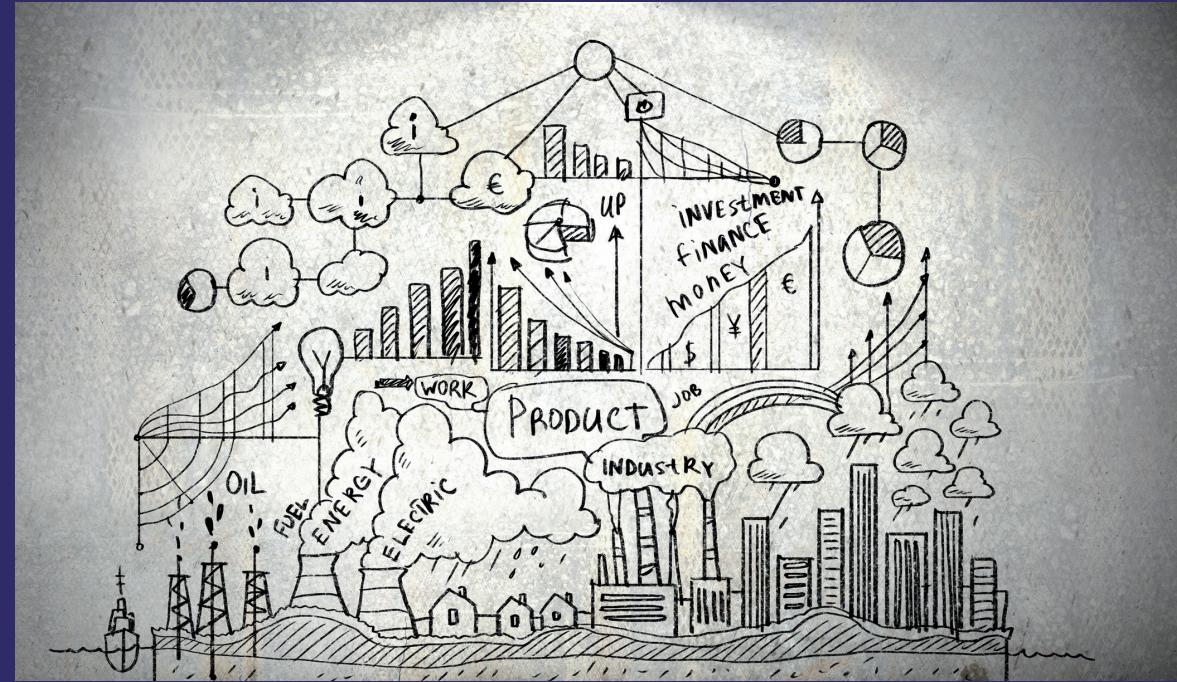


The book talks about the marketing communications vis-à-vis the contemporary tools in practice for doing the same. Although the importance of advertising in doing marketing communications cannot be dismissed, but the tools described in this book have become significant in this century. Public Relations, Publicity, Corporate Advertising, Internet and Interactive media have all collectively played an important role in making marketing communications for organizations stand out in the clutter and make the viewer, reader, and listeners among consumers or would be consumers respond and participate in the growth of the organizations as well their own satisfaction and happiness. The book explains these contemporary marketing communication tools in two parts where Part A encompasses Public Relations, Publicity, and Corporate Advertising and Part B encompasses Internet and Interactive media. The book not just theorizes with definitions and concepts, but goes further detailing the applications and implementations by different types of organizations in making these contemporary marketing communication tools work for themselves as well as for the material welfare of their existing consumers

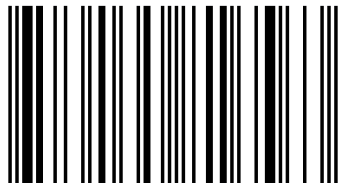


Prateek Kanchan

Contemporary Marketing Promotions



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Specialization: Integrated Marketing Communications, International Marketing, Marketing Management and Consumer Behavior.



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Contents

Contents:	1
Part A: Public Relations(PR), Publicity, and Corporate Advertising	
1. Opening Case Study	2-4
2. PR defined traditionally	5
3. PR in its defined role	5
4. PR and its integration into promotional mix	6
5. Marketing Public Relations Functions	6-8
6. How do we go about organizing PR:Process	8-10
7. Establishing a PR Plan	10
8. PR Program development and execution	10-13
9. Advantages and Disadvantages of PR	13-14
10. Measuring the Efdfectiveness of PR	14-16
11. Publicity	16
12. The Power of Publicity	16-17
13. Controlling and Disseminating Publicity	17-18
14. Pros and Cons of Publicity	18
15. Measuring the Effectiveness of Publicity	18
16. Corporate Advertising	18-20
17. Objectives of Corporate Advertising	20
18. Various types of Corporate Advertising	20-23
19. Advantages and Disadvantages of Corporate Advertising	23-24
20. Measuring the Effectiveness of Corporate Advertising	24
21. Summary	24-25
22. Key Terms	25
23. Closing Case Study	25
24. Actual Company Examples	25
25. Self Assessment Exercises	25-26
26. Skill-Building Exercises	26
27. Review Questions	26
28. Self-check questions	26
29. Topic for Presentations	25
30. Comprehensive References and Annotated Further Studies	25
Part B: Internet and Interactive media	
1. Opening Case	27-28
2. Motivation to Advance Social TV	28
3. India vis-à-vis Internet and Interactive Media	28-29
4. Historical background of the Internet	29-33
5. The Internet and Integrated Marketing Communications	33-39
6. Internet Effective Measurement	39-40
7. Advantages and Disadvantages of the Internet	40-43
8. Additional Interactive Media	43-44
9. Ending Case	44-45
10. Company Example	46-49
11. Trends and Innovations	49-50
12. Self Assessment Exercises	50
13. Skill-Building Exercises	50
14. Review Questions	50
15. Self-check questions	50
16. Comprehensive References and Annotated Further Studies	50
17. Topic for Presentations	50-51
18. Comprehensive Source	51

Part A: Public Relations, Publicity, and Corporate Advertising

Opening Case Study

In October 2003, when Diwali was just a month away, the Food and Drug Administration Commissioner, India received complaints about infestation in two bars of Cadbury Dairy Milk, Cadbury India's flagship brand with over 70% market share. An enquiry was ordered and Cadbury simultaneously went to the media with a statement. In a 3-week period, adverse media coverage touched close to 1000 clips in print and 120 on TV news channels. It became a big issue as in India Cadbury is synonymous with chocolate thereby making the company's reputation and credibility come under intense scrutiny. Sales volumes drastically reduced in the first 10 weeks, which was the festival season; retailer stocking and display dropped, and employee morale was shaken, particularly of the sales team. It emerged as a big challenge to **restore confidence in the key stakeholders** (consumers, trade and employees, particularly the sales team) and **build back credibility** for the corporate brand **through the same channels** (the media) that had questioned it. Cadbury defended itself by issuing a statement that the infestation was not possible at the manufacturing stage and poor storage at the retail points was the most likely cause of the reported case of worms. But the FDA did not accept that. According to the then FDA commissioner, Uttam Khobragade statement given to CNBC-TV18, it was highly likely that worms got into it at the storage level and the packing – packaging was not proper or airtight. He emphasized the manufacturing defect with unhygienic conditions or improper packaging. It actually led to allegations and counter-allegations between Cadbury and FDA. This negative publicity melted Cadbury's sales by 30 per cent, at a time when it sees a festive spike of 15 per cent. For the first time, Cadbury decided to take its advertising off air for a month and a half after Diwali, following the controversy. Moreover, consumers seemed to ignore their chocolate cravings at the same time.

Remedy:

During the course of next six months, a focused and intense communications program was implemented to bring back credibility and restore confidence among the key stakeholders. Through the media, projected message was that infestation was a storage-linked problem, not manufacturing related. It found widespread acceptance. Across the board, media carried Cadbury's point-of-view on the issue. Only after that sales volumes climbed back to almost to pre-crisis levels eight weeks after the launch of new packaging which took special care to minimize the incidence of infestation. All this reflected consumer confidence in the brand and the company. It resulted in a significant upward movement in ratings amongst consumers on parameters like company's image, responsiveness of company and behavioral parameters like intention to buy chocolates from Cadbury. This incident almost coincided with the cola controversy where a scientific laboratory declared colas unsafe due to high levels of pesticide. The jury was yet to take its call on that issue and so this incident acquired political overtones with parties decrying Cadbury as an irresponsible MNC. According to Andrea Dawson-Shepherd, Global Corporate Communication Counsel, Cadbury Schweppes, it was 'the worst worm infestation-related crisis anywhere in the world' They had their immediate task cut out before them. It required certain key messages to go across:

- Infestation could never occur at the manufacturing stage

- The problem was storage linked; this needed to be done without alienating trade channels
- Cadbury Dairy Milk continued to be safe for consumption

As a strategy, it was decided from the start to address the issue head-on and take whatever steps were necessary to restore confidence. The company used to historically maintain a low profile with the media and let its brands and its performance speak for it, but with this development, the company began to cultivate relationships with the media and turn it into an ally and a credible, independent endorser to rebuild stakeholder confidence.. It was carried out in two phases.

Phase 1: Presenting Cadbury's view (October-December 2003)

When the crisis broke, that day itself the agency set up a media desk to ensure that no media query went unanswered. From Day 1 every story carried Cadbury's point of view. During the first media briefing organized by the agency, the Cadbury's Managing Director addressed consumer concerns with the following key messages:

- Infestation is a storage linked problem.
- It is safe to eat Cadbury chocolates.
- Consumers must exercise the same care in purchasing a chocolate as they would when buying any food item.

At the second media briefing about two weeks after the first incident was reported, Cadbury announced significant steps to restore consumer confidence. It was named 'Project Vishwas (Trust)', and it entailed:

- A retail monitoring and education program undertaken on a war footing to address storage problems.
- Significant packaging changes to 'reduce dependency on storage conditions as much as possible' –to be launched within two months.

Over and above this, an editorial outreach program with 31 media editors across 5 most affected cities was orchestrated by the agency to get senior Cadbury spokespeople to share their version of events in one-on-one meetings. The trade, and consumers, were reached nationally through a press ad 'Facts about Cadbury', released in 55 publications in 11 languages. It put forward facts about Cadbury manufacturing and storage and highlighted corrective steps being taken by the company. This was a public statement of the corporate stand on the issue. The trade was supported with posters and leaflets to help them share Cadbury point-of-view with their customers. Creation of a response cell with a toll free number and an e-mail id gave trade a means to directly contact the company with any issues they faced, thereby reinforcing the company's commitment to quality. Right from the beginning, a series of town hall meetings were held with senior managers addressing employees to ensure they were updated on the proactive actions being taken by Cadbury to manage media, help trade and ensure future occurrences of such incidents were kept to the minimum. Regular email updates from the MD were also used to communicate the company's point of view besides ensuring consistency of messaging since employees are the company's ambassadors.

Phase 2: Packaging change (January- March 2004)

The new 'purity sealed' packaging was launched in January 2004 with an investment up to Rs 15 crore (Rs 150 million) on imported machinery. Cadbury's revamped the packaging of Dairy Milk. Although the metallic poly-flow, was costlier by 10-15 per cent, but Cadbury didn't hike the pack price. This entailed double wrapping for maximum protection to reducing the possibility of infestation. This was a big step involving investment of millions of dollars and getting on stream a production process in 8 weeks, that would normally take about six months. In order to communicate these significant changes the company was making, Cadbury brought in a brand ambassador to reinforce the credibility that the company had demonstrated through its actions. Amitabh Bachchan, a legendary Indian film star, was chosen, as he embodied the values of Cadbury as a brand and connected with all of India – mothers, teenagers, children, media persons and trader partners.

A media conference was organized in Mumbai to launch the new packaging. It was followed with press conferences in cities worst affected by the crisis – Pune and Nagpur in Maharashtra and Cochin in Kerala. During these conferences, media persons were encouraged to compare the old and new packs with an innovative comparison kit and experience the significant changes in packaging first hand. Over and above that, an audio visual with a message from Mr Amitabh Bachchan was beamed to build credibility and excitement. As most of the damage had come from television coverage, a video news release with packaging shots and factory shots was given to television channels to control the visual messaging. Simultaneously, senior Cadbury spokespersons had one-on-ones with the Editors of the Outreach program initiated in November 2003. Moreover, another audio visual with a message from the star was used in a series of sales conferences to enthuse and reassure salespersons. It helped to rebuild confidence in the salespersons to go and sell the product more convincingly and confidently to the trade. The announcement of the new pack was done through a testimonial advertisement on TV called 'Sincerity'. It consciously addressed the problem head-on, with the superstar talking straight into camera about how before doing the ad he first convinced himself about the quality of Cadbury chocolates by visiting the factory. Consumer respect for the brand increased as they felt that the company was not skirting the issue but acknowledging it and giving a solution to the problem. It was a perfect example of Public Relations using a TV Commercial to get key messages across.

Results: All the above efforts of the company resulted in positive developments as follows:

Media Coverage: Media accepted that the infestation was genuinely caused by storage-linked problems. All media reports carried the Cadbury's point-of-view which resulted in bad news taking over good news. However, the agency helped Cadbury get a total of 378 clips in over 11 languages covering the new packaging, and its benefits, in January 2004.

Sales: Sales volumes, which declined drastically between week 1 and week 10 of crisis, climbed back almost to the pre-incident levels by week 18. Within 8 weeks of introduction of new packaging and communication. It proved restoration of consumer and hence trade confidence in the corporate brand.

Image: It resulted a significant upward movement in ratings amongst consumers on parameters like company image, responsiveness of company and behavioral parameters like intention to buy Cadbury chocolates. New product introduction and advertising had their role to play in the changing consumer perceptions, but the the media's positive coverage and the trade's positive pre-disposition played a huge part in helping Cadbury regain its reputation in the market.

Public Relations, Publicity, and Corporate Advertising

Although publicity is often out of control of the marketer, but efforts are constantly being made to manage publicity as a marketing strategy. It is not new to generate positive publicity as increased efforts in this direction signify changes in the public relations functions of companies and organizations. One can argue on the importance and role of public relations in the IMC program, but it is clear that the role of public relations in the communications program is becoming increasingly significant.

Publicity, public relations, and corporate advertising have promotional program element benefiting greatly to marketers. They are integral parts of the overall promotional effort to be managed and coordinated with the other elements of the promotional mix. At the same time, it is worth noting that these three tools do not always have the specific objectives of product and service promotion. Normally, these activities are designed more to change attitudes toward an organization or issue than to promote specific products or affect behaviors directly. We are here to explore the role of public relations, publicity, and corporate advertising, the advantages and disadvantages of each, and the process by which they are employed. It is very important to differentiate public relations with other marketing elements discussed so far. However, it should begin with the definition of the term *public relations* and what it has traditionally meant to one and all. .

PR (Public Relations)defined traditionally

According to the *Public Relations News* (the weekly newsletter of the industry), PR is a management function which evaluates public attitudes, identifies the policy and procedures of an organization with the public interest, and executes a program of action (and communication) to earn public understanding and acceptance. It is indeed a management function. Here, the term *management* should be used in its broadest sense and is not limited to business management but extends to other types of organizations, including nonprofit institutions. Its applicability is widely found even in family and social lives.

This definition explains public relations as consisting of a series of stages which include:

1. Determinants and evaluation of public attitudes.
2. Identification of policies and procedures of an organization with a public interest.
3. Development and execution of a communications program designed to bring about public understanding and acceptance.

The above process does not occur all at once. It may require months or even years for an effective public relations program to materialise.

Above all, this definition reveals that public relations goes much beyond activities designed to sell a product or service. It may involve some of the promotional program elements previously discussed but used them in a different way. In a way, a company organizing special events like a road show to create goodwill in the community uses advertising to state the firm's position on a controversial issue.

PR in its redefined role.

Marketing savvy companies have established new responsibilities for public relations. PR has taken more marketing-oriented perspective, designed to promote the organization as well as its products and/or services. Its popularity as a marketing tool has been increasing exponentially since the beginning of 21st century in India. Estimated at Rs.5000 million,15-20% annual growth in it has motivated many multinational PR firms to hike their stakes in existing joint ventures in recent times.. Due to emergence of PR as a serious tool of brand promotion, there is an upsurge in PR industry

PR is used by companies as a continuum. On one end of the continuum is the use of PR from a traditional perspective., wherein public relations is viewed as a non-marketing function primarily responsible to maintain mutually beneficial relationships between the organization and its publics. Here, customers or potential customers are part of numerous publics which include employees, investors, neighbors, special-interest groups, and so on. Marketing and public relations are separate departments and if external agencies are used, they are separate agencies. At the other end of the continuum, public relations is considered primarily a marketing communication function. Here, all noncustomer relationship are perceived as necessary only in a marketing context and in such organizations, public relations reports to marketing. However, for many companies, the PR function is moving more and more toward a new role, which is much closer to a marketing function than a traditional one.

In the contemporary role of public relations, managers envision both strong marketing and strong PR department. Instead of each department working independently, the two work closely together, blending their talents to provide the best overall image of the firm and its product or service offerings. According to Al Ries and his daughter Laura , leading authorities on marketing , PR requires even stronger involvement in current times.. In their book titled *The Fall of Advertising and the rise of PR*, they argue that although advertising dominates marketers thought processes, its declining effectiveness means that this communications tools no longer effective for introducing and building new brands. They strongly contend that the only way to build a brand now, is through public relations. Although this argument was strongly debated in advertising agencies around the world, what cannot be ignored is the fact that authors Al Ries and his daughter Laura Ries are well known and respected marketers! Al Ries (along with a former coauthor, Jack Trout) is best known for first introducing the concept of positioning. Still , not many marketers necessarily agree with this position.

