INTRODUCTION

Recent data from the Australian Bureau of Statistics show that the average tourist visit to Australia is about three weeks – a short time to visit such a large country. When one considers that Australia has 80 percent of the land mass of the USA, and several times the land mass of most European countries, it is understandable that short-term visitors would leave with little knowledge about the country. What would one see and learn in two weeks – the iconic Sydney Opera house; the Great Barrier Reef; the restaurants, shops, and museums of Melbourne; perhaps Ullaru (Ayres Rock) in the middle of the country?

Because 60 percent of the country’s 20 million people live in eight cities – and because city landscapes have become increasingly homogeneous – you are most likely to come away thinking that business in Australia takes place in much the same way that it does in the UK or the US English is the language and products and services are marketed and distributed through a combination of large retail chains and smaller, independent owner-operated outlets. Advertising and other forms of marketing communication play a role similar to that in other developed economies—that is, marketers use marketing communication to gain market share through convincing us that their offerings possess superior physical and/or psychological benefits. Certainly, this is the case in Australia. Advertising and other forms of marketing communication are closely linked to the economic progress of the country, from Australia’s early 19th century retail advertising, to the first advertising agency in 1901, to the launching of the country’s own locally-manufactured automobile (Holden, 1948), to the mature and complex marketing communication industry of 21st century Australia, consisting of advertising agencies, marketing communications organisations, market research companies, and a diverse media network. Today, Australia invests approximately $10 billion on advertising and an undeterminable amount on personal selling, promotion, e-marketing communication, and publicity.

In addition to the growth and development of the marketing communication industry in Australia, there has been an equally-impressive, albeit less known, development of theory, concepts, and processes that underlie marketing communication practice. Much of this development has been adapted from the earlier work of marketing and

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advertising scholars in the USA and elsewhere; however, today, the foundations of marketing communication are increasingly being influenced by members of the academic and professional communities within Australia, often in collaboration with colleagues in other parts of the world. Today, there is a vibrant and growing community of advertising and marketing communication scholars working through such organisations as the Australia-New Zealand Marketing Academy and the newly-formed Australian Academy of Advertising.

The study of advertising and marketing communication in Australia has followed a pattern similar to that in most other developed countries: formalizing efforts to advance theory emerged long after industry practice. A few early marketing communication practitioners attempted to understand how and why advertising worked, but a serious attempt to understand the theoretical constructs of advertising (and other forms of marketing communication) has taken place within the past few decades. This paper comments on both theory and practice of advertising and marketing communication in Australia. Its purpose is to trace the historical, theory development of the field and to illustrate the unique, cultural characteristics of marketing communication practice in Australia.

THEORY: THE ROAD FROM PROMOTION MANAGEMENT TO INTEGRATED MARKETING COMMUNICATION

Much has been said about the value of looking at the past to better understand the future. This is certainly true in helping us understand the future of the field now known as marketing communication (marcom) or integrated marketing communication (IMC). Just over ten years ago, the publication of Integrated Marketing Communications (Schultz et al., 1993) reconceptualised the marketing area of promotion, and while IMC has not been without controversy (Spotts et al., 1998), it is impossible to deny the impact of the Schultz et al book and the growth of the importance of marcom. Below is a summary of the history of the core field of promotion, a summary of the academic scholarly and textbook literature, and a framework for evaluating the past ten years of scholarship and discipline maturity.

Overview of the History of Promotion

The area of Promotion has been an integral part of marketing management for decades. Paul Converse (1930) was among the first scholars to acknowledge the role of promotion in marketing. Others – practitioners and researchers – recognized the importance of promotion much earlier, observing the role of advertising, sales promotion, publicity, and personal selling in a broad range of marketing activities, including creating brand awareness, brand positioning, and creating brand differentiation (Sampson, 1875; Hopkins, 1927; Presby, 1929; Borden, 1942). More recently, Borden (1953) and McCarthy (1960) identified promotion as one of the four cornerstones of the marketing mix («4Ps») of product, place, price, and promotion – the dominating marketing management paradigm of the second half of the 20th century.

