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INFLUENCE OF INTEGRATED MARKETING COMMUNICATIONS ON BUILDING BRAND AWARENESS OF MACRO, SMALL AND MEDIUM-SIZED ENTERPRISES IN THE REPUBLIC OF NORTH MACEDONIA

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***Abstract:** Nowadays, in the modern marketing, there is a great impact on changing marketing strategies and conceiving new, more innovative strategies that will help enterprises to attract and retain consumers' attention. This is happening as a result of media fragmentation, smaller influence from advertisement, greater competitiveness and need of bigger differentiation, digitalization, greater consumers' expectations and changes in environment. Phenomenon of Integrated Marketing Communications (hereinafter – IMC) in the last decade is valued a lot in the field of marketing communications in the XXI century. IMC points needs of coordination and synergy of different marketing communicational tools and channels that will have influence on building stronger brand. The main goal of our research is to study and examine IMC influence in building stranger brand among micro-, small and medium-sized enterprises, because they are the main engine of the economy in the Republic of North Macedonia.*

***Keywords:** integrated marketing communications (IMC), brand awareness, brand capital based on consumers (hereinafter – CBBE)*

INTRODUCTION

Knowledge about the brand observed from the point of the modeling the brand capital based on consumers (hereinafter – CBBE) is a key factor for building brand capital at all, because it affects its differentiation. A brand concept consists of two components, viz. (1) awareness and (2) image (Anderson, 1983; Weyer, R.R.Jr. & Soul, Th. K. (1989). Brand awareness is closely connected with strength of brand nodes, i.e. traces in consumers' memory that will be measured as its capability to identify the brand on different circumstances (Rositter & Percy, 1987). Image of the brand is consumers' perception for that particular brand, i.e. brand associations in consumers' memory (Herzog, 1963).

As a concept, *brand capital* based on consumers appears, when consumers have higher level of awareness and knowledge about the brand itself carries strong benefits and unique associations in the memory. In some cases, it is adequate only to build awareness for the brand in order to create positive reactions. It makes sense, when consumers make their decisions based only on their knowledge for the brand. In the most cases when strength, benefits and uniqueness of the brand became important, when perceiving different reactions that are part of brand capital.

According to Keller (2008), brand awareness consists of brand recognition and memorizing. Brand recognition presents consumers' capability to recognize the brand from past experiences. On the other hand, brand memorizing represents consumers' capability to bring out the brand from the memory, because their needs were satisfied from that specific product category and usage of the product or purchasing situation is known from its past experiences.

Repeatable brand exposure means that consumer is experiencing the product by watching, listening or thinking about it, so the probability its memorizing is higher. Each brand element that allows consumers to experience it, such as the name, logo, package, phrase, URL, jingle etc. including advertisement, promotions, publicity, public affairs and digital marketing can effect on increasing the brand recognition and its memorizing, i.e. increasing the brand awareness.

Marketing communications are tools that help companies to inform, encourage and remind consumers, i.e. marketing communications represent the voice of the brand, by which dialogue is established and connections with consumers are built (Keller, 2008). Marketing communications building program is difficult, especially when new media environment gives great challenges to the small and medium enterprises to build effective impact-marketing. Managing marketing communicational aspect includes the main decisions, viz.: setting goal, choosing the media channel, creative solution development, implementing program for communications and the results evaluation (Chernev, 2014).

Different promotional strategies have different influence on potential consumers. A correct choice of advertising tools can increase brand awareness that helps to build a positive brand capital. There are many marketing theories about functionality of different promotional tools, i.e. advertisement, personal sales, promotional sales, public relations and publicity are very importance (Jačovski, 2002). Measuring the effects of promotional investment is a complex issue. Sales level is influenced by a set of different factors that usually interact. It is impossible to be precise with identification, which exactly factor influenced on increased brand awareness or increased sales level only as a result of promotional investment. Promotional investments usually have long-term impact. As a tool, advertisements present reasons, why the product should be bought, while promotional sales motivate consumers to buy the product at that precise moment (Ngolanya et al, 2006).