In the words of William N. Curry , organizations must use caution in establishing the relationship between PR and marketing, because PR and marketing are not the same thing, and when one department becomes dominant, the balance required to operate at maximum efficiency is lost. According to him, losing sight of the objectives and functions of public relations in an attempt to achieve marketing goal may be detrimental in the long run. Some others are more forthright and strong in their opinions when they say that if public relations and marketing distinctions continue to blur, the independence of PR function will be lost, and it will become much less effective. Cu,ip, Center and Broom, note that marketing and public relations are complementary functions, “with each making unique but complementary contribution to building and maintaining the many relationships essential for organizational survival and growth. Ignoring one may lead to failure in the other.” This debate gels down to the fact that public relations is an important part of the IMC process, contributing in its own way but also in a way consistent with marketing goals.

PR and its integration into the Promotional Mix

Keeping in mind the scope and influence of public relations, it becomes necessary to integrate it into the promotional mix. A number of alternative organizational designs are suggested by Philip Kotler and Wiliam Mindak . It can be marketing or public relations as the dominant function or both can be equal but separate functions or the two can compliment performing the same roles. Each of these designs has its merits, here we regard public relations as an IMC program element. It implies broadening its role along with its traditional responsibilities. Whatever role PR takes, activities in its ambit are still tied to specific communications objectives. In the current competitive times, assessing public attitudes and creating a favorable corporate image are no less important than promoting products or services directly.

Marketing Public Relations Functions

According to Thomas L. Harris, public relations activities designed to support marketing objectives are **marketing public relations (MPR)** functions. Marketing objective which may get aided by public relations activities include raising awareness, informing and educating, gaining understanding, building trust, giving consumers a reason to buy, and motivating consumer acceptance. MPR adds value to the integrated marketing program in a number of ways:

- *Creating and generating marketplace excitement ahead of media advertising.* It so happens that just before the launch of a new product, the marketer publicizes and dramatize the product, thereby increasing the effectiveness of subsequent ads. Before launching i-phone 6 and 6+ in 2014 in India ,Apple generated a great deal of anticipation through public relations prior to the availability of the product. Eventually , when the advertisement was later released along with the launch , the announcement received even more extensive press coverage, majorly in print media.
- *ROI Improvement.* It happens as overall marketing costs get reduced while delivering meaningful marketing outcomes at the same time.
- *Advertising news gets created without any product news.* Public Relations have the power to generate news about forthcoming ads themselves resulting publicity, even if there is no big product development as such. . Automobile companies, consumer durable manufacturers etc in India resort to this more often.
- *Product introduction little or no advertising.* A strategy implemented many times successfully by many companies, including Hyundai Motors India Ltd, Nestle, Maharaja Appliances.Ltd etc..
- *Providing a value-added customer service.* Many companies through their interactive website provide personal advice on how to use their products in making consumers comfortable. Companies in kitchen appliances, detergent powders, toiletries, cosmetics etc use this medium extensively as compared to advertising.
- *Making influential People talk .* Public Relations exercise can ensure that opinion leaders talk on the brands and make impact on their followers/fans. Companies have a policy to keep opinion leaders from various walks of life informed about their offerings and they in turn say positive things to their fans wherever they go personally or through the mass media.
- *Defence of products at risk and giving reason to consumer for buying.* Through constructive actions to defend or promote a company's products, PR can actually give consumers a reason to buy the products. It is often found that companies in automobiles, mobile phones, electronics categories etc withdraw products/brands from the market sold during a particular period due to some technical or other snag reported by their highly learned team. The company not only announces such withdrawal but also encourages users of products/brands purchased by them during the said period to reach the nearest dealer or retailer for proper replacement or solution. Figure 17-1 lists additional successful implementation of MPRs.

According to Harris notes, there are a number of advantages of using MPR:

1. It reaches the market at a very reasonable cost .
2. It is highly targeted for conducting public relations.
3. Through it, third party endorsement of independent and objective people with no association with the product adds immense value to the marketing of the brand.
4. It generates credibility.
5. Through supporting advertising program, message credibility increases.

6. By being different from others, it breaks through the clutter.
7. Consumer resistance to sales efforts is overcome through marketing public relations.

According to, Mark Weiner , additional advantages can be as follows:

- Improved media involvement among consumers.
- Creating influence among opinion leaders and trendsetters.
- Improving ROI.

However, Harris notes some disadvantages viz.,

- Lack of control over the media.
- Not compatible with slogans and other advertising devices.
- No guarantee as far as media time and space are concerned.
- Lack of standard effectiveness measures.
- According to Harris, public relations functions may become subservient to marketing efforts – a concern expressed by many opponents of MPR. On the other hand, if employed properly and used in conjunction with other traditional public relations practices as well as IMC elements, MPR can continue to be used effectively. Weiner notes that the key to the successful use of MPRs is its integration with IMC, but such task may not be easy to accomplish.

How do we go about organizing Public Relation: Process

The actual process of conducting public relations and integrating it into the promotional mix calls for a series of both traditional and marketing-oriented tasks. These are as follows

Identifying and Evaluating Public Attitudes

It is given above that public relations is concerned with people's attitudes toward the firm or specific issues beyond those directed at a product or service. In the first case , we need to know why the firm is so concerned with the public's attitudes? A strong argument here may be that these attitudes may affect sales of the firm's products. Consumer boycotts have resulted in a number of companies having experienced sales declines. Worldwide, companies have faced it and at times, for no fault of their own, if not always.

Many companies in various categories of products and services all over the world have responded to organized pressures. All the times, pressures may not be based on real reasons. Rumors about bad quality or poor company's conditions may also affect consumer responses and reactions. With the news of financial crisis in the US and closure of leading financial institutions in second half of 2008 getting public, ICICI bank's consumers in India queued up before its many branches in some cities particularly in Karnataka and Andhra Pradesh fearing that the bank was facing major financial crunch. The bank had to respond with press releases and statements to media giving detained financial position which also included advertisements.

Although public relations is a phenomenon followed from 20th century across the world, it took firm footing in India in the early 1990s. If there were several individuals and small companies using it even before that, it was limited PR with the limited scope of media relations only. Most the entrepreneurs who began these services came from a background of journalism which was seen as a natural hunting ground for the nascent PR industry.

India has all along come up with many advantages in the context of PR - it has shown a consistently high growth rate of the economy with the initial penetration of PR low leaving much scope for growth with the internet & traditional media also penetrating exponentially giving rise to the quick rise of PR in India. Although some international PR agencies (usually offshoots of advertising agencies) like Ogilvy PR set base in India in mid-1980s,

they floundered to find a firm footing especially since their core focus remained mainly in advertising services. With the beginning of 1990s, Indian economy started opening up vigorously and several other PR agencies, notably Perfect Relations, 20:20 MSL (erstwhile 20:20 MEDIA), Text 100 and [Genesis] started and focussed on PR alone. This decade also saw the advent of Indian IPO agencies offshoots e.g., Ad factors PR began to offer PR services as a freebee along with their IPO services.

While 1990s were the starting block for the Indian PR sector, the first decade of the 21st century was the growth era. Significant developments of this time were the full buyout of Genesis by Burson Marsteller, and the investment in Hanmer & Partners by MS&L, a Publicis company. Edelman entered India with by taking over Roger Periera, the grand old man of PR. 2002 saw specialist agencies like Blue Lotus Communications taking birth with a focus on specialized sectors like Healthcare, Technology, Finance and Brands. 2008 saw the birth of i9 Communications as a specialist in consumer communication, with special focus on Brands, Lifestyle, Entertainment and Hospitality PR. Several such boutique agencies also started in other parts of the country. With the economic slowdown and the resultant market crashes worldwide, several international PR agencies suffered enormous losses when clients cut back marketing budgets. This phenomenon forced these agencies to turn to higher growth markets like India and China. India, due to its large English-speaking base and stable political governance along with a consistent legal structure, had distinct advantage over China or any other country. In the second decade of the 21st century i.e., 2010s, the color of the market has flowered from grey to blue and the corporate's need for image building and strategic PR is very well understood and accepted.

As per the 2007 report on The State of the Public Relations Industry prepared by Paul Holmes (author of the Holmes Report, the western growth of PR has almost plateaued to a stable range of 9% to 11%, with the growth geographies being India (as too China) growing at four times the Western pace. The report predicted that the greatest future in growth was expected to come in China and India, with good prospects for growth in Eastern Europe (particularly those countries recently admitted to the European Union) and in the Middle East (albeit from a very small base). In 2012, the PR market slowed down due to the overcrowding of the market. Moreover, the recession of 2008 & 2009 gave birth to another terminology in India-Regional PR which meant that the companies which were once upon a time hooked to pink papers started looking for presence in regional dailies. It resulted in focus of public relations in India shifting to Tier-II & Tier-III cities. Naturally then, India and similar paced economies have become favored destinations for global PR firms keen to extract their share of growth from this market. It was a late but sure and correct realization by many global majors that India had an equal or superior potential than China But 2012 saw PR market has slowing down due to the overcrowding of the market with too many fighting for too few. Certain PR Crisis in India and there mitigation help learn its applicability in a big way. On January 7, 2009, Ramalinga Raju, the erstwhile chairman of Satyam Ltd., India's leading IT firm, admitted of conscious fraud & misreporting perpetrated by him over several years. The media which used to eulogize him till then, suddenly turned on him with a vengeance, conscious that they had also failed in their duty as watchdogs of businesses. This crisis coincided with the peak of the global crisis and held the potential to snowball into a credibility & trust issue for brand India and its IT firms, where several billion dollars worth of services were being outsourced every year. This crisis also had impact on several companies associated with Satyam including EMRI (Emergency Medical Response Institute, a not-for-profit endeavor (for running free ambulance services) in which Satyam had committed 5% of running costs with the balance 95% coming from various state governments. To control the situation, the Indian government took quick action and set up an interim board consisting of industry stalwarts for the company to assess the true worth of Satyam and to seek a suitable investor & management. The bid was swiftly conducted and fiercely contested and eventually won by Mahindra & Mahindra and Satyam was merged with a group IT company. This timely execution and the confidence-building-measures taken by the interim board helped regain faith by the customers and the world at large in the Indian IT industry. However, Indian PR industry did face further crisis. In 2010, Open Magazine in an expose, covered the story of Niira Radia's nefarious power-dealings. An Income Tax phone tap collected more than 5000 tapes and hundreds of these tapes were leaked and found their way into Outlook magazine's website The Central Bureau of Investigation (CBI) interrogated Radia several times and as a fallout of

the tapes, the Telecom minister, A. Raja, with whom Radia had close links was also forced to resign. Many prominent journalists including Barkha Dutt and Vir Sanghvi were also in the middle of the quagmire, caught in power-lobbying conversations with Radia.

Source: http://en.wikipedia.org/wiki/Public_relations_in_India dated May 07, 2015.

Establishing a PR Plan

In some companies, PR programs involve little more than press releases, press kits for trade shows, and new product announcements. Moreover, these tools are not designed into a formal public relations effort but rather used as and when needed. In short, evidently PR is not a part of a structured program here. The public relations process is not a standalone one time process but is an ongoing one, which we have understood by now. This requires formalized policies and procedures for dealing with problems and opportunities. When we would not develop an advertising and/or promotions program without a plan, in the same manner, we will not institute public relations efforts haphazardly. Over and above that, the PR plan has to be an integrated part of the overall marketing communications program. This requires following questions marketers should ask to determine whether their PR plan is workable.

1. Is the plan reflecting a thorough understanding of the company's business situation?
2. Has the PR program made good use of research and background sources?
3. Is the plan including full analysis of recent editorial coverage?
4. Are the PR people fully understanding the product's strengths and weaknesses?
5. Is the PR program describing several cogent, relevant conclusions from the research?
6. Are the program objectives specific and measurable?
7. Is the program having clear description of what the PR activity will be and how it will benefit the company?
8. Does the program describe how to measure its results?
9. Do the research, objectives, activities, and evaluations are in sync?
10. Was the PR department in communication with the marketing throughout the development of the program?

According to Cutlip, Center, and Broom, a four-step process for developing a public relations plan is as follows:

- (1) Defining public relations problems
- (2) Planning and programming
- (3) Taking action and communication
- (4) Evaluating the program.

The above questions and the four-step planning process tie in with the promotional planning process is detailed as below in the remaining text.

PR Program development and execution

As the role of public relations is broad based, the PR program needs to extend beyond promotion. In a way, it requires a broader definition of the target market, additional communications objectives, besides different messages and delivery systems to be employed. These are explained below:

Determining Relevant Target Audiences. Different targets of public relations exist with different objectives for each. Some are directly involved in selling the product; others affect the firm in a different way like stockholders or legislators. These audiences may be within or outside the firm.

Internal audiences are the employees of the firm, stockholders and investors of the firm as well as members of the local community, suppliers, and current customers as these are already connected with the organization in some way and the firm normally communicates with them in the ordinary routine of work. **External audiences** constitute those people who are not closely connected with the organization (e.g., the public at large). It is necessary to communicate with these groups on an ongoing basis for a variety of reasons, ranging from ensuring goodwill to introducing new policies, procedures, or even products.

Employees of the Organization. Public Relations program has a prime objective in maintaining morale and showcasing the results of employees' efforts. Organization communicates with its employees through organizational newsletters, notices on bulletin boards, paycheck envelope stuffers, direct mail, and annual reports. Personal methods of communicating may be formal in the form of an established grievance committee or informal as an office Christmas party. Moreover, social events like corporate quiz teams or adventure trips etc are used to create goodwill.

Stockholders and Investors Annual reports of the company not just provides stockholders and investors with financial information regarding the firm. It also serves as a communications channel informing them reasons as to why the firm is or is not doing well, future plans, and other information that goes beyond numbers. In fact these reports are and can be effectively used to communicate a lot through numbers and much more than numbers.

Early 2015 saw Maggie, a prominent brand of noodles from Nestle face a stiff controversy when it was found unhealthy in random testing of its samples across India. Eventually, it was banned in many parts of India when FSSAI(Food Safety Standards Authority of India) found it unsafe and not healthy for kids to whom it has consistently been targeted since 1984, when it was launched in India. Top executives of Nestle addressed the problem head on by organizing press conferences, issuing press releases wherein they assured to recall all the stuff from the market and promised to come back in the market with Maggie along with all the necessary safeguards.

Community Members People living and working in the community where a firm is located or doing business are often targeted of public relations efforts. It involves ads informing the community of activities that the organization is engaged in as a social responsibility or community welfare activity such as reducing air pollution, cleaning up water supplies, or preserving wetlands. A number of companies in Oil and Gas sector like ONGC, IOCL etc are involved in this form of public relations through demonstrating to people that the organization is a good citizen with their welfare in mind.

Suppliers and Customers – In order to maintain *goodwill* with its suppliers as well as its consuming public, the company needs to regularly communicate in some form or the other, failing which, consumers may take their loyalties elsewhere. Suppliers may be inclined to do the same.

Sometimes sponsoring a public relations effort results in direct evidence of success. A simple “Just say no” to drugs campaign can be a boon to companies manufacturing drug testing kits, hospitals offering drug rehabilitation programs, and TV news programs' ratings. Indirectly, success of PR efforts get reflected in more customer loyalty, less antagonism, or greater cooperation between the firm and its suppliers or consumers. Public relations efforts are often targeted to more than one group instead of one group at a time and result directly through concerns initiated in the marketplace. Other important stakeholders, like potential customers, trade association members, human resource directors, buyers, and suppliers often constitute the target audience for PR efforts. People not directly involved with the firm may also be a part of the relevant audience coming under the category of external audience like press, educators, civil and business groups, governments, and the financial community at large.

The Media – By far the most critical external public is the media determining what you will read in your newspapers or see on TV besides how this news will be presented. As media wields considerable power, they should be informed of the firm's actions. Companies regularly do this by issuing press releases and communicate through conferences, interviews, and special events. The media are generally receptive to such information provided it is handled professionally as reporters are always interested in good stories. Moreover, community perception about media also plays a role here. Media carrying good and socially relevant stories around any entity including commercial organizations are well taken by audiences.

Teachers-Companies provide teachers at all levels-primary, secondary, undergraduate, and higher education with every information regarding their activities. The reason behind it is that these educators control the flow of information to certain parties particularly students at all levels of education. In higher education professors use or are persuaded to use business magazines by companies or the publishers in their classes in the form of case studies, examples etc.

Non Government Organizations(NGOs). Various NGOs like Oxfam, Prathma blood donation organization etc, and other nonprofit civic organizations also serve as gatekeepers of information. Companies contribute financially

to these groups besides speeches at organization functions, and sponsorships are all designed to create goodwill. Corporate executives' serving on the boards of nonprofit organizations also generates positive public relations.

Governments – Lobbying with government by companies for serving their businesses also form a part of the public relations exercise.. It attempts to influence government bodies directly at both local and national levels. Successful lobbying may mean immediate success for a product, while regulations detrimental to the firm may cost it millions. When the Government of India banned Maggie noodles, a product of Nestle India Ltd in 2015 for a considerable period of time due to health issues, it resulted in a big public relations exercise from Nestle worldwide in the form of press conferences as well as company organized physical destruction of huge quantities of Maggie packets lifted from the stores etc. It showed the concern for society on the part of the company besides serving as good public relations exercise.