The early era (pre-1950) of promotion was dominated by a growing acknowledgement of its role in marketing (Borden, 1942) – learned primarily through personal
experience and experiments that grew out of a developing mail order context\(^1\). The modern era (1950-2000) saw the maturation of promotion – closely linked to research in buyer behaviour and marketing strategy – into one of the most widely-researched areas in marketing. Doctoral dissertations have addressed a multitude of issues within promotion, including message strategy and tactics, investment strategies and their effects, message delivery systems and their planning, human resource issues, and the many issues involving context and environment, including globalization and technology. Today, there are Promotion Special Interest Groups; dedicated professional associations; countless seminars and workshops on the various topics within promotion; and professional and academic journals dedicated specifically to the field\(^2\). In summary, promotion is a well-established and core component of contemporary marketing management (Berkowitz et al., 2000; Kotler, 2001; Boyd et al., 1995).

In the past ten years, the promotion area developed into a global industry with an estimated spending of $US9.54 billion in 2002 on what Advertising Age calls «integrated marketing campaigns»\(^3\). Worldwide advertising spending (only one component of the promotion mix) is approximately $US321 billion (2003 forecast)\(^4\). Beyond these dollar investments, promotion is viewed as a leading factor in building customer relationships and brand equity (Duncan, 2002); and most significantly, it evolved into a field now known as marketing communication or integrated marketing communications (IMC) – a concept that acknowledges the changing nature of communication technology, the changing media habits of audiences, and the synergies that can be created by integrated strategy and tactics. Current definitions of IMC developed from our understanding of promotion, but they have been expanded to include such key concepts as strategic and tactical integration, a managerially-oriented planning process, a commitment to behavioural outcomes, and a business-marketing management perspective (Duncan, 2002; Schultz, 2003).

Despite some level of controversy about the ‘newness’ of IMC, it is clear that by at least the mid-1980s IMC emerged, or re-emerged, as a central component of marketing management, including a central role in the development and sustaining of brands. This importance is evidenced by the increased attention to IMC by both the academic and professional communities. At the same time, the future of IMC as a discipline is unclear. The IMC academic literature remains closely focused on advertising and advertising-related concepts of measurement; few case histories have been produced; the documentation of IMC application by geographic region has been extensive but

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\(^1\) Aaron Montgomery Ward’s catalog in 1872 launched the mail order business; followed shortly after by Richard Sears in 1886, and in 1912, L.L. Bean founded one of the most successful and enduring mail-order companies on the strength of a rubber-soled leather boot he invented. See Fact Book on Direct Response Marketing (Direct Marketing Association, New York, USA, 1982) for more information on this component of promotion.

\(^2\) Three academic journals are dedicated to the promotion/marketing communication area: Journal of Interactive Marketing; Journal of Marketing Communications, and Journal of Promotion Management. Others that publish manuscripts in this area the Journal of Advertising Research, the Journal of Advertising, and the Journal of Marketing. The most recent symposium on IMC was held at the University of Denver (USA) in March 2003. The American Academy of Advertising’s Asia-Pacific Conference 2003 (May 2003, Tokyo), also sponsored a plenary session on IMC.


descriptive; internal, organisational issues have been identified but few theory-based, organisational structures have emerged; and while the call for measures of IMC performance has been issued, details on how to implement measures such as Return on Investment (ROI) have been lacking. This conceptual and descriptive treatment is appropriate at the early stages of discipline development; however, the future of IMC’s maturity rests on the testing and verification of its basic premises. To date, such testing has been virtually non-existent. If the field is to continue its development, the following three questions need to be addressed: (1) What have we learned from the academic literature?; (2) What methods are most applicable to demonstrating the behavioural effects of IMC?; and (3) What theories and concepts can be most profitably applied to understanding the adoption, application and measurement of IMC? In Australia, these research questions directly influence academic study (doctoral dissertations, research projects, and conference themes, for example) and indirectly have shaped the form and scope of the practice of advertising and other forms of marketing communication.

