**Ch14 Integrated Promotion Decisions**

**14.1: The Promotion Mix: A Communication Toolkit**

* **Integrated marketing communication (IMC):** Arens defines the IMC planning process as one of “building and reinforcing mutually profitable relationships with employees, customers, other stakeholders, and the general public by developing and coordinating a strategic communications programme that enables them to make constructive contact with the company brand through a variety of media”.
* The principal tools from which a marketer can choose in developing an IMC plan, comprising the **promotion mix are: advertising, personal selling, sales promotion, and public relations**, though there are other promotional tools such as sponsorships and staged events.
* **Advertising:** Any paid form of *nonpersonal* (i.e. through some medium, such as radio, print, direct mail, or email) presentation and promotion of ideas, goods, or services by an identified sponsor.
* **Personal selling:** A process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an *oral* presentation (person-to-person communication).
* **Sales promotion:** Incentives designed to stimulate the purchase or sale of a product, usually in the short term.
* **Public relations:** Nonpaid, nonpersonal stimulation of demand for a product, service, or business unit by planting significant news about it or a favorable presentation of it in the media.

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**14.2: Developing an Integrated Marketing Communications Plan**

* Factors Influencing choice of promotional mix:
* Promotion objectives
* Resource availability & cost of promotional tools
* Market size & concentration
* Customer information needs
* Product characteristics
* Push v’s pull strategies
* Segmentation & positioning strategies
* The marketer’s challenge is to develop a budget that will accomplish the promotional objectives and distribute that budget across the elements of the promotion mix in the most effective and efficient manner. To do so, skilled marketers follow a five- step process :



**Step 1: Define the Audience(s) to Be Targeted**

* Segmentation decisions are especially important to the marketing communications effort because they identify who the target market is, so those planning the communications effort can identify the best ways to reach the target customers.
* Making promotional decisions without a clear idea as to who the target market is can often lead to misdirection or waste of scarce marketing funds.
* Sometimes promotional messages in an integrated marketing communications programme must target multiple audiences, such as for medical products.

**Step 2: Set the Promotional Objectives**

* Appropriate promotional objectives, should follow SMART acronym: Specific, Measurable, Attainable, Relevant, and Time-bound.
* Good promotional objectives should include four key elements:
* *A* statement defining the target audience;
* *A* statement of how some specific aspect(s) of the audience’s perceptions, attitudes, or behavior should change;
* *A* statement of how quickly such a change is expected to occur; and
* *A* statement of the degree of change required

**Step 3: Set the Promotion Budget**

* There several ways to prepare the promotion budget, most of which work from the top down (managers first determine the total amount to be budgeted and then allocate various amounts to the different mix components).
* The major budget-setting methods include:
* **The percentage of sales** method is the most common. The procedure consists of setting this year’s budget as a percentage of this year’s anticipated sales. Under this approach, sales determine the promotional activity versus planning to achieve some desired sales objective. Even though illogical, this method has some advantages. It is simple to calculate and is risk-averse because spending is linked to sales.
* **The competitive parity** method sets the relative level of promotional spending equal to the firm’s market share or larger if an attempt is being made to increase share.
* **Objective-and-task method** avoids most of the flaws inherent in the top-down budgeting approaches, it is the best one – though the most difficult – to use. It essentially involves three steps:
* First, define promotional objectives as specifically as possible;
* Second, determine the strategies and specific tasks necessary to meet those objectives;
* Third, estimate the costs of performing those tasks and budget accordingly.
* The objective-and-task method has the advantage of forcing firms to set specific promotional objectives through careful analysis of the specific situation. It is most effective when the results obtained from a particular promotion activity can be measured (for instance, the awareness generated among members of the target audience or the number of persons who would be exposed to the product via sampling).

**Step 4: Design the Promotion Mix**

* Designing the promotion mix is itself a three-step process**.**
* First, marketers decide which promotion components to use: advertising, personal selling, sales promotion, and/or public relations.
* Second, they choose the specific activities within each component. In advertising, this involves considering such media as TV, radio, newspapers, magazines, the Internet, or billboards. A consumer sales promotion could consist of coupons, free samples, or premiums.
* Third, within each activity they must decide which specific vehicle to employ; for example, in advertising, this might require selecting a TV or radio programme, while in sales promotion they must decide about the coupon specifics – its value, size and color, message format, and how it will be delivered.



