SME practice towards integrated marketing communications

Veronica Gabrielli
Social, Cognitive and Quantitative Sciences Department, Communication Sciences and Economics Faculty, Reggio Emilia, Italy, and
Bernardo Balboni
Business Studies Department, Economics Faculty, Modena, Italy

Abstract

Purpose – The purpose of this paper is to discover and empirically test the gap between the theory and practice of integrated marketing communications (IMC) in small- and medium-sized enterprises (SMEs).

Design/methodology/approach – The paper follows a quantitative approach, using the questionnaire technique. Questionnaire items emerged from a literature review and a qualitative step (in-depth interviews). The questionnaire was submitted to a sample of 210 manufacturing firms. Factor and cluster analysis were performed in order to give a descriptive overview of different communication behavioral profiles within SMEs.

Findings – The sample shows evidence of a certain ability in marketing communication management on the part of SMEs. A group of virtuous firms able to employ a great variety of communication tools, to define in-depth and consistent messages and to declare ambitious and long-term goals appears. However, these firms do not adequately manage the internal organizational process aimed at marketing communication planning. As well as these virtuous firms, a large group of firms which show more gaps including in their range of activities, message, and goal definition, still exists. Structural characteristics are useful but not exhaustive in order to understand the existence of such a distance between SMEs active in communications and those with greater communication gaps. Besides, structural characteristics, internal dynamism proves to be one of the most important motivating factors in marketing communications.

Research limitations/implications – Although this paper is restricted to a small sample, it constitutes a significant starting point in attaching importance to marketing communications within SMEs.

Practical implications – From this paper, practitioners may understand where intervention guidelines are needed in order to improve a marketing communications plan for a small or medium enterprise.

Originality/value – Owing to the focus of previous research on large company practices, this paper represents an original trial to empirically apply the IMC approach only within SMEs.

Keywords Small to medium-sized enterprises, Marketing communications, Cluster analysis

Paper type Conceptual paper

1. Introduction

Marketing in small- and medium-sized enterprises (SMEs) is a contentious issue among both academics and practitioners (Cromie, 1990; Brodie et al., 1997; Gilmore et al., 2001). The development of marketing theories in SMEs has been somewhat limited and often relies on the application of classical marketing models used for large companies (Chaston and Mangles, 2002). The implicit assumption is that the basic principles of marketing are universally applicable to large as well as small businesses.
In keeping with the broader marketing theory, the integrated marketing communications (IMC) theory also suggests a strategic and operational approach to communication that has been interpreted in terms of the integrated activities that large organizations undertake when communicating. The consequence is that most academic research debating the impact of IMC theory in marketing communication practice is concentrated on quantitative analysis or case-studies limited to larger companies. Only a small amount of empirical research on IMC practice within SMEs can be readily found in literature (Low, 2000; Fam, 2001). This paper tries to fill this gap. The aim is to empirically describe IMC practice in SMEs, taking into account different elements of communication integration: messages, activities, organizational process, and goals.

2. Theoretical background and proposition development

2.1 The different elements of integration in marketing communications
Marketing communications represent the voice by which companies can establish a dialogue with customers and other stakeholders, about their product/service offerings and/or other company issues (Keller, 2001). The importance of marketing communications has grown in recent years for several reasons. The emergence of IT and audience fragmentation have fundamentally changed the marketing communication environment (Schultz, 1999; Low, 2000). The multiplication of ways to reach consumers, through traditional and non-traditional media, have forced organizations to move away from a mass communications model and to cope with an increasing number of marketing communication options (Kotler et al., 2005).

Information from different media channels all becomes a part of messages about a company and its product and service for consumers. Conflicting messages from different sources can create confused company images in the consumer’s mind. Therefore, the need for systematic integration and coordination of all the messages and communication channels is not merely a theoretic concern, but has become a fundamental issue for marketers (Keller et al., 1998; Keller, 2001).

The concept of IMC emerged as an important topic in the early 1990s (Schultz et al., 1993) and has been widely embraced by marketing, researchers and practitioners. According to Schultz (1999, p. 337), IMC “... appears to be the natural evolution of traditional mass-media advertising, which has been changed, adjusted and refined as a result of new technology.”

