Integrated Marketing Communications Plan

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Executive Summary

Kmart is struggling to meet the evolving needs of its multicultural target audience in the mass retail merchandising industry. Rather than competing with larger, more successful retailers, it is recommended that Kmart focus on maintaining and building relationships with its current target audience, creating a more positive brand image, and serving as the solitary resource for merchandising demands.

To assist in these efforts, an integrated marketing communications (IMC) plan has been developed that supports a consistent, cohesive brand message. The IMC plan is centered on the integrated creative strategy statement, “Exclusive brands your family will love at prices you deserve.” All areas of traditional and non-traditional media will be applied including social and digital media, public relations, direct marketing, and sales promotion.

Marketing objectives will assist in increasing market share in the retail merchandising industry, increasing customer retention, and increasing overall sales. Marketing strategies include engaging current and potential customers through brand repositioning, enhancing in-store and online customer experiences, identifying and accommodating customers’ needs and demands by implementing a new pricing strategy, and improving relationships with vendors to provide quality and affordable products.

Media objectives will help Kmart create a more positive brand image, influence perceptions, and change attitudes. Media strategies include print and online advertising, search engine optimization (SEO), broadcast radio and television messages, and direct mail.

Public relations objectives will aid in the communication and promotion of relevant information while creating a positive public image and establishing a relationship with the target audience and media. Public relations strategies include increasing interaction and engagement on social media platforms, sponsoring and participating in community and philanthropic activities, and creating newsworthy press releases.

Direct marketing objectives include increasing the number of Internet sales, improving customer engagement with e-mail solicitations, increasing store coupon redemption, and increasing the click-through rate and engagement of online display/banner advertisements. Direct marketing strategies include catalog distribution, use of e-mail marketing software, text messages, and Kmart’s mobile application.

Sales promotion objectives include increasing the sales of Kmart’s Smart Sense brand; increasing consumer demand for celebrity name brand clothing, shoes, and accessories; and increasing sales of top brand name appliances. Sales promotion strategies include sampling, a BOGO half off promotional sale, and a sale hosted through social media.

Finally, it is strongly recommended that Kmart measure and evaluate the IMC plan pre and post implementation. The measurement and evaluation plan will measure the effectiveness of the various aspects of the campaign, utilizing a variety of methods including eye tracking, focus groups, personal observations, intercept surveys, positioning advertising copy testing, and theatre testing.
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Background Information

Sebastian Spering Kresge and John G. McCrory partnered in 1897 to open the first retail merchandising company to sell five and ten cent items. Two years later, the partnership was dissolved and Kresge took over, forming the S.S. Kresge Company which would later become known as Kmart (Funding Universe, n.d.). Today, Kmart is headquartered in Hoffman Estates, Illinois under its parent company, Sears Holding Corporation (Farfan, 2014). The first Kmart store opened in Garden City, Michigan in March of 1962, providing merchandise, clothing, and grocery to the general public. Interestingly enough, Walmart also opened its first store in 1962, just four months after Kmart’s debut (Grant, 2013). Walmart’s strategy has remained the same throughout the years – offer the lowest prices possible. Kmart, on the other hand, has struggled to find its place in the retail industry.

Currently, Kmart operates a total of 1,285 stores across 49 states, Guam, Puerto Rico, and the U.S. Virgin Islands (Sears Holding Corporation, 2012). After many financial highs and lows, Kmart has struggled to remain true to its mission of improving the lives of its customers by providing quality services, products, and solutions that earn their trust and build lifetime relationships (Farfan, 2014). One of Kmart’s highest achievements was in 1976 when Kresge opened 271 stores in one year, becoming the first retailer to ever launch 17 million square feet of sales space in a single year (Kmart, 2014). Over the years, Kmart began to lose steam and its competitors, Walmart and Target, took over the mass retail industry. After a series of store closings and failed partnerships with vendors, Kmart filed for Chapter 11 bankruptcy on January 22, 2002, becoming the largest retailer to ever do so (Kmart, n.d.). At the time of the filing, Kmart closed an additional 238 stores (Schultz, 2012). This was just the beginning of Kmart’s decline. Kmart’s attempts to emerge from its setbacks continue to fall short. According to a recent press release, Kmart’s sales have decreased by 5.7 percent in the areas of consumer electronics, grocery and household goods, and toys (Sears Holding Corporation, 2014).

During a recent visit at a local Kmart, it was noted that the pricing of products, on average, were higher than Walmart and other popular retail stores; however, the pricing closely aligned with those of Target. The Kmart store was lacking inventory, product placement was not of the essence, and it presented a feeling of uncleanness and utter disaster. When consumers have a less than pleasant shopping experience, and the retailer does not adapt to the ever-changing consumer need, it sets itself up for complete failure.

In an effort to draw customers to its stores, Kmart currently has an integrated marketing communications plan in place to include social media and an online blog, press release distribution, television and video commercials, and advertisements. Rather than a typical message of value, Kmart recently began using humor to get its message across (Zmuda & Parekh, 2013). Recent video advertising campaigns include “Ship My Pants,” “Big Gas Savings,” and “Show Your Joe.” Although entertaining, Kmart’s advertisements have caused some controversy. “Show Your Joe” is a commercial for Joe Boxer that shows six young men dressed in sport coats and undergarments, swaying their hips provocatively to the tune of Jingle Bells. Scantily clad ladies dressed in their undergarments for Victoria’s Secret commercials do not seem to cause this much uproar. “Ship My Pants” and “Big Gas Saying” use the words “ship” and “gas” respectively in a manner that sounds expletive to the viewer. While it is
impossible to make everyone happy with a company’s message, the humor certainly put Kmart in the spotlight as the videos went viral. However, as previously mentioned, Kmart’s sales have continued to decline, leading to the impression that these creative video advertisements have had no effect on the company’s revenue.

After reviewing Kmart’s Facebook page, it is evident that many of customers are unhappy with their experiences, products, and customer service. Many posts were made on the Facebook page and Kmart representatives most always responded to each individual post; however, the response was usually a canned reply – almost scripted. For its nearly 1.4 million Facebook followers, this type of customer service engagement is not acceptable (Kmart, 2014). This type of customer service will lead to customers feeling unappreciated or that the company does not care about them. A more personalized and genuine approach is likely to have a better impact on customer attitudes.

Kmart also has a LinkedIn page, but after following the company, it was clear that there has been a lack of status updates. Due to its lack of communication, Kmart is missing out on engaging with its 17,000 followers. In comparison, Walmart posts regularly on its LinkedIn page. Perhaps this is why Kmart has 300,000 less followers than Walmart.

Kmart is also active on Twitter and has just over 52,000 followers. Walmart has eight times the number of followers, and Target surpasses both companies with approximately 1.1 million followers. A comparison of this data is outlined in Table 1 below. An improved content management and engagement plan may help Kmart’s fan base, but the lack of brand impact it has on its customers may have already hindered its success.