* Either advertising or personal selling generally plays a dominant role in the promotion mix, with sales promotion and/or publicity playing supporting roles.
* When advertising dominates, the idea is to communicate with the consumer and encourage him or her to pull the product through the distribution channel, by demanding that the channel stock the produce. This strategy is called a **pull strategy.**
* Major consumer goods marketers typically use pull strategies.
* For consumer goods when personal selling dominates, the marketer attempts to convince channel members to stock the product, so consumers will find it at their local store- a **push strategy.**
* Smaller consumer goods marketers who lack the budgets to pursue pull strategies typically use push strategies. Many little-advertised products found in supermarkets and mass merchants found their way to the shelf through effective push strategies.
* The **elements of the marketing mix** must work together to achieve marketing and organization objectives. Marketers should develop and manage the promotion mix, therefore, only after considering the other elements in the marketing mix.
* Firms must consider the pricing and distribution components. The former can help form consumers perceptions of quality and is a key element in creating margins from which the promotional funds are derived. Distribution strategies can also affect the allocation of promotional resources. The more complex the product’s distribution network, the greater the need for personal selling to develop and maintain the reseller organization.
* A company’s sales personnel might be asked to focus on one or more of the following objectives:
* Winning acceptance of new products by existing customers
* Developing new customers for existing products
* Maintain the loyalty of current customers by providing good service
* Facilitating future sales by providing technical service to potential customers
* Facilitating future sales by communicating product information to potential customers or influencers
* Gathering marketing information
* An important part of designing the promotion mix is creating the messages to be communicated to the target audiences(s). Preparing a successful message is difficult, if only because of the countless ways in which it can be constructed.

**Exhibit 14.4** **Comparing the merits of the promotion mix elements**

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| **Promotion mix element** | **Amount of information communicated** | **Credibility** | **Control over the message** | **Cost to reach one customer** | **Strategic suitability** |
| **Advertising** | Varies: little information in a radio or TV ad, to lots on a website | Low | Good | Low | Well-suited to a **pull strategy**. |
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| **Personal Selling** | Lots of information | Depends on the credibility of the company and the personality and sales skills of the salesperson | Poor, but training helps | Very high in developed countries, can be low elsewhere | Well-suited to a **push strategy.** |
|  |  |  |  |  |  |
| **Sales Promotion** | Virtually no information | Not applicable | Good | Low and self-liquidating: generally pays for itself as the product is purchased | Consumer promotion supports a **pull strategy**. Trade promotion supports a **push strategy.** |
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| **Public Relations** | Lots of information | High | Poor | Very low or nil | Supports both **pull** and **push** strategies. |

**Step 5: Evaluate the Results**

* This step involves finding out whether the objectives of the promotional activity have been met – usually via marketing research.
* For example, in advertising a new consumer product, the company could conduct a telephone survey after the promotional campaign had run for a designated period to determine whether the objective of generating a certain level of awareness among members of the target audience had been achieved.
* Survey could determine what percent had tried the brand and these how many had bought it two or more times.

**14.3: The Nitty-Gritty of Promotional Decision Making**

1. **Making Advertising Decisions:**
* Advertising decision making is concerned with setting objectives and budgets, choosing which media types and vehicles to use with what frequency, deciding what the message should be and how to present it, and analyzing the effectiveness of the advertising programme.
* **Setting Advertising Objectives**
* Promotional objectives are important in developing an integrated promotion plan. They derive the firm’s marketing objectives and strategy and are concerned with communicating certain information about the company and its product to target audiences.
* A promotional objective serves as the basis for evaluating the advertising programme once it is completed.
* Advertising objectives must relate to attitude and behavior. Results can sometimes best be assessed by measuring the *process* by which the desired objectives are met.
* The use of hierarchy-of-effect models that move prospective buyers through a series of steps- awareness, comprehension, conviction, action- to the ultimate goal of purchasing the product. Knowing the various steps in such models helps the marketer better set its advertising objectives.
* Another advantage of using the communication hierarchy as the basis for setting advertising objectives is that it is possible to measure the proportion of potential customers who are at each stage in the hierarchy.
* In setting advertising objectives, a clear understanding of precisely what the advertising is expected to accomplish, often measured in terms of attitude change, provides an ad agency or others who make the media choices and develop the ads with the direction they need to do their jobs.
* **Setting Advertising Budgets and Making Media Choices**
* Setting budgets and choosing media comes down to making decisions about the extent to which a message is delivered to its target audience, or **reach** and the **frequency** with which it does so.
* **Reach:** the total number of individuals or households exposed to at least one ad during a given period- typically four weeks. It is typically expressed as a percentage of the target audience.
* The problems with using Reach and frequency:
* First: defining the target audience and correlating it with the audiences reached by the various media vehicles
* Second: it is difficult to measure exposure no matter how it is defined.
* Third: not all who are exposed are of equal value to the advertiser, some may not even be prospects.
* Fourth: how should successive exposures be weighted? Is a second exposure worth more than a third? How much? And how much time should elapse between exposures?
* Reach and frequency measures are used to prepare the advertising schedule, which determines total advertising expenditures. In estimating the cost of a give schedule, media planners simplify their task by using gross rating points (GRPs) which are calculated = Reach \* average frequency.

