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Bachelor of Commerce (B2001) | Year 1 • Part A Core | Monash University

Principles of marketing

Course Code: MKC1200 • Module 4 Notes

Module 4: Integrated Marketing Communications, Digital Marketing, Ethics & Sustainable Marketing

4.1 Integrated Marketing Communications (IMC)

Designing a compelling product, pricing it strategically, and making it accessible through well-structured channels are necessary but insufficient conditions for marketplace success. Organisations must also communicate their value proposition clearly and persuasively to target buyers and wider stakeholders. An organisation's **promotion mix** (marketing communications mix) blends five primary communication tools:

- **Advertising:** Any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor (television, radio, out-of-home billboards, cinema, print, and paid digital video/display).
- **Sales Promotion:** Short-term incentives to encourage the purchase or sale of a product or service (discounts, coupons, point-of-sale displays, rebates, samples, loyalty bonuses).
- **Personal Selling:** Personal presentation by the firm's sales force for the purpose of making sales, handling complex B2B specifications, and building customer relationships.
- **Public Relations (PR):** Building good relations with the company's various publics by obtaining favourable publicity, building a strong corporate image, and handling or heading off unfavourable rumours, stories, and events.
- **Direct and Digital Marketing:** Engaging directly with carefully targeted individual consumers and customer communities to both obtain an immediate response and build lasting customer relationships via websites, email, search engines, social media, and mobile apps.

Historically, large companies managed advertising, PR, sales promotion, and digital media inside separate functional silos—often producing contradictory brand voices, clashing visual identities, and inconsistent promotional promises. Modern practice enforces **Integrated Marketing Communications (IMC)**: carefully integrating and coordinating the company's many communications channels to deliver a clear, consistent, and compelling message about the organisation and its products across every customer touchpoint.

Promotion Tool	Core Communication Strength	Primary Constraint / Risk	Typical Australian Role
Advertising	Reaches masses of geographically dispersed buyers at low cost per exposure; builds long-term brand salience and emotional equity.	Impersonal, one-way monologue; high total production and media placement cost; delayed purchase response.	National brand building across free-to-air/BVOD television, out-of-home transit, and digital video.
Sales Promotion	Commands immediate attention and offers strong short-run behavioural incentives to try or stock a product right now.	Short-lived sales spikes; habitual discounting erodes reference prices and brand prestige.	Supermarket half-price weekly specials, cashback offers, and click-frenzy seasonal retail events.
Personal Selling	Allows two-way dialogue, real-time objection handling, customisation, and deep interpersonal trust.	Highest cost per sales contact; requires ongoing recruitment, training, and territory coordination.	Enterprise SaaS sales, commercial banking, industrial machinery, and residential real estate.
Public Relations	High editorial credibility; reaches sceptical prospects who screen out paid commercials; low direct media cost.	Limited control over exact journalist framing or publication timing; outcomes harder to isolate financially.	Product launch media kits, community sponsorships, ASX corporate affairs, and crisis management.
Direct & Digital	Immediate, interactive, individually addressable, and continuously measurable in real time.	Audience ad fatigue, rising customer acquisition competition, and strict Spam/Privacy compliance burdens.	Search engine marketing, automated CRM email journeys, social creator partnerships, and mobile app push alerts.

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The Communication Process and Buyer-Readiness Stages

Effective communication requires understanding how messages travel from sender to receiver. In the communication model, a **sender** (the firm) **encodes** ideas into symbolic words, imagery, and sound; transmits the **message** across selected **media**; and relies on the **receiver** (target buyer) to **decode** those symbols accurately. **Noise**—competing advertisements, social media clutter, or mobile distractions—distorts reception, while **response** and **feedback** reveal how effectively the message shifted attitudes or prompted action. Because encoding only succeeds when matched to the receiver's field of experience, cross-cultural campaigns in multicultural Australia require careful linguistic and cultural validation rather than literal translation.

