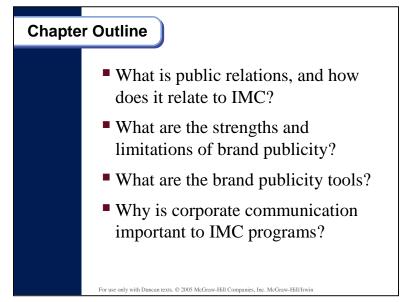
CHAPTER 17: PUBLIC RELATIONS AND BRAND PUBLICITY

Chapter Objective

To explain the role that public relations can play in supporting an organization's overall IMC program.

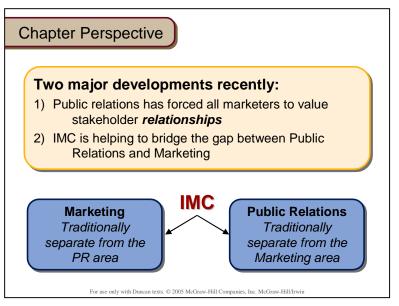
Chapter Key Points



This chapter addresses four key issues:

- 1. What is public relations, and how does it relate to IMC?
 - The chapter defines public relations and discusses how it fits within the IMC concept.
- 2. What are the strengths and limitations of brand publicity?
 - The chapter outlines the positive contributions brand publicity can add to an IMC program and identifies some of its limitations that all MC planners should be aware of.
- 3. What are the brand publicity tools?
 - The chapter identifies some of the tools available to those who want to generate brand publicity, including news releases fact sheets, pitch letters and news kits.
- 4. Why is corporate communication important to IMC programs?
 - The chapter explain the concept of corporate communication and describes how it can contribute to an IMC program.

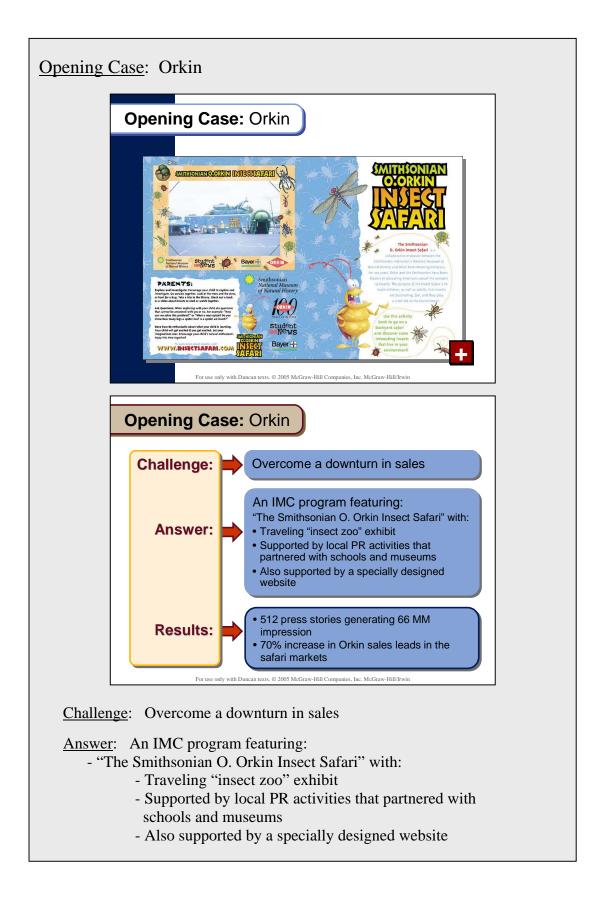
Chapter Perspective



Public relations professionals have always understood the concept of relationships after all, the word *relations* is part of their job title. Unfortunately, many marketing people in the past did not always recognize or appreciate the value of public relations.