**Exhibit 14.5** **Setting an advertising budget for a new wine cooler brand – a
hypothetical example**

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| 1 |  | Establish a market-share goal. By the end of the first year, achieve a 15 per cent share of the estimated 40 million case wine cooler market, which is expected to grow by ten million cases per year for the next few years. This target of six million cases is to be obtained by attracting first-time wine cooler buyers and getting users to switch to the new brand. Assume some ten million wine cooler drinkers and the net addition of 2.5 million new drinkers each year. The number of individual consumers needed to attain a 15 per cent share is estimated to be two million. |
| 2 | a) | Determine the percentage of the target audience that needs to be made aware of the new brand in order to induce a trial and repeat usage rate (three or more bottles) that will attract two million consumers. The agency estimates that 40 per cent of those who try a bottle of the new brand will become long-term users. This means five million persons must try the product. The agency further assumes that 75 per cent of those who become aware of the product will try it. This translates into a need to make 6.67 million – or some 53 per cent of the 12.5 million total present and prospective buyers – aware of the brand. |
|  | b) | Determine the number of impressions needed to obtain an awareness level of 53 per cent followed by trial and repeat buying. The agency estimates that 35 impressions on average will be needed for each of 12.5 million individuals in the target audience to bring this about (less than one per week). Thus, the total number of impressions needed is 35 × 12.5 million = 437.5 million. |
|  | c) | Determine the number of gross ratings points (GRPs) needed.\* Based on needed reach and repetition (35), assume 3500 GRPs are needed. |
| 3 |  | Determine the cost of the needed 3500 GRPs. The agency estimates an average cost per GRP of $4000 – hence, the advertising media budget would be $14 million. To this amount, the costs of advertisement production and marketing research have to be added. |

* Marketers rely on their prior experience to determine how much reach and frequency is necessary to deliver a certain level of results, experience, that of others within their company, or that of experts, such as ad agency personnel, to determine how large a budget, or media buy, is necessary to meet a particular objective.
* The costs of advertising in various media may be found from a variety of sources.
* An advertising medium provides to prospective advertisers upon request a **rate card,** which specifies the nature and size of the audience it reaches and the costs of advertising in that medium.
* Costs are expressed in **cost per thousand** impression (an impression is one person being exposed at the ad one time), or **CPM,** making comparisons across different kinds of media possible.
* Various industry sources compile such information and make it available to prospective advertisers for their use in planning promotional programmes.

**Exhibit 14.6** **Comprehensive sources of media audience and rate information**

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| **Source** | **Website address** | **Description** |
| Standard Rate and Data Service (SRDS) | [www.srds.com](http://www.srds.com/portal/servlet/LoginServlet) | Provides rates and audience information for US television, radio, newspaper, magazine (both consumer and business) and direct mail media |
| BPA International | [www.bpaww.com](http://www.bpaww.com/Bpaww_com/Pages/Home.aspx) | Provides circulation and traffic information for newspaper, magazine (both consumer and business), trade show, website, industry database and wireless communication media in 25 countries |
| A.C. Nielsen | [www.nielsenmedia.com](http://www.nielsenmedia.com) | Provides, on a fee basis, North American ratings and traffic data for television, cable television and websites based on proprietary samples who report their viewing and Web traffic behavior |