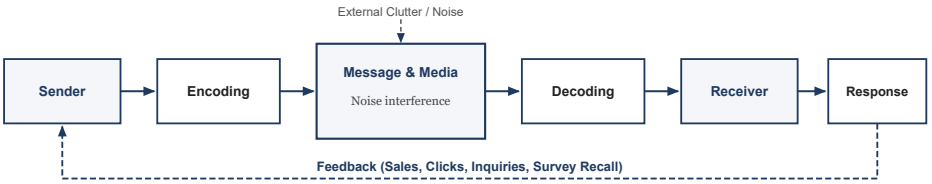


Figure 4.1a: Elements in the Marketing Communication Process

Communicators calibrate messages to the target audience's current **buyer-readiness stage**: *awareness*, *knowledge*, *liking*, *preference*, *conviction*, and *purchase*. High-involvement rational products (e.g., private health insurance or business software) typically follow a learn–feel–do sequence, whereas impulse convenience items often trigger awareness and trial before deep brand attitudes solidify. Mapping communication objectives to buyer readiness prevents tactical misalignment—for instance, running aggressive promotional couponing before target prospects even recognise the brand's existence.

Readiness Stage	Target Audience State	Appropriate Communication Task & Creative Focus
Awareness	Prospect is unfamiliar with the brand or knows only its name.	Build rapid familiarity using simple, memorable brand name repetition, distinctive visual assets, and broad-reach display or video.
Knowledge	Prospect recognises the name but lacks factual understanding.	Educate buyers on product purpose, ingredients, Australian origin, and key functional benefits via informational landing pages and explainer content.
Liking	Prospect understands the offer; attitudes remain neutral or tepid.	Cultivate warm emotional resonance through brand storytelling, authentic Australian cultural cues, and respected community partnerships.
Preference	Prospect likes the brand but does not rank it ahead of rivals.	Demonstrate superior quality, value, or performance against competitive benchmarks via product comparisons and independent reviews.
Conviction	Prospect prefers the brand but hesitates to commit financially.	Eliminate perceived risk through free trials, money-back satisfaction guarantees, clear ACL warranty terms, and peer testimonials.
Purchase	Prospect is convinced yet delays final transaction execution.	Provide frictionless checkout, time-limited introductory offers, click-and-collect convenience, or personal sales follow-up.

Setting the Total Promotion Budget and Choosing Push vs Pull Strategy

Organisations apply four common methods to determine total promotional expenditure:

1. **Affordable Method:** Setting the promotion budget at the level management thinks the company can afford. Treats promotion as a residual expense after operations, ignoring how promotion drives demand.
2. **Percentage-of-Sales Method:** Setting budget at a fixed percentage of current or forecasted sales. Simple and scales with revenue, but treats sales as the *cause* of promotion rather than its *result*, cutting spending during downturns when demand stimulus is needed most.
3. **Competitive-Parity Method:** Matching competitors' promotional outlays or share-of-voice benchmarks. Minimises promotion wars, though competitors' objectives and margin structures may differ substantially.
4. **Objective-and-Task Method:** The most logical, rigorous approach: defining specific communication objectives, determining the exact tasks required to achieve those objectives, and estimating the costs of performing those tasks.

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Managers also balance two overarching promotion-mix architectures depending on product complexity, channel power, and buyer involvement:

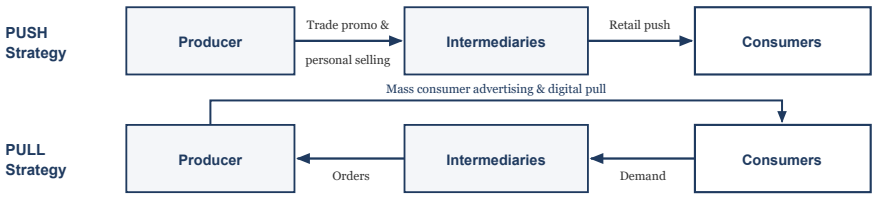


Figure 4.1: Push Versus Pull Promotion Strategies Across Marketing Channels

In a **push strategy**, the producer directs marketing activities—primarily personal selling and trade promotions—toward channel members to induce them to stock and promote the product to final consumers. In a **pull strategy**, the producer invests heavily in consumer advertising and digital promotions to create end-user demand, motivating consumers to request the brand from retailers and pulling stock through the channel. Most large consumer brands (e.g., Coca-Cola Amatil, Arnott's) combine both approaches simultaneously.