Some major steps toward bringing marketing and public relations departments closer came in the early 1990s with the development of a concept called relationship marketing, pioneered by PR consultant Regis McKenna. At the same time, courses devoted to relationship marketing began to develop in business schools around the world. Although McKenna's background is public relations, he challenged the marketing industry to become more "customer-centric" and to better understand customer relationships. "Advertising, promotion, and market-share thinking are dead," wrote McKenna, " and what counts are the relationships a company develops with its customers, suppliers, partners, distributors—even its competitors."

IMC is helping introduce to marketing practitioners some of the concepts public relations professionals have known about for years, such as the importance of stakeholder relationships. Marketing people are discovering the power and value of marketing public relations (i.e. brand publicity) to deliver highly effective, cost-efficient messages. At the same time, public relations people are learning more about marketing and using marketing concepts like branding and positioning to build corporate communication strategies.



Results:

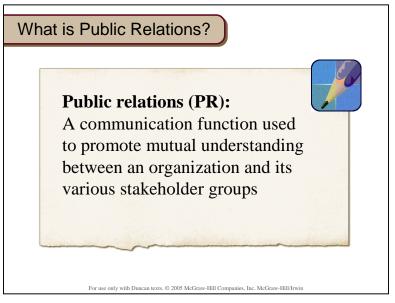
- 512 press stories generating 66 MM impressions
- 70% increase in Orkin sales leads in the safari markets

Discussion Starters:

- This is an unusual case, and some students might be a little squeamish about the topic, so an ice-breaker question might be this one: how many of you or your families have ever encountered an insect pest problem in your dorm or home? Take note of those who answered yes and no.
- 2) A follow-up question could be to ask both groups how likely they would be to visit the "insect zoo exhibit." Note the results and try to determine whether those who have had insect problems would be more or less likely to visit than those who have not.
- 3) Then as a final question, ask how many would be more likely to call Orkin if they had a problem after visiting the exhibit than they had before.

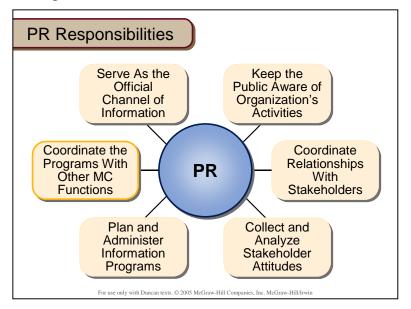
Lecture Outline

- I. The Practice Of Public Relations
 - A. Public relations (PR)



i. A communication function used to promote mutual understanding between an organization and its various stakeholder groups

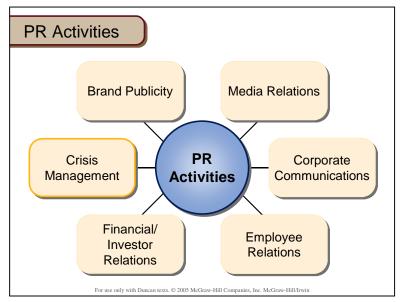
B. PR responsibilities



- i. Serve as the official channel of information
- ii. Keep the public aware of organization's activities
- iii. Coordinate relationships with stakeholders
- iv. Collect and analyze stakeholder attitudes
- v. Plan and administer information programs
- vi. Coordinate the programs with other MC functions

C. PR benefits

- i. Cuts through advertising clutter
- ii. Relatively little media expense
- D. PR activities



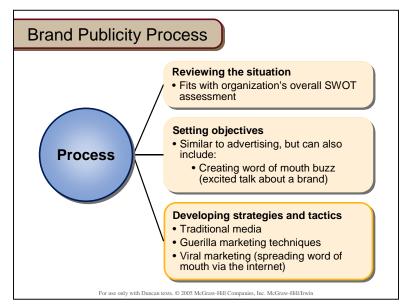
- i. Brand publicity
- ii. Media relations
- iii. Corporate communications
- iv. Employee relations
- v. Financial/investor relations
- vi. Crisis management