What have we learned from the academic literature?: Academic Journals

During the past twenty-five years, interest in IMC has generated the development of at least two new academic journals (Journal of Promotion Management and Journal of Marketing Communications), an increase in the number of articles on the topic in existing journals, e.g., the Journal of Advertising, Journal of Advertising Research, Journal of Interactive Marketing, special sessions at academic conferences, dedicated conferences, symposia and workshops, and new textbooks. An analysis of the relevant journals indicates that at least 150 articles that are essentially about some aspect of IMC have been published during the past twenty-five years. Of those articles, 35 percent focus on advertising; 20 percent focus on other forms of communication (sales promotion, personal selling, direct communication, publicity etc.); and 13 percent of the articles focus on the application of IMC in a specific country or geographic region. Interestingly, none of the articles have reported a testing of the basic proposition of integration – that is, a cause-and-effect relationship of integrated communication.

What have we learned from the academic literature?: Textbooks

Since 1971, 17 textbooks that contain a substantial amount of coverage of IMC have been published. Fifteen of these books have been published since 1993, indicating the heightened interest in the past ten years. During this period, only three books of cases have been published. Most textbooks have been extensions of advertising books and the primary coverage in these books remains advertising. The books contain minimal new theoretical underpinnings, relying on assumed knowledge from consumer behavior, marketing management, and communication theory. Most books take a managerial (marketer) perspective, but few offer a management decision-making framework. Few books offer a well-articulated and higher-order rationale for IMC. The most common rationales include investment importance; customer reliance on communication; relationship building; brand value; and return on investment.
A framework for evaluating the past ten years of scholarship and discipline maturity

In the first chapter of the Shultz et al. book, the authors indicate the foundation upon which their own concepts were created. Early in the book, they point to the factors that contributed to the emergence of a new way of thinking about mass marketing and communicating with customers. They discuss demassification and more importantly, the impact of marketers’ abilities to collect data and to apply it to greater understanding of buyer motivations and behaviour. They also call for a new way of thinking about the role, organisation, and measurement of all forms of promotion. As the authors point out,

*For IMC to really take hold, old assumptions must exit, assumptions about the role of advertising and sales promotion, about the organization of advertising and public relations departments, about agencies and what they do, about the media, and most of all, about accountability* (Schultz et al., 1993, p. 13).

What caused such fundamental changes in marketing and promotion? What impact would these changes have on marketing thinking and practice, particularly on the promotion and the emerging field of IMC? An examination of the academic literature suggests an evolution of promotion to marketing communication to IMC that is illustrated in the Figure below. This framework and its commentary enhance our understanding of how the discipline developed and points us to the key research questions in the next phase of its maturity.

*Development of IMC*

*Observing the Environment, Interpreting Change, Observations, and Initial Concepts:* (1), (2), (3)

Like most paradigm changes, IMC ideas are a response to the various social, economic, cultural, and technological changes of the 1980s. Developments such as increases in
dual income households, rising disposable incomes, media fragmentation, and the impact of database technology on demassification of the marketplace influenced many aspects of modern life. These developments led to observations about their impact on how organisations communicate with stakeholders. These observations are the foundation of the initial concepts expressed in the early writings about IMC (Schultz et al., 1993, for example). When Schultz et al called for a new way of thinking about the role of advertising and promotion, they were interpreting and articulating the effects of environmental changes on promotion. This first interpretation is intellectually risky. The effects of environmental change could be misinterpreted, exaggerated, or underemphasized on several dimensions, including geographic, socio-cultural, temporal, and economic. If we examine the alternative scenarios of interpreting environmental change, it is easy to understand why so few predictions about the future are accurate. The emergence and recession of the dotcom industry is just one example of how interpretations can go wrong. Essentially, the dotcom industry is an example of exaggerating all four of the types of environmental changes – that is, the prediction was that the change in how we do business would be global, affect what we do and how we do it, have long-term, enduring effects, and would have enormous and positive financial consequences. We can think of many other examples of the problems in interpreting environmental change; however, the issue here is about the accuracy of the interpretation of the environments related to IMC. Clearly, the early thinkers about IMC got most of it right. Although the full-scale adoption of IMC has not taken place in Australia (and in most other places in the world), the fundamental concepts accurately reflect the environmental changes of the 1980s and led to the creation of IMC definitions.