IMC theory aims to address, describe and explain marketing communication elements that had not been captured by traditional accounts of mass marketing communications. Earlier writings consider IMC as a systemic process based on the integration of different communication options from either a strategic or an efficiency standpoint (Schultz et al., 1993; Deighton, 1996, 1999; Schultz, 1996, 1999). In this perspective the term “integration” simultaneously refers to the implementation of horizontal coordination mechanisms (Schultz et al., 1993; Duncan and Moriarty, 1998), and to the merger of all marketing communications functions under a single organizational unit (Schultz, 1993; Cornelissen, 2003). Duncan and Everett’s (1993) definition of IMC is focused on “the strategic coordination of all messages and media used by an organization to influence its perceived brand value.” Together, with the coordination of various functional areas of marketing communications they introduce the strategic importance of the integration of messages and communications media.
New elements of IMC emerge in recent works that emphasize the vital role of IMC in building a close relationship with customers in the target market, to generate tangible results for the company (Kitchen et al., 2004). In this strategic perspective IMC is viewed as a customer-oriented management process (Fill, 2002; Duncan, 2002) driven by the buyers or potential buyers of goods and services (Kitchen et al., 2004; Lee and Park, 2007; Winter and Sundqvist, 2009).

The development of the definition of IMC reveals how it is considered a process by which a company systematically coordinates its multiple messages and many communications activities and integrates them into a consistent marketing communications mix to send the target market a clear message about itself and what it offers.

Thus, the integration of marketing communications is the result of aligning activities, procedures, messages, and goals in order to communicate with consistency and continuity within and across formal organizational boundaries (Duncan and Caywood, 1996; Christensen et al., 2007).

Marketing communications activities can vary in their message content about the brand or company. Different marketing messages should be consistent, as captured with the one voice epigram (Duncan and Everett, 1993; Nowak and Phelps, 1994; Sirgy, 1998). Not only is consistency between messages sent by different sources an issue, but so is consistency with previous messages, since all communication should be integrated. Ind (1997, p. 72) recognizes that this integration is a “rarely attained ideal.” From the activities perspective the term “integrated” refers to the need for consistency in different marketing options. Marketing communications differ in the number and methods of activities involved (Wright and Flechter, 1981). The integration of these different activities means that they should be designed and evaluated as a whole. In this perspective, IMC is a holistic system of communication. Different techniques and tools can complement each other in the achievement of a company’s marketing communication objectives (Low, 2000). This integrative thinking differs from traditional classification of communication activities, decomposed and specialized in, for example, “above-the-line” and “below-the-line” (Cornelissen, 2003; Cornelissen and Lock, 2000, 2001). It is important for marketers to understand the collective contribution of all communication, which depends not only on the “main effect” of each activity but also on the “interaction effects” among communication activities (Keller, 2001).

From a process perspective, integration refers to the implementation of formal policies, decision procedure, formal responsibility, line of command, and organizational coordination mechanisms (Peltier et al., 2003). How to organize the integration process has become critical. Integration involves organization through the inclusion of employees, customers and other stakeholders (Balmer, 2001). It cannot be driven by formal policies and procedures alone. It also requires a high degree of interpersonal and cross-functional communication within the organization, across business units (Schultz, 1999). Schultz (1999) recognizes that larger organizations are taking charge of the integration process themselves rather than looking to advertising agencies or other suppliers to provide the coordination. Kitchen and Schultz (1998, p. 15) report that “[...] agencies, no matter how skilled or capable, simply can’t integrate a client’s marketing communication program unless the client leads the way.” They implicitly assume that an agency’s clients, large organizations as well as SMEs, are able to clearly define their objectives and strategic goals through internal specialist expertise.
Strategic goal integration reflects the programmatic aspects of IMC. The premise of IMC is to enhance the efficiency and effectiveness of marketing communications with the target consumers by managing various communications messages and communications mix components rather than by attempting to manage all aspects of marketing management (Reid et al., 2001). Keller (2001, p. 825) states that:

[... ] there are a number of communication objectives for a brand and a number of different means of communication to achieve each of those different objectives, suggesting that it therefore makes sense to employ multiple communication options in marketing communications programs.

