In the 1970’s and 1980’s, a growing number of businesses started paying more attention to the non-advertising components of marketing communication. During the same period, the media became more fragmented, compelling marketers to seek an increasing number of different media vehicles to reach a critical mass of their targeted audiences. These companies realized that the increasing number of marketing communication functions and media options required a new and better way of planning, executing and evaluating their brand building communication efforts. At the same time, computer and database technology was expanding along with the recognition that creating customer relationships was more important than creating transactions (Duncan and Mulhern, 2004).

The relatively new concept of Integrated Marketing Communication (IMC) can be defined as «the coordination and integration of all marketing communication tools, avenues and sources within a company into a seamless program that maximizes the impact on consumers and other end users at a minimal cost» (Clow and Baack, 2001).

Duncan and Mulhern (2004) identified the following key principles and practices of IMC:

• customer-focused;
• advertising and promotion driven by cross-functional planning and monitoring;
• all advertising and promotional messages strategically consistent;
• brand positioning integrated into all brand messages;
• all customer touch points impact the brand and brand equity, not just advertising and promotional messages;
• planning based on prioritized SWOT’s;
• interactive two-way communication just as important as one-way mass media messages;
• customer expectations, not customers, are managed;
• retaining and growing customers as important as acquiring new customers;
• transactions are relationships building blocks; each transaction may strengthen or weaken a customer-brand relationship;
• IMC is an on-going interactive process;

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It is important to realize that IMC includes elements of Customer Relationship Management (CRM) but as a philosophy it is much broader than CRM. However, there is no doubt that CRM has achieved a much higher level of awareness and acceptance in top management. This may be due to the fact that global software and hardware companies, who have great economic motivations to sell CRM, have become leading champions of CRM.

One of the challenges facing IMC is finding businesses who will be economically motivated to sell IMC. The most logical ones are the advertising holding companies, but to date, they have not been able to package integration in a way that attracts top management attention. Until the holding companies have an internal financial compensation system to negate family agencies from competing against each other they will never be able to successfully package a genuine integrated communication and brand building product for clients (Duncan and Mulhern, 2004).

The evolution of the marketing communication industry in Latin America in the last 15 years has been greatly impacted by two main factors: the significant opening of the economies of the region to global players, and the persistent pattern of macroeconomic instability.

Until the late 1980’s, the Latin American countries (with the notable exception of Chile), were committed to an economic development model based on substantial State ownership and regulation, limited competition, discouragement of private sector initiatives and entrepreneurship, and protectionist policies that limited imports and discouraged foreign investors. In the late 1980’s and early 1990’s, following the lead of Mexico and Argentina, a new economic paradigm began to emerge, based on free markets, free trade, integration into the global economy and welcoming of investments by multinational companies with their technology, financial muscle and marketing know-how. This trend introduced a great deal of dynamism to marketing communication efforts in the region. However, the macroeconomic results of the new development model have been uneven, with the unfortunate proclivity towards sudden and severe crises, as was the case in Mexico in 1994-1995, Brazil in 1999, and Argentina in 2001-2002. These crises, triggered sharp recessions with devastating impact on advertising budgets.

The combination of a more competitive business environment with the frequent occurrence of economic slowdowns has forced Latin American companies to utilize its finite resources in a more intelligent way. In order to build their brand equity under these conditions, firms have had to rely on marketing communication strategies that involved not just advertising but also public relations, direct marketing, e-marketing, and trade shows and exhibitions, through which they attempted to strengthen their competitive positioning in a more economical way.

The Latin American advertising industry is a study in contrasts. On one hand the industry has been characterized by impressive bursts of creativity; but on the other hand it has had to learn to adjust to an extremely difficult macroeconomic environment (Díaz, 2003)

According to Steve Burton, President of DDB Latin-America, the advertising industry is going through a severe financial crisis which has been particularly grave in Argentina and Venezuela. However, Martha Insúa, Planning Director of DDB Latin-America, suggests that the economic crisis has not affected the creative work of nations like Argentina who was one of the best 5 countries in the 2003 Cannes advertising festival (Díaz, 2003).

The remainder of this article will focus on the evolution of marketing communication in the three leading economies of Latin America: Argentina, Mexico and Brazil.
ARGENTINA

According to Lepkowska (2003), the history of advertising in Argentina dates back to the same era when journalism started. The first American advertising agency in Argentina was J. Walter Thompson in 1929, and with the arrival of other agencies like Lintas and McCann-Erickson they had a profound influence on the development of the industry (Lepkowska, 2003). Over time, a whole generation of national agencies appeared on the scene: Berg, Ricardo de Luca, Pueyrredon, Agens, Uste, Lino Palacio, Nexo, Vincit, Gowland, Castignani y Burd, Cicero, and Solanas y Ortíz Scopesi. These agencies provided great training for many influential advertisers like Hugo Casares who perfected aesthetics in advertising and modernized advertising practices with his agency Casares Grey (Lepkowska, 2003).