<table>
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<tr>
<th>Table 1</th>
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<tr>
<td><strong>Twitter comparison</strong></td>
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<td><strong>Retailer</strong></td>
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<td><strong>Number of followers</strong></td>
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Kmart does a good job of distributing and archiving press releases. Based on the past three years, Kmart sends an average of 26 press releases per year (Sears Holdings Corporation, 2014). Internet searches indicate that the top stories in the media are product recalls, photos of messy and unkempt stores, and the recent controversy over the video advertising campaigns. The phrase, “there is no such thing as bad publicity” clearly does not apply to Kmart’s current position in the marketplace.

MyKmart Community, similar to the revolutionary online photo-sharing website – Pinterest, is the company’s blog website where customers discover new ideas, get expert answers, connect with others, and receive online support (MyKmart Community, 2014). Kmart appears to have an active presence on its blogs. Figure 1 below is the MyKmart Community blog homepage. Some recent blog posts include “Best Indoor Plants,” “Cooking with Quinoa,” and “How to Declutter a Room in 15 minutes.” Having an active blog is a great way for Kmart’s customers to establish a better connection with the brand. “Blogging is one of the most valuable tools that businesses have to engage with customers and make their lives easier” (Watts, 2012).
If Kmart has the potential to make the lives of its customers better through an online blog, it should consider the same standard for its customer’s in-store experiences.

**Figure 1**
*MyKmart Community blog*

Lastly, Kmart has a free mobile application (app) that users can securely shop online, manage layaway, locate stores, and browse coupons. With the majority of the population using mobile phones, perhaps this is one of Kmart’s better touch points as over 500,000 people have downloaded the application.

Given its background and track record, Kmart is at high risk for eventually shutting its doors for good. The proposed IMC plan will be nothing short of failure if a Kmart cannot quickly improve its brand image and customer relationships. In order to keep up with its competition, Kmart must learn to adapt to the consumer needs and evolve as their needs evolve. “Companies need to rebalance their marketing efforts to stay abreast of changing consumer behavior” (Rutigliano, 2013). In this competitive world, achieving this goal is attainable if the appropriate measures are taken; however, Kmart has a long way to go before this would ever be possible.

**Target Audience**

Kmart’s target audience is primarily minorities, including urban and ethnic markets. “Currently, multicultural consumers make up 39 percent of the nearly 30 million people who shop at Kmart each week. African Americans and Hispanics alone account for 32 percent of Kmart’s shoppers” (Kmart, 2002). Kmart’s success with the urban market is due to the fact that it has stores in 283 of the 331 metropolitan areas (Sears Holdings Corporation, 2014). Many of the popular clothing brands include Sophia Vergara, Nicki Minaj, the Kardashian Kollection, and Route 66. These type of brands are also another reason why urban and ethnic markets shop at Kmart. Customers feel like they are getting fashionable clothing from a well-known celebrity line at a more affordable price than the average department store. Top name appliances also
captivate the target audience with well-known brands such as Kenmore, LG, Samsung, GE, and Whirlpool.

A recent consumer study indicated that female Kmart shoppers account for 58.7 percent while 41.3 percent of its customers are male (Carmichael, 2012). Figure 2 below shows the ratio of male versus female Kmart customers. Additionally, the average age of Kmart’s shoppers range from 25 to 52, leading to the assumption that the younger generation of 19 to 24 year olds do not shop at its retail stores (Carmichael, 2012).

**Figure 2**
*Male versus female shoppers*

![Male vs. female customers](image)

Given the target audience, Kmart shoppers are mostly English and Spanish speaking individuals. Kmart’s customers are often blue collar workers who struggle to provide for their families, and live a paycheck to paycheck lifestyle. Little education is required for this working class; however, according to the Urban Institute, 70 percent of low income families have a high school degree or more (Urban Institute, 2013). Many Kmart customers hold low skill, hourly paid jobs such as cleaning, maintenance, or manual labor (Alhanati, 2012). The average income for these low-income families is approximately $25,000 per year or $9 per hour (Urban Institute, 2013). Lower income families typically do not live outside their means. They lead a simple lifestyle and do not make many extravagant purchases. Kmart programs that appeal to these low-income families include layaway and a new service, Lease to Own. These programs are put in place by Kmart to help customers make the purchases they need (Kmart, 2013).

Kmart shoppers have an interest in fashion, entertainment, and household décor. More likely than not, female customers want to have clothing that is stylish, but cannot afford top name brands. The modern assumption is that the female of the household shops for her family; therefore, she will be more inclined to shop at Kmart to purchase trendy clothing, household décor, and various entertainment items at a discounted price.

Lastly, the customers who shop at Kmart opt for cooking meals at home to save money. A recent study indicated eight in ten families make dinner at home. Most nights, these families
are preparing meals from scratch and other times cook meals with prepackaged items (Share Our Strength, 2012). Kmart shoppers may have difficulty purchasing the grocery items at its local store if proper inventory levels continue to be ignored.

**SWOT Analysis**

During the past half-century, Kmart has faced many highs and lows while struggling to keep up with its competition. Table 2 below illustrates a SWOT Analysis of Kmart’s strengths, weaknesses, opportunities, and threats. The results of the SWOT Analysis will provide Kmart with the necessary tools to build upon its strengths, improve its weaknesses, take advantage of the proposed opportunities as well as protect itself from external threats.

**Table 2**  
*SWOT Analysis*
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<td><strong>Strengths</strong></td>
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<td>• Kmart offers a variety of services to assist its customers in making purchases, including layaway and a lease to own program called Why Not Lease It. The Kmart Why Not Lease It program allows customers to lease thousands of quality products and accessories from its store without a credit approval. At the end of the payment term, the customer can continue the lease, buyout the lease, or return the item to the store (Kmart, n.d.). Unlike the Why Not Lease It program, Kmart’s layaway program requires a down payment and the product cannot be taken home until the final payment has been made (Sears Brands, 2014). The biweekly payment schedule under the layaway program provides customers with a sense of ease during financial hardships.</td>
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<td>• Additionally, Kmart’s coupon policy is well-defined which can help its customers save money. According to Kmart’s coupon policy, Kmart will double 10 coupons per customer or household per day on certain days. “Kmart will periodically double manufacturer’s coupons up to a $.99 in value” (All You, n.d.). Low-income families rely on these cost savings as often as possible, especially considering Kmart’s high prices.</td>
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<td>• Kmart’s social media efforts are engaging and provide customers with an effective way to provide feedback. More importantly, Kmart effectively utilizes social media including Facebook, Twitter, YouTube and the MyKmart Community blog to communicate messages, specials and promotions, and important company news. Currently, there are approximately 500 million Facebook users, and one in every four people have a Facebook account (Belch &amp; Belch, 2012). Kmart does a good job of taking advantage of this communication tool as evident in its 1 million fan base.</td>
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<td><strong>Weaknesses</strong></td>
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<td>• Kmart has a reputation for providing poor customer service to its customers. Unsatisfactory customer service can greatly influence purchasing decisions and create a negative perception of the company’s brand. A recent report indicates that “89 percent of consumers have stopped doing business with a company after experiencing poor customer service” (Fagan, 2013). Consumers are more likely to talk about bad experiences than they are good experiences which can further harm Kmart’s image.</td>
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<td>• Due to its history of financial issues, Kmart has a high risk of declaring a repeat Chapter 11 bankruptcy. With its first Chapter 11 bankruptcy file in January of 2002, Kmart was forced to close over 200 stores (Kmart, n.d.). Kmart’s financial mishaps also put the company in jeopardy of closing its doors permanently.</td>
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<td>• Kmart’s pricing strategy and inventory management/presentation system are major downfalls of the company. Compared to other mass merchandising companies, Kmart is considerably more expensive with the products it sells, and does not offer price matching. Frugal shoppers may turn to retailers like Walmart or discount dollar stores to save money. Although Kmart prices its merchandise similar to Target, Target is better-known for having more attractive displays and offering more enticing products. A research study found that Target had the lowest prices on a selected number of items while Kmart proved considerably more expensive than the competition (Buckman, 2012). Moreover, Kmart is known for having empty shelves and selling low-quality merchandise. Kmart has evidently strayed from its mission of improving the lives of its customers by providing quality services, products and solutions that earn their trust and build lifetime relationships (Farfan, 2014).</td>
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With an innovative brand repositioning campaign, Kmart could improve its brand reputation and image. Kmart has continuously provided unsatisfactory experiences, leading to an overall negative reputation. Currently, many people associate the Kmart brand negatively, ultimately hindering its success. Customer perceptions, beliefs, and attitudes could be drastically enhanced if the right measures are taken to improve Kmart’s brand reputation.