Definitions (4)

Concept definitions are important for a number of reasons, including their ability to specify constructs, ownership of activity, relationships among ideas, and expected process outcomes. In IMC’s development, the initial concepts that emerged from observations of the marketplace led to various definitions. The following definitions indicate the struggle to articulate the emerging concepts of IMC and how it represented a departure from promotion.

*It’s a new way of looking at the whole, where once we only saw parts such as advertising, public relations, sales promotion, purchasing, employee communications, and so forth. It’s realigning communications to look at it the way the consumer sees it – as a flow of information from indistinguishable sources* (Schultz et al., 1993).

*A concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic role of a variety of communication disciplines—for example, general advertising, direct response, sales promotion, and public relations—and combines these disciplines to provide clarity, consistency and maximum communications impact* (American Association of Advertising Agencies, as reported in «Integrated Marketing Communications: Maybe Definition Is in the Point of View», by Don E. Schultz, *Marketing News*, January 18, 1993, p. 13).

*IMC is the strategic coordination of multiple communication voices. Its aim is to optimize the impact of persuasive communication on both the consumer and nonconsumer (e.g., retailers, sales personnel, opinion leaders) audiences by coordinating such elements of the...*
marketing mix as advertising, public relations, promotions, direct marketing, and package

design (Thorson and Moore, 1996).

**IMC is the process of using various promotional tools in a unified way so that a synergistic

communications effect is created** (O’Guinn, Allen and Semenik, 2000).

**IMC is a process for managing the customer relationships that drive brand value. More

specifically, it is a cross-functional process for creating and nourishing profitable relation-

ships with customers and other stakeholders by strategically controlling or influencing all

messages sent to these groups and encouraging data-driven, purposeful dialogue with them

(Duncan, 2002).

Integrated Marketing Communication is a strategic business process used to plan, develop,

execute and evaluate coordinated, measurable, persuasive brand communication programs

over time with consumers, customers, prospects, employees, associates and other targeted,

relevant external and internal audiences (Schultz, 2003).

The second – and most recent – definition offered by Schultz is particularly noteworthy

because: (1) IMC is regarded as a strategic business activity, thus distinguishing its

focus from tactical, production-based activities; (2) IMC consists of a management

process, involving a series of interrelated steps; and (3) IMC is purposeful, intending to

persuade all stakeholders about relevant aspects of a brand.

**From Definitions to Processes and Implementation Obstacles (5)**

Over time, the definitions of IMC led to the identification of the various environmental

obstacles to IMC implementation. Once the definitions were expressed around a

process (implied in all of the definitions, but specifically mentioned in the definitions

of Duncan, O’Guinn et al, and Schultz (2003), IMC research began to specify the ele-

ments in the process and the obstacles to implementation, particularly the organisatio-

nal obstacles (e.g., Duncan and Everett, 1993; Eagle et al., 1999; Hartley and Pickton,

1999; McArthur and Griffin, 1997). Assumed in this research is a process that incorpo-

rates some or all of the steps identified in earlier writings about advertising management

this research clearly identified is the range of organisational, financial, cultural, and

technological obstacles to full implementation of IMC. Indeed, a recent article suggests

that the recent decline in spending on integrated marketing is caused by the skepticism

among marketers concerning the difficulty in integrating marketing communications to

generate quantifiable results5.