2.2 IMC for SMEs

SME marketing communications have received limited research attention. This is a reflection of the treatment of marketing theory in SMEs (Cromie, 1990; Brodie et al., 1997; Gilmore et al., 2001).

Marketing theory development in SMEs has been somewhat limited and often relies on the application of classical marketing models used in big businesses to smaller businesses (Chaston and Mangles, 2002). Kotler et al. (2005) believe that for small firms formalized marketing techniques (and also marketing communications techniques) can be adopted and adapted to resources available with relative success. In practice, the approach SMEs have to marketing, including marketing communications programs, is likely to be more haphazard, informal, unstructured, spontaneous and reactive and conform to the industry environment than in a large business context (Gilmore et al., 2001).

Longenecker et al. (2003) develop a marketing communication theory for small businesses that is almost identical to larger firm theory found in mainstream literature. There are only a few potential differentiators that derive from the marketing constraints of small firms, as described by Carson (1990): limited resources, specialist expertise of the owner-managers and limited impact on the marketplace. The first differentiator regards the importance of personal communication activities. In fact, special emphasis is given to personal communications and personal contact networks when businesses have a limited number of customers and the product or service offered has a high value for the customer. Personal communications by small firms frequently means communication by the owner/manager/entrepreneur himself/herself. The second element is related to limited resources. Small firms are limited in their marketing programs by the limits of their budget. As a result of budget and market limitations, marketing communication by small businesses often needs to be especially focused.

Even if SMEs often use marketing communication differently to large enterprises, these differences appear insufficient to deserve separate theoretical treatment. This implicit assumption can also be found in analyzing the development of IMC theories. The IMC concept is embraced by academics in response to developments in marketing and advertising practice of multinational corporations, rather than SMEs (Caywood et al., 1991; Fam, 2001). The result is that the theoretical basis of IMC is developed through empirical research into the marketing practices of large organizations (Duncan and Everett, 1993; Phelps and Johnson, 1996; Kitchen and Schultz, 1999).

This paper attempts to examine the consistence of SME practice with IMC theoretical approach. In shifting the research field to SME we jointly analyze the
different elements of integration of marketing communications: messages, activities, organizational process and goals. Thus, the main question arising from this research field shift we try to answer is:

RQ. are SMEs able to implement an IMC program aligning goals, messages, activities, and organizational process?

3. Methodology

In order to investigate the state-of-the art of marketing communication practices in SMEs we decided to perform a quantitative survey. We selected a specific context and then we focused our research on this population. Through our quantitative research, we intended to detect different firm’s behavioral profiles in marketing communication practices, in order to discover how far SMEs are from IMC principles. Most of the studies on marketing communication are based on external qualitative observation made by researchers (on their own or through practitioners) (Carson, 1990; Spickett-Jones and Eng, 2006). By contrast, we decided to carry out our investigation by directly asking each firm involved in our study. In particular, we contacted the person in charge of planning communication activities. We thought this was the most effective way to adopt the firms’ perspectives and to investigate their beliefs, objectives and expectations.

Data collection was performed through a questionnaire. Items contained in the questionnaire stem from two previous research steps: the first one was a desk step, aimed at obtaining statements and questions from pertinent literature; the second one was a qualitative step, consisting in individual in-depth interviews with eight manufacturing companies and eight communication agencies operating in the investigated territory.

We submitted an auto-filled questionnaire through a computer assisted web interviewing platform to all manufacturing SMEs operating in a particular area: two Italian industrial districts (Modena and Reggio Emilia). The decision to carry out auto-filled questionnaire collection stemmed from the desire to allow respondents to fill in the questionnaire whenever they wanted and to allow them the time they needed to collect information required.

The population was made up of 2,181 firms from several industries. We obtained a reply of around 10 percent; therefore, the sample of this research is made up of 210 firms (Table I).