* **Traditional Media Types**
* **Television:** best at communicating images and symbols because it can demonstrate product usage and consumer reactions. It is a particularly good medium to help sell a mass-market product.
* **Radio:** less involving than television, but offers economy and the opportunity to target specific audiences-working, driving or walking. It is often used to reinforce TV advertising.
* **Print media:** more involving than broadcast media. Readers select what advertising they want to read and take as much time as they wish to read it. Print is effective in communicating detailed information about a product.
* Magazines: can be categorized on the nature of their audience ranging from general or mass appeal, to highly specific such as those dedicated to sports, hobbies, ethnic groups, age groups, gender, and financial.
* Newspaper advertising consists mainly of retail and classified although it is an important medium for those national advertisers who want to communicate specific facts about their products.
* **Out-of-home:** billboards are the most prominent media and come in a variety of shapes and sizes as well as location opportunities. These include spectacular electronic signs that feature moving messages and color graphics.
* **Exhibition:** in-store display materials, which include signs, banners , video displays on shopping carts, and electronic ads on in-store screens.
* **Supplementary:** directories and yellow pages are the major media in this category.
* **Direct marketing:** involves direct mail, TV, radio, and print ads with a toll-free phone number.
* **New Media**
* **Banner ads:** ads can consist of text, graphics, audio, or video, and some are even interactive.
* Advertisers can choose how they wish to pay for such ads. They can pay for placements for a certain time period, like a billboard on a highway. They can pay on a cost per thousand impressions (CPM) basis, as they do for traditional print and broadcast media. They can pay for “click-throughs” or pay a fee only when the customer buys.
* **Search keywords:** can be purchased by companies wanting to reach customers looking for their products based on their searches.
* **Portal deals:** marketers pay web portals for prime or exclusive positions on the portals’ websites, can establish competitive advantage for marketers by enhancing the likelihood that theirs will be the site in their product category or industry that customers find first on the web.
* **Email:** well suited to building one-on-one relationships with customers.
* Advantages of the internet that it is virtually cost-free.
* Considerations of reach, frequency, and cost- measured in cost per thousand impressions- provide a means of comparing their value to one another and to traditional media **cost per acquisition,** another measure, is useful for web advertising that results directly in actual customer purchases, a model familiar in the direct marketing industry.
* The rapid growth of these and other new media has led to a variety of ethical issues marketers must address, including the securing of web transactions, privacy, and the sending of unwanted electronic messages, or SPAM, to unwilling customers.
* **Developing the Creative Strategy**
* Creative strategy derives from the product’s targeting and positioning decisions coupled with what the advertising must accomplish.
* Deciding on the major selling idea or theme is the essence of the creative strategy process since it dictates the nature and scope of the various messages that collectively make up an advertising campaign and it delivers on the positioning decisions already made.
* Designing creative and effective marketing communications is a task that requires creativity and special expertise.
* The issues involved in managing the creative effort, include decisions about the **unique selling proposition** to be delivered, the **source** of the message, the nature of the **appeal** embodied in the message.
* Effective creative strategies almost always contain at least some **emotional appeal** , and not only deliver the desired message, but also manage to attract the **attention** and **interest** of the target audience despite an extremely cluttered advertising environment.
* Some ads include a **call to action,** in which the customer is asked to do something (clip a coupon, or click through a website).
* Several ethical issues are involved in developing advertising messages, including issues of morals, good taste, community values, and truth in advertising.
* **Measuring Advertising Results**
* Message testing typically is concerned with alternative ways to present a message to the target audience.
* **Before tests**
* **Recall tests** of proposed print ads are inserted into a simulated magazine and respondents are told to read whatever interests them. After doing so, they are asked to “play back” ads they remember. They are also asked questions about ad credibility and product usage. Using the results, researches can determine the extent to which the message got through and to what extent it achieved the communicator’s objective.