MATERIALS AND METHODS

Why does IMC stand as a big discovery in marketing communications in the 21 century? Studies and researches that are newly made support the idea that *IMC* is using synergy effects, when increasing brand capital that will surely provide benefit for the company (Duncan, 2005). Access to *IMC*, in these past years, points the idea for coordination and synergy of different tools and promotional channels when achieving greater influence (ibid). A challenge of each company is to develop *IMC* program that will increase brand recognition and will help building positive brand capital. According American Association of Advertising Agencies, *IMC* is approach that will help marketing campaign to reach its goals by coordinating the usage of different promotional methods in order to attain clear and consistent message that

will maximize influence on consumers. *IMC effectiveness* is evaluated by means of such criteria as coverage, contribution, common features, complementarily, consumers' differentiation and communications (Keller, 2008).

Skillfully designed *IMC* causes attention, understanding, productivity, intention and product purchase, i.e. it is marketing program that help both to communicate with targeted consumers and create brand knowledge, awareness and recognition (Duncan, 2005). In addition, Kotler (2008) pointed out that *IMC* are specific mixture of advertisement, personal sales, promotional sales, public relations/affairs and direct marketing that companies use in order to communicate, build strong and stable relations with consumers. The main *IMC purpose* is to maximize synergic potential of different marketing communicational disciplines as a whole, not isolated, that in most cases increases their economy (Csikósová et al, 2014).

The *aim of our article* is to study and examine *IMC* influence in building stronger brand for micro-, small and medium-sized enterprises, as they are the main engine of the economy in the Republic of North Macedonia. In order to determine the influence of integrated marketing communications on brand awareness of consumers, research in the form of questionnaire was conducted via e-mail and phone in the period of March, 01-April, 01, 2019, comprising micro-, small and medium-sized enterprises, 4 out of each region in the Republic of North Macedonia.

The data are processed with the Statistical Program for Statistical Analysis of the sampled data (*hereinafter – PSPP*). Since all variables have been measured in nominal and ordinal scales, the description of the sample distribution regarding the examined variables was created using absolute numbers and frequencies.

RESULTS

1. Empirical Research-Descriptive Statistics

The questionnaire is comprised of 32 random, representative samples from the Republic of North Macedonia including 15 micro- (47%), 11 small (34%) and 6 medium-sized companies (19%), out of which 38% of the surveyed companies have existed 5-10 years on the market, 34% are newly founded companies or have existed up to 5 years, 22% have been operating between 10 and 20 years, whereas only 6% of the surveyed companies have been operating on the market longer than 20 years.

The analysis of results has showed that the surveyed companies that have been operated on the market over 10 years have a special marketing department within their organizational structure; these are mostly medium-sized and small companies that is contrasted with micro companies (whose do their marketing activities within other departments, i.e. mostly operating on the market less than 10 years).

In the second part of our questionnaire, respondents answered thirteen questions in order to determine the impact of certain marketing communication tools on brand awareness, and to determine the impact of integrated marketing communications on brand awareness among micro-, small and medium-sized companies in the Republic of North Macedonia.

In compliance with the conducted descriptive analysis of received responses, we can conclude as follows:

(1) The highest number of companies have pointed out that advertising increases brand recognition (67%); 16% have responded that advertising is insignificant, i.e. to certain extent increases brand recognition. In addition, mainly respondents agree that advertising increases brand recall (72%), as opposed to 22% who have stated that advertising impacts brand recall to an insignificant extent, and whilst only 6% emphasized that advertising impacts brand recall to a significant extent. According to the obtained results, we can conclude that advertising in micro-, small and medium-sized companies builds greater brand awareness.

(2) The analysis of results on the sales promotion impact on the brand awareness has showed that this tool increases recognition in 72%, i.e. recall in 63% of companies. $\frac{1}{3}$ of respondents reckon that sales promotion influences the brand awareness to insignificant extent, whilst only 6% of companies reckon that sales promotion builds greater brand identity significantly.

(3) Half of respondents believe that public relations increase the brand awareness, as opposed to a quarter, explaining that these tool in particular does not have any major impact on the brand recognition and awareness, on the contrary, almost the same proportion of respondents explain that this marketing communications tool in their companies has the strongest influence on building greater brand awareness.