Kmart could mend and build relationships with its vendors which could ultimately result in a better supply of inventory for its customers. These vendors who supply consumer products are key constituencies to the success of a business, specifically the retail industry. Kmart continues to struggle to maintain plentiful inventory which is clearly indicated by the lack of products on its shelves. Kmart has limited inventory, but perhaps this has been a result of a poor relationship with vendors. If Kmart cannot meet the demands of its customers with quality products, sales will continue to diminish.

Improved, up-to-date, and modern technology would allow for more efficient operations and provide a better customer experience. Kmart still utilizes old technology and software which slow down daily productivity. Self-checkout lanes are gaining popularity in other mass merchandising companies and Kmart has yet to implement this technology in its stores. “In October 2012, Walmart announced that checkout terminal vendor NCR would install 10,000 self-checkout terminals in more than 1,200 Walmart locations in the U.S. by the end of 2013” (Siwicki, n.d.).

Kmart’s largest competitors, including Walmart and Target, continue to achieve success through sales while Kmart continues to dwindle. Kmart’s quarter one sales for 2014 in the areas of electronics, grocery and household goods, and toys have decreased by 5.7 percent (Sears Holding Corporation, 2014). According to Walmart’s 2012 Annual Report, net sales increased by 5.9 percent (Walmart, n.d.). In addition, Target’s 2012 Annual Report indicated a 4.9 percent growth in sales. Despite the slight difference in year-to-date comparison to Kmart, both competitors’ financial data clearly indicate the steady increase of sales each year.

Customer needs and demands are always evolving and changing. “Motivation, perception, attitude formation, integration, and learning influence the general decision-making process of the consumer” (Belch & Belch, 2012). These psychological, social, and physiological needs also play a role in consumer behavior. If a customer is genuinely happy and getting the products and services demanded, it is likely the customer will become a loyal consumer. To sustain customer satisfaction and retention, Walmart and Target, unlike Kmart, evolve as its customers evolve. Kmart must learn to adapt to these wants and needs if it wants a fighting chance of survival in the retail industry.

Global economic decline can hinder customer spending at Kmart stores. This greatly affects Kmart’s target audience of low-income shoppers who barely have the means to pay their bills, let alone make retail purchases. “Since incomes are not growing and interest rates are now headed upward, this combination is a serious headwind to the economic recovery. If consumer spending cannot accelerate and it makes up the majority of the economy, this will create severe problems for companies looking to increase their revenues” (Cekerevac, 2013). This threat is often inevitable, but is an obstacle that can be overcome with time.
Marketing Objectives and Strategies

To position Kmart as a company that is here to stay in the mass merchandising industry, the company must engage in a more positive direction. To increase sales, improve its brand image, and retain more customers, the marketing objectives listed herein are recommended. A series of marketing tactics to achieve these objectives will be outlined later in this IMC plan.

Objective 1: Increase market share in the retail merchandising industry by three percent within 12 months.

Strategy: Engage current and potential customers through brand repositioning to gain a competitive advantage with the target audience.

Objective 2: Increase customer retention among target audience by five percent within 12 months.

Strategy: Enhance in-store and online customer experiences by improving customer service, communication, and engagement efforts.

Objective 3: Increase overall sales by 10 percent within 12 months.

Strategy: Identify and accommodate customers’ needs and demands by implementing a new pricing strategy and improving relationships with vendors to provide quality and affordable products.
Integrated Creative Strategy Statement

**Rational Factors**

- Convenient store locations in metropolitan areas among Kmart’s urban and multicultural target market.
- Smaller, more intimate shopping experience with stores averaging between 84,000 to 120,000 square feet in size (Sears Holdings Corporation, 2014).
- Easy access parking for quick and hassle-free entrance to store.
- Financial services that include layaway, Lease to Own program, and excellent coupon policies.
- Exclusive name brand appliances and fashion-forward clothing designed by celebrities.
- Shop Your Way rewards program allows customers to earn points for purchases.

**Emotional Factors**

- Pleasant, family-friendly shopping environment.
- Feelings of accomplishment for fulfilling family’s needs.
- Feelings of nostalgia.
- Having a sense of pride knowing Kmart is heavily involved in local communities and charities, including the March of Dimes, No Kid Hungry Campaign, and the World’s Largest Bake Sale to fight hunger (Kmart, n.d.).
- Brand loyal customers.
- Comfort in knowing affordable options are available.

**Exclusive brands your family will love at prices you deserve.**

*Final Integrated Creative Strategy Statement*
Integrated Creative Strategy Statement Continued

Rejected Integrated Creative Strategy Statements

2. Find your exclusive brand and save big at Kmart.
3. Name brands for your family at prices you love.
4. Brands the whole family will enjoy at prices you can afford.
5. Shop with convenience because your family deserves the best.
6. Save big on exclusive brands the whole family loves.
7. Shop brands the whole family will love at prices you can afford.
8. Everything you need for your family exclusively at Kmart.
9. Shop your style at prices you love.
10. Find the style that speaks to you only at Kmart.
11. Discover styles your family will love at prices you can afford.
12. Convenience starts at K(206,886),(518,980)
Creative Brief

Client: Kmart  
Type: Magazine Advertisement  
Date: 02/03/14  
Pages: 1

Why are we advertising?
In the last quarter, Kmart’s sales have decreased by 5.7 percent in the areas of consumer electronics, grocery and household goods, and toys (Sears Holding Corporation, 2014). With advertising, the goal is to increase overall sales through a brand repositioning campaign.

Whom are we talking to?
We are focused on multicultural families, specifically moms, who are looking for brands they love at an affordable price without sacrificing convenience.

What do they currently think?
Many people associate the Kmart brand negatively and as a retailer whose prices are too high.

What would we like them to think?
With an aggressive approach and well-defined strategy, we can show people that shopping at Kmart is convenient and affordable.