DISADVANTAGE: reflect a brand’s popularity rather than message content

* **Sales tests** as administered by commercial research firms such as BehaviorScan measure the effects of TV commercials through the use of consumer panels located in a number of small cities. Purchases are recorded electronically by scanners at supermarket checkout counters by panel members using special ID cards. BehaviorScan can insert TV commercials into TV programmes at the individual panel household level. They select household samples on the basis of their purchase behavior history. The consumer panel becomes a single source of both purchase and viewing behavior, thereby enhancing its value.
* **After Tests**
* Tend to measure the effectiveness of the total advertising effort.
* **Recognition tests:** are the most popular post exposure testing method for print media. Advertisers design these tests to measure the extent to which advertising copy is noted and read. Field workers interview people who say they have read a given issue of a magazine. Each respondent goes through the issue of pointing out what was seen and read. When the respondent reports seeing an ad, the interviewer asks which parts were read. The interviewer starts each interview at a random point within the issue, so that the ratings are not affected by respondent fatigue.
* **Recall tests:** are another common way to measure the effectiveness of an advertising message, especially a TV commercial, after it has been run. Respondents are typically aided in their recall. Interviewers show them a list of the advertisers and brands presented and ask which ones they have seen recently. Interviewers proceed to obtain playbacks of these ads from the respondents.
1. **Making Personal Selling Decisions**
* Planning a sales programme involves four sets of decisions:
1. First: the sales force must be organized to facilitate the most efficient allocation of effort
2. Second: **account management policies** should be developed as guidelines for the way different types of customers are approached, persuaded, and serviced.
3. Third, **deployment** decisions must be made to define territories and assign salespeople to those territories.
4. Fourth, performance expectations- **quotas-** should be developed for each sales rep based on forecasted demand in that territory.
* When these four aspects of a sales programme are well planned and clearly communicated, they help the sales staff understand the job requirements and the role they are expected to play in implementing the firm’s strategy. That improved understanding, should help the sales staff achieve desired levels of performance.
* Several key strategic issues that marketing managers must consider in planning a marketing programme or preparing a marketing plan: the sales cycle, organizing the sales effort in global markets, and managing customer service.
* **The Sales Cycle**
* Refers to the duration that it will take to meet with the various decision makers and convince them to try the product, perhaps on a limited basis at first, and then to adopt it more fully.
* Planning the sales programme and determining how many salespeople it will take to get the job done require a clear understanding of the length of the sales cycle, the number of sales calls it is likely to take to complete a sale, and the nature of the sales task at hand.
* **Organizing the Sales Effort in Global Markets**
* The higher levels of product knowledge and post-sale service required to sell such high-tech products make it relatively more desirable for firms to employ their own salespeople. By doing so, they can maintain better control over the marketing and sales efforts devoted to their products and reduce their transaction costs.
* While globalization makes the organization of the sales force more complicated, firms tend to resolve organizational issues in international markets in largely the same way as they do in their native countries.
* **Customer Service: An Increasingly Important Personal Selling Function**
* Marketing managers must make decisions about how to best provide the service that customers demand.
* Managing the customer service process is an important part of managing the personal selling function. Increasingly, responsibility for customer service and “outside” sales is being brought together on company organization charts, so the two functions can work together seamlessly to serve customers effectively and efficiently, before and after the sale.
* Managing customer service involves thinking carefully about the firm’s objectives for serving customers before the sale and adding additional objectives for after-sale service, alone with people and strategies for meeting these objectives.
* Sophisticated systems now make it possible to identify customers as they call, so customer service representatives have their account information at their fingertips, and provide detailed product knowledge to answer the customers’ questions, all electronically.
* Modern call centers allow companies to place them in different time zones, following the sun, and calls to a single number are automatically routed to the active call center. Technology also allows call centers to be located in countries like India, which offer a lower cost basis and access to a large pool of highly skilled workers.
* **Using Technology to Enhance Sales and Customer Service Performance**
* Siebel: the latest call center software enables customer service representatives to see customer account histories while talking with them and provides scripts to help solve common customer problems.
* Kana: companies are using other software tools like Chat to help customers who are looking for help with their online shopping.

**Exhibit 14.12** **Decision support software for personal selling and sales force
management**

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| Tool | Software package | Functions |
| Contact Management Software | ACT, from Interact Commerce Corporation, at [www.act.com](http://www.act.com/) | Keeps track of client lists – including addresses, phone numbers, and other |
|  | Goldmine, available (along with other sales management software) from [www.sales-tools.com](http://www.smallbiztoolz.com/) | Tracks idiosyncratic client information, such as birthdays – and organises records of prior client contact and other customer-relevant information. |
| Sales Compensation Design Software | $alescom, from [www.salesforcecompensation.com](http://www.salesforcecompensation.com/) | Helps design base salary and/or incentive plans for any incentive-eligible position. |
| Customer Relationship Management Software marketing applications | Entice!, from [www.multiactive.com](http://www.maximizer.com/) | Integrates sales, marketing, and customer service, with e-commerce and wireless telephony, for online and offline. |