Financial Groups – Companies have a huge stake in current shareholders, potential shareholders and investors who are regularly targeted for PR efforts. Moreover, financial advisors, lending institutions, and others need to be kept abreast of new developments as well as financial information, since they offer the potential for new sources of funding. Press releases and corporate reports play an important role in providing information to these publics.

PR program implementation

After conducting the research and the target audiences identified, the public relations program needs to be developed and delivered to the receivers. Numerous PR tools are available which include press releases, press conferences, exclusives, interviews, and community involvement.

Press Release –Press is one of the most important publics. Information disseminated to the press must be factual and of interest to the medium as well as to its audience. Source of the **press release** can significantly improve its impact by disseminating the right news and ensuring that it reaches the right target audience, making it interesting, and easy to pass along. The information in a press release should match with the reader or the viewer of the medium where it is sent. A press release of a financial institution to a business trade media and to the editor of the business section of a general-interest newspaper will find the appropriate audience then a sports TV channel or a health supplement of a newspaper.

Press Conferences Press conferences are very commonly held by political figures. Although it is used less often by organizations and corporations, but this form of delivery can be very effective. The topic of the press conference must be of major interest to a specific group in order to gain coverage. Normally major accomplishments (such as the awarding of a sporting event or location of a film premier or even an award location etc), major breakthroughs (like a unique medical drug invention), emergencies, or catastrophes warrant a national press conference. At a local level, folk or cultural events, and other local developments etc may receive coverage. Companies call press conferences when they have something significant to share e.g., the introduction of a new product or advertising campaign. At times, brand ambassadors are roped in to add value to such events. Consumer electronics companies, kitchen appliances makers etc use these events very frequently. Indian celebrities from Film and sports fields like Amitabh Bachchan, Aamir Khan, Salman Khan, Sachin Tendulkar, Leander Paes etc regularly take part in these company sponsored events,

Exclusives Here, one particular medium gets exclusive rights to the story if that medium reaches a substantial number of people in the target audience. It is called **exclusive**. Offering an **exclusive** may enhance the likelihood of acceptance. It can be easily tracked whether an exclusive is running on a particular medium or not.

Interviews A number of times, we come across watching TV or reading magazines carrying personal interviews of important business people, senior employees as well as entrepreneurs or their spokespersons. The answers to these questions promote the company decisions, products, activities directly as well as indirectly.

Community Involvement Companies also enhance their public images through involvement in the activities of local community. It may take many forms, like sponsoring the local event, organizing it, participating in it becoming a member in local organizations like Infosys Inc, Reliance Industries Ltd, Wipro Technologies, Tata Consultancy Services etc.

The Internet Through Internet, companies and organizations can disseminate public relations information just as the print media. Companies extensively use the Web to establish media relations and government, investor, and community relationships besides deal with crises and conduct cause marketing. Using their websites, companies address issues, provide information about products and services, archive press releases, link to other articles and sites, and also provide lists of activities and events.

Mobile phone handset companies, Car manufacturers etc at times recall particular models from time to time due to some technical problems in them and request the customers of those models to get the replacement done during a particular period for their own comfort as well as safety. They do so openly through various media options including internet by issuing an apology for any discomfort and assure current as well as potential customers of continued commitment of quality and standards.

Although similarities exist between public relations activities conducted in traditional media and those conducted on the Internet, there are three main elements accounting for the differences between the two:

1. The Internet is a quick information presenter.
2. The Internet links surfers with the different sources of information on the issue. And to get what they need.
3. The Internet offers the ability to provide much more substantial information as print and broadcast materials are confined by time and space limitations which is not the case with internet.

Apart from the above mentioned methods, other methods of distributing information may be photo kits, bylined articles (signed by the firm), speeches, and trade shows. However, the specific mode of distribution is determined by the nature of the story and the interest of the media and its publics.

Advantages and Disadvantages of PR

Just as any other program element, public relations has both advantages and disadvantages.

Advantages are as follows:

1. *Credibility.* PR communications are considered more credible than advertising because the public does not realize the organization either directly or indirectly paid for them. It appears for the customers/consumers that these communications are genuinely carried out and written by real people or teams without any monetary aspect involved. In the business section of a daily national newspaper, there may be a news item in one or more than one column which describes a particular brand and its features useful to the users. It generates a strong impact on the readers than the advertisement of the same brand in print, or any other media. Companies in all industries use this effective tool regularly which is less costly and more effective most of the times. The Times of India in its business section carrying a news item of the release of a particular model of car from Maruti Suzuki Ltd explaining its features, advantages etc impacts readers more than the advertisement of the same model of car on TV or radio etc. In the same manner a program on cars on Television where various models are compared on various features by car experts driving them personally with their opinions is more effective than an advertisement of the same models in any media.
2. *Cost.* The cost of public relations is very low in both absolute and relative terms, keeping in mind the possible effects. A big company can employ public relations agencies and crores of rupees on PR but for smaller companies PR may be the most affordable alternative available.
4. *Clutter Avoidance.* As public relations are presented and perceived as news items, PR messages are not a part of ad clutter. When a reader of a newspaper reads a story regarding a new product introduction or breakthrough in the business news section or general news section of a newspaper, it is treated as a news item and receives attention that way only which enhances its credibility.

5. *Lead generation.* When credibility gets established with respect to information about technological innovations, medical breakthroughs, and the like, it results almost immediately in a multitude of inquiries. These inquiries naturally give the firm some quality sales leads.

6. *Potential to reach specific groups.* As some products cater and appeal to only small market segments, it is not feasible to engage in advertising and/or promotions to reach them due to financial constraints. Here, the best way to communicate to these groups is by smart public relations.

7. *Building Image.* Effective public relations helps in developing a positive image for the organization. A strong image guards against any misfortunes in future. This also means taking the company out of an image crash due to any unfortunate incident or incidents involving the product or service provided by the company. The discussion about Maggie noodles from Nestle earlier in this chapter is apt here. When it faced severe crisis and criticism for certain harmful contents in it leading to its ban in India in early 2015, Nestle company in India went ahead with a massive PR exercise using all tools within its PR kit to come out of the crisis.

It is worth noting here that public relations may not serve the purpose of completing the communications process. It has the potential of breaking through the clutter of commercials but the receiver may not make the connection to the source. It so happens that a firm's PR efforts are at times not associated with their sponsors in the public mind. An otherwise good public relations may also misfire through mismanagement and a lack of coordination with the marketing department. When marketing and PR departments operate independently, there is a danger of inconsistent communications, redundancies in efforts etc., and so on, which makes it incumbent upon the company to ensure this inconsistency does not happen. Therefore, it is very important that for public relations to be effective, the PR program should be worthy of public interest, and effectively managed. In order to determine whether the program is working or not, the firm must measure the effectiveness of the PR effort.

Measuring the Effectiveness of PR

Just as we measure other promotional program elements, we also need to evaluate the effectiveness of the public relations efforts. Apart from determining the contribution of this program element to attaining communications objectives, this evaluation has certain other advantages also:

1. Management comes to know its achievement through public relations activities.
2. Management can measure public relations achievements quantitatively.
3. The above 2 helps management in judging the quality of public relations achievements and activities.

Indian Example

http://www.business-standard.com/article/management/understanding-the-public-relation-industry-in-india-112060202027_1.html accessed on Sept 15, 2015

With the explosion in media, the Indian PR industry has the opportunity to offer integrated solutions to companies for its marketing communications. Indian clients eventually look to their agencies for strategic communications and not simply for media relations. IT giant Wipro asks their agencies to help understand best ways to communicate their messages and presenting them in a context that is meaningful for their publics viz., clients, analysts, investors and journalists.

Indian PR industry is at a nascent stage and there is an opportunity to offer integrated solutions, with a very blurred line between public relations, advertising and digital media. It has resulted in many agencies creating creative and digital arms. It also makes sense to clients to have cost-effective communications plans spanning advertising, PR and digital media too. As adopting of social media is growing strongly a whole lot of combinations are available. It is catching up fast with traditional media and is already a part becoming part of many companies' communications approach. Tailored communications strategies and content can be created by PR professionals to reach audiences and monitor the landscape for stakeholder sentiment. It appears good but this approach will vary from client to client depending on their communications. If a consumer durables company would prefer a

combination of advertising and PR, a technology start-up will be more interested in using targeted PR for specific audiences. PR in India has the opportunity to reposition the industry from a simple, traditional PR deliverer to a strategic communications consultant as PR exercise can be interwoven as part of overall communications exercise for a long term strategic orientation. In the words of Meenu Handa, Microsoft's director of corporate communications, PR will be recognised as a strategic tool for two reasons — "One, the implosion of digital and social media - which is all about two-way engagement, and the PR industry has always operated in that environment. Two, the imperative need for organisations — including government, businesses and NGOs — to be extremely transparent in their communication in order to build and retain trust. Again, that is a space PR has always operated in." Within PR function, there can be various ways in which PR can be organized. It can be done as a full fledged PR agency providing all PR solutions to the clients or it can be a set of people within the organization providing PR solutions as and when required.

Specialty communications through developing special skills need to be developed by the 'umbrella' PR organization in order to thrive. However, PR is as good as the product, service or idea and it is not the other way around. So it implies that the best of PR will not take forward on ordinary or sub-standard product or service.

Niche PR involves the creation of small specialized teams within organizations or as separate entities addressing the really small segments or have a small but unique offering e.g., specialists in Indian languages or in developing content. Current times have this phenomenon very wide and common wherein the rise of niche PR agencies, offering communications services in a single sector or aimed at a particular ethnic group are practiced regularly. Although we do not find such agencies much in India, they are making their presence felt abroad. In this line, Performance PR is a London-based sport and automotive PR specialist that launched its first office in Dubai a couple of years ago. In the words of Noel Ebdon, managing director of Performance PR Middle East "We've got all the big agencies and this is the logical step forward, where you will get targeted public relations companies that give you an expert view on a specific area," 'The National' (www.thenational.ae). Niche PR provides better value than general-purpose agencies as these are better and more targeted. It makes the PR campaign more value for money. PR professionals with niche experience are regarded as experts as they have tremendous experience and have important connections in that field. Social networks have become all pervasive, and online behavior is impacting the buying behavior of consumers as well as business. Currently, a product purchased in urban India rarely purchased without it being researched online through opinions sought on social media. A PR campaign is now required to be socially engaging as a strategy. Social media campaigns might focus singularly on establishing direct connection between clients and consumers or even on building relationships with influencers.

There are numerous examples in this direction in India. The annual Indian Premier League T20 cricket tournament started in 2008 has seen different teams coming up with their own PR campaigns from time to time. One of its earlier teams, Royal Challengers Bangalore (RCB) ran a talent hunt to select three fans for an online reality show where they had full access to the players.

PR exercise needs to be evaluated from time to time on a regular basis. According to Raymond Simon, certain PR can be evaluated through following processes :

Personal observation and reaction. Superiors Personal observations and evaluations should occur at all levels of the organization.

- *Matching objectives and results.* By relating specific objectives designed to attain the overall communications objectives to actions, activities, or media coverage, PR can be gauged. It may include an article or a story in a number of leading media vehicles of print media and it can be an objective, quantitative, and measurable goal.

- *The team approach.* According to Harold Mendelsohn evaluators are actually involved in the campaign to achieve attitude and behavior modification through public information campaigns. It is the **team approach**. Here, using research principles and working together, the team develops—and accomplishes—goals.

- *Management by objectives.* Here, executives as well as managers together identify goals to be attained and the responsibilities of the managers. Then the performance takes place. These goals are then used as a standard to measure accomplishments.

- *Public opinion and surveys.* Researching through public opinion surveys can be used to gather data to evaluate program goal attainment.

- *Audits.* Audits can be done internally as well as externally to ascertain the degree of correctness of the work and find areas of improvement in future. **Internal audits** require evaluations by superiors or peers within the firm to determine the performance of the employee (or his or her programs). **External audits** are carried out by consultants, the client (in the case of a PR agency), or other parties outside the organization.

According to Mark Weiner, certain methods of measuring PR effects are more control oriented :

Media control analysis. Through systematic and objective identification of the characteristics of messages appearing in the media, the content is analyzed to determine trends and perceptions relevant to the product or brand.

Survey research. It does quantitative assessment of consumers' attitudes toward the product or brand.

Marketing-mix modeling. Data drawn from multiple sources is integrated to provide insight into the process.

Evaluation can be done by many other bases. According to Walter Lindenmanns, three levels of measures are involved: (1) the basic, measuring the actual PR activities undertaken; (2) the intermediate, measuring audience reception and understanding of the message; and (3) the advanced, measuring the perceptual and behavioral changes that result.

Certain organizations use a combination of measures, depending on their specific needs.

However, we can summarize that the role of public relations in the promotional mix is changing. With PR becoming more marketing oriented, the criteria of program evaluation have also changed. Simultaneous non-marketing activities will continue to be part of the public relations department and part of the basis for evaluation.

Publicity

Publicity implies generation of news about a person, product, or service appearing in broadcast or print media. To many marketers, publicity and public relations are synonymous. Actually speaking, publicity is a subset of the public relations effort.

Major differences also exist with respect to public relations. If publicity is typically a *short-term* strategy, than public relations is a concerted program extending over a period of time. Secondly, public relations is designed to provide positive information about the firm which is usually controlled by the firm or its agent, publicity on the other hand, is not always positive and is not always under the control of, or paid for by the organization. Positive as well as negative publicity often originates from sources other than the firm.

Most organizations have a public relations department which controls and disseminates the whole PR. Here, we will explore the role publicity plays in the promotional program and in how many possible ways marketers use and react to these communications.

The Power of Publicity

Publicity as a form of communication can generate immense power for the company. This way it is most unique form of communication. It is a misfortune that marketers are not able to realize this power in a manner they would like to do. Publicity can make or break a product or even a company. Numerous examples are there in this direction.

Indian examples

Whether a company is big or small, or even a tiny shop or a startup with the best intentions vis-a-vis customer focus and a great work culture in mind, it may still run into something or the other that goes wrong. A less than happy customer, as well as a stressed employee, or even a harassed distributor etc goes against you and judges you quickly without the entire story or facts known. It happens and is to do more with situations than anything done deliberately. The way a company responds to such a situation determines where it is headed, what its DNA as a company is and how respected the brand will go on to be over time. Internationally also there are numerous examples in this direction. India also has its fair share of examples in publicity wherein companies moved with it. Flipkart undergoing a radical change in its model, had been growing furiously. With obviously growth pains, and a few unhappy customers, CEOs got involved directly, and took it to a different and exciting level. Redbus' faced Exit and Employee Dissonance. When many employees continued to work with Redbus, it was felt whether many employees got a raw deal continued to persist, and beyond those directly affected, this has had an impact on the wider ecosystem. But, every company tries to arrive a win-win situation for all involved. Of course, any such deal entails multiple stakeholders' contractual obligations and priorities which need to be accommodated, but some sort of an open response about the same helps understand this better, and builds upon the founding team's otherwise very positive reputation and personal equity. In case of Flipkart, its one employee had an issue with something he was buying on HS18 in his individual capacity and tweeted something unpleasant. Homeshop18 responded with a protest for details rather than offensive language, but cc'd the guy's employer. Unfortunately, Flipkart actually got dragged into this and admonished their employee!. On the other hand, both companies should have kept it strictly between the buyer and the seller, and responded with more maturity. In a similar vein, Zomato had a workplace debate when someone who claimed to have worked at Zomato left a long note about issues with the founders/work culture in response to a question about the same. Although such issues are always contentious and subjective, the founder responded with reasons and the approach towards team and culture building that addressed the rants rather than going after the individual personally. It did not sound either offensive or defensive. It greatly responded to the questions raised, but also advertised to the right folks who were likely to appreciate both the attributes shared and the effort shown towards making the same clear publicly. It actually converted a grievance into a healthy dialogue within the company in the form of an in-company public relations exercise.

Many lessons can be learned from above examples. At the start of any business, ego cannot be afforded and one has to justify one's existence which is to solve customer problems or fill some gap/s in the market. It helps to be as open as one can, and if someone suffered directly or otherwise because of a firm or its products/services, acknowledging the same and apologizing directly helps immensely – the person at the other end is then a lot likelier to be receptive to such explanations and agrees to the fact that companies can commit mistakes and he or she has to move on. On the other hand, bluster, hiding information or trying to deflect responsibility almost never works. Many times, the company may be completely in the right and need to make that clear. That also needs to be done very politely, with empathy and without getting negative in a personal way against the customer. Your intent and actions may be the best, but perceptions are important. Company interactions with folks when things go off the expected track determines how the company is perceived in the market.

Take care. <http://www.nextbigwhat.com/managing-publicity-disaster-at-startups-297/> accessed 21/10/2015

It is often argued that publicity is much more powerful than advertising or sales promotion—or even other forms of public relations. Firstly, it is highly credible unlike advertising and sales promotions as publicity is not usually perceived as being sponsored by the company (in the negative instances, it never is). It makes consumers perceive this information as more objective and place more confidence in it. However, publicity information may be perceived as endorsed by the medium in which it appears. Material written in Autocar on any car from Maruti Suzuki Ltd will add weight to its marketability on the readers. Similarly, mention of masalas like MDH, Badshah, or Everest etc as essential ingredients in a recipe book from Sanjeev Kapoor, Celebrity Master Chef in India will give a strong credibility to its readers which may get further spread through positive word of mouth..

Moreover, publicity is powerful as it appears more as a news than advertising or promotion thereby generating credibility. However, it needs to be handled with care failing which companies may suffer negative consequences such as lost sales, impacts on image, and even litigation. In a nutshell, publicity is news, and people are always willing to share information having news value. If handled properly, publicity generates significant amount of free, credible, word-of-mouth information regarding the firm and its products.

