

MARKETING COMMUNICATION AND PRESENTATION SKILLS

PGDM-102

**BLOCK 1:
MARKETING AND
CONSUMER BEHAVIOUR**

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Ahmedabad**



MARKETING COMMUNICATION AND PRESENTATION SKILLS



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ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.

Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



PREFACE

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!



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BLOCK 1: MARKETING AND CONSUMER BEHAVIOUR

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BLOCK 1: MARKETING AND CONSUMER BEHAVIOUR

Block Introduction

The concept of “Marketing” fundamentally involves an interaction with customers. Such an interaction aims at making the consumer purchase the product or service. Thus, we can say marketing is all about selling your product or service to the customers. The most exigent concept in marketing understands why buyers behave in a particular way. This knowledge is essential for marketers, since having a strong perception of buyer behaviour which helps to understand what is important to the customer and also suggest the important influences on customer decision-making. With the help of information, marketers can create marketing programs to interest potential customers.

In this block we will discuss about the marketing management and consumer behaviour and how the customer decisions and the factors affecting them are extremely complex, and governed by psychology with dashes of sociology thrown in.

In unit one, the core marketing concepts are discussed. The basics of marketing where in strategic process of marketing are discussed and also how SWOT analysis will help in marketing process is mentioned.

Unit two explains Consumer behaviour all the actions involved in selecting, purchasing, using and disposing of goods and services are involved. For e.g.: You are engaging in consumer behaviour every time, buy a new pair of jeans, read a book or just end up buying something to binge on. Unit three mentions Consumer buying behaviour specifically to the actions consumers take while they are deciding what to buy and also when making the actual purchase.

Block Objective

After learning this block, you will be able to understand:

- The concepts related to marketing.
- The core concepts of marketing management.
- About consumer behaviour.
- The consumer behaviour and pricing strategy.

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Behaviour

- The impact of consumer behaviour on product strategy.

Block Structure

Unit 1: Understanding Marketing Management

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UNIT 1: UNDERSTANDING MARKETING MANAGEMENT

Unit Structure

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1.2.2 Core Marketing Concepts

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1.4.1 Objectives and Goals

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1.0 Learning Objectives

After learning this unit, you will be able to understand:

- The aims of marketing.
- The process of strategic planning.
- The marketing environment.

1.1 Introduction

The term “Marketing” fundamentally involves an interaction with customers. Such an interaction aims at influencing a potential consumer to purchase the product or service. Thus, we can say marketing is all about selling your product or service to the customers.

Sometimes ‘marketing’ is confused with other terms like ‘advertising’ or ‘publicity.’ The truth is that advertising is only one part of marketing. It is just a way to get the customer to purchase your product or service. There are a number of ways like publicity through newspapers or the radio that increases customer awareness about your product or service, leading him to make a purchase.

Therefore, we must understand that marketing is a heady mixture of all the activities of advertising, promotion, publicity- in short it is everything that contributes to the design and the making of the product and the method of selling and delivering it to the customers etc. All these activities persuade the consumer to buy your product. All of this in the form of a concept gives us one of the important terms related to marketing, called ‘marketing mix.’ We will study this concept later in this unit.

1.2 Defining Marketing

Various definitions exist with different emphasis on the functional process and activities that constitute marketing. Some important definitions are discussed below.

1. The Chartered Institute of Marketing defines marketing as: “Marketing is the management process for identifying, anticipating and satisfying consumer’s requirements profitably.”

The emphasis of this definition is on the need for balancing customer satisfaction with the overall objective of any organization, i.e. profit. It is based on the conviction that these two concepts are inter-related and no organization can thrive without creating a balance between the two.

2. Another definition of marketing is proposed by American Management Association (AMA) as: “Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives.”

Peter Drucker: “Marketing is so basic that it cannot be considered a separate function at par with other actions such as manufacturing or personnel. It is first a central dimension of the entire business. It is the whole business seen from the point of view of its final result, that is, the customer’s point of view. Drucker bifurcated selling and marketing and mentioned that aim of marketing is to make the selling superfluous.

1.2.1 The Aims of Marketing:

To develop sustaining and useful relationships with the customer is the main aim of an organization’s marketing efforts. It helps the marketing department to serve a significant role within organizations and within society.

Marketing is a dynamic business function that is obligatory in nearly all for-profit or not-for-profit industries after considering the organization level. For the for-profit organization, marketing is liable for most tasks that bring revenue and, hopefully, profits to an organization. For the not-for-profit organization, marketing is responsible for drawing customers’ needed to support an organization’s mission, such as raising donations or supporting a social cause. For both types of organizations, it is unlikely they can survive without a strong marketing effort.

At all levels, marketing offers following benefits:

1. To develop products that placates needs and increase society’s quality of life.
2. To lower prices of products through a competitive environment.
3. To permit access to products to an enormous number of customers in varied geographic regions through product distribution systems.
4. To build demand for products that requires organizations to expand their labour force.
5. To offer techniques that has the ability to convey messages that change the societal behaviour in a positive way (e.g. anti-smoking advertising).

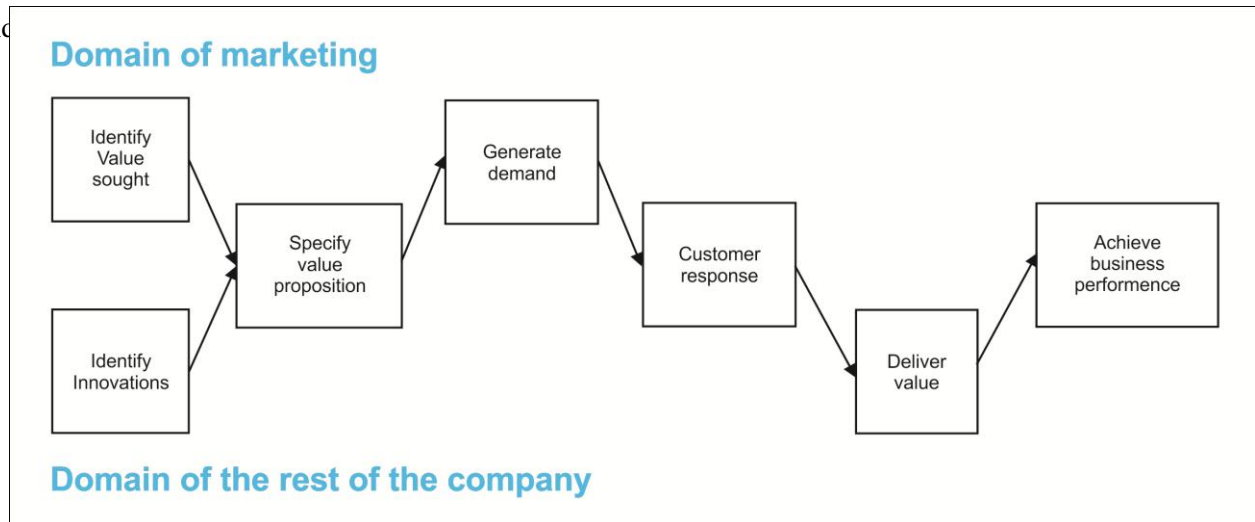


Fig 1.1 all levels, marketing offers

1.2.2 Core Marketing Concepts

The Marketing Concept: The philosophy of early 1950s gave marketing a much more important role in business. According to this concept, an organization must meet three basic needs:

1. It must believe in the customer's importance because genuine customer orientation demands a keen commitment of people, time and monetary resources to implement this orientation.
2. Marketing efforts must be integrated so that the organization may not lose sight of its customer's needs.
3. The Management must accept that profit goals will be reached only when a customer is satisfied. The path to profit is not a simple one especially when all business firms are competing within a complex environment that demands a shrewd management of organizational resources and efforts. The heads must offer quality products at fair prices, their companies will make money. In case of not-for-profit organizations they will achieve their financial and other goals if they satisfy their customers and members.

Figure below illustrates these three pillars of the marketing concept, which are necessary conditions for creating satisfactory exchange and in making marketing a true philosophy of business.



Fig 1.2 Three pillars of the marketing concept

The concept of marketing mix is important to study the marketing management. Marketing mix has four components which are used in different proportions as promotional strategies. They are: Place, Price Profit and promotion, the right mix of the above four components add value to the management of marketing. Value can be defined as best ratio related to the cost available to the buyers.

Check your progress 1

1. Which of the following is NOT defined as an element of the marketing mix

a. Products	c. Place
b. People	d. Profits
2. Which of the following is the best definition of value?
 - a. A technical measure of a company's selling price relative to its production costs.
 - b. A measure of the mark-up charged by companies.
 - c. The lowest prices available to consumers.
 - d. The best ratio of benefits to costs available to buyers.
3. Peter Drucker noted the relationship between selling and marketing in the following terms:
 - a. Marketing is a subsidiary component of selling.
 - b. The aim of marketing is to make selling superfluous.
 - c. The aim of selling is to make marketing superfluous.
 - d. Selling and marketing is essentially the same thing.

1.3 The Process of Strategic Planning in Marketing

Process is an additional element of the extended marketing mix or 7P's. There are a number of perceptions of the concept of process within the business and marketing literature. Creation of special marketing department helps for the overall functioning of the business some see processes as a means to achieve an outcome. For example, a company implements a marketing planning process to achieve a 30% market share.

The other view is that marketing has a number of processes that integrate to create an overall marketing process. For example, telemarketing and internet marketing can be integrated. A further view is that marketing processes, i.e. processes that measure the achievement marketing objectives are used to control the marketing mix. For the purposes of the marketing mix, process is an element of service that sees the customer experiencing an organization's offering. It is best viewed as something in which your customer participates at different points in time. Here are some examples to help you build a picture of marketing process, from the customer's point of view.

The stage of the process includes:

- Markets deliver value through all elements of the marketing mix i.e. process, physical evidence and people known to enhance services.
- Feedback can be taken and the mix can be customized.
- Customers are retained and other services or products are extended and marketed to them.
- The process itself can be modified to the needs of different individuals, experiencing a similar service at the same time.
- Processes essentially have inputs, and outputs. Marketing adds value to each of the stages.

Environmental Considerations

The figure below illustrates that strategic management is designed to effectively relate the organization to its environment. The environment includes political, social, technological, economic elements.

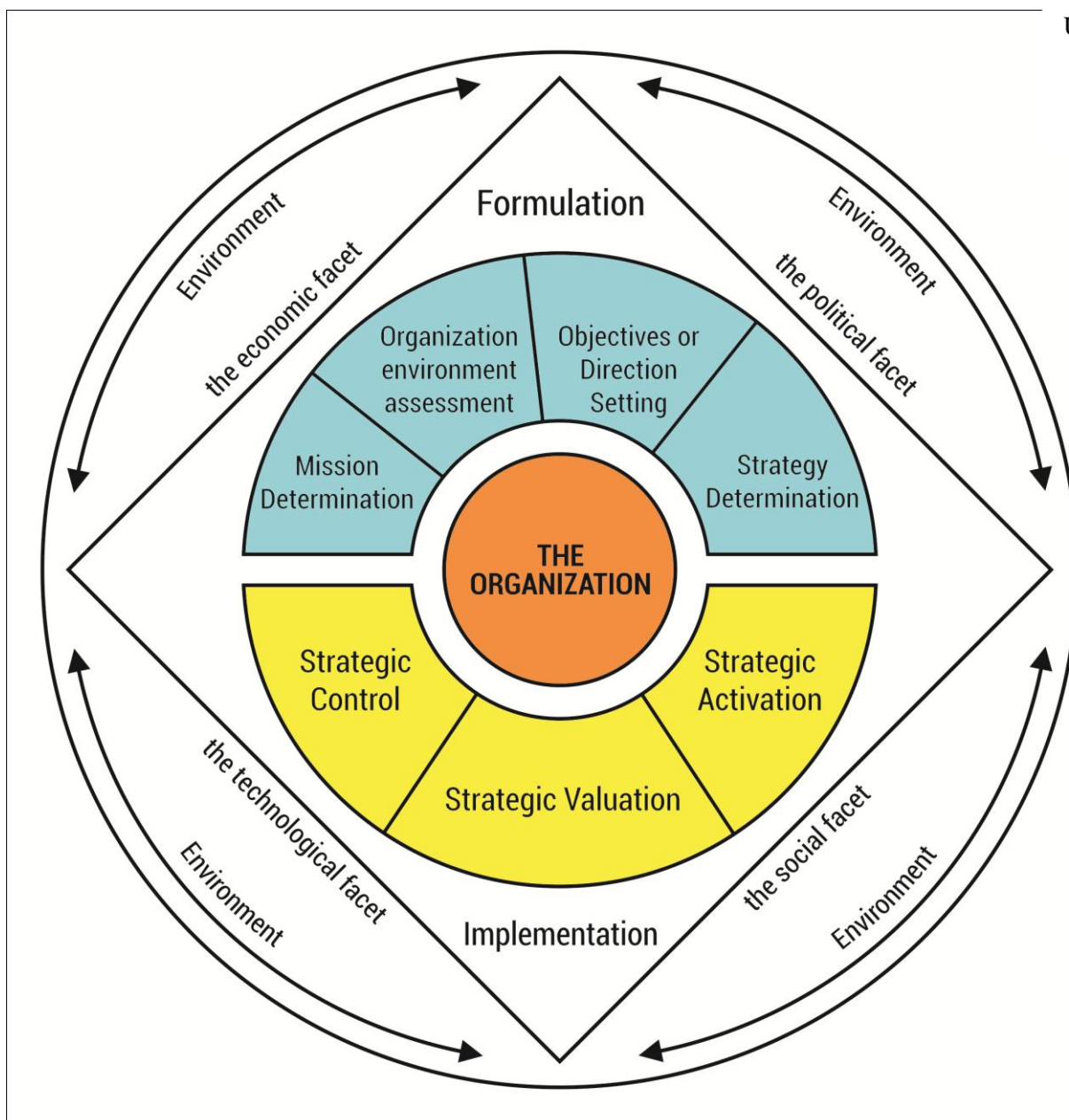


Fig 1.3 Environmental Considerations

The Context of Strategic Management

The outermost part of the model embodies the environment in which the strategic management process takes place. The environment can be viewed as consisting of four elements: the social, political, technological and economic facets.

The social facet of the environment consists of human relationships within the organization and strategies to individuals, to groups and to society in general. This aspect involves moral considerations and the responsibilities of these strategic managers. These responsibilities come to them because of their humanity and not because of any legal, economic, political forces they may bring to bear. The

political facet of the atmosphere consists of the laws and regulations applicable to the enterprise and the courts and government officials who interpret and enforce them, along with other groups and institutions in society that wield power. The increasing burden of laws and regulations is of great concern to every manager. The ecological environment which impacts marketing environment which reflects on high GDP Per capita income in any country .

Organizational strategists seek to influence these groups and institutions.

Technology is defined as “the science of the application of knowledge to practical purposes, the totality of the means employed by people to provide itself with the objects of material culture.” So this aspect consists of is the sum total of machines, materials and knowledge which go into the production of goods and services. The technological facet should not be confused with ‘high-tech’, which means advancement mostly in electronics. . The technological facet includes also includes all kinds of machines and systems for accomplishing practical purposes.

The economic facet consists of financial markets, sources of capital, product and service markets, demand for goods and services and opportunities for profits along with changes and trends in the economy. It is the most important facet of the organizational environment.

The process of strategic marketing is categorized by different stages of planning, decision-making and control. The marketing process of organization revolves around the following questions:

Where are we at present?

Where do we want to go?

How can we reach?

Which is the best way to reach?

How can we ensure success?

These questions are inter-related with different phases of marketing process and a set of time dimensions are identified as:

Past: talks of our strengths, weaknesses and potential pitfalls.

Future: This talks of where we want to reach through our strategic planning.

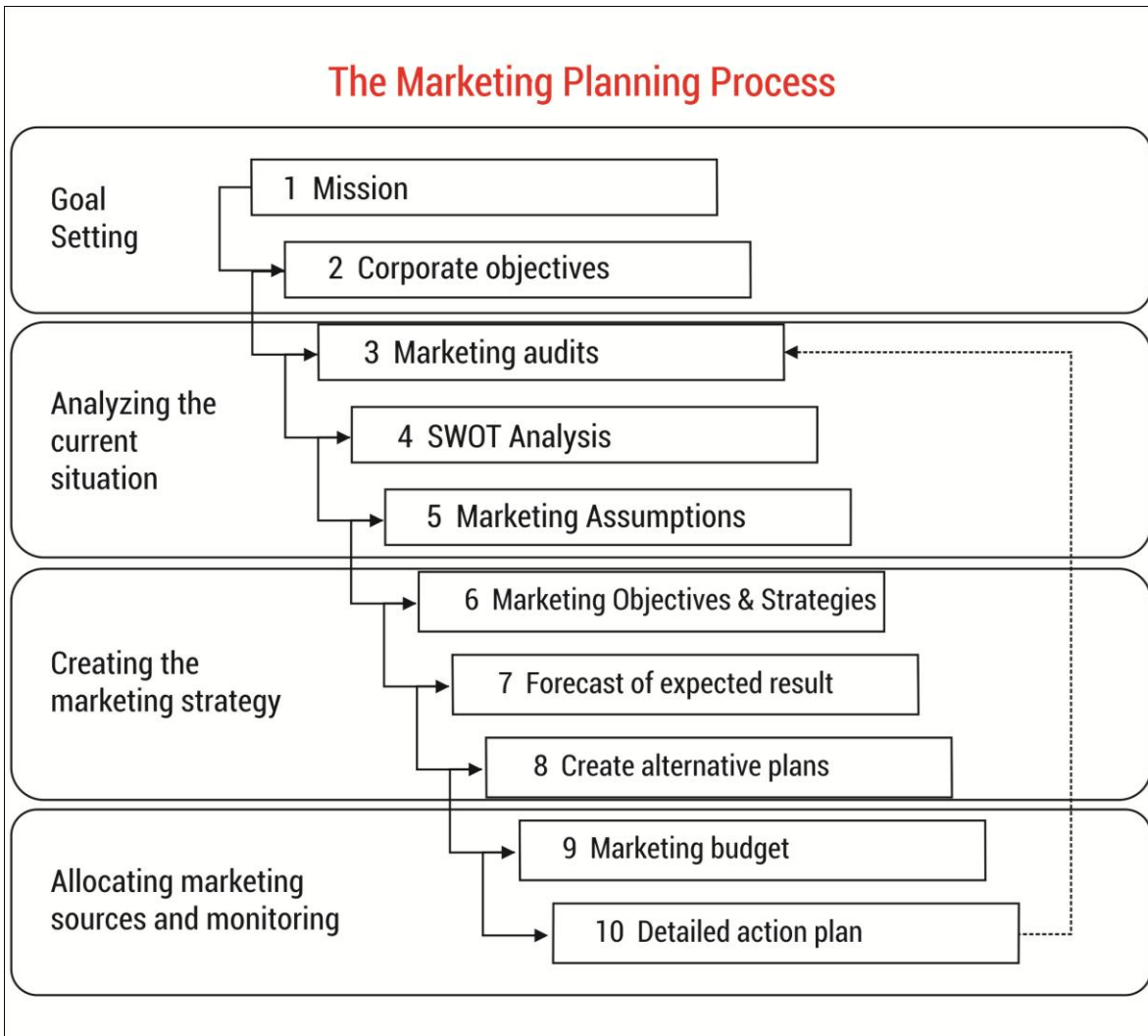


Fig 1.4 The Marketing Planning Process

The Planning Process

The starting point of process involves exploring the organization and environment. Identifying the current position of the organization is the long and short-term goals, and is the first step towards planning. A scrutiny of the environment shows that among the controlling factors i.e. market, computers and stockholders is also important for planning.

Marketing process can be appreciated by the marketing mix. The final step in the process is market control. In many organizations, "strategic planning" is done annually. To be operative, the plan has to be formalized, in written form, as a formal "marketing plan." It moves from the vision to the mission to the goals to the corporate objectives of the organization, then down to the individual action plans.. Process is also interactive, because it drafts the output of each stage to see what impact it has on the earlier stages, and then it is amended.

Check your progress 2

1. Which of the following is true about marketing planning at the bottom of a business cycle?
 - a. This is the worst time to invest because the market is weak.
 - b. If it is fairly certain that the bottom of the cycle has been reached, this is the time to begin increasing investment.
 - c. Planning should continue on the basis of no change in the level of national economic activity.
 - d. There is greater certainty at this stage in the cycle.
2. In general, concern with the ecological environment is most closely associated with economies characterized by:
 - a. Rapid economic growth.
 - b. High levels of GDP per capita.
 - c. Low levels of GDP per capita.
 - d. Abundant natural resources.
3. The creation of a marketing department:
 - a. is essential for all businesses.
 - b. results in universal benefits for firms operating in competitive markets.
 - c. reduces a firm's costs.
 - d. can result in a firm as a whole having a reduced level of marketing orientation.

1.4 The Marketing Environment

Environmental scanning is a central part of marketing management. This element highlights the importance of environmental modification in order to make good marketing decisions. The growing importance of environment is discussed. Later the features of the environment are demarcated and an overview provided of the social, technological, economic, government and natural environments related to marketing.

Importance

The marketing environment is more significant to the management now more than ever before. This is both because the rate of environmental change has increased and the fact that a number of changes that have occurred.

The period of most-rapid development has been in the last 50 years, which is diminutive as compared to the history of the earth. Still an extraordinary spurt in environmental change occurred during that brief period and people even today are experiencing an inimitable stage in human history.

Economic factors are at the core of business activity and historically also they have always been important to marketing management. Until 1900, such factors effectively represented the firm's macro-environment. At the change of the century, governmental and legal forces became more important. The worth of government has grown greatly over the past few decades. Even the recent de-regulation of selected industries has meant choppy times for the companies involved.

During the 1930s, the development of labour organizations affected the decision realm of the management. More recently, customer groups have used strategies similar to those of labour. Consumer groups highlight a crusade toward a pluralistic and interdependent society of interest groups, with business no longer the central element. Demands on businesses also arise from their stakeholders and from the public. This has resulted in developments in several other types of important external changes than existed a few decades ago. This has forced management to invest more time and energy in monitoring the environment.

What implications do such changes have for strategic market planning? And how should line marketers cope with the environment? These questions mirror a mounting recognition by both corporate strategic planners and line marketers that ignoring the balance and imbalance of the uncontrollable market environs and the factors influencing it is nothing short of folly. Although environmental analysis by itself is no collective remedy, the consequence for not monitoring the environment can be severe. Consistent with this theme, a study concluded that corporate strategic planning is now closely geared to marketing.

Characteristics of Marketing Environment

Changing consumer incomes, technological innovation, changing government agencies and shifting consumer values are examples of the marketing environment. The environment includes that which is external, largely

uncontrollable, changing, constraining and potentially relevant. The marketing environment includes non-marketing departments and markets, competitors apart from the macro environment.

Marketers will adapt their products, prices, promotion and distribution to fit the marketplace. Certain environmental forces are partly controllable, not all of it. Some important changes in environmental factors, such as shifting population characteristics, are a key source of uncertainty.

A snapshot of the environment surrounding most organizations is given below:

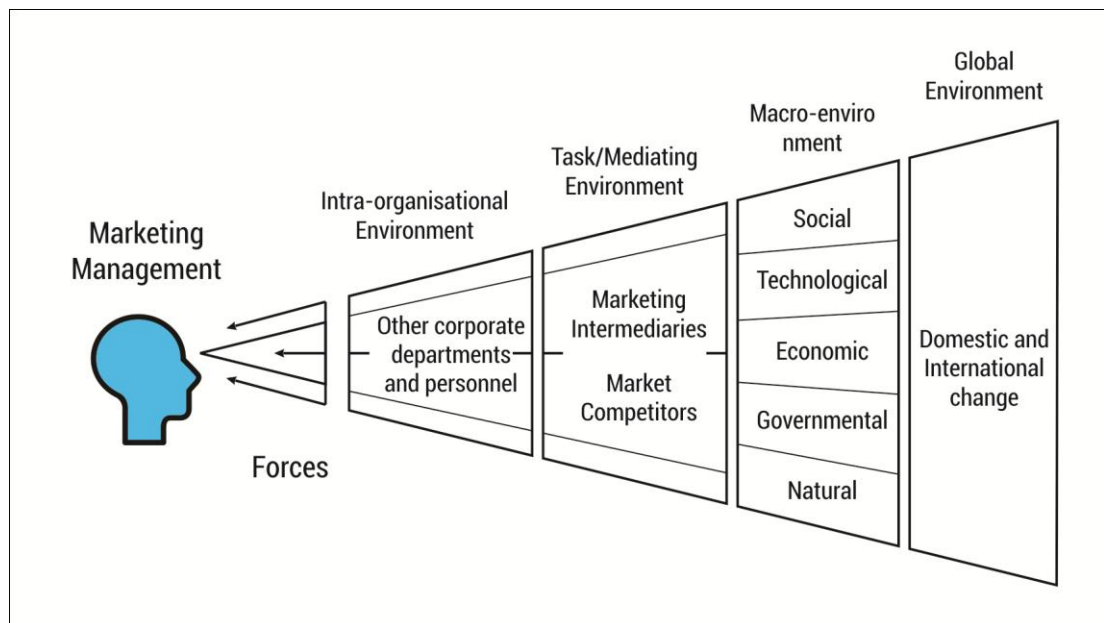


Fig 1.5 Marketing Management

The Marketing Environment

Exhibit: It is the view of a marketing vice president looking outward from the home turf. The first visible part comprises of the intra organizational environment. Within each company, there may be environmental forces which need to be dealt with internal environment of the organization would necessarily consist of its employees.

The Exhibit also shows the environment outside in layers representing both the immediacy of the factors to marketing management (the closer, the more immediate) and the frequency with which management has to deal with them. However, if you focus only on the inner layer or task environment, you will ignore changes in the macro environment that cause the task environment to alter.

Thus it is critical to understand these macro changes for better understanding of anticipated changes.

Actually marketers work with autonomous parties that require constant consideration which include marketing intermediaries as distributors, advertising agencies and marketing research firms. The task environment includes markets and competitors and should be treated as a mediator between the macro environment and management.

1.4.1 Objectives and Goals

The process of drawing and retaining customers, sharing news about new products and keeping customers up-to-date about the company is known as marketing goals. Within the company, the marketing department serves as a liaison between the company and the public. Managers in this department are expected to create marketing goals and objectives for their employees to work..

Marketing Goals

Marketing goals communicate a broad path for the department. The managers review and align the company and marketing goals.. Each secondary action represents a goal for the department to improve on. For example, a company goal of increasing income might correlate to a marketing goal of increasing attentiveness for new products. These goals provide a direction for the marketing department to follow.

Marketing Objectives

The specific actions that marketing employees can perform are known as marketing objectives which provide a method of achieving the company's goals. Objectives include a measurement capability allowing employees to assess their ability to succeed at meeting their objectives. For example, a marketing goal of growing product awareness might be supported by a marketing objective of communicating with ten new customers each week.

1.4.2 Marketing Audit

An organization's performance in market place is largely implemented and governed by three factors:

The current market position

Nature of environmental threats and opportunities

The organization's ability to cope with markets and weaknesses

Purpose of marketing audit

Marketing audit is designed to provide an understanding on the above three issues and build an overall marketing strategy.

Expressed in simple form, an audit answers the following questions:

- Where is the company in the current market standing?
- Where does it want to go?
- How should the company organize its resources to reach the target goal?

Marketing audit defined

An audit is a methodical, critical evaluation and appraisal of the organization, its operations and systems and the entire environment in which it operates. A marketing audit is part of the superior corporate analysis and is chiefly concerned with the marketing environment, marketing functions, objectives, policies and operations.

This audit is a preliminary for a strategic marketing planning process and gives a perfect picture of environmental threats and opportunities and marketing capabilities.

The audit is also seen as a resource by which an organization can categorize its strength and the weaknesses as they relate to external opportunities and threats.

Overall, major elements and benefits of a marketing audit are:

The analysis of external environment and internal capabilities

The evaluation of past performance and present activities

The identification of future opportunities and threats

Structure of the marketing audit

The structure of the audit consists of mainly three elements:

- The organization's environment
- Its marketing system
- Its marketing activities

The first stage of audit is premeditated to establish the different dimensions of environment, the way it changes and how changes may have a direct impact on business.

The second stage is concerned with assessing the capabilities of internal systems, i.e. to what extent these systems can handle the changes and demands of environment.

The third stage deals with separate mechanisms of the marketing mix and review the present activities.

1.4.3 Strategic Alternatives (SWOT, TOWS)

SWOT Analysis

A SWOT analysis is a strategic planning tool that contains the company's strengths, weaknesses, opportunities and threats, or SWOT. Strengths are the advantages of a business, such as dedicated workers, an innovative product design etc., while weakness are things a business does poorly also commonly known as disadvantages .Threats or external factors that might damage the business, such as business rivals and unfavourable government regulations, while opportunities are external factors that the company might benefit the company, including unexplored markets or favourable regulations. After listing the strengths, weaknesses, opportunities and threats, managers think of ways the business can take full advantage of strengths and use them to reduce weaknesses; and avoid or minimize threats.

TOWS Analysis

A TOWS analysis involves the listing of strengths, weaknesses, opportunities and threats as a SWOT analysis, but with a TOWS analysis, threats and opportunities are scrutinised first and weaknesses and strengths are studied last. After creating a list of threats, opportunities, weaknesses and strengths, managers scrutinize ways the company can take advantage of opportunities and minimize threats by using strengths and overcoming weaknesses.

SWOT and TOWS analysis involve the same basic steps and likely produce similar results. The order in which all managers think about strengths, weaknesses, threats and opportunities has the ability to impact the direction of the analysis. Michael Watkins of the "Harvard Business Review" says that, "focusing on threats and opportunities first helps lead to productive discussions about what is going on in the external environment rather than getting bogged down in abstract discussions about what a company is good at or bad at."

Check your progress 3

1. Which of the following is an element of an organization's internal environment
 - a. Competitors
 - b. Employees
 - c. Wholesalers
 - d. Retailers

1.5 Fitting Strategies with the Overall Marketing Plan

Marketing is the business function that identifies customers' needs and wants, determines the target markets which the organization can serve best, and designs appropriate products, services and programmes to serve these markets. Marketing requires everyone in the organization to 'think customer' and to do all they can to help create and deliver superior customer value and satisfaction. Target consumers are at the centre of all marketing efforts. The organization identifies the total market, divides it into smaller segments, picks up the most promising ones and focuses on serving and satisfying these segments. A suitable marketing mix is designed to differentiate its marketing offer and position this offer in select target segments. A marketing mix is an overall marketing offer to appeal to the target market. It consists of decisions in four key areas: product, price, promotion and place (four p's of marketing). Marketing strategy, thus, is all about selecting a target market and developing a marketing mix to satisfy market needs. Not only customers but workers in the organisation which belong to the core group also play a major role in strategy implementation. It is advantageous when they are flexible in their approach so that strategies can be changed as per the need of the organisation.

Marketing strategy, over the years, has passed through three stages. Mass marketing is a way to mass produce and mass distribute one product and try to attract all kinds of buyers. For example, Henry Ford offered the model T Ford to all buyers. They could have; the car 'in any colour as long as it is black.' Segment marketing recognizes that buyers differ in their needs, perceptions and buying behaviours. So the firm here tries to isolate board segments that make up a market and adapts its offers to more closely meet the needs of one or more segments. Firms also pursue niche marketing to cater to the specific needs of a sub-group within each segment. A niche is a more narrowly defined group having a distinctive set of traits – seeking certain special benefits and willing to pay a premium price. Target marketing is the decision to distinguish the different

groups that comprise a market and to develop corresponding products and marketing mixes for each target market. Target marketing is increasingly taking the shape of micro-marketing now a days, where marketing efforts are tailored to meet the specific requirements of customer groups on a local basis. Retailers, such as Sears and Wal-Mart routinely customize each store's merchandise and promotions to match their specific clientele. The ultimate form of target marketing is customized marketing where the product and marketing efforts are directed to meet the requirements of a distinct consumer or buying organization. Target marketing is quite useful in spotting marketing opportunities and developing winning products. The sellers can develop a right marketing mix for each target market. They can adjust their prices, distribution channels and advertising to reach the target market.

Check your Progress 4

1. A method of comparing the internal capabilities of an organization with the demands and challenges of its external environment is referred to as:

a. SHOT analysis	c. Stakeholder analysis
b. SWOT analysis	d. Shareholder analysis
2. In a flexible firm, "core workers" are:

a. Numerically flexible	c. Both (a) and (b)
b. Functionally flexible	d. Neither (a) nor (b)

1.6 Let Us Sum Up

We studied that marketing is all about the interaction with the customers. It should result in the purchase of product or service. Efforts are taken to understand the consumers which impact their buying behavior. Various definitions of marketing are mentioned in this block which mentions key elements of pricing, promotion and distribution of goods and services. The concept of marketing mix is discussed. It contains four elements like price, place, promotion, and product. Strategic planning in marketing is explained in detail wherein marketing environment plays an important role. Different stages of marketing planning are discussed like planning, decision making and control. The purpose of marketing audit is mentioned. The marketing audit revolves around the organization's environment, marketing system and marketing activities.

SWOT analysis and TOWS analysis have given us the knowledge about the companies' strengths, weaknesses, opportunities and threats. In SWOT overall scrutiny is done which helps in strategic planning. In TOWS analysis threats and opportunities are scrutinized first.

1.7 Answers for Check Your Progress

Check your progress 1

Answers: (1-d), (2-d), (3-b)

Check your progress 2

Answers: (1-b), (2-b), (3-d)

Check your progress 3

Answers: (1-b)

Check your progress 4

Answers: (1-b), (2-b)

1.7 Glossary

1. **SWOT** - strengths, weaknesses, opportunities, threats
2. **TOWS** - threats, opportunities, weaknesses, strengths
3. **Marketing goals** - The process of drawing and retaining customers, sharing news about new products and keeping customers up-to-date about the company.
4. **Marketing audit** - An audit is a methodical, critical evaluation and appraisal of the organization, its operations and systems and the entire environment in which it operates.

1.8 Assignment

Write short notes on:

- a. Marketing Concepts Element
- b. Marketing Mix
- c. Customer expectations vs. organizational concepts
- d. Profit oriented marketing

1.9 Activities

1. Explain "The Marketing Concept".
2. What are the three basic needs to apply Marketing concepts?
3. Define marketing. What is the role of customer in any marketing strategy?
4. What do you understand by the exchange process? Explain in detail.

1.10 Case Study

Ford Cars Go In For A Service

Cars are produced in factories from the combination of thousands of components, and to most people the physical features of a car which can freely assessed. But a recent experience suggests that car manufacturers may be more enthusiastic to describe themselves as service-oriented companies.

The days when a car manufacturer would sell a car on the strength of its design features, and then forget about the customer until the time came to replace the car three years later is now passé. Car manufacturers have realized that car buyers look for more than the tangible stuff. They are now providing services in an attempt to gain a larger share of car buyers' wallets.

In the UK, Ford has led the way in increasing service orientation. In the 1970s with the liberalization of consumer credit regulations it began to offer car buyers loan facilities with which to make their car purchase. This made it easier for middle-income groups to buy cars, it also allowed Ford to retain the margins which would otherwise have gone to the banks who were the main source of car loan finance. Ford Motor Credit is a licensed credit broker and a major profit centre within the company itself.

The next major attempt to gain a greater share of the potential customers 'wallets came through offering extended warranties on the cars it sold. This gave the customers security and peace of mind. By the mid-1990s, Ford came up with schemes where customers paid a small deposit, followed by a fixed amount every month, in return for which they received finance and warranty facilities. In addition, it promised that the company would take back the car after three years and replace it with a new one. Ford soon began to sell nearly half of its new cars to private buyers using this method. Over time the scheme was morphed to include facilities for maintaining and insuring the car.

Repairs and maintenance are an important part of the car sector, but manufacturers lost out on much of the benefits of this because of a fragmented dealership network. Ford later found that it had very little direct communication with the people who had bought its cars. This was resolved in the 1990s, with the dealership network becoming more closely integrated with Ford's operations.. Buyers could be alerted to new services available at local dealers, using the Ford generated database. Ford launched its own mobile phone service. Ford made it easy for customers to get back on the road when their own car was in for servicing, with the commencement of car hire facilities contributed to the service ethos. In 1996, the company linked up with Barclaycard to offer a Ford branded credit card, so Ford provided a service to its customers which unique as compared to the tangible cars that it sold (and the points accrued using the card could be used to reduce the price of a new Ford car).

By 2000, volume car manufacturers ceased to make big profits in the UK. In 2002, Ford, with 18 per cent of the market made just £8 million in profit on its European operations. Falling profit margins on sales of new cars were partly counterbalanced by profits made on service-based activities. In the same year, the company made £1.38 billion worldwide from its credit arm, which arranged funding for about 40 per cent of all new cars that it sold. But adding services is not a guaranteed route for the increase in profitability. Ford's acquisition of the Kwik Fittyre fitting chain failed and it was later sold back to its founder at a price much lesser than what Ford had paid for it.

Case Study Review Questions

1. Given the evidence of Ford, is it still appropriate to talk about the goods and services sectors being quite distinctive?
2. What business is Ford in? What business should it be in?

3. Discuss the view that Ford should do what it is good at—designing cars—and leave services to other companies.

1.11 Further Readings

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UNIT 2: CONSUMER BEHAVIOUR

Unit Structure

2.0 Learning Objectives

2.1 Introduction

2.2 Concept

2.2.1 Importance of Studying Consumer Behaviour

2.3 Consumer Behaviour and Marketing Strategy

2.3.1 Methods of Consumer Research

2.4 Application of Consumer Behaviour

2.5 Let Us Sum Up

2.6 Answers for Check Your Progress

2.7 Glossary

2.8 Assignment

2.9 Activities

2.10 Case Study

2.11 Further Readings

2.0 Learning Objectives

After learning this unit, you will be able to understand:

- Consumer Decision Process.
- Meaning of buying motives.
- Importance of study of buyer behaviour.

2.1 Introduction

Consumer Behaviour is recognised as the most challenging concept in marketing. It deals with a careful appreciation of consumer behaviour. Such knowledge is very essential for marketers for having a strong understanding of consumer behaviour since it will help understand what is important to the

customer and also suggest the important influences on client decision-making. Using this information, marketers can generate marketing programs to interest customers.

Factors affecting client decisions are extremely complex, governed by psychology with dashes of sociology thrown in. Since every person in the world is dissimilar, it is impossible to have simple rules that explain how buying decisions are made. But those, who have spent many years analysing consumer activity, have presented us with useful guidelines in how someone chooses whether to make a purchase.

Customer behaviour includes all the activities involved in choosing, purchasing, using and disposing of goods and services. Whenever you buy a new pair of trousers, read a book or recycle soft drink cans, you are engaging in customer behaviour. User buying behaviour refers specifically to the actions consumers take when deciding what to buy and when making the actual purchase.

2.2 Concept

An important part of the promotion process is to understand, why a purchaser makes a purchase.

Without such an understanding, businesses find it hard to reply to the customer's needs and wants.

Marketing theory conventionally splits analysis of buyer or customer behaviour into two broad groups:

1. Consumer Buyers and
2. Industrial Buyers

Consumer buyers are those, who purchase items for their personal consumption.

Industrial buyers are those, who purchase items on behalf of their organization.

Businesses now spend substantial sums trying to absorb what makes 'customers tick'. The questions they try to understand are:

- Who buys?
- How do they buy?
- When do they buy?

- Where do they buy?
- Why do they buy?

For a marketing manager, the challenge is to understand how customers might respond to the different elements of the marketing mix that are presented to them. Need is different from want because need is related to the biological aspect of human being while want is a social manifestation.

If management can understand these customer responses better than the competition, then it is a potentially significant source of competitive advantage.

