

Ozuem, Wilson ORCID: <https://orcid.org/0000-0002-0337-1419> , Howell, Kerry and Lancaster, Geoff (2022) Exploring the relationship between integrated marketing communications and decentralised organisational structure: a heuristics perspective. *Qualitative Market Research: An International Journal* .

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## **Exploring the relationship between integrated marketing communications and decentralised organisational structure: an heuristics perspective**

**Enno Frehse, Wilson Ozuem, Kerry Howell and Geoff Lancaster**

### **Abstract:**

*The concept of integrated marketing communications (IMC) was developed in the early 1990s and has gained significant interest from academics and practitioners alike. Integration of marketing communications with corporate strategy is arguably the defining construct of IMC and yet remains rarely achieved in practice. Correspondingly, there is a gap in understanding why such successful integration remains scarce. To support closure of this knowledge gap, the aim of this study is to support the successful implementation of IMC at a strategic level through the development of a conceptual model that is capable of helping to overcome barriers to effective integration. Knowledge needed for this study has been generated from a case study setting of a global company, operating a decentralised organisational structure in the healthcare industry. Research findings have been grouped into three thematic areas: efficiency, consistency, and relationship, that if unmanaged, may inhibit company-wide alignment of marketing communications activities with business strategy. The paper contributes towards facilitating integration of marketing communications with strategy by providing a conceptual model, termed 'integration areas' that is based on the idea of using guiding principles for aligning marketing communication activities.*

**Key words:** Integrated marketing communications, strategic integration, heuristics, guiding principles, strategy, decentralised organisation.

## **1 Introduction**

Marketing communications has a history of being influenced by technological changes. Control over media and consumers shifted from large manufacturers to retailers in the 1970s by the introduction of barcode scanners and computer systems, allowing retailers to understand customer purchase behaviour (Achenbaum & Mitchel, 1987; Schultz, 1996). The ensuing technological upheaval heralded the advent of the internet in the mid 1990s, which shifted power and control over communications, from retailers to consumers (Kim, Han, & Schultz, 2004; Kliatchko, 2008; Schultz, 1996). The internet influenced marketing communications; especially, the erstwhile model of one-way mass communication targeting unidentified audiences was replaced by an interactive communications model, that significantly increased numbers of possible communications channels. As internet technology became central to most corporate activities, this became a means of communication that connecting specifically with customers and other stakeholders (Rowley, 2001). This change generated a need not only to align marketing communications throughout all channels, but across all visible and traceable activities the company performs (Kitchen, Schultz, Kim, Han, & Li, 2004). This was necessary, since ultimately it is customers who integrate all received messages, whether intended or not (Schultz, 1996). This led to the need to integrate all communications activities at strategic levels. The advent of the internet not only generated possibilities to align all communications within a business strategy, it also generated the need for it.

## **2 Theoretical context**

### **2.1 Integrated marketing communications**

An integrated approach towards marketing communications (IMC) gained momentum in the early 1990s (Holm, 2006; Schultz, Tannenbaum, & Lauterborn, 1993), and emerged as part of the natural evolution. This ability is founded on opportunities which advances in technology delivered; in this case the technology of the internet, so even integration and coordination of all communication activities was enabled (Cook, 2004; Kliatchko, 2005). Initially, the idea of IMC was the ‘one voice’ phenomenon meaning bundling all promotional mix elements together to create consistency in all sent messages (Kitchen, 2017; Kitchen, Brignell, Li, & Jones, 2004). The benefit that an integrated approach offers to drive integration is based on recognition that a holistic and systemic approach to communication yields all types of synergies (Schultz, 1996).

Integration can be referred to as “[...] the organizing ideal of communication and marketing” (Johansen & Andersen, 2012, p.273). Kerr and Patti (2015) argued that integration of marketing communications with corporate strategy is the defining construct of IMC, and not merely ‘message consistency’. To become fully integrated, the company needs to coordinate activities so they become consistent with strategy. In so doing, organisational structure is tested to see whether it is capable of achieving strategic consistency efficiently, and is an important enabler or inhibitor to strategic integration that occurs at consumer levels who naturally integrate all available communication, whether outcomes are beneficial for the company or not (Schultz, 1996). The best the marketer can do “[...] is to try to understand the integration process and modify their approaches and concepts to maximise the return on the integration which occurs naturally” (Schultz, 1996, pp.139–140). Schultz and Kitchen (2000) differentiated levels of ‘integration’ a company can achieve into a four-stage process development model for marketing communications. Kitchen (2017) argues that ‘message integration’; the initial stage in this four-stage process model is now a mutual approach for academics and practitioners. Even the next stage of ‘consumer integration’ is far from being realised, and stages three and four are rarely achieved in practice (Kitchen, 2017; Kitchen, Schultz, et al., 2004). Consumer integration is the second stage referring to establishing an outside-in communication approach (Schultz, 1996; Schultz & Kitchen, 2000) or receivers’ feedback, which is partially based on inside-out communication integrating into communications strategy (Kitchen, 2017). Companies here “[...] look at potential contacts a customer or consumer may have with a product, service, brand, or company” (Schultz & Kitchen, 2000, p.63). At the third stage, results of measurement of activities, corresponding data collection, and accessibility are spotlighted, so the impact of marketing activities can be monitored. Only by generating a closed loop feedback circle for strategic planning, based on those measured results, can the fourth, integration stage be achieved (Schultz & Kitchen, 2000, pp.63–64). The final stage has to take place at a strategic level (Kliatchko, 2008; Mortimer & Laurie, 2017). Using customer feedback for strategic purposes based on measuring results can provide competitive advantage (Holm, 2006). The argument for achieving competitive advantage through better integration of communication is “[...] a business that understands its customers and communicates to and with them, with the recognition that business is demand-driven, should be able to access and capitalise upon a continuous stream of ongoing information that leads to competitive advantage” (Kitchen, 2017, p.395).

## **2.2 Integration with strategy**

“[...] IMC has become a strategic issue and should be treated in accordance with the nature of strategy and strategic decisions” (Holm, 2006, p.26). It is argued that operational effectiveness and strategy are essential for superior performance (Porter, 1996, p.61). While operational effectiveness refers to performing similar activities better than rivals, strategic positioning refers to performing different activities compared to rivals (Porter, 1996, p.62). The extent to which IMC is a source of sustainable competitive advantage and a strategic concept merits exploration. IMC is concerned with improving activities and performance based on better consistency and is about integrating customer feedback and measurement of activities, and using these measurements to improve strategic and operational activities (Schultz & Kitchen, 2000, p.62). None of these stages are automatically intertwined with business strategy, and improvement of integration by itself is not necessarily a strategy.

Any such improvements may generate customer insights and valuable market data which may be used to improve strategic planning (Schultz & Kitchen, 2000, p.63). The mere availability of such information is simply an enabler for possible usage in building or improving business strategy. While few companies have achieved the highest level of integration (Kitchen, 2017; Kitchen, Schultz, et al., 2004; Low, 2000), the main barrier to this approach to competitive advantage is a lack of belief, budget, and focus, and some scepticism about marketing investments (Webster, Malter, & Ganesan (2005). If competitive advantage resulting from higher integration of communication activities is to be sustainable long term, an IMC programme should be a deliberately chosen element of the company’s strategy and a necessary activity (Porter, 1996) resulting from strategic design (Rumelt, 2012). It can be assumed that if enough practical proof is gathered supporting the idea that the highest stage of integration yields outstanding performance, then such proof could become a catalyst for making enough funding available within companies, possibly resulting in rapid concept implementation of the highest IMC stage. In general, both operational effectiveness and contribution towards strategy should be considered in research. Kerr and Patti (2015) differentiated the concept of integration into message or tactical integration, and strategic integration. Understanding how IMC is established as a strategic tool is about appreciating how customer data and information gained from communication activities can be used and integrated into the process of strategy development. It is important to understand how this information can be used to improve the strategic consistency of sent messages (Schultz & Kitchen, 2000). Consequently, both areas contribute towards understanding and developing IMC as a total concept, which is consistent with the

four-stage process model (Schultz and Kitchen, 2000). Both areas pull in different directions and at different stages of the model. The implication is that both facets are important for successfully understanding and implementing IMC.