What is the single most persuasive idea we can convey?
Name brand appliances and trendy, designer clothing are available exclusively at Kmart stores or online. Shopping at Kmart makes your family and wallet happy.

Why should they believe it?
Kmart’s new positive brand image will create a place many people will want to shop for these exclusive, affordable name brands that may not be available at other retail stores.

Are there any creative guidelines?
Full color, 8.5”x11” magazine advertisements will run monthly for one year in Cosmopolitan magazine and Vanidades magazine. Advertisements must include the Kmart logo, the campaign’s hash tag, web address, relevant graphics, and social media logos.
Creative Execution

Below is an 8.5”x11” magazine advertisement that was designed for Kmart based on the creative brief. It should be noted that the border around the advertisement will not be visible on the final proof.
Media Objectives, Strategies, and Tactics

The media objectives below will help Kmart create a more positive brand image, influence perceptions, and change attitudes. Several media objectives, strategies, and tactics are suggested that include the use of print advertising, social media advertising, search engine optimization (SEO), radio and television broadcasting, and in-home direct mail advertising. The time frame for these endeavors is outlined below in the media flow chart.

Objective 1: Use print messages to reach 35 percent of Kmart’s target audience at least four times over a 12 month period.

Strategy: Purchase full color advertisements in print magazines that are targeted at women.

Tactics: Purchase full color 8.5”x11” advertisements in *Cosmopolitan (Cosmo)* magazine and *Vanidades* magazine which will both run monthly for 12 consecutive months.

There are many key benefits to advertising in magazines. Magazines have a higher shelf life than newspapers and readers are more inclined to “flip through every page of an issue, as opposed to a newspaper reader who might toss aside entire sections” (Halbrooks, n.d.). Magazine advertisements, compared to newspapers, use higher quality images and are typically printed in full color on gloss paper. In addition, “many magazines target a specific demographic, such as people who belong to a certain trade or of a certain age group. By advertising in magazines, it is almost guaranteed to reach your intended audience” (Huebsch, n.d.).

*Cosmo* magazine is one of the print mediums chosen due to its international popularity among women. Compared to other popular magazines such as *Glamour* and *In Style*, *Cosmo* has a higher reader involvement rate of 52.3 percent (The Hearst Corporation, 2014). *Cosmo* magazine can often be found at nail salons, grocery stores, waiting rooms, and gyms which increase the likelihood of reaching Kmart’s target audience. The demographic profile of its readership includes educated working women with an average age of 31.3, have a medium annual income of $26,613, and have children at home (The Hearst Corporation, 2014). Moreover, advertising in *Cosmo* magazine has the lowest CPM among the above-mentioned women’s magazine, making this an ideal print medium for Kmart. Lastly, its total paid circulation is 3,032,000 which is significantly higher than competing magazines (The Hearst Corporation, 2014).

*Vanidades* is an excellent print medium to target a large portion of Kmart’s target audience. *Vanidades* magazine is the second is the “premier beauty and fashion magazine for the Hispanic woman and is the most read women’s fashion and beauty title in the U.S. Hispanic market” (Vanidades, 2013). The average age of *Vanidades* readers is 41 with 25 percent of readers aged 25-34. The majority of these readers are employed with an annual income of $60,557 and have children at home. Messages communicated through this print medium would be well-received and help drive sales to Kmart stores.

Objective 2: Use online advertising and search engine optimization (SEO) to increase engagement on social media platforms by 25 percent over a three month period.
Strategy: Purchase advertisements on social media as well as SEO optimization for MyKmart Community blog.

Tactics: Purchase online advertisements through Facebook advertising to run all month long for 12 consecutive months and yearly SEO optimization service to increase traffic to MyKmart Community blog.

Advertising on Facebook is a great way to reach a large audience and increase traffic to a business page. “Most online advertising reaches only 27 percent of its intended audience while Facebook’s average is 91 percent (Facebook, n.d.). With Facebook advertising, a business has the opportunity to tailor the results based on the specific type of desired outcome. Figure 3 below outlines the options made available to advertisers. Page Post Engagement is the type of results Kmart is looking for which will “create ads that boost posts and increase likes, comments, shares, video plays, and photo views (Facebook, n.d.).

Figure 3
Advertise on Facebook

Additionally, to increase search engine visibility and drive more traffic to the MyKmart Community blog, SEO optimization is recommended. MyKmart Community blog is a great tool to connect with customers and help create a more positive experience with the brand. If the traffic and interaction on the blog can be increased, Kmart could become a top online resource for the target market when looking for ideas, recipes, home decorating tips, fashion tips, and so on. The success of the MyKmart Community blog could ultimately help drive traffic to the main website by providing links to food and beverage, home décor and appliances, and exclusive fashion brands offered at Kmart. A win-win situation for Kmart.

Objective 3: Use broadcast radio messages to reach 45 percent of Kmart’s target audience at least three times over a nine month period.

Strategy: Purchase 15 second commercials on broadcast radio network.
**Tactics:** Purchase 15 second broadcast radio commercials through Clear Channel Communications in 10 states with the largest number of Kmart stores.

According to the 2012 Annual Report, the majority of Kmart’s stores are located in communities throughout the states listed below (Sears Holdings Corporation, 2012). Table 3 outlines this data, along with the number of stores per state.

A series of 15 second radio commercials will be crafted and disseminated via Clear Channel Communications network in the aforementioned states. The Clear Channel network was chosen due to the variety and popularity of its stations as well as the availability in the targeted markets. “Clear Channel Media and Entertainment’s more than 840 radio stations offer advertisers local activation and national reach. Individual station brands give advertisers the ability to connect with diverse audiences in local markets across the country” (Clear Channel Communications, n.d.). Despite a higher advertising cost, morning spots are recommended as the majority of people are likely to listen to advertisements in the morning on their commute to work. The 15 second commercial spots will allow Kmart to deliver a cost-effective short, powerful message. The radio spots are scheduled for the first and third quarter which will help advertise and promote a positive brand message for Kmart.

**Table 3**
*Number of Kmart stores by state*

<table>
<thead>
<tr>
<th>State</th>
<th>Number of Kmart Stores</th>
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<tbody>
<tr>
<td>California</td>
<td>102</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>95</td>
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<tr>
<td>Michigan</td>
<td>69</td>
</tr>
<tr>
<td>Florida</td>
<td>69</td>
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<tr>
<td>Ohio</td>
<td>52</td>
</tr>
<tr>
<td>Illinois</td>
<td>46</td>
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<tr>
<td>North Carolina</td>
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<tr>
<td>Virginia</td>
<td>39</td>
</tr>
<tr>
<td>New Jersey</td>
<td>35</td>
</tr>
<tr>
<td>Tennessee</td>
<td>32</td>
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**Objective 4:** Use direct mail to reach 35 percent of Kmart’s target audience at least once within a 10 month period.

**Strategy:** Purchase targeted mailing lists for direct mail advertising.

**Tactics:** Use an external direct mail marketing service to purchase targeted mailing lists to send multiple direct mail pieces promoting specific sales.