The consumer behaviour or buyer behaviour is influenced by several factors or forces. They are:

1. Internal or psychological factors
2. Social factors
3. Cultural factors
4. Economic factors
5. Personal factors
6. Other factors

2.2.1 Importance of studying Consumer Behaviour

The modern marketing management tries to solve the basic problems of consumers in the area of consumption by constantly innovating and understanding the latest consumer needs and tastes. It will be extremely useful in developing marketing opportunities and in meeting the challenges that the Indian market offers. It is important for the marketers to understand the buyer behaviour due to the following reasons.

- For studying the consumer behavior for any product is of vital importance to marketers in shaping the fortunes of their organizations.
- Since it is significant for regulating consumption of goods and thereby maintaining economic stability.
- As it is useful in developing ways for the more efficient utilization of resources of marketing. It also helps in resolving marketing management problems in more effective manner.

- Today consumers give more importance to eco-friendly products. They are more concerned about health, hygiene and fitness. They prefer natural products. Hence a detailed study on upcoming groups of consumers is essential for any firm.
- The growth of consumer protection movement has created an urgent need to understand how consumers make their consumption and buying decision.
- It creates a potential impact of a product on individual's identity.
- Tastes and inclinations of consumers are ever changing. Study of consumer behavior gives information regarding the colour, design, etc. which consumers want. Consumer behaviour helps in formulating of production policy.
- For effective market segregation and target marketing, it is essential to have a consideration of consumers and their behavioral patterns.

Check your progress 1

1. As per the marketing theory the two types of buyers are :
 - a. Consumer buyers
 - b. Industrial buyers
 - c. None of This
 - d. Both a and b
2. Which of the following statements best describes the concept of involvement in the context of buyer behaviour?
 - a. The length of time involved in the buying process.
 - b. The potential impact of a product on an individual's self-identity.
 - c. The number of people involved in the decision making unit.
 - d. The complexity of an order.
3. Needs differ from wants because:
 - a. Wants are a socialized manifestation of underlying needs
 - b. Needs are a socialized manifestation of underlying wants
 - c. Needs are historical; wants are about the future
 - d. Needs and wants are exactly the same

2.3 Consumer Behaviour and Marketing Strategy

Buyer behaviour controls the type of marketing strategy that organizations employ, so they conduct studies to determine which tactics are likely to prove most effective.

Following are the ways to gather info about consumers and then plan a marketing strategy.

Sales Forecasts

Organizations study past consumer behaviours to determine future sales. Sales forecasts evaluate the expected sales for a specific market during a specified time period. Sales forecasts cannot be higher than the market potential.

Research Surveys

These surveys are conducted for the purpose of studying consumer behaviour. They help companies learn what consumers want, as well as how they respond to advertising. They also help pinpoint potential problems.

Internet Research

Companies, including small businesses, use the Internet to conduct much of their research, monitoring the Web-based behaviour of consumers. Based on their findings, organizations determine the exact prices, attributes and sales promotions for their goods. They also reveal the optimal places and market situations in which to sell. The Internet is a cost-effective tool marketing research tool because it locates target areas and is flexible enough to adapt to the changing demands of consumers.

Market Sensing

These processes can help businesses develop a competitive advantage by using different resources to study consumer behaviour, and process that data into a marketing and management information database which in simple language is called market sensing.

2.3.1 Methods of Consumer Research

Research used to examine the psychological reasons is called motivation research. It contains why individuals buy specific types of merchandise or why they respond to specific advertising, appeals to regulate the base of brand choices

and product preferences. Research can be done in multiple stages i.e. primary and later secondary research.

For a producer, the study of consumer behaviour is very important so that he may sell his product in the market successfully.

Quantitative and Qualitative information are required for marketing decisions with regard to consumers.

Types of information sought

Marketing persons are interested in buyer's behaviour for two aspects:

Why do people behave in such a way?

How to make them behave as per the marketing person's desires?

Many strategies in marketing such as campaigns have failed because the attitude expected of the customers proved to be wrong. Motivation research can help reduce this error.

Attitude research

Different groups of people have different attitudes towards the products they purchase and their buying decision. What complicates matters sometimes is the fact that an individual consumer's behaviour as well as the attitude with regard to one class of product is no indication of his behaviour and attitude with regard to another class of products.

Check your progress 2

1. Following categories of decision are required to make a marketing decision :

- a. Qualitative
- b. Quantitative
- c. Both a and b
- d. only b

2. Which of the following statements concerning marketing research is incorrect?

- a. Secondary research can be organized in-house or via a research agency.
- b. Secondary research is done after primary research.
- c. Secondary research is quicker than primary research.
- d. Secondary research is cheaper than primary research.

2.4 Application of Consumer Behaviour

Consumer behaviour principles are applied in many areas of marketing as discussed below:

Analysing market opportunity: Consumer behaviour study helps in recognising the unfulfilled needs of consumers. This requires examining the trends and conditions operating in the marketplace, consumers' lifestyles, income levels and emerging influences. This may reveal unsatisfied needs and wants. The trend towards swelling number of dual income households and greater emphasis on suitability and leisure have led to emerging needs for household gadgets such as childcare centres etc. Mosquito repellents have been marketed in response to a genuine and unfulfilled consumer need.

Selecting target market: A review of market openings often helps in identifying distinct customer segments with very unique wants and needs. Customer responses matter a lot as they differ and non-responses create lot of problems if questionnaire method is used. Identifying these groups, learning how they act and how they make purchase decisions enables the marketer to design and sell products or services particularly suited to their wants and needs. For example, consumer studies revealed that many existing and potential users did not want to buy shampoo packs priced at Rs. 60 or more and would prefer a low priced sachet containing enough quantity for one/ two washes. The finding led companies to introduce the sachet which became a good seller.

Marketing-mix decisions: Once unsatisfied needs and wants are identified, the marketer has to determine product, price, distribution and promotion. Target groups [focus groups] play an important role in leading us to find a consumer decision as they understand the issues involved in it very well.

Use in Social and Non-profits Marketing: Customer behaviour studies are useful to design marketing strategies by social, governmental a not-for-profit organisations to make their programmes on family planning, awareness about AIDS, crime against women, safe driving, environmental concerns and other more active. UNICEF, Red Cross and CRY etc. make use of customer behaviour understanding to sell their services and goods and also try to encourage people to support these institutions.

Check your progress 3

1. Why are non-responses a particularly important problem for companies' questionnaire surveys?
 - a. It means that targets aren't reached.
 - b. It means that people hate the company/product so much that they aren't prepared to help it improve.
 - c. A company cannot tell whether respondents have the same views as non-respondents, therefore the analysis may be biased.
 - d. It indicates customer disloyalty.
2. Based on which criteria participants are invited to join focus groups?
 - a. A statistically significant representation of the population being studied.
 - b. Availability when asked.
 - c. Prior training and education in the conduct of focus groups.
 - d. Ability to contribute to an understanding of an issue.

2.5 Let Us Sum Up

We studied that the most challenging concept in marketing deals with understanding why buyers do what they do (or don't do). Using this information, marketers have created marketing programs to interest customers. We learnt that to survive in the market, a firm has to be continually innovating and understand the latest consumer needs and tastes. We studied that Consumer behaviour controls the type of marketing strategy that administrations employ, so they conduct studies to define which strategies are likely to prove most effective.

Organizations study past consumer behaviours to determine future sales. Sales forecasts estimate the expected sales for a particular market during a specified time period. Research Surveys are conducted for the sole purpose of studying consumer behaviours. They help companies learn what consumers want, and how they respond to advertising. They also help identify potential problems.

It is observed that Companies, use the Internet to conduct research, monitoring the Web-based behaviour of consumers. Based on their research findings, organizations must determine the right prices, characteristics and sales promotions for their products. The Internet is a cost-effective tool marketing

research tool because it identifies target areas and is flexible enough to adapt to the changing demands of consumers.

Finally it must be stated that Research is used to scrutinise the psychological reasons is called motivation research. It includes why people buy specific types of merchandise or why they answer to specific types of advertising.

2.6 Answers for Check Your Progress

Check your progress 1

Answers: (1-d), (2-b), (3-a)

Check your progress 2

Answers: (1-c), (2-c),

Check your progress 3

Answers: (1-c), (2-d), (3-a)

2.7 Glossary

1. **Consumer** - The ultimate user of goods, ideas or services. Also the buyer or decision maker, for example, the parent selecting children's books is the consumer.
2. **Consumer behaviour** - The behaviour of the consumer or decision maker in the market place of products and services.
3. **Consumer characteristics** - The demographic, lifestyle and personality characteristics of the consumer.
4. **Consumer satisfaction** - The degree to which a consumer's expectations are fulfilled or surpassed by a product.

2.8 Assignment

1. What are the ways to gather information about consumer for planning a marketing strategy?
2. Write a note on Buying motives

2.9 Activities

1. What do you understand by buyer behaviour?
2. What external factors can influence buyer behaviour? Explain with examples.
3. What is the importance of buying behaviour in market planning?

2.10 Case Study

Consumers Confound Marketers

Household spending in UK amounted to over £500 billion in 1997, or 63% of gross domestic product. This is very closely related to conditions in the country's macro-economic environment. For marketers, it is critical to be able to read the macro-economic setting and to predict the effects of change in demand for their goods and services. Recognizing turning points in the economic cycle has become a work of art as well as science, as consumers frequently confuse experts by changing their spending levels in a way which could not have been forecast on the basis of past experience.

During the autumn of 1998, debt rates in the UK were falling; unemployment was close to its lowest level for two consecutive decades; pay rise was keeping ahead of inflation; and share prices were recovering from their recent falls. Yet spending by British households was falling sharply. For three consecutive months retail sales fell in value, with retailers such as Marks and Spencer's reporting below normal levels of sales. Retailers have conventionally found excuses to defend poor sales to their shareholders, including weather which is too cold/too hot. Even the death of Diana Princess of Wales was widely blamed for keeping people out of the shops.

Throughout 1998, prices of customer goods had fallen knowingly, with consumer durables down in price by an average of 2% in a year and clothing by 5%. An Economic theory would have suggested that lower prices would have resulted in higher sales, especially considering the other positive elements of the macro-environment. However, this did not appear to be happening.

At the time, the media was full of reports of an impending global economic crisis, triggered by complications in the Asian economies. Consumer confidence is crucial to many high value household purchases such as houses and cars, with consumers unwilling to commit themselves to regular monthly refunds when their

source of income is insecure. Even this may be only a partial solution, as a survey of customer confidence carried out in October 1998 by GFK on behalf of the European Commission showed that although clients were pessimistic about the state of the national economy, they were quite positive about their personal financial situation.

One possibility was that consumers had become shrewder. If prices are falling, why not wait longer until rates have fallen further? Consumers witnessed the effects of previous over-borrowing and more cautious during the recent period of economic growth, resulting in a historically low level of individual sector indebtedness. In 1997, 9% of disposable household income was saved, compared with just 3% at the height of the economic boom of 1988.

For companies who need to commit capitals a long while in advance in order to meet consumers' needs, an accurate understanding of the market environment is crucial if stock surpluses and shortages are to be avoided. But this case shows that getting it right can still be very difficult.

Case Study Review Questions

1. Identify all of the environmental factors that can affect the demand for consumer durables and assess the magnitude and direction of their impact.
2. In what ways can a manufacturer of consumer durables seek to gain a better understanding of its marketing environment?
3. How can a manufacturer of consumer durables seek to respond to environmental change as rapidly as possible?

2.11 Further Readings

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UNIT 3: CONSUMER BEHAVIOUR AND MARKETING STRATEGY

Unit Structure

3.0 Learning Objectives

3.1 Introduction

3.2 Consumer Behaviour and Product Strategy

3.2.1 Consumer Behaviour and Pricing Strategy

3.3 Consumer Behaviour and Distribution Channel Strategy

3.4 Consumer Behaviour and Promotion Strategy

3.5 Let us sum up

3.6 Answers for Check Your Progress

3.7 Glossary

3.8 Assignment

3.9 Activities

3.10 Case Study

3.11 Further Readings

3.0 Learning Objectives

After learning this unit, you will be able to understand:

- Different aspects about the consumer behaviour.
- The relation of consumer behaviour and distribution channel strategy.
- The relation between consumer behaviour and promotion strategy.

3.1 Introduction

As the twentieth century has come to a close and we have moved into the third millennium, we can see many expansions and variations taking place around us within each industry trying to keep pace with the changes and diverse needs of the people. Though for decades together, marketers have regarded 'customer' as

the king and evolved all activities to satisfy him, this concept is gaining more impetus and importance today.

Marketers have come to realize that their efficiency in meeting consumer needs directly influences their viability, the better they understand the factors underlying consumer behaviour, the more able they are to develop effective marketing strategies to meet consumer needs.

Customer behaviour is defined as the behaviour that patrons display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. User behaviour focuses on how individuals make decisions to spend their accessible resources (time, money, effort) on consumption related items. For the sale and consumption of any items there should be customer segmentation done in which customers with similar needs can be placed in a group. Needs wants preferences are important for segmentation. The study of demography with respect to age is also important as people would behave their age but not necessarily buy accordingly. Similarly market should also be segmented base upon socio-economic status, demography and psychographic representation.

User behaviours mirrors the totality of consumers' decisions with respect to the acquisition, consumption, and disposition of goods, services, time, and ideas by human decision making units.

3.2 Consumer Behaviour and Product Strategy

The products and services that a company has to offer are generally organized around its customers' needs in addition to the level of proficiency and production competences of the firm. Creating a strategy for product growth is a multifaceted segment of running a successful enterprise.

Consumers assess a product along several levels. Its basic characteristics are inherent to the generic version of the product and are defined as the fundamental advantages it can offer to a customer. Generic products are distinct by adding value through extra features, such as quality or performance augmentations. The ultimate level of consumer perception involves amplified properties, which offer less tangible benefits, such as customer assistance, maintenance services, training, or appealing payment options. In terms of competition with other goods and companies, consumers greatly value these added benefits when making a purchasing decision, making it important for manufacturers to understand the notion of a "total package" when marketing to their customers. In industrial

product development, a marketing strategy is flexible and adaptive to changing market circumstances stands a greater chance of being effective in the long-term. Products and consumer perceptions are variable, so changes in the strategy may be required to better address purchaser needs, technological developments, new laws and regulations, and the overall product life-cycle. Variations in the cost of materials, new application requirements, and changing brand consciousness are just a few of things that cause consumer needs to change. Keeping a close track of customer response to a product and taking their demands into consideration are important for maintaining market share.

3.2.1 Consumer Behaviour and Pricing Strategy

The buyer's behaviour is equally important in having price policies. The buyers of some products purchase only because particular articles are cheaper than the competitive articles available in the market. In such a case, the price of such products cannot be raised. On the other hand, some other articles are bought because it improves the status of persons. The price of such things can easily be raised. Some articles are purchased under particular attitudes and emotions such as khadi.

Check your progress 1

1. Which amongst the following is the procedure of categorizing groups of customers with similar wants, needs, preferences or buying behaviours?
 - a. Development
 - b. Positioning
 - c. Segmentation
 - d. Targeting
2. The basis for segmenting markets is NOT amongst the following?
 - a. Socio-economic
 - b. Demographic
 - c. Competitive position
 - d. Psychographic

3. Find the correct statements about segmentation by age from the following?
- a. For many products, it is a single standalone basis for segmentation.
 - b. It is easy to measure but difficult to estimate how many people in a particular age bracket live in a particular town or country.
 - c. People may exhibit characteristics of the age they feel rather than their actual biological age.
 - d. Consumers' need might change but not their tastes as they get older.

3.3 Consumer Behaviour and Distribution Channel Strategy

The goods, which are sold and bought solely on the basis of low price, must have inexpensive and economical distribution channels. In case of those articles, which require after sale services such as TV sets, they must have diverse channels of distribution. Thus, decision regarding channels of distribution is taken on the basis of consumer behaviour.

There are three main approaches to the explanation of buyer behaviour on which marketing success depends:

- The economic approach.
- The psychological approach.
- The structural approach.

Buying behaviour may be observed as an orderly process, whereby the individual interrelates with his or her environment for the purpose of making market place decisions on products and services. The individual specific behaviour in the market place is affected by in-house factors such as needs, motives, perception and attitudes as well as by external or environmental influences.

Distribution is usually associated with moving boxes to retailers and other channels for sale to end-users. In a service context, however, we often have nothing to move. Experiences, performance, and solutions are not being physically shipped and stored. In addition, more and more informational transactions are conducted via electronic and not physical channels. We will first discuss the options for service distribution and delivery.

Determining the Type of Contact: Options for Service Delivery

Several factors have an impact on distribution and delivery strategies for services. A key question is: Does the nature of the service or the firm’s positioning strategy require customers to be in direct physical contact with its personnel, equipment, and facilities? If so, do customers have to visit the facilities of the service organization or will the service organization send personnel and equipment to the customers’ own sites? Alternatively, can exchanges between provider and customer be completed at arm’s length through the use of either telecommunications or electronic channels of distribution?

Distribution Options for Serving Customers

As shown in Table Below, there are six possible choices for a firm in terms of distribution sites. Should it expect customers to come to a company site? Or should service personnel go to visit customers at their own locations? Alternatively, can service be delivered at arm’s length, without either side having to meet? For each of these three options, should the firm maintain just a single outlet or offer to serve customers through multiple outlets at different locations?

Type of Interaction between Customer and Service Organization	Availability of Service Outlets	
	Single Site	Multiple Sites
Customer goes to service organization	Theater Hair salon	Bus service Fast-food chain
Service organization comes to customer	House painting Mobile car wash	Mail delivery Banking branch network
Customer and service organization transact remotely (mail or electronic communications)	Credit card company Local TV station	Broadcast network Telephone company

Fig 3.1 Distribution Options for Serving Customers

Customers Visit the Service Site.

When customers have to visit the service site, the following factors need to be considered.

- The convenience of service factory locations—elaborate statistical analysis using retail gravity models is sometimes used to help firms make decisions on where to locate supermarkets or similar large stores, relative to the homes and workplaces of future customers.
- Operational hours—many banks, for instance, are extending their opening hours to meet the needs of busy professionals who do not have time to take care of their banking needs during office hours.

Service Providers go to their Customers

- Going to the customer's site is unavoidable whenever the object of the service is some immovable physical item, such as a tree to be pruned, installed machinery to be repaired, or a house that requires pest-control treatment.
- In remote areas like Alaska or Canada's Northwest Territory, service providers often fly to visit their customers, because the latter find it so difficult to travel. Australia is famous for its Royal Flying Doctor Service, in which physician's fly to make house calls at farms and sheep stations in the Outback.
- In general, service providers are more likely to visit corporate customers at their premises than to visit individuals in their homes, reflecting the larger volume associated with business-to-business transactions.

Channel Preferences Vary Among Consumers

The use of different channels to deliver the same service has different costs for a service organization. It also affects the service experience for the customer. Banking services, for instance, can be delivered remotely via computer and cell phone, a voice response system, a call centre, and automatic teller machines. It can also be delivered face-to-face in a branch, or in the case of private banking, in a wealthy customer's home. Flowers can be bought from a florist and one can choose the flowers and consult on the arrangement face-to-face. Flowers can also be ordered online, with customers usually choosing one of the arrangements presented on the web site. Recent research has explored how customers choose between personal, impersonal, and self-service channels, and has identified the following key drivers:

- For complex and high perceived risk services, people tend to rely on personal channels. For example, customers are happy to apply for credit cards using remote channels, but prefer to talk to the service provider face-to-face when obtaining a mortgage.
- Individuals with higher confidence and knowledge about a service and/or the channel are more likely to use impersonal and self-service channels.
- Customers who are more technology savvy (have a greater likelihood to accept and use new technology) will view service quality more positively when using self-service technologies.

- Customers who look for the functional aspects of a transaction prefer more convenience. This often means the use of impersonal and self-service channels. Customers with social motives tend to use personal channels.
- Convenience is a key driver of channel choice for the majority of consumers. Service convenience means saving time and effort, rather than saving money. A customer's search for convenience is not just confined to the purchase of core products. It also extends to convenient times and places. People want easy access to supplementary services too, especially information, reservations, and problem solving.

Service providers have to be careful when channels are priced differently. Increasingly, customers are very smart and take advantage of price variations among channels and markets, a strategy known as arbitrage. For example, customers can ask the expensive full-service broker for advice (and perhaps place a small order), and then conduct the bulk of their trades through the much lower-priced discount broker. Service providers need to develop effective strategies that will enable them to deliver value and capture it through the appropriate channel.

Check your progress 2

1. For marketers, geodemographic classification is essentially based on an assumption that:
 - a. Attitudes lead to the development of a lifestyle.
 - b. Lifestyle leads to the development of an attitude.
 - c. Where you live affects the things you buy.
 - d. Social class is independent of geographical location.
2. There are three main approaches to the explanation of buyer behaviour on which marketing success depends:
 - a. The economic approach
 - b. The psychological approach
 - c. The structural approach
 - d. All of the above

3. Product positioning is based upon:
- a. The prices charged for the product.
 - b. The promotional pitch for the product.
 - c. Product characteristics.
 - d. All of the above.

3.4 Consumer Behaviour and Promotion Strategy

A study of consumer behaviour is also dynamic in making decisions regarding sales promotion. It enables the manufacturers to know what motive prompts buyers to make purchases and the same are utilized in advertising media to awaken the desire to purchase. The marketer makes decision regarding brand, packaging discount, gifts, etc. on the basis of consumer behaviour for endorsing sales of his products.

Competitive strategy is often narrowly focused at direct competitors i.e. from which market products that offer a similar way of achieving the same benefits (colleges offering similar classes). However, there may also be a serious threat from generic competitors which offer consumers a different way of achieving similar benefits (distance education).

It is important to highlight both opportunities and threats to the firm in competitive marketplace, including the presence of generic competitors.

The basic step involved in identifying suitable market positioning and developing strategy to reach it are:

- (i) **Market analysis:** This determines overall level and trend of demand and geographic location of this demand. Alternative ways of segmenting the market should be considered and an appraisal made of the size and potential of different market segments.

Research is needed to gain better understating not only of customer's needs and preferences within each of the different segments but also of how each perceives the competition

- (ii) **Internal corporate analysis:** This identifies resources and limitations of its management. Using insight from this analysis, the organization is able to select a limited number of target markets which it is willing and able to evolve with either new or existing services.

- (iii) **Competitive analysis:** Strengths and weakness of competitors are analysed, which suggests opportunities for differentiations. Relating these insights to the internal corporate analysis should suggest which benefits should be offered to which target market segments. The outcome of integrating these three forms of analysis is a positioning statement that articulates the planned positioning on the organization in the market.

There are a number of reasons why the processes by which individual consumers purchase services are usually from the processes by which organizations purchase services.

- (i) When a company purchases a service, two sets of requirements are simultaneously met-the company's formal requirements as well as the requirements of the individuals making up the company. While the formal needs of the company are more rational, the needs which individuals seem to ratify are affected by their behavioural and perceptual environment in a manner similar to individual consumer purchases.
- (ii) Organizational purchase involves more people. It may be necessary to evaluate high-value services and get them approve at numerous levels in the firm's management hierarchy.
- (iii) Organizational purchases are made according to formalized routines. For this, it may be necessary to delegate the task of dealing with previously assessed repeat service orders to a junior buyer. At the other end of the spectrum, it may be possible to make a number of high-value service purchases only at the end of a formal process of bidding and assessment.
- (iv) If there are more people involved in organizational buying, it would take longer to go through entire process. Lengthy feasibility studies are a result of the concern with risk minimization that is present formally in most organizational objectives and informally in most individual's aims. An important factor that purchasers concern themselves with at the time of evaluating rival suppliers is trust in the service supplier. Building a trustworthy relationship may take considerable item.
- (v) The components that are given more significance at the time of evaluating a service offering may vary. In the case of number of services, while organizational buyers lay greater emphasis on performance characteristics and reliability, private buyers give more prominence to price. In numerous instances, poor service performance directly affects the financial position of the firm.

- (vi) The need to reduce the risk of organizational buyers seeking the active cooperation of suppliers in handling problematic issues has resulted in more attention being paid in developing a better relationship between the seller and the organizational buyer instead of isolating individual purchases. Cooperation between the buyer and seller happens through social and information exchange as well as exchange of the product itself. Exchange of these elements may become routinized over time leading to clear set of roles and responsibilities that each party is expected to carry out. There is adaption in each other's behaviours and material trust.

Check your progress 3

1. The basic step involved in identifying suitable a market positioning and developing strategy to reach it are :
- | | |
|--------------------------------|-------------------------|
| a. Market analysis | c. Competitive analysis |
| b. Internal corporate analysis | d. all of the above |

3.5 Let Us Sum Up

We studied that Consumer behaviour would include all the actions involved in selecting, purchasing, using and disposing of goods and services.

We observed that Consumer buying behaviour refers to the actions of consumers when deciding what to buy and when making the actual purchase.

It is inferred that buying behaviour may be viewed as a process, where the individual interacts with his or her environment for the purpose of market place decisions on products and services.

The conclusion is that the individual specific behaviour in the market place is affected by internal factors such as needs, motives, perception and attitudes as well as by external or environmental influences.

3.6 Answer for Check Your Progress

Check your progress 1

Answers 1: (1-c), (2-c), (3-c)

Check your progress 2

Answers: (1-c), (2-d), (3-d)

Check your progress 3

Answers: (1-d)

3.7 Glossary

1. **Product life cycle** - The four stages products go through from birth to death: introductory, growth, maturity and decline.
2. **Product mix** - The full set of products offered by an organisation e.g., books, videos, story hours, etc.
3. **Product positioning** - The way users/consumers view competitive brands or types of products. This can be manipulated by the organisation/library. The library's video collection, available for free, is competitive with local video stores that charge, if video collections are comparable. If the collections are not, the library is differentiating the video collection from the video store.

3.8 Assignment

Explain the importance of Buying Behaviour in context with:

1. Price policies
2. Decision regarding channels of distribution
3. Decision regarding sales promotion

3.9 Activities

Discuss the three main approaches to the explanation of buyer behaviour.

3.10 Case Study

Smoking may be bad, but tobacco companies' profits have never looked so good after the arms industry, the tobacco industry must be one of the most politically incorrect business sectors. Yet during the late 1990s tobacco companies in the UK appeared to be very popular with the Stock Market, outperforming the FTSE all-share index by 36% during 1998, and continuing to hold their ground in the falling stock market conditions from 2001. This was despite an EU directive which finally put an end to all tobacco advertising in the UK from March 2003.

Tobacco companies now place less emphasis on fighting the health lobby, and no longer pretend that tobacco is anything other than harmful. But fortunately for the tobacco firms, nicotine is an addictive drug. Although cigarette consumption has declined in most developed countries, it is reported that one person in four still smokes. Moreover, among some groups, especially young women, the rate of smoking has shown some increase in recent years. Tobacco companies also benefit from periods of economic recession. While job cuts may be bad news for most consumer goods and services companies, it has historically also been linked to an increase in smoking. The tobacco companies have survived many years of attempts to control tobacco sales throughout Europe, but the EU directive banning all tobacco advertising made it increasingly difficult for tobacco companies to get new brands established. The big three UK companies, BAT, Gallagher and Imperial Tobacco looked at strengthening their brands with joint ventures. BAT linked up with the Ministry of Sound nightclub to push its Lucky Strike brand, while Gallagher tried to promote the Benson and Hedges name through a branded coffee. One industry expert expected to see an army of cigarette girls pushing cigarettes in pubs and corner shops, thereby trying to get round controls on advertising.

While promoting cigarettes in Europe has been getting more difficult, tobacco companies have been keen to exploit overseas markets where measures to protect the public are less. In the countries of Eastern Europe, the companies have pushed their products, hoping to capitalize on the hunger for western brands. Gallagher has a plant in Kazakhstan and has heavily promoted its Sovereign brand in the former Soviet Union. The biggest opportunities for western tobacco companies however are in China which is the world's biggest market in terms of volume. The Chinese smoke 1.7 trillion cigarettes a year, making the British market of just 77 billion look quite small. State owned brands such as Pagoda dominate the market with an estimated 98% market share. With import duties of 240%, most foreign cigarettes enter the Chinese market through unauthorized

channels, including those smuggled by the Chinese army. Greater trade liberalization will inevitably give freer access to the Chinese market for western tobacco companies. These will undoubtedly pay significant levels of taxes to the authorities, so a financially strained government may be unwilling to reduce tobacco consumption too much, especially when smoking is so pervasive through the population.

Case Study Review Questions

1. How effective is an EU ban on tobacco advertising likely to be for reducing smoking? What measures could governments take to bring about a significant reduction in smoking?
2. What factors could explain a booming share price at the same time as Europeans' attitudes toward smoking are becoming more hostile?
3. How would you defend a western tobacco company in its attempts to develop the Chinese market for cigarettes?

3.11 Further Readings

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Block Summary

In this block we studied about the consumer behaviour encompasses all the actions involved in selecting, purchasing, using and disposing of goods and services. Whenever you watch a commercial on television, buy a new pair of shoes, read a book or recycle soft drink cans, you are engaging in consumer behaviour. It is stated that Consumer buying behaviour refers specifically to the actions consumers take when deciding what to. Marketing fundamentally involves an interaction with customers. Such an interaction aims at making the consumer purchase the product or service. Thus, it is said that marketing is all about selling your product or service to the customers.

We studied about the Marketing audit which is designed to provide an understanding on the three issues mentioned and build foundation for development of overall marketing strategy. It is explained that the Process is another element of the extended marketing mix or 7P's. There are a number of perceptions of the concept of process within the business and marketing literature are mentioned. Some processes are seen as a means to achieve an outcome. SWOT and TOWS analysis involved the same basic steps and likely produce similar results. The inference drawn is that the orders in which managers think about strengths, weaknesses, threats and opportunities may, however, have an impact on the direction of the analysis

In the third unit buying behaviour is examined and viewed as an orderly process, whereby the individual interacts with his or her environment for the purpose of making market place decisions on products and services. It is observed that the individual specific behaviour in the market place is affected by internal factors such as needs, motives, perception and attitudes as well as by external or environmental influences when making the actual purchase.

Block Assignment

Short Answer Questions

1. Psychological factors of buyer behaviour.
2. Motivation
3. What is marketing audit ?
4. What are the aims of marketing ?

Long Answer Questions

1. What is marketing research? Discuss its scope in accomplishing marketing goal of profit maximisation set by the firm. Explain with suitable examples.
2. Discuss competitive factors existent in marketing.
3. Discuss technological changes and market planning.

Enrolment No.

1. How many hours did you need for studying the units?

Unit No	1	2	3	4
Nos of Hrs				

2. Please give your reactions to the following items based on your reading of the block:

Items	Excellent	Very Good	Good	Poor	Give specific example if any
Presentation Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Language and Style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Illustration used (Diagram, tables etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Conceptual Clarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Check your progress Quest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Feed back to CYP Question	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____

3. Any Other Comments

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“

*Education is something
which ought to be
brought within
the reach of every one.*

”

- Dr. B. R. Ambedkar



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MARKETING COMMUNICATION AND PRESENTATION SKILLS

PGDM-102

BLOCK 2: PUBLIC RELATIONS

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MARKETING COMMUNICATION AND PRESENTATION SKILLS



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ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.

Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



PREFACE

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!



MARKETING COMMUNICATION AND PRESENTATION SKILLS

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MARKETING COMMUNICATION AND PRESENTATION SKILLS

BLOCK 2: PUBLIC RELATIONS

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BLOCK 2: PUBLIC RELATIONS

Block Introduction

This block helps students in understanding the role of Public Relations in Marketing Communication. It gives detailed information about the Evolution of PR as a Marketing communications tool.

Unit one explains the qualities of successful PR and ethics associated with it. The contemporary significance of PR is also accentuated in this topic. Public relations is the prearranged and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its communities. PR is all about promoting relationships to advance, promote, and profit the reputation of you yourself, your department and institution. PR plays a task of communicating your message to advance allies, advocates, supporters, etc. in the community and the institution.

Unit two helps in explaining PR aids in marketing the department for corporate image and identity building which will have a good impact on the brand of the organisation .PR can improve the standing of an individual department. PR can lead to sturdy community and industrial partnerships, and financial support.

Unit three explains u s the relationship with the media, how to prepare press kits or press releases and how to handle and build good relationships with media.

Block Objective

After learning this block, you will be able to understand:

- Public Relations in detail.
- The concepts associated with PR.
- The Ethics and PR and
- The communication model used in PR Strategy.

Block Structure

Unit 1: Basics of Public Relations

Unit 2: Public Relations Responsibilities

Unit 3: Public Relations and the Media

UNIT 1: BASICS OF PUBLIC RELATIONS

Unit Structure

1.0 Learning Objectives

1.1 Introduction

1.2 Definition

1.3 Roles and Situations

1.3.1 Qualities of Successful PR staff

1.3.2 PR and Ethical Behavior

1.3.3 The PR Officer as Communicator

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1.5 Importance of Body language in PR Activities

1.6 Let Us Sum Up

1.7 Answer for Check Your Progress

1.8 Glossary

1.9 Assignment

1.10 Activities

1.11 Case Study

1.12 Further Readings

1.0 Learning Objectives

After learning this unit, you will be able to understand:

- Public Relations as a Marketing Communications Tool.
- The Qualities required for Successful PR.
- About Communication Models.
- Importance of Body Language in PR Activities.

1.1 Introduction

When the discipline of Marketing was developed as a special subject, Marketer Jerome Mc Carthy contributed to it by proposing 4 Ps of Marketing: namely: Price, Product, Promotion and Place. Out of these four we are going to study role of Promotion which is used a medium of communication to convey information about the product. It comprises elements such as advertising, public relations, sales organization and sales promotion. Public Relations play an important role in conveying the detailed information about the product. The speciality of PR is it spreads the information about the product /person / event to an identified target audience and with exact medium of communications. So we can say that PR is a management activity responsible for the creation of favourable attitudes among key audiences and also it is an exercise of diplomacy wherein facts and viewpoints are put forward to reinforce the positive opinion and project a “feel good effect “ towards an organization or a product or a person . PR is an attempt towards goodwill creation. The primary aim of public relations by a company often is to persuade the public, investors, partners, employees, and other stakeholders to maintain a certain point of view about it, its leadership, products, or of political decisions. Common activities include speaking at conferences, winning industry awards, working with the press, and employee communication.

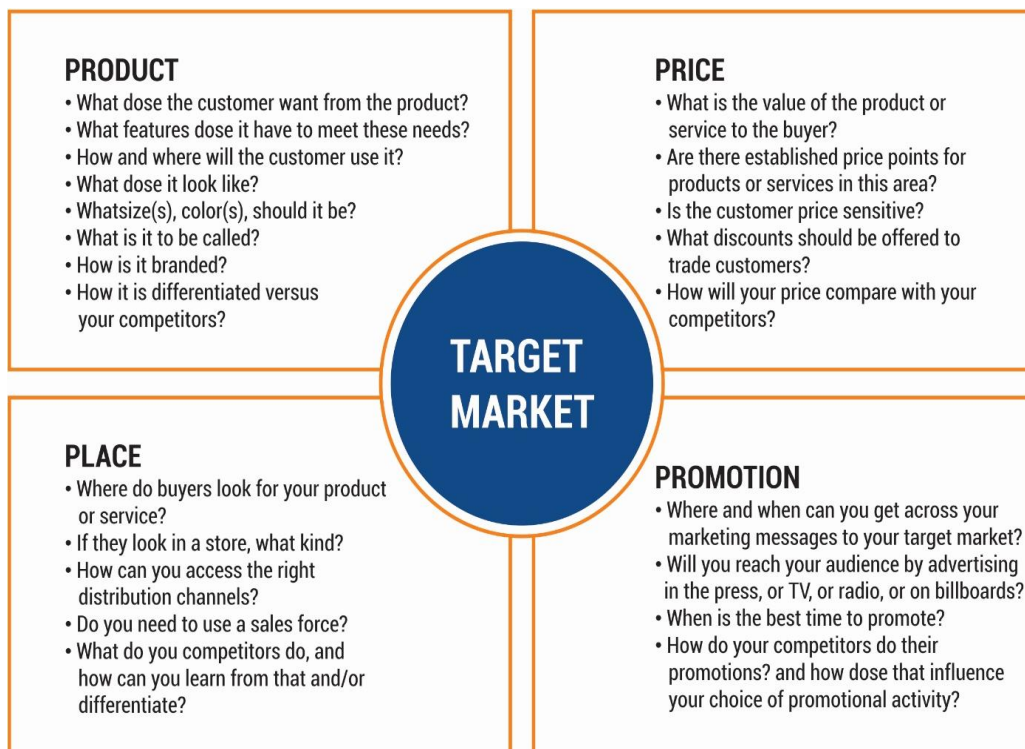


Fig 1.1 Target Market

1.2 Definitions

The definition of public relation has received many dimensions due to many organisations and thinkers contributing to it. Some emphasised it as an advertisement activity some defined it as a management philosophy and practice.

Following are the important definition of Public Relations

1. **Institute of Public Relations defines:** “The planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its publics.”
2. **Public Relations society of America define:** “PR is a philosophy and function of management expressed in policies and practices which serve the public to secure its understanding and goodwill.”
3. **Paul Garret [Pioneer of modern PR:** “PR is a fundamental attitude of mind, a philosophy of management, which deliberately and with enlightened selfishness places the broad interests of the public first in every decision attracting the operation of a business.”
4. **Peter Drucker:** in his well-known book “The Practice of Management” has given the general view about the objectives of PR. They are:
 1. Market Standing
 2. Innovation
 3. Worker Performance and Attitude
 4. Public Responsibility

Check your progress 1

1. According to Peter Drucker which of the following does not constitute good PR:
 - a. Market Standing
 - b. Innovation
 - c. Worker Performance and Attitude
 - d. Profitability
 - e. Denial of crisis management

1.3 Roles and Situations

The role of PR is not restricted to the external customers but also to internal customers in the organisation who are their investors, employees and various stakeholders. The entire communication process within the organisation and outside the organisation rotates around effective functioning of PR. Thus, PR plays a vital role in the organisation.

- The main function of PR is all about advancing relationships to, endorse, and benefit the reputation of you yourself, your department and institution.
- It plays a function of interacting to gain allies, advocates, supporters, etc. in the community and the institution.
- PR aids in marketing the department for recruitment purposes and can lead to improved quality of applicants.
- PR can improve the status of an individual department with right kind of advertisement.
- PR can lead to resilient community and industrial partnerships, and even financial support.

Some of the examples of situations in which PR proved successful are:

Taco Bell

A year ago, the fast-food chain was the target of a customer lawsuit that served up a potential PR disaster for its brand. A California woman smacked Taco Bell with deceptive marketing claims, saying its tacos have far less beef than advertised. Taco Bell wasted no time in firing back.

The chain went on the offense, big time. It filed a countersuit, posted a video statement from the CEO, and dished out a saucy media campaign featuring the headline “Thank You for Suing Us!” The customer’s beef, and her lawsuit, were quietly dropped, ensuring Taco Bell a place in the annals of crisis management. Well done.

Justin Bieber

Oh, baby, what a mess this could have been. When the teen pop star was hit with a paternity suit from a fan who claimed Justin fathered her child, he recognized the risk to his squeaky-clean brand image. Guided by PR rep Matthew Hiltzik, Bieber delivered an unequivocal denial on the "Today" show. Team Bieber then went one better by filing a countersuit and taking a paternity test to

prove he was no baby daddy. His comment, “I know that I’m going to be a target, but I’m never going to be a victim,” hit the right notes. Case closed.