### **2.3 Integrated marketing communications and the decentralised organisational structure**

It is useful to explore what the issue of running a decentralised structure means for an organisation trying to achieve consistency in its decisions. Mintzberg (1979) says that by focusing on the power over decision making in an organisation defines a decentralised organisation as one where power to make decisions is dispersed amongst many individuals across the organisation. One reason for operating a decentralised organisational structure is that when decision-making power is shared, “[...] the individuals who are able to understand the specifics can respond intelligently to them”. In short: “...power is placed where the knowledge is” (Mintzberg, 1979, p.183). Another related reason is that decentralisation allows people to respond quickly to local conditions. The downside of decentralisation is lost coordination across units of the company (Rumelt, 2012). The company that is the focus of this study operates a decentralised organisational structure; that is, many decisions are made at a local subsidiary level, especially regarding marketing that is carried out by each larger subsidiary. This means that coordination of all local decisions is problematic, since there are few centrally coordinated alignment mechanisms in place which work efficiently and effectively across all subsidiaries. This is a barrier to implementing IMC, not only at the level of the message, but also at a strategic level. It is important to ensure that decisions in each sales subsidiary are consistent with an overarching strategy. It is key to ensure that local marketing campaigns do not conflict with other subsidiaries’ or headquarters’ messages. Existing organisational structures and opposition to change are seen as the greatest barriers to implementing integration (Mortimer & Laurie, 2017; Schultz & Kitchen, 1997; Schultz & Schultz, 2004). To implement IMC successfully at a strategic or message integration level, coordination is a major issue to be addressed, since marketing decisions that are consistent with strategy requires people to collaborate effectively across boundaries. The resulting necessity from these issues is that processes need to be developed which are capable of aligning all the globally dispersed elements of marketing if one wants to implement IMC successfully (Schultz & Schultz, 2004). As a counter, heuristic decision making uses guiding principles to inform decision making to overcome these barriers by helping people take decisions across organisational boundaries which are consistent with business strategy.

## **2.4 Heuristics, Marketing Communications and Organisational structure**

Heuristics, scripts, schemas, and guiding principles are knowledge structures which become cognitive shortcuts for quick behavioural responses in familiar situations. They are based on scripts which are developed using prior experience (Woiceshyn, 2009). A “Knowledge structure is a mental template that individuals impose on an information environment to give it form and meaning” (Walsh, 1995, p.281). Knowledge structures can help stakeholders make sense of situations which again supports taking decisions (Oliver & Roos, 2005). Gigerenzer (2008) referred to an imaginary, mental ‘adaptive toolbox’ from which proper tools for solving problem situations can be accessed, depending on the situation. Heuristics can be chosen from the adaptive toolbox from conscious or unconscious examples of efficient cognitive processes (Gigerenzer & Gaissmaier, 2011). These are part of a decision-making strategy which “[...] ignores part of the information, with the goal of making decisions more quickly, frugally, and/or accurately than more complex methods” (Gigerenzer & Gaissmaier, 2011, p.454). “Studies have found systematic, rational analysis insufficient to deal effectively with complexity” (Woiceshyn, 2009, p.299). Wübben and Wangenheim (2008, p.92) found no clear evidence for superiority of quantitative decision models for managerial decision making in customer management compared with simple methods like heuristics. They concluded “...the heuristics the firms used worked astonishingly well”. The rationality of using heuristics is founded on the assumption that using heuristics means trading loss in accuracy for faster, satisficing decisions (Gigerenzer & Gaissmaier, 2011).

Heuristics are relevant to this research since they can be approached as a device for improving decision making which is consistent with strategy. Heuristics are perceived as a candidate tool to support decision making which may help stakeholders make decisions that are consistent with strategy within the boundaries of a decentralised organisational structure. Organisations are perceived as an ideal place to apply heuristics due to “...the inherent uncertainty and the pressure to act quickly” (Gigerenzer & Gaissmaier, 2011, p.459). Nevertheless, there seems to be a lack of research on the issue of applying heuristics in organisational environments (Hodgkinson & Healey, 2008). Guiding principles are shared and articulated by their nature (Oliver & Jacobs, 2007). Due to their shared, and articulated nature, guiding principles are useful for supporting the operational implementation of IMC at the strategic level. According to Oliver and Jacobs (2007, p.813), “Guiding principles are knowledge structures that call to mind collective narratives with emotional content, and are articulated and used heuristically to guide decision making in organisations”. Guiding principles are useful in critical situations,

where good decisions need to be made quickly. It “provides fundamental level justifications that guide actions and decisions made by self-managed teams when responding to critical incidents (Oliver & Roos, 2003)” (Oliver & Jacobs, 2007, p.813). Guiding principles are intentionally and actively developed, and are used as decision-support devices based on organisational learning as facilitation of the transition process from interpreting to integrating (Oliver & Jacobs, 2007). Such active development can be initiated by a conversational process of dialogue (Crossan, Lane, & White, 1999). Team members conjointly discuss and interpret experiences and narratives about what worked, thereby creating shared learning which is integrated into shared guiding principles which can be re-used and further repeatedly developed by the group. The term ‘guiding principle’ is perceived in the context of the key strategic element called the guiding policy (Rumelt, 2012), which is part of the strategy kernel. This strategy-related guiding policy is a decision-support tool, which helps people take decisions that are in line with policy. It facilitates decision making that is consistent with strategy. Guiding principles similarly guide actions and decision making which can be used to make consistent decisions over time. Using guiding principles as a tool for implementing a guiding strategic policy could be a promising approach to implementing IMC at a strategic level in a decentralised organisational structure. Approaches like this are proposed in academic literature. For example, the concept of marketing doctrine is defined as “a firm’s unique principles, distilled from its experiences, which provide firm-wide guidance on market-facing choices” (Challagalla, Murtha, and Jaworski, 2014, p.7). Generally, principles associated with this doctrine are efficient and effective in supporting decision making, because they inductively generalise experiences about how a goal has been attained (Woiceshyn, 2009). When we experience how the business world works, such an experience is stored in our memory. To save scarce space, the brain identifies the essence of learning and integrates learning into concepts and eventually principles. Principles are higher level or more abstract concepts, which store the essence of learning (Woiceshyn, 2009). When recalled, principles can be re-applied to new situations, helping make better decisions to respond to the situation at hand, based on past experiences. Since principles are abstracted forms of knowledge, they cannot be applied without further thinking (Locke, 2002). The stored experience still needs to be evaluated to understand whether it is useful to the new decision situation (Locke, 2002). Decision situations for employees involved in IMC implementation at a strategic level are examples of decision situations where something needs to be evaluated and cannot be decided based on simplistic decision rules. In this sense, evaluating stored principles for re-applicability is like a pattern-recognition process (Klein, 1998; Woiceshyn, 2009). If familiar patterns are recognised, re-



usability of stored principles is evaluated and conducted (Klein, 1998; Woiceshyn, 2009). Recognising familiar patterns and applying guiding principles to familiar situations to achieve consistency in decisions with strategy over time resembles similarity to the definition of strategy by Mintzberg (1978), which states that strategy is a pattern in a stream of decisions.