Controlling and Disseminating Publicity

Many times publicity is not in control of the company. At times, it is the company's own blunder which allows information to leak out generating disaster, and in such a situation it could not do anything to stop the media from releasing negative information. Here, the negative publicity spreads and it needs to be countered vigorously to bring everything back to normal. At times, publicity becoming news gets reported by the media over and above the efforts of the firm. In such situations, the organization needs to react to the potential threat created by the news. The audiences of various news media are open to myriad interpretations which may include negative ones also. Positive ones need to be highlighted while negative ones need to be countered at the same time.

Pros and Cons of Publicity

Publicity carries with it credibility, news value, significant word-of-mouth communications, and a perception of being endorsed by the media.

However, over and above negative publicity, two major problems arise from the use of publicity related to its timing and accuracy.

It is always not possible for the firm to control the **Timing** of publicity. Only if the press thinks the information has very high news value, the press release is done by it if it gets released at all. It may therefore happen that the information may be released earlier than desired or too late to make an impact. **Accurate** information through press release is a major way to get publicity. At times, the information sometimes gets lost in translation—that is, it is not always reported the way the provider wishes it to be. It results in inaccurate information, omissions, or other errors etc. Sometimes a publicity piece written on the basis of a press release generate confusion.

Measuring the Effectiveness of Publicity

Methods for measuring the effects of publicity and the broad public relations are essentially the same. An example in the context of Kenya is shared below

Kenya's national parks form the pillar of the country's tourism industry. Over one million international tourists visit Kenya annually to partake in wildlife safari and other forms of nature-based tourism. However in recent years, the country's tourism industry has shown increasing signs of poor performance, especially in the volume of international tourists visiting the national parks. Numerous reasons were postulated as possible causes of this poor performance which include the presumed degradation and reduction of the quality of the wildlife parks' tourist product, a deteriorating security situation in the country and poor infrastructure. However, most of these suggestions are not based on empirical research. A study investigated one of these arguments (i.e. the reduction of the quality of the parks' tourist product as it relates to visitor satisfaction) using the case study of Tsavo West National Park. The SERVQUAL service quality attributes were used to measure the quality of services, and the overall visitor satisfaction with tourist product and services of the park. A total of 200 international tourists were interviewed and interestingly, an overwhelming majority of the tourists (over 70%) indicated that they had a satisfactory experience. Thus, based on the tourists' responses, one may argue that at least for the case of Tsavo West, the park offers a quality tourist product. Here, the study contends that probably there exist exogenous factors that are responsible for the current decline and poor performance of Kenya tourism industry a reduction of the quality of the parks' tourist product is not a determinant of such decline.

www.sciencedirect.com/science/article/pii/S0261517702000444 accessed on 31/12/2015

Corporate Advertising

Corporate advertising is actually an extension of the public relations function, which does not promote any one specific product or service. It courts controversy many times as it promotes the firm overall, by enhancing its image, assuming a position on a social issue or cause, or seeking direct involvement in something. All these generates controversy at times due to following reasons:

1. *Consumers are not interested in this form of advertising.* Consumers do not understand such advertising as they find themselves closer to product-oriented advertising. It may be to consumers not understanding the reasons behind such ads. Moreover, a lot of this confusion results from ads which are not very good from a communications standpoint.

2. *Self-indulgence exercise by firms. Consumers strongly perceive Corporate Advertising as* engaging in corporate image advertising only to satisfy the egos of top management. Moreover these advertisements are not easy to write, and the message to be communicated is not as precise and specific as one designed to position a product, so the top managers often dictate the content of the ad, and the copy reflects their ideas and images of the corporation. In general, it does not in any way help the customer or consumer clearing his or her doubts about the company vis-à-vis the product or service which he/she is consuming or may consume in future.

3. *Only a firm in trouble resorts to corporate advertising.* According to some critics firms normally use or go for corporate advertising when they are in trouble—either financially or there is a downward slide in the market. People by and large feel that this advertising is done as an attempt to remedy the problem. Although there are a number of forms of corporate advertising, each having its own objectives, but critics argue that these objectives have become important only because the firm has not been managed properly

4. *Waste of money is another name of corporate advertising. As discussed earlier, when the ads do not directly appeal to anyone and are not understood and at the same time do not promote anything specific, according to critics money could be better spent in other areas.* Apart from that, much of this argument is founded on the fact that corporate image ads are mostly intangible. They neither motivate directly for purchase nor do they encourage investors. Most of the time, they position or try to create an image. Due to lack of specificity, critics claim they serve no purpose on the audience and these ads are not a wise investment of the firm's resources.

Even after these criticisms have remained, corporate advertising has increased in use. Five most important objectives of corporate advertising are as follows:

- i. Making the company known
- ii. Making its products / services known.
- iii. Making its achievements known.
- iv. Making its values known.
- v. Making socio-political / economic / moral statements.

Through this form of advertising, a company projects itself as an institution through its own story to build up an image of itself in the minds of the public. It is bordering more on a public relations approach advertising. The company could talk about how it is associating with a cause. When the Star TV Network puts the cause for girl child education in the forefront, it is emphasizing its contribution to the society and it also talks about the mission of the organization. In the same vein, when Hero Honda's "Desh Ki Dhadkan" campaign was on showing all the brands of the organization and Sahara group saluting the Indian cricket captains by associating with cricket, these companies projected a cause for social welfare and consumption through corporate advertising. Such institutional advertisements are very subtle in nature and affect our basic attitudes. Through inculcating respect for an organization, it builds upon its history and tries to build awareness about itself. Focusing of the advertisement can be directed towards a specific group like its shareholders or to the general public or even both. In case of Hindustan Petroleum, an advertisement talks about powering India since 25 years and that too powering Indian railways through powering locomotives. By doing so, it is building a favorable image for itself in the minds of the public. It is conveying the public how socially responsible they are. By doing so they are projecting their overall objectives in tune with social issues. In short the basis is to create goodwill in the minds of its internal as well as external customers. Many times, it also conveys the nationalist feelings of them. These advertisements may be addressed to the consumer group or the suppliers or government or the financiers and so on and to all simultaneously.

Corporate Advertising creates a positive image in all stakeholders and the objectives of this type of advertising are:

- i. Make the company known
- ii. Making its products / services known.

- iii. Making its achievements known.
- iv. Making its values known.
- v. Making its socio-political and/or economic and/or moral statements.

It is very important that in order to give an identity to a faceless organization institutional advertising does a lot. This requires that while designing a corporate ad one, must pay heed to the type of response expected.

Response towards These advertisements may generate different types of responses. Many people are not ready to receive these advertisements. In some cases, the information conveyed is not valid. At the same time, with some people recall rates are low. Although it helps in boosting the chairman's ego, but its impact on the consumers is doubtful. Many of the customers/consumers just do not like these ads as it these does not require any action but a passive approval is desired by the company. In earlier times, there was extensive use of these ads in building up corporate image of large houses but now a days they are mostly designed to attract investors.

<http://www.yourarticlelibrary.com/advertising/corporate-advertising-5-objectives-of-corporate-advertising/22263/>
accessed on 18/01/2016

Although corporate advertising is generally perceived as the domain of big companies such as Tata Motors, Reliance Industries, Dr Reddy's Labs, Godrej and Boyce Ltd, etc ,but this does not hold good now.Companies not that big in terms of financial figures or even geographical reach are also doing it increasingly. Companies like Dabur, Nirma, ICICI Bank, Amul etc are increasingly using corporate image ads through increased expenditures in this area.

In broad terms, *corporate advertising* is used to describe any type of advertising designed to promote the organization itself rather than its products or services. Eventually, it may help in promoting various products and services of the organization indirectly.

Objectives of Corporate Advertising

Objectives of Corporate advertising may be:

- (1) Positive image creation for the firm and
 - (2) Communicating the views of the organization views on social, business, and environmental issues.
- It may be more specific like boosting employee morale and smoothing labor relations, or helping newly deregulated industries ease consumer uncertainty and answer investor questions or even helping diversified companies establishing an identity for the parent firm rather than relying solely on brand names.

From the above discussion ,it may be clearly inferred that corporate advertising is targeted at both internal and external audiences and involves the promotion of the organization as well as its ideas.

Various types of Corporate Advertising

Every marketer wants to have an image, advocate something or support some cause through corporate advertising. All these require a focused approach as they aim at certain very specific aspects.

Image advertising is one form of corporate advertising to promote the overall image of the organization . It serves many purposes viz., creating goodwill both internally and externally, creating a position for the company, and generating resources, human as well as financial. There can be many ways of doing it

1. Advertisements on *general image or positioning* A whole lot of companies have created new identities, and names in the market by carefully crafting a new image. It can be done proactively or as a reaction to something having a potential to harm the company in the long run . Whether it was Coca-cola India running into crises over a laboratory report by an Indian NGO suggesting pesticide contents in branded soft drinks and protests arguing that it over exploits ground water resources between 2003 and 2006, or major software companies other than Satyam in the wake of the financial scam in which Satyam was found involved in 2008, or even in many other such cases, image building advertisements were used to ensure consumer trust does not go down. Right from several community involvement measures to improve their image,

companies spend huge amounts on their corporate advertising campaigns. At times, image advertising can be used to change an existing image for obvious reasons. It is practiced by many companies. This may be because the existing image has become or is liable to become a disadvantage in the long run. According to an article titled 'IMAGE ADVERTISING: THE ADVERTISING STRATEGIES OF PEPSI AND COCA COLA IN INDIA' by Professor Seema Gupta at IIM Bangalore and her students of PGP-2008-10 batch, K Naganand and Avneesh Singh Narang, advertising is as much a science as it is an art. As the primary mode of communication between a company and its prospective customer, an advertisement must connect to the consumer, and create in his mind an attractive image of the brand. The average consumer gets lost in the vast sea of information, and is unable to differentiate one product from another. Notwithstanding the scientific inputs that go into designing an advertising campaign, some campaigns make history while others fail miserably. Marketing has ventured into the emotional, the behavioral, and the cognitive. Today, the primary objective of the ad is to create an image. The fierce competition between cola giants PepsiCo and The Coca Cola Company (henceforth, Coca Cola) - and the advertisement strategies adopted by them in India to establish their respective brand images - offers an interesting insight into Image Advertising. This benefitted all the brand offerings from the Pepsi portfolio as well as Coca Cola portfolio. <http://tejas.iimb.ac.in/articles/58.php> accessed 29/02/2016

2. *Sponsoring events or in events, live or recorded.* One often finds a firm running corporate image advertising on TV programs or specials. In India, Tata Motors, Godrej properties, Amul, Colgate Palmolive, ITC etc are certain firms/brands among many firms/brands which run their script as part of various TV programs as well as shows by virtue of only sponsors or co-sponsors of the programs and shows. These shows can be reality shows or soap operas, or even live sporting events etc.

3. *Recruiting.* The creative ways in which a company advertises for recruitment can also be a good example of corporate image advertising designed to attract new employees. Motivational statements like 'If you have the will power to deliver, we will empower you' or 'Those who believe in themselves are welcome to apply for believe in your belief' etc which cap recruitment advertisements are intended to make the readers/job-seekers feel intensely and apply with a purpose and such ads portray a different and positive image of the firm with respect to its vision and existence. The employment section of many national dailies like The Times of India, The Hindustan Times, The Hindu, Deccan Chronicle etc besides regional and other dailies are full of recruitment ads which are also an exercise many times by the firms in image building. One can clearly make out from the design of these recruitment advertisements that the company either portrays a particular image or intends to change an existing image through such advertisements.

4. *Generating financial support.* Many companies design advertisements in different media in a manner generating investments in the corporation. It projects a favorable image of the firm thereby making itself attractive to potential stock purchasers and investors. More investments imply more working capital, more funds for research and development, and various other possibilities. Here, with corporate image advertising, attempt is made to make a sale and the product is the firm.

It is not substantiated by research that corporate image advertising leads directly to increased investment, but in some cases a positive correlation between the price of stock and the amount of corporate advertising done is found. So an assumption can be made that firms spending more on corporate advertising also tend to have higher priced stocks. However, a direct relationship is very difficult to substantiate. Moreover, image is not one dimensional. It has multiple facets attached to it.

By coming up with a series of good advertisements in various media, a company cannot claim a good image in its stakeholders. Overall good image is much more and above just good advertising and it must include sound quality of products and services, innovation, sound financial practices, good corporate citizenship, and wise marketing also. In other words, sound advertising on a regular basis can cap other important aspects of company image but it can never replace any or all these aspects. Any company ignoring this basic premise will be always in some or the other trouble with any or all of its stakeholders. According to a large number of surveys done from time to time, profits and stock performances had little to do with reputation and that once a reputation is acquired, it has lasting power. Harris Interactive study as well as Reputation Institute showed that companies are ranked differently on key corporate attributes including emotional appeal, social responsibility, workplace environment, and vision and leadership among 16 other attributes..

http://articles.economictimes.indiatimes.com/2011-10-19/news/30297864_1_corporate-image-advertising-corporate-brand-corporate-identity accessed on May 13, 2016

As per a data released by media measurement organisation TAM Adex in 2011, Hero MotoCorp, which went in for an advertising blitz after a change of corporate identity, tops the list of advertisers in the corporate brand and image category from 2010 onwards. When questions are increasingly being raised over corporate governance and corporate greed, companies are resorting to advertising focusing on their core values and contribution to society rather than praising just the products or services they seek to sell. Corporate image advertising seeks to reassure consumers as much over and above converting them to the intended perception of brands. Companies that figure among the top ten advertisers in the category of corporate image advertising are Maruti, Adidas and Mahindra & Mahindra besides others. Aditya Birla Group and Life Insurance Corporation of India regularly indulge in advertising which enhances their corporate image. In the words of Madhukar Kamath, then group CEO, Mudra Group "With the growth in economy, companies are paying greater attention to building their corporate brand equity. Moreover, with so many brands available today, a consumer will prefer to know what he is buying and where the brand really comes from,". According to Anil Dua, then senior VP, marketing and sales, Hero MotoCorp, "We preceded it with a period where we did not advertise at all. The result was quite effective as it led to a very smooth transition for us," 2010 and onwards they were the leading advertiser launching its new corporate identity with the campaign 'Hum Mein Hai Hero' on Independence Day across television, print, radio and cinema. According to Dua, reasons that corporate image advertising is all the more necessary for companies that sell products such as two wheelers are clear and precise. "For a category like ours, there is more involvement on behalf of the customers. Hence, they need more assurance and tend to see the company from closer quarters,".

When Mahindra and Mahindra, India's biggest utility vehicles maker turned to corporate image advertising in 2010, it went in for an image makeover with its 'Rise' campaign focusing on the core values of the group. All this has logic according to B Karthik, then GM- corporate brand management and business transformation, M&M, "Consumers are asking questions to corporates about their philosophy, practised values, stance on sustainability and contribution to the society,"

Event Sponsorships

Sponsoring events as charities and causes has become a popular form of public relations. Certain companies sponsor specific events and/or causes having primarily traditional public relations objectives in mind but since the beginning of 21st century, many companies come up with a separate and more marketing-oriented use of sponsorships which is constantly rising. Any event can be sponsored as part of event sponsorships which has acquired a variety of forms. Moreover, anything can be sponsored viz., sports attire, equipment, shows and concerts, sports and cultural activities at town, city, district, regional, or even at national levels. Now a days, International events related to a variety of activities, sporting or otherwise, are sponsored in a big way across the world. However, caution is to be there as at times, it can prove to be a risky venture.

http://www.exchange4media.com/advertising/decoding-sponsorship-trends-in-ipl-2016_64028.html accessed 06 June 2016

The 2016 season of IPL (Indian Premier League), a 20-20 club based cricket tournament was known talked and discussed about the controversies existing prior to it as well as the inception of the tournament since 2008.. The earlier betting scandal leading to two teams--Chennai Super Kings and Rajasthan Royals getting banned for IPL 2016 and Pepsi, the league's title sponsor, also backing out created lot of ambiguity around the IPL in early 2016. But there was some positive news also. Two new teams getting on board and a positive outlook towards cricket due to India's performance at the T20 World Cup generated positive sentiments around IPL Season 9. Moreover, Vivo, the Chinese smartphone manufacturer bagged the title sponsorship rights for the next two seasons of IPL, As if that was not enough, Vivo was estimated to spend another Rs 200 crore on amplifying this association with the IPL. Associate Sponsors such as FreeCharge & Maruti Suzuki confirmed their associations with the league just weeks prior to the IPL season, clearly demonstrating that brands were not weary of the IPL. These central level sponsorships were estimated to be in the commercial range of Rs 10 crore and above.

http://articles.economictimes.indiatimes.com/2015-02-12/news/59083636_1_title-sponsorship-bangalore-fashion-week-fdci

In 2015, Amazon India bagged the title sponsorship of the India Fashion Week in place of Wills Lifestyle trending the fact that India's deep-pocketed ecommerce companies continued to scrap title sponsorship

of major television shows, fashion and sporting events for increasing their visibility. Amazon having ambitious plans for India's booming online fashion industry overtook competitors like Snapdeal.com and Myntra to bag the sponsorship of the prestigious bi-annual event organized by the Fashion Design Council of India (FDCI),

Advocacy Advertising

Corporate advertising addressing issues concerned with society, business, or environment come under advocacy advertising.. **Advocacy advertising** involves propagating ideas and elucidating controversial social issues of public importance in a manner that supports the interests of the sponsor. Even after portraying an image for the company indirectly, advocacy advertising takes a position on a particular issue rather than promoting the organization itself. Increased use of advocacy advertising in the recent past has also generated increased criticism. Although, a cause is given the main focus in such advertisements, and the cause does get registered through the advertisement/s in many viewers and readers, but such advertising gets criticized by many due to its major use at the time of handling and coping up with negative publicity or to the firm's inability to place an important message through public relations channels. Criticism centers around the argument that the company which normally is least concerned or associated with any social and community cause is taking up a cause just for the sake of promoting a responsible image so as to ward off a controversy of its own making. Sometimes the firm just wants to get certain ideas accepted or have society understand its concerns.

issue ads are another form of advocacy advertising, wherein important issues having no affiliation with a corporate or trade sponsor, are sponsored by an organization to bring attention to what they consider to be an important issue for society at large. Issues can be AIDS awareness, protection of girl child, importance of getting educated etc.