II. Brand Publicity

A. Brand publicity



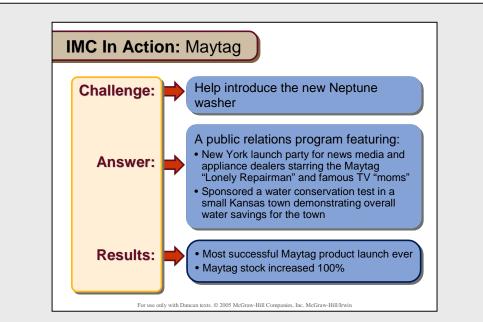
- i. The use of nonpaid media messages to deliver brand information designed to positively influence customers and prospects
- B. Brand publicity process



i. 3 steps

- 1. Reviewing the situation
 - a. Fits with organization's overall SWOT assessment
- 2. Setting objectives
 - a. Similar to advertising, but can also include:
 - Creating word of mouth buzz (excited talk about a brand)
- 3. Developing strategies and tactics
 - a. Traditional media
 - b. Guerilla marketing techniques
 - c. Viral marketing (spreading word of mouth via the internet)

<u>IMC I</u>	n <u>Action</u> : Maytag IMC In Action: Maytag]
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<u>Challenge</u>: Help introduce the new Neptune washer

Answer: A public relations program featuring:

- New York launch party for news media and appliance dealers starring the Maytag "Lonely Repairman" and famous TV "moms"
- Sponsored a water conservation test in a small Kansas town demonstrating overall water savings for the town

Results:

- Most successful Maytag new product launch ever
- Maytag stock increased 100%

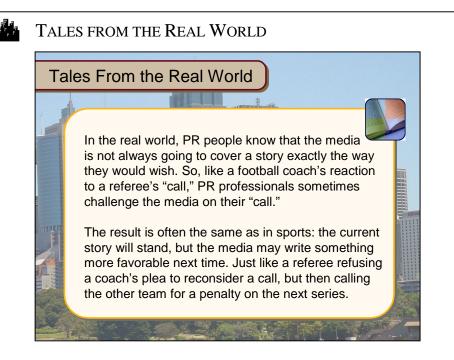
Discussion Starters:

- 1) Most students probably have not purchased a major appliance yet, but it might be interesting to measure top of mind awareness of the major brands by asking students what major appliance names first come to mind (the results will favor Maytag because of the information in the case).
- 2) Then, as a follow-up, ask students to rate the brands they would be most likely to purchase and record these results on the board.
- 3) As a measure of the effectiveness of the "water saving" message of the Neptune campaign, ask how many would be more likely to purchase a Maytag, even if it is more expensive, because of its unique water-saving feature.

C. Key part of brand publicity: media relations

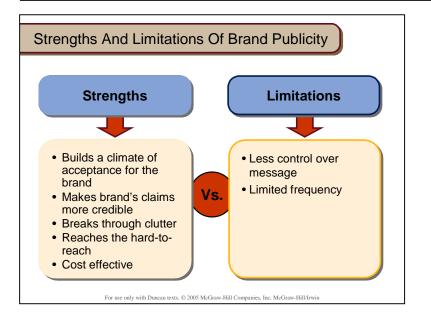


- i. Maintaining a positive professional relationship with the media in general or with media that specialize in covering a specific industry
 - 1. The challenge: getting past media gatekeepers
 - a. Editors and reporters who select (or reject) stories for their publications or stations based on what they think will interest their audiences

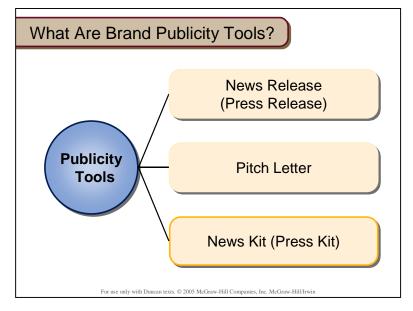


In the real world, PR people know that the media is not always going to cover a story exactly the way they would wish. So, like a football coach's reaction to a referee's "call," PR professionals sometimes challenge the media on their "call."