Using principles like those associated with the marketing doctrine approach “enhances the likelihood that a firm will perform marketing activities that support organisational strategy” (Challagalla et al., 2014, p.17). Principles are a tool which serve well in establishing IMC at a strategic level, since when it comes to operational execution, principles can help to operationally align marketing activities with the company’s broader strategy, and it can be assumed that this may also work well across organisational boundaries.

### **3 Methodology and Methods (Professor Kerry Howell – please could rework this section. We have provided some background information. Please could you delete as required)**

#### **3.1 Paradigm of Inquiry**

Implementing IMC at a strategic level is a highly socially influenced process; therefore, it needs to be researched accordingly. Research regarding the implementation of such socially rooted concepts should therefore be based on matching research assumptions and instruments, which is why an interpretivist assumption about the world in which this research takes place is necessary. Considering the ontologically chosen position of interpretivism, the epistemological position taken for this research project is social constructivism.

Strategy is rooted in differences (Rumelt, 2012). Differences between competitors and changes in a company’s environment need to be perceived by the relevant stakeholders, while at the same time recognising the resources the company has at its disposal, and translating these external and internal differences and resources into a beneficial strategy which exploits them. Without the existing limitations of the human mind, a lot of those exploitable differences can be assumed to vanish. In other words, strategy is rooted in the limitations of the human mind and is shaped by features like information processing capability, speed, storage capacity, emotionality, and irrationality. Strategy is therefore heavily influenced or even rooted in these human limitations which are continuously impacted by surrounding social structures. An objective of this research is to explore and understand the decision-making process for marketing communication activities, and to understand how business strategy influences this

process. Since IMC is intertwined with the concept of strategy, if IMC is to be implemented as a strategic process, the same social influences are relevant for strategic IMC implementation as for designing and implementing a strategy.

### **3.2 Data collection**

This study builds a theory for strategic IMC implementation within a specific organisational setup. Constructivists “[...] consider that the mind is active in the construction of knowledge, and knowing is interactive with data, rather than accepting simple abstractions reflected by the mind” (Howell, 2013, p.91). For constructivists, meaning and knowledge are therefore constructed through interaction between the involved social actors and the object of study. Locke (2002, p.199) defined the process of induction as “[...] the formulation of general truths from specific instances [which] requires that one observe a number of specific instances”.

In order to observe a number of specific instances, the choice of methodology for data collection is a case study approach. Schramm (1971, p.6) defined the essence of a case study as “[...] that it tries to illuminate a decision or a set of decisions: why they were taken, how they were implemented, and with what result”. This study seeks to explore how decisions for marketing communication activities and business strategy are taken within the company that is the focus of this research project.

The general analytical strategy for this case study is inductive in nature. Data is therefore gathered from the ground up (Yin, 2013). Such an inductive strategy includes playing with the data to notice patterns which suggest a useful concept (Yin, 2013).

### **3.3 Sampling**

In this research, interviews with the participants are semi-structured in order to ensure that all aspects which are intended to be covered are covered. In total, 30 interviews were conducted with participants from Germany (9), France (6), the UK (5), the Netherlands (4), Italy (5), and Belgium (1). The varying number of participants per country resulted from access negotiation discussions with each local general manager and head of marketing. Both roles were interview partners for the main five countries, apart from Belgium where only the general manager was interviewed. The Netherlands was the exception, since no dedicated head of marketing was present due to its different local organisational structure. After negotiating access, the general manager or the marketing head, depending on the subsidiary, then suggested interview partners which were subsequently contacted to take part in interviews. This approach to sample selection can therefore be termed purposive sampling. Potential participants for interviews were asked to participate based on the personal judgement of the researcher and according to their perceived

fit for the study. Inclusion criteria, including that the general manager and the head of marketing were supposed to be interviewed due to their position in the company, are outlined in Table 1. The quotes from respondents as presented in the data collection are marked with the letter ‘A’ for marketing employees which provided the respective evidence and accordingly with the letter ‘B’ for managers. The columns in Table 1 are also labeled with these letters.

**Table 1 - Characteristics of the respondents**

<b>Characteristic</b>	<b>Marketing employees (A)</b>	<b>Management (B)</b>
Workplace	Works or recently worked for one of the following subsidiaries: Germany, United Kingdom, France, Italy, Netherlands, Belgium	Works or recently worked for one of the following subsidiaries: Germany, United Kingdom, France, Italy, Netherlands, Belgium
Experience	At least one year’s work experience in the marketing/marketing communications context job	At least one year’s work experience in the management job
Work context	Works or recently worked in a marketing context, ideally a marketing communications context	Works or recently worked as the general manager or as a manager in a marketing context for the subsidiary
Customer context	Job is or was focused or at least partially focused on the hospital segment	Job is or was focused or at least partially focused on the hospital segment
Language skills	Speaks and understands English	Speaks and understands English
Age	At least 18 years of age	At least 18 years of age

## 4 Analysis

### 4.1 Themes development

Interpretation of the findings was enabled through application of thematic analysis (Frehse, 2020). Thematic analysis is a flexible and useful method for qualitative research, and it is compatible with the constructionist research paradigm adopted for this research project (Braun & Clarke, 2006). Thematic analysis is useful for identifying, analysing, and reporting patterns or themes within qualitative data (Braun & Clarke, 2006). In terms of the interpretative analytical approach, “the development of the themes themselves involves interpretative work, and the analysis that is produced is not just description, but is already theorised” (Braun & Clarke, 2006, p.14). 30 recorded interviews were reviewed after the interviews were conducted. Based on this initial analysis, the most interesting interviews in the light of the research objectives were transcribed. This resulting transcription was then read

several times to identify early patterns which matched the research objectives (Braun & Clarke, 2006). The remaining interviews were listened to again and further interviews were transcribed and analysed. This process resulted in 21 interviews which were transcribed, while nine interviews were not transcribed, since they did not address the research questions sufficiently. Available data from the transcribed interviews generated a saturation point whereby additional transcription would not have provided significant further insights (Kvale & Brinkmann, 2009). During the next stage, initial codes were developed and these were further sorted into more general themes to see how they could contribute to an overarching theme to address the research objectives (Braun & Clarke, 2006). The themes that resulted from this phase were further analysed and reviewed with the aim of creating both internal homogeneity and external heterogeneity (Braun & Clarke, 2006; Guba, 1978; Patton, 1990). The target was to create themes that fit coherently based on initial codes, and were clearly distinguishable from other themes (Braun & Clarke, 2006). Finally, the resulting themes were defined and named. This definition included filtering out the 'essence' of what each theme is about (Braun & Clarke, 2006, p.22). The resulting themes were labelled 'efficiency', 'consistency' and 'relationship'.

'Efficiency' refers to a rational approach to decision making and to the collection and strategic usage of customer data. Evidence suggests that this is often rationalised using financial information to influence decisions. The desire to increase or defend business volume or the necessity to contain cost at a certain level are significant factors from the perception of respondents when deciding upon marketing activities. Guidance provided by internal processes, like the process of budget planning, as well as logic-based arguments are further aspects which are encapsulated by this theme. Additionally, the collection and usage of customer data to inform strategic decisions is part of this theme, that includes topics of how marketing performance is measured. Factors residing in the company's external environment, like the behaviour of competitors, customers and development of legal boundaries, influence marketing decision making.