The questionnaire contains six sections. The first one is aimed at obtaining the main structural characteristics of responding firms (total turnover and workforce size, etc.). The second one investigates the exogenous elements and the endogenous dynamics, particularly during the last ten years, which may have conditioned the firm’s communication mix. The third section sheds light on 17 different communication tools, asking the firm to indicate on a seven point Likert scale the degree of each tool’s usage during the previous year. The fourth section is aimed at finding the goals which drive the firm in communication planning, through 35 items. The fifth section is aimed at discovering the main characteristics of messages spread by communication activities. The last section concerns the process by which the firm arranges its communication mix (e.g. different roles and functions involved in the decision process, degree of outsourcing, budget definition practices, and eventual results monitoring systems, etc.).

The sections of the questionnaire allowed us to investigate all of the aspects revealed by the theoretical framework adopted (Duncan and Caywood, 1996; Christensen et al., 2007): activities, messages, organizational process, and goals.
4. Results
As described above, the main purpose of this research is to shed light on SME marketing communication practices. We decided to focus on different marketing communication profiles in order to highlight the varying degrees in the gap between firms’ marketing communications theory and “practice.” To do so, we performed a cluster analysis, through which we singled out different practices.

Clusters are based on the special combination of tools adopted by each firm (the communication mix). These clusters were then investigated and compared to explore which kind of different message, internal process, and goals were behind the specific communication mix adopted by each one.

Before classifying the sample in several clusters, we performed a factor analysis, in order to reduce the items referred to communication tools into factors. These factors were used as a basis for cluster analysis. The decision not to classify communication activities in advance, but rather to aggregate them through a factor analysis, is consistent with our intention of adopting a firm perspective, rather than an abstract and theoretical one.

The first factor includes all the activities performed at the point of sale, such as sales promotions or demonstrations specifically localized in a limited list of stores, and visual identity supports evident within the store contest (packaging and corners). The second factor includes public relations initiatives, such as cultural and sports sponsorships or charity initiatives. The third factor contains initiatives particularly addressed to trade partners, such as national and international trade shows. The fourth factor contains communication tools consistent with a personalized and interactive approach: for example, direct marketing and digital communication (Table II).

4.1 SME marketing communications practices: activities
In our sample we found four different clusters, based on these communication tool factors. Table III shows the descriptive statistics (in particular medium values)
registered for each factor of communication option, within each cluster detected. Values were assigned on a seven point Likert scale. In particular, a hierarchical cluster by Ward’s method was performed.

The first cluster includes 26.7 percent of the sample. These firms do not adopt communication tools, but activities which allow them to directly reach their audience, including personalizing their message and getting some feedback from receivers (e.g. digital communication and direct marketing activities, etc.). We name these firms “focused on interactive communication.” Like this cluster, the fourth one also decides to concentrate communication investment only in one type of communication. In this case the selected tool is the trade show – both national and international. That means that these firms choose to favor those activities which allow them to obtain high visibility on a particular marketplace and to feed interpersonal relationships. They represent 37.4 percent of the overall sample. This cluster is named “focused on trade shows.”

Nearby firms decided to focus their investments in a single kind of communication activity and we also observed several companies who are able to manage a well-constructed communication mix, including point-of-sale activities, trade shows

### Table II.

<table>
<thead>
<tr>
<th>Communication activities</th>
<th>Principal components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Point of sale supports (corners and displays, etc.)</td>
<td>0.871</td>
</tr>
<tr>
<td>Sales promotion</td>
<td>0.840</td>
</tr>
<tr>
<td>Packaging</td>
<td>0.808</td>
</tr>
<tr>
<td>Charity initiatives</td>
<td>0.821</td>
</tr>
<tr>
<td>Cultural and sport sponsorships</td>
<td>0.771</td>
</tr>
<tr>
<td>Advertising</td>
<td>0.606</td>
</tr>
<tr>
<td>International trade shows</td>
<td>0.877</td>
</tr>
<tr>
<td>National trade shows</td>
<td>0.786</td>
</tr>
<tr>
<td>Catalogues</td>
<td>0.634</td>
</tr>
<tr>
<td>Direct marketing</td>
<td></td>
</tr>
<tr>
<td>Digital communication</td>
<td>0.875</td>
</tr>
</tbody>
</table>