The result is often the same as in sports: the current story will stand, but the media may write something more favorable next time. Just like a referee refusing a coach's plea to reconsider a call, but then calling the other team for a penalty on the next series.



- D. Strengths...
- i. Builds a climate of acceptance for the brand
- ii. Makes brand's claims more credible
- iii. Breaks through clutter
- iv. Reaches the hard-to-reach
- v. Cost effective
- E. ...and limitations
 - i. Less control over message
 - ii. Limited frequency
- F. Brand Publicity Tools



i. News release (press release)



- 1. A self-serving news or human interest story created by an organization or its PR firm and given to the media to generate brand publicity
- 2. Sometimes, another tool is used: a fact sheet
 - *a.* A summary of the key information, can be provided to the reporter who will then write the story
- ii. Pitch letter

A Pitch Lette	er From A Clothing Maker
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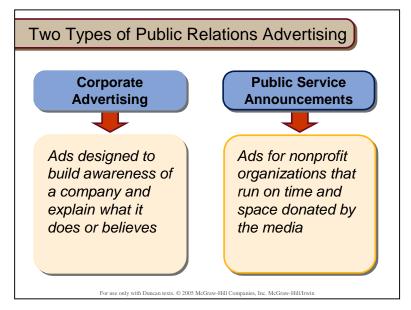
- 1. A story proposal sent to a reporter or editor. Its purpose is to sell the story idea to a journalist who would then follow up and write the story if it's deemed to be of interest to the medium's audience
- iii. News kit (press kit)
 - 1. A packet of information provided by the PR staff to journalists who are covering something major, such as a special event or a press conference

III. Corporate Communication

A. Corporate communication



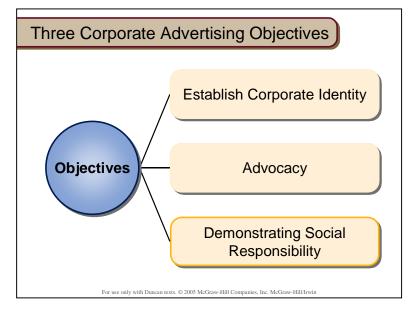
- i. High level public relations carried out by executives who work at a senior level in a company and advise top management on how the organization presents itself
 - 1. Goal: to manage the image and reputation of the organization
- B. Two types of corporate advertising



- i. Public service announcements (PSAs)
 - 1. Ads for nonprofit organizations that run on time and space donated by the media

ii. Corporate advertising

- 1. Ads designed to build awareness of a company and explain what it does or believes
 - a. Different from brand advertising in 2 ways:
 - Focuses on the entire organization, not one product
 - Targeted to constituencies beyond brand customers
- C. Three corporate advertising objectives

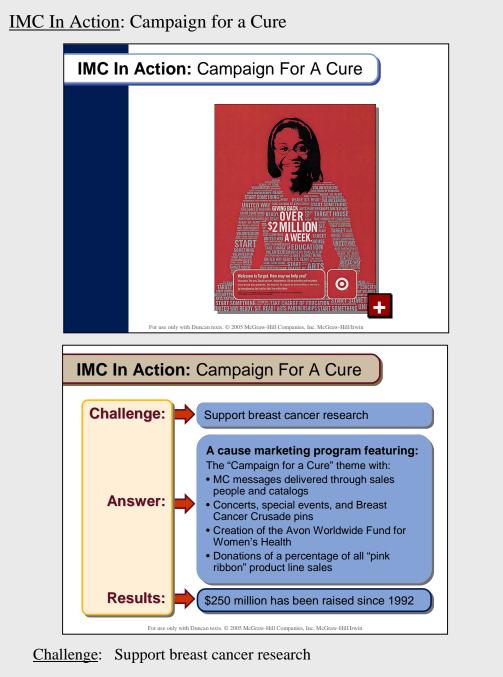


- i. Establish corporate identity
- ii. Advocacy
 - 1. Ads that take a stand on an issue or advocate a certain viewpoint
- iii. Demonstrating social responsibility