**Focus on Outcomes (6)**

Ultimately, management’s tolerance for any new process is tested by the ability of that

process to deliver quantifiable results directly linked to revenue and profits. There has

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been no shortage of new business processes that purport to be the solution for the next era (e.g., Management by Objectives, Total Quality Management, and Customer Relationship Management). Those that have staying power can demonstrate their contribution to profitability. To date, IMC has struggled to isolate – and therefore, demonstrate – its financial contribution. IMC researchers and professionals have suggested various outcomes (e.g., Return on Investment, Brand Equity, Customer Relationship Building), but the field has not yet developed the tools that will convince a broad spectrum of managers that IMC provides quantifiable value. Many feel that the future of management’s interest in IMC rests on discovery of new ways of measuring its contribution. So far, researchers have been hampered by trying to apply advertising measurement models – designed to measure the contribution of a single communication tool – to IMC’s multi-media approach. Dave Phillips points out,

> If it is easier to measure the effect of a single thing than two or more (possibly overlapping) things, then it is clear that measuring the effects of multiple media and/or message strategies is rarely going to be a straightforward exercise (Phillips, 2000).

Organisational issues, top management, and theory development (7)

Those who have been interested in measuring the effects of IMC realize: (1) the task will not be simple, perhaps requiring the development of entirely new approaches to communication measurement; and (2) IMC will have to gain the support of top management to overcome the multitude of power struggles among managers of the individual media of IMC and between marketing managers and the agencies that facilitate the development of IMC campaigns. These two tasks are closely linked and they require a precedent-setting shift in how we think about communication measurement. To capture the attention of top management, IMC researchers and professionals will have to demonstrate IMC’s ability to produce profit. But, this requires abandoning – or at least, suspending – the measurement approaches (advertising response measurement techniques that include post-exposure measurements of knowledge, affect, and behavioural intent) that are linked to the ‘hierarchy of effects’ paradigm, which was popularised in the early 1960s (Lavidge and Steiner, 1961; Colley, 1961), but grounded in much earlier thinking (Strong, 1925). These two issues – how IMC moves towards demonstrating its financial impact, and how IMC can earn the attention and respect of top management – are the foundation for the next generation of IMC development. Without significant advancement in these two areas, IMC faces the risk of becoming another transient business fad.

Summary of Theory Development

While advertising is one of the tools of marketing communication, IMC is emerging as a sub-discipline of marketing in its own right. To date, IMC’s maturity has followed a path described in the above framework, and its future now rests on our ability to identify and verify key constructs and to conceive and execute high-quality research that demonstrates behavioural and financial impact.
Australia is better known for its kangaroos and koalas than its Cannes Gold Lions. Yet, just as the local fauna of Australia is unique in the world, so too is its advertising history, practice and style. This section explores the development of marketing communication in Australia, focusing on advertising as the oldest and most visible institution of marketing communication.

**History of Australian Advertising**

Australia’s first consumers were transported from prison hulks in London to settle a new land at the other end of the world. Arriving as prisoners, they did little to break the chains to the mother country. The language, the law, the fashion and ultimately the advertising of the new settlement was British in style, structure and aesthetics.

Although a printing press was included amongst the provisions of the first fleet of convicts in 1788, it was not put to use until almost a decade later. The first advertisement, a poster for a double feature performance of «The Recruiting Officer» and «The Virgin Unmasked» was produced on March 8, 1800 (Carroll, 1975). The first newspaper advertisements followed three years later, although illustrations were not permitted.

It was not until 1890 that Mr. Percy Hordern’s store set a retail precedent, announcing a great sale of drapery in the first ever full page newspaper advertisement. This seemed to encourage further advertising activity and it was not long after that an English visitor described the Melbourne Herald as «the paper written on the back of Myer ads».

The first magazine advertisement appeared in the «Australian Magazine: Compendium of Religious, Literary and Miscellaneous Intelligence» on May 1, 1821. Commercial radio followed in 1923 and television three decades later, to showcase the Melbourne Olympics in 1956 (Carroll, 1975).

