). This segment is increasingly influenced by young celebrities who have their own fashion labels, such as the Row Label (http://www.therow.com/) which was set up in 2007 by American actresses and fashion designers Mary Kate and Ashley Olsen. The twins made their acting debut as infants in the television series Full House (1987) and became the youngest self-made millionaires in American history before they were 10 years old (IMDb, 2015).

At the other end of the spectrum, some adults refuse to 'grow old'. They wear fashions that resemble those worn by university students. They still go to night clubs, festivals and rock concerts. Many middle-aged adults apparently do not want to grow old, acting like younger people and buying products normally purchased by them (Clow and Baack, 2010, p. 93). The promotion of products such as age-defying creams, weight loss products and cosmetic surgery is now commonplace. This trend challenges marketers to create messages that reflect behaviour but do not offend or confuse more traditional middle-aged people. For instance Cochlear, well known for its cochlear implants, a technology that helps restore hearing, has to be careful not to offend the baby boomer segment. Traditionally, senior citizens have assumed that as they get older, they will get deaf and there is nothing to prevent that from happening (Cochlear, 2003). Today, baby boomers are less tolerant of disability. Since chronological age is often not a good indicator of a person's 'cognitive' age (the age they feel they are), marketers need to consider how best to communicate with this segment. Suggestions include resisting the use of stereotypes, being innovative, avoiding messages that are too serious or patronising to the mature market (Quester, Neal, Pettigrew, Grimmer, Davis and Hawkins, 2007). In general, the mature market responds positively to marketing communications that use humour and images of happy, vigorous, 30 to 40 year old models. The emphasis is on product benefits and not whether the product is suited for a particular age group (Solomon, Bamossy, Askegaard and Hogg, 2006).

Until recently, many marketers neglected the over 50's market in favour of the youth market. But over the next several decades, population ageing is projected to have significant implications for Australia. The baby boomer cohort , the 5.5 million people born between 1946 and 1965, are the first generation to face the new 'third age' with the unprecedented expectation of healthy life after retirement. Although the last global financial crisis heightened their sense of financial insecurity, baby boomers expect to say healthy and socially engaged after retirement (Productive Aging, 2006). Product categories that are particularly important to this age group include finance, health, travel and entertainment. For instance, state tourism policies are now aimed at the 'grey nomads', retirees travelling around the country (Cox, 2012). The terms sea-change (moving to coastal areas) and tree-change (moving inland) have become very popular in Australia to describe those from cities seeking new lifestyles and opportunities within Regional Australia (Regional Living, 2015).

Gender Complexity and the Blurring of Gender Boundaries

A second new trend in the consumer buying environment can be labeled 'gender complexity'. This means that the traditional roles, lifestyles, and interests of both men and women are becoming blurred. Women increasingly enter occupations that were the domain of men, e.g. pilots, engineers. Men now work in occupations that were once considered only for women, e.g. nursing. Many women attend university, delay marriage and wait to start families. Australia's birth rate reached its lowest point since 2006 according to figures released by the Australian Bureau of Statistics (ABS) in 2014. Australia's total fertility rate fell from 1.93 in 2012 to 1.88 in 2013. However, the trend among older mothers – those aged between 40 and 44 years – was reversed, and their fertility rate has continued to increase (ABS, 2014).

43

Household work is still divided along gender lines in Australia, with women doing most of the indoor tasks and men dominating the outdoor activities. However, these roles have become less rigid in recent years. Between 1992 and 2006, the average time men spent on household work rose by an hour and 25 minutes per week (ABS, 2009). Dads, bachelors, retirees and single men are not only doing more housework, they are also doing more grocery shopping. According to a Nielsen 'Shopper trends' survey in 2011, an estimated 42% of today's shoppers are male. These changes in grocery buyer demographics are leading retailers and big brands to rethink their in-store marketing communications tactics. Male shoppers like marketing communications to be entertaining and sensory. Demonstrations of the product, such as consumer electronics or baby equipment, are very important to them, even more so than price (Ross, 2012). Companies such as Procter & Gamble, Nestle and Unilever that would normally advertise groceries to women now consider men in terms of what they buy and how they shop. In the past, a carmaker such as Ford would target ads to men. Such an approach is no longer useful. Women either purchase the vehicle or have a major influence on the one that is chosen. Print advertisements for BMW, for instance, send a message of affordability to the female market. The case study on male beauty (at the end of this chapter) shows how men are increasingly interested in their appearance, a concern which was traditionally associated with the female sex.

Customisation and co-creation of value

Customisation, which involves modifying or building a product according to an individual's personal preferences, is a key trend in marketing today. Today's consumers are informed, networked, active and empowered, and they are increasingly co-creating value with the firm (Prahalad and Ramaswamy, 2004). In practice, this means having an input into product design or into marketing communications campaigns. Many organisations allow consumers to co-create the physical products they buy online and adapt parts of their web sites to suit their specific needs or preferences. Pioneers include Nike and Levi Strauss. Nike allows consumers to design their own shoes using the organisation's website (http://www.nike.com/us/en_us/c/nikeid). Levi Strauss offers 'made to order jeans', jeans made to fit the exact measurements given to them by the consumer, in some retail stores in the US. Consumers can also customise content and subscribe to different content streams by using third party applications. For instance, iGoogle allows users to create a customized homepage for themselves and add gadgets such as Gmail and Google Talk. More and more organisations are asking consumers what their preferred channel of communication is in order to meet their needs for customisation. In Australia, Bonds launched the 'birthday project' where people were given the opportunity to win a t-shirt with their date of birth on it (Burrows, 2012). Coke launched its 'share a coke' campaign in Australia where a friend's name can be printed onto the Coke can (https://www.coca-cola.com.au/shareacoke). Recognising this trend, food manufacturers have increased the varieties, sizes and flavours of foods. In the highly dynamic food and beverage industry, Australia's ethnic and cultural diversity is reflected in the wide range of food available, including kosher, halal and organic foods. Consumer demands and trends have been for foods that are healthier, fresher, more convenient and less processed (Australian Trade Commission, 2012).

Mobile, Active, Busy Lifestyles

Mobile, active, busy lifestyles have had a dramatic impact on consumer behaviour. Australians have a love affair with mobile technology that helps them manage their busy lives, as evidenced by the rise of smart phones, apps, tablets, ebook readers and personal video recorders (PVRs). These devices offer the user flexibility and control. Consumers are demanding real functionality from apps that will help them make decisions quickly and with confidence.

Maintaining work-life balance is a challenge faced by people around the world. Australians work on average 1,686 hours a year, lower than the OECD average of 1,749 hours. For some people, quality of life, spending time with family and friends, is more important than work and material possessions. However, almost 14 per cent of Australians work very long hours, much higher than the OECD average of 9 per cent. Long working hours have contributed to the phenomenon of 'cash-rich and time-poor' consumers (OECD, 2012). For marketers, this has given rise to opportunites, such as ready meals, pre-washed and pre-prepared fresh produce, as well as demand for services such as household cleaning, landscape gardening, rubbish removal and so forth.

Australians have long been encouraged to 'go for 2 & 5', i.e. eat two serves of fruit and five serves of vegetables each day. However, a report by the Australian Bureau of Statistics (ABS) found that many Australians were not meeting this guideline. In fact, the bulk of expenditure went on meat, takeaway and fast food. A total of $13.70 was spent each week on vegetables, $9.60 a week on fresh fruit and $30.50 on takeway and fast food. Studies like these suggest that busy lifestyles are affecting food consumption patterns, to the potential detriment of our health (ABS, 2012).

Time pressures account for the increase in outsourcing and the rise of personal services such as dry-cleaning, pet-washing, landscape gardening, as well as fast-food, drive through bottle shops and convenience stores Convenience stores are a well-established part of the Australian retail landscape. These stores stay open for long hours and are located in residential areas to meet consumer demand for convenience. Many offer pre-prepared food and freshly made meals in a 'restaurant' setting with tables and chairs. People use smart phones to make sure they stay in touch with others and do not miss any messages during busy days. The demand for convenience continues to increase.

Frugalism

One side effect of the 2008/9 global finanical crisis is the rise of frugalism. Australians have become more cautious about their spending and have become smarter and more assertive shoppers. The trend towards frugalism is shown in various ways (Dudley, 2012):

- baking at home
- taking lunch to work
- having dinner parties instead of eating out

- op-shopping
- free recycling – which is the act of giving away usable unwanted items to others instead of disposing of them in landfills
- growing one's own vegetables
- bargain hunting and haggling
- shopping online
- buying private labels and bulk buying

Australian consumer confidence fell as a result of the global financial crisis of 2008/9, though not as sharply as in other advanced economies. Many Australian companies changed their marketing communications messages due to difficult trading conditions. For instance, Coles focused on value for money with its campaign, "feed your family for under $10" campaign (B&T Magazine, 2013). Coles also capitalised on the nation's obsession with celebrity cooking shows by promoting recipes endorsed by a celebrity chef, Curtis Stone (Coles, 2012). When Australian consumers become concerned about the rising cost of living, they seek to suppress their spending habits and eating a home-cooked meal is much cheaper than eating out! Furthermore, Australians are rediscovering the importance of families, friends and communities and are pursing relationships over material wealth. For marketing communications, displays of excessive consumption are out. Brands in the entertainment and leisure sectors, brands that enable this feeling of togetherness, are in a strong position to capitalise on this trend.

Changes in Family Units

Many Australian women are delaying having their first child until later in life (ABS, 2012). Child-free couples (known as DINKS, or Dual Income, No Kids) are an increasingly common family type in Australia. For marketers, DINKS represent a real opportunity as they are generally highly educated professionals with a good deal of discretionary income. Wealthy couples can spend their income on themselves if they wish, by buying expensive sound systems, big-screen televisions, personal care products, holidays and second homes.

Divorce and remarriage have altered many family units. The divorce rate in Australia is high, with more than one-third of all first marriages ending in divorce (ABS, 2012). Divorce has a big impact on both men and women. Not only are family assets divided, but divorced men and women have a lower household income than those who remain married. Financially, women fare worse than men after divorce (Australian Institute for Family Studies, 2012). For some, life after divorce means more emphasis on entertainment and holidays as they rediscover the joys of being single. For many, life after divorce means emphasis on 'cocooning', where consumption has become more privatized and where individuals retreat to their homes (McGregor, 2000). The home-centred trend has helped Procter & Gamble's air freshener Febreze become a $US1 billion ($993 million) dollar product in the global market (Bryon, 2011). Sales are driven by consumers's willingness to splurge on their homes, where they were spending more time. Home-based products such as air fresheners, cushions, ornaments or candles help make the home environment as soothing as possible.

Affordable luxuries and holistic experiences

Some people handle the stress caused by a hectic, busy lifestyle through occasional indulgences or pleasure binges such as expensive dinners out, massages, aromatherapy and smaller luxury purchases. As a result of their newfound frugality, Australians treat themselves in simple ways. The top 5 ways Australians treat themselves are having a meal out (52%), indulging in a favourite food (47%), having a drink at home (37%), going to the cinema (32%) and buying new clothes (31%) (Grey and Sweeney Research, 2012). Pleasure pursuits also include 'getaway' weekends and short escapes to coastal areas, the country or breaks in interstate capitals. These self-rewarding activities make the consumer feel that all the work and effort is 'worth it'. The implications for brands are to remind people of the simple pleasures in life. In marketing communications, brands such as Baskin-Robbins or Magnums show how eating ice-cream can make people happy. Luxury is no longer defined by price, instead it can be found in everyday, simple and accessible things in life.

In today's experience-based economy,consumers want much more than physical products (Pine and Gilmore, 1999). Organizations have to create holistic experiences based on how consumers sense, feel, think, act and relate to the brand. For instance, the Margaret River Chocolate Company (http://www.chocolatefactory.com.au) is essentially a premium chocolate producer, but the organisation is also a retail store, part museum, part cafe and part manufacturing facility. Global brands like Lego, Apple and Nike, have all developed concept stores which are designed to showcase the brand and create meaningful experiences for individual consumers (Schmitt, 1999). Many people respond to stress through seeking experiences and exciting adventures. From theme parks to virtual reality, consumers enjoy the thrill of experiencing things that seem almost unreal. Sales of 'Social Game' apps like FarmVille have soared. These game apps can be played on social networks such as Facebook or mobile phones like the iPhone. The game is an odd success for the digital world: users get a virtual plot of land to farm as they see fit. As they grow crops and earn currency, they can use the money to buy seeds, animals and tools. Players can play the game with family and friends (MacMillan, Burrows and Ante, 2009). These games enable consumers to relieve stress and "get away from it all".

Health Emphasis

Table 1 gives a profile of Australia's population. There are more females than males, Australians tend to reside in cities, the media age is 37, one fifth of the population are children, three quarters are of working age, and 14% are aged 65 and over. Australia's population, like that of most developed countries, is ageing. The Australian Bureau of Statistics predicts that Australia's population of 22.7 million people will increase to between 36.8 and 48.3 million people by 2061. The proportion of Australians aged 65 or over will significantly increase (ABS, 2015). Australia's ageing population is leading to two trends: (1) a growing interest in health and (2) maintaining youthful appearance.

Variable	Statistic
Total Population	23 m
Sex Ratio	More females than males residing in Australia, with 11.5 million males and 11.6 million females.
Age and Sex Distribution in Greater Capital Cities	15.3m (66% of the population) resided in capital cities 7.8m (24%) resided in the rest of Australia
Median Age	37.3 years
Children (under the age of 15)	4.37m million children (19% of the total population)
Working Age Population – 15 to 64 Years	15.4m of working age (67% of population)
People aged 65 years and older	3.34m (14% of the total Australian population).

Table 1: Population Trends (2013)

Source: ABS (http://www.abs.gov.au/AUSSTATS/abs@.nsf/mf/3235.0)

Flora pro-activ, a cholesterol lowering spread with plant sterols, was launched in Australia and New Zealand by Unilever. Increasing health consciousness has seen a rising interest in functional foods like Flora pro-activ. Functional foods are products that deliver a specific health benefit such as reducing high cholesterol. Through innovation and reformulation, Unilever Australia has lowered the levels of four key nutrients, salt, saturated fat, trans fat and sugar, in many of its products. They provide information on healthy eating in their front-of pack labelling. The marketing communications communications message was changed to promote popular food brands as part of a proper diet (Unilever Australia, 2012). Although consumers desire healthier foods, they also want convenience. Busy lifestyles mean consumers are less willing to cook from scratch. They prefer prepared foods that can be assembled easily and cooked quickly. Products that combine health attributes with convenience are likely to sell well, such as dairy snacks (Australian Food News, 2010).

Change in the consumption of media

Australians and New Zealanders are consuming news and media in a very different way from 20 years ago. Nielsen reports that use of the Internet in the Australian population is approaching saturation point, with an overall unique audience of 15.7 million online (Gillmer, 2012), so the online landscape is presenting advertisers with new opportunities and new challenges. Instead of relying on traditional mass media for information and entertainment, consumers are turning to the internet and to social media. They are even creating their own news in the form of blogs and podcasts which constitutes a new element in journalism, "citizen journalism" (Goode, 2009). They are also spreading word of mouth, good and bad, for organisations. Mobile devices such as 3G phones, tablet computers, ultrabooks and eReaders mean that people can access news and entertainment anytime, anywhere. More and more readers are subscribing to newspaper apps. Newspapers have largely failed to reach the younger, technologically-savvy generation. The Press Council of Australia (2008) argued that newspapers are perhaps old-fashioned and out of date for many in Generations X and Y. The time-poor, fast-paced lifestyles of modern consumers have also contributed to the decline in newspaper readership.

Online news browsing is replacing, or supplementing, both newspaper reading and television viewing. The challenges facing the so-called traditional media are well documented. Young viewers, under 30, are watching television by downloading it over the internet or viewing it 'on demand' rather than watching it as it is broadcast (Robinson, 2007). The advent of Internet Protocol Television (IPTV), a technology that streams TV and video services via the internet direct to computer, television set or game console, offers opportunities and threats. Legitimate IPTV (TV via internet) services (such as Bigpond TV, Apple TV, FetchTV, Foxtel, GoogleTV, Quickflicks and ABC iView) are expected to become commonplace as the National Broadband Network (NBN) rolls out in Australia. The National Broadband Network (NBN), which started in 2014, is designed to ensure that all Australians will have access to very fast broadband using a mix of technologies (Australian Government, 2015). Despite the challenges, some television executives have confidence in the medium and feel that the internet isn't replacing TV but is enhancing it (Brook and Meade, 2012). It is argued that television's scale, reach and engagement are proving to be an antidote to fragmentation. Far from cannibalising viewing, new technologies are driving incremental viewing – anytime, anywhere and anyhow (Free TV Australia, 2012).

When online, news consumption becomes a multi-media experience, with text, images, audio and video. Electronic media like television and the Internet have an edge over the print media. They are instant media capable of presenting breaking news and quickly updating the content. Blogs and social media have made the digital world more participatory and interactive (Robinson, 2007). Furthermore, online information is often free. For media outlets, there are significant cost savings in moving online. Furthermore, moving online is said to be more environmentally-friendly – fewer trees are cut down to provide paper and less energy is consumed in producing titles. All these trends suggest a move away from traditional, hard copy newspapers.

Media executives and scholars agree that newspapers, magazines and other forms of print media face serious challenges in terms of stable or declining readership, falling circulation figures and sharp declines in advertising revenue. National, metropolitan and regional newspaper circulation is falling by 5.7% year-on-year, according to the Audit Bureau of Circulations (Clark, 2012). Traditionally, classified advertising was a motivator for purchasing a Saturday paper, but today classified advertising has shifted to the Web. As advertising revenues fall, many newspapers have slashed their editorial staffs and closed news bureaus. Newspapers have tried to reinvent themselves, with the shift from 'hard' news to 'soft' news' (lifestyle matters and celebrity gossip); broadsheets to tabloids, black-and-white to colour and weekend supplements.

The marketing manager has to be aware of what is happening in the marketing environment. Marketers need to become more inventive and more responsive to the needs of their target audience in this new multi-media, multi-channel world. Many media planners see new opportunities to reach their target market via online editions of newspapers, social media and new technologies. More and more newspapers advertisements are interactive in nature, and new technology links the printed product to digital content via an Apple or Android platform. Interactive print ads provide consumers with an enhanced brand experience through additional video, photographic and editorial content.