**Notes:** Extraction method: principal component analysis; rotation method: Oblimin with Kaiser normalization; about 66.63 percent of total variance explained

### Table III.

<table>
<thead>
<tr>
<th>Communication factors</th>
<th>Firms focused on interactive communication</th>
<th>Clusters</th>
<th>Firms focused on trade shows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Point of sale activities</td>
<td>2.03</td>
<td>5.24</td>
<td>1.06</td>
</tr>
<tr>
<td>Public relations</td>
<td>2.38</td>
<td>2.98</td>
<td>1.76</td>
</tr>
<tr>
<td>Trade shows</td>
<td>2.83</td>
<td>5.31</td>
<td>1.38</td>
</tr>
<tr>
<td>Interactive initiatives</td>
<td>4.88</td>
<td>4.53</td>
<td>1.52</td>
</tr>
<tr>
<td>Percentage of sample</td>
<td>26.2</td>
<td>19.2</td>
<td>16.7</td>
</tr>
</tbody>
</table>

**Note:** *Italic* values highlight those cluster for which the difference among groups is statistically significant

The four clusters: communication activities
and interactive options. However, this mix lacks a significant utilization of public relations. These “active firms” include 19.2 percent of the sample.

Finally, 16.7 percent of the respondent firms declare that they do not adopt any kind of communication activity. We name them “inactive firms.”

What type of conditions may have affected these different behaviors in terms of communication mix? Do they have different structural characteristics? Can we identify internal or external factors able to explain these dissimilar practices?

In order to reply to these questions we compared results obtained from the first and second questionnaire sections among the four clusters. Owing to the analysis of variance test we isolated significant differences for each statement or question contained in the questionnaire. Here, follows a summary of the peculiarities we found. In order to detect these differences we used least significance difference post hoc and we considered 0.05 as the significance level.

The firms which belong to each cluster differ significantly in terms of structural characteristics. In particular, a large total turnover and a considerable workforce may explain more intensive communication efforts, which correspond to a wider variety of tools used. Active firms, for example, show a significantly higher turnover in comparison with those firms which focus on a single communication activity (€18 million vs €30 million).

The size of the firm is not the sole characteristic which distinguishes active firms from the others. In fact, we even observed medium-sized companies which do not adequately exploit such a large range of communication opportunities. Moreover, there is no difference when it comes to the staff and sales dimension between firms focused on interactive communication and those that are completely inactive. We also investigated other structural characteristics, such as the main area of business. Both inactive firms and firms focused on interactive communication operate in a narrow, regionally-based area, while companies active in communication or focused on trade shows are characterized by a marked inclination towards international trade. What really differentiates inactive firms and those focused on interactive communication are their internal and external dynamics. Inactive firms report substantial stasis during the last ten years, while companies focused on interactive communication have experienced a medium degree of internal and external dynamism. On the other hand, firms focused on trade shows declare a high level of external dynamism, in particular in terms of the internationalization processes. This is a noticeable aspect even for “active firms,” together with a high degree of internal dynamics, such as sales force growth and a shift in top management.

In terms of environmental characteristics able to influence the intensity of communication requirements, the four clusters show interesting aspects. During the stage of product life-cycle, the prevailing attention is on trade shows, to establish new contacts and to monitor competitors. On the contrary, the need to reach different customer segments by a permanent, wider and cheaper tool, such as digital communication, surfaces at a later stage. During the decline phase, companies usually show their pessimism by cutting their communication activity off.

Moreover, trade shows are useful, recognized tools by firms operating in a great variety of industries. This activity is coupled with or replaced by interactive channels when a company operates within an industry characterized by a high level of competition and high technological sensitivity.
Finally, a firm with a significant market share usually has a wider communication activities portfolio, useful in maintaining and even increasing its company awareness (Table IV).