PR should make an important contribution in following areas:

- **Issues Management:** This role identifies issues and developments relevant to an organization and then preparing and executing a program to deal with them. Also included in it is the study of public policy matters of concern to an organization.
- **Relationship Management:** This role involves public relations in identifying key publics and establishing strategies for building and maintaining mutually beneficial relationships with them.
- **Responsibility of Management for Communication:** This role Expects developing of communications objectives which are steady with an organization’s overall objectives. As two-way communicators, public relations officers cooperate directly with public, relaying the subsequent information (with recommendations) to other members of the management team.
- **Management in crisis situations:** This role is all about launching means and policies to be used when an organization’s operations become involved in an emergency affecting the public. This role includes policies and procedures for the circulation of information to employees, media, government and other key populace.
- **Reputation or Image restoration:** This role plans and implements policies, procedures and strategies that demonstrate an organization’s commitment to public and social responsibility, ethical behaviour, corporate identity and reputation with key publics.
- **Resource enhancement:** The role is all about organisation of human and financial resources which revolves around setting objectives, planning, budgeting, recruiting and hiring PR staff and managing those resources.
- **Management of risks:** This is a role of preventive PR, which includes sailing an organization to identify areas of potential danger and recommend needed changes before those dangers develop into the crises.
- **Managing PR strategically:** In this role PR acts as a counselor, the PR Official serves on the management team assisting the organization develop comprehensive policies that are in the best interests of the public as well as the organization. The PR practitioner integrates an understanding of the

apprehensions and attitudes of key publics into the organization's managerial decision-making process.

1.3.1 Qualities of Successful PR Staff

If PR is to be taken as a profession, there are certain qualities which come as a prerequisite for it. Integrity of the character and excellent communication are two of them. Also he has to manage crisis situations so alertness of mind is a requisite. If he has a team working under him, managing that becomes a challenge as well as responsibility as they have to be uniform in their actions and responses since they represent one department.

Qualities required for a good PR Professional:

- A strong communicator
- Good writer
- Well informed
- Detail oriented
- Well informed
- A good public speaker
- Investigative spirit
- Punctual
- Adventurous
- Innovating and troubleshooting skills
- Analytical Skills
- Tech Savvy

There is a magic formula to make PR more effective quoted by Benjamin Franklin:

- Be civil to all
- Social to many
- Familiar with many more
- Friend to millions
- Enemy to none

1.3.2 PR and Ethical Behavior

The field of ethics would evolve around systematizing, shielding, and recommending concepts of right and wrong behaviour. While ethics will promote transparency, integrity, honesty, forth rightness, fair-mindedness, PR will have tinge of manipulation, propaganda. But the determinations should be made to indoctrinate ethics in PR to gain public trust.

Public Relations Society of America has stated few codes of ethics for PR professionals. They are as follows:

- Protect and advance the free flow of accurate and truthful information.
- Foster informed decision making through open communication.
- Protect confidential and private information.
- Promote healthy and fair competition among professionals.
- Avoid conflicts of interest.
- Work to strengthen the public's trust in the profession.

The Global Ethics Protocol contains a declaration that members work to enhance the reputation of the PR business by remaining objective and by accepting a duty to a broader society than the client he or she represents. It also requires members to pledge:

- To conduct ourselves professionally, with integrity, truth, accuracy, fairness, and responsibility to our clients, our client publics, and to an informed society.
- To improve our individual competence and advance the knowledge and proficiency of the profession through continuing education and research and where available, through the pursuit of professional accreditation.
- To adhere to the principles of the Global Protocol on Ethics in Public Relations.

The International Association of Business Communicators (IABC) started to use a code of ethics in 1976:

- be truthful
- follow the rules
- treat customer information with privacy
- protect the organisation's values

1.3.3 The PR Officer as a Communicator

The PR professional embodies his organization. He is an enhancer of his Brand. It is very important to use correct and confident body language in order to appeal to the customers. A Good PR is equal to Good Brand. What a press release will not deliver; will be conveyed by the confident body language of a PR Professional. Portrayal of the right posture, right intonation, the right attire, and the right facial expression is an effective combination of good PR.

Public relations functions would comprise of the following elements: Press relations, Product publicity, Public affairs, Lobbying, Investor Relations Development. While playing the above roles transparency should be of highest priority, so ethics are a must in PR.

Apart from the above mentioned following are the roles performed by PR as a communicator:

- Advice to organisation on the matters related to press media and publicity.
- Research to design a communication program for an organisation based upon the research related to the attitude and perception of people about the product.
- Publication writing material for marketing or a journal or an annual subscription can also be a job of PR as a communicator.
- Writing and editing leaflets, brochures, press releases, speeches, newsletters, websites and social media.
- Arranging and representing the company at events like press launches news conferences, exhibitions, open days and sponsorship.
- Developing good working relationships with the media.
- Arranging for advertising or promotional films to be produced.
- Public speaking at presentations, conferences or radio and TV interviews.

1.3.3 Exchange of messages

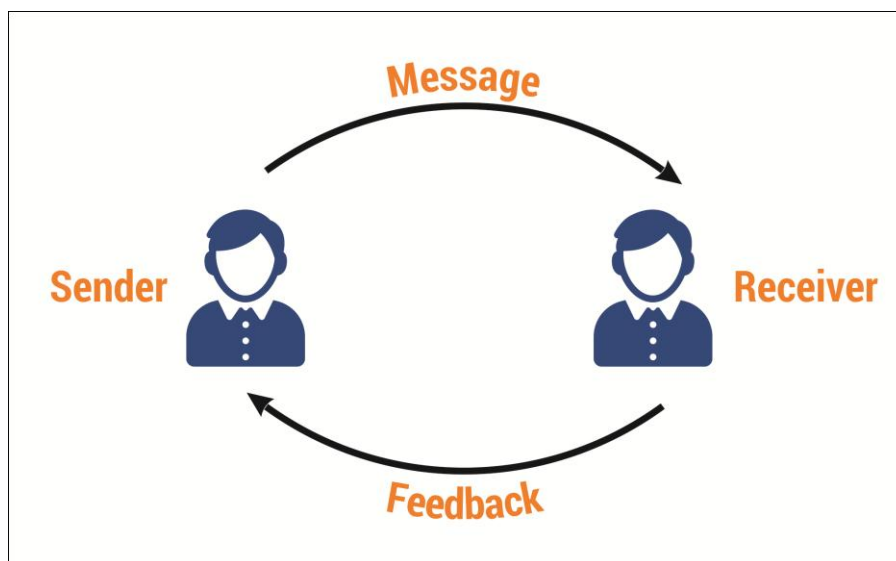


Fig 1.2 Exchange of messages

The elements of communication:

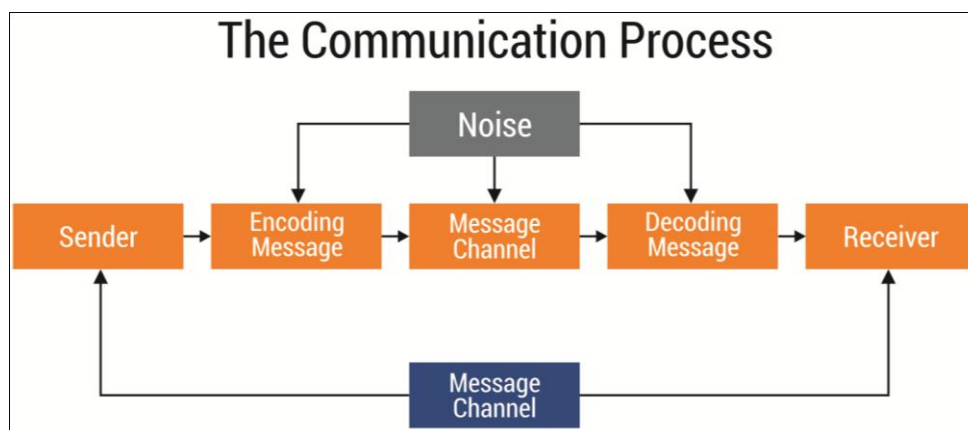


Fig 1.3 The Communication Process

“Communication is defined as exchange of ideas and meanings between two persons.” Generally communication is alleged to be the process of transmission of information between two sources with meaning.

Thompson, the well-known sociologist defines communication is a form of action which takes place in a social content and is related to economic, political, coercive and symbolic power in society.

Communication is said to be the two-way process that is incomplete without feedback.

From recipient to the sender on how sound the message is.. There are many communications. Process models and theories available for understanding the process involved in it.

Following are the elements of communication process:

- 1) **Sender:** The sender is a person who sends the message. He makes use of symbols, images, words, gestures to convey the communication and yield the required response. A sender may be an individual, a group or an organization. It is the sender who encodes the message.
- 2) **Message:** A message is the key idea or content to be shared with the receiver. The message should be clear & tangible avoiding complexity. One should find it easy to read & understand.
- 3) **Medium:** Medium is the means used by sender to exchange the message. Email, telephone, fax, letter, etc. are all modes of communication? The mode may vary based on the purpose of communication.
- 4) **Receiver:** Receiver is a person to whom the message is intended.. It is he/she who decodes the message. Receiver should use the similar medium in order get the message to as soon as possible.
- 5) **Feedback:** Feedback has pivotal position in communication process. Communication is incomplete without a response. It may be positive or negative and verbal or non-verbal too.

Noise: Noise is something that interrupts the process of communication. It causes failure in communication. For example, a professor is teaching in class, at the same time, loud horn of the vehicles passing on the road disturbs the students while learning. Here, the sound of the horn is noise.

Check Your Progress 2

1. Following are the areas where PR will contribute to defend an organization
 - a. Communication Management
 - b. Crisis Management
 - c. Technology Management
 - d. Risk Management
2. Magic formula to make PR more effective quoted by Benjamin Franklin does not include one of the following
 - a. Social to NONE
 - b. Familiar with many more
 - c. Friend to millions
 - d. Enemy to none

1.4 Models of Communication Process

There are different models of communication. The process of communication is explained as follows:

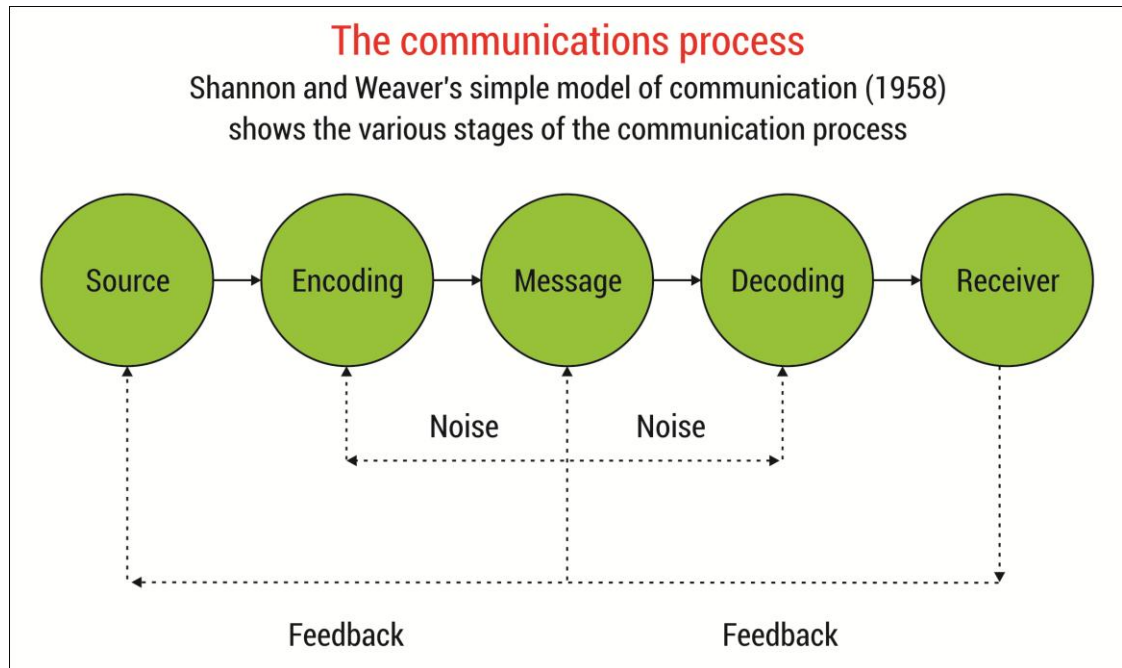


Fig 1.4 Models of Communication Process

For PR to function as per the models of communication there is a necessity to use the most effective medium for the exact target audience within the exact time frame. What message is to be conveyed depends on how it is conveyed, at what time it is conveyed and to whom it is conveyed.

Few Models of marketing communications should be studied in order to get more clarity on what forms the base of public relations and its role.

1. Dagmar Model: This acronym is elaborated as 'Defining Advertising Goals for Measured Advertising Results'. It was proposed by Russell H.Coney in 1961. Coney suggested that accomplishment of a hierarchy-of-communications objectives leads to definite purchase. He divided marketing goals and advertising goals. Marketing goals are measured in terms of sales while advertising goals are measured in terms of the customers' movement along the hierarchy. The various stages in this model are as follows:-

- 1) **Awareness:** In this stage the customer becomes aware of the product.
- 2) **Comprehension:** In this stage the customer is aware of the product characteristics and its uses. He is also familiar with the brand name and brand logo.

- 3) **Conviction:** This stage refers to the emotional decision of preferring one brand to another.
- 4) **Action:** In this stage the purchase is made.

The DAGMAR model undertakes a high-involvement "learn-feel-do" hierarchy. As advertising and marketing goals are believed to be distinct, advertising goals can be defined precisely tracked and measured. The long-term effects of the advertisement can also be studied. With the help of the DAGMAR model, the efficiency of the advertisement can be measured in terms of its knack to move the customer along the hierarchy. The model enabled marketers to define the target market or audience for the commercial.

As the dare founded on objectives, creative people involved in the process of designing tend to feel that their creativity was being stifled. The execution of DAGMAR is very costly, as extensive research is required for setting quantitative targets and measuring them.

Example: General Motors (GM) used the DAGMAR approach to identify advertising goals

2. **Aidas Model:** This hierarchical model was first proposed by St. Elmo Lewis in 1900 for individual selling with the following stages: attract attention, maintain interest, create desire and get the consumer to act. In 1911, Arthur Fredrick Sheldon reviewed the model by changing the first step to 'favourable attention' and adding a fifth's', 'permanent satisfaction'. This is one of the oldest and most popular models of marketing communications. The revised model was called AIDAS -favourable Attention, Interest, Desire, Action and permanent Satisfaction. The various stages in the buying process of the AIDAS model are:

- 1) **Attention:** To draw the attention of the target customer.
- 2) **Interest:** To generate interest in the merchandise by giving product information (or special features) and guaranteeing how it can help satisfy the needs and wants of the individual.
- 3) **Outcome:** To study how the potential consumer develops a favourable or unfavourable opinion about the product.
- 4) **Desire:** To generate desire in the customer to have the product. It happens by stressing on the benefits of the product and how it will satisfy the needs and wants.

- 5) **Action:** It persuades customers to make a purchase. A modest method to get action from the consumer is to provide a toll free number or contact person for more info.
- 6) **Satisfaction:** to know whether the customer is satisfied after the purchase.

Example- Air Deccan used this model of marketing communication successfully in its marketing campaign.

3. **Heightened Appreciation Model:** This model helps the marketer to attain its advertising strategy. The model suggests that a significant attribute of the product category should be recognised and the advertisement should express the link between the brand and that particular attribute. The consumer should be influenced about the prominence of the attribute and the benefits derived from it. Advertising campaigns based on the heightened appreciation model are said to be popular if they result in increased usage and positive image of the brand.

Example:-Traditionally in India, toothpaste was promoted highlighting two major attributes: strong teeth and prevention of decay of gums (advertising Strategy of Colgate). Hindustan Lever Limited launched two brands - Close Up and Pepsodent. The Close Up toothpaste with mouthwash was directed at the youth and focused on freshness. The Pepsodent brand was directed at kids and the feature used in advertisements was its ability to fight germs for long periods. These characteristics of toothpaste had never been highlighted till then. After the unveiling of Close Up and Pepsodent, the market share of Colgate reduced significantly.

MACRO COMMUNICATION MODEL

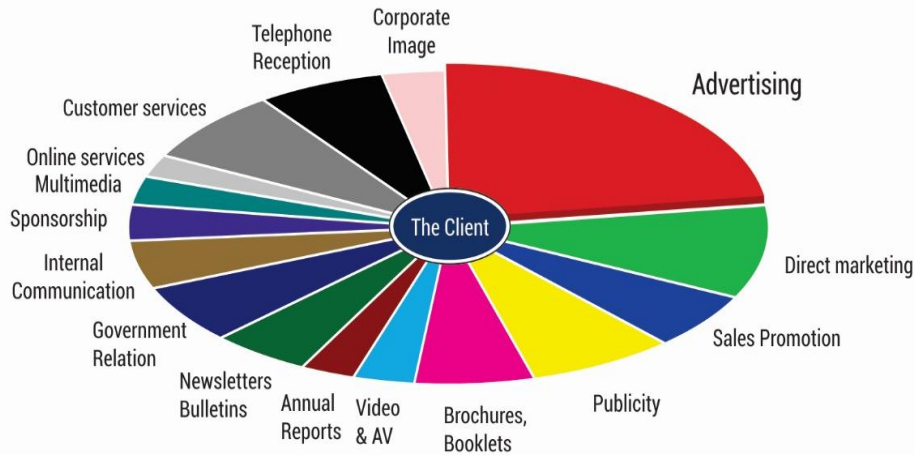


Fig 1.5 Macro Communication Model

1.4.1 Overcoming Communication Barriers

Communication barriers are the major deterrent in effective functioning of PR. It's a tricky attempt to deliver the message which is understood by the public and to receive a favourable reaction from them.



Fig 1.6 Overcoming Communication Barriers

Following suggestions can be of great help to reduce the communication barriers:

- Clarity and relevance information.

- Timely delivery of information.
- Effective mode of communication.
- Correct format and simple language.
- Use of technology.
- Appropriate public
- Prompt action on feedback for improvisation.

The communication barriers can be of following type:

1. **Semantic barriers:** In this barrier language imperfection [Bad expression, over use of jargons is done]. Sometimes there is faulty translation of the message.
2. **Organizational Barriers:** If Duties and responsibilities are not clearly defined, the line of authority and delegation is also not clearly stated and there is difference of opinion between the two higher authorities. Implementation of policy, rules and regulations related to PR are not implemented properly.
3. **Personal barriers:** To view the incidences or discussions with a particular attitude, limited knowledge about the subject, prejudice mind, distract on the information giver are few reasons.
4. **Psychological Barriers:** Premature evaluation of events, emphasis on a certain view point, limited perception.
5. **Status differences:** Lack of ability to communicate with subordinates or superiors. Fear or rebuff from the senior. Not choosing the message with clear inferences.
6. **Stereotyping:** Forming opinions or judgements about people of certain category, not verifying the reality, blocked mind.

Thus we may conclude that the barriers in communication are due to:

- Imperfections in language.
- Incorrect thinking process.
- Confusion between fact and inference.
- The blocked mind.
- Viewing reality as static

- Forming stereotypes.

Check your progress 3

1. Various stages of communication includes:
 - a. source and encoding
 - b. message and decoding
 - c. receiver
 - d. all of the above
2. The stages of AIDAS model are :
 - a. attention -interest
 - b. Outcome-Desire
 - c. Action-Satisfaction
 - d. all of the above
3. Various stages of DAGMAR Model are:
 - a. Awareness
 - b. Comprehension
 - c. Conviction and Action
 - d. all of the above
4. Which amongst the following is not a barrier for communication?
 - a. Poor timing
 - b. timely delivery of information
 - c. wrong channel
 - d. wrong target
5. Which of the following is not a way to improve communication?
 - a. Clarity and relevance information
 - b. attitude towards the sender
 - c. Effective mode of communication
 - d. Correct format and simple language

1.5 Importance of Body language in PR Activities

Body language can be defined as a non-verbal communication where ideas, emotions and thoughts are conveyed through facial expressions like eye movements, body postures, gestures and use of touch. As it is so rightly said “Actions speak louder than words.”

In the communication studies, there is special branch of study of body language which is known as Kinesics. In it, the special effort is made to study body language in detail as it varies from country to country and has lot of geographical, historical and anthropological influence. Body language compliments verbal communication. Body language proves helpful when we try

to reinforce something, or when we want to tell something. It helps us in discerning when someone is not telling us the truth. For e.g. :Rubbing the nose conveys dislike, putting palm on the chest would convey superiority, if sum one puts glasses above the head conveys superiority ,looking up towards right would convey that they are trying to recall etc. There are basically five types of body language. They are mentioned as below:

Type – 1: Closed – Aggressive Body Language

- Hands on hips
- Legs too wide – too macho
- Invading personal space – too close
- Aggressive gesturing – finger pointing
- Standing ‘over’ someone
- Over firm handshake
- ‘Eye balling’ – out staring

Type – II: Closed – Defensive Body Language

- Crossed arms or legs
- Hunched shoulders
- Poor eye contact
- Leaning away
- Tight voice

Type – Iii: Closed – Nervous Body Language

- Nail biting
- Dry throat – swallowing / coughing
- Blushing – face/neck/chest
- Weak handshake
- Avoiding eye contact

Type – IV: Closed – Bored Body Language

- Looking around the room
- Looking at watch
- Drumming fingers

- Yawning
- Shifting weight
- Rubbing face

Type – V: Open – Interested Body Language

- Firm handshake
- Good eye contact
- On the same level
- Confident stance
- Confident gestures – chosen gestures
- Showing interest – head nod / slight lean in

The PR professional represents his organisation. He is an enhancer of his Brand. It is very important for him to use correct and confident body language in order to attract attention of his customers or target audience. A Good PR is equal to Good Brand. What a press release will not convey, will be conveyed by the confident body language of a PR Professional. Portrayal of the right posture, right voice intonation, right attire, and right facial expression is a successful combination of good PR.

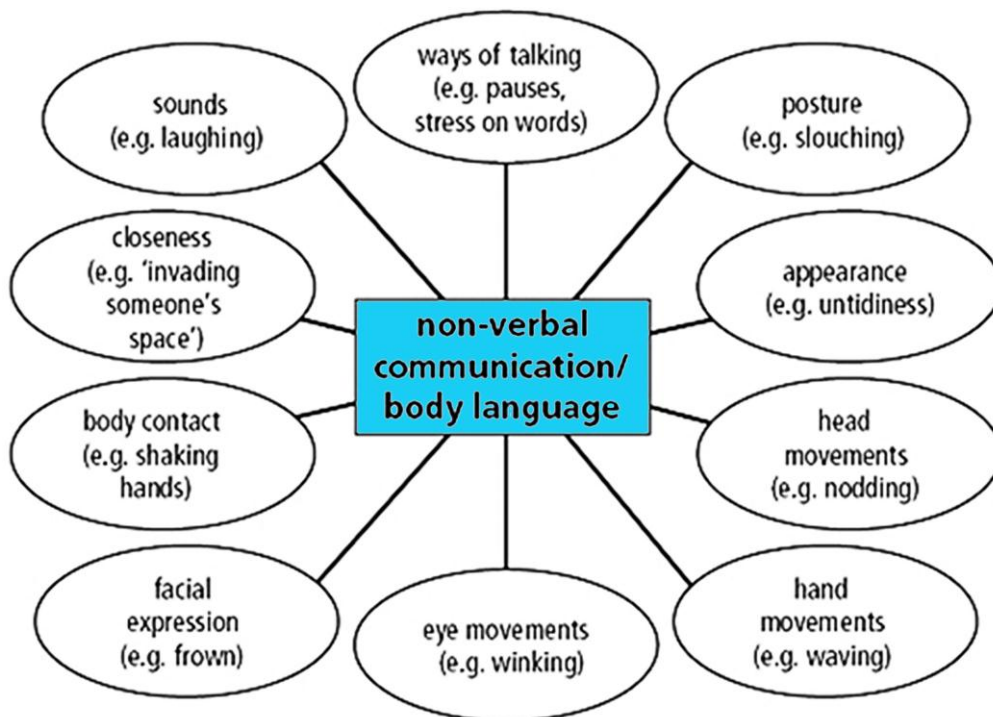


Fig 1.7 Non-verbal communication / Body language

Check your progress 4

1. When someone rubs their nose, as per body language study they are conveying?
 - a. Superiority
 - b. Dislike
 - c. Anger
2. When someone puts their palm to their chest as per body language study they are conveying?
 - a. Superiority
 - b. Confidence
 - c. Sincerity
 - d. None of the above
3. When someone looks over their glasses at someone what message is being sent?
 - a. Contempt
 - b. Scrutiny
 - c. Superiority
 - d. All of the above
4. When a person looks up and to the right before they speak what does it convey?
 - a. They are trying to recall something
 - b. They are lying
 - c. They are trying to make something up
 - d. None of the above

1.6 Let Us Sum Up

In this unit we studied about the basic of Public Relations .Some of the definitions of PR mentioned by reputed organisations and management thinkers are mentioned in it. The roles of PR is clearly mentioned and supported with an example where they have rescued people and organisations from crisis.

The qualities of successful PR are given. The ethics to be followed by PR are also stated with the instructions given by reputed organisations. The role of PR office as a communicator is also described. The communication process is explained to give information about the exchange of messages. Different models of communication process are also given. The methods to overcome communication barriers are also given.

The importance of body language in PR is emphasised.

1.7 Answer for Check Your Progress

Check your progress 1

Answers: (1-d)

Check your progress 2

Answers: (1-c), (2-a)

Check your progress 3

Answers: (1-d), (2-d), (3-d), (4-b), (5-b)

Check your progress 4

Answers: (1-b), (2-c), (3-b), (4-a)

1.8 Glossary

1. **Client** - A client is the business, organization, individual or entity for which an agency, consultancy, or freelancer provides his or her services. If I am doing marketing or public relations work for Starbucks, then Starbucks is said to be my client.
2. **Four Models of Public Relations Practice (Grunting & Hunt)** - The four prevailing paradigms public relations practitioners utilize to carry out their duties. These include the Press Agents, Public Information, Two-Way Asymmetrical and Two-Way Symmetrical Models.
3. **Influence** - PR academics attempt to quantify and measure the number of people within a relevant public who are inspired to act as a result of the charisma, authoritativeness, desirability, likability, power, affluence or popularity of an individual, brand, business or organization.
4. **Public Relations Issue** - A matter that causes considerable public, media and/or political debate.

1.9 Assignment

Arrange for a communications demo in class. Give topics to each group and ask them to communicate through verbal or body language.

1.10 Activities

Arrange for a miming competition. Prepare for a skit and present it in front of the class.

1.11 Case Study

Aeroflot - A Dogfight for International Passengers

In stark contrast to British Airways, Aeroflot-Russian Airlines is a fresher to the skies of international commercial airlines. Aeroflot's 114 planes transported 3.8 million passengers in 1996 compared to British Airlines' 25.35 million passengers. Aeroflot's figures are despondent from 1991, the year before the dissolution of the Soviet Union, when its 5,400 planes carried 138 million passengers. Since 1991 the airline has had concern adjusting from a monopoly to a competitive marketplace as the contending private Russian airline, Trans aero, built passenger loyalty by emphasising good service and on-time flights. Aeroflot's attempt to become a world class airline has been hampered by a poor safety record, bad food, surly service, dilapidated cabins and frequently cancelled or late flights. At less than 60%, Aeroflot's load factor (the percentage of seats on each flight occupied by paying customers), is the lowest in the international airline industry.

In order to enlarge its business in this highly competitive industry Aeroflot has imitated many of the strategies the leading airlines. In January 1997, the airline announced a marketing alliance with Continental Airlines to allow Continental flights from Newark, NJ to Moscow's Sheremetyeva International Airport. Aeroflot has refurbished its training academy to embrace a curriculum that concentrates on image and marketing, and includes the slogan, "the customer is always right." The airline launched Telephone Confidential, a customer complaint line, and in an effort to modernise its fleet ordered 10 Boeing 737s. Marketing has been a large part of Aeroflot's fight to gain back passengers. The image the airline has selected for itself in its first multimedia advertising campaign attempts to convince cynical consumers that the airline has resolved its

safety and service problems. The promotion uses magazines, billboards and TV commercials, and features a flying elephant with a slogan that translates into "light on its feet." The not so subtle message means that if elephants can fly, so can Aeroflot.

Aeroflot's web page (<http://www.aeroflot.org>), exhibits western influence. The home page has links to pages that describe its airplane fleet, a graphic presentation and description of Moscow's Sheremetyeva airport, the flight schedule, news, information, cargo, route-way, charter, and travel office. Judging from the neat, proficient appearance of the Web page, Aeroflot's rivals need to be prepared for a dogfight to keep this airline from cutting into their business.

Questions:

1. What are the advertising objectives for Aeroflot's Flying Elephant campaign?
2. Design a multimedia advertising campaign to position Aeroflot head-to-head with British Airways.

1.12 Further Readings

1. "How to Win Friends and Influence People" by Dale Carnegie.
2. The New Rules of Marketing & PR: How to Use Social Media, Online Video, Mobile Applications, Blogs, News Releases, and Viral Marketing to Reach Buyers Directly by David Meerman Scott .
3. "Confessions of an Advertising Man" by advertising legend David Ogilvy.
4. Spin: How to Turn the Power of the Press to Your Advantage" by Michael S. Sitrick.
5. Shape Minds, Build Brands, and Deliver Results with Game-Changing Public Relations" By Ronn Torossian.

UNIT 2: PR RESPONSIBILITIES

Unit Structure

2.0 Learning Objectives

2.1 Introduction

2.2 Definition

2.2.1 PR Responsibilities

2.3 Corporate Image

2.3.1 Identity and Reputation

2.4 Public and Community Oriented Activities

2.4.1 Civic and Social Activities

2.5 Let Us Sum Up

2.6 Answers for Check Your Progress

2.7 Glossary

2.8 Assignment

2.9 Activities

2.10 Case Study

2.11 Further Readings

2.0 Learning Objectives

After learning this unit, you will be able to understand:

- The concept of Corporate Image.
- Importance of Identity and reputation.
- Public and Community Oriented Activities Undertaken.
- Importance of Civic and Social Activities.

2.1 Introduction

In a competitive business environment maintaining identity and reputation of the organization is an exigent task. There is a need to make systematic efforts

to project the company, its activities, product and services in a manner which will attract the attention of the customers to avail their services or products. How to generate interest in the company to attract the customers' attention is a creative challenge on which company takes lot of efforts. Large corporate houses give special emphasis to create an image which people can remember easily. Visual Identity makes long lasting impact on the customers. Corporate Image and Corporate Identity have become important elements in maintain companies PR with its valued customers. The main objective in handling corporate image is to connect the company's identity to those audiences or constituencies that are central to the firm, in such a way that they improve and maintain a favourable view of the company. This process involves moulding a positive identity, sharing this identity to significant audiences, and procuring feedback from the audiences to be sure that the message is interpreted positively. An unsatisfactory image can be improved by transforming corporate communication, re-shaping the commercial identity, or both.

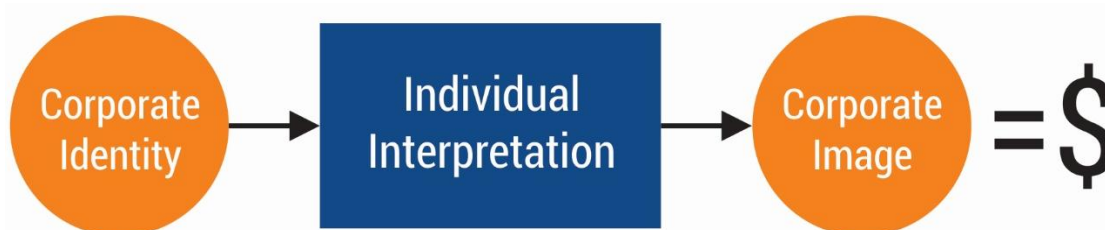


Fig 2.1

2.2 Definitions

It is the responsibility of PR to give boost to corporate Image of the organization .The fundamental variables in which PR operates are: Corporate Identity, Corporate Communication, Corporate Image and Feedback.

Corporate Identity can be defined as the reality of the corporation which is unique. It is an individual personality of the company that differentiates it from other companies.

Corporate Communication is defined as the aggregate of sources, messages, and media by which the corporation conveys its brand to its various audiences.

Corporate Image is defined as an eye of the beholder the impression of the overall corporation held by its several audiences. Corporate identity is often viewed as being composed of three parts:

- Corporate design (logos, uniforms, corporate colours etc.)
- Corporate communication (advertising, public relations, information, etc.)
- Corporate behaviour (internal values, norms, etc.)

2.2.1 PR Responsibilities

PR is considered as life blood of any company .The company big or small, domestic or international its reputation is important for it success. The sole responsibility vests on the PR of the organisation to present or represent the organisation to its external as well as internal customer. Also how company interfaces with the customers online and in actual will matter a lot. This role demands lot of dynamism so the PR has to wear lots of hats like sometimes of a journalist or marketer or of a sociologist.

The PR has to be an advocate of the company at times. To make company a good corporate citizen is his responsibility.

He crafts communication policies for the company and has to oversee the development of all statements and news releases for the company. He also has the responsibility of problem solving in case it arises related to the reputation of the company. He has to save the organisations reputation from getting maligned.

Check your progress 1

1. Public relations” can be defined as:

- a. A collection of techniques for persuading people to buy products they don't need.
- b. A collection of techniques for persuading news organizations to give space or time to people or products that is not inherently newsworthy.
- c. Planned and continuous communication to provide information about an organization, issue or product to the public.
- d. Planned and continuous communication to obscure the inadequacies of an organization or product.

2. Which of the following best describes those two types of communications, i.e. internal or external communications in which public relations officials deal?
 - a. Internal communications deal with investors, clients, customers or contributors, and external communications keep company employees informed about the company.
 - b. Internal communications always flow from the top of the organization down, and external communications always flow from the bottom to the top.
 - c. Internal communications always are carried out by e-mail, and external communications always are carried out through the mass media.
 - d. Internal communications keep company employees informed about the company, and external communications deal with investors, clients, customers or contributors.
3. Public relations practitioners are said to be effective if first
 - a. Send as many press releases as possible to as many people.
 - b. Determine which media outlets best serve their purposes.
 - c. Ask editors to promise to use their press releases.
 - d. Find out which media have been most friendly to their client in the past.

2.3 Corporate Image

Corporate Image: Corporate image can be defined as the status of the firm with the various audiences that are important to it. The groups that have a stake in the company are known as stakeholders. The stakeholders are affected by the activities of the company and, their actions conversely can also affect the company. As a result, corporate image in the eyes of its stakeholders is important to the company. The major stakeholders are: customers, distributors and retailers, financial institutions and analysts, shareholders, government regulatory agencies, social action organizations, the general public, and employees.

The impression that stakeholders have of the company will impact their willingness to either make available or withhold support. In case, a negative perception of a company or its products is established, its sales and profits surely will wane. Government regulatory agencies will monitor and regulate firms for

specific, publicly defined purposes. But, these agencies have substantial discretion in how they interpret and apply the law. If they have an optimistic perception of the firm, they are likely to be much less troublesome.

Each investor in the group will have a different perception of the corporation because each is apprehensive about a different facet of its operation. For e.g.: consumers are principally interested in the price, quality, and reliability of the company's products and services. Financial institutions are concerned with the financial edifice and performance. Employees are mainly apprehensive with wages, working conditions, and personnel policies.

To maintain a consistent image among the several shareholder groups is also essential, it is sensible to highlight the different facets of the firm's identity to its various publics; the firm should avoid projecting an inconsistent public image, as the trepidations and memberships of different stakeholder groups could overlap.

2.3.1 Identity and Reputation

Corporate Identity: This concept can be defined as “the reality and uniqueness of the organization. It is divided into four segments: corporate strategy, corporate culture, organizational design, and operations.” Strategy is defined as, “the overall plan that determines the company's product/market scope and the policies and programs it chooses to compete in its chosen markets.” Corporate culture is deliberated as the shared values and beliefs that the organization's members hold in common as they relate to each other, their jobs, and the organization. It outlines what the firm's personnel believes is significant and insignificant, and explains to a large degree why the organization behaves the way it does.

Organizational design talk about the fundamental choices top managers make in developing the pattern of organizational relationships. It incorporates issues like basic tasks should be organized by function or product division, the company's overall configuration, the degree of delegation, the number of staff personnel, the design of jobs, and the internal structures and procedures. An operation, the final component of corporate identity, is the cumulative of all activities the firm engages in to affect its strategy. These activities become part of the reality of the corporation and can sway its identity in a wide variety of ways.

John Kay, founder of ‘Corporate Success’ says “Reputation is the most important commercial mechanism for conveying information to consumers. It is a distinctive capability that accrues competitive advantage to an organization.”The

intangible asset like reputation may give a company most enduring source of competitive advantage. Reputation speeds growth and protects against crisis or criticism should fortunes or the economy reverse direction.

Following are the guidelines that PR should draw while maintaining the reputation:

1. Abide by core values and positioning.
2. Analyse the competition.
3. Create a compelling vision and reminiscent messages.
4. Draw the strategic road map.
5. Dare to be measured.
6. Target external audiences.
7. Conduct frequent reality check.

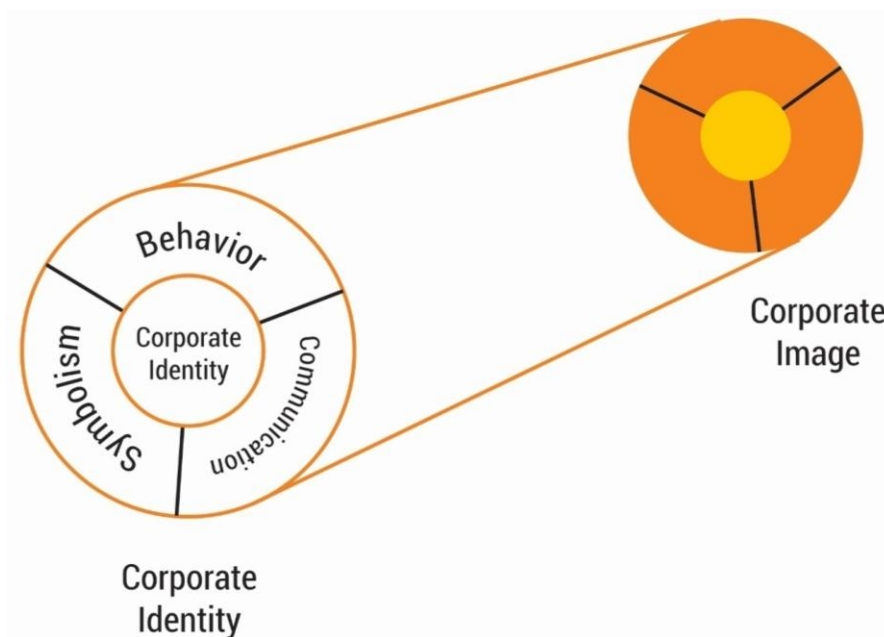


Fig 2.2 Corporate Identity

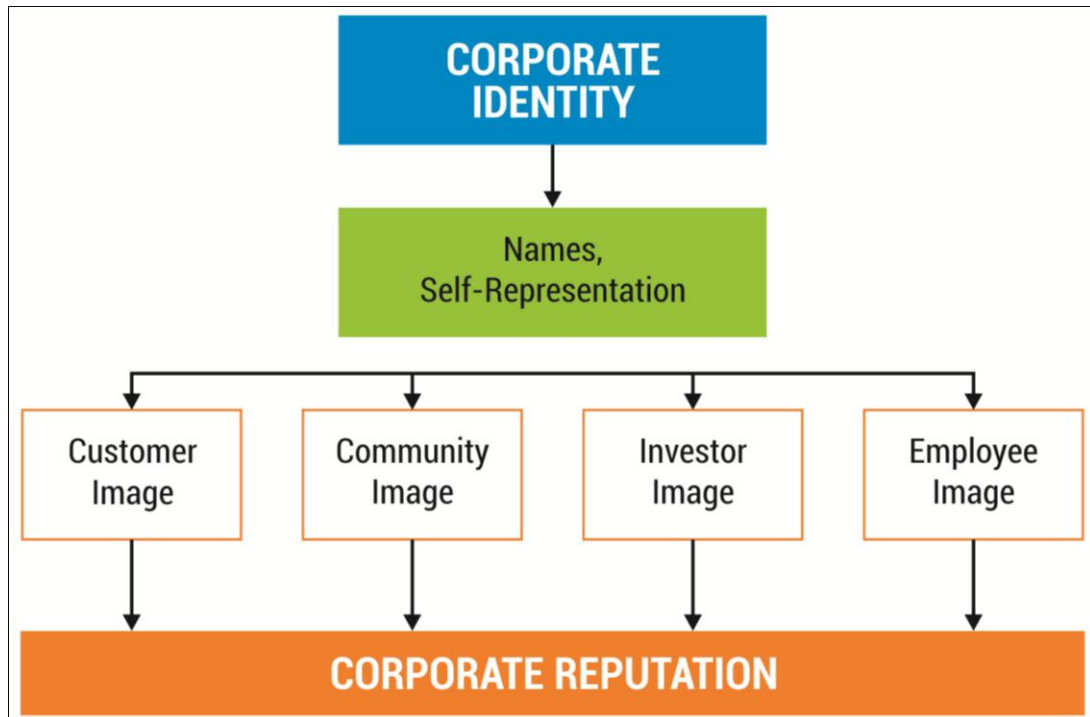


Fig 2.3 Corporate Identity

Check your progress 2

1. Which of the following is NOT among the reasons often cited by journalists for rejecting news releases?
 - a. They are not newsworthy.
 - b. They are too well written.
 - c. They are sent to the wrong person.
 - d. They fail to include important information.
2. News should be sent well in advance of the publication date by Public relations professionals because
 - a. News organizations move slowly and need plenty of time to rewrite the release.
 - b. A release received close to a deadline is likely to be thrown away.
 - c. A release received close to a deadline leaves news organizations with too little time to plan special coverage.
 - d. A release received too close to a deadline is less likely to be published.