In sum, these new trends in the consumer buying environment create several challenges for marketing communications. The activity will be to monitor changes so that the organisation is not surprised by them. Second, companies create products and services that are compatible with changing values. Third, marketing communications messages can be designed to reflect and build on the values people express. Incorporating new trends into the marketing campaign may be undertaken while at the same time being careful not to alienate any current consumers who might not like the trends.

3.8   Ethics box: advertiser required to mend ITS wicked ways

Attitudes towards a brand often vary depending on the target market selected. Wicked Campers (http://www.wickedcampers.com.au) is an Australian campervan rental organisation that provides cheap transport for travellers in Australia and around the world. The service is aimed at the backpacker market and the service is positioned as 'fun', 'quirky', 'irreverent', 'hippy' and 'anti-establishment'. The organisation uses slogans on the vans, brochures and print ads to communicate with its target audience (see Figure 4). While the target market responds well to the organisation's marketing communications communications efforts, the organisation has been forced to withdraw some slogans after the ASB ruled that they were sexist, used obscene language and could not be considered humorous or acceptable. One advertisement which caused offence contained phrases such as, 'score a speeding ticket you never have to pay' and 'get shit-faced all the time'. Another slogan contained the phrase 'it's better to be black rather than gay cos you don't have to tell your parents'. In its case review reports, the ASB noted that the advertisement and other elements of marketing communications presented skin colour and sexual preferences in a manner that was negative and that this portrayal amounted to a depiction which discriminated and vilified sections of the community (Advertising Standards Bureau, 2012).

One of Wicked Campers' advertisements became the complained about ad in 2011 (Advertising Standards Bureau, 2011). Anna Bligh, a former Premier of Queensland objected to the graphic content of another slogan from Wicked Campers, stating that it had descended into bad taste and was damaging to Australia's reputation internationally (Grey, 2008). In recent years, the ASB has considered around 20 complaints against Wicked Campers, but not all of the complaints have been upheld. The brand is constantly changing its slogans and that keeps the outdoor advertising campaign fresh and interesting for the target market. A recent campaign involved using photographs of its consumers, who posed nude in exchange for a free day's rental.

While many laws and regulations influence what advertisers can and cannot do, some issues are not covered by the legal framework. Sometimes, marketing communications managers must make decisions on the basis of ethical considerations. Ethics refers to what is considered right or wrong, proper or improper in a particular culture; the moral principles and values that govern the actions and decisions of an individual or group. It is clear that these ads are polarising as opinions vary depending on the individual's values, religious orientation and demographics.

Questions

1. Should ads be judged in context of the brand, the intended audience and whether it is appropriate to the product being promoted?

2. Wicked Campers' image is all about having some fun and not taking life too seriously. The tone in the outdoor advertising campaign is colloquial, direct and honest – which is shocking to people who are not part of the target market. Or do these ads reinforce stereotypes of backpackers and Australians as being sex-crazed, loud and unsophisticated? Do their ads insult minority groups? Do their ads demean women (and men) by depicting them as sex objects Are Wicked Campers' slogans unethical or just good fun?

Figure 4: Jimmy Hendrix Image on Wicked Premium Campers
Source: http://www.wickedcampers.com.au/australia-campervans/van-type/premium-campers.html

3.9   Summary

Consumer behaviour is a discipline, in the social sciences, which deals with why consumers buy, or do not buy, products or services. The decision making process consists of five stages: problem recognition, information search, evaluation of alternatives, purchase and post-purchase processes. Two stages in the process are the key to marketing communications. The first is the 'information search' stage, in which the consumer reviews previous memories and experiences and seeks out acceptable ways to meet a need. The second stage is the 'evaluation of alternatives' stage, where the individual compares alternatives or purchasing possibilities. Three models of consumer evaluations of purchase alternatives were oulined: the evoked set, the multi-attribute model and affect-referral model. This chapter also explored consumer attitudes, consumer values and cognitive mapping. Several trends in the consumer buying environment affect consumption and purchasing patterns. These were: age complexity and aging of the population; gender complexity and the blurring of gender boundaries; customisation, mobile, active and busy lifestyles; frugalism; change in family units; affordable luxuries, holistic experiences, health emphasis and change in the consumption of media.

3   Case Study: male fashion

Concerns about body image, traditionally the preserve of women, are now occupying the minds of an increasing number of men. The big brands in fashion and beauty, Calvin Klein, Dolce and Gabbana, Ralph Lauren and Diesel, are tapping into this trend by offering an array of products specifically designed for the image conscious male: skin products, designer jeans, sunglasses, underwear, swimwear and casual wear. In the 1990s, social commentators called this new target segment the "metrosexuals", men who aspired to having great hairstyles, toned muscles and a wardrobe to match their physiques. The term 'metrosexual' was an amalgam of two words, 'metropolitan' and 'heterosexual' and the term generally referred to a young, single urban male, with a high disposable income, who spent a lot of time and money shopping for products to enhance his appearance (Simpson, 2003).

Yet today, male models, celebrities and rock stars are increasingly androgynous in their appearance. Androgyny is the combination of male and female characteristics and it gives rise to ambiguity over the sex of the person. This shows that boundaries have broadened and that perceptions of male beauty are changing all the time. The trend towards androgyny has been embraced by mainstream marketers. For instance, the car organisation Toyota used an androgynous model, a male who regularly models female fashion on the catwalks, for their advert for the Toyota Auris, with tagline: "Not trendy, not casual, not for everyone." Some advertising agencies like to use androgynous models because they like to arouse the curiosity of target market and keep them guessing (Hattersley, 2012).

Changing views of male beauty

Even a conservative country like Australia has embraced the trend towards androgyny. Brands of beers such as XXXX tend to promote a stereotypical image of the Australian man, a man who is interested in beer, having fun with his mates, and who fits the conservative, rural, working class mould. Although the traditional stereotype of the Australian male hasn't disappeared from our television screens, many young men today have no issues with adopting the values and behaviours that in a conservative society might once have been construed as "feminine" or "gay". Today, the boundaries between gay and straight men have become blurred; the cues traditionally used to define sexual orientation – hair, clothing, voice, body language – are no longer clear-cut. Advertising (and other elements of marketing communications) has changed in line with societal and cultural change.

However, there are still boundaries between what is considered socially acceptable or unacceptable in terms of consumption behaviours for men and women (Rinalo, 2007). For instance, a man wearing a dress might raise eyebrows in rural and regional Australian, but perhaps not in a city like Sydney. Marketers need to very careful in how they design products for men, package and promote them. For example, bags for men are quite functional but they suffer from a poor image because they have been targeted at women for so long. Cosmetics for men tend to be packaged in bold primary colours and copywriters use direct, straightforward language, outlining the key benefit of the product very clearly. The advertising appeals, text and language used in advertisements, and other elements of marketing communications, are carefully researched and constructed to appeal to the male target market.

Factors driving change in the male fashion sector

The key factor driving change in the market for male fashion is the fashion world in London, New York and other major fashion centres. The head of menswear for London's Selfridges, David Walker-Smith, was quick to spot the trend towards metrosexuality in the 1990s, and the recent trend towards androgyny. He tends to act as an opinion leader. He is keen to stock the most innovative fashion brands, beauty treatments and accessories, which is a key success factor in the competitive and volatile world of fashion retailing. The store has sold male handbags dubbed 'manbags', leggings for men known as 'meggings' and eyeliner for men described as ' guyliner' (Riordan, 2006). When a fashion leader like Selfridges makes changes to its product range, other department stores like Myers in Australia sit up and take notice. Fashion innovations tend to trickle down into mainstream fashion.

The men's fashion press, magazines such as *GQ*, *Esquire*, and *FHM*, have also played role in educating the market and setting trends. In glossy photo-shoots, they depict the essence of masculinity: the strong, tanned, sculpted male body. In fact, advertisers in the gay press were the first to employ homoerotic images of male bodies to sell products and services. Today the commodification of male sexuality is evident in the mainstream media and social media. Celebrities such as David Beckham (the British soccer player and multi-millionaire) have also influenced male aspirations. Beckham has made a lucrative career off the sports field for sponsoring male fashion and accessories, including brands such as Samsung, Police, Vodafone and Gillette.

The cult of male beauty and its impact on self-esteem

Research has found that very few men are satisfied with their bodies. There is a market for a whole range of body-building and weight loss aids. There is a relationship between the reading of fitness magazines and body image concerns. Idealized media images appear capable of threatening some men's sense of attractiveness and suggest that men may be internalizing the lean and muscular male body ideal featured in men's fitness magazines and other media. The beauty industry has long been criticized for exploiting women's insecurities about their looks, but now social researchers are calling for more dialogue on the unrealistic ideals of male beauty promoted in the media and the need to promote an environment that values diversity in appearance and promotes healthy body image (Labre-Peixoto, 2005).

Conclusion

The leading fashion houses around the world were quick to spot men's interest in fashion and grooming products, realising that concern for bodily image is no longer the preserve of women. There is a growing segment of men who aspire to having the looks and a wardrobe that was once associated with celebrities. Consumer demand is evolving in line with socio-cultural change and marketing communications has to adapt to rapid changes in the marketplace. Social researchers have called for more dialogue on how men are portrayed in the media and whether they are promoting a healthy body image.

Questions

1. Identify a recent purchase you have made in relation to male fashion, such as swimwear or underwear. Explain the process you used to make the purchase decision and refer to all the steps in the consumer decision-making process outlined in this chapter.
2. What are the broad influences on male fashion consumption and are the criticisms levelled at the media in this case study justified in any way?
3. In your view, is 'androgeny' just a fad in the fashion industry?
4. Conduct research on experiential marketing communications campaigns in the swimwear and underwear sector. Can you come up with ideas for an experiential marketing communications campaign for a clothing retailer like Bonds?

4   Case Study: Contiki Australia

Contiki is a coach tour holiday organisation operating in Europe, Russia, Egypt, Asia, Australia, New Zealand and North America. According to its website (http://www.contiki.com/meetcontiki), the travel organisation was formed in 1962 specifically to offer coach trips for 18–35 year-olds that have a "passion for adventure, good times and creating memories that define what it is to be young, wild and free". Their itineraries cover exposure to the local culture, the opportunity to visit scenic attractions, nightlife entertainment and socialising. The use of an emotional branding strategy has helped Contiki develop brand-loyal consumers.

In the early days, Contiki had to grapple with their target market's dislike of travelling by coach and misconceptions that coach tours are uncomfortable and only for older people. Consequently, Contiki invested in a modern fleet of coaches with reclining seats, panoramic windows, DVD players and bathrooms (Morrison, 2010). In recent times, it had to grapple with a media crisis when a young Australian girl died while on a Contiki tour in the UK (Stanbury, Pryer and Roberts, 2005). Contiki has had to deal with negative word-of-mouth about binge-drinking but it works hard to reassure travellers that impressions of Contiki as "the party bus" are out of date and that their tours appeal to a broad mix of people. Contiki's reputation as a major tour operator, and its highly organized itineraries, provide assurance for its target market (Contiki, 2012).

Contiki's tours are aimed at the youth market, in particular, Generation Y, young people born between 1980 and 1994. This is a sought after demographic and Contiki has a very clear idea what drives, motivates and inspires young travellers. This target market presents a particular challenge to today's marketers. Having grown up with diverse forms of marketing communications and a brand-saturated environment, they are resistant to traditional marketing communications efforts. They are difficult to capture and retain as loyal consumers. However, they are influenced by the presence of the internet and value the opportunity to interact and connect with brands. They respond well to humour, satire and honesty in advertising. With a low boredom threshold and a strong sense of independence, they are interested in travel (Lazarevic, 2012).

Travel is a high involvement activity. According to Scott Cohen (2010), lifestyle travel plays a role in the individual's identity and self-concept; an individual's perception of him/herself that is in part derived from the products and services consumed. Recognising this, Contiki promises its target market an unforgettable travel experience:

> 'Imagine discovering different cultures, meeting new people from all over the globe and creating memories that will last a lifetime.'

For some, the tourism experience is made more memorable and enjoyable as a result of the social interaction that the consumer has with other tourists. Contiki tours provide opportunities to make friends. It also offers individual freedom and the flexibility associated with solo travel on account of its optional activities and excursions. Gen Y are quite community oriented, they care about what others think of them, and are aware of the social consequences of making a poor decision. They need reassurance that they are making the right decision.

Contiki's website (http://www.contiki.com.au) is proving to be very popular with Gen Y. The site provides extensive information on its tours and travel tips as well as newsletters, frequently asked questions (FAQs), videos, competitions, a virtual (on-line) community and mobile phone apps. Contiki's website is like a vast bulletin board where people come together to discuss all kinds of travel-related issues through social networks such as Facebook and Twitter. Contiki promotes interaction between travellers by enabling them to connect before and after their trips. It also hosts a 'welcoming event' prior to departure.

Contiki aims to forge strong, meaningful, affective bonds between Contiki and the consumers. One way of doing this is by telling stories that inspire and captivate the consumer. In the case of Contiki, those stories have common themes such as 'adventure', 'fun' and the 'feel-good' factor. The stories are mediated through travel videos which feature on the website and social networking sites. Contiki incites users to share their travel experiences with others:

> "Join the Official Contiki Groupsite on Facebook and connect with your fellow Contiki travelers, upload photos, discuss your future Contiki trips and/or share your past Contiki experiences".

Contiki runs competitions, such as 'Be a Travel Reporter', in order to encourage consumers to upload videos to YouTube. Links with the YouTube channel ultimately have two goals: firstly, to increase brand exposure to the wide YouTube audience and secondly, to drive traffic back to Contiki.com.

Innovative marketing communications has helped Contiki develop a strong connection with the youth market. While Contiki is one of most recognised brands in Australia, it is virtually unknown in many European markets. To increase brand name awareness in the UK, an Integrated Marketing Communications campaign was run by a local agency, Campus Media. They targeted major nightclubs and student events all over the country, such as the Nottingham Summer Ball, and branded each event with surf simulators, Contiki posters, beachballs, lip balms, and flip flops. Sales promotions were run and students were encouraged to enter competitions and win holidays with Contiki. Students were asked to sign up to the Contiki facebook page. On Facebook, they were asked to participate in a game called "Replace your Face" where the faces of the contestants on the surf board were hidden and their friends had to correctly tag them – this was an important source of viral marketing communications or 'word of mouse' (Campus Media, 2012).

Contiki is a good example of an organisation that has created superior value for its consumers. Its instinctive understanding of the needs and motivations of Generation Y travellers has led to its success in a highly competitive marketplace.

Discussion questions

1. What image does Contiki portray to it target audience?
2. How has Contiki used marketing communications to create value for its target market?
3. What advice would you give to Contiki to enable it to survive an economic downturn?
4. Develop an idea for an experiential marketing communications campaign to broaden awareness of the Contiki brand amongst British students.

5   Case Study: Pinterest – who am I?

The concept of 'self' or 'self-identify' is an important one in consumer behaviour. The term self-concept refers to the totality of thoughts and feelings that an individual has about the self. It refers to the way a person defines, or gives meaning to, his or her identity. It is composed of many attributes, and can be described along such dimensions as their content (for example, mental aptitude versus physical attractiveness), positivity or negativity (i.e. self-esteem), intensity, stability over time and accuracy (that is, the degree to which one's self-assessment corresponds to reality). Consumers are motivated to act in accordance with their self-concepts and express their self-concepts by purchasing and displaying various products (Solomon, Bamossy, Askegaard and Hogg, 2006). Both Eastern and Western cultures see the self as divided into an inner, private self and an outer, public self.

Social media – characteristics

Social media includes social network sites, gaming sites, blogs, videos, Wikipedia, podcasts, discussion forums and photo hosting and sharing sites (i.e., Twitter, Linked-in, Facebook, Pinterest, Flickr, Vimeo, YouTube, photobucket, etc.). Social media are characterised by participation, openness, conversation, community and connectedness. Without any discrimination, users can socialise, share opinions on diverse matters and influence others. People tend to ask others for advice and often post a comment that garners a response. Social networking makes it possible to gain attention, build a following and to be "liked". For instance, Twitter has the retweet (RT) option and Facebook has the "like" option. Photo-sharing sites have similar features, such as the Instagram app where people can "like" your photos. Social media allows consumers to have a new and exciting method of expressing their selves. Social media has given power back to the individual and a wide range of industry sectors has been transformed by the rise of citizen journalists, amateur food critics, fashion bloggers, writers, musicians and film-makers.

Pinterest – a fast-growing social network

Pinterest is new, fast-growing social network. It was built by a small team in Palo Alto, California in 2010. It is a social bookmarking site which enables users to collect and then share things that they like or find useful. Users create "pinboards" and then use Pinterest's "Pin It" tool and iPhone app to save things they see online and offline. They can explore the images their friends collect via their personal newsfeeds. Women are said to account for most of Pinterest's traffic. The most popular categories are home decor, food and weddings. It also helps drive traffic to other sites, such as retailers' websites. By showcasing products, followers can see what is currently available and click through to the website to purchase.

The corporate sector is beginning to use Pinterest. Pinterest is all about visual appeal, so the best boards are those that show creativity and imagination, like fashion brands or food brands that show the visual, tangible aspects of the brand. It can also be a way of highlighting aspects of the brand that are not well known. For instance, the organic food company, Whole Foods, use Pinterest to advertise their achievements in the area of corporate social responsibility (CSR). Not only do they show the food they sell, they offer recipe ideas, diet ideas and seasonal-specific boards. They have thought about what their customers are interested in and built boards around this whilst keeping their brand at the centre (Pinterest, 2012). It is common practice for corporations to share images and links across various social media channels, their blog and website.

Living our lives in public – should we be concerned?

The rise in social media has caused some concern amongst academics. For teenagers, the appeal of these sites lies in the socialisation process through which everyone goes through. Adolescents need to find their identity, voice, place and status or 'tribe' with which they most identify. Sociologists associate social networking with a rise in narcissism, cyber-bullying, cyber-stalking, sex and violence. As people become accustomed to living their lives in public, they care less about privacy. Students on Facebook, for instance, give up their privacy about everything from musical preferences to sexual hang-ups (Turtle, 2007).

Discussion forums are subject to abuse by people who use this platform to air their frustrations or to defame others, known as flaming. With advances in technology, users can easily post undesirable or taboo content on-line. Children risk befriending strangers with ulterior motives. In the past, people gathered in the local bar, restaurant or coffee shop for company and conversation, but today virtual places fulfill the need for belonging. There is a risk that people will relate more to virtual communities than to physical communities – although some sociologists believe that social networks are strengthening social bonds and contributing to community well-being. According to the sociologist Turtle (1996; 2006), the Internet is

"…eroding boundaries between the real and the virtual, the animate and the inanimate and leading to a fundamental shift in the way we create and experience human identity".