4.2 Advertising, Public Relations, Personal Selling, and Sales Promotion

Each traditional promotional discipline plays a specialised strategic role within an IMC plan:

Advertising and Public Relations

Advertising decision-making follows four stages: (1) setting communication and sales objectives—classified by purpose as **informative advertising** (building primary demand for new categories), **persuasive advertising** (building selective brand preference and comparative differentiation), or **reminder advertising** (sustaining top-of-mind recall for mature brands); (2) setting the budget; (3) developing advertising strategy (crafting a creative message built around meaningful, believable, and distinctive appeals—rational, emotional, or moral—then choosing execution styles such as slice-of-life, lifestyle, technical expertise, scientific evidence, or testimonial); and (4) selecting media vehicles based on target *reach* (percentage of target audience exposed at least once), *frequency* (average exposure count per reached person), *media impact*, and *consumer engagement*.

Media Reach, Frequency, and Gross Rating Points (GRPs)

Media planners quantify total campaign delivery weight using Gross Rating Points (GRP), defined as the product of reach percentage ($R\%$) and average frequency (F), alongside cost per rating point ($CPRP$):

$$GRP = R\% \times F, \qquad CPRP = \frac{\text{Total Media Spend}}{GRP}$$

Where $R\%$ is the percentage of the defined target audience exposed at least once ($R\% \in [0, 100]$), F is the average number of exposures per reached individual, and GRP measures total gross exposure weight across the campaign window. For example, a regional Victorian radio and BVOD burst spending A$42,000 that reaches 60% of target grocery buyers an average of 3.5 times delivers $GRP = 60 \times 3.5 = 210$ rating points at $CPRP = 42{,}000/210 = 200$ AUD per rating point.

At the strategic brand level, advertising effectiveness is further evaluated via **Share of Voice (SOV)** relative to **Share of Market (SOM)**:

$$SOV = \frac{\text{Brand Advertising Spend}}{\text{Total Category Advertising Spend}} \times 100\%, \qquad \text{ESOV} = SOV - SOM$$

Where ESOV denotes **Excess Share of Voice**. Empirical marketing-science studies across Australian and international consumer packaged goods show that brands maintaining positive ESOV ($SOV > SOM$) tend to expand market share over subsequent quarters, whereas brands cutting advertising sharply below their market share slowly lose mental availability.

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Public Relations (PR) commands high credibility because editorial coverage, community sponsorships, and independent journalism carry greater audience trust than paid advertisements. Australian PR departments manage press relations, product publicity, public affairs, lobbying, investor relations, and crisis communications—critical when data breaches, product recalls, or service outages threaten corporate legitimacy. Core PR tools include press releases, media conferences, annual sustainability reports, corporate websites, social media newsrooms, and community event sponsorships (such as sporting or arts patronage).

Comparing Major Australian Media Vehicles

When allocating advertising budgets across channels, media planners balance total audience reach, demographic or behavioural targeting precision, creative impact, and measurable attribution clarity:

Media Channel	Strategic Advantages	Key Constraints in Australia
Television & BVOD *(7plus, 9Now, 10 Play)*	High sight, sound, and motion impact; broad household reach; BVOD adds household-level postcode and demographic targeting.	High video production cost; fragmented linear viewing among younger cohorts; ad avoidance via subscription streaming.
Paid Search (SEM)	Captures active, high-intent buyers at the exact moment of need; granular keyword bidding and immediate ROI tracking.	Does not build latent awareness among non-searchers; rising CPCs in competitive categories (insurance, mortgages).
Paid Social & Creator Video	Rich interest and lookalike audience targeting; interactive engagement; strong visual storytelling for lifestyle brands.	Rapid creative fatigue; algorithmic feed volatility; strict ACCC disclosure rules for sponsored influencer posts.
Out-of-Home (OOH) *(Billboards, Transit, Retail)*	Unavoidable physical presence along commuter corridors and shopping centres; zero ad-blocker exposure; digital OOH enables dayparting.	Limited copy length (must communicate in under three seconds); weaker direct-response tracking without QR/promo codes.
Retail Media Networks *(e.g., Cartology, Coles 360)*	Reaches shoppers directly at point of purchase online and in-aisle; closed-loop measurement using loyalty card sales data.	High cost per impression; restricted to retail partners' ecosystems rather than open-web brand building.