Cause-Related Advertising

Cause-related marketing makes companies link with charities or nonprofit organizations as contributing sponsors. On the one hand, the company benefits from favorable publicity, while the charity receives much-needed funds. Cause-marketing can have various forms ranging from making outright donations to a nonprofit cause to having companies volunteer for the cause, donating materials or supplies, running public service announcements, or even providing event refreshments as involvement. It may be more than this. The objective is to make sure that all audiences relate the cause to the company and are made to believe that the company stands for the cause in all its possibilities. However, all cause marketing does not guarantee success. If it misleads consumers about their relationships, and others wasted money by aligning up with a cause that offered little synergism, it backfires.

Advantages and Disadvantages of Corporate Advertising

There are a host of reasons resulting in the increased popularity of corporate advertising:

1. *Helps in positioning the firm nicely.* Through corporate image ads, firms accomplish this objective. A well-positioned product is much more likely to achieve success than is one with a vague or no image. The same holds true of the firm. In India, numerous firms position themselves over and above positioning their various brands. It certainly helps companies like ITC, Gujarat Cooperative Milk Marketing Federation (GCMMF), Tata Motors, Godrej and Boyce Ltd, Hero Group etc
2. *It takes up from where public relations serves its purpose.* As more and more firms indulge in PR, the attention paid to these events by the media has lessened (not because they are of any less value, but because there are more events to cover). Consequently, a company engaging in public relations effort cannot be guaranteed adequate press coverage and publicity. On the other hand, Corporate image advertising gets the message out, and though consumers may not perceive it as positively as information from an objective source, even then it can communicate what has been done.
3. *Selected target market orientation.* Corporate image advertising aims specific target audience and should not be targeted to the general public. It generally targets investors and managers of other firms rather than to the general public. It is natural for the general public to not appreciate this form of communication, as long as the target market does. In this respect, this form of advertising may be accomplishing its objectives.

Although some shortcomings of corporate advertising were mentioned earlier in the chapter, some more can be added as follows:

1. *Effectiveness credibility.* No concrete research based evidence exists supporting the belief that corporate advertising works.
2. *Ethical ambiguity.* According to critics, larger firms by virtue of commanding huge money can control public opinion unfairly. However, this again could not be validated. Many consumers still see such advertising as unfair and immediately take a negative view of the sponsor.

Even though, a number of above mentioned arguments exist for and against corporate advertising, but two things are certain: (1) No one knows who is right and who is wrong, and (2) Corporate advertising as a communication form is constantly on the rise.

Measuring the Effectiveness of Corporate Advertising

It is very important to ascertain whether corporate advertising is effective or not specially when there is always some controversy surrounding it. Some methods for evaluating the effectiveness of corporate advertising are:

- *Survey of Attitudes.* Surveying attitudes can be a sure way of determining the effectiveness of corporate advertising as it helps in acquiring insights into both the public's and investors' reactions to ads.
- *Studying relationship of corporate advertising and stock prices.* Although not established as a strong tool for measuring effectiveness of corporate advertising, companies do such types of study from time to time. However, such studies have yielded conflicting conclusions from time to time, indicating that although the model for such measures seems logical, but a host of factors may be accounted for discrepancies.
- *Focus group research.* Focus group studies have been conducted to find out what investors want to see in ads and how they react after the ads are developed. However, not many researches speak about it. It is often sighted that as corporate ads are often the responsibility of those in the highest management positions in the firm, and these parties do not wish to be held accountable. So, the accountability factor does not take this measurement tool any further. Ironically, those who should be most concerned with accountability are the most likely to shun this responsibility.

Summary

We examined the role of the promotional elements of public relations, publicity, and corporate advertising in this chapter. It implied that these areas are all significant to the marketing and communications effort and are normally considered different with respect to the other promotional elements. This special treatment comes from the facts that (1) they are not designed specifically to promote a specific product or service and (2) many times the consumers is not able to make the connection between the communication and its intent.

Public relations appears to be useful in its traditional responsibilities and in a more marketing-oriented role. Many firms have a separate PR department independently operating of marketing department whereas in other companies, PR is just a support system. We also have cases where certain big firms outsource PR to an external public relations agency, just like an outside advertising agency. As far as publicity is concerned the factor of lack of control over the communication the public will receive is a matter of concern, but that is the way publicity works. Public relations and Corporate Advertising are such that the organization remains the source and retains much more control. The main reason for this is that publicity is by and large a reactive than a proactive approach, and it may be more instrumental (or detrimental) to the success of a product or organization than all other forms of promotion put together.

Although most of the publicity cannot be managed, the marketer has to assess its potential impact. The company can control its press releases and the information outflow management. At the same time, it is important to react properly and strategize appropriately to deal with uncontrollable events.

In the text of the chapter, corporate advertising appeared controversial as by and large the source of the message is top management which normally does not conform to the rules for other advertising and promoting forms. However,

this element of communication cannot be ignored from promotion mix. In order to be effective, corporate advertising must be used with each of the other elements, with specific communications objectives in mind.

In the end, we got to know that each of these promotion elements need to be measured for evaluation and control by using tools as used for all other promotion elements..

Key Terms

public relations, marketing public relations (MPR), internal audiences, external audiences, press release, press conference, exclusive, team approach, internal audits, external audits, publicity, video news release (VNR), corporate advertising, image advertising, event sponsorships, advocacy advertising, cause-related marketing,

Closing Case Study **End Chapter Case Study**

PepsiCo's can tampering rumors (1993)

A syringe was allegedly found in a can of Diet Pepsi in Washington state. In the following week, more than 50 reports of Diet Pepsi can tampering sprung up across the United States. It turned out to be a hoax. Both PepsiCo and the FDA were confident that the reports were fabrications, so the company came out with a spirited defense against the accusations. Instead of making vague statements telling the public to simply trust it, the company produced four videos throughout the crisis including a comprehensive report on its soda canning process. The most compelling video was a surveillance tape of a woman in a Colorado store putting a syringe into a can of Diet Pepsi behind the store clerk's back. Moreover, PepsiCo North America CEO Craig Weatherup appeared on news stations with visual evidence of the bogus reports besides the explicit support of the FDA. He went further by appearing on *Nightline* with FDA Commissioner David Kessler, and they both assured the public that Diet Pepsi was safe. As a result of this exercise, the rumors fizzled out within two weeks following multiple arrests by the FDA for filing false reports. Diet Pepsi sales had fallen 2% during the crisis but recovered within a month. It was a classic example of a situation requiring an aggressive defense because PepsiCo hadn't done anything wrong. Had the company remained quiet and complacent the damage could have been far worse.

Source: CorpCommCollab

Actual Company Examples

Gillette as a company, realised and capitalised on the power of PR, year after year. Internationally, their W.A.L.S (Women Against Lazy Stubble) campaign, is a classic example. Recently, the Shave sutra campaign has got many favorable and supportive responses resulting in 12.2 million Indians casting their vote for a clean shave besides leading to rise in sales and popularity of the product and also bagged numerous awards. Actually, sales went up by 500 percent and market share grew up by 400 per cent resulting in an entry in the Guinness book of record. It also got over \$ 2.5 million worth of free media coverage.

The Body Shop can be another classic example of a brand enjoying the favors of PR since decades with no advertising. It is a global brand with very strong bonding with its consumers, as an eco-friendly company. However, no PR campaign can come anywhere near the Indian freedom struggle led by Mahatma Gandhi. His influence on an entire nation to realize the power of self-rule resulted in India's Independence way back in 1947.

Self-Assessment Exercises

1. Do you agree that advertising as the primary means of introducing new products can be replaced by public relations? Give the answer in the light of your efforts in promoting yourself. .
2. How many companies do you know which resort to public relations exercises to handle product recalls, product failures, etc. List any two of them and explain what they have done.

Skill- Building Exercises

1. Identify the points in you which may be highlighted in putting public relations exercise for promoting your personality.
2. Create an audio-visual corporate advertising campaign for your institution showcasing its history and contribution towards churning out good alumni in the past which has helped your country in a big way.

Review Questions

1. What makes Public relations and publicity have more impact on the consumer than other IMC tools like advertising, direct marketing, etc..Support with examples.
2. How many forms of Corporate Advertising do exist ? Give a company example I services sector where the company has effectively used it.

Self-check questions

1. Have you come across any Public Relations exercise by a Non-Profit organization in your city? If yes, compare their activities with those listed in the text of this chapter
2. How is Corporate Advertising different from Advertising ? Support your answer with two examples in any sector.

Topics for Presentations

1. Compile a list of Public Relations Exercise conducted by any listed company in your city and present it in front of your class mates. Invite questions from them.
2. Find out the extent to which Corporate Advertising of an Automobile company has impacted the life in your city in the last one year. Present your findings in a slide show to your subject faculty member.

Comprehensive References and Annotated Further Studies

<http://www.businessinsider.com/pr-disasters-crisis-management-2011-5?op=1#ixzz26wF128Bd>

<http://www.technewsworld.com/story/58823.html>

Part B: Internet and Interactive media

OPENING CASE

Source: <http://4thweb.com/future-of-social-tv-television/>

The Future of Social TV and Television

Social TV Activity Today

The television and **Social TV** viewers comprise people using ubiquitous second screens (laptops, smartphones and tabs) to interact with television. This number is constantly increasing. Sales of Smart TV sets (Social TV sets really), configured with easily accessed social networks and social applications, are rising sharply. Game consoles like Xbox and PlayStation are now easily accessing social networks and feature their own Xbox and Playstation social networks as well. We are seeing Pay-TV Platform Operators newer STBs (Set Top Boxes) outfitted with social networks and social applications that essentially turn them into Social TV STBs. Then there's the assortment of boxes like Boxee and other STBs that connect to the Internet, social networks and social applications through TVs.

All of these are collectively making *Social TV* readily accessible to users/viewers today and dramatically reshaping our behaviour patterns around watching *traditional TV*. It is playing a very dynamic role in influencing what we watch, how we watch it, how we're influenced by advertising and product placement, besides influencing our friends around consumption of content and ads etc All these aspects are dramatically impacting TV as we know it.

Social TV Drivers (Internet based search)

http://en.wikipedia.org/wiki/Social_media Feb 08, 2014.

Social media involves interaction among people in which they create, share, and/or exchange information and ideas in virtual communities and networks. According to Andreas Kaplan and Michael Haenlein, social media is "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user generated content." Moreover, social media depends on mobile and web-based technologies to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user-generated content. It results in substantial and pervasive changes to communication between organizations, communities, and individuals.

Social media is different from traditional/industrial media in many ways, including quality, reach, frequency, usability, immediacy, and permanence. There are many effects that generate from internet usage. As per Nielsen, internet users continue to spend more time with social media sites than any other type of site. At the same time, the total time spent on social media in the U.S. across PC and mobile devices increased by 37 percent to 121 billion minutes in July 2012 compared to 88 billion minutes in July 2011. Content contributors take their advantages to a higher level beyond simply social sharing to building reputation and bringing in career opportunities and monetary income according to Tang, Gu, and Whinston (2012).

The current worth of TV and Pay-TV Advertising market is over US\$400 Billion worldwide. Moreover, TV Broadcasters/Networks as well as Facebook, Twitter, Google+ and many other social networks, and the Internet TV crowd including Google, Apple and Microsoft — are all making it bigger via Social TV There is a strong possibility that some social networks will ultimately morph into Social TV channels. As a matter of fact, Facebook has grown so large that it currently has a user base in every top TV Broadcast market that's larger than the top Broadcasters have in those same markets.

Combining TV advertising with social marketing is the way in which big brands are driving enormous interest in brands and sales of products . For example, across the facebook spectrum all over the world, every surfer/user of facebook comes across interactive advertising at some or the other time of his/her visit to www.facebook.com

However, social experience on the internet favors the (somewhat) time-shifted communications of tweeting, posting and email conversations over live face-to-face socializing with friends and family in front of the traditional TV set. So, basically social TV is different than a social gathering of people(family or others) in front of a TV set. It is more social in quantity and less social in quality . However, one has different more opportunities to *be* social with Social TV

Motivation to Advance Social TV

Socially present brands are using social metrics (an order-of-magnitude better than TV metrics) and clearly see how and why their social channel activity adds value to their TV advertising activity (and vice-versa) and, in-fact, helps their TV advertising buy strategy. In fact, the value goes way beyond this. The benefits to the producers of content are enormous. Moreover they are able to understand that shows, scenes, actors, and just about anything else you can think of, works or does not work, essentially in real-time. So, Social TV is good for all stakeholders and to the extent that Social Brands can get more value out of their TV advertising rupees, they will potentially invest even more in advertising which will help drive the growth of Social TV.

Although TV used to be all about eyeballs, but Mass Media, once dominated by Broadcast Media, is no longer the domain that it once was. Its dominance has been considerably eroded by New Media and Social Media. Consequently, unexpectedly, TV has become even more massive and is now supported by viable, growing social communities built around shows, brands, broadcasters, social networks, and other industry participants.

India vis-a-vis Internet and Interactive Media

India's immense wealth of engineering and information technology (IT) talent, and the country's strength in technological services has kept a stoic pace with the growth in Internet consumers: As per a prediction of Google, India will add 200 million Internet users by end 2015 with telecom companies investing in high-tech infrastructure and mobile phones become less expensive with every passing day.

However, India's scalability issue is a challenging one. When we see the number of India's Internet users currently around 121 million it is a small fraction of the country's population of 1.2 billion approximately. As a matter of fact, there are some 898 million mobile subscribers in the country out of which around 292 million live in rural areas. Internet connectivity will see a big upward surge in the growth of mobile phones and the comfort level of people to use them to access the Web, especially in rural areas where landline telephone infrastructure is relatively undeveloped. At the same time, there are a number of obstacles for rural Internet use. As per the latest figures, only about 2% of rural India has access to the Web, according to the Internet and Mobile Association of India (IMAI) and 18% of these rural users have to walk 10 km or more to have that access. Moreover, many rural inhabitants are also computer illiterate. Educational reforms in this direction are therefore necessary to help rural inhabitants learn how to use technology in improving their lives. On its part, the Indian government is taking steps to improve access. Aakash, a new low-cost tablet was launched for Indian schools in 2013 to teach students in poor and rural areas the critical digital literacy skills they need for the future. Village computers will also be made accessible to everyone in due course of time, thereby making a knowledge revolution a reality across the country. As far as web content is concerned, the biggest change will be in the increase of Websites in local languages. In a country of over 100 languages, most Websites are currently in English with some in Hindi and regional languages of our country. However, Wikipedia is proving to be one of the leading organizations that provides regional language versions of its

Website. Apart from that, basic infrastructure requirement in the form of uninterrupted power supply is a big issue in many parts of the country. Once this is solved permanently, all Indians can hope of reliable access to the Web.

THE INTERNET AND INTERACTIVE MEDIA

The Internet and Interactive Media (Sectional Chapter objective)

This Section details the activities covered as part of Internet and Interactive Media as well as the implications of these ever expanding tools as part of overall marketing communications program. It defines, explains as well as outlines the reasons for its growth across the world, Also enumerated is the compatibility of internet and interactive media with other forms of integrating marketing communications.

Internet continues to play a major role in the media paraphernalia in the way marketers communicate with their existing and potential customers. Its impact has been much different than originally expected – which, can be partially attributed to the initial growth of expenditures in this medium, followed by a brief plunge and then enormous growth again. If the Net has not become the “end all and be all” that some expected, it has definitely given birth a number of new forms of communication leading marketers to modify their use of traditional media thereby impacting the marketing world in a way not seen since the advent of television.

This chapter goes into examining the role of the internet as well as other interactive media. Here we examine the history of the Internet, its role in an IMC program, along with some of the advantages and disadvantages associated with this medium. There will be a discussion on the various new media options that have resulted from the Internet and their roles in an IMC program. At the end of the chapter, there will be a discussion on the measurement of these media.

(Following Marginalia in small type to be given to the left of the preceding paragraph)

Historically, internet (the net) has very less background as this medium has not existed for very long. However, with its incredibly rapid adoption and the dynamic influence it has had on society, it becomes important to provide some insight as to how it has developed since late 1990s when Web advertising began.

HISTORICAL BACKGROUND OF THE INTERNET

Historically, internet (the net) has very less background as this medium has not existed for very long. However, with its incredibly rapid adoption and the dynamic influence it has had on society, it becomes important to provide some insight as to how it has developed since late 1990s when Web advertising began.

On September 2, 1969, the **Internet** started, through the connection of two computers: one at UCLA and the other at Stanford University. It was initially called ARPANET (Advance Research Project Agency) and the network was developed by U.S. Department of Defence as a failsafe way to connect vital research agencies across United States. After an initial attempt failed, a connection was made, and it was the beginning of what changed the world forever. From that very small beginning of initial connection, observed by about 15 people, the network has grown to consist of over 1 billion user worldwide. In 2005, the total number of web pages crossed 600 billion- more than 100 for each person on earth.