While virtual environments are valuable as places where we can acknowledge our inner diversity, people still want an authentic experience of self.

Marketing implications

In a marketing context, there is increasing interest in harnessing the power of social media for the purposes of brand-building, new product development and marketing communications. Social media is increasingly used as a source of marketing intelligence, a way of learning about consumers' likes or dislikes, attitudes and feelings. Marketing campaigns often seek to build an on-line community where the emphasis is on facilitating interaction amongst customers and building a strong relationship with the brand. Companies realize that social media marketing is about relinquishing control and consumer feedback may be negative as well as positive. Corporations are attempting to influence the conservation online by linking up with bloggers; developing adver-games and embedding a branding message in video content; stimulating online word-of-mouth marketing (also known as word-of-mouse, buzz marketing, viral marketing, evangelist, street and stealth marketing).

While marketers recognize the huge potential of the social networking sites, there are numerous pitfalls and an overtly commercial approach is often be resisted by community members. Marketing managers also have to ask the question: are we listening to the right people? Are these people representative of our target market? It is argued that there are ethical issues surrounding the deliberate 'seeding' of messages and the monitoring of online conversations. The opposing argument is that the internet is a public forum, people's conversations are not private and the data can be treated as secondary data or "grey" material that underpins market research.

Questions

1. To what extent would you agree that products and services reflect self-concept, identity or difference from mainstream society?

2. Explain motivations for the usage of social media. Does the popularity of social networking sites demonstrate a sense of belonging to reference groups or does it represent a statement of self?

3. The case study argued that social media cannot be ignored by marketers. Pick a brand that has attempted to create an on-line community and explore the reasons for its success or failure.

4. Many commentators have expressed concern over the vulnerability of adolescents and pre-teens to exploitation in an online environment. Do you think that the attitudes and behaviours of adolescents with regard to social networking sites are different from those of adults?

6 Case Study: Irish whiskey – enjoying a resurgance

Irish whiskey is one of the fastest growing spirit segments worldwide. Beam Inc., a multi-national company, acquired Cooley Distilleries in 2012. Up until then, it was the only privately owned Irish distillery in the industry (Teeling, 2006). The market for whiskey is a lucrative one. The Irish whiskey category grew 11.5% in 2010. The leading markets for Irish whiskey are the United States, Ireland, the United Kingdom, France, South Africa and Germany (Beam Global, 2012).

Cooley Distilleries has won numerous awards for product quality. It won 8 gold medals at the 2011 International Wine & Spirits Competition (IWSC) and it was also voted World and European Distiller of the Year in 2008 (IWSC, 2011). Cooley's top-selling brands are Kilbeggan, which is a blend; Tyrconnell which is a single malt (single Irish Malt whiskeys are quite rare) and Connemara, a peated single malt. Kilbeggan, the flagship brand, competes against other Irish blended whiskeys such as Jameson and Bushmills. It also competes against Scottish whiskey and American bourbon and leading brands such as Jack Daniel's and Jim Beam Bourbon. The high quality of Irish whiskey, as well as the growing popularity and visibility of Irish whiskey on the world market, suggests a competitive edge. It is said that some whiskey brands take on the personality of the Irish: light hearted, friendly, sociable, but solid and dependable. Irish brands also appeal to the large population segment in the US and Australia that is of Irish descent. Irish whiskey is often promoted for St. Patrick's Day and the Christmas period. For instance, a holiday package of Kilbeggan with two glasses, positions the whiskey as a gift item during key parts of the year (Teeling, 2006).

There are opportunities for premium whiskey brands to expand beyond its traditional strongholds – the middle-aged, conservative male consumer. Industry commentators believe that success will come to brands that are marketed to a younger generation. According to John Teeling, former CEO of Cooley Distilleries, whiskey and coke is the drink of choice for young people in many countries. Furthermore, whiskey becomes a status symbol and aspirational brand as a country's GDP (gross domestic product) rises. Many experts believe that this is where the future will lie. Building a brand, however, entails significant investment in marketing communications. Sales also depend on tastings, point-of-sale promotions, product reviews, publicity and word-of-mouth advertising. Beam Inc. believes that there is great scope to expand sales of the award winning Irish whiskey brands in the US and other key markets.

Questions

1. Design a national marketing communications strategy for the Kilbeggan brand, identifying the target markets and methods to reach them.
2. What does this case tell you about consumer behavior?

Part 2: Consumer behaviour: influencing consumers through public relations, sponsorships and events marketing

Learning objectives

After reading this chapter, you should be able to:

- assess the role of public relations in building strong relationships with internal and external stakeholders, fostering customer loyalty and a positive brand image
- examine the steps that organisations can take to prevent or reduce image damage when negative events occur
- appraise the role of sponsorships and event marketing in building strong relationships with customers and other stakeholders

7 Case: White Ribbon New Zealand – using public relations to raise awareness of violence against women

According to the White Ribbon New Zealand website (2012), White Ribbon is a global, not for profit organisation that is committed to eliminating violence against women, whether physical or non-physical. Originally founded in Canada in 1991, the campaign was brought to New Zealand in 2004 by the United Nations Fund for Women (UNIFEM). Today, the Families Commission coordinates, and is principal funder of, the national White Ribbon Day in New Zealand. This campaign encourages men to stand up against violence toward women. According to the White Ribbon New Zealand website (2012), violence is endemic within New Zealand with one in three women experiencing violence from a partner in their lifetime, while on average, fourteen women are killed each year by a member of their own family.

White Ribbon NZ runs marketing campaigns which are led by men who condemn violence and want to take action. On the website, it is stated that the simplest step is to wear a white ribbon as a personal pledge to never commit, condone or remain silent about violence towards women. There are many other ways in which men can get involved in the White Ribbon campaign – such as taking part in the White Ribbon Ride, becoming an Ambassador, following the campaign on Twitter and Facebook, organising an event within the local community or buying items in the online shop such as t-shirts, wristbands and cufflinks. Ambassadors, or spokespersons, include football players, politicians, entrepreneurs, entertainers and community leaders. They are visible and vocal in the media so that the message about violence is disseminated to New Zealanders. The White Ribbon Facebook site is a place where like-minded people can debate issues and inspire one another.

On the website, it is stated that the key messages communicated by White Ribbon NZ are as follows:

1. Violence towards women is unacceptable
2. Men are part of the solution – this message highlights that the white ribbon campaign is led by men for men, men who recognise that there is a serious problem and acknowledge that abuse against women is widespread
3. You can help fix this problem – men are encouraged to reach out when they know someone who is experiencing violence; men are asked to check their actions and those of their mates, start a conversation and take action.

The public relations function plays a key role in the White Ribbon NZ integrated marketing communications (IMC) strategy. White Ribbon NZ has done a great deal to engage the public in re-examining attitudes towards violence. The organization believes that the media has a responsibility to report the issue accurately. Hence, statistics are used to inform New Zealanders about the true nature of violence against women, how many women are affected and in what way, and what can be done about it. Resources have been produced by the organization to encourage good quality media coverage of violence.

Every year White Ribbon NZ employs an external agency to perform a media analysis for the White Ribbon NZ campaign. The agency tracks mentions of the campaign and family violence during the October to December period each year, as White Ribbon Day is traditionally held in late November. A full review of the media coverage the campaign has received is undertaken. The agency also monitors how the key messages are being filtered through media, in which regions and media outlets.

Publicity can be positive and negative. White Ribbon has always evoked a strong emotional reaction from some male members of society. Some men object strongly to the organisation, arguing that concentrating on men's violence is sexist and that women are just as violent as men. They quote international research which suggests that women can be just as violent, if not more so, than men. However, White Ribbon is quick to refute these allegations. They state that this research only reports instances of violence. What it does not measure is the nature, or consequences, of that violence. According to the White Ribbon website, the most serious violence is perpetrated by men, resulting in hospitalisations, assaults, arrests and deaths.

Through effective use of PR, the internet, social media, print advertising, word-of-mouth and events and activities, the White Ribbon campaign is set to meets its goals. According to the Families Commission (2012), there is evidence that anti-violence campaigns are having an impact. Successful public relations campaigns ensure that the right message is delivered to the target audience; effective PR enhances the organisation's image and ensures it is perceived favourably in the marketplace.

8   Overview

Public relations, which include sponsorships and events marketing, are part of the overall IMC approach. In order to influnce consumers, it is important that a consistent, unified message appears in every marketing endeavor, from the appearance of the organisation's stationery to staff uniforms, to advertisements, sales promotion items, information in press releases, websites, social media and sponsorship programs. Making sure that each component of a organisation's IMC strategy speaks with one voice is an important goal for today's marketer.

This chapter begins with a discussion of the role of the public relations function in building bonds with stakeholders. Sponsorship strategies and event marketing tactics are outlined to show how the organisation can make contacts and develop relationships with existing customers, potential new customers, suppliers, employees and other stakeholders. Positive public relations, along with sponsorship and event marketing strategies, can enhance the organisation's image and awareness of its brands amongst its customer base.

9   Public relations

In Hollywood, one well-worn phrase is "there's no such thing as bad publicity." This may be true for aspiring celebrities, actors and actresses, however, in the world of marketing bad publicity is worse than no publicity. Many organisations spend countless hours grappling with negative press while trying to develop positive and noteworthy messages. There are many definitions of public relations (PR) and according to the Public Relations Institute of Australia (PRIA), the peak industry body, most definitions of public relations have three key words in common: communication, relationships and reputation. A current definition offered by PRIA is as follows (PRIA, 2013):

> "Public relations is the deliberate, planned and sustained effort to establish and maintain mutual understanding between an organisation (or individual) and its (or theirs) publics. It is a management function which evaluates public attitudes, identifies the policies and procedures of an individual or an organisation with the public interest, and plans and executes a program of action to earn public understanding and acceptance."

The function of public relations (PR) is to manage communications with every group in contact with the organisation. Like many other IMC elements, public relations has both advantages and disadvantages. The key advantages are credibility, cost and image-building (Broom, Center and Cutlip, 2009). Credibility means that the message is perceived to come from the media (who is not compensated for providing this information) and not directly from the organisation. Consumers are generally less sceptical towards favourable information about a product, service or organisation when it comes from a source they perceive as unbiased. Cost means that for smaller organisations, the cost of public relations can be very low as managers do not employ public relations agencies, the only cost is the time and effort involved in developing PR materials. Image building means that effective PR can build a strong image for the organisation, helps it withstand crises and is a form of insurance against organisational errors. The main disadvantages are lack of control over the media since media time and space are not guaranteed and also publicity is more often negative rather than positive in tone (Harris, 1998; Ang, 2014).

Internal Versus External Public Relations

The first major decision organisational managers make concerning public relations is who will handle the various activities. Public relations may be handled either internally or externally, and that is often a function of organisational size. When it is handled internally, there is often an individual or team in charge of public relations activities. Teams may be organised into a public relations department. Other organisations hire public relations agencies to complete special projects or handle all public relations functions. The decision criteria used in selecting a public relations agency are many and varied. Issues to consider include the type of work the agency can handle and their area of specialisation; relevant experience and professional background of consultants; present clients and any possible conflict of interest with existing clients; fees and expenses; type of reporting and testimonials from clients on quality of work performed (PRIA, 2013). Developing a trusting relationship with the public relations agency and carefully spelling out what the organisation expects from the agency are high priorities.

Public Relations Tools

A number of tools are available to the public relations department. These include organisational newsletters, internal messages, award ceremonies and social events for employees, public relations releases, press conferences, personal interviews, feature articles, photographs, correspondences with shareholders, shareholders' meetings and annual reports, Organisations may also organise special, one-off events, such as the Australian airline Qantas and its 90th birthday celebrations or toy marketer Lego and its 50th year anniversary in Australia. Even the bulletin board in the organisation's break room can convey messages to internal stakeholders. Increasingly, the internet has become a means by which organisations disseminate information in relation to its public relations strategy.

Capturing hits will be one common goal of a public relations agency. A hit is the mention of an organisation's name in a news story. Hits can be positive, negative, or neutral in terms of the impact on an organisation. Each hit improves that chance that consumers will see the name of an organisation in a news-related context, which can increase brand or organisational awareness. This may be true; however, the agency also considers the type of image being portrayed. It may be a more prudent strategy to seek fewer hits and to make sure that each one projects the organisation in a positive light that also reinforces the organisation's IMC theme.

The following advertisement (see figure 5) aims to influence consumers and get them to think of the skkincare brand, Aromababy in a favourable light. Notice all the celebrity mums who have endorsed Aromababy's organic baby skincare range. Public relations is an invaluable and low cost form of marketing communications for a small organisation.

Figure 5: Celebrities endorse Aromababy organic products
Source: Aromababy

9.1   Public relations and stakeholder groups

The public relations function focuses on a variety of internal and external stakeholders, including employees, the local community, stockholders, public interest groups, the media, the government, special interest groups such as environmental gorups, and society as a whole. For some organisations, their public relations strategies are unstructured and informal, and involve little more than media releases, media kits for trade shows and new product announcements. However, planning is critical to the development of effective public relations strategies. The key to a successful public relations strategy is the identification of the target audience. The targeted audience for public relations efforts may vary, with different objectives for each. These stakeholders may be internal, such as employees, or external to the organisation such as customers, suppliers, community groups, regulators, media and opinion leaders. Every recipient of an organisation's communications is important. Any constituent who makes contact with an organisation should receive a clear and consistent message. A stakeholder is defined as a person or group who has a vested interest in the organisation's activities. Vested interests include:

- Competitive pricing of products and services offered to consumers and competition in the marketplace
- Wages paid to employees, an optimal working environment for employees, job security, employee morale and workplace health and safety
- Community health and well-being, contributions to civic and volunteer organisations and environmental protection. For instance, Toyota Australia supports the National Tree Day, a community-based, environmental activity.

Internal Stakeholders

Organisational managers know the value of quality internal communications. Employees receive a constant stream of information from the organisation. Employees provide a powerful channel of communication to people outside the organisation. They can either enhance or damage an organisation's reputation. What employees say to others has a much higher level of credibility than what an organisation says about itself. Word-of-mouth communications, even informal statements by employees, impact purchasing and investing decisions (Dawkins, 2004).

Toyota Australia has a a long tradition of supporting the community at both local and national levels. Employee engagement is an important part of its philanthropic efforts and employees are encouraged to champion causes. A work-place giving scheme enables employees to make pre-tax donations to a charity of their choice through the payroll system. Employees who are aware of Toyota's sustainability strategy should communicate the same message wihen dealing with customers, suppliers and other publics (Toyota Australia, 2013).

External Stakeholders

Overseeing external communications continues to be a daunting task, because the organisation has little or no influence over how external stakeholders perceive organisational activities. External stakeholders include groups such as the media, the local community, the financial community, the government, and special-interest groups. The organisation has no control over what these groups say or how information about the organisation will be interpreted. The public relations agency continually disseminates positive information and quickly reacts to any negative publicity or complaints.

A corporation's reputation is both fragile and valuable. A number of organisations such as Nestle (the infant formula scandal), Nike (working conditions in suppliers' factories), McDonalds (childhood obesity) have experienced sales declines as a result of consumer boycotts or concerns (Friedman, 1985). In Australia, asbestos manufacturer James Hardie Ltd., was found to be responsible for large numbers of asbestos-related deaths and illnesses in Australia and other countries (Hills, 2005). Activists often target high-profile brands to help get their message across. Therefore it is imperative to assess the public's attitudes towards the organisation. Once the organisation understands a problem, the organisation can design a marketing communications campaign to deal with it. Organisations may use public relations to create goodwill in the community or state the organisation's position on a controversial issue. The mining sector took out full-page newspapers ads warning about the consequences of increased mining taxes in the lead up to the 2010 federal elections in Australia. In its advertising, the Minerals Council of Australia claimed that the industry was "not a bottomless pit" and that it already paid 500 per cent more taxes and royalties than a decade ago[1] ("Anti-tax mining ad in the Australian", 2013). The mining sector also developed a dedicated website, 'this is our story' (http://www.thisisourstory.com.au) which highlighted the contribution of the mining sector to the Australian economy. A strong brand name can protect businesses when a crisis or problem occurs.

Corporate scandals, accounting fraud and the 2008/9 global financial crisis have all reduced the confidence that consumers have in businesses. Managers and boards of directors in scores of systemically important firms failed to protect employees, customers, or shareholders, and placed the global financial system at risk (Sahlman, 2007). It is not surprising that public trust in corporations had deteriorated. This is worrying since consumer decisions regarding which brands to purchase are influenced by an organisation's reputation. People also decide whether to invest in a corporation based on corporate reputations. Potential employees choose where to apply and work based on an organisation's reputation. After dealing with a sexual harassment claim against its CEO, David Jones, the Australian retailer, reviewed its workplace policies and set up a bullying hotline that staff could use to lodge complaints (News Limited, 2011). Organisations must have codes of ethics. In an other example, image advertising by Crown was skilfully executed and highly targeted. The television commercial showcased the high standard of its entertainment facilities along with the hotels and restaurants housed in its flagship casino. Management described it as a form of recruitment advertising, although media commentators believed it was also designed to improve the casino's reputation in the face of an anti-gambling lobby (McGuire, 2012).

73

Assessing and managing a organisation's reputation is as important as promoting its products. Yet, with all that is at stake, some organisations do not have someone assigned to monitor corporate reputation. This means that many organisational managers have little idea what consumers, investors, employees, and the public think about the organisation. Assessment begins when surveys and interviews are conducted to reveal perceptions of an organisation. These efforts can be completed by internal staff or performed by an outside organisation, such as a public relations agency.

9.2   Corporate social responsibility

Corporate social responsibility is the obligation an organisation has to be ethical, accountable, and reactive to the needs of society. For example, McHappy Day is the major annual fundraiser for Ronald McDonald House Charities (RMHC); and is McDonald's long term corporate social responsibility initiative in Australia. Funds raised assist families with seriously ill children (PRIA, 2011). Globalization and increased pressures from the public for corporate transparency have led to an increasing emphasis on corporate social responsibility. Business experts agree that socially responsible organisations are more likely to thrive and survive in the long term. Companies that engage in positive activities seek to generate high quality publicity and engender customer loyalty, but there is risk that these efforts will not be seen as genuine amidst growing claims of greenwashing by a skeptical public. Organisations that work to eliminate unfair practices, pollution, harassment, and other negative activities are more likely to stay out of court, and the organisation suffers fewer negative word-of-mouth comments by unhappy employees or consumers.