3. Public relations professionals should consider one amongst the following when localizing news releases
- a. Psychological as well as geographical closeness.
 - b. Only geographical closeness.
 - c. Only psychological closeness.
 - d. Financial and geographical closeness.

2.4 Public and Community Oriented Activities

The critical factor invigorating the current interest in corporate image is society's growing expectation that corporations should be socially responsible. Many consumers consider the environmental and social image of firms in making their purchasing decisions. Some companies have recognized this reality and reaped incredible benefits by conducting themselves in a socially and environmentally responsible manner. Some of these companies act out of genuine philanthropy, while others act out of a simple recognition of the business benefits of such behaviour. PR focuses on the relationship between organisations and society.

It has to ensure the contribution of business to society as good citizens; PR must have the appropriate status and recognition within the organisation to decide about the forms and shape of such contributions. Government also has its own norms of investments in public welfare projects so it is PR's responsibility to abide by it.

For eg: many companies build hospitals and other public amenities as a Community oriented activity

Some companies have a good CSR policy drafted based on required guidelines. Being a good corporate citizen brings its own benefits to the companies. It helps to find leaders from these companies sitting on various boards and advisory committees which speak volumes about the high esteem in which they are held. This translates into instant recognition and a "halo" effect which for all practical purposes is like the adulation that rock stars and sports personalities receive from the people.

2.4.1 Civic and Social Activities

Corporate houses getting actively involved is a new paradigm now a days. It plays a leadership role in solving social problems by finding long term initiatives. Well known business houses like TATA, Reliance, IBM are active into it .They provide financial support as well as volunteer base and technological assistance to various activities like tree plantation, Education, AIDS awareness etc. It connects them to various segments of society. Government has also made it compulsory to invest 2% of the profit in Corporate Social Responsibility projects.

For eg : Many CSR projects like building of schools by Reliance, Rural Literacy programs, Hospitals, Tree plantations have taken up by corporate houses like TATA,s , Reliance, Wipro, Thermax etc.

Check your progress 3

1. As far as CSR is concerned, The PR focuses on its relationship with between:
 - a. Organisations and society
 - b. Society and government
 - c. Both a and b
 - d. None of the above
2. How much percentage of profits are corporate supposed to invest in social projects as CSR activity?
 - a. 2%
 - b. 3%
 - c. 10%
 - d. None of the above

2.5 Let Us Sum Up

In this unit we have studied the responsibilities of PR in which the importance of corporate image, corporate identity and communication is mentioned. PR represents its organisation through all this. It is stressed that in a competitive environment maintaining identity and reputation of the organisation is an exigent task so efforts are needed to project company its activities in a right way.PR is considered as a lifeline of any company as it represents the organisation to all its stakeholders.PR has to play the role of an advocate or a communicator as and when needed. Corporate image and identity is also defined.

PR is also connected to the community and social activities related to it. For e.g.: CSR projects by different companies.

2.6 Answer for Check Your Progress

Check your progress 1

Answers: (1-c), (2-d), (3-b)

Check your progress 2

Answers: (1-b), (2-d), (3-a)

Check your progress 3

Answers: (1-a), (2-a)

2.7 Glossary

1. **Campaign** - The execution of a strategic marketing, public relations or communications plan that usually spans a longer period of time and which has certain goals and objectives it is trying to achieve.
2. **Press Release** - A news announcement, usually put out by a representative of an organization, that features a new development, product, service or other event of historical or reputation importance for the organization.

2.8 Assignment

Prepare a press release for “CSR AWARDS-2015” where chief guest is a renowned celebrity who has worked for a social cause of empowering underprivileged women. There are three categories of awards namely: IT, manufacturing and Service Sector. The article should be limited to 300 words.

2.9 Activities

Keeping the reference of Corporate Identity and Image in mind do the following activity:

Name the logos and tag lines of the following:

- | | | |
|------------|--------------|---------------|
| 1] CADBURY | 2] STARBUCKS | 3] VOLKSWAGEN |
| 4] AUDI | 5] HARPIC | 7] McDONALDS |

Write various activities conducted as a part of CSR by Indian Multinationals like TCS, Infosys etc.

2.10 Case Study

A McDonald's Restaurants case study

Introduction

McDonald's is one of the most popular brands worldwide. This case study shows how McDonald's persistently aims to build its brand by listening to its customers. It also recognises the various stages in the marketing process. Branding develops the identity for an organisation, product or service. The brand image represents how consumers view the organisation.

Branding only works when an organisation acts and presents itself consistently. Marketing communication approaches, such as advertising and campaigning, are used to create the colours, designs and images, which give the brand its recognisable face. At McDonald's this is represented by its familiar logo - the Golden Arches.

The starting point is to find out that likely customers are - not everyone will want what McDonald's has to offer. The customers here are known as key audiences.

The marketing mix and market research

Having identified its target audience a company has to ensure a marketing mix is created that appeals specifically to those people.

The marketing mix is a term used to describe the four main marketing tools (4Ps):

- product
- price
- promotion
- And the place through which products are sold to customers.

Using detailed information about its customers, McDonald's marketing department can determine:

1. What products are well received?

2. What prices consumers are willing to pay?
3. What TV programmes, newspapers and advertising consumers read or view?
4. What restaurants are visited?

Market research

McDonald's faces rivalry from other businesses. Additionally, economic, legal and technological changes, social changes, the retail environment and many other elements affect McDonald's growth in the market.

Market research recognizes these factors and anticipates how they will affect people's readiness to buy. As the economy and social attitudes change, so do purchasing patterns. McDonald's needs to categorise whether the number of target customers is growing or shrinking and whether their purchasing habits will change in the future.

They can be even more significant than the products' physical benefits. Through marketing, McDonald's establishes a noticeable position in the minds of all customers. This is known as branding.

Meeting the needs of target audiences:

There are a limited number of clienteles in the market. To build long-term business it is critical to retain people once they have become customers. Market research classifies different types of customers. These examples represent just a few of McDonald's possible customer profiles. Each has different reasons for coming to McDonald's.

Using this type of data McDonald's can tailor itself to the needs of specific groups. It is their requirements that determine the type of products and services offered, prices charged, promotions created and where restaurants are located. To meet the needs of the key market it is imperative to analyse the core marketing strengths of the organisation. Strengths and weaknesses must be identified, so that a marketing policy which is correct for the business can be decided upon.

The analysis will include the:

- Company's products and how suitable they are for the future.
- Quality of employees and how well qualified they are to offer the best service to customers.
- Systems and how well they function in giving customer satisfaction e.g. marketing databases.

- Financial resources accessible for marketing.

SWOT

Once the strengths and weaknesses are identified, they are united with the opportunities and threats in the market place. This is known as SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats). The business can then control what it needs to do in order to grow its chances of marketing successfully.

Marketing objectives:

The objectives communicate what marketers want to achieve.

Long-term objectives are fragmented into shorter-term measurable targets, which McDonald's uses as milestones along the way. Results can be examined regularly to see whether objectives are being met. This type of opinion allows the company to change plans giving it flexibility. Once marketing objectives are set the next stage is to outline how they will be achieved. The marketing strategy is the statement of how objectives will be transported. It explains what marketing actions and resources will be used and how they will work together

The 4Ps

At this point the marketing mix is put together:

Product

The important thing to remember when offering menu items to customers is that they have a choice. They have a huge number of ways of spending their money and places to spend it. Therefore, McDonald's places considerable emphasis on developing a menu which customers want. Market research establishes exactly what this is. However, customers' desires change over time. In order to meet these fluctuations, McDonald's has announced new products and phased out old ones, and will continue to do so. Care is taken not to harmfully affect the sales of one choice by introducing a new choice, which will cannibalise sales from the existing one (trade off).

Price

The danger of using low price as a marketing tool is that the customer may feel that quality is being compromised. It is significant when deciding on price to be fully aware of the brand and its integrity. A further significance of price reduction is that competitors match prices causing in no extra demand. This means the profit margin has been reduced without accumulative sales.

Promotions

The promotions aspect of the marketing mix insures all types of marketing communications. The approaches include advertising, sometimes known as 'above the line' activity. Advertising is conducted on TV, radio, cinema, online, poster sites and in the press (newspapers, magazines). What distinguishes advertising from other communications is that media is paid before the advertiser can take space in the medium. Other promotional methods include sales promotions, point of sale display, merchandising, direct mail, telemarketing, exhibitions, seminars, loyalty schemes, door drops, demonstrations, etc.

The expertise in marketing communications to develop a campaign which uses several of these methods in a way that provides the most effective results is what counts. It is vital that the messages connected support each other and do not confuse customers. An exhaustive understanding of what the brand embodies is the key to a reliable message. The purpose of almost all marketing communications is to influence the target audience to take some type of action. This may be to: buy the product, visit a restaurant, recommend the choice to a friend or increase purchase of the menu item.

Place: Place in the marketing mix, is not just about the physical location for products. It incorporates the management of a range of processes involved in bringing products to the end consumer.

Conclusion: Once the marketing strategy is in order various responsibilities are given to individuals so that the proposal can be implemented. Systems are put in place to obtain market feedback which measure success against short-term targets.

2.11 Further Readings

1. "How to Win Friends and Influence People" by Dale Carnegie.
2. The New Rules of Marketing & PR: How to Use Social Media, Online Video, Mobile Applications, Blogs, News Releases, and Viral Marketing to Reach Buyers Directly by David Meerman Scott.
3. "Confessions of an Advertising Man" by advertising legend David Ogilvy.
4. Spin: How to Turn the Power of the Press to Your Advantage" by Michael S. Sitrick.
5. Shape Minds, Build Brands, and Deliver Results with Game-Changing Public Relations" By Ronn Torossian.

UNIT 3: PR AND MEDIA

Unit Structure

3.0 Learning Objectives

3.1 Introduction

3.2 Relations with the Media

3.2.1 Preparing Press Kits

3.2.2 Preparing Press Releases

3.3 Conducting Press Conferences

3.3.1 Conducting Live or Taped Interview

3.3.2 Dealing with the Media

3.4 Building Good Relationships with the Media

3.4.1 How to Handle the Media During Crisis Situations

3.5 Let Us Sum Up

3.6 Answers for Check Your Progress

3.7 Glossary

3.8 Assignment

3.9 Activities

3.10 Case Study

3.11 Further Readings

3.0 Learning Objectives

After learning this unit, you will be able to understand:

- The relations of PR with media.
- Role of Press in making PR Campaign Effective.
- How to build good relationships with media.
- Role of PR in handling Crisis situations.

3.1 Introduction

Public relations, or PR, practitioners and members of the media have roles that are in many ways complementary. Both sides of these relationships have common goals of creating a story, or developing a narrative, that keeps readers, listeners and viewers informed. The downside is that both parties have many opportunities for tension between them and their relationships between them can have many ups and downs.

3.2 Relations with the Media

PR should build good relationship with media as they are the fastest medium to reach to people. Handling media is not only the complicated and challenging task but it requires regular and consistent efforts at all the levels.

The aim of Public relations activities is to cultivate a strong, positive image of the organization among its stakeholders. Similar to effective advertising and promotions, effective public relations often depends on designing and implementing a well-designed public relations plan. The media leaves a good impact and stable impact on the public mind. Any type of media whether it is press or electronic or digital it has got maximum reach to all sorts of people. Like press PR also acts as watch dog of the functioning of Press from outside but actually its job is about advising the organisation as to the best manner in which the policies, programmes and activities are to be projected. The PR person as an organisation oriented professional gives out information on a variety of subjects and canalizes to the press through several of tools and techniques of communication. They are press releases, feature articles, advertisements, backgrounders and face to face communications like personal meetings, briefings, press conferences.

3.2.1 Preparing Press kits

- Press Kit also called as media kit is nothing but an information packet about a business or product. It is called a media kit or a press kit because many times prospective advertising mediums will ask for more information on the potential advertiser. It is like a resume for your company. It consists of a collection of company information and articles put together to address questions from the media, investors, potential clients and others. Since most

of this advertising is press-and media-related, so the term media kit was adopted. The goal of the press kit is similar as all other marketing tools that a company does. It should attract the reader's attention, make a lasting impression and create enough interest that they will contact you for more information. Press Kit should be comprehensive enough to convey the right information.

Press kit should have following essential components:

- It should have Letter of introduction: It is also referred as the pitch letter; it is the first impression item where you will take hold of the reader's interest. A table of contents [Index] or a brief description of the items enclosed in the actual press kit.

It is must to include your contact information in this letter.

- **Information on the company:** This includes your company's history, a company profile, and profiles of the chief officers, senior management and ownership. Includes bio sheets, if appropriate.
- **Product and service information:** It includes information about a product, service or performance review: This will give a judgement about what others are saying about the product and it will help the editor write his own review. This should also be supported with product or service fact sheets, sale sheets or company brochures that are specific to your product or service.
- **Recent press publications and articles:** Copies of recent press coverage is very appropriate for a press kit. It should include article reprints and printouts of online press that a company might have received.
- **Press releases:** Many times, these are what instigated and caused the printing of the articles
- **Audio and video files of radio or TV interviews:** Speeches, performances and any other media-covered event: Hard copies will suffice if the actual media is not available.
- **List of frequently asked questions:** It helps the editor determine what questions to ask you in an interview or what to include in the article.
- Non-profit and community-service involvement if any as a part of CSR activity should be highlighted
- Recent awards.

- Photos (if appropriate).
- Specific information and schedules of upcoming promotions and events.
- Significant statistics specific to your industry, demographics and target audiences.
- Feature article material, such as articles written by company officers or senior management.
- Missions, goals and objectives.
- Giveaway information.
- An order form.

3.2.2 Preparing Press Releases

Press Release is an official written document which is a recorded communication. It affords reporters with information comprising the basics needed to develop a news story. Press releases help in publicising a range of news items, events, awards, new products and services and financial data, accomplishments, etc. They are often used in making a feature story or are sent for the purpose of broadcasting news conferences, upcoming events or a change in corporation.

Press Release should have following structural elements:

- **Headline** - It should be appealing enough to grab the attention of journalists and briefly summarize the news.
- **Dateline** - The release date and the venue of the press release should be written.
- **Introduction** - First paragraph should give rudimentary answers to the questions of who, what, when, where and why.
- **Body/Content** - Further description, statistics, background, or other relevant details to the news should be given in it.
- **Boilerplate** - It is a short "about" information unit, providing independent background on the issuing company, organization, or individual and can be salvaged without changing the content.
- **Contact information** - Relevant contact information [Phone number, email, and mailing address] for the PR or other media relations contact person.

Check your progress 1

1. Boilerplate is defined as :
 - a. Induction Plate
 - b. Plate used to boil the stuff
 - c. It is an official written document that can be reused as information.
 - d. electronic device
2. As a main component Press kit Should have :
 - a. Letter of introduction or pitch letter.
 - b. Good envelope and an invite inside.
 - c. both a and b
 - d. none of the above
3. Press kit is also called as “Media kit: It is just like
 - a. Resume of the company
 - b. Feature of the company
 - c. Both a and b
 - d. None of the above

3.3 Conducting Press Conferences

A press conference is the voluntary presentation of information to the media. In a press conference, you decide what information is presented, how it is presented and who presents it. It is an opportunity to get your story on TV, radio or in the paper. To hold a press conference, you contact the media, pick a time and a place, make a presentation and respond to reporters’ questions.

Before press conference is planned one has to be very clear about the goals. This will help you do a better job of planning the press conference. Some logical reasons for holding a press conference:

- To get publicity about your efforts for the problems to get widespread media coverage.
- To send a message to a decision maker about what you want.

- To get more people involved in your organization to develop the skills of your members.
- To show the strength of your group.

Following steps are involved in conducting a press conference:

- **Define The Message:** The message or the news to be conveyed should be defined properly with respect to its subject, persons involved, its implications on company and customer at large.
- **Schedule The Date And Time:** The date and time and venue for the press conference should be conveyed through appropriate media to all the invitees.
- **Pick The Site:** The location for the press conference should have good ambience depending upon the subject of the conference and it should be easily approachable.
- **Select An Train Your Participants:** The participants who are going to be part of the press conference to serve during the press conference should be trained as per their allotment and service capacities so that they serve better.
- **Contact the Media:** Appropriate media should be contacted to take the coverage of the event.
- **Follow Up With The Media:** The same media should be followed up so that they release the news of the event and product through their channel to reach it to maximum customers.
- **Develop A Press Kit:** The press kit should be made for the some by putting all the requisites in it and should be distributed to all who are present for the same.
- **Prepare The Room:** The press room should be ready with the proper set up so that the news can be announced to all.

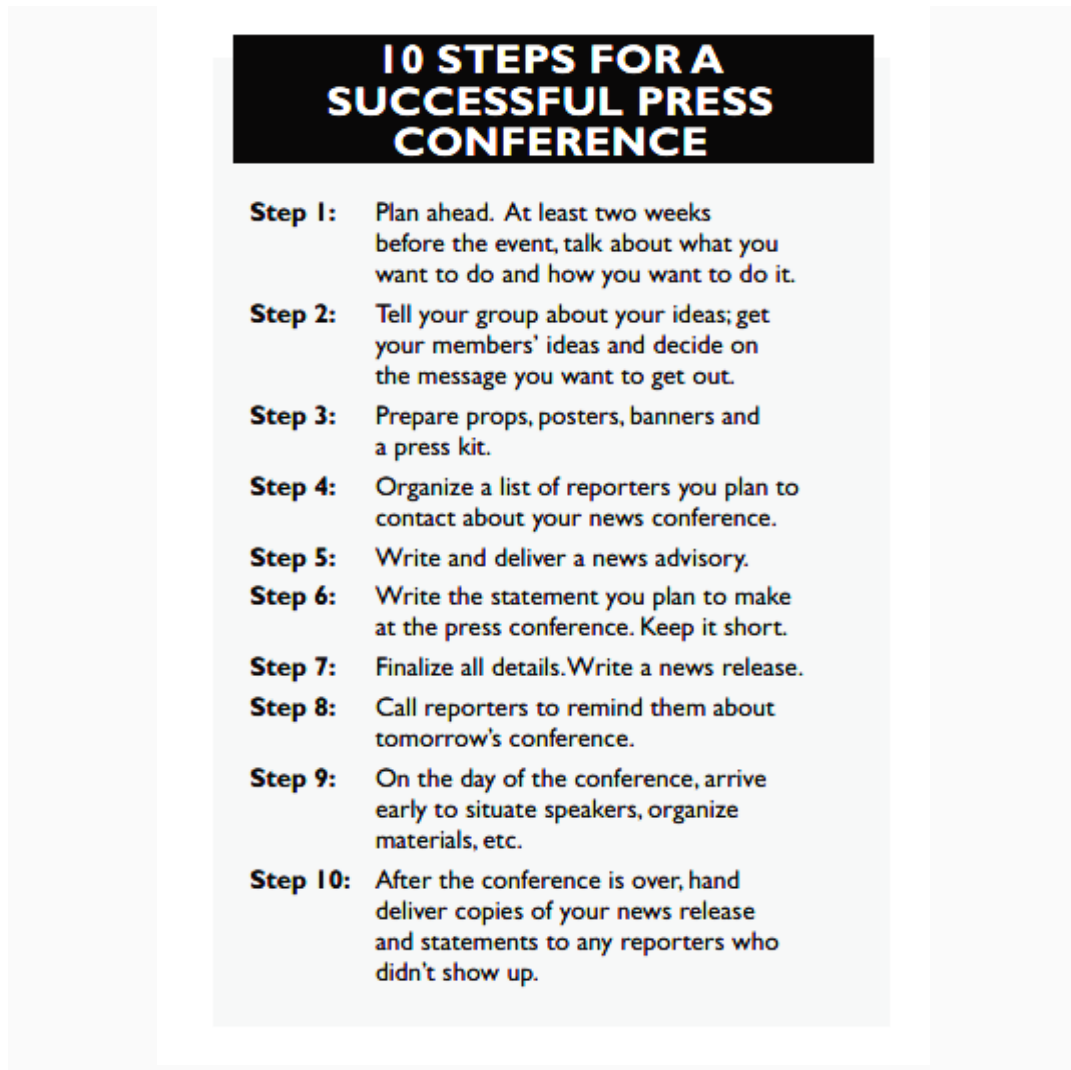


Fig 3.1 10 steps for a successful press conference

3.3.1 Conducting Live or Taped Interview

Live or taped interviews are alternatively also known as Web Interviews. They are prepared with the help of audio visual communications technology. It combines teleconferencing with the Web to produce interactive presentations and collaboration. Webinars and Webcasts are types of Web conferences that primarily are one-way communications, i.e., delivered by the presenter with no opportunity for audience feedback. E meetings are also very popular way of meeting. They are also termed as virtual conferences.

Such meetings have gained popularity because they offer a richer form of communication while saving time and money. Web conferences allow participants to remain at their desks and take part in the interactive sessions via their computer desktops. Using Web conferencing along with other virtual collaboration tools can

increase productivity, and improve communication among physically separate locations, allow groups to meet more frequently, and facilitate critical meetings on short notice. Other benefits include immediate technical assistance and troubleshooting, substantially reduced costs for travel, and the potential for involving more staff.

3.3.2 Dealing with the Media

The relationship with media is inevitable for PR. The relationship demands to be very cordial as both give business to each other. In fact all the facets of media and PR are interrelated. The PR plays a big role in the total marketing of its organisation. That role is reflected when the media comes in the picture and informs public about the product or an event following are the ways to initiate and maintain relationships with the media.

Maintain media/blogger wish list

Contact them through mail, personal meetings or via social media like twitter, Facebook, etc.

Follow on Twitter, subscribe on Facebook.

Start commenting on articles/blog posts/social content.

Search for competitor's coverage.

Follow their material before ever reaching out.

Note where they are active online.

Have a judgement how they like to be contacted – Is blogger PR friendly?

Does journalist seek story ideas via social media?

Participate in industry chats Share their content.

Share company news as you have it or story ideas on why you are relevant as an expert source for stories.

It's not only to initiate the contact but also to maintain and nurture it for future which matters a lot. So being frequently in touch with them is desirable.

There are some rules to deal with media they are as follows:

1. PR should always Stay Calm, Professional & Factual.

2. Don't Say Anything You Don't Want Published.
3. Assume you're Being Recorded.
4. Gather Data.
5. End up on a friendly note.

Check your progress 2

1. Live or taped interviews are alternatively also known as
 - a. Web Interviews
 - b. Recorded interviews
 - c. Face to face interviews
 - d. past interviews
2. Webinars and Webcasts are types of Web conferences that primarily are
 - a. one-way communications
 - b. two way communications
 - c. both a and b
 - d. only b

3.4 Building Good Relationships with the Media

PR should build good relationship with media as they are the fastest medium to reach to people. Managing media is not only the complicated and challenging task but it requires regular and consistent efforts at all the levels. The relationship is not only purpose oriented but it continues to exist even after that .The efforts should be taken to maintain it even when the work is not assigned to media. Constantly meeting media people, being socially in touch with them like on social media sites of twitter, Facebook, attending any other event were they are going to be present. Or taking media persons out for coffee, lunch, etc. are the acts of relationship building Sharing company news or about product or service launch , inviting them to subscribe and like the web pages of company are some of the ways of being connected to media.

Things to avoid:

- Smothering and obnoxious follow up.
- Only talking about you and your company when you comment or respond on social channels.
- Complaining publicly if you're misquoted or the story doesn't turn out how you wanted it.

3.4.1 How to Handle the Media During Crisis Situations

A crisis is any situation that threatens the integrity or reputation of your company, usually brought on by adverse or negative media attention. These situations can be any kind of legal dispute, theft, accident, fire, flood or manmade disaster that could be attributed to your company.

Every organization is susceptible to crises; organizations do not understand that, without adequate communications, operational response will break down. Stakeholders (internal and external) will not know what is happening and quickly be negatively reactive. The organization will be perceived as incompetent and criminally negligent the basic steps of effective crisis communications are not difficult, but they require advance work in order to minimize damage. The slower the response, the more damage is incurred.

The 10 Steps of Crisis Communications:

- **Appoint Your Crisis Communications Team:** A small team of senior executives should be identified to serve as your organization's Crisis Communications Team. The team will be led by the organization's CEO, with the firm's top public relations executive and legal counsel as his or her chief advisers. If the in-house PR executive does not have sufficient crisis communications expertise, he or she may choose to retain an agency or independent consultant with that specialty.
- **Appoint Spokespersons:** Within each team, there should be individuals who are the only ones authorized to speak for the organization in times of crisis. The CEO should be one of those spokespersons, but not necessarily the primary spokesperson. The fact is that some chief executives are brilliant business people but not very effective in-person communicators. The decision about who should speak is made after a crisis breaks — but the pool of potential spokespersons should be identified and trained in advance.
- **Train the Spokesperson:** All stakeholders — internal and external — are just as capable of misunderstanding or misinterpreting information about your organization as the media, and it's your responsibility to minimize the chance of that happening.
- **Establish Notification Systems:** It is absolutely essential, pre-crisis, to establish notification systems that will allow you to rapidly reach your stakeholders using multiple modalities.

- **Develop Holding Statements:** While full message development must await the outbreak of an actual crisis, "holding statements" — messages designed for use immediately after a crisis breaks — can be developed in advance to be used for a wide variety of scenarios to which the organization is perceived to be vulnerable.

Check Your Progress 3

1. What are the things to avoid when dealing with media :
 - a. Smothering and obnoxious follow up.
 - b. Only talking about you and your company when you comment or respond on social channels.
 - c. Complaining publicly if you're misquoted or the story doesn't turn out how you wanted it.
 - d. all of the above.
2. Messages designed for use immediately after a crisis breaks are known as :
 - a. holding statements.
 - b. breaking news.
 - c. both a and b.
 - d. none of the above.

3.5 Let Us Sum Up

In this unit we studied about the PR relations with media. What are the parameters of the relationship with media is also mentioned. It's a very crucial role that PR plays while interacting with media.

How to prepare press kits? How to arrange press conferences? How to conduct live or taped interviews has been mentioned. To build good relationship with media has been emphasised. And how to handle media in crisis situations have been mentioned. There are ways to build relationship with media which are mentioned. Also what to avoid while building this relationship is also mentioned.

3.6 Answer for Check Your Progress

Check your progress 1

Answers: (1-c), (2-a), (3-a)

Check your progress 2

Answers: (1-a), (2-a),

Check your progress 3

Answers: (1-d), (2-a)

3.7 Glossary

1. **Virtual Meeting** - A meeting or conference facilitated via the Internet.
2. **E-Meeting** - A Web conference or virtual meeting.
3. **Webcast** - A media file distributed over the Internet - broadcasting using the Internet.
4. **Webinar** - A one-way Web conference, usually from the presenter to the audience.
5. **Crisis Communications** - The type of communications that organizations use when experiencing a crisis. It is differentiated from the ordinary communications messages put out by the organization.
6. **Media Relations** - A common PR practice that involves conversing with members of the press for such purposes as scheduling interviews, ensuring story coverage, supplying quotes, providing facts and figures, and following up on commitments to cover a story.
7. **Press Kit** - A package of promotional material provided to members of the press to brief them, especially about a product, service, or candidate.

3.8 Assignment

Attend the Google handout with a celebrity or a politician or any famous personality of your interest.

3.9 Activities

Prepare a questionnaire for the interview to be taken of an Environmentalist by you on the occasion of World Environment Day.

3.10 Case Study

Managing Crisis

If your company is in a crisis situation, what do you do? How would you react? This case describes a sudden event at a petrol pump and the prompt response of the employees.

Industry: Retail

Location: Busy petrol pump, name XYZ, having five vending machines for petrol and three for diesel. The busiest filling line is for motorcycles with around twenty motorcycles waiting in queue at any time of the day. **Situation:** You are the petrol pump manager Mr. X and responsible for smooth operations of the entire pump station for services offered. In addition to the transactions at the refill machines there are customer services like air filling, pollution checking, puncture repair, vehicle spares and consumables, washing centre, etc. Each refill station is manned by two attendants and they have to ask the volume, set the machine, fill fuel, take money, and give balance and bill if asked for.

Time: It's a very warm April afternoon and all are in an exasperated mood, inspite of the petrol pump having good shade..

Incident: A heavy motorcycle with a strong rider, Mr E and pillion rider Mr D, come in charging. Breaking the queue discipline, they rush straight to the filling point. Mr E orders the attendant Mr C to fill his tank at once. The attendant boy refuses and asks Mr E to come by the queue. The pillion rider, Mr D, uses some bad words, the attendant loses his cool and retorts. Now the rider Mr E gets down and slaps Mr C point blank on his ear and cheek, while he is filling the tank of the vehicle in queue. The attendant is enraged and twirling the fuel pipe, hits the rider Mr. D with the steel part. A person waiting for bill, shouts at both of them and asks them to behave. All other pump attendants now stop work and start watching. The rider Mr E and Mr D both start the vehicle, shouting threatening words. Situation goes real 'hot', other attendants are not intimidated, could lead to a street fight or a riot. Mr C runs to the manager Mr Y, explains the drama.

The saviour: Getting the seriousness, Mr Y rushes to the spot, sends back Mr C to attend the waiting customers. He requests and orders all other attendants to keep cool and attend customers. He then goes out to listen to Mr E, cools him down. Mr E and Mr D both drive away. Prima facie the crisis is ended. Situation is controlled.

Case Study Questions

1. Analyse the case carefully and list at least three communication issues.
2. Is the crisis over? If you think otherwise, make a list of possible outcomes and steps to prevent them.
3. You are Mr X - List the key elements of a crisis management plan you develop to handle such a crisis quickly and effectively in future.

3.11 Further Readings

1. “How to Win Friends and Influence People” by Dale Carnegie.
2. The New Rules of Marketing & PR: How to Use Social Media, Online Video, Mobile Applications, Blogs, News Releases, and Viral Marketing to Reach Buyers Directly by David Meerman Scott.
3. “Confessions of an Advertising Man” by advertising legend David Ogilvy.
4. Spin: How to Turn the Power of the Press to Your Advantage” by Michael S. Sitrick.
5. Shape Minds, Build Brands, and Deliver Results with Game-Changing Public Relations” By RonnTorossian.

Block Summary

In this block we studied about the role of public relations in marketing communication. We learnt about 4 Ps of marketing and the role of promotion in that PR plays a crucial role in making promotion possible. Different definitions of PR have been given. The role of PR is mentioned along with two examples. The contribution of PR in Issues management, Relationship management, responsibility of management for communication, management in crisis situation, reputation or restoration, resource enhancement, management of risks, managing PR strategically have been stated.

Qualities of PR have also been mentioned. In Ethics and PR, the code of conduct is given. The role of PR as a communicator is described in detail.

The procedure for exchange of messages is also described in detail.

The different models of communication are explained specifically how to overcome barriers in communication is suggested.

The importance of body language in PR is emphasised. Definition of PR variables like corporate identity, corporate image, and corporate communication is given and PR responsibilities are also mentioned.

The role and contribution of PR in public and community activities is mentioned.

The PRs relationship with media has also been mentioned and the importance of maintaining it is stressed.

The role of PR in handling crisis situations has also been mentioned. How to prepare press kits and press releases has been explained.

Block Assignments

Short Answer Questions

Write short notes on the following:

- a. Press Advertising.
- b. Outdoor or Mural Advertising.
- c. Direct Mail Advertising.
- d. Other Media of Advertising.

Long Answer Questions

1. Discuss the importance of promotion in marketing mix.
2. Explain the Image building through promotion.
3. Sales promotion and Advertising.
4. Direct sales promotion and Personal selling.
5. Newspaper advertising and direct marketing
6. role of PR in maintaining relationships with media
7. Promotion may be defined as “the co-ordination of all seller – initiated efforts to set up channels of information and persuasion to facilitate the sale of goods or service or the acceptance of an idea”. Discuss.

Enrolment No.

1. How many hours did you need for studying the units?

Unit No	1	2	3	4
Nos of Hrs				

2. Please give your reactions to the following items based on your reading of the block:

Items	Excellent	Very Good	Good	Poor	Give specific example if any
Presentation Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Language and Style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Illustration used (Diagram, tables etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Conceptual Clarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Check your progress Quest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Feed back to CYP Question	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____

3. Any Other Comments

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*Education is something
which ought to be
brought within
the reach of every one.*

”

- Dr. B. R. Ambedkar



Dr. Babasaheb Ambedkar Open University
'Jyotirmay Parisar', Opp. Shri Balaji Temple, Sarkhej-Gandhinagar Highway, Chharodi,
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MARKETING COMMUNICATION AND PRESENTATION SKILLS

PGDM-102

**BLOCK 3:
MARKETING
COLLATERAL**

**Dr. Babasaheb Ambedkar Open University
Ahmedabad**



MARKETING COMMUNICATION AND PRESENTATION SKILLS



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ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.

Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



PREFACE

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!



MARKETING COMMUNICATION AND PRESENTATION SKILLS

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MARKETING COMMUNICATION AND PRESENTATION SKILLS

BLOCK 3: MARKETING COLLATERAL

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BLOCK 3: MARKETING COLLATERAL

Block Introduction

Market segmentation services are used to provide psychographic segmentation and analysis that enhance demographics and other forms of market research.

In Psychographic market the segmentation customers are described in terms of their activities, interests, opinions, emotions, values, motivations and lifestyles. Services can be used alone to enhance the benefits of traditional market segmentation, including behavioural and customer database analysis.

This block discusses the application of psychographic segmentation is said to improve product and service development, brand positioning, targeting, advertising and marketing effectiveness and the outcome is greater returns on marketing investment. Combination of expertise in branding, marketing and advertising with deep and extensive knowledge of human behaviour, cognitive psychology and personality measurement is made. An extensive library of psychometric instruments, surveys and personal interview techniques can be deployed quickly and economically to include existing market research processes. Practical and actionable analysis that is easily implemented and scalable to large populations is provided. Marketers have found market fragmentation to be a worthwhile technique for four reasons:

- Efficient use of marketing resources.
- Better understanding of customer needs.
- Better understanding of the competitive situation.
- Accurate measurement of goals and performance.

Block Objective

After learning this block, you will be able to understand:

- Market Segmentation.
- The Variables of Market Segmentation.
- Importance of Market Segmentation.

Marketing
Collateral

- Marketing communication campaign.
- Marketing decision making models.
- The product life cycle.

Block Structure

Unit 1: Market Segmentation, Targeting and Positioning

Unit 2: Marketing Communications and Campaigns

Unit 3: Marketing Decision Models

Unit 4: Total Product Concept

UNIT 1: MARKET SEGMENTATION, TARGETING AND POSITIONING

Unit Structure

1.0 Learning Objectives

1.1 Introduction

1.2 Basis of Market Segmentation

1.2.1 Basis of Market Segmentation (B2C)

1.2.2 Basis of Market Segmentation (B2B)

1.3 Profiling the Segments

1.3.1 Criteria for Successful Segmentation

1.4 Market Targeting and Market Positioning

1.5 Steps in Market Segmentation, Targeting and Positioning

1.6 Let Us Sum Up

1.7 Answer for Check Your Progress

1.8 Glossary

1.9 Assignment

1.10 Activities

1.11 Case Study

1.12 Further Readings

1.0 Learning Objectives

After learning this unit, you will be able to understand:

- The Market Segmentation.
- Business to customer [B2C] variables of Market Segmentation.
- Business to Business [B2B] variables of Market Segmentation.
- Profiling of marketing segments.
- About the market positioning and targeting.

1.1 Introduction

Marketing collateral is the collection of media used to support the sales of a product or service. "Collateral" is referred to brochures or sells sheets developed as sales support tools. These sales aids are used to make the sales effort easier and more effective. The brand of the company usually presents itself by way of its collateral to enhance its brand through a consistent message and other media, and must use a balance of information, promotional content, and entertainment. Examples of marketing collateral include:

- Sales brochures and other printed product information
- Visual aids used in sales presentations
- Web content
- Sales scripts
- Demonstration scripts
- Product data sheets
- Product white papers

Marketing collateral differs from advertising in that it is used later in the sales cycle, usually when a prospective purchaser has been identified and sales staff is making contact with them. The diagram below shows the example of marketing collaterals: The complimentary packing slips, Business Cards, Letterheads which reveal the corporate identity is part of it.

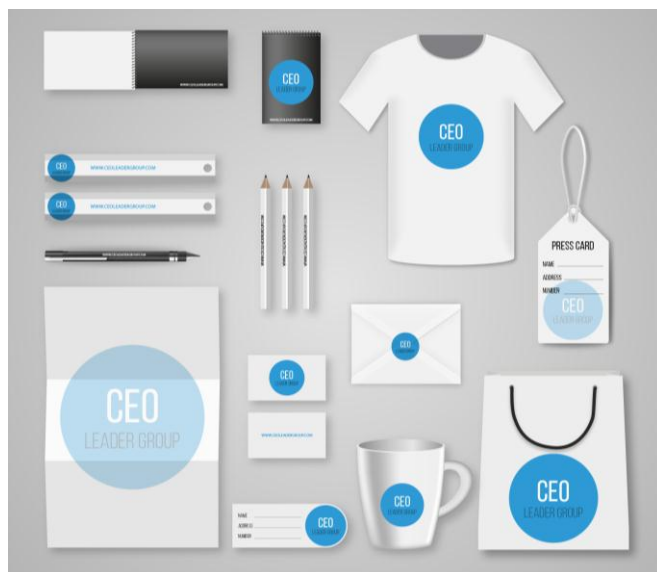


Fig 1.1 Marketing Collaterals

It is printed or electronic information used to help encourage people to buy a product.

1.2 Basis of Market Segmentation

Market Segmentation

The process of defining and subdividing a large homogenous market into clearly identifiable segments having similar needs, wants, or demand characteristics. Its objective is to design a marketing mix that precisely matches the expectations of customers in the targeted segment.

- "Whenever a market for a product or service consists of two or more buyers, the market is capable of being segmented, that is divided into meaningful buyer groups. The purpose of segmentation is to determine differences among buyers which may be consequential in choosing away from them or marketing to them." Philip Kotler
- "Market segmentation consists of taking the total heterogeneous market for a product and dividing it into several submarkets or segments, each of which tends to be homogeneous in all significant aspects." William J. Stanton

Few companies are big enough to supply the needs of an entire market; most must breakdown the total demand into segments and choose those that the company is best equipped to handle.