D. Mission marketing

- i. A practice that uses little advertising, but instead relies on brand publicity, as well as word-of-mouth, to advance an organization's business
 - 1. Examples:
 - a. Ben & Jerry's
 - b. Newman's Own Salad Dressing
 - c. Patagonia
- E. Cause marketing
 - i. When the company or brand supports a good cause, such as fights against hunger or breast cancer, by donating a percentage of sales to the cause

- 1. Requires agreement between a non-profit and a for-profit organization
- 2. Example: Avon's support for breast cancer research



Answer: A cause marketing program featuring:

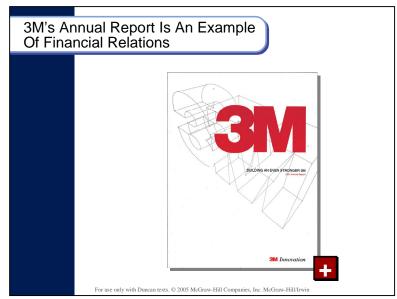
- The "Campaign for a Cure" theme with:
- MC messages delivered by sales people and catalogs
- Concerts, special events and Breast Cancer Crusade pins
- Creation of the Avon Worldwide Fund for Women's Health

Results:

- \$250 million has been raised since 1992

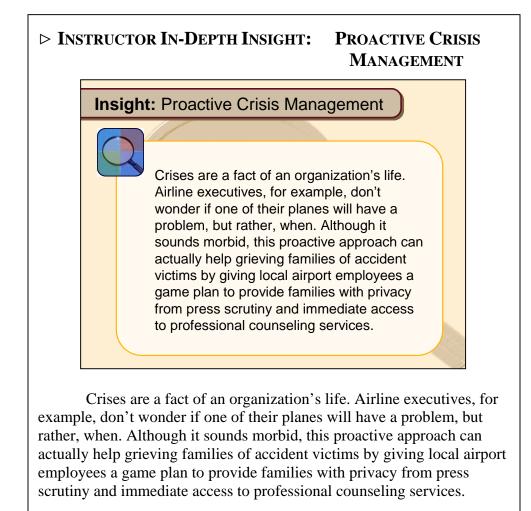
Discussion Starters:

- 1) To break the ice, poll the class to find how many are aware of the "Campaign for a Cure" and what its goal is.
- 2) As a follow-up, ask how many were aware that Avon is a major sponsor of the effort.
- 3) As a very rough measure of the program's effectiveness, ask how many students would be more likely to purchase Avon products because of their sponsorship.
- F. Employee Relations
 - i. Focuses on *establishing and maintaining communication systems* with employees
 - 1. Must be closely coordinated with human resources
 - a. Examples:
 - Newsletters
 - Websites
 - Intranets
- G. Financial Relations

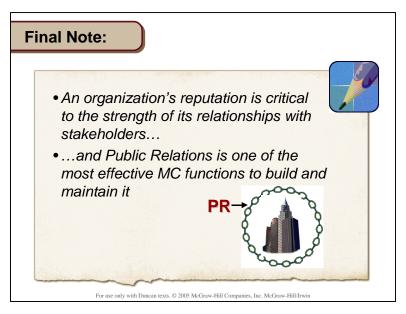


i. Creates communication directed to---and often developed in collaboration with—investors, analysts, stockbrokers, and financial media

- 1. Must be closely coordinated with senior management
 - a. Examples:
 - Brochures
 - Annual reports
- H. Crisis communication
 - i. A program designed to plan and manage a company's response when disaster strikes
 - 1. Designates who will provide what information to media and employees during a crisis
 - a. Example: Ford/Firestone tire crisis



IV. Final Note



- A. An organization's reputation is critical to the strength of its relationships with stakeholders...
- B. ...and Public Relations is one of the most effective MC functions to build and maintain it