In the 1990’s, leading multinational companies like Sony, Kodak, Coca Cola, Philips, IBM, Xerox, General Electric, Toshiba, Microsoft, and Hewlett-Packard arrived in Argentina triggering another remarkable quantum leap in creative advertising (Lepkowska, 2003).

According to the Argentine Association of Advertising Agencies (AAAP), advertising expenditure in 2000 was US$ 3.4 billion. The leading advertisers were Unilever, Presidencia de la Nación, Procter & Gamble, Editorial Agea, Editorial Perfil, Editorial Atlántida, Cervecería Quilmes and Coca Cola (Lepkowska, 2003).

The leading media in Argentina are television, print and radio, followed by direct marketing and outdoor advertising; in recent years, the use of telemarketing and Internet marketing has been growing. Lepkowska (2003) suggest that local agencies in Argentina offer advertising services and market research information and they are among the most sophisticated in Latin America.

According to Treviño (2001) the best advertising agencies in Argentina are Ayer Vazquez, Young & Rubicam, J. Walter Thompson, Casares Grey and Pragma FCB Publicidad. The largest advertising agency is Lautrec, which is a partner of Euro RSCG Worldwide. In terms of creativity, the best agency is considered to be Agulla & Baccetti, who in 1998 won 156 awards including a Gold Lion in Cannes (Lepkowska, 2003).

The Argentinean creative Martin Campo noted that the best salaries in the industry are found in the Mexican market, to the tune of 3 or 4 times higher than in Argentina. Since the 2002 Argentine economic crisis, many marketing communication professionals have emigrated to the north, most notably to Mexico, Spain, and the US (Díaz, 2003).

MEXICO

The leading industries in Mexico are food and beverages, tobacco, chemicals, iron and steel, petroleum, mining, textiles, clothing, motor vehicles, durable consumer products, and tourism (Prince, 2003).

Ian Reider, president of TNS Gallup, noted that a 2004 study of the status of marketing communication in Mexico identified a notable lack of synergy among industry professionals and excessive emphasis on short run results.

According to Rodolfo Cavalcanti, president and creative director of BBDO Mexico, the Mexican market is experiencing significant growth in the use of integrated marketing communication techniques, like interactive advertising, direct marketing, ads in cellular phones and point of purchase material, since these methods have proved to be effective (Ramirez, 2004).
Concomitantly with the growth of the Mexican economy, the advertising industry has increased dramatically. Mexico is the 13th largest advertising market in the world with total advertising spending in 2001 of US$ 6.1 billion (Prince, 2003).

According to Hernández and Rosas (2004), the total investment in marketing in Mexico in 2003 was about US$ 6.8 billion, broken down into 52% in media, 20% in sales promotion to the consumer, 7.3% in advertising agencies, 5.3% in sales promotion agencies, 4.7% in merchandising, 4.5% in market research agencies and 4.2% in public relations agencies.

The leading advertisers are Comercial Mexicana, Radiomovil Dipsa, Gigante, Procter & Gamble, Colgate-Palmolive, Telmex, Wal-mart, Coca-Cola, General Motors and Nestlé (Prince, 2003).

The most important media organization in Mexico is Grupo Televisa with more than 250 TV stations, four networks, 17 radio stations, cable and home satellite system and more than 30 magazines; its closest competitor is TV Azteca with 250 TV stations and two networks. Radio is another important medium, with more than 900 stations. There are more than 320 newspapers and 355 magazines and the use of billboards has expanded dramatically. But the fastest growing advertising medium is the Internet, which is being used by about 10% of the population (Prince, 2003).

As a result of the economic slowdown of 2000 advertising investment in newspaper has declined from 16.9% in 1999 to 13.4% in 2003 (Hernandez, 2003).

The direct mail industry is relatively young. The big advantage is that consumers actually do read the advertising that arrives by mail; but the disadvantage is that the postal system is quite unreliable (Prince, 2003).

According to Prince (2003) the advertising industry is divided into agencies that offer only advertising services, and those that offer integrated marketing communications services like advertising, public relations, market information, artistic work, and modeling. According to Treviño (2001), the best advertising agencies in Mexico are McCann-Erickson, Panamericana Ogilvy & Mather, Leo Burnett, Young and Rubicam and J. Walter Thompson.