4.2 SME marketing communications practices: messages and goals

Through the first step of data analysis we detect different profiles which testify the capability of SMEs in applying marketing communication principles to their range of activities. This capability is not so widespread, but there is already evidence of it in some virtuous firms. After having analyzed which kind of structural characteristics distinguish this kind of firm, we proceeded by investigating the other aspects that make up good communication behavior. In fact, the activities portfolio is the most evident manifestation, but it is not sufficient in order to assert that a firm has achieved real integration in marketing communication. Messages, goals and the organizational process also need to be examined.

As regards the message, we observe that companies focused on a single communication activity usually underline product characteristics, especially differential attributes in comparison with competitors. That means that when a firm is focused on the adoption of a specific tool, its communication is usually more technical and linked to the behavior of others (primarily its competitors’) or the expectations of others. As further evidence of this, companies focused on interactive communication declare that they choose this solution also in order to adapt to salespeople’s requests. Moreover, the use of a single tool is usually coupled with a relevant worry about message consistency over time.

<table>
<thead>
<tr>
<th>Exogenous characteristics</th>
<th>Firms focused on interactive communication</th>
<th>Clusters</th>
<th>Firms focused on trade shows</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Active firms</td>
<td>Inactive firms</td>
<td></td>
</tr>
<tr>
<td>Product life-cycle phase</td>
<td>Maturity</td>
<td>Heterogeneous product life-cycle phases</td>
<td>Decline</td>
</tr>
<tr>
<td>BtoB or BtoC</td>
<td>Heterogeneous relationships</td>
<td>Prevalently BtoC relationships</td>
<td>Heterogeneous relationships</td>
</tr>
<tr>
<td>Degree of competition</td>
<td>High</td>
<td>High</td>
<td>Not so high</td>
</tr>
<tr>
<td>within the industry</td>
<td>High</td>
<td>High</td>
<td>Not so high</td>
</tr>
<tr>
<td>Technological sensitivity</td>
<td>High</td>
<td>High</td>
<td>Not so high</td>
</tr>
<tr>
<td>within the industry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customers’ awareness</td>
<td>Good</td>
<td>Some difficulties in trade relationship</td>
<td>Good</td>
</tr>
<tr>
<td>and knowledge of product</td>
<td></td>
<td>management</td>
<td>Medium</td>
</tr>
<tr>
<td>Customer heterogeneity</td>
<td>High</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Customers’ sensitivity</td>
<td>High</td>
<td>High</td>
<td>Poor</td>
</tr>
<tr>
<td>towards communication</td>
<td></td>
<td></td>
<td>Medium</td>
</tr>
<tr>
<td>activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market share</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
</tbody>
</table>

| Table IV. The four clusters: main exogenous characteristics |
Otherwise, active firms adopt a message formulation strategy that is more focused on highlighting the brand. They demonstrate a greater awareness of the different abilities of each tool to act as a vehicle for different contents. In fact, they declare that they pay more attention to the specific contribution of each communication activity managed. This statement reflects their aspiration to achieve wider and more ambitious goals through communication. While firms focused on a single activity, interactive communication as well as trade shows, pay particular attention to behavioral objectives, active firms also aspire to establishing affective and attitudinal responses (e.g. people’s self-identification with the brand) (Table V).

4.3 SME marketing communication practices: the organizational process

The differences among the four clusters emerge not only in the communication plan’s output behavior (quantity and quality of tools used) but also in terms of communication planning process characteristics. All of the firms which manage at least one form of communication have achieved a good degree of internal coordination, in terms of cross-functional and cross-divisional involvement, but a very poor degree of decision formalization. This implies that the rest of the organization lacks an overall comprehension of the communication strategy. It is negative for active firms because the total amount and variety of activities managed need a greater internal awareness. It is also an important issue for firms focused on a single tool, because they usually do not have a specific person responsible for marketing communication.