Four basic factors that affect market segmentation are:

- clear identification of the segment
- measurability of its effective
- size, its accessibility through promotional efforts
- its appropriateness to the policies and resources of the company

The five basic market segmentation-strategies are based on

- **Behavioural:** The loyalties of the customers towards a particular brand help the marketers to classify them into smaller groups, each group comprising of individuals loyal towards a particular brand.
- **Demographic:** Depend upon gender, age group, income group, etc. as far as age is concerned people may exhibit the age wise characteristic but they may not behave their biological age.

- **Psychographic:** The basis of such segmentation is the lifestyle of the individuals. The individual's attitude, interest, value help the marketers to classify them into small groups.
- **Geographical differences:** Geographic segmentation refers to the classification of market into various geographical areas. A marketer can't have similar strategies for individuals living at different places.
- **Occasional Segmentation:** This segmentation focuses on analysing occasions, independent of the customers. For example: such as bearing in mind Coke for instances of being thirsty, having dinner, without taking into consideration the differences an affluent and middle-class customer would have during these occasions.

Competitive position is not a necessary criterion for the purpose of market segmentation.

Market segmentation is a marketing concept which divides the complete market set up into smaller subsets comprising of consumers with a similar taste, demand and preference. Market segmentation is the process of identifying groups of customers with basically similar wants, needs, preferences or buying behaviours. A market segment is a small unit within a large market comprising of like minded individuals.

One market segment is totally distinct from the other segment. A market segment comprises of individuals who think on the same lines and have similar interests. The individuals from the same segment respond in a similar way to the fluctuations in the market.

Variables of Market Segmentation

There is a need to determine the variables that distinguish marketing segments from other segments:

- Segmentation variables should be related to consumer needs for and uses of or behaviour toward the product.
- Segmentation variable must be measurable. There is no best way to segment markets. Selecting inappropriate variable limits the chances of success.

Importance of Market Segmentation

The market segmentation aims towards the following advantages to the seller or producer:

1. **Adjustment of product and marketing appeals:** Market segmentation presents an opportunity to understand the nature of the market. The seller can adjust his thrust to attract the maximum number of customers by various publicity media and appeals.
2. **Better position to spot marketing opportunities:** The producer can make a fair estimate of the volume of his sale and the possibilities of furthering his sales. In the regions where response of the customers is poor, the strategy of approach can be readjusted accordingly to push the sale.
3. **Allocation of marketing budget:** It is based on market segmentation that marketing budget is adjusted for a particular region or locality. In the place where the sales are limited, it is no use allocating a huge budget.
4. **Effective competition with rivals:** It helps the producer compete with his rivals effectively. The producer can adopt different strategies for different markets taking into account the rivals strategies.
5. **Effective marketing programme:** It also helps the producer to adopt an effective marketing programme and serve the consumer better at comparatively low cost. Different marketing programmes can be used for different segments.
6. **Evaluation of marketing activities:** Market segmentation helps the manufacturer to find out and compare the marketing potentialities of the products. It helps to adjust production and using resources in the most profitable manner. As soon as the product becomes obsolete, the product line could be diversified or discontinued.

1.2.1 Basis of Market Segmentation (B2C)

Most of the B2C service organizations segment according to customer:

- **Needs:** In this category customers according to similar needs, priorities, or desired outcomes for support interactions. It is most effective against customer experience goals, such as reducing complaints or facilitating low-effort interactions, because it aligns service offerings with customers' support needs, not just similarities in surface-level characteristics.
- **Lifecycle with Company:** Customers often require different service levels at different points in their lifecycles with a given company. For example, a new customer might require high-touch service during on-boarding to help ease his or her transition to the company.

- **Life Stage:** This category addresses common needs of customers in similar life stages or facing similar life events. For example, some companies offer high-touch service to youth customers to strengthen relationships with these groups and maximize their future value to the company.
- **Value:** In this category groups customers based on their current value to the company. “Value,” in this case,” is defined by customer profitability, product holdings, or loyalty.
- **Potential Value:** This category is often paired with the value-based approach to tailor service to segments with high anticipated future value (defined by future potential profitability or loyalty to the company). The goal of this scheme is often to maximize the future value of these high-potential customer groups.

1.2.2 Basis of Market Segmentation (B2B)

Business-to-business markets are considered in a number of ways that makes them very different to their consumer counterparts. Below we recapitulate the main differences between consumer and business-to-business markets, and set out the inferences for market segmentation:

A shared approach in business-to-business markets is to apply a market segmentation based on firm size. The consumption levels of business-to-business customers are so widely diverse that this often makes sense due to large corporations usually thinking and acting differently to small ones. A further sophistication may be to classify customers into those who are identified as strategic to the future of the business, those who are important and therefore key and those who are smaller and can be considered more of a transactional typology.

The ‘demographic’ fragmentations, sometimes referred to as ‘firmographic’ in business-to-business markets, are perfectly rational and may suffice. However, they do not offer that sustainable competitive benefit that competitors cannot copy. A more stimulating segmentation is one based on behaviour. Certainly large companies may be of strategic value to a commercial enterprise but some want a low cost offer stripped bare of all services while others are demanding in every way. If both are treated the same, one or both will feel unsatisfied in some way and be vulnerable to the allures of the competition.

Needs-based segments in a typical business-to business market often resemble the following:

- A price-focused section, which has a transactional outlook to doing trade and does not seek ‘extras’. Businesses in this segment are often small, working to low margins and regard the product in question as of low strategic importance to their business.
- A value and brand-focused section, which wants the best possible product and is prepared to recompense for it. Companies in this segment often work to high margins, are medium-sized or large, and regard the product/service of high strategic importance.
- A service-focused division, which has high requirements in terms of product quality and range, but also in terms of aftersales, delivery, etc. These businesses tend to work in time-bound industries. A partnership-focused division, usually consisting of crucial accounts, which seeks trust and reliability and looks at the supplier as a strategic partner. Such companies tend to be large, function on relatively high margins, and mark the product or service in question as strategically important.
 - 1) B2B markets have a more complex decision-making unit.
 - 2) B2B buyers are more ‘rational’.
 - 3) B2B products are often more complex.
 - 4) B2B target audiences are smaller than consumer target audiences.
 - 5) Personal relationships are more important in b2b markets.
 - 6) B2B buyers are longer-term buyers.
 - 7) B2B markets drive innovation less than consumer markets.
 - 8) B2B markets have fewer behavioural and needs-based segments.

Check your progress 1

1. Market _____ is the process of identifying groups of customers with basically similar wants, needs, preferences or buying behaviours.

a. Development

c. Segmentation

b. Positioning

d. Targeting

2. Which of the following is NOT a recognized basis for segmenting markets?

- | | |
|-------------------|-------------------------|
| a. Socio-economic | c. Competitive position |
| b. Demographic | d. Psychographic |

1.3 Profiling the Segments

Types of Market Segments

The different types of segments are mainly concerned with two aspects:

1. Dividing the customers into meaningful homogeneous divisions.
2. Revising the appropriate marketing mix to maximise the profitability of the operations.

The different types of segments are briefly explained as follows:

- a. Territorial or graphic segmentation:** We can divide India into two distinct regions - rural markets and urban markets. Similarly, Indian market can be divided state-wise and each state may represent a segment. This type of segmentation is very commonly used in allocating territories to salesman.
- b. Demographic segmentation:** Customers are classified in homogeneous groups under demographic similarities like age, sex, educational level, income. It is thought that persons in the same age group can be approached by the same type of appeal and publicity media. Income level grouping may be useful as regards ability of the persons to purchase the offered product. In the same way grouping based on sex plays an important part in such segmentation.
- c. Socio-psychological segmentation:** Different socio-classes have different spending behaviour patterns. Social classes' aggressiveness, submissiveness, degrees of caution and adventure with value differences determine these types of segmentation.
- d. Need-oriented segmentation:** Here the segmentation is done based on needs or benefits a group seeks from the goods.
- e. Volume segmentation:** This involves segmenting of market judging the event of use such as heavy, medium, light users and those who do

not use the product at all. Volume segmentation may further be segmented on the demographic basis.

- f. **Qualitative segmentation:** In this type of segmentation, emphasis is placed on repeat purchases by the buyers. This is first the extension of the volume segmentation. However, socio-economic characteristics cannot be correlated with heavy or light consumption.
- g. **Product segmentation:** This is directed towards differences among the product that comprise markets. Product segmentation is a less rational approach than market segmentation unless there are great differences among the products involved. Differentiated marketing helps the organisation to market products to satisfy market demands and it is more proper to satisfy its customer's needs.
- h. **Lifestyle segmentation:** This emphasises segmentation based on the distinctive mode of living of segments involving questions regarding how they spend their time, the nature of their interests and the basic characteristics like stage in the life cycle, income, education.

Today's marketing manager is required to understand the social and psychological determinants of customer behaviour. He desires his marketing strategy to be effective for this purpose and he must understand the customer's psychology and take the help of motivation research where relevant.

1.3.1 Criteria for Successful Segmentation

Market segmentation is practised by most businesses in one form or another, as a way of streamlining their marketing strategy by dividing broad-based target markets into specific groups of consumers, and devising marketing methods that will appeal to each group. Size of the company does not matter in the segmentation of market .Some marketing practitioners also use behavioural segmentation to define their target audiences.

Identifying viable segments

Clearly defined market segmentation criteria not only ensure that customers are more likely to identify – and purchase – the product that is right for them; it also minimises wastage of resources, reducing the time spent marketing the wrong products to the wrong customers. It is important, however, to focus resources on market segments whose size, growth and profitability is good, both immediately

and in the long run. The following 5 market segmentation criteria should be useful when planning your own company's market segmentation strategy.

A market segment should be:

Measurable: Market segments are usually measured in terms of sales value or volume (i.e. the number of customers within the segment). Reliable market research should be able to identify the size of a market segment to a reasonable degree of accuracy, so that strategists can then decide whether, how, and to what extent they should focus their efforts on marketing to this segment and how to define their go-to-market strategy.

Substantial: Simply put, there would be no point in wasting marketing budget on a market segment that is insufficiently large, or has negligible spending power. A viable market segment is usually a homogenous group with clearly defined characteristics such as age group, socio-economic background and brand perception. Longevity is also important here: no market segmentation expert would recommend focusing on an unstable customer group that is likely to disperse, or change beyond recognition within a year or two.

Accessible: When demarcating a market segment, it is important to consider how the group might be accessed and, crucially, whether this falls within the strengths and abilities of the company's marketing department. Different segments might respond better to outdoor advertising, social media campaigns, television infomercials, or any number of other approaches.

Differentiable: An ideal market segment should be internally homogeneous (i.e. all customers within the segment have similar preferences and characteristics), but externally heterogeneous. Differences between market segments should be clearly defined, so that the campaigns, products and marketing tools applied to them can be implemented without an overlap.

Actionable: The market segment must have practical value – its characteristics must provide supporting data for a marketing position or sales approach, and this in turn must have outcomes that are easily quantified, ideally in relation to the existing measurements of the market segment as defined by initial market research or market assessment study.

A good understanding of the principles of market segmentation is an important building block of your company's marketing strategy – the foundation for an efficient, streamlined and ultimately successful approach to customers, and a means of targeting your products and services accurately, with minimum of wastage.

Check your progress 2

1. For marketers, geo demographic classification is essentially based on an assumption that:
 - a. Attitudes lead to the development of a lifestyle.
 - b. Lifestyle leads to the development of an attitude.
 - c. Where you live affects the things you buy.
 - d. Social class is independent of geographical location.
2. Which of the following is NOT a criterion used for segmenting consumer markets?
 - a. Size of the segment
 - b. Size of the company
 - c. Accessibility by the company to the segment.
 - d. The extent to which members of the segment can be identified.
3. Positioning of a product is based on:
 - a. The price charged for the product.
 - b. The promotional pitch for the product.
 - c. Product characteristics.
 - d. All of the above.

1.4 Market Targeting and Market Positioning

Market Targeting

How marketers determine, which groups of customers to target is a critical point in marketing planning since all additional marketing decisions are going to be directed toward satisfying the markets selected.

For those new to marketing, selecting target markets may seem like a relatively easy decision to make. In fact, many inexperienced marketers will simply conclude, “We will just sell to whoever wants to buy.” However, this mind-set is both ineffective and inefficient as the marketer is likely to drain resources in their quest to locate those willing to buy. Using a target market approach, an organisation attempts to get the most from its resource by following

a planned procedure to identify customers that appear to be the best candidates to respond to the marketer's message.

Once the firm has identified its market segment opportunities, it has to decide how many and which ones to target.

Market Positioning:

1. **Positioning** - May refer to the position a business has chosen to carry out their marketing and business objectives. Positioning relates to strategy, in the specific or tactical development phases of carrying out an objective to achieve a business' or organization's goals, such as increasing sales volume, brand recognition, or reach in advertising. MOSAIC Positioning refers to the standing in the market place of one product in relation to other competing products. The whole of the marketing mix is used to position a product. It is the marketing activity and process of identifying a market problem or opportunity, and developing a solution based on market research, segmentation and supporting data. Positioning is the marketing activity and process of identifying a market problem or opportunity, and developing a solution based on market research, segmentation and supporting data.

There are three types of positioning concepts:

1. Functional positions
 - Solve problems
 - Provide benefits to customers
 - Get favourable perception by investors (stock profile) and lenders
2. Symbolic positions
 - Self-image enhancement
 - Ego identification
 - Belongingness and social meaningfulness
 - Affective fulfilment
3. Experiential positions
 - Provide sensory stimulation
 - Provide cognitive stimulation

Evaluating the market segments

For this, the firm must consider the segments' overall attractiveness and the company's objectives and resources. First, the firm must ask whether a potential segment has the characteristics that make it generally attractive, such as size, growth, profitability, scale, economies and low risk. Second, the firm must consider whether investing in the segment makes sense given the firm's objectives and resources.

Selecting the market segments

Having evaluated different segments, the company can consider five patterns of target market selection.

- **Single segment concentration:** The Company may select a single segment to concentrate on, gain a strong knowledge of that segment's needs and achieve a strong market presence. It also enjoys operating economies through specialising its production, distribution and promotion. If it captures segment leadership, the firm can earn a high return on its investment. However, concentrated marketing involves higher than normal risks.
- **Selective specialisation:** Here the firm selects a number of objectively attractive and appropriate segments promising to be money-makers. This pattern has the advantage of diversifying the firm's risk.
- **Product specialisation:** Here the firm specialises in making a certain product and sell it to several segments. Through this strategy, the firm builds a strong reputation in the specific product area. Perishability of the product is not a criterion for segmentation.
- **Market specialisation:** Here the firm concentrates on serving multiple needs of a particular customer group, gaining a strong reputation in serving this customer group and becomes a channel for further products that the customer group could use. The risk is that the customer group may have its budgets cut.
- **Full market coverage:** Here a firm attempts to serve all customer groups with all the products they might need. Only very large firms can undertake a full market coverage strategy.

The following diagrams show various patterns of targeting:

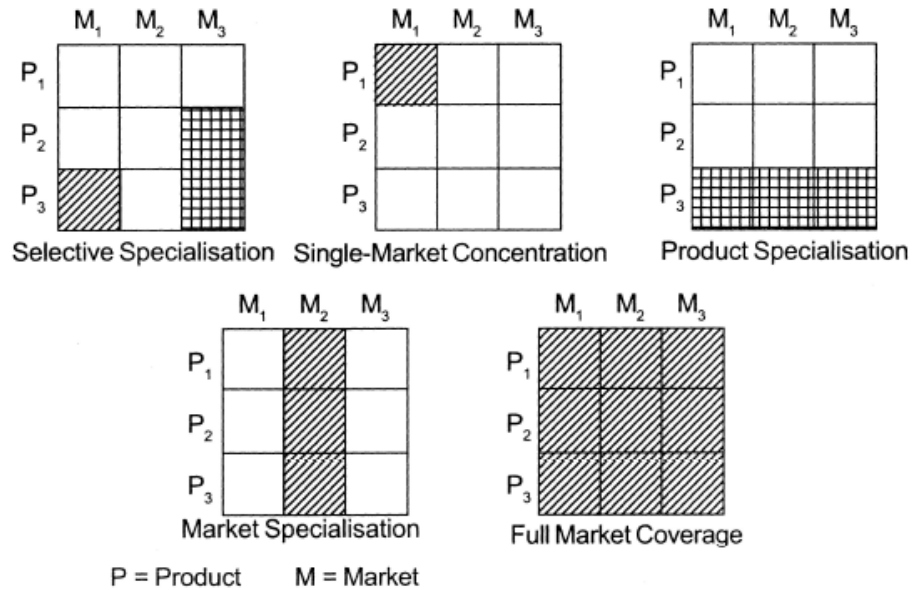


Fig 1.2 Selecting Target Markets through Market Segmentation

The market selected by a company as the target for their marketing efforts (i.e. target market) is critical since all subsequent marketing decisions will be directed toward satisfying the needs of these customers. However, what approach should be taken to select markets the company will target?

One approach is to target at a very broad level by identifying the market as consisting of qualified customers who have a basic need that must be satisfied. Because people are different and seek different ways to satisfy their needs, nearly all organisations, whether for-profit or non-profit, industrial or consumer, domestic or international, must use a market segmentation approach to target marketing. This approach divides broad markets, consisting of customers possessing different characteristics, into smaller market segments in which customers are grouped by characteristic shared by others in the segment.

To successfully target markets using a segmentation approach organisations should engage in the following three-step process.

- Identify segments within the overall market.
- Choose the segment(s) that fits best with the organisation's objectives and goals.
- Develop a marketing strategy that appeals to the selected target market(s).

Check your progress 3

1. Positioning refers to the standing in the market place of one product in relation to other competing products. The whole of the marketing mix is used to position a product
 - a. MOSAIC
 - b. MINTEL
 - c. CIM
 - d. CRM
2. A marketer needs to be aware of the criteria by which the effectiveness of their segmentation procedures can be assessed. Which of the following is NOT a criterion for evaluating the resulting market segments?
 - a. Perishability
 - b. Size of the resulting segment
 - c. Measurability
 - d. Accessibility

1.5 Steps in Market Segmentation, Targeting and Positioning

Market segmentation is widely defined as a complex process consisting of two central phases:

- Identification of broad, large markets.
- Segmentation of these markets in order to select the most appropriate target markets and develop marketing mixes accordingly.

Everyone within the marketing world knows and speaks of segmentation yet not many can comprehend its underlying mechanics. What causes this? It has been documented that most marketers fail in making the segmentation and start with a narrow mind and a bunch of misconceptions. There are many dimensions to be considered and revealing them is certainly an exercise of creativity.

The most widely employed model of market segmentation comprises of seven important steps, each of them designed to inspire the marketer to come with a creative approach.

Step 1: Recognize and label the broad market

Finalise the broad market your business is seeking to make its debut in. If you are already running a company, this can be a start; more options are available for a new business but resources it would normally be a little limited.

Use your experience, knowledge and common sense to judge if the market you have just identified is the right size for you.

Step 2: Classify and Make an Inventory of Potential Customers' Needs

Try to come up with maximum requirements of the customers from the broad market you have identified earlier. Try to identify with your potential customers: why would they buy your product and what could possibly trigger a buying decision? If you can allow these questions can help you list most needs of potential customers on a given product market.

Step 3: Create Narrower Markets

Form a sub-market around your 'potential customer', then amassed similar people into this segment, on the condition of being able to satisfy their needs using the same marketing mix.

Create a list of people-related features, demographics included, for each narrow market you form – a further step will ask you to name them.

There is no exact formula on how to form your own set of narrow markets: use your best decision and experience. Do not evade asking opinions even from non-Marketing professionals, as dissimilar people can have dissimilar opinions and you can usually gather the list of items most people agree on.

Step 4: Categorize the determining dimensions

Carefully evaluate the list resulted from the preceding step. Reviewing the attitudes of those included within each market segment can help you figure out the determining dimensions.

Step 5: Name possible segment markets

Once you have identified the causal dimensions of your market segments, review them again and name them. A good way of naming these markets is to rely on the most important influential dimension.

Step 6: Assess the behaviour of market segments

After identifying each market segment, consider other aspects you already know. It is important for a marketer to apprehend market behaviour. It is also crucial to appreciate what triggers the market behaviour. While most sections have parallel needs, they still have different needs: understanding the dissimilarities and acting upon it is the key to achieve success using competitive offerings.

Step 7: Estimate the size of each market segment

Once each segment is recognised, named and deliberated upon, it should be given a rough estimation. Evaluations of market segments will come useful later, by proposing a support for sales forecasts and assist in planning the marketing mix: the more information we can gather at this moment, the easier further development and strategy will be.

This seven-step method to market segmentation is simple practical and works for almost all marketers. However, computer-aided techniques, such as clustering and positioning are also worth trying.

Check your Progress 4

1. Marketers use a number of definitions of household income in their segmentation and targeting activities. What does disposable income refer to?
 - a. The income that individuals have available to spend after taxation.
 - b. Income before the deduction of taxes.
 - c. Total gross income.
 - d. Income less child benefits receipts.

1.6 Let Us Sum Up

We have studied that market segmentation provide psychographic segmentation and analysis that enhances demographics and other forms of market research. The elements of marketing collateral are discussed which supports the sales and services of product collateral can be a brochure or any type of a sell sheet and is a major tool. It is observed that marketers have found market segmentation to be a valuable technique for four reasons.

Steps in marketing segmentation were discussed. Marketing targeting and positioning was also discussed with respect to its type. The different types of segments. The seven steps to evaluate the market segments were also discussed. These steps are useful for all the marketers.

1.7 Answer for Check Your Progress

Check your progress 1

Answers: (1-c), (2-c), (3-c)

Check your progress 2

Answers: (1-c), (2-b), (3-d)

Check your progress 3

Answers: (1-a), (2-a)

Check your progress 4

Answers: (1-a)

1.8 Glossary

1. **Advertising** - The placement and purchase of announcements and persuasive messages in time or space in any of the mass media by business firms, nonprofit organizations.
2. **Consumer behavior** - The behavior of the buyer or decision maker in the market for products and services.
3. **Consumer characteristics** - The demographic, lifestyle and personality characteristics of the consumer.
4. **Market development** - Expanding the total market served by 1) entering new segments, 2) converting nonusers, 3) increasing use by present users.
5. **Market positioning** - Defined as the user's perceptions of the place a product or brand occupies in a market segment.
6. **Marketing plan** - A document composed of an analysis of the current marketing situation.
7. **Disposable income** - Income after the deduction of taxes.

1.9 Assignment

Write answers for the following:

1. What is Psychographic market segmentation?
2. Define Market Segmentation.

1.10 Activities

1. What is market segmentation? Discuss importance of market segmentation in market planning.
2. Discuss major criteria for segmentation. Explain with examples.

1.11 Case Study

Segmentation, Positioning, and Targeting

New Line in Mobile Phones

One of the oldest principles of marketing is that sellers may sell features, but buyers essentially buy benefits. This is a discrepancy sometimes lost in technology led organizations, and the service sector is no exception. Recent experience of the UK's largest telecommunications company, Vodafone, demonstrates how crucial it is to see service offers in terms of the benefits they bring to customers. The company was conscious of extensive research which had found high levels of misperception among purchasers of mobile phones, with a seemingly infinite arrangement of features and prices. With four main networks to choose from, it easy to see why buyers sought means of simplifying their buying process. Throughout the 1990s, Vodafone had claimed that it had a superior network in the UK network as superior technically to its competitors. Publicity focused on high coverage rates and call dependability.

Vodafone was the most popular mobile phone operator in the UK, with almost eight million customers, including 4.2 million Pay as you Talk customers. It opened the first cellular network on 1 January 1985 and was the market leader since 1986 in UK. Vodafone's networks in the UK - analogue and digital - between them carried over 100 million calls each week. It took Vodafone more than 13 years to connect its first three million subscribers but only 12 months to connect the next three million. Vodafone had the largest share of the UK cellular

market with 33% and had more international roaming agreements than any other UK mobile operator. It could offer its subscribers roaming with 220 networks in 104 countries.

Despite all of the above, Vodafone was aware that although it was recognized as an extremely strong business in the corporate marketplace, it was not so strong in the market for personal customers. Research indicated that personal buyers bought Vodafone for essentially rational reasons rather than having any emotional attachment to the brand. The success of the competing Orange network, which had developed a very strong image, was a lesson to Vodafone that many people did not understand many of the product features on offer, but instead identified with a brand whose values they could share. Vodafone recognized that it needed to be perceived as adding value to a consumer's lifestyle. Given the growing complexity of product and technical features, it was likely to make life more confusing for personal customers. An alternative approach was needed which focused on image and lifestyle benefits.

The company decided to hire Identica – the firm that originally created the One 2 One brand – to refurbish its brand communications and advertising strategy in an effort to make Vodafone more attractive to personal customers. Identica created a new 'visual language' for Vodafone and it became involved in the biggest ever TV, press, poster and radio advertising campaign in its 15 year history. Employing a completely new style, the new advertising centred on the theme: 'You are now truly mobile. Let the world come to you' and featured a new end-line - Vodafone 'YOU ARE HERE'. The campaign established how Vodafone's products and services were planned to make life easier for its customers.

The campaign, created by BMP DDB, was worth £20 million over two months alone and ran for the whole year. Bringing meaning to the Vodafone brand and what it represented, a series of advertisements, through a range of media, showed how Vodafone let the world come to its customers, enabling them to be truly mobile. This portrayed how Vodafone always pioneered to make things more possible for its customers in a wire-free world.

Vodafone used arrows photographed in various real life situations to depict its flagship services, e.g. a weather vane was used to illustrate the Vodafone Interactive weather service.. Each advertisement had the 'YOU ARE HERE' end-line. Other executions illustrated the Vodafone Personal Road watch 1800 service.

The change in emphasis by Vodafone seemed to be timely as the mobile phone industry was undergoing a massive transformation with the development of Wireless Access Protocol (WAP) phones and the newer “Third generation” phones that were to be launched in 2001. It seemed predictable that all of the competing networks would be offering baffling permutations of features with their service, so Vodafone estimated that, given similar levels in all networks, a favourable image and lifestyle association would be a significant source of competitive advantage. Given the right image with existing technology, there would be a strong probability that consumers would migrate with the brand to the new technology when it arrived.

Source: adapted from “Vodafone Image Shift”, Marketing, 4th May, 2000 and Vodafone Home Page, <http://www.vodafone.co.uk>.

Case Study Review Questions

1. Identify the principal benefits to customers which derive from a mobile phone. What differences are likely to exist between market segments?
2. Is a strong brand identity on its own a source of sustainable competitive advantage? To what extent must this be backed up by real product features?
3. Are goods different to services in the way that a distinction is made between features and benefits?

1.12 Further Readings

1. Marketing Management, Philip Kotler, Kevin Lane Keller, Mairead Brad, Pearson, 2008.
2. Market Segmentation: How To Do It, How To Profit From It, Malcolm McDonald, Ian Dunbar, Butterworth-Heinemann, 2004.
3. Strategic Marketing Management, Jean-Jacques Lambin, McGraw-Hill Professional, 1996.
4. Strategic Marketing for the Digital Age, Bill Bishop, Excel Books, 2007.

UNIT 2: MARKETING COMMUNICATIONS AND CAMPAIGNS

Unit Structure

2.0 Learning Objectives

2.1 Introduction

2.2 Elements of the Communication Process

2.2.1 Identifying the Goals of the Promotion

2.3 Steps in Creating a Promotional Campaign

2.4 The AIDA Concept

2.5 Advantages and Disadvantages of the Various Media Types

2.5.1 Media Scheduling

2.5.2 Evaluating Promotional Campaigns

2.6 Let Us Sum Up

2.7 Answer for Check Your Progress

2.8 Glossary

2.9 Assignment

2.10 Activities

2.11 Case Study

2.12 Further Readings

2.0 Learning Objectives

After learning this unit, you will be able to understand:

- The elements of communication.
- The goals of promotional campaigns.
- The AIDA concept.

2.1 Introduction

Communication adds meaning to human life. Communication skills are required in most occupations. Employers identify communication as one of the basic competencies every graduate should have, asserting that the ability to communicate is valuable for obtaining employment and maintaining successful job performance. These skills make you more competitive in personal and professional life in terms of personality development, increasing job opportunities but also help in stability and career growth.

Managerial communication is very much essential factor at workplace in order run business in successful manner to achieve common organizational goal. A successful manager is one who communicates effectively with his subordinates. It is really essential for managers to express their views clearly for the team members to understand what exactly is expected out of them.

Communication is the soul of an organization. Good communication skills are basic to successful management. Clear, concrete, courteous communication strengthens relationship with employees as well as customers. We communicate to inform, direct, teach, influence, learn and grow professionally. In short, 'care and share' is the main principle of communication.

2.2 Elements of the Communication Process

There are many communication process models and theories available for understanding the process involved in it.

Following are the elements of communication process:

- 1) **Sender:** The sender is a person who sends the message making use of symbols, images, pictures, words, gestures to convey the message and produce the required response. A sender may be an individual, a group or an organization too. It is the sender who encodes the message.
- 2) **Message:** A message is the key idea or content to be shared with the receiver. The message should be clear and concrete avoiding complexity. One should find it easy to read and understand.
- 3) **Medium:** Medium is the means used by sender to exchange the message. Email, telephone, fax, letter, etc. as the medium of communication. The medium may vary based on the purpose of communication.

- 4) **Receiver:** Receiver is a person to whom the message is intended / targeted / aimed. It is he/she who decodes the message. Receiver should use the same medium in order get the message to as soon as possible.
- 5) **Feedback:** Feedback has pivotal importance in communication process. Communication is incomplete without feedback or response. It may be positive or negative; verbal or non-verbal too.
- 6) **Noise:** Noise is something that disturbs the process of communication. It causes the failure of communication. For example, a teacher is teaching in class, at the same time, loud sound of horn of the vehicles passing on the road disturbs the students while learning. Here, the horn of the vehicles is noise.

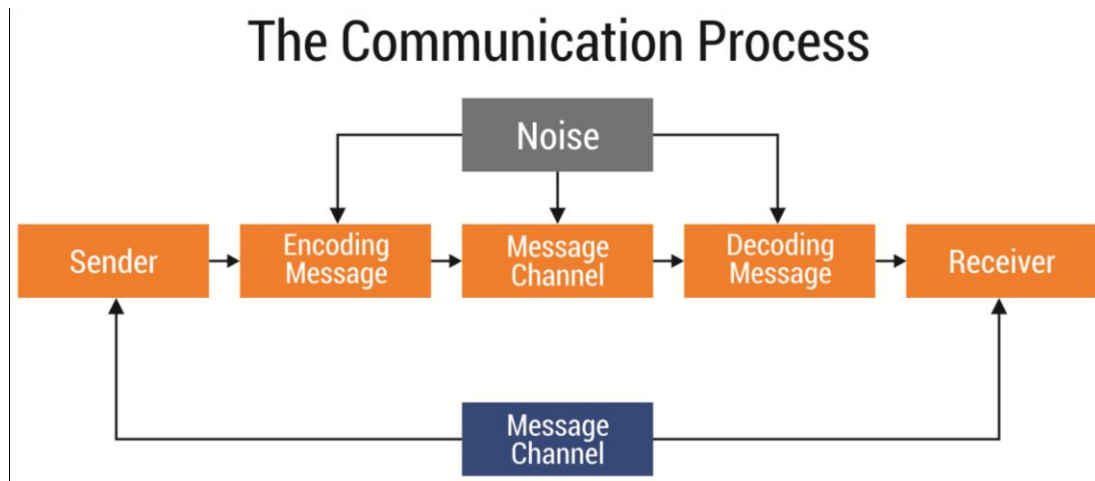


Fig 2.1 The Communication Process

2.2.1 Identifying the Goals of the Promotion

Advertising is a form of corporate communication that uses several approaches to reach a target audience with a definite message in order to achieve precise organisational objectives. Nearly all organisations in all types of industries engage in some form of promotion. The range might be from money spent by multinationals on acquiring the help of high-profile celebrities to serve as corporate ambassadors to the owner of a one-person enterprise passing out business cards at a local businesspersons' meeting.

An effective promotional strategy needs the dealer to understand how promotion fits with supplementary marketing activities (e.g., product, distribution, pricing, target markets). Consequently, upgrade decisions should be made with an

obligation for how it affects other expanses of the company. The inclusive success of a publicity strategy requires input from others in impacted serviceable areas.

- **Consumer markets:** Fast-moving consumer goods, consumer durables, coordinated marketing mix to achieve objectives.
- **Organisational markets:** Differences from consumer markets, adding value through service, industrial, non-profit making, government, re-seller.
- **Services:** Differences of services from physical products, intangibility, ownership, inseparability, perish ability, variability, the 7Ps, strategies, service elements of physical product marketing, tangible and intangible benefits.
- **International markets:** Globalization, the EC, benefits and risks, market attractiveness, strategies.

Promotion may be defined as “the co-ordination of all seller – initiated efforts to set up channels of information and persuasion to facilitate the sale of goods or service or the acceptance of an idea.” It refers to the activities to push forward or to advance an idea, in such a way as to gain approval and acceptance. Promotion is telling and selling.

Promotion is the fourth major important component of company’s total marketing mix. It intends to inform, persuade and influence people. Promotion activity is basically an exercise in communication. Communication is necessary in exchange activities. The best products with good package, fair price, etc. cannot be sold unless buyers know it. This job of bringing the products to the notice of the consumers is done by promotion.

Need for Promotional Activities

Promotion is the final element in the marketing mix. The manufacturer has to take effective steps in meeting the consumer in the market after taking the decision relating to the nature of products, its price and its distribution. Even the most useful and want-satisfying product will be a failure in the market if they are not known to the consumers. Therefore, it becomes essential to make the customers know from where, how, when and at what price the product would be available. As the distance between producers and consumers increases and as the number of potential consumers grows, promotional activities are necessary.

Secondly, there is stiff competition among the manufacturers. Therefore, promotional activities are necessitated. Thirdly, large-scale production can be achieved only with methods of large scale selling, which is possible only through

the promotional activities. Fourthly, when there is an imperfect market condition, product cannot be easily sold based on product-differentiation. In such a situation, only the promotion activities draw the attention of consumers.

Objectives of Promotional Activities

Promotional activities must convince customers to make a decision in favour of the marketer. Mostly, this means getting customers to buy an organisation's product and remain a loyal long-term customer. For not-for-profit markets, it means getting customers to increase donations, utilize more services, change attitudes or change behaviour (e.g. AIDS awareness campaigns).

- **Demand objectives:** The idea of promotion is to create, stimulate, influence and maintain demand for a product. Promotion is responsible for demand creation.
- **Communication objectives:** It creates awareness by providing information to consumers and retailers about product features, where the products can be obtained and what the products are capable of doing or achieving brand preferences.
- **Specific/Performance objectives:** It gives specific information about a product and influences the consumer's decision of purchasing.

Promotion Mix or Tools of Promotion

The elements of the promotion mix are:

- **Sales Promotion:** Short-term incentives to encourage the purchase and sale of a product.
- **Personal selling:** Oral presentation in conversation with one or more prospective purchasers for making sales.
- **Advertising:** Any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.
- **Public relations:** Building good relations with the company's various clients by obtaining favourable response.
- **Publicity:** It is a non-personal stimulation of demand, which is not paid for.

Types of Promotion – Promotion Mix

Following are the four methods of promotion:

- **Advertising:** It delivers the marketer's message through non-personal, mostly paid promotions often using mass media outlets. With the advent of

computer technology and the Internet has increased the options that allow customers to provide quick feedback.

- **Sales Promotion:** It encourages customers to respond or undertake some activity through the use of special short-term techniques such as incentives.
- **Public Relations (publicity):** Through the use of third-party sources, particularly the news media, a favourable mention of the marketer's company or product without direct payment to the publisher of the information is done.
- **Personal Selling:** It involves personal contact between company representatives and people, who make the decision, such as consumers or have an influence on a decision, such as members of a company buying centre. It occurs face-to-face or via telephone, online via video conferencing or text chats.

Check your progress 1

1. Where a manufacturer aggressively sells its products to wholesalers, this is known as:
 - a. Direct marketing
 - b. Direct sale
 - c. A 'pull' distribution strategy
 - d. A 'push' distribution strategy
2. Developing a promotional programme for a new service begins with:
 - a. Choosing a promotional message
 - b. Determining promotional objectives
 - c. Choosing an appropriate medium
 - d. Evaluating alternative media
3. Promotion is the fourth major important component of company's total marketing mix as:
 - a. It intends to inform, persuade and influence people
 - b. Promotion activity is basically an exercise in communication
 - c. both a and b
 - d. only b

2.3 Steps in Creating a Promotional Campaign

Because there are four distinct promotion mix components (advertising, personal selling promotion, and publicity or public relations), each with its own unique strengths and weaknesses, developing an effective promotion mix is difficult. To facilitate this task, most companies follow a five-step decision process, which is discussed below:

1. **Deciding the Promotional Objectives:** Changes in sales and market share are often used as promotional objectives, but they are a function of the entire marketing program—not just the promotional mix. An exception is where the promotion requires an immediate response, such as direct-mail advertising, coupons, and catalogues.
2. **Prepare the Message:** Preparing a successful message is difficult—if only because of the countless ways in which it can be constructed. Yet the pay-outs from good messages are substantial.
3. **Selecting the Communication Channels:** Channel selection is a three-step process. First, marketers decide which promotion components to use: advertising, personal selling, sales promotion, or publicity. Second, they choose the specific activities within each component. In advertising, this involves considering such media as TV, radio, newspapers, magazines, or billboards.
4. **Preparing the Promotion Budget:** There are a number of ways to prepare the promotion budget, most of which work from the top down (i.e., managers first determine the total amount to be budgeted and then allocate various amounts to the different mix components)
5. **Choosing the Promotion Mix:** Designing the promotional mix is complex because components interact; for example, a consumer sales promotion (a sweepstake) often requires advertising to inform the public about the promotion. The following factors largely determine the effectiveness of the mix components: (a) the objectives and resources of the firm, (b) the type of product involved, (c) the stage of the product life cycle, (d) market characteristics, and (e) other elements in the marketing mix.

Check your Progress 2

1. The following factors largely determine the effectiveness of the mix components.
 - a. The objectives and resources of the firm.
 - b. The type of product involved and the stage of the product life cycle.
 - c. Market characteristics and other elements in the marketing mix.
 - d. All of the above.

2.4 The AIDA Concept

This hierarchical model was first proposed by St. Elmo Lewis in 1900 for individual selling with the following stages: attract attention, maintain interest, create desire and get the consumer to act. In 1911, Arthur Fredrick Sheldon reviewed the model by changing the first step to 'favourable attention' and adding a fifth's', 'permanent satisfaction'. This is one of the oldest and most popular models of marketing communications The revised model was called AIDAS - favourable Attention, Interest, Desire, Action and permanent Satisfaction. The various stages in the buying process of the AIDAS model are:

- 1) **Attention:** To draw the attention of the target customer.
- 2) **Interest:** To generate interest in the merchandise by giving product information (or special features) and guaranteeing how it can help satisfy the needs and wants of the individual.
- 3) **Outcome:** To study how the potential consumer develops a favourable or unfavourable opinion about the product.
- 4) **Desire:** To generate desire in the customer to have the product. It happens by stressing on the benefits of the product and how it will satisfy the needs and wants.
- 5) **Action:** It persuades customers to make a purchase. A modest method to get action from the consumer is to provide a toll free number or contact person for more info.
- 6) **Satisfaction:** To know whether the customer is satisfied after the purchase.

EXAMPLE: Air Deccan used this model of marketing communication successfully in its marketing campaign.

Check your progress 3

1. St. Elmo Lewis proposed AIDA concept which has following elements:

- | | |
|-------------------------|----------------------------|
| a. Attention , Interest | c. Action and satisfaction |
| b. Outcome, Desire | d. all of the above |

2.5 Advantages and Disadvantages of the Various Media Types

The various mediums of media are used to communicate to people. The invention of this means has facilitated the direct contact with people. It has contributed a lot in creating an awareness regarding the products, health related issues, medical treatment, world politics and other events a lot. The types of media are: Television, Radio, Newspapers, Internet, and Brochures etc. All of them have been discussed below along with their advantages and disadvantages.