By this time, Australia had become a nation (1901) and fought in two world wars. Yet, to quote Prime Minister Menzies, Australia was still «British to the bootstraps». This was an apt description not only of the country, but of the state of advertising as well. Radio and television commercials were presented by cultured British voices. Popular English celebrities such as King George and Winston Churchill were featured in advertisements. When launching the American soap Palmolive into Australia in 1923, advertising agent George Patterson (1956) said: «While layouts were based on American advertisements, we considered the introductory copy must have a British flavour».

Then two things happened in the 1960s. The first was a move by the Australian Broadcasting Authority increasing the local content quota of advertisements to 50 percent. This blocked the popular, and less expensive, option of importing overseas commercials and created a need for more Australian advertising. The second thing to happen was that advertising became Australian.

**Ockerism: The Development of an Australian Style**

The Macquarie Dictionary defines an Ocker as «The archetypal uncultivated Australian working man [...] displaying qualities considered to be typically Australian, as good
humour, helpfulness and resourcefulness». Others may define Ocker as actor, Paul Hogan or crocodile hunter, Steve Irwin.

Ockerism took the plum out of advertising’s mouth. Instead of sounding like the British Broadcasting Corporation, advertising spoke Australian, the way Australians spoke in pubs, at work and in their own homes.

A good example of the development of an Australian style of advertising was the launch of Winfield cigarettes in 1972. Australians were used to the classy and cultured tones of British speaking actor, Stuart Wagstaff for Benson and Hedges and the idyllic American images of the Marlboro Cowboy. In contrast, a Sydney Harbour Bridge painter appeared in a tuxedo, standing in front of the Symphony Orchestra, talking in a very broad Australian accent about cigarettes. He turned to the conductor and said: «Let ’er rip, Boris». As the orchestra begins to play, Paul Hogan delivers the immortal and much repeated line, «Anyhow, have a Winfield».

Irreverence, mischief, mateship and a sense of humour are the key components of Ockerism. Drawing on stereotypical Australian character traits, this advertising style uses exaggerated, but self-revealing images. Its language is colloquial and its images draw from the Australian ethos of mateship, egalitarianism and the conviction that whatever the situation, «she’ll be right».

One of its early proponents was John Singleton, whose mission was to «innovate, titillate and slap around the sacred cows». He created the first Australian creative agency SPASM in 1968 and introduced to the screen the famous (and very annoying) «Where do you get it?» campaign. This animated campaign for an independent grocery wholesaler developed a series of animal characters that embodied many exaggerated Australian traits and voices.

His advertising style broke the British mould and led the way for Mojo’s cricket anthem «Come on Aussie, Come on!». Drawing from the colloquial and colourful images and language of Australia, Alan Morris and Allan Johnston established an emotional bond between brand and buyer and created jingles that became part of the vernacular. Advertising Industry Magazine (Ad News, 1998) described Mojo’s work as «iconic ads and jingles that people actually love, remember for years and even enjoy singing along to».

Perhaps the agency that has consistently embodied the humour, the colour and the mateship of Ockerism is The Campaign Palace. Founded in 1972, it is Australia’s most awarded advertising agency and was the first agency in Australia to introduce account planning in the 1980s. Its advertising has become part of popular culture with anthems for the Australian Football League such as «Up There Cazaly» and groundbreaking creative work for the Australian Meat and Livestock Corporation.

While Ockerism as a term may currently seek a more sophisticated incarnation, its fundamental tenants are part of great Australian creative today. A current advertisement for Hahn Ice Beer shows a fabulous looking woman in a black swim suit lounging by the pool. A man jumps from above into the chair beside her, catapulting the woman into pool. He begins to drink the Hahn Ice, while she emerges from the pool, upset by his larrikin behaviour.

GROWTH OF ADVERTISING AGENCIES

The first advertising service agency was founded in Sydney in 1901 by H.M.C. Cowdrey, who placed the first full page illustrated advertisement in the same year
This entrepreneurial move saw the introduction of the Weston Company in 1906 and a legion of competitors within the decade. The largest of these was Catts-Patterson, an agency which has dominated the advertising industry in Australia ever since.