Internet has changed the most with the development of **World Wide Web (WWW)**, the business component of the net. Literally non-existent in 1993, no other medium other than black-and-white television has been adopted as rapidly as Internet. Till 2001, over 50 percent of U.S. homes were wired to the Internet. That compares to nine years for 50 percent of U.S. homes to purchase a radio, 10 for the VCR, 17 for personal computers, 39 for Cable TV, and 70 for the telephone. Today an estimated of 68 percent of households in North America are having an internet connection.

For the first time advertisements came on the web in 1994 for brands including Zima, Club Med, and AT&T in the form of banner ads. The growth of the Web and Web-based advertising expenditure continued until 2000, at which point there was a “bust”, when advertising expenditures dropped by 25 percent from 2001 to 2002. A major reason for the bust is lack of understanding of how to use the Web as a marketing tool, as the number of consumers using Internet rose rapidly during the same period. Many of the companies who initially advertised on this medium do not existed any more.

As per report published jointly by Internet and Mobile Association of India (IAMAI) and IMRB, the number of Internet users grew to 46 million in September 2007 from 32.3 million in September 2006. Of the 46 million claimed users, 32 million actively use internet. Use of Internet in India is largely limited to those familiar with English language and hence their population is urban. However, the number of Internet users, other than in eight metros, is steadily increasing and has reached to 62% of total user base in 2007 from mere 23% in 2000. Email continues to be the main application of Internet in India but other application like entertainment and e-commerce are increasing. The growth of Internet is the fastest among all advertising media along with radio and cinema with 52% growth in ad spends in the year 2007 over 2006.

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An almost unprecedented growth of Internet – the “digital revolution” has motivated a number of academicians and practitioners to offer reasons for this occurrence. These include consumers’ desire for information as well as for control over the information they receive.

Reasons for the rapid adoption of the Internet

An almost unprecedented growth of Internet – the “digital revolution” has motivated a number of academicians and practitioners to offer reasons for this occurrence. These include consumers’ desire for information as well as for control over the information they receive. Additionally, the speed and convenience of acquiring information as well as conducting e-commerce through personal computer is very attractive to consumers who are rich in money but hard pressed on time. All these activities contribute significantly to the success of direct marketing also.

Over and above consumers’ desire to control, the ability to target customers effectively through the Net is attractive to marketers. Moreover, Internet provided more direct feedback on the value of marketing expenditures. Just like in direct marketing, companies linked the fact that, unlike traditional media, it was often easier to account for ROI of their expenditures. In the earliest times, a number of marketing companies perceived the Internet as direct-response medium. A large component of the Web is still that of e-commerce, but in current times, marketers employ the medium for numerous other communications and marketing objectives. Other factors having contributed significantly to increased attention on the Internet include the increase in high-speed Internet connections which has led people world over to spend more time online, besides increasing use of visual advertising, technologies that allow for tracking consumers, and advertisers’ growing confidence in the medium.

Currently, World Wide Web has evolved into a different medium than anyone could have expected in 2000, at the turn of the century. As compared to other media, which are essentially unidirectional and responsible for the content

provided and products and services offered for sale, Internet provides interactivity, allowing for a two way flow. Consumers not only control when and which messages and content they are exposed to, but now provide their own content, offer their own goods, and services for sale and provide feedback on the same as provided by others.

Objectives of the Web

In the beginning, when major corporations first began to conduct business on the Internet, they put up websites primarily for information purposes. However, the role of the website quickly changed becoming much more creative, promoting brand images, positioning, and offering promotions, product information, and even products and services for sale. When Java was introduced in 1995, it became possible to create fancier graphics, audio, and animation online. It resulted in marketers' utilizing the Internet in an entirely new way, moving beyond the purely informational role. Even now, the objective of disseminating information still remains, but additional communications and sales objectives are now being pursued. In fact, currently, Internet is a strong platform for almost all business transactions across the world. Naturally, it has developed into an important marketing communication tool for companies of all types, sizes and reach.

Website Development and Maintenance

It is important that you understand the role of the **website**—the place where information is made available to users of the Internet by the provider, even before we go into Web objectives in detail. Developing and maintaining a successful website requires significant time and effort. To attract visitors to the site and have them return to it requires a combination of creativity, effective marketing, and continual updating of the site. Apart from that, the site must be integrated with other media in regard to objectives, appearance and other factors. There should not be any discrepancy in the communication between internet and other media.

Making a site work and having one work successfully are not the same thing, however, and whether a site is effective is determined by what it is that management hopes to achieve through the site. As discussed above, some sites offer only information, while others approach the market much more aggressively.

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It is a communications medium, allowing companies to create awareness, provide information, and influence attitudes, as well as pursue other communications objectives. At the same time, it is also a direct-response medium for some players, allowing the user to both purchase and sell products through e-commerce.

Communications Objectives

Internet is actually a hybrid of media and not just a media. It is a communications medium, allowing companies to create awareness, provide information, and influence attitudes, as well as pursue other communications objectives. At the same time, it is also a direct-response medium for some players, allowing the user to both purchase and sell products through e-commerce. So, we need to discuss two sets of objectives pursued by companies that use the Internet. We will first look at some of the communications objectives these companies want to achieve.

Awareness Creation Web advertising can be useful in creating awareness about an organization as well as its specific product and service offerings. Small companies with limited budgets can effectively use Web as an opportunity to create awareness well beyond what might be achieved through traditional media. Although Internet is a valuable tool for creating awareness—particularly for smaller companies that may have limited advertising budgets—it is not likely to be the most effective of the IMC elements for achieving this objective. Advertising may be more useful for this purpose, given its larger reach. Internet still has to reach a larger audience.

Interest generation A lot of companies have put their website to creative interactions with visitors wherein visitors can engage with the company through playing games, learn about general and special interest areas of operations of companies, and also participate in the upcoming online activities of companies. Companies in India like Visiting the website of Amul or Tata Motors shows how companies attempt to use the Web to generate interest in their sites as well as their products and services. On the Amul site, visitors can find a number of activities to generate and maintain their interests. For example, there is a section of advertisements which when clicked takes one to along tour of current and past ads enhancing the recall value of the brand . If one is having a philanthropic bent of mind, the section showing brand history takes one to the contribution of the brand towards cooperative sector ensuring welfare of millions of farmers who help run the company on a daily basis through their supplies. www.amul.com While on the site, one can also learn about products offered by Amul, the company itself, or find the Amul Store locations to purchase its various products. In fact, there is much more one can do with the site. Almost every company makes its internet presence as dynamic and interactive as possible and keeps it improving constantly.

Information dissemination One of the primary objectives for using the Web is providing detailed information about a company's products and services. In business-to-business markets, having and maintaining a website has become a necessity, as more and more buyers expect that a company will have a site providing them with detailed information about its offerings. In the government sector, many contracts are often put out to bid on the Internet. Information regarding requirements, specifications, submission dates, and so on, is disseminated much quicker, to more potential candidates, and at a much lower cost via the Net than it is through other media. In case of consumer companies, their websites serve as a means of communicating more information about their products and services. The website of Nestle , Tata Motors, P&G, Samsung etc show how a website can facilitate this objective.

Image Creation Many times, websites are carefully designed to reflect the image which the company wants to portray. The website of Indian Railways www.indianrail.gov.in makes itself not just inform about train timing, numbers, availability status, current position of already booked tickets but also updates regularly new developments in the form of fare changes, rule modifications related to travel from time to time, besides numerous other things. Moreover, one can easily navigate to online reservation site www.irctc.co.in and proceed seamlessly for going for online reservations of tickets. In doing so, the site has developed an image of not just news or information provider but also a complete solution provider related to any aspect of train travel across India.

For example, when you have a few minutes to spare, one can check www.marutisuzuki.com to find not only information about various car brands on offer but all that the company believes in and likes to share with the visitors to its site, be it policies, service centres, buy back plans, driving in an environment friendly ways ,business news relevant to its industry etc. It all adds up to its image as a responsible company in the business of making cars All of these are excellent examples of websites used for image building. Interestingly, one of the difficulties traditional marketers have experienced is that of creating a brand image on the Internet. Although some of these companies have been successful, others have not fared as well and have come to realize that branding and image-creating strategies must be specifically adapted to this medium.

Create a Strong Brand As per David Aaker , the Internet—as part of an integrated marketing communications program— can be a useful tool for branding. But, many companies have not yet figured out how to successfully brand through the Internet. A review of the literature over the past ten years will lead to a number of articles discussing this very topic and the difficulties in achieving this objective. It requires a lot of space for sharing that information, so we cannot go into the depth of it Still , we can discuss just a few of the many reasons why companies attempting to create branding through the Internet may not be achieving their goals.

Branding Is a Complicated Process Although creating a strong brand is not easy in any communications effort, some marketers have a feeling that it may be even more difficult to do so on the Internet. According to Karen Benezra, editor of *Brandweek* magazine, many companies—dot-coms as well as traditional—have spent millions of dollars trying to brand by advertising on the Internet, with only lukewarm success. One reason for this problem, as per Benezra, is the lack of a clear understanding of the role the Web should assume in the branding process. Hitherto unknown or less well known brands may have to assume different strategies than those used by more established brands such as Hyundai, TATA Motors, or Pantaloon. Secondly, many marketers mistakenly believe that simply creating awareness or attention will lead to a strong brand. In the end, Benezra says that it takes a long time to establish a brand relationship with a customer, and the Internet hasn't been around long enough to prove its branding capabilities.

Branding and Direct Response May Be Counterobjectives According to some marketers, internet is best suited to be a direct-response medium. They argue that direct marketing requires a very targeted effort, searching for high probability buyers, which is well served by the internet. Branding, on the other hand, is much less targeted and reaches out to numerous audiences, which is difficult through internet. Erwin Ephron of *Advertising Age* opines that the Internet is somewhere in between, and trying to achieve both objectives at the same time has led to unsuccessful branding efforts. However, counter arguments also abound.

Costly It is well known that successful branding does not take place overnight. It makes many marketers unwilling, or feel that they can't afford to wait. These marketers may view the Internet as a "quick fix" that will allow them to instantly establish their brands. However, upon discovering that the Internet is not able to provide instant identity, they may quickly return to their focus on ROI or the bottom line. By cutting advertising and brand identity efforts on the Internet, immediate cost savings and a return to business gets reflected and it is taken as normal.

The above points are just a few of many reasons that can be offered as to why branding on the Internet has been less successful as compared to what was hoped by many. We strongly believe that the Internet— as part of an integrated marketing communications program—can be effectively used for branding purposes, as well as for other objectives.

Stimulate Trial Many marketers have found the Internet to be an effective medium for stimulating trial of their products or services. Some websites are offering electronic coupons in an attempt for stimulating trial of their products. Others are offering samples, promotions, and sweepstakes targeted to encouraging trial.

E-Commerce

Internet also has the potential of selling directly to customers in both the consumer market and the business-to-business market. This direct selling of goods and services has been labeled **e-commerce**. Many of the sites already discussed and mentioned in this chapter have a sales component— either as a primary or secondary goal. A whole lot of companies maintain their existing "brick and mortar" stores while also selling through the Internet. Consumer-oriented companies like Future Group, Hero Group, and Godrej & Boyce Ltd are a few examples. Reliance Industries Ltd allows online visitors to its retail arm brand Reliance Fresh to choose from many options parts and carries details of a host of items. Others like flipkart.com, olx.in, and myntra.com maintain Internet sites only.

THE INTERNET AND INTEGRATED MARKETING COMMUNICATIONS

The Internet and Integrated Marketing Communications (Sectional Chapter objective)

This section details the role of Internet in Integrated marketing communications. It explains the ways in which other IMC tools combine with Internet to make the whole communication exercise result oriented.

We are clear with the need for using the Internet as part of an IMC program. We now explore how the Web can be used with other program elements.

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Internet is an advertising medium just as broadcast or print medium.. Companies and organizations promoting their products and services cannot ignore this medium and give importance to it as they give to television

Advertising on the Internet

Internet is an advertising medium just as broadcast or print medium.. Companies and organizations promoting their products and services cannot ignore this medium and give importance to it as they give to television, magazines, outdoor, and so on. Advertising on the Internet takes various forms which are discussed below.

Banners The most common forms of ads on the web are banner ads . These are normally used to create awareness or recognition or for direct-marketing objectives. Banner ads can appear in a variety of





Sources: www.mcdonalds.com www.walmart.com

forms, shapes etc besides having a number of names such as *side panels*, *skyscrapers*, or *verticals*. Initially, banner ads were the major vehicle of advertising on the Net. However later researches indicated their questionable effectiveness which ultimately resulted in a decline in their usage. Reports on click-through rates gave varying results. Most of the studies indicate a less than 1 percent response rate. In the recent past, some studies have shown an increase in response rates, which may increase the use of this method of advertising in the future.

Sponsorships Another common form of advertising is **sponsorships**. Sponsorships are majorly of two types. *Regular sponsorships happens* when a company pays to sponsor a section of a site, for example, Garnier Fructis face care cosmetic products hamper given to contestants of a beauty quiz taken on-line. At the same time, Tata Motors promotes safe driving habits through its presence on yahoo home page and also teaches surfers how to do it by putting required information in a clickable box at a predetermined part of the home page of yahoo or rediffmail etc. A more involved agreement is the **content sponsorship**. **Here**, the sponsor provides money in return for name association as well as provides the content itself. At times, it so happens that the site is responsible for providing content and having it approved by the sponsor; at other times, the sponsor may contribute all or part of the content. As compared to banner ads, sponsorships have been increasing in popularity due to a very strong impact in the long run.

Pop-Ups/Pop-Unders Windows which appear when one accesses a certain site are known as **pop-ups**. Pop-ups are usually larger than a banner ad but smaller than a full screen. While surfing or checking email on yahoo, a pop-up of Tata Motors or Maggie noodles may come to attract attention of the surfer, thereby resulting a possible click on the popup which may lead to the full sight represented by the pop-up. **Pop-unders** are ads that appear underneath the web page and become visible only when the user leaves the site. As soon as we leave the website of Indian Railways, www.indianrail.gov.in, we come across many web pages of travel portals, banks, life insurance companies etc, and all such pages open one after the other with the closing of every previous page. Some companies do believe that pop-ups and pop-unders are effective forms of advertising, others disagree. Consumer complaints have resulted in many companies no longer accept these advertising forms of advertising. However, it can be practised and certain companies use it time and again.

Interstitials **Interstitials** are ads that appear on your screen while one is waiting for a site's content to download. According to some advertisers, interstitials are irritating and more of a nuisance than a benefit, but a study conducted revealed that these ads were less irritating than banner ads.

Push Technologies Also called as **webcasting** technologies, it allows companies to "push" a message to consumers rather than waiting for them to find it by dispatching web pages and news updates which may be having sound and video geared to specific audiences and even individuals. For example, a manager whose job responsibilities involve branding company products, upon logging to his or her computer finds new stories automatically on brand case studies, launches, speech summary of Kevin Keller, the brand guru etc. At

times, companies provide screen savers that automatically “hook” the viewer to their sites for sports, features, events, and/or other information that the viewer has specified. **Personalization implies** requesting the kinds of specific information surfers are most interested in viewing. For example, if one is into hobby of cooking, he or she can have updates sent to him/her through sites providing information into recipes, dishes etc. The service is paid for by advertisers who flash their messages on the screen.

Links Although considered by some as not a type of advertising, **links** serve many of the same purposes as are served by the above types. In some cases, a visitor to one site may click on a link that provides additional information and/or related materials at another site. At the bottom of the homepage of www.nestle.com, a link may be provided on Maggie noodles, which when clicked takes the surfer to a separate site of Maggie noodles or a detailed page giving all the information about the Maggie brand of noodles.

Paid Search It is the fastest growing form of advertising on the Internet. Also known as search engine advertising, here advertisers pay only when a consumer clicks on their ads or link from a search engine page. It is very useful in specifically targeting customers that may be interested in the offerings of companies, Ads are bought by advertisers on search engine sites such as Google, Yahoo!, or MSN and when the visitor to the site keys in a specific search word, or phrase, an advertisement targeted to that category appears. Whichever advertiser pays more gets the best location for its advert.. For example, typing in the word *automobile* could lead to a Tata car ad, or the word *tour* could lead to trips Kovalam beach or to Bhamas,” or more. This concept of paid search ads was considered prior to the dot-com bust and initiated by Overture in 2001, it did not really come up until Google started offering its service. Advocates of sponsored search argue that it allows companies to specifically target those interested in their products and/or services, and add that even small companies can compete equitably since they pay only when user click on their ad. However, critics of this form of communication criticise it for being crassly commercial, or even deceptive, as consumers may not know that the information that appears has been paid for. With this apprehension, in 2002, the consumer group Commercial Alert in US brought suit against paid search advertising. However, the Federal Trade Commission there later upheld its legality.

Behavioural Targeting. Advertisers’ targeting consumers according to their website-surfing behaviours IS **Behavioural targeting.** It has gained credence significantly since the advent of 21st century. This is done by compiling clickstream data and Internet Protocol (IP) information, and then segments of potential buyers can be identified and ads can be directed specifically to them. For example, tracking an individual’s visits to a number of fast food websites, an ad for pizzas or a pizza store could be served to that individual. A frequent visitor to job sites might be a promising target for a job consulting firm, and so on.

Contextual Ads When the advertisement on a site is related to the content and context of the site, it is called a **contextual advertisement.** When behavioural advertising tracks surfing behaviours, contextual ads are determined by the content on the web page. For example, an advertiser may place a hotel ad on a travel site, or a cricket kit ad on the site of Indian Premier League etc.