Cause-Related Marketing

In an effort to positively influence the views that consumers and other stakeholders have about an organisation, many organisations engage in cause-related marketing and green marketing. These planned events draw positive attention to the organisation as a solid corporate citizen, one committed to social responsibility. The public relations department then sends out messages in the form of press releases and holds press conferences to highlight these positive, image-building activities.

Cause-related marketing is a program whereby an organisation ties its marketing efforts to a charity in order to generate goodwill. organisations For instance, the Mount Franklin brand of bottled water is closely linked to the Pink Ribbon breast cancer cause. In Australia and New Zealand, the Cancer Society holds an event, Daffodil Day, which is one of their most important fundraising and awareness campaigns. It receives support from a variety of organisations. This type of partnership agreement between a cause or non-profit and a for-profit business assumes that consumers will purchase from companies that seek to support a good cause. Marketers engage in cause-related marketing to develop stronger ties and to move consumers towards brand loyalty. Although managers may believe that donations to a charity are worthwhile, this support should result in a tangible benefit. Possible benefits include:

- Additional customers
- Increased profits
- Consumer goodwill for the future
- Better relations with governmental agencies
- Reduced negative public opinion

These benefits lead many companies to get involved in cause-related marketing. Most of the time corporations select the nonprofits they want to support; there must be a clear fit between the sponsor and the recipient. When a fit exists, positive reactions emerge. For example, Guide Dogs Australia is a charity devoted to helping the visually impaired and it is supported by a number of companies including Kimberly-Clarke Australia. There is a clear fit as both organisations appear to have similar values that appeal to exployees, customers, investors and other publics. Cause-related marketing also assists non-profit organisations with finanical contributions. It must be noted that an increasing number of nonprofit organisations compete for contributions and gifts.

A complex linkage exists between cause-related marketing, one type of public relations activity, and other public relations activities, such as publicity. To benefit from cause-related marketing, organisation leaders want publicity. Yet, if the organisation publicizes too much, people think the cause is only being used for commercial gain. While informing people about what an organisation is doing is important, there is a a thin line between publicizing and what might be viewed as self-aggrandizement (Dawkins, 2004).

9.3   Green marketing and green consumer segments

Green marketing is the development and promotion of products that are environmentally safe. Most consumers favour green marketing. On a worldwide scale, consumers are very concerned about the environment and this concern has an impact on their purchasing preferences (Greendex, 2010). According to a recent report by the Climate Institute (2012), Australians are uncertain about the science of climate change, yet almost two-thirds (64 per cent) agreed that climate change is occurring. Australians are prepared to do their bit so long as government and business shoulder responsibility and perform better.

Although consumers support green marketing and environmentally safe products, actual purchases of such products only occur when all things are considered equal. Most consumers are not willing to sacrifice price, quality, convenience, availability, or performance for the sake of the environment. To benefit from green marketing, the organisation identifies market segments that are most attracted to environmentally-friendly products. In Australia, consumers can be divided into four segments based on their propensity to buy green products and their attitudes towards environmental issues. These segments are (1) conventional consumers, (2) price-sensitive green consumers, (3) emerging green consumers and (4) green consumers (de Souza, 2004). The conventional consumers are defined as non-green and they do not have any need for, or interest in, environmentally friendly products. Price is central to price-sensitive green consumers who have some regard for the benefits of green products. The emerging green consumers are committed to environmental protection, however these consumers carefully evaluate product attributes such as quality, warranty and performance in their decision making process. The green consumers are highly concerned about environmental issues and are characterised as buying green products whenever they see an opportunity to do so. They seek out information on product labels and are highly motivated to buy green products even if they were somewhat lower in quality and higher in price in comparison to alternative products.

Promoting Green Activities to Green Consumers

Almost all organisations say they are pro-environment and provide information on the organisation's environmental activities on websites. The amount of effort given to publicize these activities varies widely. For example, Coca-Cola tries to protect the environment, but most people are unaware of, or cynical about, the organisation's efforts (Martin and Schouten, 2014). Coca-Cola has invested in various recycling strategies and recyclable package designs. The activities are not publicized, because of concerns that doing so might result in claims of green-washing, reduce the product's appeal to some of the organisation's audience or hurt sales.

Promoting the direct, tangible benefits of a product first, with the environmental benefits presented as secondary factors, can be an alternate approach. The Toyota Prius was launched with an emphasis on fuel efficiency. Consumers were told they would spend less on gas. The fact that the Prius was an environmentally advanced, fuel-efficient hybrid vehicle was mentioned, but not stressed. The idea was that strong environmentalists would believe buying a hybrid car is important. For those who were not strong environmentalists, it did not matter, because the car delivered fuel efficiency.

Kimberly-Clark Australia is another example. It partnered with the World WildLife Fund (WWF) to show its commitment to sourcing responsible fibres for its consumer tissue products. It was also a participant in the 'Love Your Forests' campaign to raise awareness of the Forest Stewardship Council's (FSC) eco-label and the importance of responsible forest management (WWF, 2012). Major brands such as Nike, Nokia, IKEA and Johnson& Johnson are just some of the organisations that partner with the WWF. In return, they can use the iconic Panda logo to show their concern for species at risk and highlight their green credentials.

For some companies, environmental activities are fully integrated into the organisation's business design and marketing approach. This occurs when the primary customer base consists of the "ultra greens". Examples of these types of companies in Australia include The Body Shop, Organic Formulations, Loving Earth, Planet Organic and Aromababy. . For Planet Organic social responsibility is embedded in every organisational activity, from the manufacturing process to the marketing of products Planet Organic uses biodegradable tea bags, organic ingredients and community partnerships. Planet Organic's marketing communications program focuses on concern for and support of environmental and social issues.

Greenwashing

Most leaders believe their organisations should be involved in protecting the environment and creating green products; however, the degree of focus varies. One challenge to sustainable marketing is 'green-washing', which refers to "an organisation's use of vague or misleading environmental claims in order to present a false image of ecological friendliness" (Martin and Schouten, 2014, p. 78). Several organisations that have claimed to be "green" have been exposed by bloggers or fined by the Australian Consumer and Competition Authority (ACCC) for making false and misleading claims. Greenwashing can seriously damage an organisation's reputation, particularly in the light of the digital age. Honesty and transparency are critically important in communicating with green market segments.

9.4   Preventing or reducing image damage

One important public relations function, damage control, is reacting to negative events caused by error, consumer grievances, or unjustified or exaggerated negative press. Corporate and brand images are quickly damaged by negative publicity and events. A strong image that took years to build can be quickly destroyed. ExxonMobil continues to suffer from the negative publicity surrounding the1989 Exxon Valdez accident. British Petroleum (BP) suffered the same fate from the 2010 spill in the Gulf of Mexico. Bad news travels quickly and hits hard. The decision by Qantas to ground its fleet in the face of conflict with unions quickly damaged the airline's reputation for quality customer service (Stewart, 2013). Organisational managers must quickly respond in order to limit the harm to corporate image. Not all negative publicity is generated by the media. Sometimes negative publicity comes from word-of-mouth communication from customers, employees, or other individuals connected with the organisation. With the Internet, bad experiences and negative comments can be posted and spread to thousands in a very short time through social networks.

Defending an organisation's image and handling damage control can be challenging. Organisational leaders often react to unforeseen events. They cannot anticipate every possible contingency. In these instances, managers work diligently to minimise the effects of unwanted bad. There are several strategies that can be used to help the organisation cope with bad publicity. Strategies include internet monitoring and communication via social media, crisis management and apology strategies.

Internet monitoring and communication via social media

It is possible to combat negative online word-of-mouth by closley monitoring the internet. Many new forums have emerged that enable consumers to share negative word-of-mouth and spread bad experiences, including e-mail, Facebook, Twitter and blogs. Individuals can say anything online, even when it unfairly portrays various industries, companies or brands. These outlets create many venues for people to vent emotions, which can be devastating to an organisation's reputation. Most organisations 'listen in' to conversations on social media and find it useful for monitoring crises, providing breaking news and real-time updates (Ang, 2014). Companies such as Telstra and Qantas use software and assign employees to monitor Internet postings, blogs and tweets. Even with these technological tools, monitoring everything said about an organisation remains a daunting task. It can involve hundreds of posts per day. Monitoring the internet keeps the organisation's leadership informed about what people are saying and thinking. When flights were grounded in Australia in June 2011 due to the ash cloud, customer service personnel were able to provide information on flight delays much more rapidly and cheaply on Twitter rather than on their traditional web sites (Chian, Felix and Rajesh, 2011). When the flooding disaster in Queensland led to failures in internet banking and ATM services, Australian banks used Twitter and Facebook as a mode of crisis communications (Senadheera, Warren and Leitch, 2011).

Crisis Management

An organisation can either accept the blame for an event and offer an apology or refute the charges in a forceful manner. A crisis may be viewed as a problem or an opportunity. Frequently, a crisis contains the potential to improve the organisation's image.

If an organisation responds quickly with strong statements, then it may help eliminate negative publicity. Unfortunately, some managers manage only to make matters worse. In 2010, Toyota's vehicle recalls hit an all-time high. Large-scale mechanical problems with braking and accelerator pedals on the Toyota Prius had Toyota executives seriously worried (Bunkley, 2010). The initial reaction of Toyota to quality problems with its vehicles was continual denials. According to Thomaselli (2010), many consumers became angry when it was revealed that Toyota was aware of the problems for a few months but did not try to correct them. Realizing its image was quickly eroding, Toyota launched a full-scale public relations campaign using print, television, and social media networks. Full-page newspaper ads and several television spots were quickly created in which Toyota announced a temporary halt in production, a new 'Customer First' strategy was announced, followed by an apologetic, but reassuring, message that Toyota would pull through the crisis (Thomaselli, 2010).

Apology Strategies

An apology strategy is another form of crisis management and damage control. When an investigation reveals that the organisation is at fault, an apology should be offered quickly. Apologies are most often used in situations in which the violation is minor or in situations where the organisation or person cannot deny responsibility. It can help create a strong emotional bond with the public. Consumers find it hard to remain angry with an organisation that admits to having made a mistake. When customers believe the apology is sincere and heartfelt, they normally forgive the organisation and feel more positively toward the organisation afterwards.

9.5   Ethics box – the brand police – a step too far?

The Olympic symbol is one of the most recognisable and valuable brands in the world. The Olympic Games are watched by a global audience every four years. For corporate sponsors of the Olympics, they reap the benefits of being associated with a mega event in terms of generating global brand name awareness (Gans, 1996). They also benefit from the positive attitudes and feelings about the event which transfers to the organisation that provides funding, and furthermore, it helps the sponsors demonstrate their support for the community.

The 11 global partners for the 2012 London Olympics, including McDonald's, Coca-Cola, Visa, Samsung, Panasonic and P&G, contributed £700m to the event. There was some negative publicity over the association of such an elite sporting event with fast food, fizzy drinks and even oil refining (Cheng, 2012). For instance, BP was a major corporate sponsor who had kept a low profile for several years following the catastrophic environmental disaster in the Mexican gulf. However, the athletes, the British government and the London Olympic organizers, all support corporate sponsorship. Sponsorship is a business deal that benefits all parties concerned. Without corporate sponsorship, the Olympics Games simply wouldn't happen. For destinations who wish to host mega events, there is a significant investment in human, financial and physical resources and the costs are often borne locally, using taxpayers' money. The economic costs of hosting the Olympics always exceed the anticipated economic benefits (Jones, 2005).

The London 2012 Olympic brand is incredibly powerful and it shows an apparent resistance to negative country images (Nadeau, O'Reilly and Heslop, 2013). The brand helps people identify with the Olympic Games, a mega event that generates excitement and enthusiasm. Furthermore the brand had to communicate the values held by elite sportspeople such as excellence, drive, persistence and ambition. Marketing communications tended to use strong emotional appeals. A major operation was undertaken to protect the brand values during the 2012 London Olympic Games themselves. This included a "brand exclusion zone" where a temporary ban on advertising (such as billboard advertising, posters, flyers, giveaways, projected advertising, moving and aerial advertising) along with trading in open public spaces, was enforced within a few hundred metres around games' venues. This was designed to protect the integrity of the games, ensure that athletes would not be distracted by advertising gimmicks and ensure the right atmosphere was maintained for the enjoyment of spectators (London Olympics, 2012).

As the brand was vital to the funding of the Games, it was the Organising Committee's most valuable asset. In order to maintain the commercial value of the brand, they carefully controlled its use. All of the official names, phrases, trademarks, logos and designs related to both the 2012 Games, as well as the Olympic and Paralympic Movements, were protected by law. In the run-up to the Olympics there was great sense of anticipation in the local business community. It was believed that this mega event would attract people to the city and boost revenue for a wide range of business, such as the hotel and accommodation sector, the transport sector, local retailers, pubs, cafes, restaurants and so on. The organisers of the London 2012 Olympics launched a marketing communications campaign at local business informing them of the commercial opportunities available. There were penalties associated with the unauthorised exploitation of the Olympic brand which were explained in some detail on the website. For instance, it was illegal for organisations to display the brand logo such as the Olympic rings on their merchandise, or to display the brand logo on any type of notice, anywhere in the business premises (London Olympics, 2012). As merchandise was a vital source of revenue only authorised licenses were permitted to carry the Olympic symbol.

Local businesses were warned not to infringe the rights of sponsors. "Brand police" were hired to check that these regulations were not being infringed. Almost 300 enforcement officers were employed to ensure that local organisations were not staging "ambush marketing" (Hickman, 2012). The intention of the ambush marketer is to be seen as the 'official sponsor' by consumers, or in some cases, the aim is to simply seek awareness via association with a sponsored event and capitalise on the goodwill and value generated by the event. Ambush marketing represents a threat to sponsors (as it creates confusion among consumers) as well as major events. Surveys of the community's knowledge of the Olympic sponsors show that some companies are associated with the Games although they are not the official sponsors. The local press was highly critical of these regulations, claiming that they were tougher than those at any previous games. In one case, a local baker couldn't sell bread shaped in the form of the Olympic rings.

Questions

1. What do you think? Was the organising committee justified in developing strict advertising and trade restrictions during the London Olympics 2012?
2. Why do you think corporations were prepared to engage in ambush marketing? Is ambush marketing unethical?
3. Should the Olympics Organising Committee have accepted sponsorship from McDonalds, Coca Cola and BP?

10 Sponsorships

Sponsorship is used to promote the organisation as whole and occurs when an organisation seeks direct association with something, such as a cultural or sporting event. There are many different types of sponsorships. While sport sponsorship are very common, corporate sponsorships of charities and the arts have grown in popularity in recent years. Sponsorship can help increase sales, improve return on investment, build brand loyalty and foster positive feelings toward an organisation. Sponsorship results in a mutually beneficial business relationship between two parties. From the sponsor's point of view, their objectives may be to establish a corporate image, increase awareness of the organisation, product or brand, and build stakeholder relationships (i.e., by inviting important representatives of the various stakeholders to a sponsored event). In choosing a sponsorship, the marketing team matches the event's audience profile with the organisation's target market. The benefits for the sponsored organisation or event usually come in the form of financial resources, products, services and know-how. For instance, Surf Life-Saving Australia receives assistance from BP New Zealand, who provides funding for the inflatable rescue boats (BP, 2012). The Australian bank, Westpac, also funds the community group by funding the Westpac Life Saver Rescue Helicopters (Westpac, 2012). CommBank sponsored some members of the Australian Olympic team in the London Olympics 2012. The marketing manager believed that the attitude of the athletes aligned perfectly with Commonwealth Bank's CAN campaign (CommBank, 2012), i.e., the desire to succeed against the odds. When a sponsor's name is linked to the athletic achievements of an Olympic team, then the sponsor is associated with their success.

Forms of Sponsorships

Sports sponsorships are major part of the marketing communications strategies of big brands. For instance, Red Bull has a history with extreme events and a close association with motorsports. As sport plays an important role in people's lives, the brand has the opportunity to tap into the sense of euphoria and excitement and engage in a meaningful way with its target market.

In Australia, approximately AU$774m is spent on sports sponsorships (Wright, 2013). Organisations such as Australian Football League (AFL) and Rugby Union are the biggest recipient of corporate backing. A recent *Sponsorship Today* (2013) report revealed that the profile of sponsorship in Australia differs from other western economies; it is much more dependent on car, alcohol and government sponsorship than on the financial services sector and telecommunications. Sport remains more dependent on funds from the alcohol industry than the USA, Germany, UK, Canada, Spain, Italy or Brazil. With Russia and France having banned alcohol sponsorship, Australia has the highest proportion of alcohol spend of any major economy. The report also goes on to suggest that the recent reports of illegal doping and links to organised crime have not yet impacted on sponsorship in Australia (Wright, 2013).

The largest sports organisations in the southern hemisphere include the Australian Football League (AFL), the National Rugby League (NRL) and Cricket Australia. VB is the official beer of the NRL and NRL has commercial partnerships with many other organisations such as Telstra, Coles and Harvey Norman (NRL, 2013). Kia is the major sponsor of the Australian Open (a tennis tournament) which allows it to reach upscale consumers in a less cluttered environment. In addition to supplying courtesy vehicles for the tournament, Kia also displays its latest product line-up to international audiences (Australian Open, 2013). This sponsorship deal is designed to show its transformation into a leading automotive brand.

Sporting events are highly popular and attract large crowds. In addition to the audience attending the game or competition, many more watch on television or online. Popular athletes can be effective spokespersons for various products and help the sponsor target a particular demographic. If possible, the organisation should be the exclusive sponsor of the person or team, which makes it easier to remember the brand. Brand name recall can be enhanced if the brand name is exposed through signage at the event, clothing and media coverage.