1] Television

Advantages:

- Wide reach High status and
- perceived credibility Audio and visual
- (can see and hear) Good for simple
- messages and slogans Can help to generate
- interest, awareness and excitement

Disadvantages:

- Expensive
- Programs not always on at convenient times
- Not everyone has TV
- No room for interaction unless linked to a TV calling show

2] Radio

Advantages:

- Medium to wide reach
- High status
- Good for simple messages and slogans
- Can help to generate interest, awareness and excitement

Disadvantages:

- Relatively inexpensive (compared to TV)
- Programs not always on at convenient times
- No room for interaction
- Audio only
- No visual communication

3] Newspapers

Advantages:

- High status
- Can review and read

Disadvantages:

- Requires literacy
- Public generally does not read
- Publication depends upon the whim of the editor

4] Internet (Digital Media)

Advantages:

- Global info can be obtained, not only local or regional
- Youth becoming computer savvy
- High-status
- List-serves can be quite inexpensive

- Can establish links to other sites
- Can also establish pages on existing sites

Disadvantages:

- Computers needed and may not be widespread
- Websites require someone to manage and facilitate them
- Provide content as well as technical assistance

5] Brochures:

Advantages:

- Can deliver more information than posters
- Good for instructional information
- Don't have to be expensively produced

Disadvantage

- Limited to specific distributions
- Requires visual and written literacy

2.5.1 Media Scheduling

Media scheduling is defined as: Program or plan that identifies the media channels used in an advertising campaign, and specifies insertion or broadcast dates, positions, and duration of the messages.

The media planner should formulate a media schedule. Media scheduling refers to the indoctrination of media insertions and depends upon a number of factors such as:

- Nature of product- consumer usable, durables or industrial.
- Nature of sales-whether seasonal or regular sales.
- Product lifecycle- whether introduction, growth, maturity or decline.
- Pattern of competitor's programmes.
- Entry of new competitors.
- Availability of funds for advertising.

This involves the preparation and timing of the advertisement. The schedule shows the quantity of advertisements that are to look in each medium, the size, and the dates on which they are to appear. There are many ways of scheduling any advertising programme. There is no single formula for success in advertising. Each advertiser must prepare a specific schedule most appropriate for its market and its publicity objectives.

What may be good for one promoter and his product may not work for another. Even for the same advertiser, the best at one stage of the product life cycle may not be suitable at another stage. An advertiser may schedule to buy six pages space in a monthly magazine or he may buy one-page space every month for the first three months. There could be a variety of schedules of advertisements.

The last process of scheduling is known as the wave method, or the flighting method. In flighting, advertisements are clustered with the goal of providing a concentrated impact. The other method is the blitz schedule where there are double-page advertisements in three consecutive issues of a magazine. There are many more methods of this type of advertising. However, the purpose of bunching is to provide focused impact with a single issue of the publication.

2.5.2 Evaluating Promotional Campaigns

Importance of Evaluation

Typically the goal of media campaigns is to increase public knowledge on a given topic and possibly to promote some specific action

Defining media campaign

Defining media campaign goals helps ensure that target audience members walk away with a precise "take home message." Like all prevention efforts, media campaign development and implementation is an evolving process.

Identifying the Message

Developing precise messaging requires input from members of the campaign team and the target audience. Evaluation that occurs throughout the campaign development process helps the campaign team craft a message that is realistic and relevant to the target audience.

Targeting Awareness

It is unrealistic to think that one message will fit all. Therefore, during the early stages of development campaign team members should identify their target audience. The campaign team should address issues of cultural diversity that are relevant to the target audience. A campaign that is not sensitive to the specific racial and cultural issues of the target population will fail to engage target audience members. Target audience responses need to be evaluated during the initial stages of the campaign development to test the viability of the campaign team's vision before too much time and money is invested.

Expanding Beyond the Media Campaign

If possible it is important for media campaigns to have companion training pieces or interactive opportunities. In-person programs can alleviate some of the weaknesses inherent in media campaigns by enabling participants to process what they have learned, practice their newly learned skills, and receive feedback from trainers and peers.

Strategies to Incorporate Evaluation into Media Campaign Design

Because most media campaigns are designed and administered on tight budgets, there are limited funds for evaluation purposes and evaluation can seem costly and intimidating to the campaign creators. However, without conducting a formal evaluation it is difficult to gain representative feedback regarding the campaign and its message and to systematically identify the effective components of the campaign.

Media campaign outcome evaluations also enable researchers to assess changes in the level of the public's knowledge and determine to what extent the public can engage in the promoted behaviour.

Early Evaluation Strategies

Focus Groups

During well administered focus groups, target audience members discuss their impressions of the media campaign. This provides campaign team members with an opportunity to understand how the campaign's message resonates with target audience members.

Prototypes

Campaign material prototypes can be evaluated in a focus group setting. Focus group participants can discuss how the prototype (e.g., poster, broadcast public service announcement, or bumper sticker) facilitates or hinders the campaign message.

Surveys

If there is money in the development budget, a contracted survey centre could randomly call and invite a sample of target audience members.

Piloting the Campaign

Following the initial campaign development, a pilot study can be conducted to collect feedback and insight. Piloting the campaign enables the campaign team to administer the media campaign on a small scale to determine if there are problems that could jeopardize the large scale administration.

Check your progress 4

1. Media scheduling refers to the indoctrination of media insertions and depends upon a number of factors such as:
 - a. Nature of product and Product lifecycle.
 - b. Pattern of competitor's programmes.
 - c. Entry of new competitors and Availability of funds for advertising.
 - d. all of the above
2. The last process of scheduling is known as the wave method, or the flighting method in which.
 - a. advertisements are clustered with each other
 - b. with the goal of providing a concentrated impact
 - c. both a and b
 - d. only b
3. The blitz method of advertisement schedule is the one where there are.
 - a. double-page advertisements in three consecutive issues of a magazine
 - b. single page advertisement everyday
 - c. both a and b
 - d. none of the above

2.6 Let Us Sum Up

In this unit we studied about the marketing communication and campaign. Where in communication plays a major role of the basic competencies every graduate should have, asserting that the ability to communicate is valuable for obtaining employment and maintaining successful job performance. After identifying the promotional goals the overall success of a promotional strategy and its requisites are discussed. The need for promotional strategy is mentioned and the steps in creating a promotional campaign are also mentioned.

The AIDA concept has also been discussed. The Model was called AIDAS - favourable Attention, Interest, Desire, Action and permanent Satisfaction. The following factors for marketing mix largely determine the effectiveness of the mix components: (a) the objectives and resources of the firm, (b) the type of product involved, (c) the stage of the product life cycle, (d) market characteristics, and (e) other elements in the marketing mix. The advantages and disadvantages of different media types are also discussed. The promotional campaigns are also evaluated and measures to expand these campaigns are also given.

Importance of media scheduling has also been stressed.

2.7 Answer for Check Your Progress

Check your progress 1

Answers: (1-d), (2-b), (3-c)

Check your progress 2

Answers: (1-d)

Check your progress 3

Answers: (1-d)

Check your progress 4

Answers: (1-d), (2c), (3-a)

2.8 Glossary

1. **Source** - Sender of the Message.
2. **Encoding** - Putting an idea into words and symbols.
3. **Message** - The idea that is being communicated.
4. **Medium** - The channel used to carry the message.
5. **Decoding** - Receiving the message.
6. **Audience** - Intended receiver of the message.
7. **Feedback** - Communication from the audience.
8. **Noise** - Things that interfere with clear communication.
9. **Transmission** - Spread over, transfer.

2.9 Assignment

1. Describe the AIDA concept.
2. Describe the elements of communication in details
3. Explain the process of media scheduling in detail

2.10 Activities

Prepare the marketing advertisement plan of a college event and set the parameters to measure it.

2.11 Case Study

Marketing Communication

Free Flights Promotion Ends in Disaster

The Hoover Company's attempts to sell more vacuum cleaners by offering an incentive of free flights have become a legendary disaster in the field of sales. During the early 1990s, Hoover was confronted with a period of economic recession in which discretionary disbursement on consumer durables was held back. In these conditions, most vacuum sales were replacements for damaged

machines or first-time buys for people setting up home. The test was to increase the sales of machines bought to upgrade existing equipment.

The company came up with the idea of offering free airline tickets to America for anybody buying one of its vacuum cleaners. For many people, a holiday in the USA may have been perceived as a needless and high-priced luxury during a period of recession, but one that was good if it came free with the purchase of an 'essential' vacuum cleaner.

The immediate result of the sales promotion was to boost the company's sales of vacuum cleaners to more than double. The first problem occurred when Hoover could not satisfy the demand for its vacuum cleaners and was forced to pay off its staff overtime rates of pay in order to increase supply. The initial objective of the promotion was to utilize existing spare capacity rather than adding to it. The company had carried out inadequate research prior to launching its incentive. Had it done so, it may have reached the deduction that the inducement was too generous and likely to create more demand than the company could cope with.

A second problem occurred during subsequent periods when sales fell to below expectations. Worse still, many people had bought their cleaner simply to get the free tickets.

A third and more serious problem occurred when large numbers of buyers tried to use their free flight vouchers. In an attempt to control costs, the company became infamous for its attempts to 'suppress' take-up of free flights. These activities attracted heavy media and left a once highly respected brand in complete shambles.

The free flights promotion reportedly cost however a reported £37 million in redemption charges, without carrying about any long-term growth in sales. With appropriate research, these costs could have been predicted. Worse still, the company's brand image had been tarnished in a way that would take many years-if ever-to recover from.

Case Study Review Questions

1. What are the inherent problems for a company such as Hoover in assessing the effectiveness of sales promotion activity?
2. Identify a programme of research that Hoover could have undertaken in order to avoid the costly failure of its free flights promotion.

3. What alternative methods of promotion might have been more suitable to achieve Hoover's objective of utilizing spare capacity during a period of economic recession?

2.12 Further Readings

1. Marketing Management , Philip Kotler, Kevin Lane Keller, Mairead Brad, Pearson, 2008
2. Market Segmentation: How To Do It, How To Profit From It, Malcolm McDonald, Ian Dunbar, Butterworth-Heinemann, 2004
3. Strategic Marketing Management, Jean-Jacques Lambin, McGraw-Hill Professional, 1996
4. Strategic Marketing For The Digital Age, Bill Bishop, Excel Books, 2007

UNIT 3: MARKETING DECISION MODELS

Unit Structure

3.0 Learning Objectives

3.1 Introduction

3.2 Product

3.2.1 Classifications, Hierarchy, Mix, etc

3.2.2 Product and Brand Relationships

3.2.3 Concept of Product Life Cycle

3.3 Pricing

3.3.1 Pricing Methods.

3.4 Integrated Marketing Communication

3.4.1 Communication Models

3.4.2 Market Communication Mix.

3.5 Let Us Sum Up

3.6 Answers for Check Your Progress

3.7 Glossary

3.8 Assignment

3.9 Activities

3.10 Case Study

3.11 Further Readings

3.0 Learning Objectives

After learning this unit, you will be able to understand:

- The concept of a product.
- Brand and product relationship with respect to product life cycle.
- Pricing and its methods.
- The role of Integrated Marketing communication.

3.1 Introduction

Product management can have several functions and roles depending upon the size of the company. There may or may not be a designated product manager. In some companies, the product management function is the hub of many other activities around the product. In others, it is one of many things that need to happen to bring a product to market.

From a marketing standpoint, a product is defined as anything offered for sale for satisfying a want or need on both sides of the exchange process. This includes a tangible object that marketers refer to as a good, as well as an intangible service, an idea, a person, a place or an organisation – or any combination of these. In fact, most products encompass a bundle of attributes that can be heavy on the tangible side, heavy on the intangible side or anywhere in between, as reflected in the product continuum.

When you purchase a product, you expect more than just the basic product features. This leads us to one of the most important concepts in the fields of marketing: customers expect benefits from the features they are paying for.

Features are important, only to the extent that they provide benefits. Therefore, the essence of good product design is in understanding the benefits customers are looking for and then creating the features that provide those benefits. From the customer's perspective, the product includes all the features and all the benefits.

3.2 Product

The term 'product' covers offerings that fall into one of the following categories:

- **Goods:** Any tangible item that is felt, tasted, heard, smelled or seen. For example, scooters, cell phones and biscuits are all examples of tangible goods. With digital goods accessed via the Internet, such as downloading music online or surfing, there does not appear to be anything that is tangible or real, since it is essentially computer code that is providing the solution. However, for our purposes, we differentiate these as goods, since these products are built using computer code, are stored (e.g., on a computer hard drive) and usually offer the same benefits each time (e.g., quality of the download song is always the same).

- **Services:** If the customer obtains it through the work or labour of someone else, it is considered as service. Services can result in the creation of tangible goods (e.g., a publisher of sports magazines hires a freelance reporter to interview a star) but the main solution being purchased is the service. Services are not stored: they are only available at the time of use (e.g., hair salon) and the consistency of the benefit offered, can vary from one purchaser to another (e.g., not exactly the same hair styling each time).
- **Ideas:** Whatever convinces the customer to alter their behaviour or their perception, in some way can fall under this. Marketing ideas is often a solution put forth by non-profit groups or governments, to avoid or change certain behaviour. This is seen with public service announcements directed toward activities such as youth smoking, AIDS awareness, safe driving and illegal drug use.

3.2.1 Classifications, Hierarchy, Mix, etc.

To meet the needs of their customers and to stay ahead of their competitors, most companies eventually market more than one product. In some cases, companies have hundreds or thousands of products. In order to develop effective marketing strategies when there are numerous product items to consider, companies group their products into categories of like items. A group of closely related product items is referred to as a product line. The Walt Disney Company, for example, has a line of theme parks, a line of filmed entertainment and a line of consumer goods. A company's complete assortment of products lines and items is referred to as its product mix.

Durable and non-durable goods

Durable goods are goods that are used or consumed over a long period of time, usually three years. They indicate products such as major home appliances, video cameras, furniture, building materials and jet airplanes. Non-durable goods, on the other hand, are goods that are used or consumed over a short period of time or after one or a few uses. Non-durable goods include products such as grocery items, gasoline and office supplies.

Consumer products

Marketers in the consumer sector find it useful to classify consumer goods and services by the amount of time, money and risk involved in the purchase

decision. Using the variables of time, effort and risk, we have three common categories: convenience products, shopping products and specialty products.

Convenience products: Relatively inexpensive products that buyers or users choose frequently with a minimum of thought and effort.

Shopping products: Products that are more costly and involve more risk than convenience products, thereby causing buyers and users to invest more time and effort when making the selection.

Specialty products: Unique or specialized products that are the most costly and that are unique or so specialized that buyers and users are willing to expend great effort to seek out and acquire them.

3.2.2 Product and Brand Relationships.

The elements that make up a product include features, branding, packaging, labeling and supporting goods and services. Each of these elements apply to all categories of products, but the way that marketers treat them can vary significantly from one product to another. In fact, one of the primary goals of many marketers is to differentiate their products' from competing products by developing unique strategies for each product element. On the other hand, other marketers purposely strive to developing 'me-too' version of the most popular products. Here's a closer look at each element.

Branding

Brand: A name, term, phrase, design symbol or any combination of these chosen by an individual or organization to distinguish a product from competing products.

Brand name: The portion of a brand that can be expressed verbally, including letters, words or numbers.

Brand mark: The portion of a brand that cannot be expressed verbally, such as a graphic design or symbol.

Logo: A unique symbol that represents a specific firm or organization or a brand name written in a distinctive type style.

Trade name: The business name under which an organization operates.

Trademark: A brand or portion of a brand that is legally registered with the government for exclusive use by the owner of the brand.

Service mark: A trademark that represents a service rather than a tangible good.

The value of branding

A brand is often an organization's most valuable asset because it provides customers with a way of recognizing and specifying a particular product if they want to choose it again or recommend it to others.

3.2.3 Concept of Product Life Cycle.

All products have certain length of life during which they pass through certain identifiable stages. Through the conception of the product, during its development and up to the market introduction, product remains in prenatal stage. Its life begins with its market introduction and then goes through a period during which its market grows rapidly, eventually; it reaches maturity and then stands saturated. Afterwards, its market declines and finally its life come to an end.

The important stages from the viewpoint of marketing can be grouped into six:

- Introduction
- Growth
- Maturity
- Saturation
- Decline
- Obsolescence

This is termed as a product life cycle.

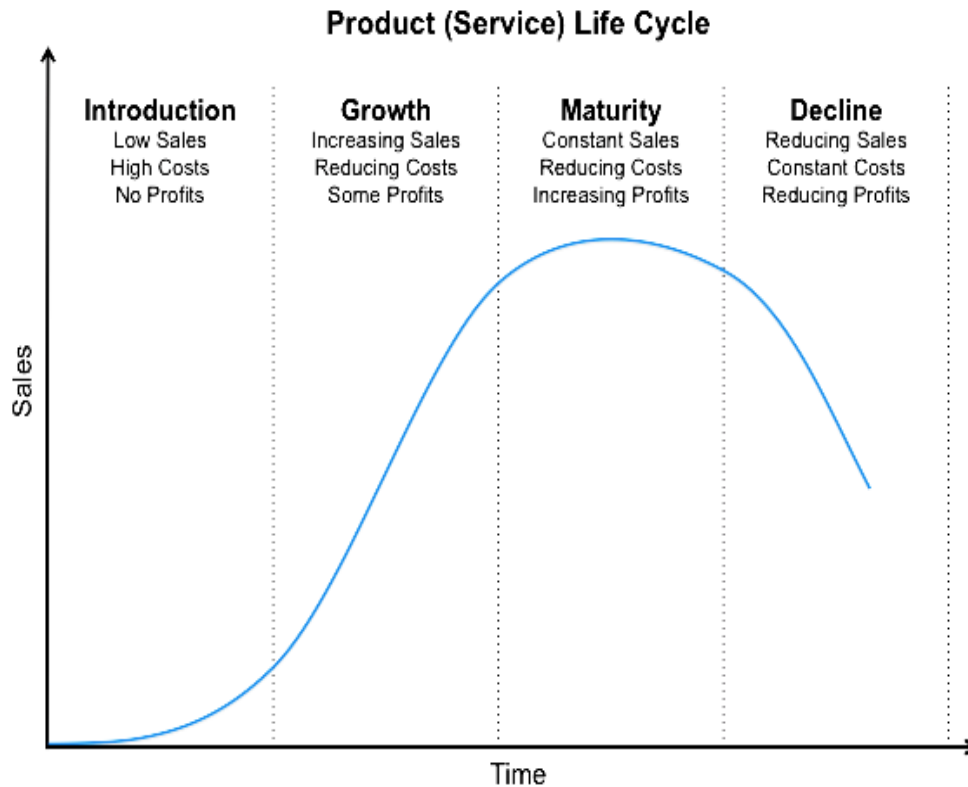


Fig 3.1 Product (Service Life Cycle)

Different stages of a product life cycle are as follows:

- **Introduction:** It is the first stage of the product life cycle. The product is first introduced in the market. Heavy expenditure on advertisement is made to inform the customers, about its qualities and characteristics and it is made popular among its users through promotional efforts. As the consumers are quite unaware of the product characteristics, the sales do not pick up much. Consequently, the quantum of profits is low or rather negligible in this stage but risk factor is much higher. Competitors are not in the market because the product is new for the consumers. Most of the products fail in this stage due to lack of proper innovation efforts.
- **Growth:** After the product is introduced in the market, the product enters the second stage, i.e., growth stage. Under this stage, the product gains popularity among and recognition from the customers. The demand and sales go up tremendously due to promotional efforts. Consequently, profits of the firm start going up and up because of two primary reasons:
 - Production and sales go up, hence; firm gets economies of large scale production and sales.
 - Advertising and distribution costs, though go up, per unit cost is

reduced. High profits attract the competitors to enter the field.

- **Maturity:** The next is maturity stage. In this stage, the competition increases. Sales of the product go up but with a slower speed. The advertisement and distribution costs increase in order to make the product service. The profit rate begins to decline. The producer searches for new markets. Market and marketing research expenditure goes up. The prices came down due to stiff competition.
- **Saturation:** Next comes the saturation point. The sale value comes to standstill despite best efforts but it is at an all-time high. The competition is also at its peak in this period. Competition brings the cost of distribution and promotional efforts at new high; prices begin to fall and therefore profits come down. Fresh efforts are made in this stage to improve the product. New markets are tried.
- **Decline:** This stage is brought about by the product's gradual displacement by some new innovation or change in consumer behaviour. New products are introduced in the market by competitors. Sales go down in spite of all best efforts of picking it up. Cost control becomes necessary to reduce the price in order to compete.
- **Obsolescence:** As new products are developed and introduced by the competitors, the company's product dies out. Its demand and sales are likely to taper off. Profits are reduced to a negligible point. At this stage, it is advisable to stop the production of the product and switch to other products.

Check your progress 1

1. Product relates following categories :

- | | |
|-----------------------|------------------|
| a. Goods and services | c. None of Above |
| b. Ideas | d. Both a and b |

2. Product life cycle has following steps except:

- | | |
|-----------------|----------------|
| a. Introduction | c. Consistency |
| b. Growth | d. Maturity |

3. The items included in durable goods :

- | | |
|--------------------|------------------|
| a. home appliances | c. furniture |
| b. Camera | d. grocery items |

3.3 Pricing

Importance and understanding of different influences on pricing like demand, cost, competition, etc.

Pricing decisions are the most important decisions to be taken by business and industrial enterprises. These decisions determine the market share and competitive situation of an enterprise. These decisions also determine total revenue and net profit of the enterprise. In addition to this, advertisement and sales promotion programmes are also affected by pricing decisions. Therefore, a decision of determining price for a product must be taken only after considering all the relevant features.

Pricing includes six general steps.

1	2	3	4	5	6
Analyse Market to understand Price and Demand Relationship	Identify constraints to find Upper and Lower Limits Price	Set Objective that will complement Overall Strategic Goals	Analyse profit potential to Refine the range of possible prices	Set on Initial price inside the range of possible prices	Adjust as necessary in response to dynamic market condition.

Importance of Pricing

Decisions about pricing can have significant consequences for the organisation and the care given by the marketer to pricing is just as vital as the attention given to more familiar marketing activities. Some reasons why pricing is important include:

Most Flexible Marketing Mix Variable: For marketers, adjusting the price is the easiest and fastest of all marketing decisions, unlike product and distribution decisions, which can take a long time to change or some forms of promotion, which can be overwhelming to alter. This flexibility of pricing decisions is mainly important when the marketer seeks to rapidly stimulate demand or reply to competitor price actions.

Setting the Right Price: Fixing prices hastily and without sufficient research, analysis and strategic evaluation can lead to a massive loss of revenue. Too low prices might make the company miss out on additional profits that could be earned if the target market is willing to spend more to acquire the same or similar kind of product. Additionally, attempts to raise an initially low priced product to a higher price may be met by customer resistance, as they may feel the marketer is attempting to take advantage of their customers. Too high prices can also impact revenue, because it prevents interested customers from purchasing the product. Setting the right price level often takes considerable market knowledge and, especially with new products, testing of different pricing options.

Trigger of First Impressions: Consumers might make their perception of a product just by looking at it so it becomes imperative for Marketers to know if customers are more likely to dismiss a product when all they know is its price. If so, pricing may become the most essential of all marketing decisions if it can be shown that customers might not want to know more about the product because of the price.

Important Part of Sales Promotion: Sometimes, prices are kept low initially to stimulate interest in the product. However, the marketers must not adjust prices too frequently since frequent price changes can lead customers to expect price reductions and, consequently, withhold purchase until the price reduction occurs again.

- Influences on pricing
- Price - As the price of a product rises, its supply rises because the producers are more willing to produce the product because it's more profitable.
- Price of other commodities - There are two main types: competitive supply (If a producer switches from producing A to producing B, the price of A will fall and hence the supply will fall because it's less profitable to make A), and joint supply (A rise in one product may cause a rise in another. For example, a rise in the price of wooden bedframes may cause a rise in the price of wooden desks and chairs. This means supply of wooden bedframes, chairs, and desks will rise because it's more profitable.)
- Costs of production - If production costs rise, supply will fall because the manufacture of the product in question will become less profitable.
- Change in availability of resources - If wood becomes scarce; fewer wooden bedframes can be made, so supply will fall.

Demand Factors influencing include:

- Income.
- Tastes and preferences.
- Prices of related goods and services.
- Consumers' expectations about future prices and incomes that can be checked.
- Number of potential consumers.

3.3.1 Pricing methods.

Determining prices – and preparing overall pricing strategies – is one of the hardest challenges most businesses face.

To develop a pricing strategy, the first step is to gather data regarding the following:

- Pricing strategies of the competitor customer perception of products and services.
- Benefits of products and services to the customer.
- Cost of producing, procuring, or generating products and services (variable costs).
- Fixed business costs (overhead).

The goal is to understand your business model and operating costs as well as the current pricing strategies and price points in the marketplace.

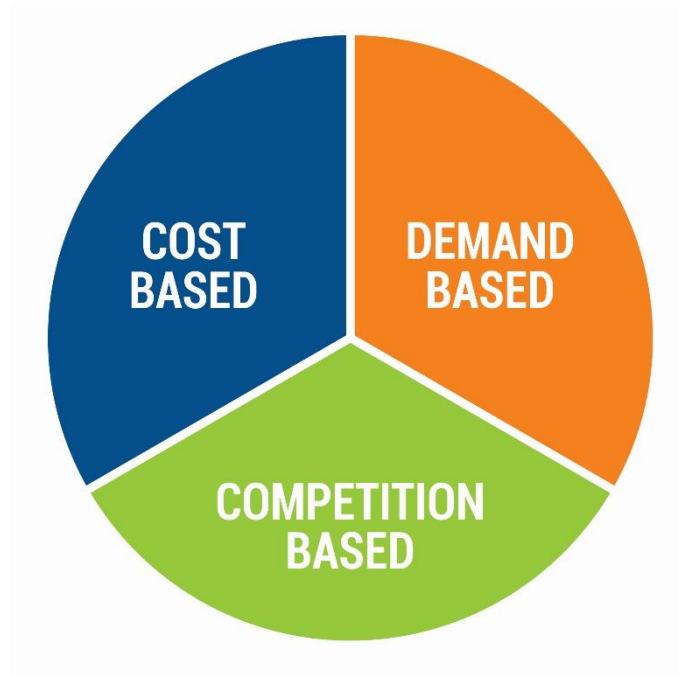


Fig 3.2 Pricing methods

1. **Cost Based Pricing:** It is defined as calculating the cost of the product, and then adding a percentage mark-up to determine price. It is used mainly because it is easy to calculate and requires little information.
2. **Competition Based Pricing:** It is defined as situation where a firm does not have a pricing policy that relates to its product, but reflects the pricing decisions of competitors. Competitor-based pricing is purely reactive.
3. **Demand Based Pricing:** This can be known as customer-based pricing, it is any pricing method that uses consumer demand based on perceived value as the central element. It includes: price skimming, price discrimination, psychological pricing, penetration pricing and value-based pricing.

Basic Pricing Methods

Once you have data in hand, apply one or more pricing methods to the specific business and market:

- **Cost-Plus:** Production costs are determined and then a target profit margin is applied. For example, if a product costs Rs. 10 to manufacture, and the business wants to make a 20% profit, the price is Rs.12 per unit.
- **Targeted Return:** Investment costs are determined, and a targeted rate of return is applied to deliver the required return on investment. For example,

if investment costs are estimated to be rs.5 per unit, and investors seek a 10% return on investment, the price is rs.5.50 per unit.

- **Value:** The value customers receive is calculated and pricing is applied accordingly. For example, if a personal session with a business advisor provides the same value as a two-day seminar, the personal session could be priced at the same level (or higher if individual attention and mentoring provides an even greater value than group-based training).
- **Psychology:** Psychological or emotional impact is used to determine final pricing. For example, customers may respond more positively to a product with a price of Rs.199.00 than to the same product priced at Rs. 200.00.

Check your progress 2

1. Three types of pricing methods are there:
 - a. cost based pricing
 - b. demand based pricing
 - c. competition based pricing
 - d. all of the above
2. Importance of Pricing are:
 - a. Most Flexible Marketing Mix Variable
 - b. Setting the Right Price
 - c. Trigger of First Impressions
 - d. all of the above
3. In pricing Demand Factors influencing include:
 - a. Income
 - b. Tastes and preferences
 - c. Prices of related goods and services
 - d. all of the above

3.4 Integrated Marketing Communication

Integrated marketing communications (IMC) is the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program, which maximizes the impact on consumers and other end users at a minimal cost. This integration affects all of a firm's business-to-business, marketing channel, customer focused, and internally directed communications.

The marketing mix consists of:

- Products
- Pricing systems
- Distribution systems
- Promotional programs

The promotions mix consists of:

- Advertising
- Sales promotions (including consumer and trade promotions)
- Personal selling activities

The IMC promotions mix also includes:

- Direct marketing
- Public relations programs
- Internet marketing
- Sponsorship marketing
- Database marketing

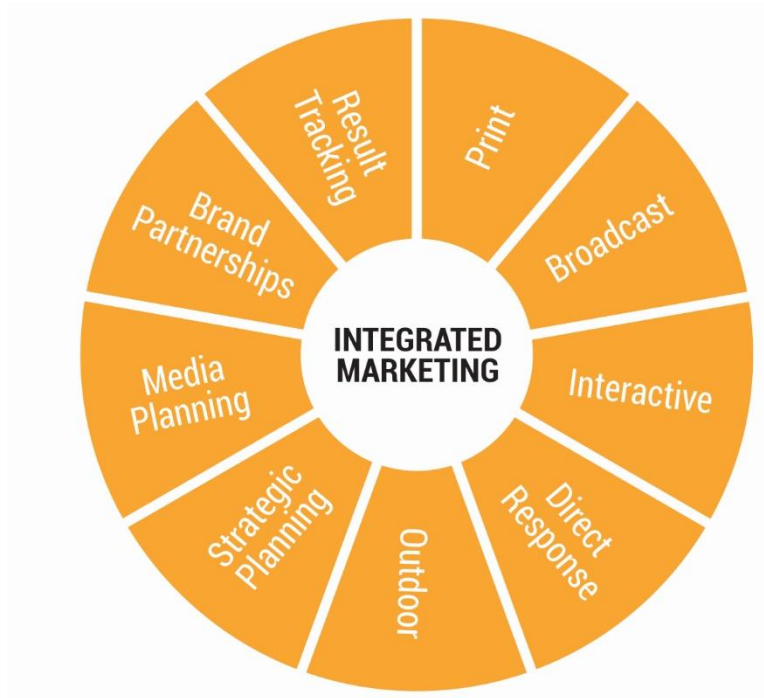


Fig 3.3 Integrated Marketing

The foundation of the IMC plan includes:

- Corporate image and brand management
- Analysis of buyer behaviours
- Promotions opportunity analysis to identify all target markets of the communications program

3.4.1 Communication Models

Marketing communications is an audience-centred activity and uses five traditional elements of the promotional mix: advertising, sales promotion, public relations, direct marketing, and personal selling. Each has its strengths and weaknesses, and these tools are now beginning to be used in different ways to develop relationships with customers, whether they are consumers or organisational buyers. Marketing Communications is a part of the marketing mix. The marketing mix defines the 4Ps of marketing and Promotion is what marketing communications is all about.

Marketing communication models are developed based on various studies that explain how communications work in marketing a product. They act as important tools in understanding how communications work in real life marketing situations and for developing a communication strategy. Communication strategy

can make or break a brand by creating an image or perception in the minds of customers positively and they may make a purchase.

There are the following models of marketing communication namely:-

- 1) AIDAS Model
 - 2) Dagmar Model
 - 3) Heightened Appreciation Model
 - 4) Advertising Exposure Model
 - 5) Model of Joyee
 - 6) Levidge and Steiner Model
-
- 1) **AIDAS MODEL:** This hierarchical model was first proposed by St. Elmo Lewis in 1900 for personal selling with stages: attract attention, maintain interest, create desire and get the consumer to act and revised in 1911, by Arthur Fredrick Sheldon. This is one of the oldest and most prevalent models of marketing communications The revised model was called AIDAS -favourable Attention, Interest, Desire, Action and permanent Satisfaction.
 - 2) **DAGMAR MODEL:** This acronym is elaborated as: 'Defining Advertising Goals for Measured Advertising Results'. It was proposed by Russell H. Coney in 1961. The DAGMAR model assumes a high-involvement "learn-feel-do" hierarchy.
 - 3) **HEIGHTENED APPRECIATION MODEL:** This model helps the marketer to arrive at an advertising strategy. In which the product category should be identified and the advertisement should convey the link between the brand and that particular attribute.
 - 4) **ADVERTISING EXPOSURE MODEL:** An ad message that creates awareness, conveys information about benefits, attributes or features, forms a brand image and personality, bestows the brand with certain feelings, links the brand with group norms and peers/experts and induces purchase behaviour is called Advertising Exposure model.
 - 5) **MODEL OF JOYEE:** The Joyee model concentrates on three areas - advertising, purchasing behaviour and consumer attitudes. Consumer attitudes refer to the positive or negative feeling of an individual towards a product or service depending on personal experiences in the past or the experiences of the others.

- 6) **LEVIDGE AND STEINER MODEL:** In 1961, Robert. J. Lavidge and Gary A. Steiner proposed a new model for marketing communications, which used hierarchy of effects but included persuasion as an important factor in the model. This model considered the long-term effects of advertising too. According to the Lavidge and Steiner Model, a customer who is totally unaware of the product goes through the following six steps before making a purchase:
- 1) AWARENESS:
 - 2) KNOWLEDGE:
 - 3) LIKING:
 - 4) PREFERENCE:
 - 5) CONVICTION:
 - 6) PURCHASE:

3.4.2 Market Communication Mix

Marketing communications is an audience-centred activity and uses five traditional elements of the promotional mix: advertising, sales promotion, public relations, direct marketing, and personal selling. Each has its strengths and weaknesses, and these tools are now beginning to be used in different ways to develop relationships with customers, whether they are consumers or organisational buyers. Marketing Communications is a part of the marketing mix. The marketing mix defines the 4Ps of marketing and Promotion is what marketing communications is all about.

Marketing is a broad business function that includes product research and development, merchandising and distribution processes and pricing, as well as communication or promotion. The communication mix refers to specific methods used to promote the company or its products to targeted customers. Some depictions of the promotional mix include five elements, while others add a sixth - event sponsorship.



Fig 3.4 Marketing communications mix

Advertising

Advertising is often the most prominent element of the communication mix. In fact, marketing and advertising are often misconstrued as the same thing. Advertising includes all messages a business pays to deliver through a medium to reach a targeted audience. Since it involves the majority of paid messages, companies often allocate significant amounts of the marketing budget to the advertising function. While it can be costly, the advertiser has ultimate control over the message delivered, since it pays the television or radio station, print publication or website for placement.

Personal Selling

Personal selling is sometimes integrated with the direct marketing element. However, many companies make such extensive use of a sales force that it is important to consider this component distinctly. Distribution channel suppliers use

salespeople to promote products for resale to trade buyers. Retail salespeople promote the value of goods and services to consumers in retail businesses. Selling is more emphasized by companies that sell higher-end products and services that require more assertive efforts to persuade customers to buy.

Discounts and Promotions

Sales promotions or discounts are similar to advertising in that they are often promoted through paid communication. But sales promotions actually involve offering a discounted price to a buyer. This may include coupons, percent-off deals and rebates. Along with ads to promote deals and coupon mailers, companies use exterior signs and in-store signage to call customer attention to the discounts. Goals of this communication tool include increasing revenue and cash flow, attracting new customers and clearing out extra inventory.

Public Relations

Public relations are an effort from the company side to appoint a relevant authority or a firm to represent an organization. The major difference is you don't pay for the time or space for the message. The downside of PR is that you don't always control the messages. Press Conference, Press Note is a part of PR strategy.

Direct Marketing

It includes some aspects of both sales promotions and personal selling. It is an interactive communication with customers where the company's message seeks or implores a response from targeted customers. E-mail and direct mail are common formats. These messages are sent to customers with special offers or calls to action, often promoting limited-time deals or new product launches. Mail-order clubs, online or print surveys and infomercials are other examples of direct marketing communication.

Event Sponsorship

Event sponsorship is the element sometimes ignored out of the five-element communication mix. Many models include it as a part of advertising. Event sponsorship occurs with a company pays to have a presence at a sports, entertainment, non-profit or community events. The sponsorship may include a mix of benefits including booth representation during the event to hand out samples, gifts and literature, name mention during the event and ad spots connected to the event.

Check your progress 3

1. The foundation of the IMC plan includes:
 - a. Corporate image and brand management
 - b. Analysis of buyer behaviours
 - c. Promotions opportunity analysis to identify all target markets of the communications program
 - d. all of the above
2. The promotions mix consists of:
 - a. Advertising
 - b. Sales promotions (including consumer and trade promotions)
 - c. Personal selling activities
 - d. all of the above
3. The Joyee model concentrates on three areas -
 - a. advertising
 - b. purchasing behaviour
 - c. consumer attitude
 - d. all of the above

3.5 Let Us Sum Up

In this unit we studied about the market decision models. The models affect the product management. The definition of product along with its different concepts has been mentioned along with classification of goods. The product life cycle is described here. The important stages from the viewpoint of marketing can be grouped into six:

Introduction Growth Maturity Saturation Decline Obsolescence Importance of pricing has also been mentioned. Methods of pricing are also mentioned.

IMC is Integrated marketing communications (IMC) is the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program, which maximizes the impact on consumers and other end users at a minimal cost has been explained. Communication models are

also explained in detail namely: AIDAS model, dagmar model, heightened appreciation model, advertising exposure, model of joyee, levidge and steiner model. Marketing communication mix has also been explained.

3.6 Answers for Check Your Progress

Check your progress 1

Answers: (1-d), (2-c), (3-d)

Check your progress 2

Answers: (1-d), (2-d), (3-d)

Check your progress 3

Answers: (1-d), (2-d), (3-d)

3.7 Glossary

1. **Brand** - A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers.
2. **Channel of distribution** - An organized network of agencies and institutions which in combination perform all the functions required to link producers with end customers to accomplish the marketing task.
3. **Consumer** - The ultimate user of goods, ideas or services.
4. **Market area** - A geographical area containing the customers.

3.8 Assignment

Discuss the key service communication challenges with respect to the role of marketing communication in them.

3.9 Activities

Find effectiveness of advertisements in newspaper for the real estate business. Is it the appropriate model for communication of local services or some other media can also be used?

3.10 Case Study

Pricing

A Single Market – So Why No Single Price?

The laws of supply and demand imply that price equilibrium will be reached where the quantity of a product that buyers want to buy exactly matches the quantity that sellers want to sell. Why then should this equilibrium price differ, sometimes quite markedly, between different countries?

The price charged for the same goods varies widely between European countries. A study undertaken by the Consumers Association in 2001 showed continuing differences in the price of cars in different EU countries, with a Ford Mondeo car costing almost 50% more in Germany than in Spain. For drugs, where government intervention plays a big part, a study by Lehman Brothers found that the difference between the cheapest and most expensive countries was as big as 300%. Part of the reason for this variation can be found in different tax rates. For example, the rate of VAT levied on some electrical goods varies between zero in Finland and over 30% in France. Transport costs can also make a big difference to bulky goods which have to be moved to areas where local production is not possible. The variability of prices around the mean tends to be relatively low for low volume, high value goods (e.g. computer software) which can enter international trade relatively easily.