Promotions sent via direct mail will include spring sales, back-to-school sales, and holiday sales. The size of the direct mail post card will be 4.25”x5.6” on glossy post card paper.
The lists will be targeted to states that have the least number of Kmart stores, and will include the following categories:

- Women and men
- Ages 25-55
- Race: White, Hispanic, Black, Latino
- Annual income range of $25,000 to $100,000
- Home values $75,000 to $300,000
- Education level including high school, college, and beyond
- States with the least number of Kmart stores
  1. Arkansas
  2. Delaware
  3. Hawaii
  4. Idaho
  5. Maine
  6. Mississippi
  7. New Hampshire
  8. North Dakota
  9. Rhode Island
  10. Vermont

**Objective 5:** Use broadcast television messages to provide coverage to 40 percent of Kmart’s target audience within a nine month period.

**Strategy:** Purchase 30 second television commercials on broadcast television stations.

**Tactics:** Purchase 30 second commercials on national broadcast television stations including ABC, CBS, FOX, and NBC.

National broadcast television advertising is an effective way for Kmart to reach its intended audience. The message of each 30 second commercial will take a different approach to the advertisements that are currently running on television. Like the radio commercials, the television spots will advertise specific promotions and help drive traffic in-stores and online. The messages will be crafted in a way that humor and creativity will be used, but in a less-offensive and more effective manner. The television commercial spots are scheduled for the second and fourth quarter which will help advertise and promote a positive brand message for Kmart.

Refer to the Media Flow Chart below for a visual summary of the proposed media objectives.
# Media Flow Chart: Q1 – Q4

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*Note: The chart above details the media flow for KMart IMC Plan for Q1 to Q4.*
### MEDIA FLOW CHART: Q1 – Q2

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- Full Page Full Color in Cosmopolitan (Cosmo) Magazine
- Full Page Full Color in Latino Magazine
- Facebook Advertising With Specific Message/Promotion Per Month
- Search Engine Optimization Service for MyKmart Community Blog
- Spring Sales Direct Mail Promotion

### Details:
- 6:30 Commercial Spots on National Broadcast Television
- 30:15 Commercial Spots on Clear Channel Communications
- 15:30 Commercial Spots on National Broadcast Television
- 30:15 Commercial Spots on Clear Channel Communications
### MEDIA FLOW CHART: Q3 – Q4

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Public Relations Objectives, Strategies, and Tactics

The public relations objectives, strategies, and tactics proposed will aid in the communication and promotion of relevant information while creating a positive public image and establishing a relationship with Kmart’s target audience and media. The main public relations objectives include increasing interaction and engagement on social media platforms such as Facebook and Twitter, sponsoring and participating in community and philanthropic activities, and creating newsworthy press releases. The time frame to accomplish the following objectives range from a period of six to 12 months.

**Objective 1:** Increase the number of likes on Facebook by 5,000 within a six month period.

**Strategy:** Share credible, relevant, and unique content on Facebook that engage Kmart’s audience daily.

**Tactics:** Administrators of Kmart’s Facebook page will begin making one post per day to include trackbacks to the MyKmart Community blog, contests that engage fans, and special promotions only Facebook fans are able to participate in.

Social media, especially Facebook, have become a part of daily lives all over the world. This particular social media platform provides users with entertainment, news, and information on brands we love. “Facebook is fast becoming one of the most powerful PR tools on the web. Using Facebook as an online PR tool allows companies to increase their reach exponentially, getting in front of interested people with engaging content when they are receptive to the message” (Miller, 2013). When used appropriately, Facebook can be used to reach a broader audience that traditional public relations tactics such as news releases cannot.

Currently, Kmart posts on its Facebook page an average of three times per day (Kmart, 2014). Posting too frequently can lead to a decline in fans and likes, a strategy that hinders the success of this objective. Upon implementation of this IMC plan, Kmart will limit posting status updates to only one time per day. Unless there is a significant reason or important news item that requires multiple daily posts, brands should not post more than once per day (Social Bakers, 2011). Some of the top brands including iTunes, Victoria’s Secret, Skittles, and Red Bull have more success and engagement on Facebook by limiting the number of posts to once daily (Social Bakers, 2011). Posting three times per day may not seem too frequent for a Facebook business page; however, quality not quantity is what Kmart needs to focus on moving forward. Research indicates that posting one or two daily updates have a 32 percent higher like rate and a 73 percent comment rate compared to posting three or more times per day (Bullas, 2012). Using the less is more strategy will help maintain current fans and increase the number of likes on Kmart’s Facebook page.

After reviewing Kmart’s Facebook page, it is evident that the company does not take full advantage of cross-posting articles from the MyKmart Community blog. As mentioned in the Background Information section, MyKmart Community allows customers to discover new ideas, get expert answers, connect with others, and receive online support (Kmart, 2014). Posting links
with photos from the MyKmart Community blog to Facebook would help increase engagement and sharing on both the blog website as well as the Facebook page.

A contest for a chance to win a $5,000 shopping spree at Kmart will be hosted on the Kmart Facebook page to help drive the number of page likes. A great way to advertise the contest could be as simple as adding a message about the contest to all customer receipts, creating a banner advertisement on the Kmart website, and ensuring all employees inform customers to like the Kmart page to enter the contest.

Lastly, fans of the Kmart Facebook page will be given access to a coupon to save $15 off their next purchase of $50 or more during their next in-store visit. Kmart’s graphic design team will create a custom image with a coupon code that administrators can upload to Facebook for continued reposting. Users can print the coupon or pull it up from a mobile device to show at local Kmart stores to get the discount. Promotional discount offers can often get lost in email spam filters; therefore, offering coupons on the Facebook page can reach more people who are actually interested in receiving coupons. In order to gain new page likes from the coupon offer, Kmart will encourage fans to share it with their friends (Big Like Company, n.d.). Additionally, Kmart employees will inform customers of the coupon offer during checkout to help drive additional traffic to the Facebook page.

**Objective 2:** Increase the number of followers on Twitter by 2,500 within a six month period.

**Strategy:** Tweet daily on Twitter, offering similar information used on Facebook, but with shorter, concise content in 140 characters or less that engages Kmart’s audience.

**Tactics:** Use Twitter to tweet at least four times daily and incorporate hashtags to encourage interaction among fellow Twitter users.

Twitter is a valuable public relations tool that allows for frequent, instant communication to a large audience including consumers, media, and all other audiences who are interested in connecting with brands (Evans, Twomey & Talan, 2011).

A few key elements for success with Twitter include appropriate tweet frequency and the number of followers. “Tweet frequency depends on a number of variables such as audience, purpose and business objectives. A good rule of thumb is to Tweet between three to five times per day” (Twitter, n.d.). Furthermore, studies have shown the more an organization tweets, the higher number of followers it is likely to have (Clark & Vahab, 2013). Presently, Kmart tweets an average of four times per day, often times as few as twice daily (Kmart, n.d.). Kmart is utilizing Twitter effectively; however, the following tactics can help increase the number of Twitter followers.

