
UNIT 14: PUBLICITY AND PUBLIC RELATIONS

Objectives

After reading this unit you should be able to:

- explain the meaning of Public Relations
- differentiate between public relations and advertising
- identify the ways in which PR can help in the marketing function

Structure

- 14.1 Introduction
- 14.2 Meaning and scope of Public Relations
- 14.3 Public Relations and Management
- 14.4 Public Relations in Marketing
- 14.5 Summary
- 14.6 Self Assessment Questions
- 14.7 Further Readings

14.1 INTRODUCTION

It is said that advertising and public relations are two sides of the same coin. They supplement each other, yet are different. For marketing tasks advertising is often used as the communication tool, but at times it is not helpful. In other situation tools, other than advertising, works.

In this unit, an attempt has been made to identify the marketing tasks in which public relations contributes. But let us first develop some clarity on Advertising and Public Relations.

The word "advertising" comes from the Latin and *vertere*, meaning "to turn the mind toward". Successful advertising has two important components: a marketing foundation and persuasive communication.

In fact, advertising is the communication arm of the marketing process. In the concept of marketing mix, advertising is of strategic significance, as the level and intensity of competition is increasing and differentiation of products/services has become an inevitable market reality. Current trend of globalisation and unremitting - search for competitive advantages has made advertising a crucial component of the overall marketing strategy.

Advertising thinkers look upon advertising in varied ways, mostly in creative, fresh ways. Some instances:

Advertising is poison gas. It should bring tears to your eyes. It should unhinge your nervous system. It should knock you out.

Great advertising should have the impact of a punch in the mouth should never kneel or genuflect or plead for sales. It should ask without literally asking, "Do you get the message. And the viewer should answer, without literally asking, "yeah, I got". (George Lois).

I do not regard advertising as entertainment or an art form, but as a medium of information. When I write an advertisement, I don't want you to tell me that you find it creative. I want you to find it so interesting that you buy the product. A good advertising is one which is the product without drawing attention to itself. (David Ogilvy)

All advertising is a part of an intricate mosaic of extensive research, market planning, media analysis, all the building blocks of marketing. Historically, advertising has passed through several phases, the product era, the image era, the positioning era, etc.

The big idea, a surprising solution to marketing problem in a memorable verbal and/or graphic imagery - is the authentic source of communicative power. Plato defined idea' (eidos) as a mental image. There are mysterious connections between images and human emotion. Blending of verbal and visual imagery creates an inexplicable alchemic effect by the audacious use of symbols, images and ideas. Advertising is an art that springs from intuition, from instinct and, above all from talent. Picasso said, "Art is the lie that tells the truth". "Never a bride, always a bridesmaid" (Listerine). "99 and 44/100 per cent pure. It flouts" (Ivory Soap)

14.2 MEANING AND SCOPE OF PUBLIC RELATIONS

Public relations started as publicity, but today its scope has enlarged to an extent that it is being defined as "helping and organisation and its public adapt mutually to each other." The focus in this management function is on mutual accommodation rather than a one-sided imposition of a view point. Perhaps, it's only because of this reason the scope of the PR has become so broad and wide. Further, the use of variety of terms as substitutes or euphemisms - such as corporate communication, corporate affairs, public affairs, has caused confusions about what PR is and what is not.

Conventionally, Public Relations department was considered to be a small appendage to a large corporation with four major functional areas: Finance, Operations, Marketing and Personnel or Human Resource Management. In such corporations, all such activity, as not specifically falling under the jurisdictions of any functional department was given to the PR department. However, today there is increasing realisation on "Relations". The PR department is in constant interaction with all other functional departments. For example, financial PR helps in resource mobilisation; labour relations for shop floor productivity; consumer relations for better understanding of customer needs; and employee relations for morale and team building. Not only this, today PR helps in strategy formulations and organisational policies as this is the department which works as the bridge between various publics of the organisations and the various functional departments.

Activity 1

Briefly describe your understanding of the management function; Public Relations.

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14.3 PUBLIC RELATIONS AND MANAGEMENT

In business, many organisational objectives can be accomplished through professional PR programmes. In fact, professionalism in PR can help in achieving a number of objectives (Lesley, 1991) some of which, are as follows:

- Prestige of favourable image" and its benefits
- Promotion of products or services
- Detecting and dealing with its publics
- Determining the organisation's posture in dealing with its publics
- Goodwill of the employees or members



- Prevention and 'solution of labour problems
- Fostering the goodwill of communities in which the organisation has units.
- Goodwill of the stockholders or constituents
- Overcoming misconceptions and prejudices
- Forestalling attacks
- Goodwill of suppliers
- Goodwill of the government
- Goodwill of the rest of the industry
- Goodwill of dealers and attraction of other dealers
- Ability to attract the best personnel
- Education of the public to the use of a product or service
- Education of the public to a point of view
- Goodwill of customers or supporters
- Investigation of the attitude of various groups towards the company
- Formulation and guidance of policies
- Fostering the viability of the society in which the organisation functions
- Directing the course of change if we, carefully examine each of these objectives, we might realise that some of the objectives are basically marketing objectives. In the later part of this article, most of such objectives are detailed and discussed.