As regards human resources, interactive communication is usually managed by the internal workforce, while for trade shows the need for external competencies is

<table>
<thead>
<tr>
<th>Clusters</th>
<th>Firms focused on interactive communication</th>
<th>Active firms</th>
<th>Inactive firms</th>
<th>Firms focused on trade shows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content of the message</td>
<td>Unique elements in comparison with competitors</td>
<td>Brand elements</td>
<td>No one prevalent message content</td>
<td>Unique elements in comparison with competitors</td>
</tr>
<tr>
<td>Attention towards message consistency</td>
<td>Message consistency over time</td>
<td>Message consistency over time</td>
<td>No attention</td>
<td>Message consistency over time</td>
</tr>
<tr>
<td>Goals</td>
<td>Sales force request fulfillment</td>
<td>Consumer behavioral response</td>
<td>No one goal</td>
<td>Prevalent behavioral objective (sales growth and increasing customer portfolio, etc.)</td>
</tr>
</tbody>
</table>

Table V. The four clusters: communication messages and goals
more frequent. In firms particularly active in communication the practice of outsourcing through communication agencies is very frequent. The way different clusters use agency competences is quite different: companies focused on a single tool usually demand strategic advice, while active firms use communication agencies as a source of information, in order to understand their competitors’ behavior, and merely as executors of their own instructions. The greater awareness of active firms can also be seen in budget definition practices. In fact they adopt a preventive procedure, based on turnover performance. By contrast, firms focused on a single tool tend to fix their budget according to the particular activity they intend to adopt.

Finally, for all of the firms, the outcome measurement procedures are only behavioral ones (customer portfolio growth and increased sales, etc.) (Table VI).

5. Conclusions
This research suggests some reflections about a sort of gap between theory and practice in IMC by SMEs. Some of these issues have already been identified by previous research but not yet empirically tested. Moreover, further reflections have been uncovered.

First of all we detect a virtuous marketing communication behavioral profile in firms we named active firms. These are examples of an articulated communication mix, based on a combination of different activities, even if public relations may be better exploited. However, this profile is not so widespread. Most firms are still focused on the use of a single kind of activity: in particular interactive communication or trade shows. However, Carson’s (1990) and Longenecker et al.’s (2003) point of view are only partially confirmed: interpersonal communication is no longer the only way in which most SMEs communicate. Even digital communication is very frequent in single-tool communication plans.

Therefore, we detect an initial gap between theory and practice in the range of communication activities adopted by firms. Several opportunities are not adequately exploited by SMEs. This is not only a budget matter. Behind a poor activities mix we observe scant communication awareness and a short-sighted outlook. It is mostly evident in content and goal definition. Only the firms which use a wide range of activities are worried about non-behavioral responses by receivers (such as attitude and self-identification with the brand, etc.) in addition to behavioral ones. Moreover, firms that are inactive or focused on a single tool are not interested in the diffusion of brand elements. They concentrate their efforts on transferring technical information about their products.

They seems to be far removed from integration in marketing communications, because they do not adopt a true strategic approach aimed at increasing the relationship value for the customer within the target market, but rather an operational approach focused on products.

On the other hand, the few firms with an articulated communication mix show a more conscious and more ambitious attitude, also highlighting the brand and paying attention to the contribution and robustness of each communication tool.

The consistency gap in content formulation and goal definition, highlighted for inactive firms and firms focused on a single tool, is the appearing side of an organizational process that is not adequately managed. The process often does not follow a strategic route: for example, the budget is usually determined *ex post*, after having fixed which kind of activities the firms intends to implement, or when it is fixed
Table VI.
The four clusters: communication planning process