Answers to Review Questions

1) Public Relations

- a. Why is public relations a growth area in marketing communication? Answer: One of the primary reasons that PR is growing is that it has the power to cut through some of the message clutter that plagues other MC functions such as advertising and direct mail.
- b. What are the key elements of public relations as given in the definitions quoted in this chapter?
 - Answer: The text defines PR as a communication function used to promote mutual understanding between an organization and its various stakeholder groups. Some of the key elements of the field, as indicated by the definition are as follows: being a central source of official information, representing the organization to the public and the media, and managing the flow of information between the organization and the key constituencies with which it has important relationships.
- c. Which stakeholders are addressed by public relations programs? Answer: Every stakeholder of the organization is a potential audience for PR efforts,

including, but not limited to: customers, potential customers, investors, the community around organization facilities, the government, the general public, other members of the organization's industry, the media, and the organization's employees.

- d. Which types of public relations programs listed in Table 17–1 can also be used in IMC programs?
 - Answer: All of the programs listed in the table can also be used in IMC programs. In fact, each program can not only be integrated into an overall MC program, but it also can be supported by other MC functions such as advertising, direct marketing, and personal selling.
- e. Do a search for a story about a new product launch, like the Maytag Neptune. In addition to the story placement itself, what other public relations tactics were used to introduce this product? What other MC functions were used?
 - Answer: Student answers will differ, but it would not be uncommon for a new product launch to use a press conference to announce the introduction, perhaps even at an industry trade show to maximize the potential for coverage by industry trade magazines. Another possible PR tactic could be the inclusion of a special section in organization's annual report featuring the new product. Other MC functions often support a new product introduction as well. For example, a teaser outdoor advertising campaign near the trade show site could create awareness for the press conference, as well as teaser ads in the trade show program. Sales promotions could also be used to stimulate interest in the press conference, perhaps through the distribution of premiums at the event, or even in the hotel rooms of the trade show attendees. Direct marketing could also be employed, with the use of e-mail or standard mail invitations to trade show members to attend the event.

2) Brand Publicity

- a. Define brand publicity. Explain how it differs from public relations in general. *Answer: Marketing public relations, commonly referred to as brand publicity, is defined as the use of nonpaid media messages to deliver brand information designed to positively influence customers and prospects. It differs from PR in general because it is designed specifically to support the marketing of a specific brand.*
- b. Explain how brand publicity can supplement an MC strategy.
 - Answer: Marketing public relations can supplement an overall MC strategy by helping to create visibility for a brand, build brand credibility, launch new products, position the brand as a category leader, and reach hard-to-reach target audiences with articles in special interest and trade publications. In an IMC program, public relations can also assist by monitoring and influencing unexpected messages.
- c. List five strengths of publicity. Answer: The five strengths of publicity are: first, its ability to build a climate of

acceptance for a brands; second, its use in increasing the credibility and believability of brand claims; third its capability of breaking through commercial message clutter; and fourth, its effectiveness in reaching hard-toreach audiences through articles in special interest and trade publications; and finally, its ability to do all these things in a very cost-effective way.

d. In the marketing trade press, find an example of a marketing program that had to involve both acceptance programs and issues management in order to be successful.

Answer: Student answers will differ, but one example comes directly from the text. Specifically, the Maytag Neptune new product launch provides an example of both. First, brand publicity efforts were assisted greatly by the existing public acceptance of the Maytag brand name. The name stands for reliability and durability in many consumer's minds, so publicity efforts could simply build on this strength. Second, the Neptune provided an opportunity to put a positive on issues management by focusing on the new product's water-saving feature—an issue that is becoming very important to the public, particularly in more arid climates.

- e. What is a media gatekeeper, and why does that person create limitations for publicity's effectiveness?
 - Answer: Gatekeepers are critical to the effectiveness of a PR program because they manage the flow of information through media channels like newspapers and TV news. Examples of gatekeepers are reporters and their editors who have the power to select (or reject) stories for their publications or stations based on what they think will interest their audiences. These individuals can limit the effectiveness of a PR program if they choose to reject story ideas and refuse to provide coverage of events sponsored by a brand.
- f. What is the third-party endorsement factor in publicity, and what does it mean for publicity? Find an example of how a medium lends credibility to a story about a brand. Explain *how* this credibility is enhanced by the medium.