Kmart should decrease the number of characters used per tweet. A recent report revealed that tweets shorter than 100 characters get a 17 percent higher engagement rate (Twitter, n.d.). With shorter and more frequent tweets that are relevant, Kmart has the opportunity to gain more Twitter traffic through retweets and followers by remaining on the forefront and providing interesting content.
In addition to posting on Facebook, it is also recommended that Kmart share articles, how-to videos, recipes and other interesting content from the MyKmart Community blog on its Twitter feed. Twitter users will be more likely to follow the Kmart brand when they see the company is speaking to them on a personal level, rather than bombarding their Twitter feed with one sales promotion after another. Furthermore, a free link shortening tool such as Bitly will be used to keep posts short and simple.

Lastly, Kmart will begin promoting the hash tag #MyKmartStyle on Twitter to encourage customers to tweet a photo to @Kmart of themselves dressed in their favorite celebrity brand they purchased exclusively at Kmart. Kmart will ensure every tweet, excluding any negative feedback, is retweeted. This will allow more Twitter users to see the Kmart brand more frequently, and encourage non-followers to follow @Kmart to have their tweet retweeted to thousands of users. Any negative feedback associated with this hashtag will be addressed per occurrence, but will not be deleted or retweeted.

**Objective 3:** Increase participation in local communities by 15 percent with a six month period.

**Strategy:** Sponsor and participate in community and philanthropic activities to make a positive contribution to local communities and engage employees.

**Tactics:** Become actively involved with at least three community and philanthropic activities to include hosting a clothing drive for less fortunate individuals, volunteering at local Habitat for Humanity, and creating a college scholarship/grant fund for minority students of low-income families.

Companies that sponsor and participate in community and philanthropic activities create a positive reputation for the brand and build credibility and trust with its target audience. In return, customers are more receptive to a company’s IMC campaign (Media Mix Marketing Solutions, 2013). Sponsoring and participating in at least three community activities can help Kmart improve its lackluster reputation which could generate a positive impact on in-store and online sales.

In the third quarter of 2014, Kmart will host a clothing drive at all store locations to benefit the less fortunate individuals in local communities and help provide better opportunities that would not normally be available. A large container will be labeled and placed at the front entrance of every Kmart store to collect clothing items including jackets, shirts, pants, shoes, socks, purses, and other clothing items to donate to Goodwill. Items can be brought in from home or purchased at a Kmart store. With this initiative in the third quarter, the goal is to collect these items for three months and provide at an affordable price to those in need during the holidays.

Many customers complain that Kmart employees are disgruntled and lack motivation. Participating in philanthropic activities can help improve skills, team building, and communication within the business while boosting morale and motivation. As a result, employees “become better advocates for the business” (Media Mix Marketing Solutions, 2013). To support local communities and improve employee morale, it is recommended that employees
of each Kmart store volunteer a combined total of 100 hours within a six month period at a local Habitat for Humanity.

Finally, a scholarship fund will be created to provide financial assistance to minority individuals of low-income families who wish to go to college. An application will be created and posted to the Kmart website as well as available at all in-store locations for those individuals who may not have their own computer. A total of 100 scholarships in the amount of $10,000 each will be given based on individual student needs.

**Objective 4:** Increase positive media mentions nationwide by 10 percent with a 12 month period.

**Strategy:** Generate press releases that receive positive media coverage nationwide.

**Tactics:** Create and disseminate at least 36 press releases per year/three per month, focusing on positive accomplishments and activities that evoke good publicity nationwide.

The most common public relations tool to help enhance the public image of a brand is a press release. A press release can “effectively help change build the public image of an individual or company” (My PR Genie, n.d.). Kmart has received a lot of bad press and has subsequently created a tainted view of the organization. Well-written and distributed press releases can help communicate a positive brand image and improve customer perceptions.

As mentioned in the Background Information section, Kmart sends an average of 26 press releases per year based on the last three consecutive years (Sears Holdings Corporation, 2014). It is recommended that Kmart increase the number of quality press releases sent by 10, focusing on as many positive accomplishments and activities as possible. Although quality over quantity is what matters the most, Kmart should try to make the most of the spotlight by producing newsworthy press releases including the following topics:

- New product launches
- Changes in current product offerings
- Community and philanthropic involvement
- Plans for store remodeling and modernization (recommended for Kmart’s future success)
- Quarterly financial results

The above-mentioned public relations strategies will aid Kmart in communicating and promoting important messages. The anticipated results include an improved brand perception and relationship among Kmart’s target audience and media.

**Direct Marketing Objectives, Strategies, and Tactics**

Kmart could greatly benefit from a direct marketing campaign as it is primarily used to advertise to a specific target audience. Utilizing direct marketing will increase the likelihood that these customers will actually see Kmart’s marketing messages (McDunnigan, n.d.). As
previously mentioned in earlier sections, maintaining the current database of customers is one of the keys for Kmart’s success; therefore, it is critical that marketing messages are received.

An effective direct marketing campaign can also help increase brand recognition among a target demographic. Psychological studies have shown that consumers are more likely to purchase from a brand they are familiar with than other brands (McDunnigan, n.d.). Direct marketing will not always prompt customers to make immediate purchases, but does open the door for future purchasing habits (McDunnigan, n.d.).

Direct marketing objectives include increasing the number of Internet sales, improving customer engagement with e-mail solicitations, increasing store coupon redemption, and increasing the click-through rate and engagement of online display/banner advertisements. The time frame to accomplish these direct marketing objectives and tactics range from a period of three to 12 months.

**Objective 1:** Increase the number of Internet sales by 15 percent within a six month period.

**Strategy:** Distribute a catalog that drives traffic and purchases to the Kmart website.

**Tactics:** Create, design, and distribute a 12-page catalog to the homes of current customers in the fourth quarter.

To help increase the number of Internet sales and drive traffic to the Kmart website, a colorful, eye-catching 12-page catalog will be designed and sent to the homes of current customers. For customer convenience, a digital version of the catalog will also be available on the Kmart website. The specifications for this catalog include a size of 5.5”x8.5” on 100 lb glossy paper with aqueous coating and saddle stitched bound. The goal of the catalog will be used as a test to stimulate repeat purchases. If this test is successful, a database of potential customers will be purchased to use in future catalog mailings.

Catalogs can strengthen brands among current customers, build awareness for new and potential customers, and enhance customer’s online shopping experience” (USPS, n.d.). Catalogs serve as a convenient commodity for customers since they do not have to use a computer to search for items. According to the United States Postal Service, “catalog recipients are more likely to make online purchases than shoppers who do not receive catalogs” (USPS, n.d.). Also, customers can physically hold catalogs in their hands and make notes or circle items they are interested in. Catalogs often remain in the house for weeks which can stimulate future purchasing behaviors (Geller, 2012). In 2012, 80.9 million people purchased an item they found in a catalog; women contributed to 60 percent of those transactions (Direct Marketing Association, 2013).

**Objective 2:** Improve customer engagement with e-mail solicitations by 15 percent within a three month period.

**Strategy:** Use e-mail marketing software to target new and existing Kmart customers who will be more interactive with the Kmart brand and make direct or future purchases.
**Tactics:** Send weekly e-mail blasts to current customers using Constant Contact, and offer a more visible e-mail sign-up box on the Kmart website.