Some organisations have moved away from sports sponsorships toward more cultural events, such as theatre, opera, classical music, ballet and art exhibitions. Many events could not survive without corporate sponsorship. Financial institutions tend to be the main sponsors of cultural performers and performances. In return, they expect to have the name of the organisation strongly associated with the cultural activity. This includes printing the name of the organisation on the program and regularly mentioning the brand or corporate name as the sponsor. In additon, sponsors usually receive choice seats at performances. Cultural sponsorships are not the best match for every organisation. They are most effective for products sold to affluent consumers. Mazda is a major sponsor of Opera Australia (Opera Australia, 2012). Amongst the benefits are brand reputation management, reaching a desirable audience demographic, very important person (VIP) and client engagement, hospitality and positive publicity. For Telstra and Qantas, sponsoring the Australian Ballet is an opportunity to reach an upscale market in terms of education and income and demonstrate commitment to the arts (Australian Ballet, 2012).
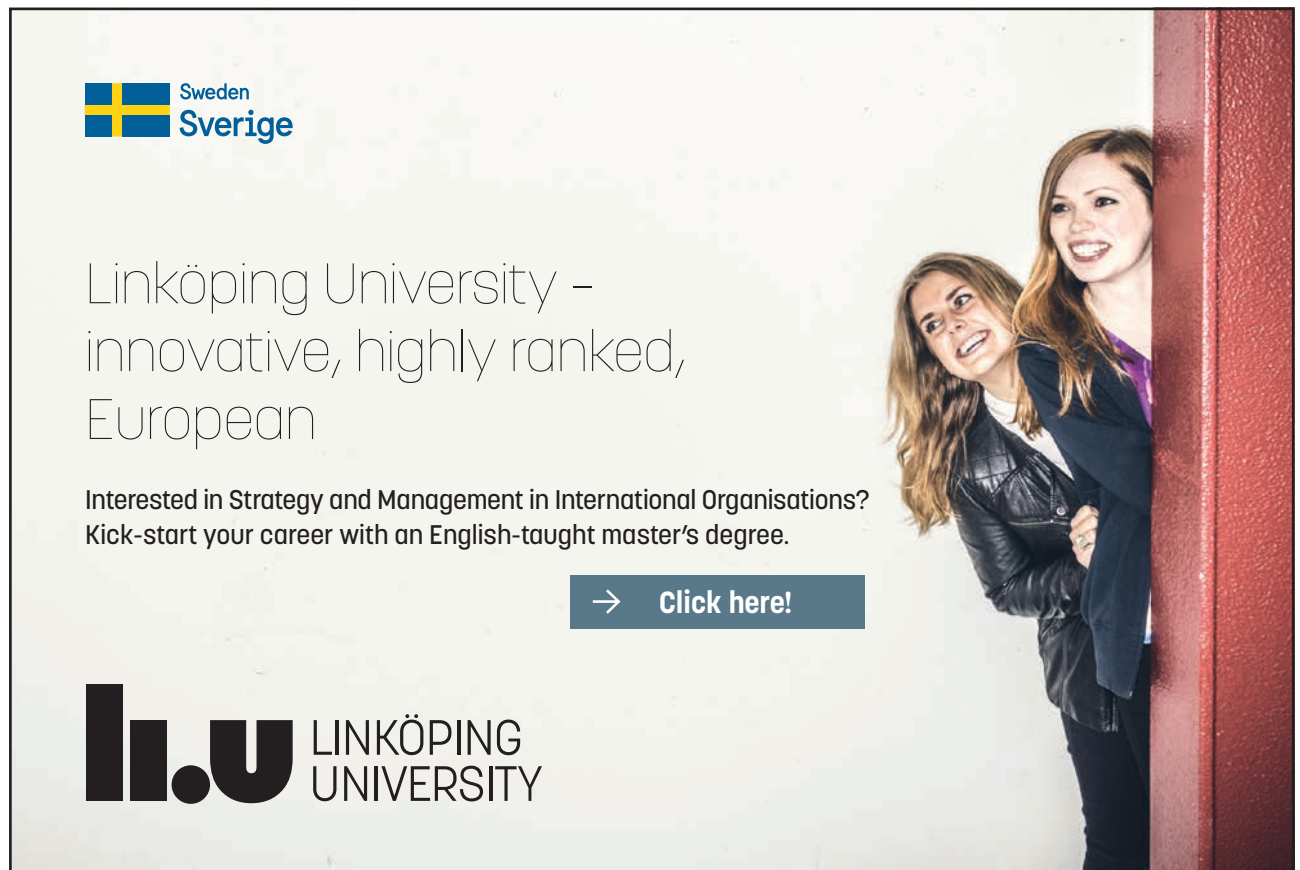
Rather than choose sport or the arts, Coles chose to sponsor the popular television show MasterChef The show has been an incredibly successful show and helped boost the supermarket chain's sales (ABC, 2010). As the exclusive supermarket sponsor, its brand was integrated seamlessly into the program. It launched an in-store marketing campaign featuring the line, 'To cook like a MasterChef cooks, shop where a MasterChef shops', and Coles began to advertise recipes from the show, by including them on recipe cards, with the MasterChef logo prominently displayed on its website. According to Coles' general manager of corporate affairs, Robert Hadler, there was a dramatic surge in sales of ingredients featured on the MasterChef show. For instance, when beef stroganoff was featured on the show, Coles experienced a 30% increase in sales of meat overnight (Sinclair, 2010). MasterChef, with its broad audience appeal, has attracted numerous sponsors, and is said to be the first ever television show to generate $100 million in advertising revenue from advertising, product placement and merchandising. Sponsors pay an estimated $40 million per season to have their products, everything from pasta shells to refrigerators, seen on the show (Harris, 2012).

The latest format of sponsorships is sponsoring bloggers. Originally, fashion bloggers were just ordinary people who used social media as a personal diary and a means to voice personal opinion about fashion styles. However, today the so-called independent bloggers are being co-opted by big brands, fashion houses, retailers and even shopping centres. Ethical issues arise as bloggers in Australia and New Zealand are not required to disclose whether they have been paid to endorse brands. The authenticity of fashion blogs is increasingly being questioned as bloggers succumb to commercial pressures (Lee-Joe, 2012).

Sponsorship Objectives and Measurement

Sponsorships can be designed to accomplish a variety of objectives. They can be designed to:

- Enhance an organisation's image.
- Increase an organisation's visibility.
- Differentiate an organisation from its competitors.
- Showcase specific products and services.
- Help an organisation develop closer relationships with current and prospective customers.
- Sell excess inventory.

The best sponsorship strategies include methods of assessment and it is critical to measure whether the goals were achieved. Feedback from key stakeholders is the most commonly used measure. Other metrics used include brand research/tracking measures; attendance figures; media reach and exposure analysis and participation rates in events/promotional activities. It is also important to measure 'fit' between the sponsor and the event and whether the audience understands why there is a relationship between the organisation and the sponsored event.

9.1   Event marketing

Event marketing is similar to sponsorships. The major difference is that sponsorships involve a person, group, or team, whereas event marketing involves a specific event. Sponsoring the right event can provide an organisation with brand-name recognition (event sponsors normally insist on the placement of the organisation's name and logo in advertisements, event brochures and other forms of marketing communication for the event), help foster publicity, develop closer ties with customers and other stakeholders, and enhance the organisation's image in the local community. Events can also help boost morale for the employees who participate in, or attend, them.

As is the case with sponsorships, many event marketing strategies feature sports, but other lifestyle-related events are popular, such country music festivals, rock concerts, sustainability fairs or health events. For instance, Unilever promoted its Flora Pro-activ spread by creating a unique event, free cholesterol testing for the local community, in major shopping centres. The campaign won a Globe award from the Marketing Agencies Association Worldwide (MAAW, 2009). Smirnoff launched its award-winning 'Nightlife Exchange Project', where people from different countries were asked to vote for their favourite night club and come together for a one-off party (JWT, 2012). Event marketing has proven to be especially successful with ethnic groups. The existence of bilingual, multicultural markets creates opportunities for marketers to make connections with their customers. For instance, HSBC sponsored Chinese New Year celebrations in Australia which helped it nurture 'guanxi' (meaning connections), which is essential to business success in collectivist cultures (Assaf, 2011). Event marketing can be an excellent method of building brand awareness, brand loyalty and turning a low involvement product into a high involvement product. In a recent marketing communications campaign, Havaianas Australia asked consumers to design their own 'thongs' , in Australia, the term 'thong' refers to casual footwear, otherwise known as flip-flops (http://www.havaianasaustralia.com.au/Make-your-own/Start-creating). Every year on Australia Day, the Havaianas Thong Challenge is run, (http://www.havaianasthongchallenge.com.au/) which serves as a great example of experiential marketing. In this event, brand enthusiasts are asked to participate in a range of activities such a 'Havaianas Thong Dash' where entrants race across the beach, in a mad dash for thongs, or a 'Havaianas Paddle Challenge' an ocean paddling race with prizes for winners. These tongue-in-cheek campaigns are designed to facilitate two-way communication, generate brand name awareness and strengthen the position of Havaianas as the leading brand in its category.

Similar to sponsorships, measurement is critical to success. In addition to sales, employees can monitor how many pieces of literature were given to attendees, the number of samples distributed, or the number of visitors to the sponsor's display booth. Further, marketing research can measure brand awareness before and after the event to see if any new level of awareness emerged. Measuring results allows the business to evaluate the investment in the event. Managers can then decide if sponsoring a particular event was beneficial and whether to sponsor the same event in the future.

9.2 Ethics box: experiential marketing of alcohol

How do you convince people to buy an expensive, strong-tasting liqueur when hundreds of other brands are vying for consumer's attention? Jägermeister is a German liqueur (amaro) that has become a cult beverage for students and young people around the world. It is a sweet product made from a mixture of herbs, spices, sugar and alcohol. It is the best-selling imported liqueur in Australia and one of the most popular premium spirits worldwide (Suntory, 2012).

The story of Jagermeister is one of incredible growth and success. Although Jagermeister doesn't invest heavily in TV advertising (it launched its first television advertising campaign in Australia in 2012), the brand invests heavily in attending music festivals and organizing promotions in order to make themselves visible (Brbaklic, 2012). This has resulted in a trendy image that seems to appeal to young people. This wasn't always the case. In Germany and elsewhere, amaro was seen as a traditional after-dinner drink, and once suffered from a rather staid, old fashioned image. Today, Jägermeister is a global product. As standardised alcoholic drink product, the taste of the product is the same all over the world, the recipe is the same and so is the packaging and the distinctive square bottle. The product is high in alcohol content (35%) which appeals to some young people who appreciate a fun night out.

Jägermeister was launched in Australia in 2001 and is distributed in Australia by Suntory (Suntory, 2012). A strong investment in experiential marketing has resulted in the brand becoming very popular with its target market in Australia. The marketing team at Jägermeister take an unusual and unconventional approach to integrated marketing communications. Instead of using TV, print or billboard advertising, they go straight to the consumer at the bar and reach them through parties, festivals, spokespersons, tap machines and music. The company's strategy has been to open up a market by securing distribution through trendy nightclubs, bars and festivals. When owners begin buying a few cases, they receive branded coolers and other POP (point-of-purchase material) so the product gets a lot of visibility and attention. The brand is expert at developing experiential marketing campaigns and creating a 'buzz' at clubs, bars and festivals. It is a pioneer of the bar party. One way of promoting Jägermeister is via the 'ice-shot'. This calls for a Jägermeister Tap Machine to be placed on bar and club counters so that barmen could serve an ice-cold shot. Another key aspect of the promotion is the Jägermeister guys and girls. Young, attractive males and females or 'brand ambassadors' as they are called, are sent to bars and clubs and their aim is to talk to customers, offer free samples and make them familiar with the brand.

Jägermeister has always aligned itself closely with the music scene. Through its band program, it sponsors a number of bands at local and national level. It also sponsors festivals. Jagermeister lends its name to the 'Independent Music Awards' which are Australia's only official indie music awards. Jägermeister set up the Hunting Lodge, a pop-up space, which was a full-scale indoor festival bar for a Sydney festival. As the name suggests, it was an alpine-themed hunting lodge with a 12-metre long bar. It helped show Jagermeister's brand heritage, as Jägermeister means 'hunting master' translated. It was designed to hold just 250 people and was said to be the Festival's "cosiest late-night venue, hosting secret shows and surprises from the festival's main-stage music line-up. It gives music fans a unique place to kick back, enjoy a few drinks and catch great live gigs" (Sydney Festival, 2012). A special Festival $15 cocktail – the Jäger Infusion – was created for the event. A strong link between branding and social media was cultivated. For instance Jagermeister launched a competition on the Jagermeister Australia Facebook page. The competition encouraged entrants to upload and vote for their favourite video of a festival artist. Researchers have found that audiences are encouraged by promoters working for the brands to register their experience on Facebook via check-ins, status updates and photos. Brands also employ photographers to take images and circulate them on Facebook. The image that Jagermeister uploads of the young music fan enjoying a drink in the branded bar becomes part of a larger narrative about partying at the festival. Brands then aim to get 'caught up' in social spaces and practices that their target markets mediate (Carah, Brodmerkel and Hernandez, 2014). The alternative music scene is helping spread the word about Jägermeister. The festival scene, with its strong following, is considered very important for acknowledging the good times shared between friends when drinking Jägermeister. All these marketing activities set the right brand direction for Jägermeister – young, cool and modern. The marketing communications taps into the social behavior of their core audience of 20–35 year olds, who constantly seek out new music experiences.

Energy drinks have been the subject of scrutiny by researchers on the basis that they encourage irresponsible drinking and binge drinking. The 'Jagerbomb' for instance, is a popular way of combining alcohol and energy drinks. It comprises of a measure of the alcohol Jagermeister dropped into a glass of Red Bull, which is then consumed as a 'shot' (Ferguson and Davidson, 2012). A recent study recommended restrictions on the promotions and marketing of alcohol in combination with energy drinks (AEDs) such as bans on the provision of free drinks, restrictions on 'happy hours' and discounted drinks to minimise the risk of rapid, excessive or irresponsible consumption of liquor (Pennay and Lubman, 2012).

Questions

1. Brand-sponsored live events are a widely used marketing strategy. What are the potential benefits to the Jagermeister brand with this form of promotion?
2. Is experiential marketing a good idea for every product? Why or why not?
3. Are there any ethical issues to consider when using experiential marketing?

10 Summary

Public relations plays a major role in integrated marketing communications (IMC) strategies. Public relations efforts are oriented to making sure that the consumer receives a positive message from the organisation. To reach all intended audiences, the public relations team has a series of tools available. These include organisational newsletters, media releases, interviews, correspondence with shareholders, shareholder meetings, annual reports, and various special events. The public relations team is also responsible for damage control when negative publicity arises. Sponsorship and event marketing strategies enhance and build the organisation's image. Managing public relations, along with sponsorships and event marketing, requires managers to assess the goals and the outcomes of the programs.

10.1 Case study: the lure of festivals

What is it that enables total strangers to come together, put their arms in the air, sing out loud and have a strong sense of camaraderie? It is the intensity of the experience that gives festival goers a sense of connectedness and belonging to something larger than themselves. Sponsorship of festivals taps into these positive feelings and is a way of building brand loyalty.

Sponsorship opportunities

Organisations receive many requests for sponsorship every day. Each request is carefully assessed to determine if it meets the sponsor's sponsorship, marketing and community objectives. In addition, budgetary constraints limit the number of opportunities that they can undertake. Sponsorships are chosen carefully. The following questions can be used to evaluate the appropriateness of a particular brand or organisation (Chitty, Barker, Valos and Shrimp, 2010):

- Is the event consistent with the brand image?
- Does the event reach the target audience?
- Is this event one that the competition has previously sponsored or is there a risk that consumers will forget the actual sponsors?
- Will the official sponsors be noticed or will awareness be undermined by the clutter of sponsors and/or ambush marketing by non-sponsors? Ambush marketing takes place when companies that are not official sponsors of the event undertake marketing efforts to convey the impression that they are.

Companies evaluate the success of the sponsorship deal using the following (Copeland, Frisby and McCarville, 1996):

- Value or the return on investment
- Awareness, exposure and media coverage
- Sales
- Dealer/Trade Feedback
- Attendance at Event
- Enhancement of Corporate Image

From the sponsor's point of view, music festivals are events that allow them to interact with their customers while having fun and create an association between their brand and the music.

Music festivals tend to appeal to the youth demographic which is a highly sought-after demographic for big brands. Festival sponsorship can range from $50,000 to $500,000 and in return they seek product placement and brand visibility within the contemporary music scene. Sponsors need to be creative and do more than simply bring their logo to the event. They can add to the festival goers' enjoyment of the festival and create fun and interesting things to do and see. An example of experience enhancement is V energy drink's Invigorator, a water misting tent that cools the festival goers down on a hot summer's day during the *Big Day Out* festival.

Sponsors also use festivals to launch new products and run sales promotions. For instance they tend to run competitions such as free tickets or the chance to meet the bands and artists. They also gave away free merchandise. Sponsors benefit as they, and their guests, are given free tickets and seats inside the VIP area. Their guests are often thrilled to mingle with major entertainers.

The diversity of festivals in Australia

Festivals celebrate many different genres of music in Australia include contemporary (Big Day Out), rock (Soundwave festival), folk (Illawarra Folk festival), Australian country music (Tamworth country music festival), reggae (Raggamuffin) and blues (i.e., Thredbo Blues festival). Festivals put small towns on the map, as in Byron Bay, which has become well-known for blues music. Audience sizes at rural and regional festivals vary enormously from 15,000 to 100,000 plus people (Gibson and Stewart, 2009). The Big Day Out (BDO) is one of the world's largest touring festivals, with more than 50 bands appearing on multiple stages. Each year it travels to the Gold coast, Sydney, Melbourne, Adelaide and Perth. The ethos of the BDO is to showcase emerging acts alongside big-name alternative bands. Today, Big Day Out is a cultural institution and a not-to-be missed event for young people.

Sponsors are aware that numerous factors contribute to the totality of the festival experience. While some of these are controllable, others are uncontrollable and could easily harm the brand image. While the early Australian festivals were seen as a celebration of alternative lifestyles, this aspect is not particularly appealing to sponsors. For instance, Nimbin MardiGrass festival which takes place in Nimbin, New South Wales, is an annual rally uniting cannabis law reform activists. Not surprisingly, it lacks sponsors! The potential for violence and drug and alcohol abuse has led sponsors to carefully screen the events they are prepared to sponsor. Likewise, festival organizers exert tight control over the event. Sniffer dogs and police patrol entry to the larger festivals such as the Big Day Out. This is designed to avoid the problems that can arise at festivals if crown control measures are lacking in any way. Deciding which festival to sponsor is a key decision for any brand manager. They have to evaluate sponsorship proposals on a wide range of criteria and deal with factors that are often outside of their control.