Answer: A third-party endorsement factor means that the message represents an objective perspective presented by a reputable source who has no personal interest in the success or failure of the product being endorsed. Media stories resulting from this type of endorsement are more believable than ads. An example familiar with students would be a video game buyers' guide published by a major gaming magazine. If a brand is rated highly in this type of environment, it would be a powerful third party endorsement for the game. In fact, the game may even feature its rating and the magazine name in its own advertising and perhaps even on its packaging.

3) Brand Publicity Tools

For each the following, give an example (besides ones given in this chapter) for how each of the brand publicity tools can be used to help promote a company or brand: a. News release

Answer: A possible student response could be the development of a news release to inform the local press about a fraternity or sorority fund-raising event, such as a bake sale or car wash. Members of the organization would write the brief release, send it to local media outlets, and follow-up with calls to see if the media has any questions and is planning on running a story.

b. Press kit

Answer: A possible student response could be the development of a press kit to inform local and national press about a student-sponsored research conference to be held on campus. The kit would include photographs or the conference site, maps of the campus, histories of the event, background facts, stories on different aspects of the event, planned research presentations, along with person to be contacted for more information

c. Press conference

Answer: A possible student response could be the press conference that university sports information departments usually hold on "midnight madness" night prior to the beginning of NCAA basketball season. The media is invited to this event, during which coaches and players make brief statements about their hopes for the new season. This type of event also represents a good "photo op" for the media because they can photograph or videotape players and students in an exciting, visually interesting setting.

d. Media tour

Answer: A possible student answer to this would be the example of authors who travel the "college circuit" promoting new textbooks. Typically these authors will visit a number of college campuses around the country, provide interview and photo opportunities to the college newspaper and local media, and often do a book signing in the college bookstore.

4) Corporate Communication

- a. What is corporate communication?
 - Answer: Corporate communication is defined as high level public relations carried out by executives who work at a senior level in a company and advise top management on how the organization presents itself. Another term for this work is corporate relations because it involves creating and maintaining relationships with key stakeholders who can affect the organization's business, such as government officials and regulators.
- b. Identify the three main objectives corporate advertising. Find examples of ads intended to meet each objective and explain the strategy behind the communication.

Answer: There are three different kinds of corporate advertising objectives: to establish a new corporate identity or reinforce their existing image; to take a stand on an issue or advocate a certain viewpoint; and to demonstrate social responsibility. An example of corporate identity advertising is the long running "We bring good things to life" campaign sponsored by General Electric. The strategy behind the campaign is to reinforce GE's corporate image as a leader in different fields of technology. This type of campaign is often aired during Sunday morning network TV issues programs like "Face the Nation," which is viewed by many opinion leaders in the financial and government communities. An example of a campaign advocating a certain viewpoint is work for Benetton, which often espouses controversial issues and takes a stand. An example of a campaign demonstrating social responsibility is the one cited in the text, sponsored by Anheuser-Busch. This campaign is intended to position the company as an advocate of responsible drinking.