<table>
<thead>
<tr>
<th>Exogenous characteristics</th>
<th>Firms focused on interactive communication</th>
<th>Clusters</th>
<th>Firms focused on trade shows</th>
</tr>
</thead>
<tbody>
<tr>
<td>People</td>
<td>Only half of firms have a specific person devoted to communication planning coordination</td>
<td>A specific person in charge of communication activity coordination</td>
<td>Entrepreneur totally in charge of communication choices</td>
</tr>
<tr>
<td></td>
<td>Fairly good cross-functional and cross-divisional coordination; very low degree of choice formalization</td>
<td>Fairly good cross-functional and cross-divisional coordination; choice confrontation with distributors; low degree of choice formalization</td>
<td>No choice sharing, no choice formalization</td>
</tr>
<tr>
<td></td>
<td>Outsourcing to communication agencies is unusual</td>
<td>Frequent outsourcing to communication agencies</td>
<td>Outsourcing to communication agencies is unusual</td>
</tr>
<tr>
<td></td>
<td>Strategic advice asked from communication agencies</td>
<td>Strategic advice and competitor alignment asked from communication agencies</td>
<td>No specific advice asked from communication agencies</td>
</tr>
<tr>
<td>Budget definition</td>
<td>Budget definition after having planned specific activities</td>
<td>Communication preventive budget as a share of turnover</td>
<td>Communication budget as a share of turnover</td>
</tr>
<tr>
<td></td>
<td>They do not have any remarkable belief about budget adequacy</td>
<td>They think they have devoted a sufficient budget to communication activities</td>
<td>They think they have devoted a sufficient budget to communication activities</td>
</tr>
<tr>
<td></td>
<td>They would like to invest more in the sales force, life-long learning and in trade shows</td>
<td>They would like to invest more in the sales force, life-long learning and in point-of-sale communication activities</td>
<td>They would like to invest more in digital communication and direct marketing</td>
</tr>
<tr>
<td>Outcome measurement</td>
<td>Customer portfolio growth</td>
<td>Sales growth</td>
<td>No one outcome measurement</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Customer portfolio growth</td>
</tr>
</tbody>
</table>
in advance it is calculated as a percentage of the total turnover (a retrospective method instead of a goal-driven one). Potential external partners are not adequately involved. Often they are treated as mere executors and rarely asked for strategic advice, even if SMEs do not demonstrate any investment in internal communication skills and in dedicated human resources.

The internal process is the element that contains the largest gap between theory and practice, for all of the investigated firms. In fact, even active firms have some problems with it, as stated by Peltier et al. (2003), in terms of few formal policies and formal responsibility. In particular, they are worried about participation in the communication decision-making process, but not about the formalization of these decisions. This causes a lack of internal diffusion of the communication strategy key-points, and thus a reduction in the firm’s ability to act consistently. Moreover, defining the communication budget remains the main weak point.

In conclusion, we found evidence of a certain ability in marketing communication management on the part of SMEs. A group of firms appears that is able to use a great variety of communication tools, to define in-depth and consistent messages and to declare ambitions and long-term goals. The more evident gap is in the internal organizational process.

As well as these virtuous firms, a large group of firms which show more gaps including in their range of activities, message, and goal definition, still exists.

Structural characteristics are useful but not exhaustive in order to comprehend the existence of such a distance between active firms and those with more communication gaps.

Besides, structural characteristics, internal dynamism proves to be one of the most important motivating factors in marketing communications. Owner-management shifts are particularly critical incidents which significantly stimulate a change in or the implementation of communication tools. As regards external factors which stimulate marketing communication, we can conclude that the numerousness and heterogeneity of interlocutors faced by firms are the key-points which call for more intensive and articulated marketing communication (even more than structural and internal characteristics). In fact, we found that a firm feels a growing need to communicate when it is simultaneously managing relationships with different kind of customers (final consumers, distributors, and other firms, etc.) or when it is penetrating new and dissimilar markets.

We think this study could be useful for practitioners in order to examine their practice and to compare their behavior with those adopted not only by large companies, but also by other small- and medium-sized firms.

This research is a first-step survey within an SME context, so it has several limitations. It has been conducted within a limited area, on a fairly small sample and only among manufacturing companies. Although comparative analysis does not show significant differences among industries, it would be interesting to enlarge the context of the analysis in order to produce eventual industry or territory-specific reports.

References


Further reading

About the authors
Veronica Gabrielli is a Researcher. Her main research topics are marketing communications, brand management and consumer behaviours. Veronica Gabrielli is the corresponding author and can be contacted at: veronica.gabrielli@unimore.it
Bernardo Balboni is a Researcher. His main research topics are marketing communications, relationship managements and brand management.

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