Prince (2003) suggests that the leading agencies in Mexico by billings are McCann-Erickson (about US$ 28 million), BBDO (about US$ 20.4 million), Young & Rubicam (about US$ 19.9 million) and FCB (about US$ 16.1 million). Furthermore, he points out that the growth of advertising agencies is expected to increase as a result of the intensification of regional trade due to the success of the North American Free Trade Agreement (NAFTA).

The regional free-trade agreement between Brazil, Argentina, Paraguay and Uruguay, Mercosur, has opened a big market for Brazilian agencies (Woodward, 2003).

Today’s advertising success of Brazil around the world began in the 1920’s and 1930’s when the American business methods arrived and companies like General Motors opened advertising departments. Later on, these departments were closed when the American agencies arrived, such as J. Walter Thompson in 1929, staffed by veterans of GM advertising department (Woodward, 2003).

In the 1970’s Brazilian agencies grew faster than their U.S. competitors, and this decade was marked by the expansion of advertising in color TV. Brazilian advertisers received 16 international awards during the 1980’s, and in 2000 Brazilian advertisers
entered for competition 1,574 ads in the Cannes festival (Woodward, 2003). According to Treviño (2001) the best advertising agencies in Brazil are McCann-Erickson, MPM Lintas Communications, Dualibi, Standard Ogilvy & Mather and Almap/BBDO.

According to Woodward (2003) the leading agencies in Brazil by billings are McCann-Erickson Publicidad and J. Walter Thompson.

According to Adilson Xavier, CEO and President of the Latin-American creative council for Foote Cone & Belding, it is necessary to seek local advertising strategies that integrate simple human elements that make them universal (Zapata and Ayala, 2003).

CONCLUDING REMARKS

• We are witnessing a worldwide consolidation of the leading marketing communication groups into a handful of mega-companies. These giants are already dominating the Latin American scene and will do so even more by means of acquiring or associating with the few remaining national agencies in each country. This global network will enable the companies to offer multiple integrated global services to their clients.
• The recurrent economic crises and the frequent occurrence of recessions and bouts of economic instability, will continue to force Latin American communication firms, as well as marketing departments of corporations, to be very creative in squeezing available resources to the maximum and to increase their involvement and know-how in newer and alternative directions, such as e-marketing, merchandising, public relations, and sales promotion.
• Following the lead of Argentina and Brazil, the region will continue to rely on the key element of creativity, in spite of recessions and budget cuts, which has enabled the Latin advertising industry to feature prominently in numerous international competitions and to maintain a degree of global recognition and respect.

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**RIASSUNTO**

Nel corso degli ultimi 15 anni, l’evoluzione del settore della comunicazione di marketing in America Latina ha subito in misura notevole l’impatto dell’apertura delle economie di quest’area geografica agli operatori su scala mondiale, nonché del persistere dell’instabilità macroeconomica.

Il nuovo paradigma economico emerso negli anni Novanta ha trasmesso una buona dose di dinamismo agli sforzi che la comunicazione di marketing ha compiuto in quelle aree. Ciò non toglie che i risultati del nuovo modello di sviluppo si siano rivelati incostanti, con un’infelice propensione alle crisi gravi e repentine che hanno avuto devastanti ripercussioni sui budget pubblicitari.

Il settore pubblicitario latinoamericano presenta una serie di contrasti. Se da un lato tale settore è stato caratterizzato da impressionanti esplosioni di creatività, dall’altro ha dovuto imparare ad adattarsi a un ambiente economico estremamente difficile.

Il contributo infine approfondisce l’evoluzione della comunicazione di marketing nelle tre principali economie dell’America Latina: Argentina, Messico e Brasile.

**RÉSUMÉ**

Au fil des 15 dernières années, l’évolution de l’industrie de la communication de marketing en Amérique Latine a subi, d’une manière remarquable, l’impact découlant de l’ouverture significative des économies de cette région aux ainsi que de la persistance de l’instabilité macroéconomique.

Le nouveau paradigme économique qui est émergé dans les années Quatre-vingt-dix a transmis une bonne dose de dynamisme aux efforts que la communication de marketing a entrepris dans cette région-là. Il n’en reste pas moins que les résultats du nouveau modèle de développement se sont avérés inconstants, avec une tendance malheureuse à traverser des crises graves et soudaines qui ont eu des répercussions dévastatrices sur les budgets publicitaires.

L’industrie publicitaire latino-américaine présente une série de contrastes. Si, d’une part, l’industrie a été caractérisée par d’impressionnants explosions de créativité, d’autre part elle a dû apprendre à s’adapter à un milieu économique extrêmement difficile.

La deuxième partie de l’article se concentre sur l’évolution de la communication marketing dans les trois économies principales de l’Amérique Latine: Argentine, Mexique et Brésil.