Rich Media As per *Wikipedia*, **Rich media** are “ a broad range of interactive digital media that exhibit dynamic motion, taking advantage of enhanced sensory features such as video, audio and animation. With the result of increased penetration of broadband into households enhancing attention given to streaming video. This medium has gained credence in this 21st century. Another opinion says that rich media include all content that is created in flash. The successful adoption of music videos, sports clips, news, and more has led advertisers to create a variety of forms of streaming video advertising content

Types of rich media include the following:

Online Commercials It is the equivalent of traditional television commercials and these online commercials are appearing on the net. If some companies have created their own Web commercials, others create and run the same spot they show on TV. In certain cases, a number of companies have successfully blent the two media, showing the commercial on TV and then directing interested viewers to the Web if they wish to see it again or to view longer versions. Increasing number of companies now are using the same strategy.

Video on Demand One can view video clips of various entertainment activities on demand through the Internet which are promoted in advance.

Webisodes These are short feature films which companies create as their own content to advertise their products. These get created regularly by Hyundai Motors, Videocon Ltd , IFB ltd , DLF Real estate , etc for promoting their brands.

Other Forms of Rich Media Advertising Many other forms of ads coming in rich media category are interactive banner ads, expandable ads, and rich media ads placed in video games, instant messaging, podcasts, and video ads are currently employed and on the rise constantly.

Additional Internet Advertising Forms With ever evolving internet , more and more ways to deliver advertising messages appear. Some of these are.

Podcasting **Podcasting** is a medium that in which Internet is used to distribute radio like files for downloading into iPods and other MP3 players. With the continuously expanding use of iPods and MP3 players, the attractiveness of this medium also increases.

RSS **Really Simple Syndication (RSS)** is a specification which uses XML to organize and format Web-based content in a standard view. Content owners create an RSS feed, which usually consists of titles and brief descriptions of about 10 articles elsewhere on the site. The difference between web content and alerts can be customised to the viewers' preferences, advertisers have found it useful for disseminating information to those who may be most interested.

Blogs **Blog** is a web based publication consisting primarily of periodic articles, normally presented in reverse chronological order. Blogs may reflect the writings of an individual, a community, a political organization, an NGO, or a corporation, and the potential of blogs to reach large audiences at a small cost is significant. However, some sections of the society are sceptical noting numerous potential problem with their use.

Ethical perspective 15-1 discusses some of the pros and cons associated with the use of blogs. Given the fact that blogs have been around for only a short period time, questions regarding the advantages and disadvantages of their use by marketers remain unanswered at this time.

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Sales Promotion on the Internet

Sales Promotion as an IMC tool can be very well combined with internet to have desired results. Numerous companies have done it and are continuously doing it. Maruti uses internet effectively to highlight sales promotion activities for its various car brands during different festive and festival times across India. This is resorted to by all types of companies be it FMCG, Consumer Durable makers like Niral Cookware, Crystal kitchen appliances etc, as well as services organizations which include airlines, mobile service providers, mobile handset makers etc. During summer season in India, Amul brand ice creams are heavily promoted for their discount schemes, price packs etc on the internet to take maximum advantage.

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Internet has been both an advantage as well as a challenge to all involved in personal selling— particularly those in the business-to-business market where personal interaction is very important. In some cases, internet is projected as a threat that might take away job opportunities

Personal Selling on the Internet

Internet has been both an advantage as well as a challenge to all involved in personal selling— particularly those in the business-to-business market where personal interaction is very important. In some cases, internet is projected as a threat that might take away job opportunities. However,

companies have found that they can remain effective—even increase effectiveness—by building and maintaining a strong presence on the internet. Definitely, the element of cost cutting is gaining ground over the personal angle with some companies which is allowing these companies to reduce new hires and even cut back on their existing sales forces.

But, there is always a positive side to everything and so also with personal selling. Due to this, websites have been used quite effectively to enhance and support the selling effort. With Web becoming a primary source of information for millions of customers in the consumer and business-to-business markets and visitors to websites gaining volumes of information about a company's products and services, this phenomenon has become a valuable resource for leads that both internal and external salespersons can follow up, and they become part of a prospect database. Not only can potential customers learn about the company's offerings, but the selling organization can serve and qualify prospects more cost-effectively. In fact, with internet personal selling has become more precise and less vague. Moreover, Internet can be used to stimulate trial. Companies, through their personal salespersons can reach only a fraction of the potential customer base. But, through trial demonstrations and/or samples offered online, customers can determine if the offering satisfies their needs and if so request a personal sales call. Both parties benefit from time and cost savings in such scenarios.

Many companies have used the Internet to improve their one-on-one relationships with customers. By offering more information in a more timely and efficient manner, a company enables customers to learn more about what it has to offer. It increases the opportunity for cross-selling and customer retention. Moreover, by providing a website, companies can improve their response times to inquiries as well as complaints, ultimately leading to improved customer service. In fact, a well thought out IMC program will have Internet and personal selling as complementary tools—working together to increase sales.

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One can find many websites devoting a portion of their content to public relations activities, including the provision of information about the company, its philanthropic activities, annual reports, and so on.

Public Relations on the Internet

Internet can be very effectively used in conducting public relations activities. In fact, it has been practised vigorously. One can find many websites devoting a portion of their content to public relations activities, including the provision of information about the company, its philanthropic activities, annual reports, and so on.

Nestle India Ltd, Hyundai Motors India Ltd etc are companies from varied sectors which engage in public relations exercise through Internet. The website of Colgate Toothpaste can give loads of material on oral healthcare which goes over and above promoting itself and showing concern for oral hygiene in the society.¹ Numerous other examples of effective use of public relations activities on the Internet are also available, as you will see in the chapter on public relations. Internet is a useful medium for conducting public relations activities, and its use for this function is on the increase.

Public Relations on the internet is not just confined to business organizations and it spreads far and wide including many philanthropic and non profit organizations. It helps them generate funds. Several sites have developed complementing traditional fund-raising programs.

Direct Marketing on the Internet

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Many direct marketing tools like direct mail, infomercials, and the like, have been adapted to the Internet as we experience regularly. Similarly, e-commerce—selling directly to the consumer via the Internet—has become an industry of its own.

Direct Mail Commonly called as e-mail, it is essentially an electronic version of regular mail. Just like regular mail, it is highly targeted, relies heavily on lists, and attempts to reach consumers with specific needs through targeted messages. As we discussed earlier under personalization, consumers may opt to have specific types of email sent to them and other types not sent. In other words, upon your permission, *The Times of India* will e-mail you information about specific promotions, articles that will appear, books on sale, and other items that you might purchase from it.

However, there is a controversy attached to it. At times, internet users may also receive less targeted and unwanted e-mails. It is commonly called as junk mail, and are referred to as **SPAM**. (According to rough estimates, as many as 25 percent of all e-mails are SPAM.).

Companies like Home Shop 18 and Star CJ are prominent online retailers which also run their exclusive 24 hour Television Channel. They sell literally anything under every product category which one can visualize on Earth. Moreover, once a purchase is done, the database of the company gets updated for every new customer and than the company proactively promotes via communicating offers, discounts, and other attractive schemes to the customers.

Infomercials Infomercials have realized the benefit of Internet. Companies who brought them on television now produce infomercials for the Internet. Almost every site has story to tell with full blown audio-video support about the product ranges which the company offers in a manner which clicks with the viewer who has time at his/her disposal.

E-Commerce Direct sale on internet is called as E-commerce. It has truly taken off in a big way across the world. Even after more and more consumers buying online, consumer sales are only about one fifth of those by business-to-business marketers. Many business-to-business companies in various product categories have found success in the world of e-commerce.

Home Shopping Channels Every home shopping TV channel has opened up its website and is doing increasingly good business through it. In India, Home Shop 18, Star CJ etc are some such direct marketing channels which also do a considerable business through internet.

INTERNET EFFECTIVENESS MEASUREMENT

Internet Effectiveness Measurement (Sectional Chapter Objective)

This section highlights the importance of measurement of the effectiveness of internet communication as part of integrated marketing communications. Companies can do the measurement on their own through various tools available just as it is done with other tools of IMC. However, there are organizations/agencies available exactly for this purpose.

Companies measuring the effectiveness of the Internet employ a variety of methods, most of which can be done electronically. There are a number of companies providing Internet measures as part of a package; that is, they provide audience measurement information (demographics, psychographics, etc.) as “up-front” information, as well as some of the effectiveness measures described below.

Audience Measures and Measures of Effectiveness

Although the Internet industry has developed its own measures of effectiveness, these are having some problems which must be considered when employing them.

Measures of Effectiveness

Internet-specific measures On internet ,a company can measure activity in real time. Figure alongside shows many of the measures that are currently used by companies. These measures include those specific to the Internet and interactive industry, as well as more traditional measures such as ad recall, Brand awareness, and purchase intentions.

Cross-media Optimization Studies (XMOS)

It is a more extensive attempt to measure the Effectiveness of integrating interactive and Traditional media. Objective of XMOS Studies is the following:

[To] help marketers and their agencies answer the question "What is the optimal mix of advertising vehicles across Different media, in terms of frequency, reach and budget Allocation for a given campaign to achieve its marketing Goals?". The XMOS studies simultaneously measure online and offline advertising in the same campaign to determine the optimal weight and mix of each medium.

XMOS studies are important because they provide crucial details about (1) the relative contribution of each medium in the mix, (2) the combined contribution of multiple media, (3) optimal media budget allocation, and (4) actual media mix strategies.

Traditional Measures Over and above the Internet-specific and cross-media studies, companies put in practice a number of traditional marketing and communication measures. Some of these are discussed as follows:

Recall and Retention These traditional measures of recall and retention are used by number of companies to test their internet ads. These same measures have been used to pretest online commercials as well.

Surveys Whether it is site usage or attitudes toward a site , survey research, conducted both online and through traditional methods, is employed to determine everything.

Sales It will always remain a prime indicator of effectiveness for online as well as offline commerce taking place . Collecting information regarding demographics, user behaviors, and so on can enhance the effectiveness of this measure.

Tracking Some companies now offer more traditional tracking measures. These generate information such as brand awareness, ad recall, message association, and purchase intent.

It is clear from the above discussion that Internet has its own set of criteria for measuring effectiveness and is also borrowing from traditional measures. Unfortunately, not all of the methods used to measure Internet activity and effectiveness are accurate. We discuss some of these later in this chapter, under disadvantages of the Internet.

Sources of Measurement Data

There are a large number of sources available that provide information about the Internet . Most of the sources are companies in themselves and operate in different countries providing this service.

ADVANTAGES AND DISADVANTAGES OF THE INTERNET

Advantages & Disadvantages of the Internet (Sectional Chapter Objective)

This section highlights the pros and cons of internet with respect to all aspects of integrated marketing communications. Just as all tools of IMC, internet also carries along with it a combination of advantages and disadvantages. If on the one hand, it is good to use internet as a marketing communication tool, it is also important to be aware of the negatives associated with the use of internet for marketing communications. The catch here is to do it and not over do.

Internet has got a number of advantages which are explained as follows

1. *Target marketing.* Internet is perfectly able to target very specific groups of individuals with a minimum of waste coverage. For players of the business-to-business market, the Internet resembles a combination trade magazine and trade show, as only those most interested in the products and/or services a site has to offer will visit the site (others have little or no reason to do so). In the consumer market, with the help of personalization and other targeting techniques, sites are becoming more tailored to meet one's needs and wants.

2. *Message tailoring.* Because of precision targeting, messages can be tailor made to appeal to the specific needs and wants of the target audience. Internet is so interactive that it is possible to carry on one-to-one marketing with increased success in both the business and the consumer markets.

3. *Interactive capabilities.* Due to its interactive nature, internet provides strong potential for increasing customer involvement and satisfaction and almost immediate feedback for buyers and sellers. A recent study indicated that majority of Internet users multitask. The interactive capabilities of the Internet will make this medium even more attractive with times to come.

(Following Marginalia in small type to be given to the left of the preceding paragraph)

With the help of a search engine, internet users can find a plethora of information about almost any topic of their choosing

4. *Information access.* The volume of information available on the Internet is almost unlimited and it can be constantly updated or increased. It naturally has become an important information source. With the help of a search engine, internet users can find a plethora of information about almost any topic of their choosing. After reaching a particular site, users can garner a wealth of information regarding product specifications, costs, purchase information, and so on. Going to links in the site further guides them to even more information if required.

5. *Sales potential.* The above discussion demonstrates that huge potential in both the business-to-business and the consumer segments. Forecasts are for continued growth in the future.

(Following Marginalia in small type to be given to the left of the preceding paragraph)

Element of creativity can be successfully and continuously used for designing sites thereby enhancing a company's image leading to repeat visits, and positively position the company or organization in the consumer's mind.

6. *Creativity.* Element of creativity can be successfully and continuously used for designing sites thereby enhancing a company's image leading to repeat visits, and positively position the company or organization in the consumer's mind. Just visiting certain sites mentioned in the chapter earlier and even other sites will reflect how creativity can help.

7. *Exposure.* Companies with limited budgets can gain in a big way through World Wide Web as it enables them to gain exposure to potential customers that heretofore would have been impossible. With investment a fraction as compared to other traditional media, companies can gain national and even international exposure in a timely manner.

8. *Speed.* When one requires information on a company, its products, and/or its service offerings, the Internet is the quickest means of acquiring this information.

9. *Complement to IMC.* Internet not just complements other media but it is also complemented by other IMC media. In this way, it serves as a vital link in the integrative process.

Although Internet is a potentially effective medium, it also has its disadvantages:

(Following Marginalia in small type to be given to the left of the preceding paragraph)

The greatest disadvantage of the Internet is the lack of reliability of the research numbers generated. When one sets out to review forecasts, audience profiles, and other statistics offered by different internet research providers, one notices a great deal of variance—leading to a serious lack of validity and reliability

1. *Measurement problems.* The greatest disadvantage of the Internet is the lack of reliability of the research numbers generated. When one sets out to review forecasts, audience profiles, and other statistics offered by different internet research providers, one notices a great deal of variance—leading to a serious lack of validity and reliability. The reasoning for the discrepancies can be attributed to the differences in methodologies employed, but the problem still exists. It becomes very difficult for the user of such research findings to decide which finding to use and which not to use. Even after taking a decision in this regard, it is necessary to proceed with caution when using these numbers.

2. *Websnarf.* Many times, it so happens that downloading information from the Net takes a long time. Whenever there are a large number of users, the time increases and some sites may be inaccessible due to too many visitors. Users of internet expecting speedy performance take this as a major disadvantage. Broadband is helping to reduce this problem.

(Following Marginalia in small type to be given to the left of the preceding paragraph)

With the ever proliferating number of ads, the likelihood of one ad's being noticed drops accordingly. As a result of that, some ads may not get noticed, and some consumers may become irritated by the clutter.

3. *Clutter.* A phenomenon common across all media, internet also cannot escape from it. With the ever proliferating number of ads, the likelihood of one ad's being noticed drops accordingly. As a result of that, some ads may not get noticed, and some consumers may become irritated by the clutter. According to some studies, banner ads are losing effectiveness for this very reason.

4. *Deception Potential:* Advertisers targeting children with subtle advertising messages is deceit in real terms. Government across the world are making efforts to regulate the Internet in this direction. Moreover, data collection without consumers' knowledge and permission, hackers, and credit card thefts are a number of problems confronting the Internet since a long time.

5. *Privacy.* Just as other direct marketing tools, Internet marketers also have responsibility of not impinging upon the privacy of users. It requires extra caution on their part as Internet has the potential of disrupting the privacy of its users without letting out any hint in this direction.

6. *Limited production quality.* In spite of advances in Internet advertising production quality, it does not offer the capabilities of many competitive media from a production standpoint. Although the presence and continuous development of advanced technologies and rich media, Internet still lags behind some traditional media in this area.

7. *Poor reach.* Impressive ever increasing numbers of internet users motivate users of this tool for promotion of their products and services, its reach is still far behind that of television. Consequently, Internet companies have turned to traditional media to achieve reach and awareness goals. One can come across increasing television ads by internet companies themselves.

(Following Marginalia in small type to be given to the left of the preceding paragraph)

According to various studies from time to time, certain irritating aspects of Internet are clutter, e-mail SPAM, pop-ups and pop-unders.

8. *Irritation.* According to various studies from time to time, certain irritating aspects of Internet are clutter, e-mail SPAM, pop-ups and pop-unders. These irritating aspects strongly de-motivate visitors from coming to the sites.

We can safely say that overall, the Internet offers marketers some very definite advantages over traditional media. However, we cannot deny disadvantages and limitations which render this medium as less than a one-stop solution. All in all, as part of an IMC program, the Internet is a very valuable tool.

ADDITIONAL INTERACTIVE MEDIA

Additional Interactive Media (Sectional Chapter Objective)

This section goes into various other options available as media along with the internet as an interactive medium. Whether it is interactive CD-ROMs, kiosks, interactive phones etc, all have added to the ever creative and dynamic bouquet of interactive media options available to the marketer of any marketable product or service on the surface of earth.

Even though Internet has captured most of the attention of marketers, additional interactive media are also available and actively contribute to an IMC program. Interactive CD-ROMs, kiosks, and interactive phones have been used by marketers to provide information to their audiences. An interesting and attractive facet of these media is their immense ability to be linked with traditional marketing projects.