Personal Selling and Sales Promotion

Personal selling serves as the firm's interpersonal link to customers, indispensable in complex B2B transactions and high-value consumer categories (real estate, wealth advisory, enterprise software). Organisations structure sales forces by territory, product line, customer industry, or hybrid combinations. Effective sales force management aligns recruitment, structured coaching, supervision, and **sales compensation plans**—balancing fixed salary (security for account nurturing and non-selling duties) with variable commission or bonus incentives (motivation for new-business acquisition). Leading firms focus on consultative value-selling and long-term account partnership rather than transactional pressure, executing the seven-step personal selling process:

Selling Process Step	Core Activity & Consultative Focus
1. Prospecting & Qualifying	Identifying potential B2B or high-value buyers and screening them for financial capacity, decision authority, and genuine need.
2. Pre-Approach	Researching the prospect's industry pressures, ASX/annual reports, incumbent suppliers, and buying-centre stakeholders before contact.
3. Approach	Opening the interaction professionally, establishing rapport, and framing a relevant business insight rather than a generic pitch.
4. Presentation & Demo	Articulating how the offering solves specific customer problems using a value-oriented benefit framework and live proof.
5. Handling Objections	Viewing buyer resistance as requests for clarification; uncovering underlying budget, risk, or implementation concerns constructively.
6. Closing	Asking for the order or formal contract commitment using trial closes, summary closes, or implementation-timeline options.

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Selling Process Step	Core Activity & Consultative Focus
7. Follow-Up	Verifying smooth delivery, onboarding, and post-sale satisfaction to cement long-term retention and expansion referrals.

Sales promotion deploys short-term tactical incentives to accelerate purchase timing or boost retail display support. *Consumer promotions* include samples, coupons, cashback rebates, price packs, premiums, loyalty rewards, and contests; *trade promotions* include off-invoice allowances, display allowances, and co-operative advertising funds; and *business promotions* include trade conventions and sales-force contests. Excessive reliance on price-off promotions, however, erodes brand equity and conditions shoppers to wait for discounts.

Sales Promotion Target	Representative Tactical Tools	Intended Behavioural Outcome
Consumer Promotions	Samples, digital coupons, cashback rebates, bonus packs, point-of-sale displays, sweepstakes, loyalty points multipliers.	Induce first-time product trial, accelerate pantry loading, or reward repeat loyalty engagement.
Trade Promotions	Off-invoice price allowances, end-of-aisle display slotting allowances, co-operative advertising funds, free goods.	Persuade retailers and wholesalers to carry the SKU, allocate prime shelf space, and feature the brand in catalogues.
Business & Sales Force	Industry trade shows (e.g., Fine Food Australia), B2B conventions, sales-representative quota contests.	Generate qualified B2B pipeline leads, demonstrate industrial equipment, and energise distributor sales teams.

4.3 Direct, Digital, Social Media, and Mobile Marketing

Digital technology has shifted marketing communications from one-way broadcast monologues to interactive, measurable, real-time customer engagement. Modern digital marketing integrates owned, earned, and paid channels:

- **Owned Media:** Brand websites, e-commerce storefronts, mobile apps, email subscriber lists, and brand blogs—assets controlled directly by the organisation to convert traffic and retain first-party customer data.
- **Paid Digital Media:** Search Engine Marketing (SEM / paid search ads triggered by high-intent queries), programmatic display advertising, paid social feeds (Meta, TikTok, LinkedIn), and retail media networks (e.g., Cartology across Woolworths Group digital and in-store screens).
- **Earned Media:** Organic Search Engine Optimisation (SEO), viral social sharing, independent product reviews, and earned editorial coverage.

Quantitative Digital Marketing Metrics and Worked AUD Examples

Unlike traditional mass broadcast media, digital platforms record granular click, conversion, and revenue telemetry, allowing rigorous performance evaluation across the conversion funnel.

$$CTR = \frac{\text{Clicks}}{\text{Impressions}} \times 100\%, \qquad CVR = \frac{\text{Conversions}}{\text{Clicks}} \times 100\%$$

$$CPC = \frac{\text{Ad Spend}}{\text{Clicks}}, \qquad CPM = \frac{\text{Ad Spend}}{\text{Impressions}} \times 1{,}000$$

$$CPA = \frac{\text{Ad Spend}}{\text{Conversions}} = \frac{CPC}{CVR_{\text{decimal}}}$$

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$$ROAS = \frac{\text{Attributed Revenue}}{\text{Ad Spend}}, \qquad ROI_{\text{marketing}} = \frac{\text{Incremental Gross Profit} - \text{Total Marketing Cost}}{\text{Total Marketing Cost}} \times 100\%$$

Where:

- CTR: Click-Through Rate (percentage of ad impressions resulting in a click).
- CVR: Conversion Rate (percentage of ad clicks resulting in a completed purchase or target lead; $CVR_{\text{decimal}} = CVR/100$).
- CPC: Cost Per Click (average media cost paid per click in AUD).
- CPM: Cost Per Mille (media cost per 1,000 impressions in AUD).
- CPA: Cost Per Acquisition (media cost spent per completed conversion/order in AUD).
- $ROAS$: Return on Ad Spend (gross revenue dollars generated per dollar of direct ad spend, expressed as a ratio such as 4.0× or percentage 400%).
- $ROI_{\text{marketing}}$: Net Marketing Return on Investment, accounting for product gross margin ($GM\%$) and non-media campaign costs (creative production, agency fees) rather than gross revenue alone.

Worked Numerical Example 4.1: Evaluating Paid Search vs Paid Social Campaigns in AUD

Scenario: Melbourne Activewear Pty Ltd runs two four-week digital acquisition campaigns targeting Australian buyers of recycled-nylon running apparel, where average order value (AOV) is A$160 and product gross margin is 55% ($GM\% = 0.55$). Each campaign also incurs fixed creative and agency production costs outside media spend.

Campaign Metric	Campaign A: Paid Search (SEM)	Campaign B: Paid Social (Video)
Media Ad Spend (AUD)	A$12,000	A$15,000
Agency & Creative Production Cost (AUD)	A$2,000	A$5,000
Total Impressions	240,000	1,250,000
Total Clicks	9,600	15,000
Completed Orders (Conversions)	384	300

Step 1: Compute CTR, CPC, CPM, CVR, and CPA for both campaigns.

Campaign A (Paid Search):

$$CTR_A = \frac{9,600}{240,000} \times 100\% = 4.00\%, \qquad CPC_A = \frac{12,000}{9,600} = 1.25 \text{ AUD}$$

$$CPM_A = \frac{12,000}{240,000} \times 1,000 = 50.00 \text{ AUD}, \qquad CVR_A = \frac{384}{9,600} \times 100\% = 4.00\%$$

$$CPA_A = \frac{12,000}{384} = \frac{1.25}{0.04} = 31.25 \text{ AUD per order}$$

Campaign B (Paid Social):

$$CTR_B = \frac{15,000}{1,250,000} \times 100\% = 1.20\%, \qquad CPC_B = \frac{15,000}{15,000} = 1.00 \text{ AUD}$$

$$CPM_B = \frac{15,000}{1,250,000} \times 1,000 = 12.00 \text{ AUD}, \qquad CVR_B = \frac{300}{15,000} \times 100\% = 2.00\%$$

$$CPA_B = \frac{15,000}{300} = \frac{1.00}{0.02} = 50.00 \text{ AUD per order}$$

Step 2: Compute Attributed Revenue, $ROAS$, Gross Profit, and Net Marketing ROI.

Campaign A:

$$\text{Revenue}_A = 384 \times 160 = 61,440 \text{ AUD}, \qquad ROAS_A = \frac{61,440}{12,000} = 5.12\times \text{ (or 512\%)}$$

$$\text{Gross Profit}_A = 61,440 \times 0.55 = 33,792 \text{ AUD}, \qquad \text{Total Cost}_A = 12,000 + 2,000 = 14,000 \text{ AUD}$$

$$ROI_A = \frac{33,792 - 14,000}{14,000} \times 100\% = \frac{19,792}{14,000} \times 100\% = 141.37\%$$

Campaign B:

$$\text{Revenue}_B = 300 \times 160 = 48,000 \text{ AUD}, \qquad ROAS_B = \frac{48,000}{15,000} = 3.20\times \text{ (or 320\%)}$$

$$\text{Gross Profit}_B = 48,000 \times 0.55 = 26,400 \text{ AUD}, \qquad \text{Total Cost}_B = 15,000 + 5,000 = 20,000 \text{ AUD}$$

$$ROI_B = \frac{26,400 - 20,000}{20,000} \times 100\% = \frac{6,400}{20,000} \times 100\% = 32.00\%$$

Step 3: Managerial Decision Insight. Notice that Campaign B delivers a lower CPM (A$12.00 vs A$50.00) and lower CPC (A$1.00 vs A$1.25), yet its lower purchase intent ($CVR = 2.00\%$) drives CPA up to A$50.00 and compresses net ROI to 32.00%. Paid Search captures existing high-intent demand with a 141.37% net ROI, whereas Paid Social builds upper-funnel reach across 1.25 million impressions that may assist future search conversions—highlighting why marketers must avoid evaluating channels on CPC alone or relying purely on last-click attribution.