- c. Why is corporate culture important to corporate communication managers, and how does it affect IMC programs?
 - Answer: Organizations can have very different cultures as it relates to corporate communication. For example, many companies separate marketing and public relations. Public relations managers, particularly those who track issues and public opinions, typically report to the president of the organization. Meanwhile, advertising managers usually report to a vice president of marketing. Where there is no cross-functional organization, advertising managers may have little or no contact with their counterparts in public relations. This can negatively affect IMC programs because the organization may end up sending different, sometimes mixed, messages through the use of PR versus of MC functions.
- d. How does a company's image differ from its reputation?
 - Answer: Corporate image is a representation derived from planned communication, such as advertising and brand publicity. Reputation reflects how a company behaves, and it is based on what others say about the company. Reputation, then, is the esteem that a company or brand has in the eyes of its stakeholders. Reputation depends on the organization's core values and behaviors, and is reflected in word-of-mouth, confirmatory statements by others, as well as personal experiences with a company or brand. Image can be created, but a reputation is earned.
- e. In what way is reputation important to an IMC program? *Answer: Reputation is important because it can factor into every aspect of an IMC program. Since it is essentially a measure of the value of the consumer goodwill attached to a corporate brand name, PR, advertising, direct marketing, sales promotions, and personal selling can all build on this strength in their efforts to promote the brand.*
- f. How do mission and cause marketing differ? Which one is more relevant for an IMC program? Why?
 - Answer: The objective of mission marketing is to build a good corporate or brand reputation for the long term. This approach can serve as an effective platform on which an integrated marketing program can be built because when people

believe passionately in a brand's mission, they are more likely to become advocates for the brand.

On the other hand, the objective of cause marketing is for the company or brand to support a good cause, such as fights against hunger or breast cancer, by donating a percentage of sales to the cause. The benefit to the company comes from its association with the good cause. However, cause marketing reflects a more short-term approach than mission marketing. Both cause and mission marketing are strong emotional appeals, but a mission is deeper because it is a long-term commitment

- g. Analyze how the Swiss-based pharmaceutical and agribusiness producer Novartis (www.info.novartis.com) uses the Internet to give substance to the company's environmental claims. Do you feel this is a good example of mission marketing? Explain how you arrived at your evaluation.
 - Answer: After a visit to Novartis' website, it is clear that the organization has made the concept of "corporate citizenship" a major cornerstone of its mission. This topic is one of the primary tabs on its home page, and includes the following major pieces: a code of conduct, a set of corporate citizenship guidelines, and even a commitment to follow the UN Global Compact. This commitment is based on the following premise: "whether or not required by law, corporations should enforce basic human rights and accepted labor and environmental standards in all their business activities to counterbalance the possible negative effects of globalization."

Chapter Challenge

Writing Assignment

Pick an organization, interview some members to find an interesting aspect that would be of interest to your local paper. Write a publicity story that meets one or more of the criteria that editors use to decide if a story should be used.

Presentation Assignment

Analyze your university or college as a brand. How does public relations contribute to the development of the school's brand? What is the school's identity, image, and reputation? Develop recommendations on what needs to be done to strengthen your school's branding, and present them to your class.

Internet Assignment

The premier job site for the global public relations industry is Workinpr.com (www.workinpr.com). It is a partnership between the two leading U.S. public relations associations—the Public Relations Society of America (www.prsa.org) and the council of Public Relations Firms (www.prfirms.org). The workinpr.com site offers job-search capabilities as well as up-to-date industry research and career information. Explore all three of these sites and do an analysis of the field of public relations and how it relates to your personal interests and skills. Prepare a sheet with one column on the left that lists job requirements (what employers are looking for) and in the column on the right analyze yourself on these requirements. Write a conclusion that states whether public relations would be a good career option for you.

Research Assignment

Consult books and articles you can find on public relations. From these readings, develop an outline for a crisis management program for your school or college. In other words, if some disaster happens (e.g., a student is killed, a building burns down), what should your school or college do to minimize the damage to its reputation?

IMC Plan Team Assignment

At this stage in their semester-long project, students should consider ways that public relations can help support their overall IMC plan. In this assignment, the student agencies will be asked to identify specific brand publicity tools they are considering.

IMC Final Project Checklist #17

Due Date:_____

□ Your Agency Name:

□ Brand Publicity Tools

Provide a detailed description of your plans to use any of the following brand publicity tools discussed in the chapter.

□ Press conference

□ Media tour

□ Media event

□ Speech

□ News release (press release)

□ Fact sheet

□ Pitch letter

□ News kit (press kit)