In 1911, the advertising agencies began to demand commission from media for the advertisements they placed. To protect this fledgling income, advertising agencies began to form industry associations. The first was in Melbourne in 1912. Then nationally in 1946, the Australian Association of Advertising Agencies was formed. This became the Advertising Federation of Australia, the advertising agency body that exists today.

The top ten advertising agencies in Australia are all part of a global network. Many have grown from local operations, such as Singleton Ogilvy and Mather, Publicis-Mojo and George Patterson Bates. Many have also diversified into other forms of marketing communication. For example, the second largest advertising agency George Patterson Bates billed A$102.1 million in 2001 (B&T, 2002). Of this, 40 percent was earned from below-the-line activities, compared to none in 1995.

In 2004, there were 943 advertising agencies in Australia, employing 10,283 people. Of these, 89 percent are small businesses, employing less than 20 people. The total gross income for all advertising agencies in 2003 was A$1325 million (AFA, 2004).

**Media Structure and Advertising Expenditure**

Just as the top ten Australian advertising agencies represent the key international players, the media structure in Australia is also similar to many other developed nations. One key difference is the strong penetration of free-to-air (FTA) television and a greater use of traditional media in Australia compared to other countries such as the US, the UK and India (Kitchen and Schultz, 1999). This may change in the future with increased penetration of Pay TV and a flourishing online environment. As evidence of this, advertising expenditure on Pay TV increasing by 39.2 percent in 2003, compared with an increase in FTA TV of 9.2 percent.

In 2003, advertising expenditure in Australia was A$9.3 billion, an increase of 7.9 percent from the previous year (AFA, 2004). Newspapers attracted the largest share of advertising dollars (A$3.25 billion), followed by television (A$2.92 billion) and radio (A$0.74 billion). Outdoor (A$0.29 billion) and cinema (A$0.07 billion) are important niche media, both growing by 13.6 percent in the past year (Ad News, 2004b). Online advertising expenditure increased its total share of advertising expenditure by 41 percent in 2003, growing from A$167 million in 2001 to A$236 million in 2003. This growth substantiates the importance of online as a media category, and is the result of a growing internet population and increased broadband penetration in Australia (Ad News, 2004a).

**State of development of IMC**

A number of factors have already been mentioned which demonstrate the growth of IMC in Australia. These include the contribution of below-the-line expenditure to advertising agency billings, the proliferation of media options and the changes in traditional media choices including Pay TV and online. In addition, IMC is an important part
of the curriculum in many Australian universities and a constant topic of discussion in the marketing and advertising industry press.

While there are many positive indicators encouraging the growth of IMC, the perception of those who practice it is a critical factor in its development. In July 2002, a group of IMC professionals were asked to comment on the state of IMC development in Asia-Pacific, including Australia (Patti, 2003). The sample consisted of individuals deeply involved in IMC from a number of different industry perspectives, and they were asked to provide their opinions about three main issues: the state of adoption of IMC principles in their region; examples of companies that they felt were embracing the principles of IMC; and the major obstacles to the further development and implementation of IMC. The table below presents a summary of the responses.

**Perceptions of the state of IMC development in Asia-Pacific**

<table>
<thead>
<tr>
<th>Area of Inquiry</th>
<th>Summary Response</th>
</tr>
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<tbody>
<tr>
<td>State of adoption of IMC principles</td>
<td>While most major companies (marketers as well as agencies) have a working knowledge of IMC principles – and they generally subscribe to the principles, adoptions of IMC has been slow.</td>
</tr>
<tr>
<td>Examples of best practice</td>
<td>Very few could be identified. Mentions included: Holden; <a href="http://www.asia.miles.com">www.asia.miles.com</a>; Colorado Group; McDonald’s; M1; Singtel; Raffles International; Bread Talk.</td>
</tr>
<tr>
<td>Major obstacles to development and implementation</td>
<td>Lack of people who understand IMC; advertising agencies that want to remain focused on advertising; insufficient budgets; low prestige of marketing within organizations; inability to demonstrate ROI; expense vs. investment mindset.</td>
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**Summary of Advertising and IMC Practice in Australia**