* **Recruiting, Training, and Compensating Salespeople: The keys to Salesforce Performance**
* Implementing the sales programme requires three sets of management actions:
* First: management must **recruit** and **select** appropriate kinds of salespeople with the aptitude for effectively carrying out the activities involved in the job
* Second: management must provide appropriate kinds and amounts of training to ensure that the salespeople have the knowledge and skills needed to do their jobs.
* Finally: management must design an attractive package of compensation and other incentive rewards to motivate the sales force to expend the effort necessary to achieve good performance.
* **Evaluating and Controlling Salesforce Performance to Ensure Delivery of Budgeted Results**
* Managers collect and evaluate information about their salespeople’s performance and compare these data to the plan’s objectives and forecasts to determine how well the sales force is doing.
* Companies use three main approaches in monitoring the sales force to evaluate and control sales performance.
1. **Sales analysis.** Managers monitor sales volume for each salesperson. In addition, they break down sales figures by geographic territory, by each product in the line, and by different types of customers. They compare the results to the forecasts and quotas in the firm’s sales plan to determine which salespeople are doing well and where adjustments may be needed.
2. **Cost analysis.** They can also monitor the costs of various selling activities such as travel and entertainment expenses. Managers often examine these costs across individual salespeople, districts, customers, and product types. Doing so presents some difficult technical challenges about how certain costs, such as administrative costs and overhead, should be allocated. When put together with the results of a sales analysis, this procedure allows managers to evaluate the profitability of different territories, products, and customer types.
3. **Behavioral analysis.** When sales volume or profitability in a territory falls below expectations, managers may be uncertain as to the cause. Perhaps the salesperson in that territory is not working hard enough or is allocating effort to the wrong activities. Or the disappointing results could be due to factors beyond the salesperson’s control, such as poor economic conditions or heavy competition in the territory. To gain a better understanding of the cause – and provide a better basis for taking corrective action – many managers believe it is necessary to monitor and evaluate the actual behavior of the salesperson as well as the outcomes of that behavior. They obtain much information for this kind of behavioral analysis from activity reports and call reports submitted by the salespeople. Some firms use self-rating scales, field observations, and supervisor ratings to compile the needed information.
4. **Making Sales Promotion Decisions**
* **Sales promotion:** those marketing activities, other than personal selling, advertising, and publicity, that stimulate consumer purchasing and dealer effectiveness.
* Sales promotions offer an incentive to consumers and resellers to stimulate short-term demand for a product.
* The non-price related promotion techniques are:
* **Sampling:** has become increasingly important because marketers have found more efficient ways to get samples to their target markets. Today’s sampling promotions are cleverly designed so that shoppers who receive the samples use them right away.
* Contests and sweepstakes add interest to the sale of ordinary products. In a consumer contest, buyers compete for prizes on the basis of skill. Contests typically require proof of purchase to enter or the use of an entry form available only from a dealer. Popular formats for contests include naming new products or finding new uses for existing products. Sweepstakes distribute prizes on the basis of chance and, in many countries, cannot require proof of purchase as a condition of entry. They are more popular than contests since no judges are required. But they do little to enhance the brand’s image and often overshadow the product involved. Recently, several companies launched contests via text messages, where users send a text message with a code printed on products to enter.
* Trade promotions are used by manufacturers to stimulate resellers to improve their performance in a variety of ways, including contests and incentives for sales personnel, training a distributor’s sales force, and cooperative advertising and promotional allowances including in-store promotions. The latter is the most important
1. **Making Public Relations Decisions**
* Public relations have many uses; one that is sometimes overlooked is its potential for marketing new products, whether goods or services
* Public relations have several advantages and they are:
* It is credible; most people feel that the mass media have no reason to carry favorable information about a product unless it is true.
* Public relations reinforces the firm’s advertising campaign by increasing awareness and the believability of product claims
* Publicity also makes it easier for the sales force to present a case for the product.
* It is low cost, in that there are few media costs
* Public relations major disadvantage:
* Publicity is beyond the company’s control, not only as to whether the release will be run, but also what is finally said about the company and/or the product.
* Through public relations, firms communicate with a variety of publics, including the consumer, the financial community and stockholders, the community, prospective employees, current employees, and suppliers. This listing of audiences suggests that publicity can be used to accomplish different objectives among different groups. Such objectives range from simply increasing awareness of a company or its products to stimulating an actual response, such as sending for a free bulletin.
* Public relations can play an important role in the development of an integrated marketing communication programme.
* Public relations help to cope with an unexpected shock.