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Connecting Acquisition Cost to Customer Lifetime Value: CAC Payback & LTV:CAC

Evaluating digital acquisition purely on first-order $ROAS$ understates value for subscription or high-repeat brands. Marketers therefore connect fully loaded **Customer Acquisition Cost** (CAC, including both media spend and creative/sales overhead per newly acquired customer) to Customer Lifetime Value (CLV from Module 1) using two unit-economics ratios:

$$CAC = \frac{\text{Total Acquisition Spend (Media + Creative + Sales)}}{\text{New Customers Acquired}}, \qquad \text{LTV:CAC Ratio} = \frac{CLV_{\text{gross}}}{CAC}$$

$$\text{CAC Payback Period (months)} = \frac{CAC}{\text{Monthly Gross Margin per Active Customer}}$$

Where CLV_{gross} represents lifetime discounted gross profit *before* deducting acquisition cost CAC. In practice, a sustainable direct-to-consumer or SaaS unit model typically targets an $\text{LTV:CAC Ratio} \geq 3.0\times$ and a payback period under 12 months. For example, if Campaign B above acquired 300 *new-to-brand* customers at total cost A$20,000, $CAC = 20,000/300 = 66.67$ AUD. If those customers yield an average monthly gross margin of A$18.50 over their active horizon and $CLV_{\text{gross}} = 240$ AUD, then $\text{LTV:CAC} = 240/66.67 = 3.60\times$ and payback occurs in $\text{Payback} = 66.67/18.50 = 3.60$ months—demonstrating that Campaign B is strategically viable once repeat purchases are included.

Multi-Touch Attribution and Omnichannel Privacy Shifts

Because consumers frequently discover a brand via short-form social video, read independent reviews days later, and finally convert via branded Google Search, relying strictly on *last-click attribution* systematically undervalues upper-funnel awareness media. Leading Australian marketers combine **multi-touch attribution** (linear, time-decay, or data-driven algorithmic weighting), **media-mix modelling (MMM)**, and **incrementality holdout experiments**—especially as third-party browser cookies deprecate and mobile operating systems tighten cross-app tracking consent, elevating the strategic premium on consented first-party CRM data.

Owned Email & CRM Retention Metrics (Worked AUD Example)

To monetise consented first-party lists lawfully under the *Spam Act 2003*, CRM managers track engagement and monetisation efficiency per email batch using Open Rate (OR), Click-to-Open Rate ($CTOR$), Unsubscribe Rate (UR), and Revenue per Mille Emails Delivered ($RPME$):

$$OR = \frac{\text{Unique Opens}}{\text{Emails Delivered}} \times 100\%, \qquad CTOR = \frac{\text{Unique Clicks}}{\text{Unique Opens}} \times 100\%$$

$$RPME = \frac{\text{Email-Attributed Revenue}}{\text{Emails Delivered}} \times 1,000$$

Where:

- OR: Unique Open Rate (subject-line and sender-trust appeal; interpreted cautiously due to privacy mail-prefetching).
- $CTOR$: Click-to-Open Rate (measures internal creative and offer relevance among recipients who opened the message).
- $RPME$: Revenue generated per 1,000 delivered emails (in AUD).

Worked Numerical Example 4.2: An Australian outdoor apparel retailer sends a seasonal member-preview email to 80,000 opted-in subscribers (78,400 delivered after hard bounces). The campaign records 23,520 unique opens, 3,528 unique clicks, 212 completed orders at A$185 average order value, and 156 unsubscribes. Compute OR, $CTOR$, UR, and $RPME$.

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$$OR = \frac{23,520}{78,400} \times 100\% = 30.00\%, \qquad CTOR = \frac{3,528}{23,520} \times 100\% = 15.00\%$$

$$UR = \frac{156}{78,400} \times 100\% = 0.20\%, \qquad \text{Revenue} = 212 \times 185 = 39,220 \text{ AUD}$$

$$RPME = \frac{39,220}{78,400} \times 1,000 = 500.26 \text{ AUD per 1,000 emails delivered}$$

Generating A$500.26 per thousand delivered messages while holding list attrition ($UR = 0.20\%$) low illustrates the compounding economic advantage of permission-based first-party CRM over rising paid-acquisition auctions.