The second theme, 'consistency' refers to the desire to act in accordance with guidance. Such guidance is provided by an implicit or explicit strategy, by the company's brand values, or historic decisions, which are reconsidered in current decision making. In this context, respondents made reference to both local and global strategies. The term local strategy which is used here, refers to a strategy developed by a sales and service subsidiary which is valid for

a specific country, and which may have been entirely or in part developed independent of a headquarters-developed strategy. The term global strategy refers to a strategy developed by headquarters. The hospital strategy is an example of such a global, centrally developed strategy which is supposed to be used by all subsidiaries selling hospital products and services. Local and global strategies were referred to by respondents as guidelines which could be used as reference points when it comes to making decisions in a marketing context. In addition, current decisions are influenced by past decisions. There is evidence that hospital customers value reliability and consistency in the behaviour of organisations over time. Acting in accordance with past decisions is another factor which impacts marketing decision making. Finally, marketing decisions are impacted by the desire to positively impact the company's brand, and act in accordance with brand values.

The third theme that emerged is termed 'relationship'. Factors influencing decision making regarding this theme are inherent in people. Alternatively, they are based in people's interactions and relationships with other people. The theme is characterised by influences on decision making which are not merely rational or logical. A large part of this theme is characterised by influences on decision making which are rooted in the collaboration of people within a subsidiary and collaboration that occurs between subsidiaries and headquarters. Culture is another factor which influences marketing decision making. Culture is defined by Deshpande and Webster Jr (1989, p.4) as "the pattern of shared values and beliefs that help members of an organisation understand why things happen and thus teach them the behavioural norms in the organisation". Culture, in this context, refers to company culture or subsidiary culture which has developed over time. Knowledge of people plays another significant role in decision making in a marketing context. This is gained by stakeholders over time, and they are consciously or unconsciously used in group discussions to influence decisions. In addition, knowledge and experience of people and their emotions represents uncoded information that is neither stored nor directly accessible to other employees. This may be a limiting factor when using that knowledge for strategic purposes. There is evidence that decisions are often taken subjectively, not based on facts or logical arguments, but rather on feelings and subjective perceptions. Finally, internal communication within the company plays a role in marketing decision making. Some respondents perceived targets, strategies, and knowledge to be important, suggested these should be spread across the company, so all employees share a common level of knowledge.

Table 2 provides an overview of the themes, including the corresponding codes and key words which emerged from the interview data.

**Table 2 - Overview of generated themes, codes, and selected key words.**

<b>Theme</b>	<b>Definition of theme</b>	<b>Code</b>	<b>Key words</b>
Efficiency	Decisions are influenced by financials, processes, and logical arguments	Market share	business
			sales
		Resources	capacity
			business case
			marketing budget
		Structure	marketing planning
			objective decision criteria
			voting system
		Data collection and usage	measurement not possible
			difficult to keep this budget
			saved in larger system
			systems are not communicating
			story behind the sales
		External environment	strongly regulated market
			safety of the patient
			call for slowness
			customers have no time
Consistency	Decisions are influenced by an existing strategy or the desire to act consistently with prior activities	Local approach	do what we want
			customise strategy to country needs
			we have to localise
		Global approach	product launch
			accounting for strategy
			global market trends
		Consistency	consistency of all communication
			marketing as quality police
			we've done this in the past
			stability requirement
		Brand	longevity of the brand messaging
			the brand comes first

Theme	Definition of theme	Code	Key words
			long-term sustainability
Relationship	Decisions are influenced by the behaviour of people and their interaction with one another	Collaboration	hidden hierarchy
			influence the group
			group decision
			share information by talking
		Culture	campaign elevated to global level
			marketing is a sales function
			communications don't bring any money
			did it in the past
		Knowledge	planning includes mainly events and customer visits
			not communication-driven
			to develop people
		Emotions	information in the head
			gut feeling
			emotional debate
			belief
		Internal communication	subjective decision
communicate well with employees			
	communicate better to the whole organisation		
	what our plans are		

## 4.2 Efficiency

The availability of resources is a factor which limits the ability of the local marketing team in conducting activities. The selection of activities depends on whether the resources required, like people or money, are available at the required point in time. One respondent outlined how both factors play a role in marketing:

"Most times, if you now look back retrospectively, money was often the limiting factor when we developed our ideas and, at the end, often capacity was the limiting factor in real life, when we were working on this marketing plan".

The respondent from group 'A' replied to interview question 8 and the presented data contributes to research objective 2. By capacity as a limiting factor, the respondent refers to how a lack of people meant that not all activities which were planned were ultimately carried out. Collecting customer data from marketing activities and using that data for strategic purposes is another area which influences marketing decision making (Holm, 2006). This strategic usage of customer data has the potential to provide the company with a competitive advantage, if the company is able to beneficially capitalise upon that ongoing stream of information (Kitchen, 2017). One issue that was brought up in this context is the problem of measuring the performance of a marketing campaign:

"You can't make a campaign and say ...this was the net sales out of this campaign. It's not possible. In the end, we need ideas to measure something, or to have a view how this campaign, how this congress, how this customer event helps us to improve our business".

The respondent from group 'A' replied to interview question 18 and the presented data contributes to research objective 3. The measurement of marketing activity results is a focal point at stage three of the IMC four-stage process model (Schultz & Kitchen, 2000). The measurement is also a prerequisite for achieving stage four of that model. If customer data from marketing activities cannot be used to inform business strategy, then integration of all marketing activities with the company's strategy is inhibited. One respondent outlined how the problem of having little proof of marketing effectiveness leads to a lack of credibility when it comes to fighting for marketing budgets:

"It's difficult to convince sales without any proof. Sometimes marketing is not so easy to measure. For example it is difficult to see if you are successful or not during a congress. And it's difficult to show that you are doing some ground exposure. You have no result to give, because it is just exposure. And for that it is very difficult to say, okay, we have to keep this budget, because it is important, yes?"

The respondent from group 'B' replied to interview question 4 and the presented data contributes to research objective 3. Keeping up activities and spending levels despite the lack of proof of associated benefits may indeed result in reduced marketing budgets (Webster et al., 2005). Proving the effectiveness of marketing activities is normally more difficult in B2B settings than for B2C settings (Webster et al., 2005). One notable characteristic of the hospital market within which healthcare products are sold is that it is a market which is significantly



impacted by legal boundaries. These boundaries seem to impact decision making on marketing activities, as one respondent outlined:

"Hospital activities are dominated by things we have also done in the past, right? There is a lot of recurrent activities that we are driving more in an evolutionary style, rather than in a revolutionary style. Which means, the question would be of course, where is this coming from? Is this just because we do not have enough new ideas or are there other factors?"

The respondent from group 'B' replied to interview question 2 and the presented data contributes to research objective 2. The reason for having a lot of recurrent activities in marketing according to this respondent is rooted in the specific legal boundaries that define the market of the healthcare industry:

"I mean, there is clearly one factor that is very clear. That's a very strongly regulated market that has the tendency not to accept innovation overnight, right? There is a lot of adaption and validation required in order to accept innovation".

The respondent from group 'B' replied to interview question 2 and the presented data contributes to research objective 2. Strong legal regulations are perceived to be caused by the fact that healthcare businesses operating in this industry monitor life functions or support life functions for patients, which means the reliability of these devices may impact the well-being of patients. Compliance with legal requirements and providing reliable products at all costs is interpreted by the respondent to have an impact on marketing activities. According to this respondent, signalling to the market the stability in what the company does shows compliance with market requirements:

"On the contrary they are also limited by regulations that are clearly more related to protecting the stability of the system, protecting also of course in the first level the safety of the patient and the outcome that is delivered from the activities. Therefore, to just describe the environment that we are working in, there is a lot of stability that is required, and the priorities that we have, is to also comply to that requirement, right? To provide this general, let's say, adaption to the speed requirements that we have in the market".