Questions

1. What decision criteria should a sponsor use when selecting a festival as a sponsorship opportunity?
2. What are the benefits and potential drawbacks that accrue to the sponsors of a large festival such as the Big Day Out?
3. Design an event marketing campaign for an energy drink.

11   Case Study: nab, the banking rebel, says it's time to break up

National Australia Bank (NAB) launched their 'Fair Value' philosophy in 2009. The bank realised that, following the Global Financial Crisis 2008/9, the financial services industry needed to rebuild its relationship with customers by doing the right thing. NAB believed at the time that banks had operated as if they were part of the economy, forgetting they were part of a community. Consumer confidence was historically low as customers reacted adversely to general global financial uncertainty and pressure on family budgets.

The 'Fair Value' strategy was aimed at correcting the imbalance in the relationship that Australian banks had with its consumers. It led to NAB's promise of 'more give, less take.' As part of its Fair Value philosophy, NAB led the industry in abolishing some of most disliked and complained about fees in banking. NAB Personal Banking Group Executive, Lisa Gray, explained their strategy by stating:

"Our Fair Value philosophy is good for customers and good for our business. As we evolve Fair Value, we're proving that it is much more than our stance on fair fees, charges and a competitive standard variable rate. It's about deepening our relationship with customers and connecting them with the right products through help, guidance and advice at the right time of their lives." (NAB, 2012).

Strategic challenge facing NAB

Despite the positive changes in NAB's strategy, consumers still perceived that all the banks were the same and there was no genuine competition in the banking sector. So on Valentine's Day, 2011, the most romantic day of the year, NAB launched a ground breaking marketing communications campaign to change the way people looked at NAB. Of course, the bank needed to do more than just talk about change. It needed to demonstrate real action and shine a light on changes that had already been adopted as far back as 2009.

The big idea – the break-up

The idea for the break-up campaign came as a partnership between the NAB and its specialist marketing communications agency, Clemenger BBDO. The creative theme was to embrace the common perception of all banks being the same – and then to demonstrate how NAB was breaking up and breaking away from the other three majors. 'Break-Up' sent shockwaves throughout the Australian financial sector: for the first time a bank was talking about the unspeakable, about notions of a 'sameness' between the Big 4, and NAB's desire to cut perceived ties with the other big banks. People were captivated by NAB's irony, its sense of humour and honesty. The agency uploaded a 'Dear John' letter from NAB to the others banks, headlined "It's over between us", signalling NAB's very personal break-up with the other banks. Selecting Valentine's Day was inspired. What was so striking about the campaign was the tone in which it was delivered. For the first time, a big bank started speaking like a real person. The tone was human, direct and personal. This was a fully integrated campaign, with earned media supporting the marketing activity. News Ltd papers around the country carried front page stories of NAB's offer to customers to pay their $700 mortgage early exit fees if they broke up with their current bank and moved their home loans to NAB.

In a conservative sector like banking, it was refreshing to see the use of stunts and enactment of real-life situations. Clemenger BBDO produced 60 live stunts of 'NAB bankers' breaking up with non-NAB bankers in public and these videos were uploaded on YouTube and went viral. A NAB Break-Up blog was created; giant Break-Up letters were plastered on the sides of buildings and Break-Up banners were flown through capital cities. To extend reach, support media in print and outdoor were used. Some banners carried the phrase 'Dear CommBank, ANZ and Westpac, you're dumped and newspaper advertisements declared 'It's over between us'. All of this activity generated a good deal of publicity for the bank and the story was picked up by media analysts and journalists (NAB, 2012).

Outcomes

The results were spectacular. . For instance, the campaign led to over 1 million new customers joining NAB. On a number of other metrics such as enquiries, click-through rates, tweets, Facebook postings, YouTube views and brand health, this campaign was successful. The focus of NAB into the future is to continue delivering their promise of 'More Give, Less Take' and show they stand for fairer and better banking. It is a great example of an integrated marketing communications campaign and is strongly rooted in corporate values and mission. The positive reaction to the campaign may be affirmation that it supports the values held by most Australians and is in tune with the 'fair go' mentality of Aussies. The campaign transformed the general public's perception of NAB in a sector that is known for its closed ranks and conservative way of doing things. The campaign was awarded the prestigious Grand Prix at Cannes and as well as a silver medal in the Australian 2011 Effie awards (The Communication Council, 2011).

Questions

1. This case discusses the success of NAB's 'break up' campaign. What makes this an IMC campaign rather than an advertising campaign?
2. Why do you think consumers didn't receive the message that NAB stood for fairer banking in 2009?
3. Why do you think the 'break up' campaign was successful and attracted so much publicity?
4. Could this strategy be repeated by another marketer for a different product or service?

12 Case: do shock tactics generate behavioural change?

For many years, medical practitioners have known that the easiest way to fix many problems is to prevent them from occurring in the first place. Many public health campaigns emphasise the risks associated with smoking, drug-taking and alcohol abuse in order to discourage young people from adopting risky behaviours. In 1990s a few companies produced advertisements that carried explicit social and political messages. Pioneering this move was the Italian clothing company Benetton, whose advertising featured, instead of product pictures, images of AIDS, wars, environmental disasters, racism and convicts on death row. Their 'shock advertising' style was soon adopted by other companies including Diesel, FCUK and the Body Shop (Sandikci, 2011). Barnardo's, a children's charity, used ads showing babies in a scene resembling drug use, with cockroaches, syringes and methylated spirits. The 'Heroin Baby' ad was designed to illustrate the outcomes of child poverty and elicit sympathy for disadvantaged children. The campaign succeeded in meeting its objectives notably raising awareness of the charity and what it does, correcting the misconception that Barnardo's runs orphanages, attracting volunteers and increasing donations (Denny, 1999). The animal rights activist group, 'People for the Ethical Treatment of Animals' (PETA), is well known for the unconventional approaches it uses in its anti-fur campaigns. PETA launched its "Rather Go Naked Than Wear Fur" campaign in 1991 to raise awareness about the millions of animals that are mistreated for their fur and this campaign is still running today (see http://www.peta.org/action/would-rather-go-naked/).

A shock advertising tactic is generally regarded as one that deliberately, rather than inadvertently, startles and offends its audience (Dahl, Frankenberger and Manchanda, 2003). It breaks through the advertising clutter and helps capture the attention of the target market, aids memory and influences behavioural change. However, there are many problems associated with the communications process. The message received by the audience is not necessarily the one sent, and intended by, the communicator. One of the main problems affecting modern marketing communications is selective attention. People are bombarded with promotional messages and therefore only tend to listen to the ones that affect the environment in which they live. They tend to avoid messages that do not interest them. Another problem is repetition. Repetition creates 'habituation', whereby the consumer no longer pays attention to the message because of boredom or fatigue (Dahl, Frankenberger and Manchanda, 2003). Questions are also raised about the ethics of using shock tactics. For individuals who have experienced traumatic events, they don't want to be reminded of personal trauma and shock tactics are confrontational and emotionally disturbing. The ubiquity of advertising means that children are also exposed to frightening images.

The transport department in New South Wales has a long history of using graphic images of car crashes and death to prevent drink driving – with the intention of stirring a reaction and bringing about change. In recent times, the transport department in NSW changed its tactics. Unlike previous campaigns, which focused on the consequences of drink-driving, their latest campaign suggested alternative ways to get home after a night out, rather than driving. With random breath testing, people can get caught easily and lose their license, hence the tagline 'RBT means you need a plan B' (B&T, 2012). A humorous approach was adopted which was expected to resonate with the target market, young men, aged 17–25. For this group, most drinking sessions are unplanned or last minute and they don't plan ahead, so the agency, Ogilvy, sought to influence this group by telling them they needed a plan B. The campaign was a multi-channel one and used TV, cinema, outdoor, in-venue advertising and digital. In a similar vein, the Road Safety Council of Western Australia ran an award winning campaign with no speeding vehicles, no people injured, no heartbroken families, no penalties…simply titled 'enjoy the ride', the commercial told a story about modern, stressful lives and aimed to show viewers that there was an alternative to speeding – both in life and on the road – and that it was a better way of living (Government of Western Australia, 2013). The results of the campaign were very positive. According to Ogilvy (see http://www.ogilvy.com.au/the-work/transport-for-nsw---plan-bn) the ad attracted close to half a million views on YouTube in the first 10 months of the campaign. In terms of advertising recall, when prompted 74% of the target market could recall the message. There was also an increase in the perceived seriousness of drink driving as an issue amongst the target, increasing by 6 points from 87% to 93%. There was also an increase for the consideration of alternative transport options rather than drinking and driving.

Questions

1. What do you think? Do you think that shock tactics succeed in changing behaviour? Why or why not?
2. Do you know of any other public health campaigns that worked well in terms of enhancing recall and bringing about behavioural change?

13 Case Study: do not knock

Door-to-door sales are regarded as the most effective channel for customer acquisition. However, many consumers are annoyed at unsolicited door knocking. For disinterested consumers, this type of direct marketing is more frustrating than helpful. Although some organisations are hesitant to use door-to-door selling for fear of alienating consumers and receiving bad publicity, other organisations embrace it. Door-to-door selling is prevalent in the energy sector, for instance it is commonly used to sell solar panels. It is also used for selling pay-tv, broadband, educational software and home appliances. The major advantage of door-to-door selling is that it triggers a final purchase decision and shortens the customer acquisition time. It has numerous advantages: it allows a new entrant retailer to build up a critical mass of customers in a relatively short period; it suits new companies with relatively limited marketing budgets; it contributes to a flexible labour force as the sales function is often outsourced. In 2011 over 1.3 million sales were conducted through this sales channel in Australia (Frost and Sullivan, 2012).

However, the consumer backlash against door-to-door selling is easy to understand. The industry gets a bad name when some sales people engage in conduct that is misleading and deceptive, or when they resort to pressure selling tactics. People are left with the feeling that salespeople will do anything to get a sale. The government is also concerned over the targeting of vulnerable groups such as the elderly or infirm, people living in nursing homes or in aboriginal communities who may not be able to give informed consent. Consumer groups are proposing a ban on door-to-door selling. If this came to pass it would remake the sales industry. There is growing support for a Do Not Knock' register, similar to the 'Do Not Call' register in the telemarketing field. Consumer groups argue that reliance on commission-based remuneration schemes drives aggressive sales behaviour and even encourages agents to adopt tactics that are not fully compliant with the law. They state that door-to-door selling is a bad way for consumers to make decisions and the more complex the product or service and more money involved the worse it gets. The ACCC responded to consumer backlash by making 'Do Not Knock' signage available and giving information to consumers about their rights on its website (ACCC, 2012). Other organisations, such as Origin Energy, send their customers with the 'Do Not Knock' sticker to show that they don't want salespeople coming to the door.

Direct selling as a type of non-store retailing continues to increase internationally; however, a study of Australians found that perceptions of direct selling were not highly positive (Kustin and Jones, 1995). The Australian and New Zealand governments have regulated the channel's usage through legislation, for example by banning the door-to-door sale of certain products (such as consumer credit) and by regulating the hours during which door-to-door selling can occur. Door to door sales can only occur between 9am and 6pm on week days and no contact is allowed on Sundays or on public holidays. Sales people have to disclose who they are and produce identification. Furthermore, a 'cooling off' period (10 business days) occurs during which a supplier is restricted from requesting payment. However, a recent report by the ACCC (the Australian Competition and Consumer Commission) found that very few sales agents interviewed possessed a sound knowledge of their legal obligations. Also of concern is the varying degree of compliance training and monitoring undertaken by companies who outsource door-to-door selling (ACCC, 2012).

Questions

1. What do you think? Should door-to-door selling be banned?
2. Are there other options than could be explored, for instance, should current legislation be strengthened to protect consumers' rights? Should education and training of door-to-door salespersons be mandatory?
3. How do you balance the rights of consumers with the rights of companies to market their products and services?

References

ABC 2010, 'Coles cooks up new MasterChef deal', 27 Jul 2010, viewed May 20th 2015, http://www.abc.net.au/news/2010-07-27/coles-cooks-up-new-masterchef-deal/920908

ACMA, 2013, 'Australian e-marketing code of practice', ACMA, viewed January 11, 2013, <http://www.acma.gov.au/WEB/STANDARD/pc=PC_310326>

Advertising Standards Bureau 2011, 'Most complained about ads in 2011', Press release, 14 December 2011, viewed October 28, 2012, <http://www.adstandards.com.au/publications/mediareleases?all=true>

Advertising Standards Bureau 2012, 'Case Report Ref 0373-12', viewed October 28, 2012, <http://www.adstandards.com.au/casereports/determinations/standards>

Ajzen, I 1991, 'The theory of planned behavior', *Organizational Behavior and Human Decision Processes*, Vol. 50, No. 2, pp. 179–211.

Andersen, L.P., Tufle, B., Rasmussen, J., and Chan, K. 2008, 'The tweens market and responses to advertising in Denmark and Hong Kong, *Young Consumers*, Vol. 9, No. 3, pp. 189–200.

Ang, L. 2014. *Principles of Integrated Marketing Communications*, New York: Cambridge University Press.

Anti-tax mining ad in the Australian, viewed 13 April, 2012, <http://www.abc.net.au/news/2012-04-13/anti-tax-mining-ad-in-the-australian/3949012>

Apple 2015, 'Apple recycling', viewed April 20th, 2015, <http://www.apple.com/au/recycling/ipod-cell-phone>

Armstrong, G., Adam, S., Denize, S., and Kotler, P. 2011, *Principles of Marketing*, (5th ed), Pearson Australia.

Assaf, D. 2011, 'HSBC Bank Australia: The Chinese New Year Term Deposit Bonanza', *The Communications Council,* Gold, Australian Effie Awards, 2011.

Australian Association of National Advertisers, 2012, *Food and Beverages Advertising and Marketing Communications Code,* viewed February 13, 2013 <http://www.aana.com.au/data/Documents/Codes/AANACodeofEthics_1Jan2012.pdf>

Australian Association of National Advertisers, 2012, *Advertising and Marketing Communications to Children,* viewed February 13, 2013, <http://www.aana.com.au/pages/aana-code-for-advertising-marketing-communications-to-children.html>

Australian Ballet, 2012, 'Our corporate partners provide valuable support to the organisation', viewed January 8, 2012, <http://www.australianballet.com.au/support_us/corporate_partnerships>

Australian Bureau of Statistics 2015, 'Household and Family Projections Australia 2011 to 2036', *Abs.gov. au,* viewed online April 20, 2015, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/3236.0>

ABS, 2014, 'Australia's birth rate falls, but older mothers buck the trend'**,** 23 October 2014. Viewed May 15th 2015, http://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/3301.0Media%20Release12013?opendocument&tabname=Summary&prodno=3301.0&issue=2013&num=&view=

Australian Bureau of Statistics (ABS) 2009, 'Trends in Household Work', *Abs.gov.au,* March 25, 2009, viewed November 1, 2012, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features40March%202009>

Australian Bureau of Statistics (ABS), 2012, 'In pursuit of 2 & 5 – Fruit and Vegetable Consumption in Australia', *ABS Year Book Australia 2012*, viewed November 7, 2012, <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/1301.0Main+Features2362012>

Australian Bureau of Statistics (ABS), 2012, 'Australian Social Trends, March Quarter 2012 – Love Me Do', April 4, 2012, viewed 28 Octoner, 2012, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4102.0Main+Features30March+Quarter+2012>

Australian Consumer and Competition Authority, 2012, 'ACCC cracks down on door to door sales practices', *ACCC,* viewed September 26, 2012, <http://www.accc.gov.au/content/index.phtml/itemId/1070537/fromItemId/142>

Australian Food News 2012, 'Dairy snacks market driven by health and convenience', December 9, 2012, viewed October 28, 2012 http://www.ausfoodnews.com.au/2010/12/09/dairy-snacks-market-driven-by-health-and-convenience.html

Australian Government, 2015, 'National Broadband Network', Department of Communication, viewed May 15th 2015, http://www.communications.gov.au/broadband/national_broadband_network

Australian Government 2013, 'National Tobacco Campaign', viewed October 16, 2012, <http://www.quitnow.gov.au/internet/quitnow/publishing.nsf/Content/ntc-2009-2013-lp#admaterials>

Australian Trade Commission 2012, 'Food and Beverage', viewed November 1, 2012, <http://www.austrade.gov.au/Buy/Australian-Industry-Capability/Food-and-Beverage/default.aspx>

Australian Open, 2012, 'Event Guide', viewed January 8, 2013, <http://www.australianopen.com/en_AU/event_guide/kia_motors.html>

BBC News 2014, 'Seoul to ban ride-sharing app', 21 July 2014, viewed May 20th, 2015, http://www.bbc.com/news/business-28398380

Beam Global, 2012, 'Beam completes acquisition of Cooley Distiller', Media Release, January 17, 2012, viewed September 1, 2012, <http://investor.beamglobal.com/releasedetail.cfm?ReleaseID=640210>

Belch, G.E., Belch, M.A., Kerr, G. & Powell, I. 2012, *Advertising: An integrated marketing communications perspective (2nd ed.).* North Ryde: McGraw-Hill Australia Pty Ltd.

BinDihm, N., Freeman, B., and Trevena, L 2012, 'Pro-smoking apps for smartphones: the latest vehicle for the tobacco industry?', *BMJ.com,* October 22, 2012, viewed April 30, 2015 <http://tobaccocontrol. bmj.com/content/early/2012/10/01/tobaccocontrol-2012-050598>

Black, W.,C., 1984, 'Choice-set Definition in Patronage Modeling', *Journal of Retailing*, Vol. 60 (Summer), pp. 63–85.

Broom, G.M., Center, A.H., and Cutlip, S.M 2009, *Effective Public Relations* Pearson/Prentice Hall, New Jersey.