Over the years, Kmart has struggled to make an impact on its customers with its current e-mail marketing strategy. Determining the frequency of e-mail communications is a fine line between over stimulation and under stimulation. Reducing the number of e-mails a business sends and targeting them to specific customers can help maintain subscribers which can lead to a greater impact on revenues (Marketers Anonymous, 2012). With the implementation of the IMC plan, Kmart will begin using Constant Contact to send weekly e-mail blasts to its current customers. A custom e-mail template will be designed to incorporate the Kmart red color scheme and logo to create familiarity with the brand. E-mails will include weekly promotions with a simple one-click option to purchase directly from the Kmart website, the latest company news, coupons, social media icons with a direct link to connect online, web address, and other pertinent contact information. To build an e-mail database in addition to the current recipient list, a colorful sign-up box will also be added near the footer of each page on the Kmart website.

An effective e-mail communications plan could help Kmart build a better relationship with its current customers and establish a positive brand perception for future customers. As a business, it is always important to communicate and connect with customers with consideration that “e-mail has become the preferred communication method between retailers and consumers” (Direct Marketing Association, 2013). Being able to reach these customers through e-mail first starts with getting them to open and read the e-mails. E-mails with a subject line containing 28 to 39 characters have the highest click rates at four percent (maximum five percent), while e-mails with 51 plus characters have the lowest click rate at 1.8 percent.

Finally, providing a mobile-friendly version of the e-mail blasts is highly recommended to accommodate customers who are busy and always on-the-go.

**Objective 3:** Increase store coupon redemption by 10 percent within a six month period.

**Strategy:** Use text messages and Kmart’s mobile application to provide coupon offers specifically for everyday consumer based products (RadiumOne, 2013).

**Tactics:** Create five monthly store coupons for consumer based products that have a 30-day expiration date. Distribution of these coupons will be sent to customers via text message as well as push notifications from the free Kmart mobile application.

Last year, mobile phones played a significant role in digital couponing. More than 28 percent of people who owned a mobile device redeemed a coupon (eMarketer, 2013). In 2014, it is projected that nearly 70 percent of mobile coupon users will access coupons via smartphone (eMarketer, 2013). According to a recent study, three out of five/60 percent of Hispanics use their mobile phones versus a computer for Internet use (eMarketer, 2013). Figure 4 outlines this data further. Therefore, traditional distribution of coupons via newspapers is not the best use of marketing dollars for Kmart’s target audience. With the large number of Hispanics and other low-income families relying on their mobile phones as a primary means of Internet, creating a
more convenient method for Kmart’s customers to receive these coupons on their mobile devices can help increase the rate of redemption.

Currently, Kmart offers coupons on its mobile application, but mostly consists of savings on clothing, sporting goods, and jewelry. The expiration dates are within seven days which does not give customers ample time to make purchases. Refer to Figure 5 for a snapshot of Kmart’s current mobile coupon offerings. With the current mobile layout, customers must open the application and visit the coupon center directly.

**Objective 4:** Increase the click-through rate and engagement of online display/banner advertisements by five percent within a 12 month period.
Strategy: Create online display/banner advertisements on the Kmart website that drive customers to specific monthly promotions.

Tactics: Create a vertical skyscraper 120 x 600 pixel display/banner advertisement on the Kmart website to promote monthly sales of items including groceries, appliances, household goods, clothing, and fitness equipment.

A well-executed online display/banner advertisement can serve as a great way to make an impression with customers. In fact, “61 percent of American advertisers find that the Internet meets branding imperatives such as awareness, recognition, brand loyalty, and purchase intent (PWC, n.d.). Many display/banner advertisements that are pervasive on Internet websites have low click-through rates but are still effective and valuable. Research has shown that repeated exposure to banner advertising can enhance familiarity with and generate positive feelings toward a brand” (Belch & Belch, 2012). Careful consideration of the design and placement is a critical element in the success of this objective. Creating display/banner advertisements that website visitors want to click on is extremely important; a poorly executed design concept or placement can hinder its success.

Currently, Kmart has a vertical wide skyscraper online display/banner advertisement 160 x 600 pixels in size located underneath the menu options that promotes local advertisements. Upon clicking on the advertisement, a ‘Local Ad’ is not always available for all locations which can drive customers away. Relocating the current display/banner advertisement to the bottom of the page will allow space for the newly designed advertisement. To entice customers, a colorful, yet simple, vertical skyscraper 120 x 600 pixel display/banner advertisement is recommended to promote monthly sales of items including groceries, appliances, household goods, clothing, and fitness equipment. Guidelines for the design include a picture or multiple collage of pictures with bold text featuring an item(s) on sale that is available at all local Kmart stores as well as online.

Sales Promotions Objectives, Strategies, and Tactics

A powerful sales promotion campaign can help push merchandise, increase sales, and make room for new products. Sales and coupons are some of the most common sales promotion tactics that stimulate interest and encourage customers to purchase products from particular brands (Boundless, n.d.). Although “sales promotions can be directed to consumers, sales employees, or other retailers,” this IMC plan will focus on sales promotions to Kmart’s customers (Boundless, n.d.).

Sales promotion objectives include increasing the sales of Kmart’s Smart Sense brand; increasing consumer demand for celebrity name brand clothing, shoes, and accessories; and increasing sales of top brand name appliances. The time frame to accomplish these sales promotion objectives and tactics range from a period of three to six months.

Objective 1: Increase sales of Kmart’s Smart Sense brand by 20 percent within a six month period.
Strategy: Use in-store sampling to increase sales of Smart Sense brand products.

Tactics: Participate in in-store sampling of Smart Sense brand products twice per month.

Kmart has an opportunity to build a relationship between its customers and its generic line, Smart Sense, saving the consumer money and increasing sales. The Smart Sense line includes a wide range of items from snacks and beverages to oral care, over-the-counter medications, and household products. Smart Sense is “comparable to that of national name brands, and on average costs 20 percent less” (Store Brands Decisions, 2010). “On average, nationally recognized name brands tend to cost more than generic store-brand counterparts” (Tuttle, 2012). Purchasing generic brands is an easy way to save at least 30 percent on grocery bills without sacrificing quality (Tuttle, 2012).

Unfortunately, the Hispanic market is less price-sensitive and more focused on strong name brands of consumer packaged goods ‘CPG’ (AHAA, 2012). To help persuade Kmart’s target audience that the Smart Sense line offers quality and affordable CPG, it is recommended that Kmart participate in in-store sampling to showcase these items. Sampling stations will be set up in Kmart stores bi-monthly and demonstrators will offer samples of Smart Sense products including grocery and food items, personal care products, and household basics. The in-store sampling approach can be extremely beneficial since customers can try the products before they buy (Belch & Belch, 2012). This strategy would be cost-effective to Kmart since employees would be able to man the stations rather than pay for the cost of a demonstrator.

Objective 2: Increase consumer demand for clothing, shoes, and accessories by 15 percent within a three month period.

Strategy: Implement an in-store buy one get one half off promotional sale.

Tactics: Offer a buy one get one half off promotional sale to help promote exclusive celebrity name brand clothing, shoes, and accessories during the third quarter.