The respondent from group 'B' replied to interview question 2 and the presented data contributes to research objective 2. The respondent sees this requirement as a 'call for

slowness' by the market. This so-termed 'call for slowness', from the respondent's perspective, limits the range of useable marketing activities at any given time for the company:

"Therefore, whatever we're introducing into the market, it takes some time to really take grip in the market, to become an accepted and fully integrated part of the customer equation of developing outcome. It requires a lot of investment on the customer side in terms of training, knowledge transfer, and change of processes around it. Therefore, we also have the requirement to work on having a proper adopting curve that needs to be supported by communication as well, rather than trying to turn, do 180 degree turns on technology or support of outcome every other day, right? Again, almost, you know, a call for slowness to some extent. Which is a dilemma from a marketing perspective, right? Because, when it comes to human behaviour then our experience is that you can catch people's attention by doing something new, different, and ideally outstanding, maybe unknown so far, innovative, different, right? Here we're talking about doing something that in principle you could translate into, makes you tired, because there is no change, or makes you maybe even not very aware, because it just reconfirms what everybody knows, right?"

The respondent from group 'B' replied to interview question 2 and the presented data contributes to research objective 2. The respondent interprets the call for slowness by the market as a problem for marketing, since it limits the choice of activities and communication channels because it calls for efficient continuity and repetition. This may be interpreted as a less attractive job for the marketer concerned, since current decisions as to what activity to conduct are impacted by what has been decided and done before, and by the market's requirement for continuity.

### **4.3 Consistency**

Adhering to a local approach to strategy means that subsidiaries develop their own approach regarding how to address the local market. This approach may be linked to a global strategy which is provided by headquarters, but it is not necessarily linked to it. A local strategy may have been developed under the influence of global strategy, but it may also have developed independently. This local strategy is used as a guideline when deciding upon marketing activities in the local subsidiary. Such guidelines are comparable to the idea of having a guiding policy to illuminate the concept of strategy (Rumelt, 2012). Similarly, guiding principles are knowledge structures which are used for guiding decision making in

organisations (Oliver & Jacobs, 2007). Local or global strategies referred to were not deliberately developed as guiding principles, but they are in place to influence local or global decision making. One respondent provided evidence of how local decision making on marketing activities is not deliberately linked to guidance from headquarters. The local planning process is initially conducted from a country perspective:

"Because you asked in the beginning whether we are doing marketing independently from headquarters. In that case, the task that was given to my team members was completely decoupled from headquarters. Of course, my team members are also influenced by their marketing committees and meetings and so on. Their ideas are typically quite close to the [name of company] strategy".

The respondent from group 'B' replied to interview question 11 and the presented data contributes to research objective 2. The respondent outlined that the task of local planning did not require local marketing team members to align their activity choices with global strategy. The respondent concluded that the local marketing team is nevertheless influenced continuously by global direction, since team members regularly communicate with colleagues from headquarters. These exchanges influence local marketing employees, and this influence is likely to inform their decisions when it comes to planning local marketing activities. Looking at another example, marketing campaigns can be initiated by headquarters and the subsidiary countries may or may not introduce them locally. One respondent outlined how these marketing campaigns are handled locally:

"Although we try to use the global activities as much as we can, we very often have to adapt them. We very often have to give a little different tone. It's not only translation, it's also individualisation. Sometimes we really have to completely rewrite them".

The respondent from group 'B' replied to interview question 11 and the presented data contributes to research objective 2. The strategy not only supports the local team in deciding which activity to conduct, but it supports them in deciding how each activity has to be designed to fit the local approach to the market. The respondent referred to this as individualisation that is based on the local focus the country has set. There is a global strategy for the hospital segment that is in place, which is often referred to tacitly as the 'hospital strategy'. This strategy was developed by headquarters and was rolled out globally to all

subsidiaries. Usage and the application of the strategy depends very much on each subsidiary and each employee, since there are no strict rules as to its application. Evidence was found that this strategy plays a role in local decision making on marketing communication activities. One respondent perceived the global strategy as global guidance, needing local adaptation so that local changes and details can be applied, while sticking to the overall storyline the strategy supplies:

"It's a combination of understanding the global approach and how we're going to implement it in our local areas based on nuances of our markets".

The respondent from group 'B' replied to interview question 17 and the presented data contributes to research objective 2. One respondent reflected on the importance of new products for local marketing:

"Now, products are typically the trigger point for a go-to-market activity".

The respondent from group 'B' replied to interview question 12 and the presented data contributes to research objective 2. Product launches are initiated by headquarters, where new products are developed. They are assumed to be part of global strategy, since it must be assumed that the roadmap of future products is aligned with the hospital strategy. In the case of a key product development, the development process may well take several years. Since key products are replaced by successors, typically only after a very long time horizon, the individual local launch is a very dominant activity in terms of local resource consumption. The impact of a major launch on the local marketing resources was explained by one respondent:

"So, if we do have significant launches, we spend a significant share into this launch, pre-launch activities."

The respondent from group 'B' replied to interview question 8 and the data contributes to research objective 2.

#### **4.4 Relationship**

Social and cultural factors influence the construction of realities (Guba & Lincoln, 1989; Howell, 2013). Social and cultural factors similarly influence marketing decision making, since this activity involves people interacting with one another, who have their own perceptions of how the world works. Based on these viewpoints they have to make joint decisions about marketing. It is obvious that relationships between all involved in these decisions play a significant role in how decisions are made. As such, the third theme which emerged from the interview data is termed 'relationship'. This theme is characterised by issues influencing marketing decision making, which are rooted within people and in their interactions with others. These issues can be categorised into those which are rooted in the collaboration of people, and those issues which are created by corporate culture. Further, the emotional aspects of stakeholders play a significant role in this context, as well as the knowledge people have gained over time. Finally, issues related to the company's internal communication activities also influence marketing decision making in the subsidiaries.

As one respondent elaborated on collaboration issues, without the agreement of sales, deciding upon marketing activities is not worth the effort, since such lack of involvement seems to lead to a lack of results in terms of those activities:

"but the worst that could happen is that the local marketing is doing a kind of marketing campaign, without involving sales prior to the marketing, because this is a really a waste of time".

The respondent from group 'B' replied to interview question 8 and the presented data contributes to research objective 2. Collaboration, with the intention to decide upon marketing activities happens, not only within marketing teams or between marketing teams, but also between local marketing and local sales teams.

The sales function, locally, seems to have a stake in decision making for marketing activities, and collaboration between marketing and sales teams therefore has an impact on which marketing activities are finally conducted locally. The decision-making criteria that are relevant here to come to an agreement between both teams is influenced by the extent to which marketing activities chime with sales planning. One respondent explained:

"It's really a close relationship between sales and marketing to make sure that the activities which are planned for next year are supporting first, planning and corporate launches, and it is done in a pragmatic way".

The respondent from group 'B' replied to interview question 8 and the presented data contributes to research objective 2. One respondent, working within the local marketing organisation, clearly stated that the job target in marketing is to support the sales:

"My daily work consists of being a support for the sales team. If you consider that the marketing department is a support team to develop sales and to help them to increase sales".