Bunkley, N. 2010, 'U.S. Starts Inquiry Into Brake Problems on Prius', New York Times, February 4, 2010, Viewed May 20, 2015, http://www.nytimes.com/2010/02/05/business/global/05toyota.html?_r=0

Burrows, T 2012, 'Why Bonds' Birthday Project will be the campaign of 2012', *Mumbrella.com*, viewed April 16, 2015, <http://mumbrella.com.au/why-bonds-birthday-project-will-be-the-campaign-of-2012-76366>

Brbaklic, D. 2012, 'Jagermeister Boosts Up Summer Marketing Activity', viewed May 15th 2015, http://www.brandingmagazine.com/2012/07/11/jagermeister-boosts-up-summer-marketing-activity/

Brook, S., and Meade, A., 'Adapt or die', *The Australian*, September 29, 2012, viewed April 15, 2012, <http://www.theaustralian.com.au/arts/review/adapt-or-die/story-fn9n8gph-1226482076237>

B&T Magazine 2013 , 'Coles Feed your Family Gets New App', viewed April 15, 2015, <http://www.bandt. com.au/advertising/Coles-Feed-Your-Family-gets-new-app>

B&T, 2012, 'Ogilvy's Plan B approach to drink driving', *B&T,* 21 August, 2012, viewed January 29, 2012 <http://www.bandt.com.au/breaking-campaigns/ogilvy%E2%80%99s-plan-b-approach-to-drink-driving>

BP 2012, 'BP in New Zealand', viewed April 2, 2012, <http://www.bp.com/sectiongenericarticle.do?categoryId=181&contentId=2000655>

Campus Media, 2012, 'Contiki Travel', viewed October 25, 2012, <http://www.campusmedia.co.uk/contiki_casestudy>

Carah, N., Brodmerkel, S. & Hernandez, L. (2014). Brands and sociality: Alcohol branding, drinking culture and Facebook. Convergence: *The Journal of Research into New Media Technologies*. Online first: 1–18. http://con.sagepub.com/content/early/2014/05/14/1354856514531531.abstract

Chapman, K., Kelly, B.P., Bochynska, K. & Kornman, K 2008, 'Internet food marketing on popular children's websites and food product websites in Australia', *Public Health Nutrition*, Vol. 11, No. 11, pp. 1180–1187.
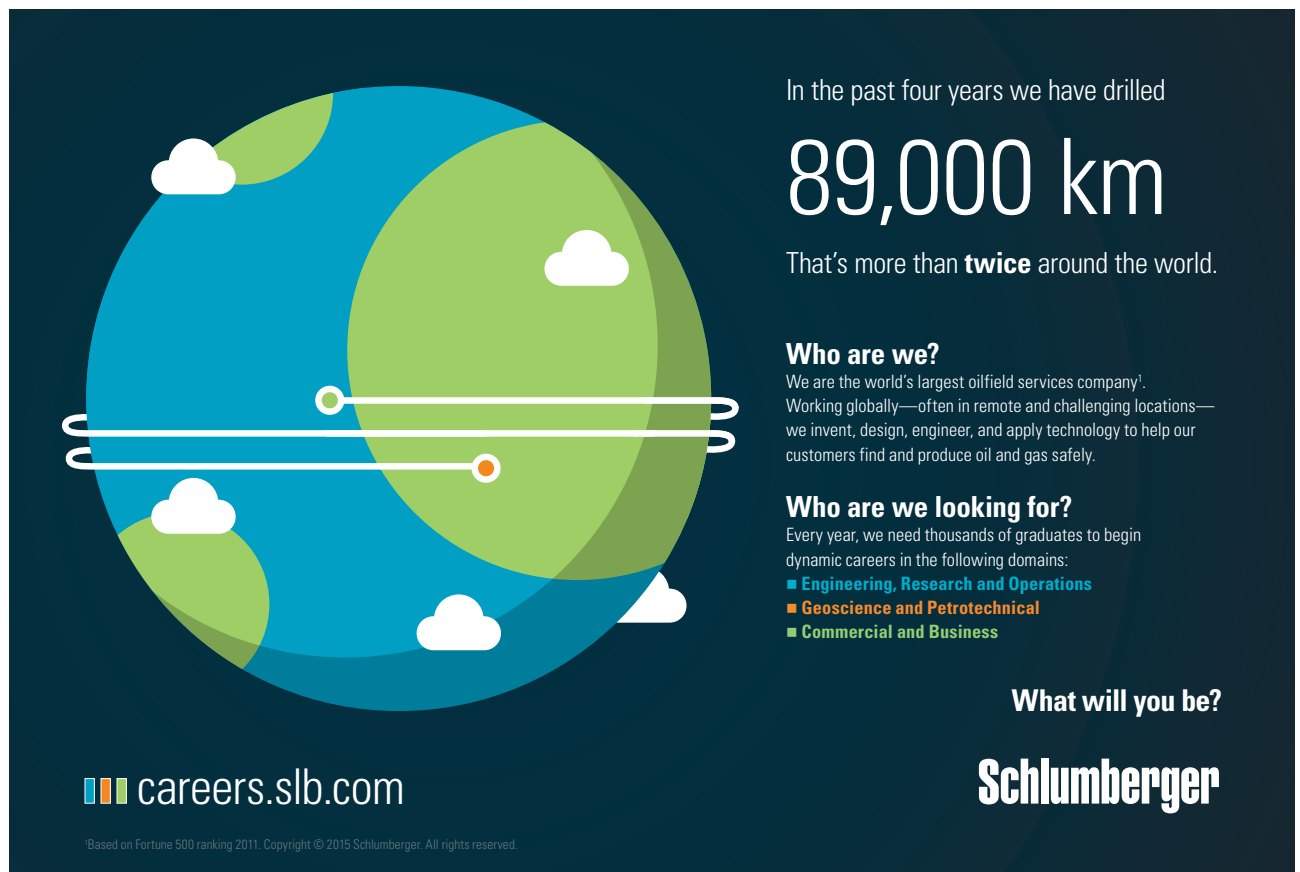
Chian, T., Felix, T., and Rajesh, V., 2011, 'Toward a Social Media Usage Policy', *ACIS 2011 Proceedings,* Paper 72, viewed January 20, 2013, <http://aisel.aisnet.org/acis2011/72>

Chitty, W., Barker, N., Valos, M., and Shimp, T. 2012. *Integrated Marketing Communications*, 3rd Asia Pacific Edition, Cengage Learning: Melbourne, Victoria.

Cheng, M 2012, 'London Olympics 2012: UK Doctors Blast McDonalds' Sponsorship', *Huffington Post. com*, January 5th, 2012, viewed September 28, 2012, <http://www.huffingtonpost.com/2012/05/01/london-olympics-sponsor-mcdonalds-doc>

Clark, L, 2012, 'Newspaper sales still on slippery slope', August 10, 2012, B&T Online Magazine.

Climate Institute, 2012, 'Climate of the Nation', viewed November 1, 2012, <http://www.climateinstitute.org.au/verve/_resources/TheClimateOfTheNation2012_Final.pdf>

Clow, K. Baack, D 2010, *Integrated Advertising, Promotion, and Marketing Communications*, Pearson Education, Upper Saddle River, Boston.

Cochlear 2003, 'Hidden hearing loss will hit baby boomers', *Cochlear.com* press release 2003, viewed November 14, 2012 <http://www.cochlear.com/corporate/hidden-hearing-loss-baby-boomers, accessed November 14>

Cohen, S 2010, '[Chasing a myth? Searching for 'self' through lifestyle travel](#)'. *Tourist Studies*, Vol. 10, No. 2, pp. 117–133.

Coles 2012, 'Coles in Million Dollar Boost for Aussie Growers', Press Release, Friday, June 8, 2012, viewed October 12, 2012 <http://www.coles.com.au/Portals/0/content/pdf/News/Capsicum_media_release_June_2012.pdf>

Coles 2012, 'Recipes and Cooking', *Coles.com.au*, viewed November 28, 2012, http://recipes.coles.com.au/feed-your-family

CommBank, 2012, 'James Magnussen announced as Commonwealth Bank Olympic games ambassador', viewed April 10, 2014, <https://www.commbank.com.au/about-us/news/media-releases/2012/120606-james-magnussen-olympic-ambassador.html>

Commonwealth of Australia 2014. *Australian Citizenship: Our Common Bond.* Department of Immigration and Border Protection: Canberra.

Copeland, R., Frisby, W., McCarville, R. 1996, 'Understanding the Sport Sponsorship Process from a Corporate Perspective', *Journal of Sport Management*, Vol. 10, pp. 32–48.

Contiki 2012, 'Contiki History', February 16, 2012, viewed November 1, 2012, <http://www.contiki.com/contikiedia/articles/contiki-history>

Contiki, 2012, 'Contiki – Just a party bus?', viewed 27th Sep 2012 <http://www.contiki.com/contikipedia/articles/contiki-just-a-party-bus>

Cox, L. 2012, 'Capital to get grey nomad appeal in tourism policies', *The Canberra Times*, September 25, 2012, viewed November 12, 2012, <http://www.canberratimes.com.au/travel/capital-to-get-grey-nomad-appeal-in-tourism-policies-20120925-26ik0.html#ixzz2CGaKOgxE>

Communications Council, 2011, 'How NAB's 'Break-up' Changed Banking In A Single Day', The Communication Council/Australian Effie Awards, Silver, 2011, viewed 25 August, 2012, <http://www. effies.com.au/effies/home.aspx>

Dahl, D. Frankenberger, W., and Manchanda, R. 2003, 'Does it pay to shock? Reactions to shocking and non-shocking advertising content among university students', *Journal of Advertising Research*, vol. 43, no. 3, pp. 268-281.

Dawkins, J. 2004, 'Corporate Responsibility: The Communication Challenge', *Journal of Communication Management*, Vol. 9, No. 2, pp. 106–17.

Denny, F. 1999, 'Not-for-profit marketing in the real world: an evaluation of Barnado's 1995 promotion campaign', *International Journal of Nonprofit and Voluntary sector Marketing*, vol. 4, 2, pp. 153–162.

Department of Health and Aging 2012, 'Important changes to the sale of tobacco products in Australia', viewed October 28, 2012, <http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/content/ictstpa>

D'Souza, C. 2004, 'Eco-label programs: a stakeholder (consumer) perspective', *Corporate Communication: An International Journal,* Vol. 9 No. 3, pp. 179–88.

Dudley, D. 2012, 'The Rise of Frugalism', in IPSOS Australia, *Austerity and Growth: The New Australians, viewed* February 1, 2012 <http://www.eyeonaustralia.com.au>

Eagle L.C., Dahl, S., Low, D.R., and Mahoney T (2014), 'Alcohol promotion via mobile phone apps: gaps in impact evaluation and regulatory coverage', Proceedings of the Australian and New Zealand Marketing Academy Conference. In: *ANZMAC 2014: Australian and New Zealand Marketing Academy Conference: Agents of Change*, 1–3 December 2014, Brisbane, QLD, Australia.

Fair Trade International, 2015, 'About Fair Trade', viewed May 20th, 2015, http://www.fairtrade.net/about-fairtrade.html

Families' Commission 2010, 'Statistics suggest anti-family violence campaigns working', 17 December 2010, viewed October 6, 2012, <http://www.familiescommission.org.nz/news/2010/statistics-suggest-anti-family-violence-campaigns-working>.
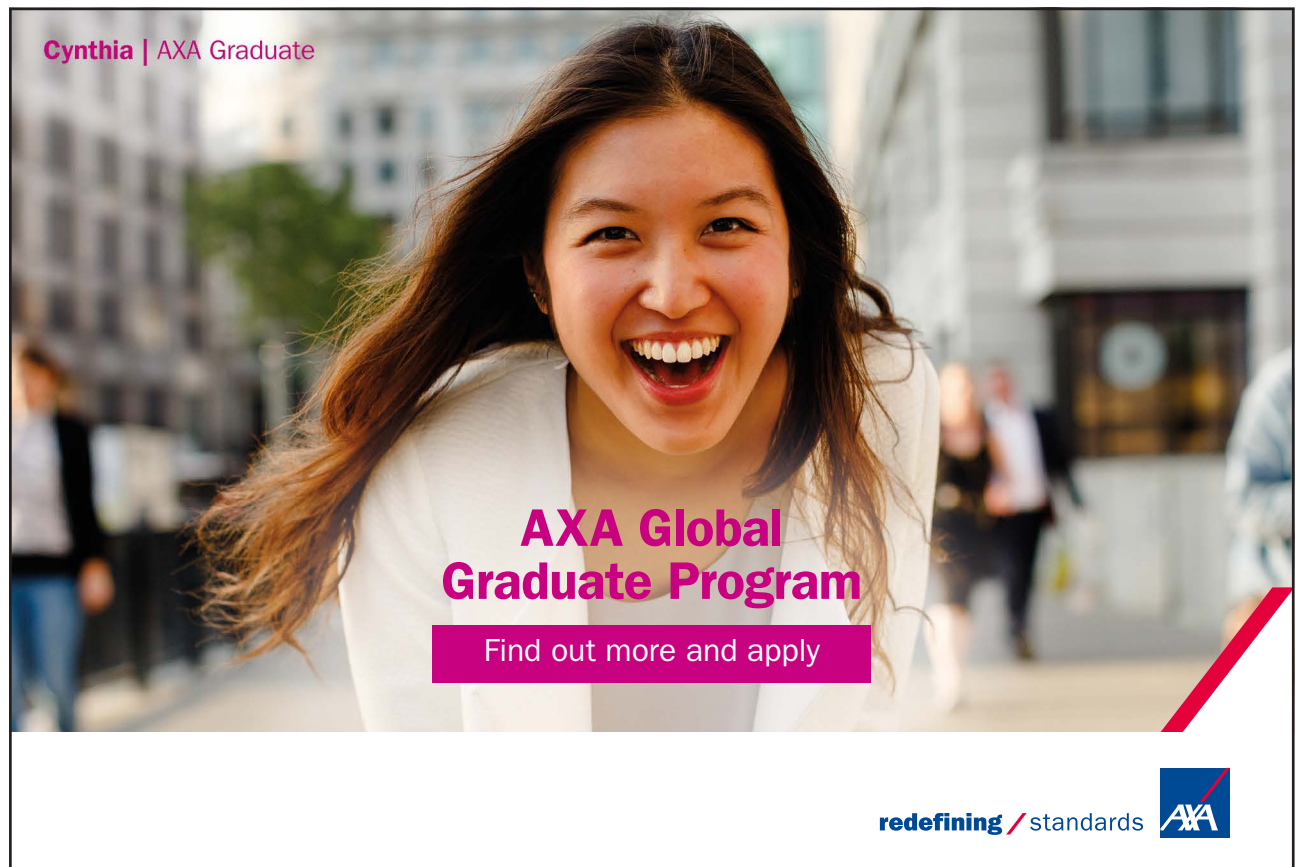
Ferguson, C., and Davidson, P. 2012, 'Energy drink binge leaves teens with more than a hangover', *The Conversation*, viewed May 20th 2015, http://www.researchgate.net/profile/Caleb_Ferguson/publication/235973678_Energy_drink_binge_leaves_teens_with_more_than_a_hangover/links/0c960515113db7900a000000.pdf

Fishbein, M., and Ajzen, I 1975, *Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research,* Addison-Wesley, MA.

Fonterra 2015, 'Osteoporosis and bones', viewed online may 20th, 2015, http://www.fonterra.com/au/en/dairy+and+nutrition/health+benefits/osteoporosis+and+bones/osteoporosis+and+bones

Free TV Australia, 2012, 'Campaign highlights new effects of television', Media Release 22 October, 2012, viewed January 1, 2012, http://www.freetv.com.au/SiteMedia/w3svc751/Uploads/Documents/Media_Release_Campaign_highlights_new_effects_of_television,_22_Oct_2012.pdf

Freeman, B., and Chapman, S., 2008, 'Gone viral? Heard the buzz? A guide for public health practitioners and researchers on how Web 2.0 can subvert advertising restrictions and spread health information', *Journal of Epidemiology and Community Health,* Vol. 62, pp. 778–782.

Friedman, M. 1985, 'Consumer Boycotts in the United States, 1970–1980: Contemporary Events in Historical Perspective', *Journal of Consumer Affairs*, Vol. 19, No. 1, pp. 96–117.

Frost and Sullivan, 2012, 'Research into the door to door sales industry in Australia', *Frost & Sullivan,* August 2012, viewed September 27, 2012 <http://www.accc.gov.au/content/index.phtml/itemId/1070526>

Gans, J.S., 1996,'Of Grand Prix and Circuses', *Australian Economic Review*, Vol. 115, pp. 299–307.

Gibson, C. and Stewart, A. 2009, *Reinventing Rural Places: The Extent and Impact of Regional Festivals in Rural Australia*. Wollongong: University of Wollongong. Viewed May 15th 2012, <http://festivalsproject.uow.edu.au/content/groups/public/@web/@sci/@eesc/documents/doc/uow060229.pdf>

Gillmer, W. 2012, 'Australian Online Landscape Review September 2012', Media Release, 14 Nov 2012, viewed April 10, 2013, http://www.nielsen.com/au/en/news-insights/press-room/2012/australian-online-landscape-review-september-2012.html

Goode, L., 2009, 'Social news, citizen journalism and democracy', *New Media and Society*, Vol. 11, No. 8, pp. 1287–1305.

Government of Western Australia , 2013, 'Enjoy the Ride, viewed April 10, 2013, <http://www.enjoytheride.wa.gov.au>

Greendex, 2010, 'Sustainability Report', viewed October 9, 2012, <http://environment.nationalgeographic.com/environment/greendex>

Grey, S. 2008, 'Bligh turns down Wicked paint job', *Brisbane News,* July 23, 2008.

Grey and Sweeney Research 2012, 'The Waiting Game – Eye on Australia 2012', viewed November 15, 2012 <http://www.eyeonaustralia.com.au>

Meldrum-Hanna, C., Russell, A., and Christodoulo, M. 2015, Australia's fresh food workforce: How does it operate and who is involved? *ABC News*, 4 May 2015, viewed May 20th, 2015, http://www.abc.net.au/news/2015-05-04/australias-fresh-food-workforce-how-does-it-operate/6443762

Harris, A 2012, 'How MasterChef became a $100 million industry for Network Ten', The Daily Telegraph, June 8, 2012, viewed October 15, 2012, <http://www.news.com.au/entertainment/television/how-masterchef-became-a-100-million-industry-for-network-ten/story-e6frfmyi-1225876741547#ixzz29r9iculb>

Harris, T. 1998, *Value-Added Public Relations: The Secret Weapon of Integrated Marketing*, NTC Business Books, Chicago, Ilinois.

Hattersley, G. 2012, 'Fender Bender', *The Australian,* November 3, 2012, viewed November 7, 2012, <http://www.theaustralian.com.au/news/features/fender-bender/story-e6frg8h6-1226506726841>.

Hegsted, D.M. 1994, 'Calcium and osteoporosis?', *Advances in Nutritional Research*, Vol 9, Harold H. Draper (Ed), New York: Plenum Press.