Regional tastes can also make a difference to prices. For example, the Dutch on average eat nine times as much as yoghurt the Irish. The higher turnover of yoghurt in Dutch supermarkets results in mass-market competition which helps to drive down prices, while it remains a relatively niche market product in Ireland. The result is that yoghurt costs one-third as much in the Netherlands as it does in Ireland. Even for broadly similar products, differences in tastes may lead to reconfiguration of a product, thereby losing economies of scale and putting upward pressure on prices. As an example, the fish fingers sold in Belgium taste different to those sold in the UK. Where such product differences are noticeable,

the possibilities for importing goods from a low price market to a high price one are made more difficult.

Travel, education and international media channels are leading to a homogenization of tastes, but regional differences remain strong and are likely to remain so. As an example, Heinz's baked-bean pizza is unlikely ever to find much favour outside the UK. Differences in climate and geography will continue to result in differences between markets in the products consumers prefer to buy, so thermal underwear will remain a niche market product in Greece, but a mass-market product in Norway.

There has been hope that use of the Euro will bring about some harmonization of prices throughout Europe. The theory is that with all prices quoted in Euros, consumers will be able to make immediate price comparisons and it may be difficult for sellers to maintain price differentials. Some companies, such as Mercedes Benz have already developed a single European price list. Such an approach may be bad news for companies who have relied on high prices in some national markets to boost their global profits. The consultant McKinsey made a study of the automotive components business and calculated that a 1% change in price can result in a 10-15% change in profits.

Is a harmonization of prices across Europe inevitably going to result from the introduction of a single European currency? Evidence from the United States suggests that price differentials may still remain. There, despite the existence of a common currency, price variation around the mean is about 12%, or half the level found in Europe in 2000. Even within the UK, the universal use of Sterling has not prevented regional price discrepancies persisting. Here, the going rate for petrol in one town can be between 5 and 10 per cent different compared to a town just 20 or 30 miles away. This may seem remarkable considering the mobility of buyers and the ease of shopping around for petrol. Is there any hope of a single European market harmonizing prices when there are such discrepancies of commodity type products within a single country?

Case Study Review Questions

1. Using an analysis of supply, demand and equilibrium price, explain why price differences for certain goods exist between different countries in Europe.
2. Using appropriate economic analysis, explain the process by which price levels are likely to become more harmonized throughout Europe as a result of the development of the Euro.

3. Identify the barriers that may prevent a common price equilibrium occurring for goods and services throughout Europe.

3.11 Further Readings

1. Marketing Management, Philip Kotler, Kevin Lane Keller, Mairead Brad, Pearson, 2008.
2. Market Segmentation: How To Do It, How To Profit From It, Malcolm McDonald, Ian Dunbar, Butterworth-Heinemann, 2004.
3. Strategic Marketing Management, Jean-Jacques Lambin, McGraw-Hill Professional, 1996.
4. Strategic Marketing for the Digital Age, Bill Bishop, Excel Books, 2007.

UNIT 4: TOTAL PRODUCT CONCEPT

Unit Structure

4.0 Learning Objectives

4.1 Introduction

4.2 The Product Life Cycle (PLC) Concept

4.2.1 Introduction Stage

4.2.2 Growth Stage

4.2.3 Maturity Stage

4.2.4 Decline Stage

4.3 Marketing Strategies and Objectives Across the PLC

4.4 Let Us Sum Up

4.5 Answers for Check Your Progress

4.6 Glossary

4.7 Assignment

4.8 Activities

4.9 Case Study

4.10 Further Readings

4.0 Learning Objectives

After learning this unit, you will be able to understand:

- The Life Cycle of a Product.
- Product Planning and Product Line Policies and Strategies.

4.1 Introduction

Product management can have several functions and roles depending upon the size of the company. There may or may not be a designated product manager. In some companies, the product management function is the hub of many other

activities around the product. In others, it is one of many things that need to happen to bring a product to market.

Marketing Mix

Product: Benefits, the total product, product mix, product life-cycle and its effect on other elements of the marketing mix, product strategy, new product development, adoption theory.

Place: Customer convenience and availability, role of intermediaries, channel selection, integration and distribution systems, franchising, physical distribution management.

Price: Perceived value, pricing process, strategy and objectives, demand elasticity, competition, costs, psychological, discriminatory.

Promotion: Awareness and image, effective communication, communication process (market, mission, money, message, method, monitoring), promotional mix, advertising above and below the line including packaging, public relations and sponsorship, sales promotion, direct marketing and personal selling, branding.



Fig 4.1 The shift from the 4Ps to the 7Ps:

The significance of the soft elements of marketing is people, physical evidence and process management.

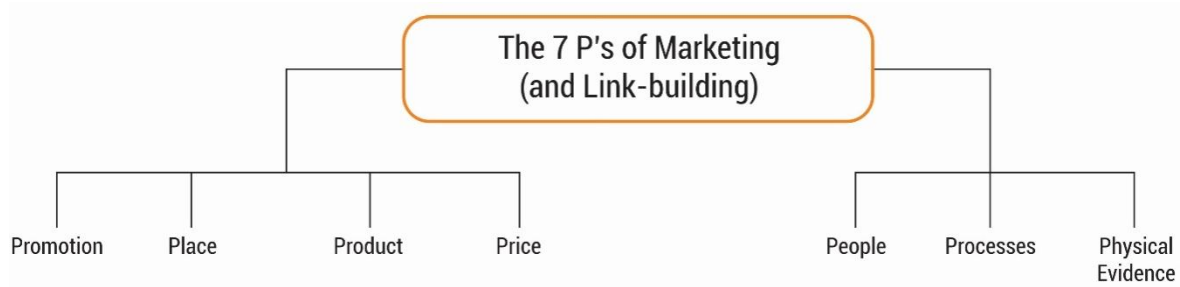


Fig 4.2 The 7 P's of Marketing

The term 'product' covers offerings that fall into Goods, Services or Ideas. Consumer goods are defined as products purchased to satisfy individual or household needs.

Elements of a Product

The elements that make up a product include features, branding, packaging, labelling and supporting goods and services. Core product always delivers fundamentals or basics of the product. Each of these elements apply to all categories of products, but the way that marketers treat them can vary significantly from one product to another.

Here are the following elements:

Brand: A name, term, phrase, design symbol or any combination of these chosen by an individual or organisation to distinguish a product from competing products.

Brand name: The portion of a brand that can be expressed verbally, including letters, words or numbers.

Brand mark: The portion of a brand that cannot be expressed verbally, such as a graphic design or symbol.

Logo: A unique symbol that represents a specific firm or organisation or a brand name written in a distinctive type style.

Trade name: The business name under which an organisation operates.

Trademark: A brand or portion of a brand that is legally registered with the government for exclusive use by the owner of the brand.

Service mark: A trademark that represents a service rather than a tangible good.

Importance of a Product: A product is a tool in the hands of the management, through which it gives life to all marketing programmes. So, the main responsibility of the management should be to know its product well. An important reason for categorizing products is to learn from the marketing of another product which appears to be different in form, but is similar in terms of the needs it fulfils.

- **Product is the central point of all marketing activities:** A product is the pivot and all the marketing activities revolve around it. Marketing activities, selling, purchasing, advertisement, distribution, sale promotion is all useless unless there is a product.
- **The product is the starting point of planning:** No marketing programme will be prepared if there is no product because planning for all marketing as a distribution, price, sales promotion, advertising, etc. is done on the basis of the nature, quality and the demand of the product. Product policies decide the other policies.
- **The product is an end:** The main objective of all marketing activities is to satisfy the customers. It is the philosophy of the modern marketing concept. Various policy decisions are techniques to provide the customers benefits, utilities and satisfaction through product. Thus, product is an end (satisfaction of customers) and the producer, therefore, must insist on the quality, size, etc. of the product, so that it may satisfy the customers' needs.

4.2 The Product Life Cycle (PLC) Concept

All products have certain length of life during which they pass through certain identifiable stages. Through the conception of the product, during its development and up to the market introduction, product remains in prenatal stage. Its life begins with its market introduction and then goes through a period during which its market grows rapidly, eventually; it reaches maturity and then stands saturated. Afterwards, its market declines and finally its life come to an end.

The important stages from the viewpoint of marketing can be grouped into six:

- Introduction
- Growth
- Maturity

- Saturation
- Decline
- Obsolescence

This is termed as a product life cycle. Different stages of a product life cycle are as follows:

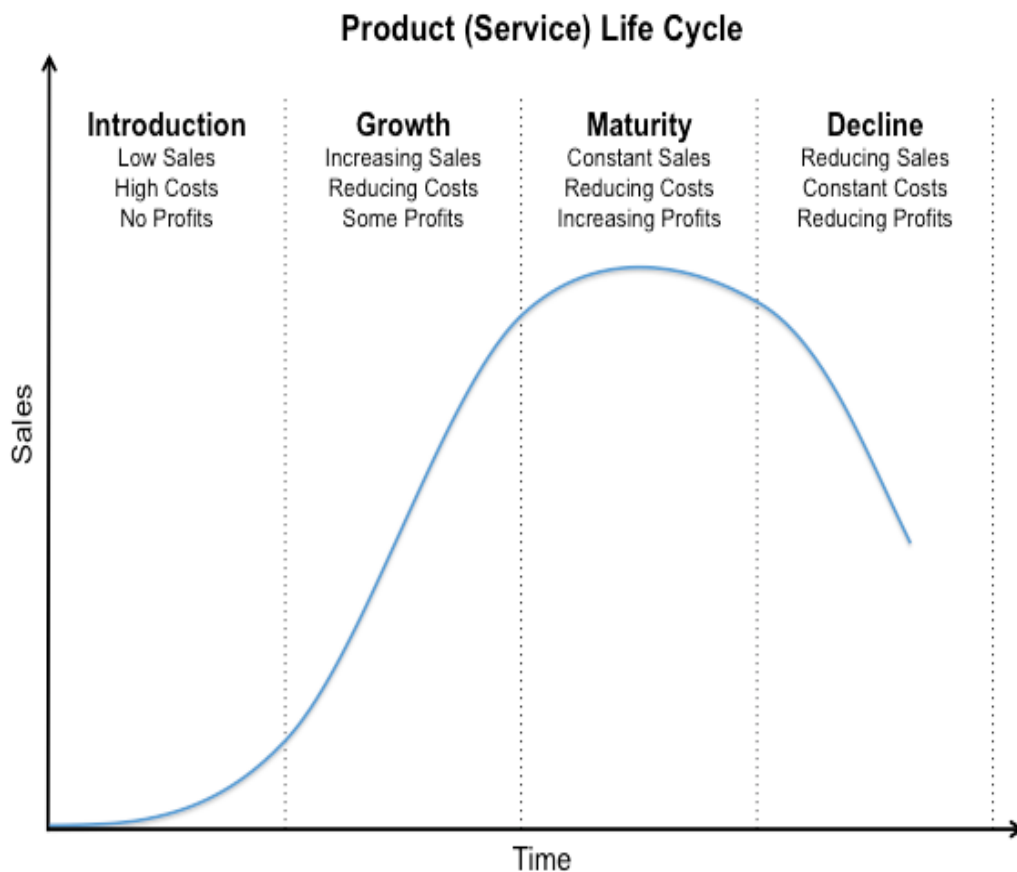


Fig 4.3 Product Life Cycle

4.2.1 Introduction Stage

It is the first stage of the product life cycle. The product is first introduced in the market. Heavy expenditure on advertisement is made to inform the customers, about its qualities and characteristics and it is made popular among its users through promotional efforts. As the consumers are quite unaware of the product characteristics, the sales do not pick up much. Consequently, the quantum of profits is low or rather negligible in this stage but the risk factor is much higher. Competitors are not in the market because the product is new for the consumers. Most of the products fail in this stage due to lack of proper innovation efforts.

4.2.2 Growth Stage

After the product is introduced in the market, the product enters the second stage, i.e., growth stage. Under this stage, the product gains popularity among and recognition from the customers. The demand and sales go up tremendously due to promotional efforts. Consequently, profits of the firm start going up and up because of two primary reasons:

- Production and sales go up, hence; firm gets economies of large scale production and sales.
- Advertising and distribution costs, though go up, per unit cost is reduced. High profits attract the competitors to enter the field.

4.2.3 Maturity Stage

The next is maturity stage. In this stage, the competition increases. Sales of the product go up but with a slower speed. The advertisement and distribution costs increase in order to make the product or service. The profit rate begins to decline. The producer searches for new markets. Market and marketing research expenditure goes up. The prices came down due to stiff competition.

Saturation: Next comes the saturation point. The sale value comes to standstill despite best efforts but it is at an all-time high. The competition is also at its peak in this period. Competition brings the cost of distribution and promotional efforts at new high; prices begin to fall and therefore profits come down. Fresh efforts are made in this stage to improve the product. New markets are tried.

4.2.4 Decline Stage

This stage is brought about by the product's gradual displacement by some new innovation or change in consumer behaviour. New products are introduced in the market by competitors. Sales go down in spite of all best efforts of picking it up. Cost control becomes necessary to reduce the price in order to compete.

Obsolescence: As new products are developed and introduced by the competitors, the company's product dies out. Its demand and sales are likely to taper off. Profits are reduced to a negligible point. At this stage, it is advisable to stop the production of the product and switch to other products.

The above discussion concentrates on the life cycle of a product's beginning with its introduction into the market and ending with its death, (i.e., only post-

marketing stages of a life cycle are given) but, a series of processes are to be undertaken by the management, even prior to its introduction. Various expenses are made even before its introduction to the market on research, engineering and technical improvements, post-production and pre-marketing (test-marketing, advertising) etc.

Utility of a product Life Cycle:

The concept of product life cycle is very important from marketing point of view for a producer or a marketer. The main utilities of the concept are:

- **Life of a product is limited:** According to this concept the life of a product is always limited. The product will die out over a period of time irrespective of the fact, that the product had made tremendous progress during the past. Knowing this fact, management always tries to improve its existing product or to develop a new product.
- **Estimation of profits:** The quantum and rate of profits increases or decreases with the quantum of turnover. At introductory stage, profits are negligible, then they go up and after some time they begin to fall and gradually they move to nil. Thus, the management can well predict the firm's profits in different stages of the life cycle of the product.
- **Marketing programme:** Different policies, procedures and strategies are followed in the different stages of the life cycle of a product. So, management can prepare the marketing programmes accordingly and may get success.

Check your progress 1

1. The core product is best defined as:

- a. The fundamental benefit of the product.
- b. The secondary product.
- c. The tangible product.
- d. The augmented product.

2. An important reason for categorizing products is:
 - a. To learn from the marketing of another product which appears to be different in form, but is similar in terms of the needs it fulfills.
 - b. To prioritize the messages that could be given to customers.
 - c. To identify the attributes which lead to brand loyalty?
 - d. To simplify a complex matrix of attributes into a two-dimensional model that can be interpreted by all product stakeholders.
3. Consumer goods are defined as:
 - a. Relatively cheap products purchased on a regular basis.
 - b. Products purchased to satisfy individual or household needs.
 - c. The combination of shopping and specialty goods.
 - d. All items purchased by an individual excluding those that an individual is legally required to purchase.

4.3 Marketing Strategies and Objectives across the PLC

Product planning embraces all activities, which enable producers and middlemen to determine what should constitute a company's line of products". Johnson defines product planning as "Product planning determines the characteristics of product best meeting the consumer's numerous desires, characteristics that add stability to products and incorporates these characteristics into the finished product."

Product planning signifies three important considerations:

- Development and introduction of new products
- Modification of existing lines as maybe needed in terms of changing consumer needs and preferences
- Discontinuance or elimination of marginal or unprofitable product

Product Policies and Strategies

A closely related group of products that satisfy a class of needs, are used together, are sold to the same customer group, are marketed through the same types of outlets or fall within given price ranges is referred to as a product line.

Any alteration and modification in the product line falls under product line policies and strategies. In order to achieve the long-term objectives, the firm is to alter or modify its existing product line. It becomes necessary, following the changes in the firm's own long-term objectives or change in the government policies regarding the product or the business and the changes in the political and social environment of the country, to alter or modify its product line policies and strategies. Otherwise, the firm will fail in keeping pace with the changing circumstances. Therefore, in order to survive, it becomes necessary to alter or modify the product line.

Product policies and strategies

The following product line policies and strategies are generally employed by the producer or the wholesaler of the product:

1. **Product line contraction (contraction of product mix or simplification):**
It is a method to reduce the number of product lines or the depth of a product line.
2. **Product line expansion (Diversification):** It is just the opposite of the product line contraction and its objectives and uses are as follows:
 - a. To eliminate seasonal slumps
 - b. To eliminate cyclical slumps
 - c. To reduce the danger of declining demand
 - d. To acquire social approval
 - e. To make use of discoveries accidental in the company laboratories
 - f. To use excess production capacity
 - g. To utilize profitably the by-products of the production process
 - h. To use cash and undistributed earnings during high profit periods
3. **Trading up and trading down:** Trading up and trading down are the two forms of the strategy of product change in a new market. This gives increased profitability through additional sales volume got by changing certain features of the product and selling it to a new market. Very few products fully satisfy the needs of more than one market segments. Therefore, concerns must frequently change few product features to match them better with the individualized needs of new target market segments.

4. **Changing models or styles of the existing products:** Continuous changes in fashion create a problem for the producer, compelling him to assess in advance such changes. Furthermore, the desires and needs of the consumers are also subjected to continuous changes. All these compel the management to review this problem with farsightedness.
5. **Quality variations:** In contrast to the above, under certain circumstances, a manufacturer is forced to produce differing qualities of a particular product.

Even if the quality of the product is good, a single quality may not be enough to retain the market.

In the matter of quality, the manufacturer of consumer goods such as specialty goods and convenience goods often face the problem of changing the quality, to suit the market. This is done by either trading up or by trading down already explained.

6. **Product identification:** The ultimate aim of producing a commodity is selling. However, the position of products in the market is determined by contrasting their image with competing products as well as other products marketed by the same company. This in turn is partly created by stand image. One's product should be capable of easy identification by the buyers in the market place. But the brand image is not a permanent one and cannot retain a permanent market. Brand is only a sign and the acceptance of a product finally rests on the real worth of the product. Every manufacturer must find out beforehand whether his product will have a potential market. It can be known by market information and product testing.
7. **Test marketing:** Test marketing reduces risks. Test marketing is a trial and error method to know what is likely to happen when a new product is introduced commercially. By this, future difficulties and problems are removed.

New Product Planning

Each concern has different details for its product planning. It comes under three phases:

- First, new product ideas are created. The planners evaluate the extent and importance of identified market needs through marketing research and buyer behaviour and appraise the extent to which present products fulfil them. Company capabilities are valued based on scientific and technical knowledge of the concern for new products.

- In the second phase, competitive market situation is investigated with company resources. Market research is critically carried on, so that size and type of marketing organisation may be known. An analyst of company resources shows the adequacy of plant capacity, product service facilities, marketing channels, engineering abilities and other human resources. Relative profitability, target market segment and opportunity to attain product leadership are known.
- In the third phase, the product is actually developed. Management gets the programme and the project is executed. This includes overall plan for the product's eventual marketing.

New Product Development

Some products are discovered by accident; others are the result of a careful, methodical process of product development, such as the process seen in Figure 7.5.

In step 1, marketers generate ideas by looking inside and outside the company.

In step 2, marketers screen the ideas and then pick the most promising for further analysis.

In step 3, the best ideas are analysed further to define the product concept, to understand how the new products would relate to other products in the line and to determine how much of the company's resources it would require.

In step 4, marketers begin to develop the product, either internally or externally.

In step 5, the new product is test marketed and a variety of marketing mixes are evaluated,

In step 6, marketers commercialize the product by starting production and implementing the preferred marketing mix.

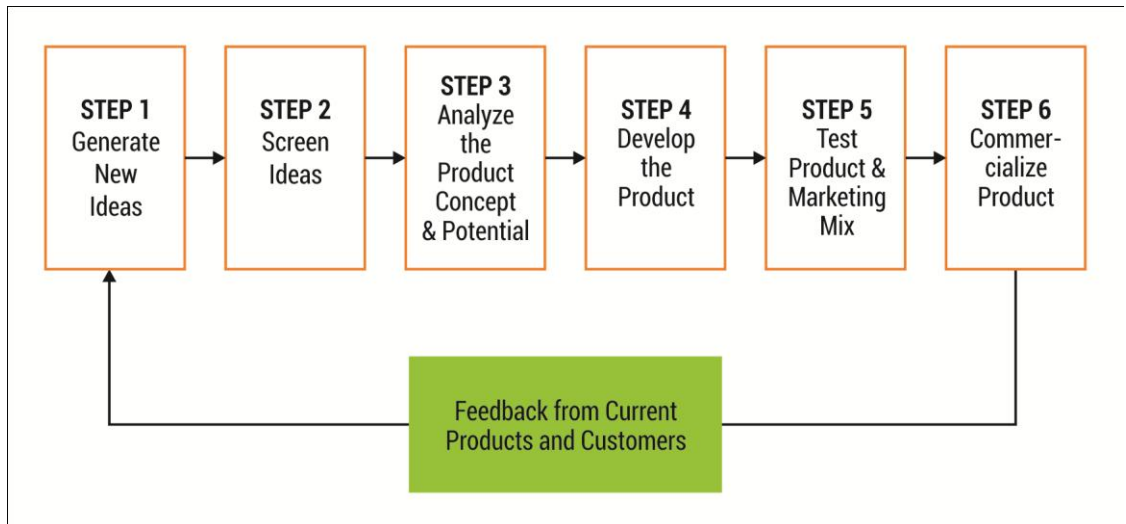


Fig. 4.4 The New Product Development Process Marketers follows

A six-step process to develop new products

Basic requirements of a new product: There are certain basic requirements of a new product:

- Customer or consumer acceptance
- Satisfactory performance
- Economical production
- Adequate distribution in depth and breadth
- Effective packaging and branding
- Adequate servicing where required after the product is sold
- Ultimate replacement

Ultimate replacement is a vital point. The concern can stay in business only if it comes regularly with new products that will replace the old ones becoming obsolete.

Due to research and development, new products have come to help the customer.

Many uses, which were considered impossible, have now become common through research and development. New uses of existing ones are known and obsolescence is saved due to substitutes and competitive products.

Check your progress 2

1. What does the acronym FMCG refer to?
 - a. Functional, mid-priced, or compulsory goods.
 - b. Famous manufacturer's clothing goods (i.e. designer labels).
 - c. Fast moving consumer goods.
 - d. Frequent market, consumption goods.
2. Which growth strategy focuses on developing new products for a company's existing markets?
 - a. Market penetration
 - b. Market development
 - c. Product development
 - d. Diversification

4.4 Let Us Sum Up

In this unit we studied total product concept in which product life cycle and its stages are mentioned in detail. The important stages from the viewpoint of marketing can be grouped into six:

- Introduction
- Growth
- Maturity
- Saturation
- Decline
- Obsolescence

Product planning signifies three important considerations:

- Development and introduction of new products
- Modification of existing lines as maybe needed in terms of changing consumer needs and preferences
- Discontinuance or elimination of marginal or unprofitable product. New product planning is also described in detail.

4.5 Answer for Check Your Progress

Check your progress 1

Answers: (1-a), (2-a), (3-b)

Check your progress 2

Answers: (1-c), (2- c)

4.6 Glossary

1. **Product** - Benefits, the total product, product mix, product life-cycle and its effect on other elements of the marketing mix, product strategy, new product development, adoption theory.
2. **Place** - Customer convenience and availability, role of intermediaries, channel selection, integration and distribution systems, franchising, physical distribution management.
3. **Price** - Perceived value, pricing process, strategy and objectives, demand elasticity, competition, costs, psychological, discriminatory.
4. **Promotion** - Awareness and image, effective communication, communication process.

4.7 Assignment

1. Answer the following in short:
 - a. Product life cycle and its stages
 - b. Ideas
 - c. Durable and non-durable goods
 - d. Consumer products
 - e. Branding
 - f. Product Mix

4.8 Activities

1. What is the Importance of a Product?
2. What is Life Cycle of a Product?
3. What are the elements of Product Planning?
4. Explain various product line policies and strategies?

4.9 Case Study

Developing the Product

Tensator the Innovator

Tensator is a small company which until a few years ago was not known for its innovation. The company's Sales and Marketing Director Terry Green stated, "I'm a very firm believer that innovation doesn't need to be revolutionary. There's nothing my company has done that couldn't be done by anyone else."

Tensator is a light engineering business which manufactured the Constant Force Spring, a device used in the manufacture of car seat belts throughout Europe. Although the company continues to produce this product for this market, it is now far more successful in the production of more recently introduced new product lines.

When Green joined the company in 1989, he realized that there was much more potential for the company. In 1978 it had put forward plans for the use of the Constant Force Spring in the production of queuing barriers for supermarkets and banks, etc. "We hadn't done much with it," recalled Green, "even though there was a feeling it could be developed further." He persuaded the company to focus on this new product idea.

Research was undertaken where customers, current and potential, were asked to give opinions on the viability of such a product and how it could improve on the products that were currently available. The market research proved to be invaluable. "It was hardly rocket science, but it made us realize that what matters is what the customer wants to buy," noted Green. As a result of the company's research and development, Tensabarrier was launched. By 1996, the product was being exported to thirty-six countries and accounted for £3 million turnover. This was a dramatic improvement on the sales generated by the original product which

was developed in 1978 and which had now become just a small part of the company's turnover.

There are now a variety of Tensabarriers in a variety of shapes and forms. There is a bolt-down barrier and a special checkout version which incorporates an electronic movement sensor to prevent theft. These and other innovations were developed very proactively. "It's so easy once you realize that the key is to talk to your customers about how you can find solutions to their problems."

Tensator launched thirteen new products in the years 1995 and 1996. Total turnover had risen more than threefold since 1988 to £10 million, with employee numbers only rising over the same period from 120 to 200. Green makes the point, "Innovation is about the successful implementation of new ideas, it's as simple as that. It's not necessarily about coming up with new inventions. It boils down to pretty basic stuff. It's about tweaking the way you do things rather than jettisoning one big idea for another."

Case Study Review Questions

1. Why do you think the new application of the Constant Force Spring is more successful than its predecessor?
2. To what extent is the above a good example of product portfolio planning?
3. Where do you think the new product is in its life cycle? Give reasons for your answer.

4.10 Further Readings

1. Marketing Management , Philip Kotler, Kevin Lane Keller, Mairead Brad, Pearson, 2008.
2. Market Segmentation: How To Do It, How To Profit From It, Malcolm McDonald, Ian Dunbar, Butterworth-Heinemann, 2004.
3. Strategic Marketing Management, Jean-Jacques Lambin, McGraw-Hill Professional, 1996.
4. Strategic Marketing For The Digital Age, Bill Bishop, Excel Books, 200.

Block Summary

In this block we studied about the Marketing collateral. In it the segmentation of markets is emphasised in order to reach till the worthy customer.

It will help in improving the product and service development, brand positioning targeting advertising and marketing effectiveness and the outcome is greater returns on marketing investment. Marketing collateral is the collection of media used to support the sales of a product or service. "Collateral" is referred to brochures or sells sheets developed as sales support tools.

Examples of marketing collateral include:

Sales brochures and other printed product information, Visual aids used in sales presentations

Web content, Sales scripts, Demonstration scripts, Product data sheets, Product white papers

The Market segmentation from B2B and B2C point of view has been explained.

Profiling the segments has also explained in detail. Elements of communication process are explained in detail. Common goals for promotion are also stated. Criteria for successful segmentation have also been explained. Market targeting and positioning has also been defined. Steps in promotional campaign are also mentioned in detail. The product life cycle is also discussed. The important stages from the viewpoint of marketing can be grouped into six:

Introduction, Growth, Maturity, Saturation, Decline, Obsolescence

The concept of IMC is explained as is Integrated marketing communications (IMC) is the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program, which maximizes the impact on consumers and other end users at a minimal cost has been explained. Communication models are also explained in detail namely: AIDAS, Dagmar heightened appreciation model, advertising exposure model of Joyee Levidge and Steiner model.

Marketing communication mix has also been explained. Product planning signifies three important considerations development and introduction of new products and modification of existing lines as maybe needed in terms of changing consumer needs and preferences. Discontinuance or elimination of marginal or unprofitable product. New product planning is also described in detail.

Block Assignment

Short Answer Questions

1. Basis of Market Segmentation (B2B).
2. Media Scheduling.
3. Concept of Product life cycle.
4. Marketing Strategies and Objectives across the PLC.

Long Answer Questions

1. What do you understand by segmentation, targeting and positioning (STP) strategies?
2. Discuss, what will you do to Plan and develop a New Product.
3. Write Advantages and Disadvantages of the Various Media Types.
4. Discuss Integrated Marketing Communication: Role of market communication.

Enrolment No.

1. How many hours did you need for studying the units?

Unit No	1	2	3	4
Nos of Hrs				

2. Please give your reactions to the following items based on your reading of the block:

Items	Excellent	Very Good	Good	Poor	Give specific example if any
Presentation Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
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Illustration used (Diagram, tables etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Conceptual Clarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Check your progress Quest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Feed back to CYP Question	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____

3. Any Other Comments

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“

*Education is something
which ought to be
brought within
the reach of every one.*

”

- Dr. B. R. Ambedkar



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MARKETING COMMUNICATION AND PRESENTATION SKILLS

PGDM-102

BLOCK 4: PRESENTATION TECHNIQUES

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MARKETING COMMUNICATION AND PRESENTATION SKILLS



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ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.

Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



PREFACE

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!



MARKETING COMMUNICATION AND PRESENTATION SKILLS

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UNIT 2 CONSUMER BEHAVIOUR

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UNIT 3 CONSUMER BEHAVIOUR AND MARKETING STRATEGY

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MARKETING COMMUNICATION AND PRESENTATION SKILLS

BLOCK 4: PRESENTATION TECHNIQUES

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BLOCK 4: PRESENTATION TECHNIQUE

Block Introduction

A presentation is apparently a way of communication that can be adapted to various interpolation situations, such as talking to a group, addressing a meeting or briefing a team.

In this block we will study Presentation skills and public speaking abilities are not limited to certain people - anyone can give a good presentation, or perform public speaking to a professional and impressive standard. Like most specialism, it requires preparation and practice.

In unit one, we will study how Presentations are effective way to communicate to large numbers of people at the same time. However, it is not just about communicating information, but more importantly, to possess advanced presentation skills that you should be able to generate interest and excitement in your subject apart from inducing trust and enthusiasm in you.

In unit two presentations and public speaking skills are valuable in many aspects of work and life. They are central in business, sales and selling, training, teaching; in short it is a feeling of knowledge and comfort speaking to a group of people. Increasing the confidence and ability to give good presentations, and to face an audience are helpful competencies for self-development and helps in managing social situations.

In unit three we will study the layouts of presentations can be very different, for example: oral multimedia, power point presentations, impromptu presentations, business presentations , instructive or training sessions, lectures, and simply giving a tête-à-tête on a subject to a group on a voluntary basis for pleasure. Even wedding speeches and eulogies are forms of presentations.

Block Objective

After learning this block, you will be able to understand:

- The art of presentation
- The technique of data collection
- The various rules associated with the presentation
- The INTRO Model

Presentation
Technique

Block Structure

Unit 1: Preparing for a Presentation

Unit 2: Presentation Skills and Delivering a Speech

Unit 3: Creating and Leaving an Impact in Every Stage

UNIT 1: PREPARING A PRESENTATION

Unit Structure

1.0 Learning Objectives

1.1 Introduction

1.2 Gathering the Raw Data

1.2.1 How Much Information Should You Begin With

1.2.2 Filtering the Information

1.3 The Triple S Rule

1.4 Deciding on Time Allocation: How Will You Know How Much Time You need

1.5 The Formula of Substance, Style and Support and Its Impact on the Way You Present

1.6 Let Us Sum Up

1.7 Answers for Check Your Progress

1.8 Glossary

1.9 Assignment

1.10 Activities

1.11 Case Study

1.12 Further Readings

1.0 Learning Objectives

After learning this unit, you will be able to understand:

- How to prepare for presentation.
- How to filter the information.
- Triple S rules.

1.1 Introduction

A presentation is one of the ways of communication that can be adapted to various situations of s exclamation such as talking to a group, addressing a meeting or briefing a team.

A presentation also includes other ‘speaking engagements’ such as making a speech at a wedding, or getting a point across in a video conference. Step-by-step preparation and the method and means of presenting the information should be carefully considered in order to be effective.

Presentation Skills and Personal Presentation are the two categories of the formal presentation of information: Both of these categories are interwoven and it requires preparation, presentation and practice of verbal and non-verbal communication to be effective. There are different methods and means to be adopted for presenting the information.

A presentation should convey a message to the listeners, so it contains a '*persuasive*' element. It may, for example, if we talk about the positive work of our organisation, we should say what we could offer as an employer, or why we should receive additional funding for a project. A presentation is a form of oral communication in which a person shares factual information with a specific audience. Three major elements of presentation are a presenter, specific content and an audience.

1.2 Gathering the Raw Data

The important elements of presentation are:

- **Framework:** Ask the following questions to develop a full understanding of the framework of the presentation:
- Place and time of your presentation
- Will it be a familiar place or a new venue?
- Will the environment be formal or informal?
- What would be the strength of the crowd?
- Is the audience familiar?
- What equipment and technology is available and what are you supposed to use it?

Host /Presenter: Communication with the audience and to control the presentation is the primary role of the presenter.

Audience: The audience receives the presenter's message.

- **Message:** The information or messages are delivered by the presenter to the audience.

The message is delivered not only by the speech (verbal communication) but can be expanded and conveyed through the techniques such as visual aids, body language, gestures voice projection, eye contact, etc. (non-verbal communication).

- **Reaction:** The audience's response which determines the success of the presentation. It largely depends upon the presenter, whether he has effectively communicated the message, and met their expectations or not.
- **Method:** Usually Presentations are delivered direct to an audience. But on some occasions they are delivered from a distance over the Internet using video conferencing systems, such as Skype.

Barriers: Factors that can act as a barrier are background noise or other distractions, the time of day and state of audience alertness or an overly warm or cool room, Presenter, must be prepared to cope with any such problems and try to keep your audience focussed on the message to be conveyed

Preparation is the single most crucial factor for a successful presentation. It is the foundation and dedicated time is required for. A good preparation as it will ensure that careful thought about the message is been designed to communicate in your presentation which will help boost your confidence.

The most difficult and challenging part of presentation is how to initiate?

1. The first step involves collection and repetitive read of much information about the subject and then preparing notes.
2. In the second step selecting the information and deciding how much of it you will present. To accomplish this, you need to know the time allotted for a speech.
3. Third step is designing the format and maintaining the sequence of it is must.
4. Other factors to be considered are:
 - Use of visuals
 - The position while imparting the speech

- Way of presenting the information

While speaking in public few more important aspects to be addressed are about the business attire one will wear, number of audience to be addressed and overcoming the shortcomings in case if any.

1.2.1 How Much Information Should You Begin With?

For a Genuine speech preparation, one has to gather facts and arrange the thoughts. Collecting the ideas, nurturing them and reflecting it in the speech in a unique and organized manner is very important.

- Time is required for speech to grow.
- It involves prepare for many weeks.
- One has to think about it repetitively and those ideas should sink in consciousness to come out as a thought.
- Questioning at every stage is important and then penning down the answers of the same.
- Continuously adding new ideas builds the speech in a more constructive manner.

Set a purpose for delivering this speech is determined, the focus of the entire speech Should be around that purpose. It is preferable if the purpose is related to the audience as it will drive the speech.

Having a good title which aims to inform and persuade the listeners is recommended.

Preparation of simple and orderly outline which will decide the sequence is must.

Following pattern should help in drafting a speech:

- Sequential
- Categorical
- Problem and solution
- Contrast and comparison

Mind-mapping or webbing techniques can be very useful for sequencing. Real life examples can be highly useful.

The narration of personal stories always works best for the audiences. Many professional speakers use personal stories and it becomes their "signature" story.

1.2.2 Filtering the Information

Gathering early information is extremely important to be successful. You will get enough time to practice if you begin early the role of the presenter is of an advocate of the information. So he must gather proper information about the subject.

One instance About Mark Twain is quoted here. As he was a great speaker he was once asked if he could prepare a speech for an upcoming engagement, he quickly responded, "If you want me to speak for an hour, I am ready today." But "If you want me to speak for just a few minutes, it will take me a few weeks to prepare."

Most speakers usually take more time to prepare a shorter version of a speech than the longer one. So while preparing the next speech, one should be ready with two sets - longer and shorter versions. Hence it is proved that Mark Twain was right. "In either case, one should gather the facts and highlight the most important part in it to include in your speech."

Check your progress 1

1. A presentation is a form of oral communication in which a person shares factual information with an audience that is:

a. small	c. specific
b. mixed	d. large
2. The presenter acts as the:

a. supporter of the information	c. deliverer of the information
b. medium of the information	d. advocate of the information
3. The three major elements of presentation do not include:

a. visual aids	c. an audience
b. specific content	d. a presenter

1.3 The Triple S Rule

Harness the Power of Three

For any sort of presentation or rhetorical debate, as well as in communication, three is perceived as the magic number. May be because the brain finds it relatively easy to grasp three points, ideas or number at a time. Therefore it would be better if the structure your presentation revolves around the magic number of three. To be able to give a good presentation, a full rehearsal is necessary. Reading out the presentation sounds very dull.

For example, your presentation should have three main elements:

- the introduction
- the matter
- conclusion
- The draft of the Presentation should consist of these three elements and later expand each of these elements into three sub-points. If visual aid such as PowerPoint is used limit the number of bullet points to three on each slide and expand on each of these as you proceed further.

The Triple S stand for Substance, Style and Support which are explained as follows

1. **Substance:** It means the data or information gathered for the presentation. It also means what quality of content is collected for the same. Before delivering, the content must be edited according to the subject. Simple and active form of sentences can make presentation very effective.
 - The language used for presentation should have familiar expressions and should be appropriate.
 - Ensure that language should presentation friendly. Presentations are verbal and so use of accessible and easily-understood words should be there instead of technical or obscure words.
 - Since you will be talking through your ideas and that the audience will be listening, use short sentences that are structured and easy to understand.
 - Use symbols and visual material to aid understanding and grab audience's attention.

- Check, and double check, that any presentation slides or illustrations, titles, captions, hand outs or similar are free from spelling mistakes.
2. **Style:** The presentation has to be delivered in an appealing manner. For that following points should be kept in mind:
- The presenter should be confident about his work and delivery.
 - He should be formally dressed and look pleasant in terms of appearance.
 - He should be fluent and grammatically correct in his language.
 - His voice intonation should be relevant to the topic.
 - His start of the presentation and the end should be very attractive.
3. **Support:** This forms an important part of presentation.
- This includes Technology used during the presentation.
 - It includes instruments like Microphone, CD's, pen drive, software if required.
 - There should be back up arranged for it in case any problem occurs due to failure of anyone of it.
 - One may appoint an extra staff to handle this for the smooth presentation.

Check your progress 2

1. To be able to give a good presentation, a full rehearsal is:

- | | |
|-------------------|--------------|
| a. audience based | c. optional |
| b. useless | d. necessary |

2. Reading out a presentation is:

- | | |
|----------------|------------|
| a. not allowed | c. dull |
| b. allowed | d. helpful |

3. To make a presentation effective and impressive, you should use:

- | | |
|--|----------------------|
| a. jargon | c. passive sentences |
| b. a simple and active form of sentences | d. complex sentences |

1.4 Deciding on Time Allocation: How Will You Know How Much Time You need

Time management as a concept is not very difficult but definitely hard to put it into practice. The time investment is required in prioritising and organising. The basic difference between urgent and important should be understood. Normally urgent' tasks insist on immediate attention, but whether you actually give them that attention may or may not matter. And in case of Important' tasks matter, and not doing them may have serious consequences for you or others.