Activity 2

Visit any two corporate offices and identify the tasks important to them, out of the above inventory:

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14.4 PUBLIC RELATIONS IN MARKETING

As far as the marketing function of any organisation is concerned, PR can help, if not more, at least in six different ways, apart from supplementing and enhancing the impact of the advertising effort:

14.4.1 Helping create a market

Marketing assumes the existence of a market, and the role of marketing invariably is to satisfy the needs and wants of those who constitute the market.

However, sometimes companies face a situation where market is blocked for them and they just can't operate,

For example, in India until 1982. India was a blocked market for colour televisions as the colour transmission didn't exist. For all TV manufacturers, the marketing task was to convince the government to commence transmission in colour. The opportunity was the "Asian Games" and the Ministry of Information. and Broadcasting (MIB) was, perhaps,



convinced on the need' to telecast the prestigious games to the rest of the world in colour. Here one can see the linkage between political strategy of a country influencing the opening of the markets. It is said that companies therefore, must identify the people with the power to open the gates of the blocked markets and prevail upon them to exercise their power. Such tasks fall under the domain of Public Relations, and not marketing.

It is suggested that the organisations should not only identify the chief gatekeeper,' but also determine the right mix of incentives to offer, Under what circumstances will the gatekeepers cooperate? Is legislator X primarily seeking fame, fortune or power? How can the company induce this legislator to cooperate? In some countries, the answer may be with a cash payoff (a hidden P of the marketing Mix). Elsewhere, a payoff in entertainment, travel or campaign contributions may work.'

What is expected is to successfully negotiate and do lobbying in order to successfully achieve the objectives which you have been lobbying for.

Kotler (1986) in his article of Mega marketing has said that "successful marketing is increasingly becoming a political exercise." Pepsi Cola outwitted its arch rival, Coca-Cola, by striking a deal to gain entry into India's huge consumer market, fast heading towards 1,000 million people. While Coca-Cola withdrew from India in 1978, Pepsi made an entry forming a joint venture with an Indian counterpart, winning governmental approvals, despite opposition from other Indian soft drink companies, and anti-MNC legislations. The package offered included exports of agro-based products, focus on rural markets, newer food processing, packaging and water treatment technology. This package was attractive enough to win over various interest groups.

Taking the example of Pepsi Cola's entry into the Indian market, Kotler emphasised the need for supplying benefits to parties other than target consumers. "This need extends beyond the requirements to serve and satisfy normal intermediaries like agents, distributors and dealers," These so-called third parties included governments, labour unions and other interest groups that individually or collectively, can block profitable entry into a market. These groups act as gatekeepers and they are growing in 'importance, In dealing with such groups, one has to add two more Ps, i.e., Power and Public Relations.

14.4.2 Influencing non-consumer groups

Invariably, marketing addresses its efforts to the ultimate consumer and overlooks those , which might influence the bottomline. Such groups of people or publics are advertised by the public relations function for overall organisational goals. A typical example is that a medical representative calls on a physician he does not aim to sell medicines, like any typical salespersons involved in marketing 'and selling. The medical representative has a purpose of just to keep the physician informed about the new products and formulations the company has introduced in the market and though public relations expects the physician to recommend his (medical representative's) medicines to' the patients.

Similar is the case with 'representatives of publishing houses who visit teachers in different schools, colleges to inform teachers and not to make them buy their books,

One can identify many such examples where PR programmes are strategically and regularly executed to meet the business objectives from the target audience other than non-consumer groups.

14.4.3 Influencing the influentials in crisis

How to and how not to communicate during crisis is also a strategic decision, The marketing crisis can range from product failure or tampering during transit or by trade, protests by activists (eg., KFC in Bangalore), accidents (eg., fire in a hotel), government pronouncements (BVO in Limca), etc,

Such situations of crisis get complicated and they get further messed up due to inaccurate reporting. The organisations by not submitting clarifications to the media due to the fear of jeopardising the legal stand, might end up with a negative image in crisis, Denials or withholding information may be viewed as a cover up and even look like admission of guilt automatically.



In such situations, it is suggested that legal and marketing objectives should be dealt with separately. In such situations, the thumb rule is to confirm facts rather than giving explanations. It is likely that as a result of this organisations might emerge with a cleaner image.

14.4.5 Influencing the dealers and sales people

Most organisations find it difficult to reach their product to the consumers directly, and, instead they use either a sales force to sell their goods door to door or to dealers and on the other hand they have a whole lot of intermediaries who participate in reaching the company's product from manufacturing point to the consumption place. It is the trade which might push the product in the market and give priority to a product over the competitors.

It is, therefore, important to exercise good relations with dealers, wholesalers who contribute significantly in making the bottom line in the balance sheet, rosier. Dealer conferences, conventions, display contents, gifts, in-house publications, etc., are all such PR tools to achieve dealers' support and cooperation. Similar is the significance of the sales force.