Herbig, P.A., and Kramer, H. 1994, 'The Effect of Information Overload on the Innovation Choice Process', *Journal of Consumer Marketing*, Vol. 11, No. 2 , pp. 45–55.

Henningfield, J., Cohen, C., and Slade, J. 1991. 'Is nicotine more addictive than cocaine?' *British Journal of Addiction,* Vol. 86, pp. 565–569.

Hickman, M 2012, 'Britain flooded with 'brand police' to protect sponsors', *The Independent*, Monday 16 July 2012, viewed October 5th, 2011, <http://www.independent.co.uk/news/uk/home-news/britain-flooded-with-brand-police-to-protect-sponsors-7945436.html>

Hills, B., 2005, 'The James Hardie Story: Asbestos Victims' Claims Evaded by Manufacturer', *International Journal of Occupational and Environmental Health,* Vol. 11, No. 2, pp. 212–214.

Hsien, C.H. 1944, 'The Chinese Concepts of Face', *American Anthropologist*, XLVI, 45–64.

IBISWorld 2012, '*Convenience stores in Australia Market Research Report 2012',* viewed October1, 2012,<http://www.ibisworld.com.au/industry/default.aspx?indid=1835>

IMDb, 2015, Mary Kate Olsen biography, viewed May 15, 2015, http://www.imdb.com/name/nm0001581/bio?ref_=nm_ov_bio_sm

Inman, J.J., and Winer, R.S., 1998, '*Where the rubber meets the road: A model of in-store consumer decision making'*. No. Tech. Rep. 98–122. Cambridge, MA: Marketing Science Institute.

In Daily, 2015, 'Woolworth's Anzac Campaign an Epic Failure', viewed May 18th, 2015, http://indaily.com.au/business/2015/04/15/woolies-anzac-campaign-an-epic-fail/

IWSC, 2011, 'Cooley Distillery wins 8 gold medals at the 2011 IWSC', Media release, 2 August, 2011.

Jolly, R. 2011, 'Marketing obesity? Junk Food, Advertising and Kids, *Research paper* no 9, 2010–11, viewed May 15th, 2015, http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1011/11rp09

Jones, C. 2005. 'Major events, networks and regional development', *Regional Studies*, Vol. 39, No. 2, pp. 185–195.

JWT, 2012, 'The Smirnoff Nightlife Exchange Project', *JWT.com*, viewed January 8, 2012, <http://www.jwt.com/#!/thesmirnoffnightlifeexchangeproject2010>

Kaplan, S and Kaplan, R. 1989, *Cognition and Environment, Functioning in an Uncertain World*, Ann Arbor, MI: Ulrich's.

Kearny, A.R., and Kaplan, S. 1997, 'Toward a Methodology for the Measurement of Knowledge Structures of Ordinary People: The Conceptual Content Cognitive Map (3CM),' *Environment and Behavior*, Vol 29, No. 5 pp. 579–617.

Kellow, A 2012, 'Australian consumers still subjected to cigarette advertising: Study', *Adnews.com*, viewed October 25, 2012,<http://www.adnews.com.au/adnews/australian-consumers-still-subjected-to-cigarette-advertising-study>

Labre-Peixoto, M 2005, 'The male body ideal: perspectives of readers and non-readers of fitness magazines', The Journal of Men's Health & Gender, Vol 2 , No. 2, pp. 223–22.

Lee-Joe, K 2012, 'Bang for your style blogging buck', *Daily Life*, 18 May, 2012, viewed May 21, 2012, <http://www.dailylife.com.au/dl-fashion/fashion-trends/bang-for-your-style-blogging-buck-20120518-1yui6.html>

Li, H., Kuo, C., and Russell, M.G 1999. 'The impact of perceived channel utilities, shopping orientations and demographics on the consumers' online buying behaviour', Journ*al of Computer Mediated* Communications, vol. 5, no. 2, viewed April 2, 2013, <http://www.ascusc.orgjcmc.vol5/issue2/hairong.html>

Lazarevic, V 2012, 'Encouraging brand loyalty in fickle generation Y consumers', *Young Consumers: Insight and Ideas for Responsible Marketers,* Vol. 13, No 1, pp. 45–61.

London Olympics 2012, *Advertising and trading regulations*, viewed October 6, 2012, <http://www.london2012.com/business/advertising-and-trading-regulations/>

MAAW, 2009, 'Best Cause or Charity Marketing Campaign 2009, *Maaw.org,* accessed January 8, 2013, <http://www.maaw.org/globesAwards/pastwinners.aspx?id=1527&catid=31>

Mallinckrodt, V., and Mizerski, D 2007, 'The effects of playing an advergame on young children's perceptions, preferences, and requests', *Journal of Advertising*, Vol. 36, pp. 87–100.

Martin, D., and Schouten, J. 2014, *Sustainable Marketing*, Pearson, Harlow, Essex.

Maslow, A 1954, *Motivation and Personality*, Harper, New York.

McGuire, T. 2012, 'Has Packer been taking tips from the mining barons?', the *punch.com*, viewed 25 July 2012, <http://www.thepunch.com.au/tags/crown-casino/>

McGregor, S., 2000, 'Using social and consumer values to predict market-place behaviour: questions of congruency', *Journal of Consumer Studies & Home Economics*, Vol. 24, No. 2, pp. 94–103.

MacMillan, D., Burrows, P., and Ante, S. 2009, 'Inside the App Economy Beyond the goofy games is a world of useful programs that's making fortunes and changing the rules of business, *Business Week,* October 22, 2009.

Morrison, A.M. 2010, *Hospitality and Travel Marketing communications* (4th ed), Cengage Learning, UK.

NAB, 2012, 'NAB's fight against unfair banking starts to pay dividends', April 2012, viewed June 2012, <http://www.nab.com.au/wps/wcm/connect/nab/nab/home/about_us/8>

Nadeau, J., O'Reilly, N. and Heslop, L. (2013), 'Linking place, mega-event and sponsorship evaluations', *Journal of Product & Brand Management*, Vol. 22 Iss: 2, pp. 129–141.

Narayana, C.L. and Markin, R.J. 1975, 'Consumer Behavior and Product Performance: An Alternative Consideration', *Journal of Marketing,* Vol. 39 (Fall), pp. 1–6.

New Limited, 2011, 'David Jones to set up bully hotline in wake of $37m sexual harassment claim', August 07, 2011, viewed October 10, 2013, http://www.news.com.au/business/djs-to-set-up-bully-hotline-in-the-wake-of-the-37-million-sex-scandal/story-e6frfm1i-1225902341762

Nielsen, 2012, 'Australian Online Landscape Review', September 2012, viewed April 1, 2013, <http://www.nielsen.com/content/dam/corporate/au/en/press/2012/Nielsen%20Online%20Landscape%20Review%20September%202012%20MEDIA%20PACK.pdf>

NRL, 2013, 'Sponsors', viewed January 8, 2013, <http://www.nrl.com/Sponsors/tabid/10630/Default.aspx>

OECD 2011, 'How's Life?: Work-life balance', www.oecd.org, viewed October 12, 2012 http://www.oecdbetterlifeindex.org/topics/work-life-balance

Ohler, M., Samuel, P., and McMurray, M 2013, 'Ethnography: is your company missing the train?', October 15, 2013, viewed April 10, 2015, <http://www.industryweek.com/innovation/ethnography-your-company-missing-train>

Opera Australia, 2012, 'Corporate Support', viewed October 14, 2012, <http://www.opera-australia.org.au/supportus/corporate_support>

Oxford Dictionary, 2015, 'Word of mouth', viewed May 20th, 2015, http://www.oxforddictionaries.com/definition/english/word-of-mouth

Pennay, A., and Lubman, D. 2012, 'Alcohol and energy drinks: a pilot study exploring patterns of consumption, social contexts, benefits and harms', *BMC Research Notes*, Vol 5, pp. 369. Viewed May 20th 2015, http://www.biomedcentral.com/1756-0500/5/369

Petty, R.E., and Cacioppo, J.T. 1986, 'The elaboration likeihood model', in L. Berkowitz (ed), *Advances in Experimental Social Psychology*, Academic Press, Orlando, pp. 123–205.

Petty, R.E., Cacioppo, J.T and Schuman, D 1993, 'Central and peripheral routes to advertising effectiveness', *Journal of Consumer Research*, September, pp. 135–146.

Pine, B.J., and Gilmore, J.H. 1999, 'The experience economy: work is theatre and every business a stage', Harvard Business School Press, Boston. CK.

Pinterest 2012, 'Company Profile, viewed 1 April 2012, <http://www.pinterest.com>

Prahalad, C.K., and Ramaswamy, V. 2004, 'Co-creation experiences: The next practice in value creation', *Journal of Interactive Marketing*, Vol. 18, No. 3, pp. 5–14.

Press Council of Australia, 2008, 'State of the News: Print Media in Australia 2008 Report', Press Council of Australia, Sydney, viewed online April 5, 2012, <http://www.presscouncil.org.au/document-search/state-of-news-print-media-2008>

PRIA, 2011, 'McHappy Day', www.pria.com, viewed 8 January 2013, <http://www.pria.com.au/resources/special-eventobservance-2/mchappy-day-2011>

PRIA 2013, 'What is public relations', www.pria.com, viewed January 9, 2013, http://www.pria.com.au/aboutus/what-is-public-relations

PRIA, 2013, 'Choosing the right consultancy', www.pria.com, viewed January 8, 2013, <http://www.pria.com.au/resources/choosing-a-consultancy>

Productivity Commission 2011, 'Economic Structure and Performance of the Australian Retail Industry', viewed January 10, 2013, <http://www.pc.gov.au/projects/inquiry/retail-industry/report>

Productive Aging 2012, 'Aging baby boomers in Australia -understanding the effects of the global financial crisis', *National Seniors Australia Productive Aging Centre*, February 2012, viewed November 12, 2012, <http://www.productiveageing.com.au/userfiles/file/PAC_BabyBoomersReport%20-%20low%20res(1).pdf>

Quester, P., Neal, C., Pettigrew, S., Grimmer, M., Davis, T., and Hawkins, D 2007, *Consumer Behaviour: Implications for Marketing Strategy,* (5th Ed), McGraw Hill, New South Wales, Australia.

Quester, P., Pettigrew, S., Kopanidis, F., Rao Hill, S., and Hawkins, D 2014. *Consumer Behaviour: Implications for Marketing Strategy* (7th ed) McGraw Hill, North Ryde, New South Wales.

Regional Living, 2015, Sea change/Tree Change, viewed May 10th, 2015, http://www.regionalliving.com.au/index.cfm?p=2237

Rinalo, D. 2007, 'Metro/Fashion/Tribes of men: negotiating the boundaries of men's legitimate consumption', in *Consumer Tribes,* B. Cova, R. Kozinets, A. Shankar (eds). Oxford: Butterworth Heinemann, pp. 76 to 92.

Riordan, K. 2006, 'Inside Selfridges', Time Out Magazine, Friday, November 10, 2006., viewed 15 August 2012, <http://www.timeout.com/london/features/2241/3.html>

Robinson, J. 2007, 'Threat of Young Viewers Turning Off', *Business Observer*, Sunday 30 September 2007, viewed May 18th, 2015, http://www.theguardian.com/business/2007/sep/30/media

Ross, M. 2012, 'Don't get left on the shelf', *B&T,* May 31, 2012. Viewed November 12, 2012, <http://www.bandt.com.au/features/don-t-get-left-on-the-shelf>

Sandikci, O. 2011, 'Shock Tactics in Advertising and Implications for Citizen-Consumer', *International Journal of Humanities and Social Science,* Vol. 1, No. 18, pp. 42–50.

Schmidt, J. and Spreng, R. 1996, 'A Proposed Model of External Consumer Information Search,' *Journal of Academy of Marketing Science*, vol. 24, no. 3 pp. 246–56.

Senadheera, V., Warren, M., and Leitch, S 2011, 'A Study into How Australian Banks Use Social Media' *PACIS 2011 Proceedings.* Paper 172, viewed January 25, 2013, <http://aisel.aisnet.org/pacis2011/172>

Sheen, T. 2014, 'Usain Bolt and Mario Balotelli in a hot tub for new Puma advert', *The Independent*, Thursday, 7 August 2014, viewed May 22, 2015, http://www.independent.co.uk/sport/football/news-and-comment/usain-bolt-and-mario-balotelli-in-a-hot-tub-for-new-puma-advert-9654236.html

Simpson, M. 2003, 'Metrosexual? That rings a bell', *The Independent*, Sunday, 22 June, 2003, viewed 17 August, 2012, <Http://www.marksimpson.com/pages/journalism/metrosexual_ios.html>

Sinclair, L, 2010, 'MasterChef sparks Coles sales surge', *The Australian*, June 21, 2010, viewed April 2, 2012, <http://www.theaustralian.com.au/media/masterchef-sparks-coles-sales-surge/story-e6frg996-1225882021805>

Sneider, M 2004, 'Create Emotional Ties with Brand for Sales,' *Marketing News* 38 (May 15, 2004), pp. 44–45.

Solomon, M., Bamossy, G., Askegaard, S., Hogg, M 2006, *Consumer Behaviour: A European Perspective*, (3rd ed), Prentice Hall/Financial Times, Essex, England.

Solomon, M.R., Russell-Bennett, R. and Previte, J 2013, *Consumer Behaviour: Buying, Having, Being* (3rd ed.), Pearson Education, Frenchs Forest, NSW.

Stratton, G., & Northcote, J 2014, 'When totems beget clans: The brand symbol as the defining marker of brand communities', *Journal of Consumer Culture,* Vol. 0, No. 0, pp. 1–17.

Stewart, C. 2013, 'Qantas tossed by trade winds', *The Australian,* November, 5, 2011, viewed January 8, 2013, <http://www.theaustralian.com.au/national-affairs/opinion/airline-tossed-by-trade-winds/story-e6frgd0x-1226186207242>

Suntory, 2012, 'Jagermeister – our brands', viewed 1 September, 2012, <http://www.suntory.com.au/our-brands/brands/jaegermeister>

Suntory, 2012, 'Jagermeister to partner with Independent Music Awards', 30 August 2010, Media Release, viewed September 1, 2012, <http://www.suntory.com.au/news/jagermeister-to-partner-with-independent-music-awards>

Teeling, J. 2006. Personal Communication.

Thomaselli, R. 2010, 'Toyota Sends in Jimi Lentz for Cross-Media Saatchi-Led PR Control', *Advertising Age,* viewed February 1, 2010, <http://adage. com/print?article_id=141856>

Turtle, S. 1996, 'Virtuality and Its Discontents', *The American Prospect*, Winter 1996, pp. 50–57.

Turtle, S. 2006, 'Always-On/Always-on-you: the Tethered Self ', in the *Handbook of Mobile Communications and Social Change*, James Kaz (ed.). Cambridge, MA: MIT Press.

Turtle, S. 2007, 'Can you hear me now?', *Forbes Magazine,* May 2007, pp. 1–4.

Toyota Australia, 2013. *Community and Customers,* viewed 14 February 2013, <http://www.toyota.com.au/toyota/sustainability/community-and-customer/community?WT.ac=Sustainability_HP_Community>

Web Search, 2015, 'Australian Search Engines', viewed May 20th, 2015, http://www.websearch.com.au/australian-search-engines

Sahlman, W.A., 2010, 'Management and the financial crisis ("we have met the enemy and he is us…"), *Economics, Management, and Financial Markets*, No. 4, pp. 11–53.

Schmitt, B. 1983, 'Experiential Marketing', Journal of Marketing Management, Vol. 15, pp. 53–67.

Stanbury, J., Pryer, M., and Roberts, A. 2005, 'Heroes and Villains – Tour Operator and Media Response to Crisis: An Exploration of Press Handling Strategies by UK Adventure Tour Operators', *Current Issues in Tourism*, Vol. 8. No. 5, pp. 394–423.

Sydney Festival, 2012, 'The Jagermeister Hunting Lodge, Honda Festival Garden', viewed September 1, 2012, <http://www.sydneyfestival.org.au/2012/Venues/The-Jagermeister-Hunting-Lodge-Honda-Festival-Garden/>

Unilever Australia 2012, 'Improving nutrition', viewed October 28, 2012, <http://www.unilever.com.au/sustainable-living/nutrition-health>

van Reijmersdal, E.A., Rozendaal, E., and Buijzen, M. 2012, 'Effects of Prominence, Involvement, and Persuasion Knowledge on Children's Cognitive and Affective Responses to Advergames', Journal of Interactive Marketing, Vol. 26, No. 1, pp. 33–42.

Vaswani, K. 2012, 'Follow my leader: Retailers race to catch digital rivals', BBC, 30 August 2012, viewed 20 January 2013, <http://www.bbc.co.uk/news/business-19426023>

Wang, C. and Lin, X. 2009, 'Migration of Chinese Consumption Values: Traditions, Modernization and Cultural Renaissance', *Journal of Business Ethics,* 88, 399–409.

Weber, K., Story, M., and Harnack, L. 2006, 'Internet food marketing strategies aimed at children and adolescents: A content analysis of food and beverage brand web sites', *Journal of American Diet Association*, Vol. 106, pp. 1463–1466.

Weiser, C.R. 1995, 'Championing the Customer', *Harvard Business Review,* November–December, pp. 113–116.

West Pac, 2012, *About Westpac*, viewed January 8, 2012, <http://www.westpac.com.au/about-westpac/sustainability-and-community/our-community/supporting-community-organisations/group-community-partnerships/westpac/surf-life-saving-australia>

Wilkie, W.L., and Pessemier, E.A. 1983, 'Issues in Marketing's Use of Multiattribute Models,' *Journal of Marketing Research*, Vol. 10 (November 1983), pp. 428–41.

White Ribbon 2012. *Background,* viewed October 6, 2012 <http://whiteribbon.org.nz>

WWF, 2012, 'Working with Business', viewed November, 12, 2012, <http://www.wwf.org.au/about_us/working_with_business/gftn_partnerships/kimberly_clark>

Woolworths, 2015, 'Our Brands' viewed 15 April, 2014, http://www.woolworths.com.au/wps/wcm/connect/Website/Woolworths/Our+Brands/

Wright, C., 2013, 'Report examines the impact of sports sponsorship in Australia and New Zealand', June 13, 2013, viewed May 20, 2015, http://sportsbusinessinsider.com.au/news/report-examines-the-impact-of-sport-sponsorship-in-australia-and-new-zealand/