The respondent from group 'A' replied to interview question 1 and the presented data contributes to research objective 2. The integration of marketing with other business functions, such as sales, resonates with findings presented by Kumar (2015) who found that the latest paradigm shift is characterised by marketing becoming an integral part of the decision-making framework in business, and this paradigm shift was triggered by the increasing diversity of media channels and the corresponding interactivity of the internet. There is more of a focus now on the effectiveness of marketing, on its efficiency, and on an increasing need and desire to manage and affect customer behaviour and engagement. It remains questionable whether it is indeed a paradigm shift that we have witnessed in this case. It seems rather that marketing is now perceived as a sales support function and that this is an assumption that has been carried for years or decades. This gives clues to the perceived function of marketing within the company. This status may also be perceived in the light of the decline of the influence of marketing within companies since the contribution of marketing to business results is not properly documented (Webster et al., 2005).

The knowledge and experience which [name of company] employees have built up over time is another important aspect when it comes to decision making for marketing. The experience of some senior staff seems to be valued significantly in discussions. When it comes to making decisions, it can be assumed that these senior staff are very respected amongst colleagues and influence marketing decisions made by senior staff. When asked about how decisions are made on marketing activities in the local marketing team, one respondent replied:

"From my point of view it is a bit of everything apart from the mathematical model. For sure decisions are also based on figures. Marketing, market size, and expected share in the market.

As you mentioned, there's a lot of politics involved. In terms of the seniority level of the people making the decisions. We have junior staff, but we also have senior managers or people who are a long time with [name of company] and they have some say. For sure they are higher in the hierarchy. Sometimes, they are not really on a management level but are on a, let's say, hidden hierarchy. Because they have so much wisdom and knowledge, they represent more or less the market within [name of company]".

Interviewer: "So, that is an influential factor I understand?"

Participant: "See, you can also describe it as trust. Trust in the knowledge of the people".

The respondent from group 'A' replied to interview question 5 and the presented data contributes to research objective 2. Trust in the knowledge of people seems to be valued by employees and this knowledge therefore carries some weight in discussions, giving someone with status an advantage in discussions with others. Another code which emerged regarding how marketing decisions are influenced is emotional aspects, like feelings or judgements which people make. One respondent reflected on their own decision-making behaviour in the context of having to decide between two alternatives, and concluded that decisions on marketing activities are indeed subjective:

"I typically try to listen to both arguments, but I cannot definitely say that I'm making an objective decision, I'm making a subjective decision".

The respondent from group 'B' replied to interview question 7 and the presented data contributes to research objective 2.

Another respondent referred to evaluation of marketing activities, in this case the evaluation of a trade show by employees of the local subsidiary:

"They have a very good, let's say gut feeling, regarding was it good or not good".

The respondent from group 'B' replied to interview question 8 and the presented data contributes to research objective 2. When asked about where ideas for new marketing activities originate from, one manager replied:

"It's a mix between gut feeling, own analysis, and research at some of the available resources"

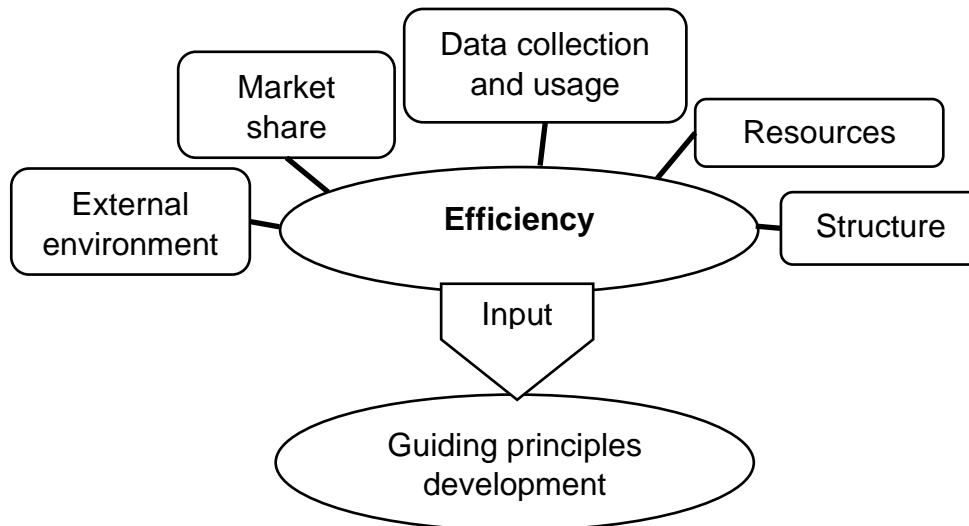
The respondent from group 'B' replied to interview question 11 and the presented data contributes to research objective 2. Subjective decision making based on gut-feeling which has developed over time seems to play a significant role when it comes to decision making on marketing communication activities.

## **5 Discussion**

Knowledge developed from this research could create additional value for IMC implementation by providing integration areas which should be checked and considered when developing guiding principles for marketing communication purposes. Integration areas which should be considered in such a scenario are summarised in terms of efficiency, consistency, and relationship. These integration areas have been developed via the application of a thematic analysis of data generated for this research.

These major areas are further detailed into sub-areas. For example, when developing guiding principles, stakeholders should consider issues of efficiency which might need to be reflected in the principles to be developed. When considering issues of efficiency, the conceptual model developed here suggests that the following sub-areas should be covered: market share, resources, structure, data collection and usage, and the external environment. This means that a guiding principle to be developed may need to be evaluated by checking whether it properly reflects market share or sales targets in case these targets play a vital role in achieving company goals, such as fulfilling the company's strategy. Consideration of availability of company resources is also key. If these resources are key to achieving company strategy, then their handling, usage, or management may need to be considered in the formulation of guiding principles. Structural topics such as processes and internal or legal standards may also need to be considered in the process of generating guiding principles, in case they are of vital importance to fulfil company targets. Specialities of the external environment, as in the healthcare industry, which is a strongly regulated market, may need consideration so that they can be properly and consistently addressed by marketing communication activities throughout the company. Finally, it would be interesting to make data collection and its usage a guiding principle. Maintaining and building accessible data sources is a building block towards SI in Schultz and Kitchen's (2000) four-stage process model. It would make sense to ensure data availability by incorporating the idea in a guiding principle. The full scope of the integration area of efficiency is illustrated in Figure 1.





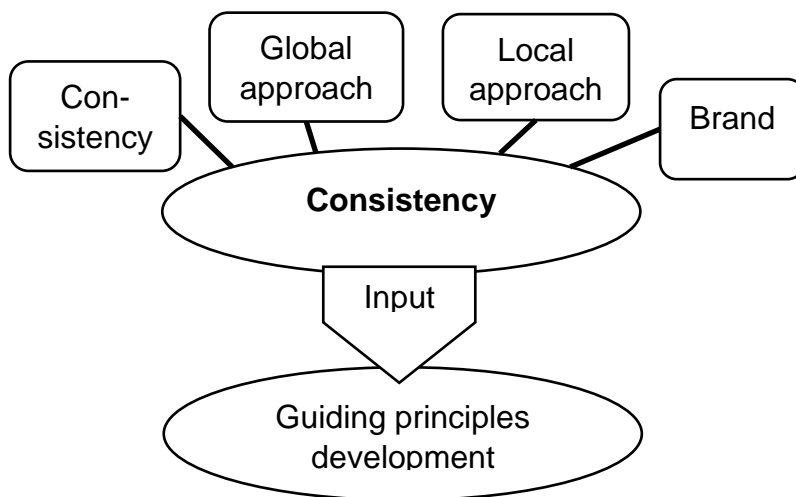
**Figure 1** *Integration area of efficiency*

To address the integration area of consistency, the following sub-areas should be covered:

- the general desire to act with consistency itself,
- the local approach of local companies operating in a decentralised organisational structure,
- the global approach initiated by headquarters, which is operating in a decentralised organisational structure,
- and issues concerning the company's brand.