Social Media, Mobile Marketing, and International Communications

Mobile marketing reaches consumers anywhere and anytime through smartphones, tablets, and wearable devices—delivering location-based push notifications near retail precincts, QR-enabled in-store packaging interactions, mobile wallet loyalty passes, and SMS dispatch alerts. When paired with **social media marketing** (engaging communities across Instagram, TikTok, LinkedIn, YouTube, and Reddit), brands blend paid amplification with authentic peer-to-peer advocacy. Australian regulators require commercial creator collaborations—whether paid fees, gifted merchandise, or affiliate commissions—to carry prominent upfront disclosures so audiences immediately recognise commercial intent.

When Australian firms expand internationally across Asia-Pacific, Europe, or North America, communicators must resolve the tension between **communication standardisation** (deploying a uniform global positioning, slogan, and creative core to capture production economies and consistent brand identity—exemplified by Canva's global product-led messaging) and **communication adaptation** (tailoring language, humour, colour symbolism, regulatory disclaimers, and media channels to local cultural norms and infrastructure). Even when the underlying product remains identical, successful exporters frequently pursue *dual adaptation* or *communication adaptation* so appeals resonate authentically across diverse linguistic and regulatory markets.

4.4 Australian Regulatory Governance of Marketing Communications

Marketing communications in Australia operate within one of the world's most structured statutory and co-regulatory frameworks. Non-compliance exposes organisations and senior executives to severe civil penalties, enforceable undertakings, corrective advertising orders, and reputational loss.

Regulatory Instrument / Body	Core Legal Mandate	Practical Compliance Obligations for Marketers
Australian Consumer Law (ACL) & ACCC *(Competition and Consumer Act 2010 (Cth))*	Section 18 prohibits misleading or deceptive conduct in trade or commerce; Section 29 prohibits false or misleading representations about quality, price, origin, or testimonials.	All claims—explicit or implied—must be factually substantiated prior to publication; small-print disclaimers cannot cure a misleading headline; paid social media influencers must clearly disclose commercial sponsorships (e.g., `#ad` / `#paidpartnership`).
Spam Act 2003 (Cth) & ACMA	Regulates commercial electronic messages (email, SMS, instant messaging) enforced by the Australian Communications and Media Authority (ACMA).	Messages require prior express or clearly inferred *consent*, accurate sender *identification* (business name and ABN/contact details), and a functional, low-friction *unsubscribe* mechanism processed within five business days.

Regulatory Instrument / Body	Core Legal Mandate	Practical Compliance Obligations for Marketers
Privacy Act 1988 (Cth) & OAIC	Australian Privacy Principles (APPs), notably APP 7 (Direct Marketing), overseen by the Office of the Australian Information Commissioner (OAIC).	Restricts using or disclosing personal information for direct marketing unless the individual reasonably expects it or consents; mandates transparent privacy collection notices and prompt opt-out compliance.
Ad Standards & AANA Code of Ethics	Industry self-regulatory system administering codes of the Australian Association of National Advertisers (AANA), including Environmental Claims and Children's Marketing codes.	Independent Community Panel adjudicates public complaints regarding taste, decency, discrimination, portrayals of violence, and indistinguishable native advertising; adverse determinations require prompt ad withdrawal.

4.5 Social Criticisms, Consumerism, and Sustainable Marketing

Responsible marketers evaluate how marketing decisions affect broader society over the long term. Critics have raised substantial concerns about marketing's societal impact across three domains:

- **Impact on Individual Consumers:** Allegations include artificially inflated retail prices resulting from excessive packaging and promotional overhead, deceptive pricing or exaggerated product claims, high-pressure personal selling, unsafe or poorly constructed merchandise, and *planned obsolescence* (intentionally designing products to break or appear stylistically outdated prematurely).
- **Impact on Society as a Whole:** Critics argue that pervasive advertising fosters false materialism (judging human worth by possessions), under-invests in public goods relative to private consumption, and creates cultural pollution through constant commercial interruption.
- **Impact on Other Businesses:** Aggressive acquisitions, prohibitive promotional entry barriers, and unfair predatory tactics can concentrate market power and reduce genuine consumer choice.