14.4.6 Influencing direct consumers through means other than advertising

In certain industries, it is not possible to use the conventional promotion tools with success. For example, in advertising is really rare. There are others organisations where the size of the operation is not large enough to support a heavy promotional budget. There are other who find it difficult to advertise or promote as it might lead to a bad taste. For example, a hospital might find it very difficult to advertise abortion services, Similar could be the case for open heart surgery or other services.

Arising out of these reasons, the conventional promotional tools have a limited use. Duncan (1985) has suggested that the services sector industries have to think about other promotional tools.

There are very successful examples like a medical doctor specialising in eye care running his own clinic-cum-nursing home and organising free eye camps in his region. This community service not only spread his name, but also proves his competence. The local newspapers might carry stories about such camps to give further boost to the promotion.

Therefore, promotional activities like community relations, event management, media biltz, corporate identity programmes have a relevance and they should be used innovatively and effectively.

Activity 3

Visit an advertising agency and find out from them, those marketing situations in which, as compared to advertising, PR campaign contributed significantly, towards achievement of the marketing goals.

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14.4.7 Influencing employees to serve the customers better

In the exchange process, often a range of contacts between the firm and customer takes place. Managing and operating these contacts are the responsibility of operations of non-



marketing departments. Nevertheless, these contacts, i.e., buyer-seller future buying behaviour of the customer as well as on word of mouth should be considered marketing resources and activities and managed as such.

Marketing activities in such organisations can, therefore, be clubbed under three major heads, (Gronroos 1990) namely : External marketing, Internal marketing and Interactive Marketing.

The traditional 4Ps of the marketing mix are basically external to an organisation as these efforts are targeted at customers. However, every single individual in an organisations play some role in marketing a product or service and, therefore, any effort by the company by way of training on product knowledge, product handling, customer knowledge, selling etc., in addition to motivation, can be taken as the internal marketing tool. Interactive marketing relates to the skill of employees in handling, customer contact. A customer judges the quality not only on the basis of technical quality of the product-services package, but also by its functional quality.

The core of such a model is the moment of truth of the buyer-seller interaction. In these moments of truth, the value to customers is created. If they are not taken care of, quality as perceived by the customers gets damaged and thus amount to loss of business.

The value for customers is totally produced in the moments of truth but also pre produced by the supporting part of the organisation. Therefore, the tasks of marketing management in two heads: The first category of tasks relate to giving promises, and the second to the fulfilling promises.

Customer's experiences of the moments of truth are based on certain expectations created by the service provider. The traditional marketing efforts give promises, which correspond with the personal need and aspirations of the target group of customers. In addition, employees abilities and motivation to meet the expectations of customer as created by external marketing efforts are backed up by internal marketing efforts. By creating and maintaining a service culture through marketing campaigns and activities directed towards the employees, the organisation may prepare its employees for the moments of truth.

Personal management policies based on a detailed understanding of employees personal needs of jobs, life and career path, role ambiguity role conflicts and job conflicts, employee motivation, etc., would have a definite impact on employee performance in the moments of trust of buyer-seller interactions.

14.5 SUMMARY

The foundation of any relationship model rests on the Nordic School of Services (Gronroos) which and inadequacies in the definition of marketing proposed by American marketing Association (AMA). The Nordic School of Services felt that a definition where marketing is the process of planning and executing, the conception (in the earlier definition the term product was used), Pricing, promotion and distribution of ideas, goods and services to create exchange and satisfy individual and organisational objectives, anything other than conception is not marketing, The other criticism of AMA's definition was that it does not take into consideration what the consumer would want marketing to be. In contrast, the Nordic marketing function and suggests that marketing is to establish develop objectives of the parties involved are met. This is done by mutual exchange and keeping of promises. According to Nordic definition, the most important issue in marketing is to establish strengthen and develop customer relations where they can meet business objectives. The other difference is that the marketing function is different from the limited view marketing department and holds in that the marketing function envelops the total spread over organisation, outside the marketing department, and also covers activities (beyond Ps, which exercise an impact on the current and future customers),

Therefore, there is a need to achieve integration between marketing operations, human resource, R&D, etc. It is in this context that McKenna in 1991 said "marketing is everything and everything is marketing". The underlying idea is that every one in the organisation who is in customer contact (personnel) should be oriented towards customer relations.



14.6 SELF ASSESSMENT QUESTIONS

1. Differentiate 'Marketing PR' from Advertising and 'Sales Promotions'.
2. In your view, does Marketing PR has a supplementary role? Discuss.
3. In what ways Marketing PR can help in strengthening the Promotion Strategy to achieve the Marketing Goals?

14.7 FURTHER READINGS

Lesley, PR Handbook, (Mumbal: Jaico Publications, 1999).

J. Jethwaney and N.N. Sarkar, Public Relations, (New Delhi: Sterlings Publications, 2000).

Sushil Bahl, Making PR Work, (New Delhi: Wheeler Publications, 1998).