The desire to act with consistency in general refers to the consideration of whether activities conducted by the company are consistent over time and with one another. A guiding principle may incorporate this sub-area in those cases where marketing communication plays a decisive role in the company's success. This is reflected in Schultz and Kitchen's (2000) four-stage process model in which tactical coordination of all communications is the basis for all further stages in that model. Following a local approach within the local, decentralised operating subsidiaries of a multinational corporation could be another important issue which should be considered when developing guiding principles. Alternatively, this may already be incorporated in the guiding principle itself, which is intended to provide global guidance yet leave room for local adaptations (Challagalla et al., 2014). Paying attention to local market needs may be a decisive factor in the company's success, and should be reflected in a guiding principle shared across the company. Another aspect could be reflected in a guiding principle of having a global approach to acting consistently throughout the company. This sub-area

incorporates the need for important global market trends to be reflected in the actions and behaviour of each subsidiary. Another aspect is product launches that are driven by headquarters and which need to be properly adopted by the local subsidiaries in each country. These issues could be relevant in any company that follows strong global market trends or where new product launches play a major role in the company's success. Companies that have a strong brand approach may be interested in employing guiding principles that inspire marketing communication activities. Such initiatives might include giving the brand a priority level in comparison to other factors, or providing a time horizon within which brand messaging should be consistently conducted. The full scope of the integration area of consistency is illustrated in Figure 2.

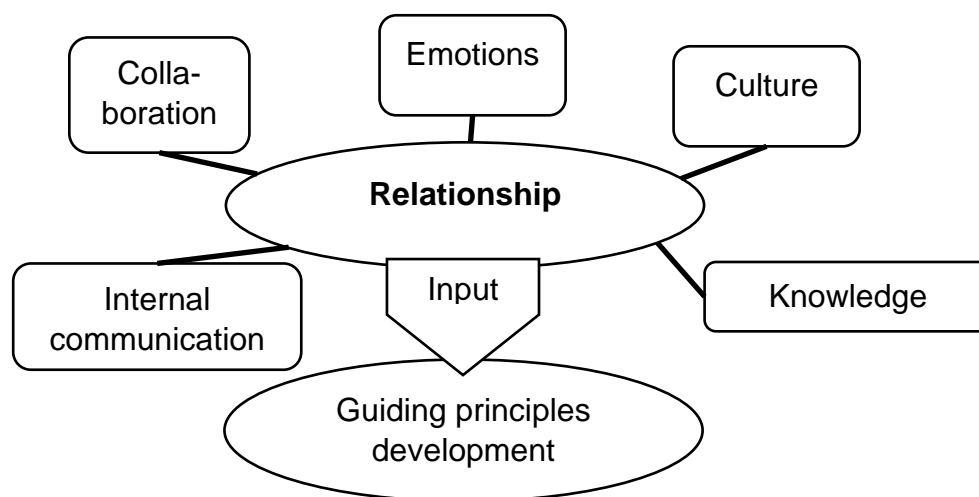


**Figure 2** *Integration area of consistency*

This is an area of significant interest because it is founded on issues that result from people working together, and not on the rather logical arguments that are linked to the other two integration areas. The sub-areas identified are collaboration, culture, knowledge, emotions, and internal communication. Collaboration refers to the need for people to work together effectively so company goals can be achieved. This may refer to how decisions are reached within a group of people working together, and to how people influence one another when decisions on marketing communication activities are taken. How collaboration issues should be addressed by employees in a company may be the basis of a guiding principle shared in a corporation. The sub-area termed culture refers to how the culture of a company, which has developed over time, influences marketing decision making behaviour that may or may not be of benefit to decision making in terms of aligning marketing communication activities throughout the company. For example, understanding the value of the marketing function

within the company may be decisive for its influence within the company (Webster et al., 2005). If marketing is perceived to be nothing more than a sales support function, then the decision power of marketing may be limited. Addressing such shortcomings using a guiding principle may help to overcome such issues.

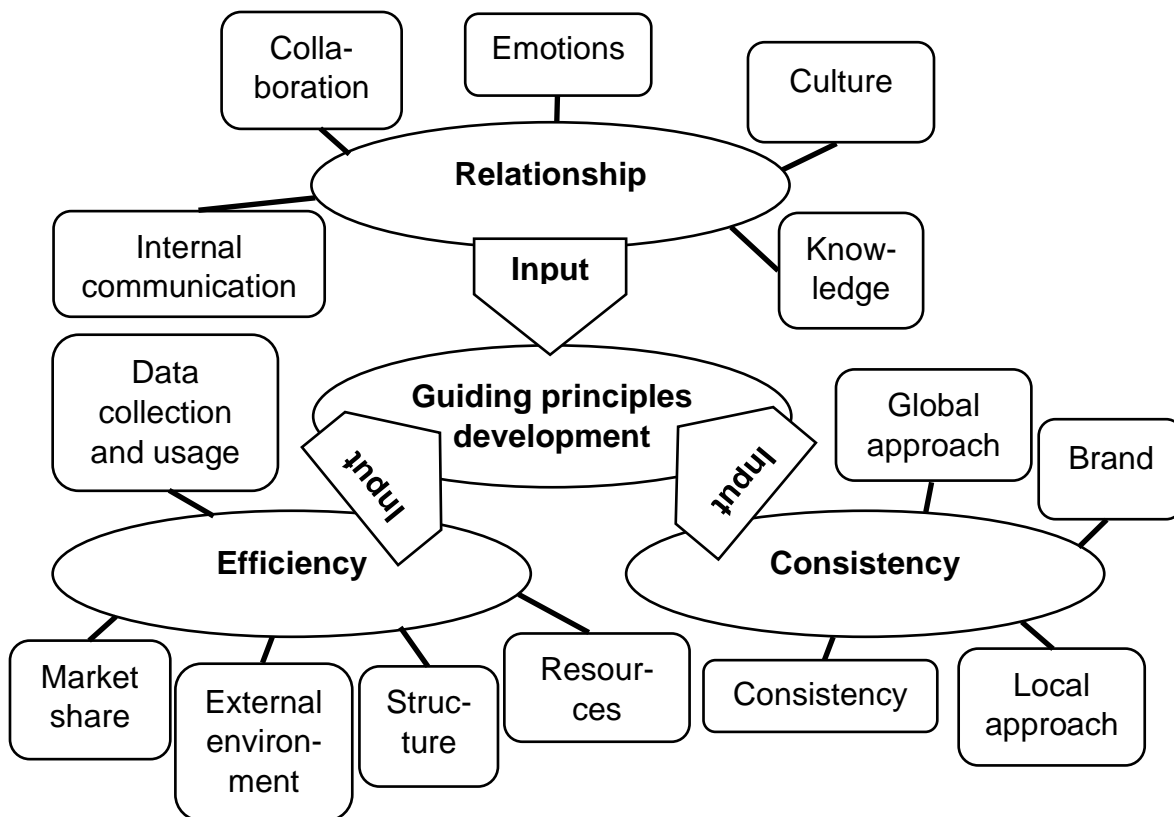
The sub-area termed knowledge is intended to guide attention towards issues which deal with how people are trained and developed, and how information is shared across the company. A company's success may depend to a significant degree on the management of such knowledge, and a corresponding guiding principle may be helpful for addressing a consistent approach towards knowledge management. Emotions may be another area which should be addressed when developing guiding principles. Emotions play a role in debates; they are the basis of gut feelings upon which decisions are taken by people. Internal communication issues play a role when it comes to decisions on marketing communication activities. If company strategy, brand positioning, or other relevant issues are not well communicated, then employees may not feel empowered to make decisions in line with company strategy or brand targets. Guiding information flows in a structured way by providing guidance on how internal communication should be handled can ensure effective information flow across an entire company. The full scope of the integration area termed relationship is illustrated in Figure 3:



**Figure 3** *Integration area of relationship*

A company's performance depends significantly upon having and implementing a successful strategy (Porter, 1996). The marketing discipline and marketing communications lack credibility, at least in part, for their contribution to company performance (Kumar, 2015; Webster et al., 2005). The concept of IMC is about successfully connecting marketing communications with a company's strategy; communication activities should be aligned with

that strategy throughout the company. The concept itself has only rarely been implemented at a strategic level successfully (Kitchen, 2017; Kitchen, Schultz, et al., 2004). One barrier to successful implementation is organisational structure (Mortimer & Laurie, 2017; Schultz & Kitchen, 1997; Schultz & Schultz, 2004). It is hard to align all communication activities in a decentralised global organisation with one global company strategy, because people do not automatically take the best decisions for consistently fulfilling strategy. There is probably more of an operational focus on acute local market needs when deciding upon communication activities. Consequently, communication activities might not be consistent with the company's strategy and blur the company's global positioning in local markets over time. The concept of integration areas may help in overcoming this obstacle. It supports successful alignment of marketing communications with a company's strategy. Alignment of a company's activities with strategy, not only communications, but for marketing in general, can be achieved by developing and applying guiding principles, which possess a heuristic character (Oliver & Jacobs, 2007), as shown by Challagalla et al. (2014) for the concept of marketing doctrine. The development of guiding principles for aligning communication activities with company strategy is supported by the concept of integration areas, since it provides areas to consider for guiding principles development, which have proven relevance for achieving SI with communications. The overall concept of integration areas which is relevant for the effective development of guiding principles is illustrated in Figure 4. The conceptual framework consists of a combination of the three integration areas. Input to the development of guiding principles is delivered by checking the applicability of each of the integration areas (efficiency, consistency, and relationship) to a company's unique strategic context.



*Figure 4 Integration area concept*

## 6 Conclusion

The integration area model contributes towards theory on IMC and SI in marketing communications for companies operating a decentralised organisational structure. It does so by developing the idea put forward by Challagalla et al. (2014) who employed guiding principles for a firm-wide approach to common decision making by adding integration areas that are an informative support structure for developing guiding principles which are based on experiences, and which support the integration of marketing communications with strategy. The research has revealed several issues which are of importance and relevance for the studied company when it comes to improving SI with marketing communications.

Financial and resource considerations seem to play a role when it comes to deciding upon marketing communication measures. Activities are evaluated based on their potential to improve the company's net sales. Combining this finding with the issue that marketing in the sales subsidiaries is a sales support function sheds light on why this topic may be problematic when it comes to aligning communications with strategy. It seems questionable, whether a

short-term focus on direct sales impact may be the best choice for improving alignment of marketing activities with the company's strategy at the same time. A related issue is that budget cuts or limitations, focus subsidiaries on most important marketing communications activities. This budget is sometimes blocked by major activities which cannot be neglected, like global product launches, major trade shows, or other important activities. Such lack of alternatives may support integration with strategy from headquarters, since it is often such activities that block local resources and inhibit local communication activities.

The healthcare industry seems to provide specific challenges for aligning marketing communications with strategy. The industry and its customers seem to value some level of consistency over time, which is supported by strong regulatory and other legal boundaries. Implicitly, that may be caused by the rather conservative attitude towards change and innovation within the industry since human lives depend upon the functioning of products and services provided to customers who seem to value consistency over time to some degree, choices on further communication activities are limited by activities which have already been conducted in the past and need to be continued. Another factor uncovered is that the conservative characteristics of the healthcare industry seems to cause problems for measuring performance of communication activities. Benefits from such activities become harder to measure since it takes a long time until they can be considered successful. This may limit the willingness of employees to invest resources into such strategic communication activities, since benefits are much harder to grasp over time. This makes integration of marketing communications with the company's strategy more difficult to achieve. A related topic is that working in such a communication context may be less attractive for marketing employees since choices for activities are largely made for years in advance and opportunities for change are limited.

Collecting customer data for strategic usage proves similarly difficult. Data is mainly, but not exclusively, collected in the local CRM systems. Those systems are criticised for their setup as a mere database of customer names and addresses, yet partially lack usage for strategic purposes like structural collection of qualitative information and missing the possibility for customer profiling.

Regarding local autonomy of subsidiaries in making decisions on marketing communication measures, there is evidence that the subsidiaries have a large degree of freedom to decide.

This freedom may contribute to a lack of alignment of marketing communications activities with the company's strategy. There is considerable evidence that the strategy for the hospital segment is considered when local marketing communication activities are conducted or decided. Globally initiated communication activities from headquarters are often localised for the countries' local purposes. Such an approach of using and localising headquarter-initiated activities probably creates some consistency with global guidance. There is evidence that collaboration on strategy-relevant topics between local subsidiary and headquarters happens in those cases where employees from the subsidiary know colleagues at headquarters personally. Therefore, if such a network is not present, exchange between subsidiary and headquarters is limited. There is evidence that headquarters is sometimes perceived as having little knowledge of major issues which the subsidiaries face. Some activities which are developed at headquarters are considered to lack local relevance. There is evidence that some marketing campaigns were developed at local level and were then transferred to headquarters which in turn made those campaigns successfully available for other subsidiaries.

In terms of decision making, one finding is that the principal focus in marketing communication activities is set on activities which feature the opportunity for the sales force to gain direct contact with customers and to improve customer intimacy. This focus is set by the sales force and has been continuously supported for decades. Due to the perception by some employees that the marketing function is considered a sales support function, it can be assumed that the marketing communication focus is also influenced by this desired sales force focus. It was stated that there seems to be a lack of marketing knowledge in the local marketing team and that it would be important to invest more into the educational development of people related to marketing studies. The resulting lack of marketing knowledge within local teams may consequently inhibit the alignment of activities with strategy. One further finding is that decisions on marketing communication activities are often made subjectively based on gut feeling, and less on rational factors, because several employees seemingly have a good feeling for what works in the market. Another issue relates to the specific setup of the studied company and the way it does business. It was stated that the company seemingly runs a complicated business, while some competitors supposedly manage this better. A lack of alignment between marketing communication activities and the company's strategy is seemingly rooted in the company's complex way of conducting business which makes it harder to align activities throughout that company.

A finding related to the construction of customer knowledge in a database is that customer information is currently still stored largely in an informal way in the minds of employees. The sharing of customer knowledge happens largely on a personal basis only and is influenced by the personal networks of those people. The fact that the sharing customer information is limited to the individual personal networks of the company's employees means that incomplete customer information is used to inform strategy building.

Issues outlined here are summarised in three major themes termed efficiency, consistency, and relationship, which are combined in the integration area concept. The suggestion is to use the integration area model as a guide when trying to improve SI by addressing the identified important issues using guiding principles to align future decision making and corresponding activities throughout the company.

### **Research limitations and future research**

This study employed a qualitative approach to research, using an inductive strategy to theory development. Further, a case study approach was used, limiting data generation to data acquired from the company and industry that was the focus of this research. The social constructivism position which was chosen justifies these choices. The outcome is therefore generally usable within the boundaries set for the study (Eisenhardt, 1989; Gioia, Corley, and Hamilton, 2013). The results from the study may be usable in other contexts, depending on corresponding judgements regarding applicability (Lincoln & Guba, 1986).



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