(4) Survey analysis indicates the fact that both personal sales and direct marketing are tools, which insignificantly influence the brand awareness, which is agreed by $\frac{3}{4}$ of the companies in the country, whereas $\frac{1}{4}$ of companies point out that personal sales and direct marketing increase awareness of their brands.

(5) Nowadays, altered media landscape forces companies to communicate digitally with consumers. Quite expectedly, this survey shows that digital marketing carried out particularly by the greatest number of companies significantly influences increase of awareness (62%) and recall (50%), i.e. the brand awareness.

(6) Questioning – *What is influential level of integrated marketing communications on building greater brand awareness?* – has showed that $\frac{2}{3}$ of respondent companies (67%) has indicated the great increase of their brand awareness.

In order to compare and reach a general conclusion on the influence of the tools of marketing communications and integrated marketing communications on brand awareness of micro, small and medium-size companies in the Republic of North Macedonia, a special variable was created “marketing communications tool” by use of mode to measure central tendency.

2. Correlation

Data of integrated marketing communications are nonparametric due to absence of normal distribution. This conclusion followed after testing to determine normality of distribution aided by a histogram and application of the Kolmogorov-Smirnov test for normality. The value *Asymp. Sig.* (2-tailed) in the Kolmogorov-Smirnov test is lower than 0.05 by which we can deduce that in the data we have absence of normal distribution. By interpretation of coefficients values Spearman, which is used for nonparametric data, the relation between *IMC* and size/age of companies is described.

According to the obtained correlation, we can deduce that this relation is positive, but very weak. The correlation between the integrated marketing communications

and the size/age of companies is 0.09/0.20; we can assert that *IMC* influence on building greater brand awareness is insignificantly conditioned by the age of companies, whereas it depends even less on their size. Thus, integrated marketing communications influence on building greater brand awareness, however it is lower conditioned by the companies' size and age. If observed companies will implement a quality integrated marketing communications program, they will succeed in their aim to increase the awareness of their brands and to commence building strong brand equity.

3. Inferential statistics – Wilcoxon test

To determine differences between two groups of connected samples of nonparametric data for testing hypotheses, we apply *Wilcoxon test*.

The following null/alternative hypothesis was tested:

X0: There are no significant differences between the influence of special and integrated marketing communications tools on building greater brand awareness for micro-, small and medium-sized companies.

X1: There are significant differences between the influence of special and integrated marketing communications tools on building greater brand awareness for micro-, small and medium-sized companies.

The analysis of obtained results aided by *Wilcoxon test* denotes the fact that the value *Asymp. Sig. (2-tailed)* is lower than 0.05 by which the null hypothesis is rejected due to the absence of significant differences. Thus, we can conclude that there are significant differences between the influence of special and integrated marketing communications tools on the brand awareness for micro-, small and medium-sized companies in the Republic of North Macedonia.

CONCLUSIONS

Three key implications arising from the conducted research:

(1) The real selection of mixed marketing communications tools can contribute to building greater brand awareness; still, various promotional forms have various impacts. According to the analysis of obtained data, it can be deduced that digital marketing has the strongest impact on building greater brand awareness/recognition for micro-, small and medium-sized companies in the Republic of North Macedonia, followed by advertisement, sales promotion and public relations, whereas direct marketing and personal sales have the lowest individual impact on building greater brand awareness.

(2) Evidently, brand visibility in marketing communications suggests that it is valuable for increasing brand awareness, but results of our research have denoted that there are numerous differences between the influence of separate and integrated marketing communications tools on the brand awareness. The synergistic effect from the integrated marketing communications tools usage shows a significant impact on building greater brand awareness in micro-, small and medium-sized companies.

(3) The integrated marketing communications tools have more intensive impact on increasing brand awareness and such impact is insignificantly conditioned by the size and age of companies. It means, if companies will implement a quality integrated marketing communications program, they will succeed in their purpose to build greater brand awareness and to commence building a strong brand equity.

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