Low income families face a number of challenges when providing for their families. Back-to-school is a great example of one of the biggest shopping days where families have to fork out a great deal of money on clothing and school supplies. The largest portion of back-to-school spending includes new apparel and accessories; 95.3 percent of parents with school-age children will spend an average of $400 just on clothing (National Retail Federation, 2013). Children often convince their parents that they want the latest name brand clothing, shoes, and accessories, but parents are on restricted budgets and cannot afford top name brands. To help make Kmart’s celebrity name brand products more affordable, a buy one get one half off promotional sale will take place during the entire third quarter, just before parents send their children back to school. Buy one get one half off sales will increase the demand, enabling retail businesses to sell products at a lower price to gain a higher volume of sales.

Objective 3: Increase sales of brand name appliances by 10 percent within a six month period.

Strategy: Utilize social media sites to promote brand name appliance sales.
**Tactics:** Use Facebook and Twitter to promote semiannual sales of brand name appliances including refrigerators, washer and dryers, dishwashers, and stoves.

Over the past decade, social media have “become one of the most powerful online strategies for businesses (Seymour, 2013). Kmart will use the power of social media to help drive large purchases on top name brand appliances including Frigidaire, Kenmore, Maytag, Whirlpool, and Samsung. With this promotion on social media, only Facebook fans will have exclusive access to a 40 percent off discount during the semiannual sales. When customers visit Kmart’s Facebook page, a custom landing page will be the first visible page, allowing the sale to be the spotlight (Payton, 2011). Links to access this sale items will be posted multiple times per week, but the focus will not be solely on the promotion. Rather than over-stimulating Facebook fans with product advertisements, it is recommended that posts are engaging and include news, information, photos, and other typical status updates (KIrfan, 2013).

Lastly, the semiannual brand name appliance sales will be promoted using Twitter. Tweets containing 140 characters or less will describe the details of the promotion to help generate sales. Due to Twitter’s fast-paced social environment, the frequency of tweets is significantly higher than Facebook; therefore, at least five tweets per week will be made in regards to the promotion. All tweets regarding the sale will include the hashtag #MyBargainAppliance along with links to purchase the appliances on sale.

**Measurement and Evaluation Plan**

Billions of dollars are spent on marketing each year, but a large majority of IMC plans are not measured or evaluated. Measuring and evaluating the Kmart IMC plan will not only allow the marketing department to see what strategies are working and which ones are not, but will also provide insight in regards to specific areas where marketing dollars can be saved and spent. Measuring effectiveness can be a difficult task because it is hard to isolate specific elements of the promotional element. In fact, studies show that “companies spend as much as 25 percent of their revenue on marketing and advertising while 70 percent of them spend less than two percent on measuring effectiveness” (Belch & Belch, 2012).

It is strongly recommended that Kmart measure and evaluate the IMC plan pre and post implementation. The measurement and evaluation plan will measure the effectiveness of the various aspects of the campaign, utilizing a variety of methods including qualitative and quantitative data. The measurement methods will include eye tracking, focus groups, personal observations, intercept surveys, positioning advertising copy testing, and theatre testing. For quick reference, a recap of the measurement and evaluation methods that will be utilized is outlined in Table 4.
Table 4
Measurement and evaluation methods

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Qualitative Methods

The three qualitative methods that will be used include eye tracking, focus groups, and personal observations.

Eye tracking has indispensable benefits in all areas of marketing including online, print, and television (Tobii Technology). Eye tracking will be utilized to “identify strengths and weaknesses in an advertisement” (Belch & Belch, 2012). The eye tracking method involves the use of a sensor with an infrared light to follow the movement of the eye to track where the viewer is looking and in what sequence. The use of eye tracking minimizes recall errors and reveals information conventional research methods miss (Tobii Technology).

The use of focus groups can specifically reach Kmart’s target audience and provide valuable insight and in-depth information in regards to which marketing strategies work best. “A focus group is a targeted group of consumers who are brought together for an in-depth discussion on a certain topic” (Temkin, n.d.). Focus groups can provide Kmart with feedback on customer’s brand perception, purchasing habits, and input on IMC campaigns.

Through personal observation, Kmart can determine how customers behave while they are in the store and whether or not their behavior has been influenced by marketing strategies (Holz-Clause, 2010). Personal observation allows for the interpretation of nonverbal communication which can play a role in measuring how marketing messages are being received. This particular research method must keep ethical values at the forefront. Although discreet observation would yield more accurate results, it is best practice to inform customers that observation marketing research is being conducted. To ensure appropriate ethical standards, only those who have signed an informed consent form will be a part of the study.

Quantitative Methods

The three quantitative methods that will be used include intercept surveys, positioning advertising copy testing (PACT), and theater testing.

One of the more economical methods will include intercept surveys. Intercept surveys are highly effective and will provide instant feedback (Spencer, 2008). Since Kmart is on the edge of closing its doors forever, it is important to understand the reasons behind missed revenue and the loss of potential customers. Intercept surveys can help Kmart identify customers who made a purchase and those who did not and why (Market Force, n.d.).
Due to Kmart’s recent controversial advertisements, it is advised that all advertisements in the IMC plan undergo **positioning advertising copy testing** to determine whether they are relevant for the marketplace. Positioning advertising copy testing will help Kmart evaluate customer attitudes and purchase intentions, and allow for the consideration of alternative messages that may be more appropriate (Belch & Belch, 2012).

**Theater testing** will be used to identify strengths and weaknesses of broadcast marketing messages and indicate how Kmart’s commercials will compare against its competitors (Belch & Belch, 2012). Using theater testing, individuals will be told to watch and critique a television program, but their reception to Kmart’s brand message will actually be measured which, in turn, helps determine brand preference among the target audience.

**Conclusion**

A successful integrated marketing communications (IMC) plan encompasses all areas of traditional and non-traditional media including social and digital media, public relations, direct marketing, and sales promotion. Rather than each department operating independently, IMC strategically integrates the various marketing communications as one seamless management function. Integrated marketing supports a more efficient and effective communications program.

The aforementioned objectives, strategies, and tactics outlined in the IMC plan will create a consistent, cohesive brand message that will be delivered to Kmart’s target audience within the next 12 months. It is anticipated the IMC plan will play a significant role in increasing sales, improving brand image, changing customer perceptions and attitudes, retaining current database of customers, and attracting new customers.

A series of comprehensive measurement and evaluation methods will be administered pre and post IMC implementation to provide valuable insight regarding precise areas where marketing dollars are being used efficiently and where adjustments will need to be made.

To reach its full potential, Kmart must first make necessary changes within the organization prior to the implementation of the IMC plan. Suggestions include a better employee training program and a complete remodel/modernization of stores. Through simultaneous focus on improving the overall experience from within and utilizing integrated marketing efforts, Kmart may have an improved chance of remaining in the marketplace.

To conclude, the overall goal of the IMC plan is to capitalize on Kmart’s target audience of low-income, Hispanic individuals and serve as the solitary resource for its retail merchandising needs. Rather than competing with Walmart and Target, Kmart will progress towards a more customer-centric focus with efforts on providing its target audience with a pleasant shopping experience at an affordable price.
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