During the two hundred year history of Australia, advertising and other forms of marketing communication have played an important role in the social, cultural, and economic development of the country. In addition to growth in financial investment in advertising and marketing communication, a distinctly Australian style has emerged, reflecting the unique Australian character and approach to marketing goods and services. Further, the industry’s infrastructure has matured and now contains a mixture of local and global agencies and other related services; an extensive media network that is technologically sophisticated; and professional associations that represent the industry’s interest and promote its growth and development. Like other developed countries, Australia has started to embrace the concepts of IMC; however, it continues to face the challenges of full implementation of IMC.
CONCLUSION

This paper traces the development of advertising and integrated marketing communication in Australia, from the complementary perspectives of theory and practice. While significant progress has been made in both areas, the field presents challenges and opportunities. We suggest the priorities are: (1) increasing relevance of marketing communication messages by expanding understanding of consumer behaviour and delivering messages that speak to Australians in an Australian style; and (2) understanding the stage of IMC theory maturity and developing the commitment and resources to push the boundaries of theory, including new measurement techniques. Progress on both priorities is already evident through the increased research output from Australian scholars; the growing number of articles in marketing and marketing communication journals by Australian academics; and the recent and ongoing marketing metrics project undertaken by the Australian Marketing Institute (2004).

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RIASSUNTO
Questo contributo approfondisce lo sviluppo della pubblicità e della comunicazione integrata di marketing in Australia secondo le prospettive complementari della teoria e della pratica. Se da un lato sono stati compiuti progressi notevoli in ambedue le aree, dall’altro il settore presenta sfide e opportunità. Riteniamo che le priorità debbano essere identificate come segue: (1) maggior pertinenza dei messaggi di comunicazione di marketing sulla base di una più approfondita comprensione del comportamento del consumatore e divulgazione di messaggi che parlino agli australiani utilizzando uno stile australiano; (2) comprensione della fase di evoluzione della teoria della IMC unitamente allo sviluppo dell’impegno e delle risorse per far avanzare la teoria, incluse nuove tecniche di misurazione.

In particolare, se la pubblicità costituisce uno degli strumenti della comunicazione di marketing, la IMC sta emergendo a pieno titolo come una sottodisciplina del marketing medesimo. Inoltre, la evoluzione della IMC ha seguito un percorso particolare: adesso il suo futuro è affidato alla nostra capacità d’individuare e verificare alcune costruzioni-chiave, e di progettare e compiere ricerche di alta qualità che dimostrino l’impatto comportamentale ed economico della IMC.

RÉSUMÉ
Ce document approfondit le développement de la publicité et de la communication intégrée de marketing en Australie, selon les perspectives complémentaires de la théorie et de la pratique. Si d’une part on a fait des progrès remarquables dans les deux zones, d’autre part le secteur présente défis et opportunités. Nous estimons qu’il faut identifier les priorités comme il suit: (1) davantage de pertinence des messages de communication marketing, en élargissant la compréhension du comportement du consommateur, et diffusion de messages qui s’adressent aux australiens en utilisant un style australien; (2) compréhension de la phase de mûrissement de la théorie de la IMC et développement de l’engagement et des ressources pour qu’on puisse pousser par-delà les frontières de la théorie, en s’autorisant aussi de nouvelles techniques de relevement.

En particulier, s’il est vrai que la publicité constitue l’un des outils de la communication de marketing, il est aussi indéniable que la IMC est en train d’émerger en tant que sous-discipline du marketing, et ceci à juste titre. Jusqu’aujourd’hui, le mûrissement de la IMC a suivi un chemin particulier, et son avenir est désormais confié à notre capacité d’identifier et vérifier certaines constructions-clé, ainsi que de projeter et d’effectuer des recherches de haute qualité qui attestent l’impact comportemental et économique de la IMC.