One of the fastest developing and promising of the interactive media is interactive TV. **Interactive TV**, or *iTV*, makes it possible for the viewer of a television program to interact with the program and/or the ads. It is also riding on the possibility of the future computer users access the Internet through their television sets. A Television ad in which Ranbir Kapoor, Indian film star actually advertises Philips TV cum PC and shows how it can be conveniently used as PC as well as TV as and when required. Multitasking on the part of television viewers allows them to watch an event—for example, a cricket match—and pull up information on players, history of the matchups between the teams, and other statistics without ever leaving the couch or the game. ABC promotes “enhanced TV” on its college football bowl games. (The numbers will appear in a window.) Or Suppose you are watching the TV show *India's Got Talent* and like the suit Karan Johar, one of the judges is wearing. You simply drag your mouse over to Karan and click on his suit, and a window will appear providing you with information regarding , sizes, fits, and costs. You may then ask to see other garments to mix and match with the suit. You may then be asked if you wish to order and what shipping arrangements you prefer. If you have previously ordered, you are done, as your information has been stored in a database. If not, you will be asked this first time as personal information, including credit card number. The whole ordering you have done without leaving the couch or missing a minute of programming.

Many marketers strongly believe that rapid adoption of iTV is reality and its quantum is going to increase.. However, many others feel that promise of iTV has not been fulfilled, even though the technology has been around for quite some time.

All said and done, certain companies have demonstrated successful interactive campaigns, and as more consumers purchase broadband access, the marketing potential of the medium is bound to increase. Till that time , it can be safely assumed that when viewers are watching TV, they just want to watch TV.

Wireless

(Following Marginalia in small type to be given to the left of the preceding paragraph)

It is a rapidly growing interactive medium capturing the attention of marketers. Since the beginning of the second decade of 21st century, a large number of companies are already sending advertisements, coupons, and direct-response offers through cell phones and Personal Digital Assistants(PDAs)

It is a rapidly growing interactive medium capturing the attention of marketers. Since the beginning of the second decade of 21st century, a large number of companies are already sending advertisements, coupons, and direct-response offers through cell phones and Personal Digital Assistants(PDAs). In Asia, adoption of wireless technology by companies has outpaced that in the United States , and other parts of the world. It is common for Indian companies from any industrial segment to connect with a big mass of their consumers as well as potential consumers at regular intervals through mobile phones by making calls, sending e-mails, SMSs etc for selling and marketing their products and services. In fact, lot of consumers as well as potential consumers are also motivated to initiate this process. Eventually, both the parties gain in the long run. buy music, and surf the Web, all the while being exposed to banner ads, banded contests and coupons. It does acquires an ethical dimension as many consumers do not like it and they complain to companies as well as government and autonomous bodies responsible for controlling these unsolicited communications. In India, this monitoring is done by Telecom Regulatory Authority of India(TRAI). TRAI has acted in the interest of the consumers by mandating companies to ask for do-not-disturb numbers from consumers so that consumers or prospective consumers are not disturbed by unsolicited calls from consumers.

Ending Case

Source:http://www.sibm.edu/FacultyResearch/pdf/setu19_part2.pdf

SOCIAL MEDIA: A BOON OR A BANE

Boggled with the few campaigns in the social media sites, the governments across the world are trying to frame certain guidelines related to the materials to be posted on such sites. Social media is just not limited to social networking websites such as Facebook, Google+ and Orkut but also extends to blogs, Twitter and others. Due to this, millions have instant access to any information shared on these sites with a click of the mouse, as vibrant and active users of social media spend hours on their favourite portals, accessing any information coming their way. As a matter of fact, apart from the political discussion, the issue that has also attracted the attention of marketers is the growing power of social media in India. India represents one of the fastest growing markets vis-à-vis social media, according to Will Hodgman, comScore executive Vice President for the Asia-Pacific region. The social networking sites in India have grown by 43% in 2010 over 2009 in terms of total unique visitors.

Growth of Top 10 Social Networking Markets Worldwide
 July 2010 vs. July 2009
 Total Worldwide –Age 15+, Home & Work Locations*

Social Networking Unique Visitors (000)	Jul-2009	Jul-2010	% Change
Worldwide	770,092	945,040	23%
United States	131,088	174,429	33%
China	N/A	97,151	N/A
Germany	25,743	37,938	47%

Russian Federation	20,245	35,306	74%
Brazil	23,966	35,221	47%
United Kingdom	30,587	35,153	15%
India	23,255	33,158	43%
Japan	23,691	31,957	35%
South Korea	15,910	24,962	57%

Source: comScoreMedia Matrix August 2010

In India, the growing power of social media sites has been reflected in the growth in advertising on social media. Advertising on social media has shown a growth of 54% in 2010-11. Companies are aggressively promoting their products on social media by even willing to provide discounts to customers if they 'like' their product on a website or join a affiliated or networked community started by the company. The key factors propelling the growth of social networking sites are as follows:

- 1) India is among the fastest-growing broadband markets in the Asia-Pacific region, boosting of an estimated 81 million internet users and predicted to reach 150 million by 2015. Its broadband subscriber base is around 10 million and its internet users total to 17 million. It registered a growth of 40% year-on-year and is expected to continue to show healthy double-digit growth.
- 2) As per London-based Informa Telecoms and Media's forecast, India is the largest mobile subscription market in the world with 750 million subscribers in December 2010 and growing exponentially literally. Mobile internet users in India were around 22 million in the year 2010.
- 3) With the growing trend of social networking among the youth, the demand for smartphones and GPRS-enabled phones has increased almost exponentially. Internet-enabled mobile phones are easily available with pre-loaded applications for Facebook, Twitter, etc. Even the prices of internet-(low-cost GPRS) enabled handsets have reduced drastically. When a GPRS-enabled handset is available at around INR 2,500 while Smartphones are available under INR 7,000, it has aided internet access to the users at very low costs across the country.
- 4) Telecom players have also brought down GPRS rates thereby helping in penetration of mobile internet. Also packages at reasonable costs for data services on mobile phones are now available and have a wide variety to choose from.
- 5) 2010 saw the much awaited 3G auctions completed by the Government of India and by the end of the same year, most of the players launched their 3G services. This helped significantly in increasing the mobile internet popularity.

Many Indian companies are clear that social networking is a must-have tool to encourage teamwork and best practices. Corporate social networking has added new flavor to the intranet, without diluting the seriousness of connecting online. These sites have constantly enabled executives to share information on best practices and innovations besides following friends or uploading images.

All these facts portray emphatically that social media is a boon. However, just as every coin has two sides, a recently published report says that these media can be used up to any extent to tarnish the image of any company or brand.

Company Example

Source: (<http://www.interface.co.in/tata-docomo-social-media-case-study.aspx>)

Tata DOCOMO Social Media Case study

According to many independent observers, Tata DOCOMO is a “child of Social Media”. In effect that is as good as a strategy for Tata DOCOMO even before the time the brand was officially unveiled.

Why Social Media

At the time for planning to enter the Indian Market as the 9th GSM operator, Tata DOCOMO faced entrenched incumbents and strong brand communication barriers from other telecom operators. Tata DOCOMO was however determined to change the game and cut through the clutter through pure innovation and doing the new thing.

As late as June 2009, social media became the first opportunity for Tata DOCOMO as it has not been picked up by most Indian brands, leave alone the telecom operators. It was completely uncharted waters but they knew that Social Media can connect them with the exact target group the brand wanted to associate with. It further had the wow element and was clearly doing the New. It proved to be the perfect reason for Tata DOCOMO to draw up an extensive strategy to harness the power of Social Media and build the brand with its consumers.

Laying the Social Media Strategy

At the basic core of the Social Media strategy was the idea of humanizing a telecom brand and make it warm, friendly and conversational. The strategy was simple yet brilliant. Reach out to every corner of the web and to every possible target group not as a corporate brand but as a friend willing to engage the consumer in a one-on-one dialogue on anything and everything pertaining to the brand, its offers, its deficiencies as well as anything to do with telecom per se. The desired outcome was clear in everyone's mind – to build the most loyal set of best customers not only using the brand themselves but also championing the same in their micro-communities at every moment.

The execution

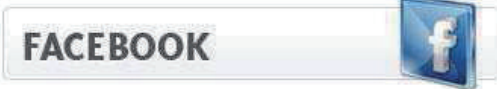
A committed and highly motivated Social Media team at Interface was built to execute the plan. Accounts were opened up with Twitter, Facebook, Orkut, Youtube and optimized even before the brand launch took place. The website proactively solicited visitors to sign up to the Tata DOCOMO communities months before it became a fad for others. The team behind social media set about targeting each of the Social Media platforms differently.



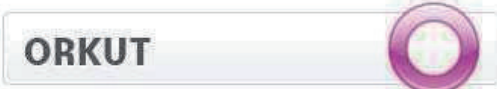
Twitter embraces and boasts of a more evolved and techy audience than other Social Media platforms. Acknowledging the importance of these thought leaders, Tata DOCOMO made sure they got their worth by following the brand. All products, offers and schemes were first announced to their Twitter followers before they were allowed on any other media. At numerous occasions Twitter followers were given teasers and prelaunch feelers much before the product was even in a state of launch readiness.

As of early 2013, Tata DOCOMO has more than 7500 followers and most of them are known in the company by name. The company has solved their telecom problems, passed on their messages to relevant people in the

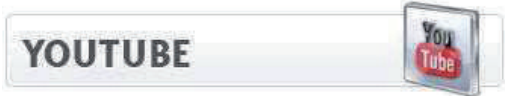
company and brought about resolutions or simply just said a hello when someone was missing in action for an extended period of time.



Facebook clearly has a large influential community which was identified right at the beginning as being a major influencer of brand advocacy. Conversations were created by Tata DOCOMO among its fans on Facebook. As was the case with Twitter, a one-on-one communication was maintained with all its fans helping resolve problems, providing information and sorting issues. The community was constantly engaged through a variety of status updates including discussions on TV commercials, jingles, product service launches and fun and games.



Having a mass user base, Orkut was identified as an important element in managing mass sentiment around the brand. The forum was not only used as a community feedback tool but also as a platform where free discussions were enabled on specific topics (either product-service related or band related). It served as a platform for

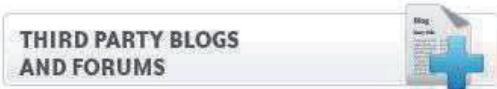


contests to keep community members engaged.

Youtube has always existed as a central repository for all brand commercials and videos, besides other videos of non-commercial nature also. Tata DOCOMO not only uploads videos created by the brand but also showcases user generated content, specifically animation videos submitted by users at the create.tatadocomo.com platform.



Tata DOCOMO is not only on prominent social networking sites, but is also on less popular social networking and community portals in India. It carries through the same brand promise of being everywhere wherever potential consumers could be however small the reach of the portal might be.



The strategy followed by Tata DOCOMO with respect to third party blogs and forums was both proactive and reactive. Everyday 100s and 1000s of blogs and forums are scanned for any mention of Tata DOCOMO and whenever a user posts a question, comment and complaint, the Social Media team makes it a point to go and respond to resolve (wherever necessary) every post or comment.

As an organization, Tata DOCOMO is among very few brands in the Indian landscape having gone ahead and created official accounts on hundreds of blogs and forums and have always responded through its official id.

Demystifying the strategy

The social media strategy of Tata DOCOMO has been carefully built on five pillars.

Building consumer engagement

Over and above the day to day and one-on-one interactions with their fans and followers, Tata DOCOMO has constantly launched consumer engagement programs with a heavy social media angle. It has helped them build repeat engagement points with a large number of our fans. Whether it was diet sms which was rolled out exclusively through social media, ageekthing which involved Orkut, gadgets , Facebook applications and automated Twitter tools or happy DOYear which could be played through Facebook, Twitter and Orkut, the objective was to engage consumers in creative and inspiring ways.



Address and resolve complaints

Much before the launch of social media engagements, a dedicated customer response mechanism was laid out for priority resolution of all social media grievances / enquiries. Top management of Tata DOCOMO took great pains to make sure that literally the buck stops when an issue is raised through social media channels. Be it activation problems, network issues, handset settings or billing related matters etc , every single issue was promptly addressed and resolved. It came as no wonder therefore that initially the Tata DOCOMO Twitter account was nicknamed the “unofficial helpline”.

Crowd sourcing

Very early in the social lifecycle of the brand Tata DOCOMO realized it had hundreds of well wishers ,all brimming with ideas on new product-service offerings which could really differentiate the company. The social team has repeatedly engaged with its beta consumers, collecting feedback about usage, preferences, bounced off product ideas and pretested concepts to help the product team develop compelling product service offerings. Perfect icing on the cake was when they involved their techy Twitter followers to hack into a social game launched by Tata DOCOMO as part of the ageekthing contest and suggest ways to prevent others from doing so. Many of the subsequent product service launches like gprs packs and parts of the buddyNet program were built on crowd sourcing inputs.

Build brand advocacy

Through continuous engagement and proactive problem ,Tata DOCOMO helped itself build extremely loyal fans on social media. Innovation was put in it by recognizing such efforts through fan of the week on Facebook and Twitter. It further enhanced the cause.

Micro communication

With as many as 100,000 direct followers and over 6 million secondary audience, all communication from Tata DOCOMO enjoys a sizeable instant audience. However their social team remembers the names, occupations and past communications with thousands and thousands of their fans. It helps them micro communicate with each individual building a personal touch and therefore a high impact to their messaging.

The Outcome

Every media as part of the social media strategy has helped Tata DOCOMO build a strong and loyal fan base amongst the youth and has provided it ownership of the innovator platform leading to a firm establishment of the brand essence . The brand values of honesty, transparency and sincerity have been well established in the minds of consumers. Tata DOCOMO's social presence is not seen as a marketing gimmick but a genuine effort to connect and engage with every fan and follower sincerely along with the authority to solve their problems. As a matter of fact, the apt summary of the success of Tata DOCOMO's social media has been a comment posted on Twitter.

"In the world of telecom if airtel is Microsoft, Tata DOCOMO is google. DoDo do Do Do..."

Third Party reviews:

- <http://microreviews.org/social-media-presence-indian-telecom-majors-1-facebook/>
- <http://microreviews.org/social-media-presence-of-indian-telecom-majors-part-2-twitter/>
- <http://microreviews.org/social-media-presence-of-indian-telecom-majors-part-3-website-a-d-blog/>
- <http://www.prasanthp.com/2009/12/docomo-and-social-media-marketing/>
- <http://2020social.com/social-media-in-india-tata-review/>

TRENDS AND INNOVATIONS

Source: <http://www.toprankblog.com/2011/12/future-trends-2012-online-marketing-technology-predictions/>

One can sell anything anywhere right now, next month, next year, 5 years , 10 years from now etc. That's why the concept of discover, consume and engage is so important, because it transcends ideas like "social network" or "search engine" and focuses more on consumers and technologies. Whether we use a search engine like Google in 5 years or not is a serious issue. Are we going to use desktop computers in 5 years? What will be the look of future social networks ? Marketing and customer engagement will depend significantly on answers to these questions.

Numerous companies including Google, Facebook, Apple, Amazon etc are innovating at amazing speed to control our attention. At times, they do it through devices, at times through content, and at some other times , through infrastructure. On the one hand, a handful of companies have had a huge impact on what we do online and on the other hand, new companies, start up organizations, and individuals are creating amazing solutions. Every business needs to assess the impact of this phenomenon vis-a-vis its future path.

Instead of jumping sequentially from one thing to the next, marketers should consider developing adaptive models that allow for rapid assimilation of new technologies and trends. In order to do so, companies may adopt early with some risk, move with the crowd giving up first mover advantage or wait and see until it's too painful not to change. The delay in evaluating and adopting new technologies and trends is expensive. Around \$ 100 billion has already been invested in social business and that's just a drop in the bucket when we compare to even a future of next 5 years with companies implementing enterprise collaboration platforms and social technologies. For continuous existence and growth, more and more companies are going to evolve their ability to adapt more quickly, adapt and follow trends and data more efficiently besides having the infrastructure and partnerships which will allow them to

evolve and innovate at greater speed. Practically speaking, the new internet is longer only on ones computer as consumers regular use tablet devices and smartphones.

Self-Assessment Exercises

1. Act as a direct marketer of some product or service in disguise to your class mates and observe their responses
2. Participate in a direct marketing exercise of a company in your city and concentrate on the objection which you have to their presentation. Analyze the reasons for the same.

Skill- Building Exercises

1. Present any topic to a group of friends and ask for their candid feedback.
2. List out the points of appreciation as well as points of criticism from that feedback.

Review Questions

1. How do companies use database marketing ? Explain how do they reach you after having your information from some source.
2. What is a 'do not call' list ? How is it important to direct marketing ?

Self-check questions

1. What are the conditions contributing to the successful implementation of direct-marketing programs ?
2. What in your opinion has contributed to the growth of direct marketing ?

Comprehensive References and Annotated Further Studies

www.mobileandinternetadvertising.com/

www.mailkit.eu/

<http://www.the-dma.org/>

www.directmarketingcenter.net

www.directmarketingcenter.net

<http://www.idsa.co.in/>

Topics for Presentations

1. Telemarketing

2. Direct Selling
3. Home Shopping

Comprehensive Source

1. OPENING CASE

Source: <http://4thweb.com/future-of-social-tv-television/>

2. CLOSING CASE

Source:

[http://www.sibm.edu/
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3. COMPANY EXAMPLE

Source: (<http://www.interface.co.in/tata-docomo-social-media-case-study.aspx>)

4. TRENDS AND INNOVATIONS

Source: <http://www.toprankblog.com/2011/12/future-trends-2012-online-marketing-technology-predictions/>

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