Two organised grassroots movements arose to counterbalance corporate power. **Consumerism** is an organised movement of citizens and government agencies designed to improve the rights and power of buyers in relation to sellers—represented in Australia by consumer advocacy body CHOICE and statutory consumer guarantees under the ACL (automatic right to repair, replacement, or refund for faulty goods). **Environmentalism** is an organised movement of concerned citizens, businesses, and government agencies seeking to protect and improve people's current and future living environments.

The Five Principles of Sustainable Marketing

Sustainable marketing calls for socially and environmentally responsible actions that meet the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. It rests on five guiding principles:

1. **Consumer-Oriented Marketing:** Viewing and organising all marketing activities strictly from the consumer's perspective to build lasting value.
2. **Customer-Value Marketing:** Investing marketing resources continuously in value-building improvements to product performance, service quality, and convenience rather than superficial promotional tricks.
3. **Innovative Marketing:** Continuously seeking real product and process improvements rather than resting on legacy cash cows.
4. **Sense-of-Mission Marketing:** Defining the company's mission in broad social terms rather than narrow product terms—aligning employee purpose and customer loyalty around meaningful societal contribution.
5. **Societal Marketing:** Balancing three considerations in every product decision—company profits, short-run consumer wants, and long-run consumer and societal welfare.

Under the societal marketing framework, products are classified across immediate consumer satisfaction versus long-run consumer and societal benefit:

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Product Classification	Immediate Satisfaction vs Long-Run Benefit	Strategic Marketing Implication
Desirable Products	High immediate appeal; high long-run benefit.	Ideal sustainable category (e.g., appealing plant-forward convenience meals, energy-efficient appliances, ergonomic activewear); deliver both delight and lasting welfare.
Pleasing Products	High immediate appeal; low/harmful long-run benefit.	E.g., ultra-processed sugary drinks, gambling apps, single-use fast fashion. Face rising regulatory scrutiny, sin taxes, and reputational risk unless reformulated responsibly.
Salutary Products	Low immediate appeal; high long-run benefit.	E.g., preventive dental check-ups, superannuation voluntary top-ups, biodegradable cleaners that feel less foamy. Require persuasive framing to elevate short-term attractiveness.
Deficient Products	Low immediate appeal; low long-run benefit.	E.g., ineffective patent remedies or poorly constructed novelty gadgets; should be eliminated from ethical portfolios.

Combating Greenwashing and Upholding Marketing Ethics

As Australian consumers increasingly reward eco-conscious brands, vague or fabricated sustainability claims—known as **greenwashing**—have become a primary enforcement priority for both the ACCC (under the ACL) and the Australian Securities and Investments Commission (ASIC, for sustainable investment funds). Under ACCC guidelines on environmental and sustainability claims, marketers must satisfy rigorous substantiation standards: make accurate and truthful claims, hold independent scientific or lifecycle evidence prior to publication, avoid hiding material trade-offs in fine print, explain qualifying conditions clearly, avoid broad unqualified labels such as "100% eco-friendly", "carbon neutral", or "recyclable", ensure visual imagery (such as green leaves or planet icons) does not create false impressions, and clarify whether third-party certifications apply to the specific product or merely the corporate entity.

Because statutory rules set only the minimum legal floor, high-integrity organisations supplement legal compliance with formal corporate marketing ethics policies—aligned with professional frameworks such as the Australian and New Zealand Marketing Academy (ANZMAC) norms—governing honest pricing, vulnerable-consumer protection, algorithmic fairness in data targeting, and transparent supply-chain stewardship. Many leading Australian enterprises operationalise these commitments through **Triple Bottom Line** reporting (measuring financial profit alongside social equity and environmental regeneration), adherence to the Australian Packaging Covenant Organisation (APCO) sustainable packaging targets, and supply-chain due diligence under the *Modern Slavery Act 2018 (Cth)*.

Before launching any major campaign or product claim, marketing leaders apply a four-part ethical audit: (1) *transparency and truthfulness* (are all price components, qualifying conditions, and environmental benefits stated without fine-print traps?); (2) *informed consent and data minimisation* (is personal data collected strictly for disclosed purposes with simple opt-out controls?); (3) *vulnerable-segment protection* (does creative or targeting avoid exploiting children, financially distressed borrowers, or culturally vulnerable cohorts?); and (4) *lifecycle accountability* (have upstream labour and downstream packaging waste impacts been addressed honestly?). Over the long horizon, ethical and sustainable marketing practices reinforce brand equity, attract resilient talent, lower regulatory risk, and protect durable customer trust.