For efficient time management following things are required:

1. **Cleanliness and tidiness is must:** Cluttering of things or events can be a real distraction and genuinely depressing. Tidying up improves self-esteem and motivation. It is easier to stay on top of things if the workspace is clean and well managed.
2. **Create space for three piles:** Keep, Give Away, and Throw Away. If needed for records then keep it, if action is needed then add it to your to-do task lists. If it's not required Give away, or delegate. One can also throw away (or recycle) for things that have no value to you or anyone else.
3. **Pick Your Moment:** There are certain times of the day that we work better. Schedule those difficult tasks for such times. Scheduling of things like meetings, bank visits must be done irrespective of convenient timings.
4. **No need for Multi-tasking:** Multi-tasking is not recommended as brain takes major time to refocus. It is recommended to finish one job at a time before moving onto another. Grouping of tasks is favourable to perform it consecutively.
5. **Keep Things in Perspective and Stay Calm:** If there are too many tasks to perform it becomes stressful. they have to be prioritised sensibly and most important thing to remember is to stay calm.

Check your progress 3

1. For efficient time management Following things are required :
 - a. Cleanliness and tidiness is must
 - b. Create space for three piles
 - c. No need for Multi-tasking
 - d. all of the above

1.5 The Formula of Substance, Style and Support and Its Impact on the Way You Present

Presentation Skills Training and Coaching Tips

Good presentation skills are an effective way to communicate to large numbers of people at the same time. However, it is not just include communicating information, but is more about creating interest and excitement in your theme and trust and enthusiasm.

Preparation

Practise is key. You can do it with a colleague or friend. Think about your audience and how you want them to benefit from your presentation. Think about content as well as style. If you can video yourself or record an audio piece of your speech do it and ask someone else to evaluate your performance and highlight your best skills.

Investigate

Check the presentation room before the event; practice the basics, e.g. getting up from your chair and moving up to the podium.

Avoid 'Blue peter syndrome'

Do not over prepare. Trust yourself and your skills. Don't rehearse the whole thing right through and do not mug up your speech. Make sure your beginning and end is crisp and effective.

Technical support

Test the equipment at least half an hour before the presentation; get familiar with it before you start. PowerPoint and OHP's could fail so be careful. Ensure you have enough technical skills or backup so that you look like you're in charge.

Visual aids

The skill with visuals is to allow people to see first-hand what you are saying with the help of graphics, pictures, cartoons bar charts, etc. Do not use visuals too much.

Developing presentation style

Be yourself

Your useful presentation skills are the ones you possess. Use gestures or intonations and inflections to your advantage. More the energy more effective the presentation. Do not try to copy some other person's style.

Wave

Be more expressive because these days 'good communicators' are seen on TV and held up as models. In your case you will be communicating live. Gestures help convey your enthusiasm for the topic.

Dealing with presentation related nervousness

A certain amount of nervousness is important for a good presentation.. If you endeavour to stifle your feelings you will be inhibited, restricted, and artificial. The added adrenaline will keep your faculties focussed and your presentation will engage your audience.

Deep Breathing

Extra adrenaline may result in shallow upper chest breathing and tension. Taking a slow, deep breath, breathing fully out and in again, will relax you. Divert your attention.

It may seem odd, but our bodies seem to feel better when they have some sort of displacement activity to occupy them. It's the main reason people hold pens and fiddle with different things ranging from paper clips to pens. A limited amount of this sort of activity will help make you feel a lot more comfortable.

Hold on to something

When you begin speaking you are at your most insecure. You must settle in fast so that you can give it your best. Some people prefer to hold the lectern till they settle.

Avoid Gabbling

Go more slowly than you think necessary to avoid rambling. Your audience need the time to integrate and interpret what you are saying. Time yourself because there could be a chance that what seems perfect to you may look like fast forward to your audience.

Working your audience

Presentation as Conversation

Make your presentation more of a conversation with your audience. They may not actually say anything, but make them feel consulted, challenged, argued with; to allow them to stay awake and attentive. One of your best skills is the ability to inspire your audience into wanting to get more of the information you have, not just to present that information at them. The design of the presentation matters a lot, it should be according to the needs of audience.

Interact with audience

Involve with your present audience, and look for reactions to your ideas and respond to their signals. Monitor their reactions; if you don't interact you might as well send a video recording of your presentation. Audience are the ones who vary in their information content and purpose about the subject To select the content of your presentation the need of the audience should be taken into consideration.

Show conviction

Give an expressive and an enthusiastic presentation for your audience to respond, which is what you want. At the very bottom disagreement is better than being ignored. Use your excitement, to pace yourself which will help in giving an excellent presentation. Always talk about you something you know you feel strongly about to build up to an important point.

Get some perspective

The odds are that some audience members will not like your presentation and disagree with you. There will probably be someone else out there who is indifferent to the topic you are talking about. Wrong as a rule of thumb, the majority of most audiences want to like you and what you have to say so live up to their expectations as far as possible.

Structuring effective presentations

Use metaphors

Metaphors and analogies convey image and feeling and enable others to empathize through similar experiences of their own. And remember the light bulbs - if they're not lighting up try a different metaphor.

Examples

Effective presentations are full of anecdotes and examples. It always helps your listeners to see more clearly what you mean. It's quicker and more colourful.

The point

Never be too far away from your main point using three or four basic ideas. For any detail that you cannot present in 20 minutes, try another medium such as hand outs or brochures.

Your Presentation Finale

End as if your presentation has gone off exactly the way you wanted it to. Never pull off a pale or sorrowful face while leaving and never show that you have heaved a sigh of relief now that it is over. Do this even if you feel like you've presented badly. A good finish to a presentation will get you applause - and you deserve it!

Developing as a presenter

Trust yourself and your skills

If you do not think you are up to a particular presentation either get professional help, or find someone who has enough knowledge to brainstorm with you over the topic. Most people have better presentation skills. Recognise what skills you have. If you doubt your ability to think, for example, then defer questions after the presentation. Do not use jokes as an ice breaker.

Success is the best presentation training

Don't over reach yourself because short presentations that you feel went fine may leave you feeling inadequate.

Feedback

Encourage those around you to tell you the things you did well and more importantly what they expect from you should you give them another talk. When we're up in front of an audience we all have very fragile egos but positive and constructive criticism does wonders.

Check your progress 4

1. The audience for a presentation consists of people who:
 - a. are confused in their purpose
 - b. vary in their level of information and purpose
 - c. are uninformed and lack a purpose
 - d. are uniform in their level of information and purpose

2. To select the content of your presentation, you should know:
- a. the audience's needs
 - b. your purpose
 - c. the time limit
 - d. the available material
3. In presentation design, maximum time is given to the:
- a. conclusion
 - b. question–answer session
 - c. main body
 - d. introduction

1.6 Let Us Sum Up

In this unit we studied about the presentation skills. It is stated that a presentation should convey a message to the listeners. It should have a persuasive element. The main elements are:

- Framework
- Host
- Audience
- Barriers

Patterns of drafting speech are also mentioned here like: Sequential, Categorical, Problem and solution, Contrast and comparison.

The Triple S rule consisting of Substance, Style and Support is also mentioned.

The points of developing presentation are also given.

1.7 Answers for Check Your Progress

Check your progress 1

Answers: (1-c), (2-d), (3-a)

Check your progress 2

Answers: (1-d), (2-c), (3-b)

Check your progress 3

Answers: (1-d)

Check your progress 4

Answers: (1-b), (2-a), (3-c)

1.8 Glossary

1. **Persuasive** - Good at making people agree to do or believe what you want them to.
2. **Tripe S** - Substance, Style, Support.

1.9 Assignment

Explain the Triple S rule and its impact in response to the orientation day speech at your college wherein you are addressing new students about the college and their course.

1.10 Activities

With the help of the unit, prepare a presentation on environmental conservation.

1.11 Case Study

A Win-Win Situation from Delegating

Jenny was the leader of a busy, highly reactive team, with constant and urgent demands on her time. She knew that she needed to spend some time thinking through the implementation of a particular policy, but it was very hard to set aside the time.

In a development discussion, Sara, one of her team, expressed her desire to do some more strategic work to build up her skills. Jenny saw an opportunity for both of them, and offered Sara the opportunity to prepare the initial paper on implementing the policy.

Sara jumped at the chance, and produced an excellent, well-thought-through paper which was a great foundation for further work. It conveys that delegation of work is important as it gives power and freedom both to the two people involved. Delegation of work is transferring the power temporary and also giving freedom to the person who is entrusted with the work.

Q.1 What is importance of delegation in management terms?

Q.2 Does it mean transfer of full power?

1.12 Further Readings

1. “How to Win Friends and Influence People” by Dale Carnegie.
2. The New Rules of Marketing & PR: How to Use Social Media, Online Video, Mobile Applications, Blogs, News Releases, and Viral Marketing to Reach Buyers Directly by David Meerman Scott.
3. “Confessions of an Advertising Man” by advertising legend David Ogilvy.
4. Spin: How to Turn the Power of the Press to Your Advantage” by Michael S. Sitrick.
5. Shape Minds, Build Brands, and Deliver Results with Game-Changing Public Relations” By Ronn Torossian.

UNIT 2: PRESENTATION SKILLS AND DELIVERING A SPEECH

Unit Structure

2.0 Learning Objectives

2.1 Introduction

2.2 Planning the Speech

2.2.1 Writing the Main Points of the Speech

2.2.2 Rehearsing the Speech

2.3 Presenting the Speech

2.3.1 Dealing with Questions Asked at the End of Speeches

2.4 Let Us Sum Up

2.5 Answers for Check Your Progress

2.6 Glossary

2.7 Assignment

2.8 Activities

2.9 Case Study

2.10 Further Readings

2.0 Learning Objectives

After learning this unit, you will be able to understand:

- How to plan the speech?
- How to write the speech?
- How to deal with the question answers asked during the speech?

2.1 Introduction

One of the important parts of communication is writing skills. They allow you to communicate your message with clarity and ease to a far larger audience. If writing skills are poor they create first impressions as very bad and many

readers will have an immediate negative reaction if they spot a spelling or grammatical mistake. For example; a minute spelling mistake on a commercial web page may cause potential customers to doubt the credibility of the website and the organization. For writing specific subject or purpose has to be identified. Speech organization is an art. It is effectively taking the information one wishes to present and arranging it in a logical order. It comes down to two things: credibility and audience understanding.

The speech should be organized because it will be more enjoyable, easier to understand and add credibility to both the presenter and the speech itself.

There are two methods of organizing information one is chronological order and the other is spatial. In chronological order you arrange according to the timeline and in spatial it flows in the pattern of organization. Audiences are more likely to play the role when the information in the speech flows.

2.2 Planning the Speech

There are four aspects which needs attention while planning the speech they are: purpose, subject, audience, and details.

Three main purposes for speaking is to inform, persuade or to demonstrate.

While Informing you either educate or give an informative speech: The importance of giving a speech is that you want to convey your point of view by informing people regarding the subject. While giving the information it should be noted that it should be relevant to the topic and it should be presented in an interesting manner.

While persuading you either argue for or against something: To convince people about our opinion regarding a certain subject is a big task. It either leads into compulsion or arguments. How people will perceive persuasion is very difficult to predict. So imposing of opinion should be avoided. The point to be conveyed should be emphasised but not stressed.

While Demonstrating: Your purpose is to show how to do something or show how something works; you are preparing a demonstrative speech. Demonstration can be live or with the help of technology like power point wherein every procedure can be explained.

2.2.1 Writing the Main Points of the Speech

Writing Your Speech

If you are writing a short speech you may use note cards and not more than 4 or 5.

For a longer speech a brief outline might work best.

If you give a persuasive speech you could take the help of a word for word script.

If writing has to be informative it should be subject specific. If writing business letters it should be formal. The language should be technically correct i.e. grammatically, spelling wise there should be no mistake. The writing should be brief and relevant to the topic.

Whatever you choose you have to have an effective introduction, body, and conclusion.

Introduction

A good introduction sets the tone and direction of your speech by -

- Getting the attention of your audience
- Introduce your topic
- Stating your fundamental idea or purpose

Start-Up Ideas

To help the audience focus on your topic

- Ask a thought provoking question
- Tell a funny story or anecdotes
- Give a short demonstration, or attention getting visual aid
- Make a strong statement about why the topic is important to you and the audience
- Share an appropriate quotation related to your topic

Stating your thesis

After you've considered your purpose, subject and audience -- & gathered the information, you need to write your thesis statement.

You can begin the statement with 'My purpose is...' and finish with your specific speech topic.

Example from Writer's Inc. book:

"My purpose is to persuade my classmates that we cannot depend on the Indian Government bodies for our retirement funds, so we need to start our own savings plans now."

Body

If you're giving your opinion about something back up your point of view with logical reasons and evidence.

Organize your details effectively as you can.

Ways to do this:

- **Order of Importance:** Arrange information according to its importance – greatest to least great or vice-versa.
- **Chronological Order:** Arrange information according to time – the order in which things take place.
- **Comparison/Contrast:** Give information about subjects by comparing them (showing similarities) & contrasting them (showing differences).
- **Cause and Effect:** Give information about a situation, a problem or a process by sharing its cause & effects.
- **Order of Location:** Arrange information about subjects according to where things are located in relation to each other. (An informational speech about the anatomy of a person.)
- **Problem/Solution:** Describe a problem & then present the solution.

Conclusion

The conclusion of your speech ought to leave your audience motivated on the most important points of your message.

A good conclusion

- Helps your audience comprehend what they have heard?
- Why what you said is vital?
- And what they should do about it?
- Tell one last interesting fact or story. (Good way to end an informative speech.)
- Explain why the topic is important. (Good way to end a persuasive speech.)

- Sum up the most important ideas in your speech. (This is a good way to end a demonstrative speech.)

2.2.2 Rehearsing the Speech

Rehearse the speech until you are comfortable.

Ask for feedback.

Before you speak

- Check your equipment and visual aids beforehand.
- Check your outline, note cards, or manuscript and make sure they are in the right order.
- Stand, walk up & face the audience.

As you speak

- Speak loudly and clearly.
- Don't rush. Read carefully if using a manuscript – glance every now and then at your note cards, outline.
- Think about what you are saying; add feeling to your voice.
- Use appropriate gestures to help communicate.
- Look at the audience as you speak, communicate with facial expressions.

After you speak

- Ask anyone if they have any questions.
- Conclude the presentation by gathering up your things & walking to your seat.

Check your progress 1

1. Informative writing focuses primarily on the
 - a. latest news
 - b. subject under discussion
 - c. reader
 - d. writer
2. In writing business letters, one has to be:
 - a. formal
 - b. friendly
 - c. dull
 - d. conventional

3. Technical accuracy of language means:
- a. direct narrative
 - b. active voice
 - c. simplicity
 - d. correctness of grammar, spelling, and punctuation

2.3 Presenting the Speech

Presentation of speech forms the most important part. The presenter has to prepare for it the most. Not only the speech but also his attire, his body language, the technology to be used along with power point slides. To be understood by the audience is also important so it is must make speech simple and attractive. Following points will definitely be helpful in making the speech very relevant:

- **Rely on the fundamentals:**
 - Own your subject
 - Feel positive about your speech
- **Make positive first impression:**
 - Establish eye contact
 - Confident body language
 - Be relaxed and well groomed
- **Build rapport with your audience:**
 - Be sincere and be yourself
 - Say "we" not "you"
 - Talk in terms of your audience's interests
 - Involve your audience
- **Hold the attention of the audience:**
 - Be enthusiastic
 - Use vivid words
 - Express yourself clearly and concisely
 - Have an upbeat voice

Close your presentation to make a favorable and lasting impression.

2.3.1 Dealing with Questions Asked at the End of Speeches

This is one of the toughest yet very crucial parts of presentation. Extremely competent speakers also find this session very dreadful and they seek their ways to avoid the unlikely or “difficult to answer” questions.

Following steps can help in answering the questions:

- Controlling the question answer session :

Many speakers fear the question session because they are scared of losing the control.

Early planning and thoughtful prediction of likely questions can avoid this risk. Since presentation is just like an information exchange, it is always preferred to be open about the question answer session.

In case the presentation gets diverted by an interesting question, one may proclaim the following.

“I think we’re getting a bit off topic here. Let’s put that to one side and you and I can chat about it later. Come and find me at the end and we’ll exchange contact details.”

Or even:

“I’d really like to get on with the presentation, otherwise I may not have time to finish, but let’s talk about this later.”

- **Setting of Ground Rules for presentation:**

It should be made clear at the beginning of the presentation itself about the preference of question answer session. Whether it will be encouraged during the session or after the session.

Some speakers prefer questions during the presentation. The advantage of this approach is that any misunderstandings can be dealt with immediately. There is also a danger that the question will disrupt or distract the speaker, or that questions are raised that would have been covered later in the presentation.

- **Segmentation of the Questions**

If a presenter likes to deal with questions as they arise, but are concerned about the drawbacks, there is an easy way to handle this. In the introduction itself, explain that there are three types of questions:

The first type that seeks clarification of something that has just been said – you will answer those immediately;

The second type that asks a related question about something that you plan to cover later – you will answer those later in the presentation; and

The third type that is best dealt with offline because most of the audience probably won't be interested, or it's outside the topic of the presentation –

Generally don't prefer to end the presentation with the question and answer session.

You can thank the audience for their questions and then summarize once again the main point or points that your presentation was designed to communicate.

If you have finished answering questions, make sure that you have the last word with a strong assertion of your main message(s).

Check your progress 2:

1. Following steps can help in answering the questions:

- a. Controlling the question answer session
- b. Setting of Ground Rules for presentation
- c. Segmentation of the Questions
- d. All of the above

2. There are three types of questions :

- a. That seeks clarification of something that has just been said
- b. that asks related about something that one plans to cover later
- c. That is best dealt offline because not all the audience will be presented,
- d. All of the above.

2.4 Let Us Sum Up

In this unit we studied that one of the important part of communication is writing skills. It is said that it allows you to communicate your message with clarity and ease to a far larger audience. It is expressed that if writing skills are poor they create first impressions as very bad and many readers will have an immediate negative reaction if they spot a spelling or grammatical mistake. For

example; a minute spelling mistake on a commercial web page may cause potential customers to doubt the credibility of the website and the organization.

The four aspects which need attention while planning the speech they are: purpose, subject, audience, and details are mentioned.

Three main purposes for speaking are to inform, persuade or to demonstrate are given.

They are explained further as While Informing you either educate or give an informative speech.

While Persuading you either argue for or against something.

While demonstrating your purpose is to show how to do something or show how something works, you are preparing a demonstrative speech.

It has been advised that prefer not to end the presentation with the question and answer session.

The audience should be thanked for their questions and then the speech should be summarized once again the main point or points that your presentation was designed to communicate as a part of conclusion.

2.5 Answers for Check Your Progress

Check your progress 1

Answers: (1-b), (2-a), (3-d)

Check your progress 2

Answers: (1-d), (2-d)

2.6 Glossary

1. **Audience** - This is the most important group to consider when planning a presentation.
2. **Benefits** - They are the most important details for you to share.
3. **Distractions** - Repetitive gestures, non-words.

2.7 Assignment

Write an essay on:

1. India In 21st century.
2. Human Rights and Global Scenario.
3. Disasters due to environmental hazards.

2.8 Activities

Arrange an elocution competition in your college on the topics related to politics and environment. Encourage maximum participation.

2.9 Case Study

Advanced Presentation Skills road show for medical professionals

Pfizer

Pfizer

Background:

Pfizer a leading pharmaceutical company, - operating in 180 countries worldwide - wanted to inform medical professionals about a pioneering new diabetes therapy.

However, doctors are notoriously busy people and getting their attention is a endless challenge.

We were recommended by their education consultancy and set about coming up with a win-win solution for the medics and drug company alike.

Solution:

A series of 4-hour, Advanced Presentation Skills workshops for small groups of select GP's, consultants across the UK - partly using a slide presentation of the new therapy as a practical exercise.

These benefits were two-fold - medics had a chance to meaningfully improve a much needed workplace dexterity whilst simultaneously learning about the new therapy.

The Sessions were intensive.

Results:

The "road show" was a great success - with early positive feedback that resulted in the client doubling the number of scheduled locations and workshops

100% of participants scored 5 out of 5 on their independent evaluation questionnaires for overall value and 5 out of 5 for the sessions meeting or exceeding expectations - a knock-out result for the client:

The feedback form comments included:

"Terrific analysis and help in presentations"

"Will help in clinical presentations tremendously"

"Very grateful for this experience - it was unique"

"A very different approach to what is normally taught and it worked!"

2.10 Further Readings

1. "How to Win Friends and Influence People" by Dale Carnegie.
2. The New Rules of Marketing & PR: How to Use Social Media, Online Video, Mobile Applications, Blogs, News Releases, and Viral Marketing to Reach Buyers Directly by David Meerman Scott.
3. "Confessions of an Advertising Man" by advertising legend David Ogilvy.
4. Spin: How to Turn the Power of the Press to Your Advantage" by Michael S. Sitrick.
5. Shape Minds, Build Brands, and Deliver Results with Game-Changing Public Relations" By Ronn Torossian.

UNIT 3: CREATING AND LEAVING AN IMPACT IN EVERY STAGE

Unit Structure

3.0 Learning Objectives

3.1 Introduction

3.2 Using the INTRO Model for Professional Openers: The Interest and Need Section, The Title and Range Section, Matching Objectives with Needs.

3.3 The Use of Teasers for Creating and Maintaining Interest

3.4 Anecdotal Delivery: Why Story Telling Remains So Powerful

3.5 The Various Techniques for Developing and Sequencing Content and Key Points

3.6 Memorable Closing: Icing the Delivery

3.7 Advanced Techniques for Visual Aids

3.8 The Full Spectrum of Flip Chart Techniques

3.9 The Dangers of Totally Relying on PowerPoint

3.10 Balancing PowerPoint with Other Presentation and Delivery Methods

3.11 The Use of SmartArt and Visuals for Creating Impact

3.12 Inserted Objects: How to Create a Presentation within a Presentation

3.13 Let Us Sum Up

3.14 Answers for Check Your Progress

3.15 Glossary

3.16 Assignment

3.17 Activities

3.18 Case Study

3.19 Further Readings

3.0 Learning Objectives

After learning this unit, you will be able to understand:

- The intro model.
- The visual aids for presentation.

3.1 Introduction

Learning how to start a presentation is just as important as knowing how to finish it. It is the beginning of the conversation that can make or break it in capturing your audience's attention. Learning how to start a presentation is just as important as knowing how to finish it. It is the beginning of the conversation that can make or break it in capturing your audience's attention. Presentations skills and public speaking skills are beneficial in many phases of work and life. Presentations and public speaking skills are important in every field and profession.

Developing the confidence to face an audience and speak well is extremely helpful competencies for self-development and social situations.

With preparation and practice anyone can give a good presentation, or perform public speaking to a professional and impressive standard and is not limited to certain special people.

3.2 Using the INTRO Model for Professional Openers: The Interest and Need Section, the Title and Range Section, Matching Objectives with Needs

The INTRO Model proposed by Steve Dickinson is as follows:

1. **Interest:** While opening the presentation, the speaker should use following ways depending upon the topic:
 - **Use Silence:** the speaker may open his speech with silence. By stating its necessity. He may use few words rather than be silent.
 - **Pointing towards future or past event:** Link the topic of presentation to any past or future event.

- **Quote someone:** The easiest way to open a talk is simply to quote someone. Think about that last presenter you heard when they opened their talk with a quote. A quote equals instant credibility.
 - **Share Something Extraordinary:** Share something relevant and extra ordinary that will grab audience's attention and create interest.
 - **Tell a story:** If your presentation is based solely on facts and statistics then your audience is going to react in one of two ways: 1) agree or 2) disagree. However, if you tell a story, your audience will participate with you.
2. **Need:** The speaker should mention the need as to why audience should listen to them. He should make them feel associated with the subject. He should make them realize the benefits of listening to the presentation.
 3. **Title:** Title of the presentation should be crunchy enough to attract the attention of the people yet it should give some hint about the topic.
 4. **Range:** It should focus on the expansion at the subjects to be covered under the topic.
 5. **Objectives:** It is all about letting people know about your intention as to why people should listen to you and what the purpose of giving the presentation was.

Check your progress 1

1. Steve Dickenson proposed INTRO model which consists of :
 - a. Interest and Need
 - b. Title and Range
 - c. Objectives
 - d. all of the above
2. In the INTRO model "I" for interest stands for
 - a. Pointing towards future or past event and Quote someone
 - b. Share Something Extraordinary and tell a story
 - c. both a and b
 - d. only b

3.3 The Use of Teasers for Creating and Maintaining Interest

A teaser campaign is a type of advertising campaign which consists of a series of small, cryptic, challenging advertisements that anticipate a larger, full-blown campaign for a product launch or otherwise important event. These advertisements are called "teasers" or "teaser ads." They are used to create interest and curiosity among the buyers. Teaser advertising as the name suggests is type of advertising message approach where a systemic excitement is built around a brand without revealing it in the beginning. It is designed to build curiosity, interest and/or excitement around a product or a brand by talking about it but without disclosing the identity of the brand. Teasers or mystery ads are used by advertisers to introduce a new product or to draw attention to an upcoming advertising campaign of an existing product. A teaser campaign works on the simple premise that you need to gain attention before you can actually tell your brand story. It coaxes the consumers to develop a long nose to smell the unbranded product, makes them talk about the ad in order to satiate their curiosity. This 'nose for news' propels the campaign forward as the mystery is revealed in a sequence of parts. In the process, sufficient word of mouth publicity is generated for the product. Teaser campaigns must be highly creative. They are designed to intrigue, stimulate interest, become talking points and generate media coverage, before the answer or product is revealed. They usually require considerable frequency and the use of a number of media outlets to support the idea and sustain awareness. When the product or answer is revealed, it is important to make an impact so that people make the connection with your teaser campaign. Teaser campaigns are carried out over a period of time and are costly to do well. However, teaser campaigns can also run on the same day in the same publication, with smaller ads running on a number of pages throughout the paper. The creative content must be compelling for these to work.



Fig 3.1 teaser campaign

Characteristics of a Teaser Campaign: Parmer (2001), Levy (2009) and Shah (2008) gave pointers for creating effective teaser campaigns:

1. **Relevancy of a campaign should be proportional to the brands:** Message campaigns are effective if they are linked to the overall ad plan of the brand. An intention of the teaser campaign is fulfilled if it shares vital linkages with their past and present events as it cannot exist in isolation. The main aim is to generate intrigues totally unconnected campaigns may yield unexpected results.
2. **Rate of recurrence of teaser ads:** Success of a teaser campaign depends upon the number of times teaser ads are presented to the consumer. “The frequency of your teaser AD is dependent on budget and placement. If the ad is noticed, its effectiveness is increased the positioning of teaser ad matters a lot as media is very much fragmented and cluttered.
3. **Novel concepts are necessary:** Teasers should be fresh in concept and use innovative elements to convey the message.
4. **Timing is everything:** Duration is of extreme importance for an effective teaser campaign. “The length of the teaser campaign really depends on the quality of the creative you produce, the frequency of the teaser ads, and whether the product or service you're introducing is "tease-worthy".
5. **Audience base:** It is essential to know the market segmentation and consumer psychology.

Check your progress 2

1. Some of the characteristics of teaser campaign are :
 - a. Relevancy of a campaign and rate of recurrence
 - b. Novel concepts are necessary and Timing is everything
 - c. Audience base
 - d. all of the above

3.4 Anecdotal Delivery: Why Story Telling Remains So Powerful

Storytelling is a burning topic in the presentation world. You want to raise an issue or make a point? Then tell a story. Stories have power as they touch, enchant, delight, recall, inspire, motivate, challenge. Stories are present everywhere around us. In fact, they help us understand the situations better. The imprints they create on our minds move us, make us feel alive, and inspire us. They help us understand the patterns of life and about basic human needs. They reach out to people and emotionally connect us.

A professional speaker says, “People will forget what you said, people will forget what you did, but people will never forget how you made them feel.” And what’s the best way to make people feel? By telling a compelling story.

Following are the fundamentals of story-telling:

1. **Stories are about people:** People associate with other people, so make sure you focus your story on the real-life characters of your story.
2. **Let your characters speak for themselves:** An important part of storytelling is making the story personal and relevant. When characters speak to each other in a story, it lends nearness, urgency and authenticity to it. So use direct quotes and let characters speak in idiosyncratic voices, lending credibility to the dialogue.
3. **Audiences get bored easily:** It is a fact that these days keeping people interested is a herculean task. So when telling a story, get them engaged: make them wonder, “What happens next?” As the people in your story chase their goal, they must run into obstacles, surprises, or something that makes the audience sit up and take notice.

4. **Stories awaken emotions:** Human beings are not inclined to think about things they don't care about. Stories stir emotions not to be manipulative, not simply for melodramatic effect, but to break through the white noise of information that continuously inundates us and to deliver the message:
5. **Stories don't tell: they show:** It is the central maxim of storytelling, and for good reason. Your audience should see a picture, feel the conflict, and become involved with the story.
6. **Stories have a "moment of truth":** The best stories show us something about how we should treat ourselves, others, or the world around us. Call it an "Aha" moment – that point when your story conveys a message that really makes your audience say, "Yes! That's a powerful idea."
7. **Stories have a clear gist:** When the final line is spoken, your audience should know the reasons why they took this journey with you. In the end, this may be the most important rule of all.

Check Your Progress 3

1. Fundamentals of storytelling are :
 - a. Stories are about people
 - b. Let your characters speak for themselves
 - c. Stories have a moment of truth
 - d. all of the above

3.5 The Various Techniques for Developing and Sequencing Content and Key Points

The following seven stages can be useful in planning a presentation:

1. **Preparation:** Many factors affect the design of your presentation. A powerful presenter will have to acknowledge and address the following:
 - objectives;
 - audience;
 - venue;
 - remit.

- **Objectives:** It should answer what is the purpose of your presentation? What you want to achieve? And what you want your audience to take away with them?
 - **Audience:** The audience members will have an assortment of different experiences, interests and levels of knowledge. A powerful presenter will have to acknowledge and prepare accordingly.
 - **Venue:** What are the setting/ venue? And what are the physical conditions (cross- ventilation, ACs etc.) A large lecture theatre might create a formal atmosphere where as a seminar room might create a less formal tone.
 - **Remit:** You will be given a responsibility for your presentation well in advance you will need to fulfil it. For example, you may have been asked to present a paper at a conference in a certain style or meet certain assessment criteria on your course
2. **Choosing main points:** Once design of your presentation is ready present only three main points in ten minutes of presentation allows time for an adequate introduction and conclusion. A powerful presentation always delivers information in a logical, structured manner, building on the previous point and avoiding large jumps in sequence.
 3. **Choose supporting information:** The subsidiary information helps might be in the form of factual data, points of detail or an explanation of process your audience understand, believe in and agree with your main points. It might be presented in imaginative ways using diagrams, pictures or video segments.
 4. **Establish linking statements:** Develop the linear flow of your presentation highlighting the major points in your argument. In lengthy presentations this might prove more useful because it sends signals to the audience.
 5. **Developing an Introduction:** A worthy introduction to your presentation is vital and it should be used to lay the clear foundation for the presentation.
 6. **Developing a conclusion:** Conclusion is another important stage in your presentation. It can be used to refresh the audience memory of the main points discussed and having a stimulating conclusion will leave your audience with a lasting impression of the quality of your presentation.
 7. **Reviewing your presentation:** Once you have written your presentation make sure that you review the content.

Check your progress 4

1. A powerful presenter will have to acknowledge and address the following:
 - a. objectives and audience
 - b. Venue and remit
 - c. both a and b
 - d. None of above

3.6 Memorable Closing: Icing the Delivery

Your closing statement should be brief and powerful. There are six way for concluding the talk.

1. **Summarizing your ideas:** Conclusions should contain summary. Do not make it a total rehash, but put some new thoughts or elements and a final statement.
2. **Make a direct appeal:** You have told the people in your audience what you want them to do, why and how. Now stir them to action with a ringing declaration or challenge.
3. **Look ahead:** You want to close with prediction that holds forth hope and promise of better things to come. So turn your audience thoughts to future.
4. **Ask a rhetorical question:** This way let people fill in the answer for themselves and you can combine it with other methods of closing.
5. **Conclude a speech with quotation:** An appropriate quotation can conclude many kinds of talks and provides a graceful ending. Quotations also let you borrow the prestige of higher source and help to crystallize the audiences thinking.
6. **Think outside of the box:** Close a program with a poem or national anthem or an attractive thought which helps audience lift up their mood.

Check your Progress 5

1. Which are following ways for concluding the talk:
 - a. Summarizing your ideas
 - b. Ask a rhetorical question
 - c. Conclude a speech with quotation
 - d. all of the above

3.7 Advanced Techniques for Visual Aids

Following are the Advanced Techniques for Visual Aids:

- **Flip Charts:** It is used for recording interactive meetings. It is a very popular, low cost, low tech solution technique which can be prepared in advance. It is portable, it requires no power source and no technical expertise. It is perfect for collecting ideas and responses from the audience and is good for spontaneous summaries. However, if the audience is large, a flip chart will be too small to be seen by everyone.
- **Whiteboards and Interactive Whiteboards:** They are good for developing an explanation, diagrams and simple headings, and for recording interaction comments from the audience during brainstorming sessions. Writing on a whiteboard takes time and it requires turning back to the audience to do so. It should be ensures that if using a whiteboard, your handwriting is large, legible, and aligned horizontally, to be seen by all the audience.
- **Video:** Though they is outstanding for training purposes, it can be difficult to fit into a presentation structure. If a computer is connected to a projector then videos can be run as files, from a DVD or with an Internet connection via YouTube or other online sources. Videos can also be added to a presentation using PowerPoint or other presentation software.
- **Over-Head Projector (OHP):** This is used for written and graphic form with the help of visual aids, so care must be taken to talk to the audience and not the screen. OHPs are appropriate for both large and small groups although the OHPs can be noisy and unreliable and the projector can ambiguous the screen.
- **PowerPoint:** It's very common now a day to use PowerPoint and other presentation software is very common and hence care should be taken that visual effects do not detract from the presentation itself. If you choose to use PowerPoint have a practice run well in advance of a presentation for confidence when giving the presentation itself.
- **Slides:** Slides have excellent visual quality can have impact on any group.. Unlike other methods of presentation, you will not be able to add any spontaneous notes or records to the slides. If you are using slides, ensure that they in the correct order, ideally numbering the slides.
- **Handouts:** Handouts including the key points of a presentation are an excellent addition but must be pertinent.

Check your Progress 6:

1. Amongst the following them which visual aid has a disadvantage of turning your back to the audience?
 - a. PowerPoint presentation
 - b. video presentation
 - c. overhead projector
 - d. chalkboard
2. Following are the Advanced Techniques for Visual Aids except one:
 - a. Flip chart
 - b. Black board
 - c. Video
 - d. Over Head Projector

3.8 The Full Spectrum of Flip Chart Techniques

It is very convenient to use a flip chart as it is portable, requires no power source and no technical expertise. It is ideal for collecting ideas and responses from the audience and is good for spontaneous summaries. However, if the audience is large, a flip chart will be too small to be seen by everyone.

- Ensure that the flip chart is well positioned so that one can stand next to it and write while still facing your audience.
- Markers in several colours should be kept handy.
- Preferably use blue or black marker pens else it will be difficult for those at the back of the room to see any other colours and rarely use the colour red to accentuate things already written in blue or black.
- Size of the letters at least 2-3 inches tall so that everybody can see what is written. Keep your writing legible and straight.
- Plan out your pages as you are writing the outline for your presentation. They will be the support for your public speaking presentation.
- Write out the flip chart page beforehand if you have something that you want to present and then accentuate during the presentation or discussion.

Check your progress 7

1. Advantages of a flip chart as it is _____.
 - a. Portable
 - b. Requires no power source
 - c. No technical expertise.
 - d. All of the above

3.9 The Dangers of Totally Relying on PowerPoint

PowerPoint is a quick and easy way to organize ideas and information, and regarded as the most useful and accessible way to create and present visual aids to the audience. People also believe that it has created a separate own mind-set which forces presenters to spend countless hours thinking in PowerPoint and developing slides. A political party has even formed to ban PowerPoint in Switzerland. Depending on one's perspective it seems that many advantages could easily be viewed as a disadvantage.

- It is easy to create attractive designs using the standard themes.
- It is easy to modify.
- It is used to present and maintain eye contact with a large audience thereby eliminating the need for hand outs to follow the message.
- Speakers can create slides rather than outlining, organizing, and focusing on their message.
- The linear nature of PowerPoint slides forces the presenter to reduce complex subjects to a set of easily memorisable bullet items.
- It is the basic equipment required to present. You will need to have a computer and projection equipment in place to display the slides to the audience.

Disadvantages

Design

- **Design power pointless:** It may give the illusion of content and coherence, when in fact there is none.

- **PowerPoint excess:** Some speakers create presentations to present rather than bland delivery of the message.
- **Replaces planning and preparation:** Power Point plays a convenient prop for poor speakers.
- **Feature abundance:** While the basic features are easy to use and apply too many flying letters, animations, and sound effects without seeing much original thought or analysis can be a real issue. In many cases, the medium pushes the message aside.

Delivery

- **Basic equipment required:** You will need to have a computer and projection equipment.
- **Focus on medium, not message:** Too many people forget they are making a presentation first and that PowerPoint is only a tool.

Check Your Progress 8

1. Which of the following is not an advantage of a power point presentation :
 - a. It is easy to create attractive designs using the standard themes.
 - b. Design power pointless as it may give the illusion of content and coherence, when in fact there is none.
 - c. It is easy to modify.
 - d. The linear nature of PowerPoint slides forces the presenter to reduce complex subjects.
2. Which of the following is not a disadvantage of power point?
 - a. Design power pointless.
 - b. PowerPoint excess.
 - c. It is the basic equipment required to present.
 - d. Replaces planning and preparation.

3.10 Balancing PowerPoint with Other Presentation and Delivery Methods

Use of Power point is helpful when care is taken while using it.

Following aspects needs to be checked before starting the presentation:

Colour: PowerPoint offers a wide selection of colors, and you may be tempted to try all but to produce effective presentations, you need to stick to a limited number of colors and use them consistently. Give your speech a professional appearance at all times.

Text: Most PowerPoint slides contain some kind of text. It might be no more than a title indicating the subject of the slide, or it might include several lines in the body of the slide. Text can be used by itself or in conjunction with photographs charts, drawings, and other images.

Fonts: PowerPoint has dozens of fonts to choose from, but they all fall into one or another of two basic categories—serif or sans-serif. Serif fonts have little tails on each letter, like the type you are reading right now. Sans-serif fonts do not have tails, like the type used for the heading.

Images: One of the benefits of PowerPoint is the ease with which it allows you to include photographs, charts, graphs, and other images, including video.

Space: No matter what elements you include on your slides, you should strive for a pleasing sense of visual balance.

Animation: In PowerPoint, however, animation refers to the way objects enter or exit a slide. Without animation, all the items on a slide appear at the same time when the slide is displayed. With animation, you can control when words, pictures, even parts of graphs show up on screen. When used properly, it's a terrific way to spruce up your slides.

Delivering Your Speech with PowerPoint

Recheck Your Slides: Before rehearsing your speech, take time to double-check your slides to see if anything is missing, misplaced, or misspelled. You can review all your slides at a glance in Slide Sorter view.

Know Slide Show Commands: When delivering your speech, you should be able to move effortlessly from slide to slide, as well as among animation effects on individual slides. You have to know the computer commands for these operations.

Practice Your Speech With PowerPoint: You should always practice a speech with your visual aids. This is especially important when using PowerPoint. When you practice, don't just click the mouse casually or rush quickly over your words.

Display Slides Only While Discussing THEM: As with other types of visual aids, you want your PowerPoint slides to be visible only when you are discussing them. You can achieve this goal by adding blank slides as needed.

Check the Room and Equipment: In the idyllic circumstances, you will be able to rehearse at least once in the same room where you will present your speech so make optimum use of it.

Develop A Backup Plan: Despite all your preparation and practice, it's possible that technology will fail you hence always have back-up plans.

Check Your Progress 9

1. Delivering Your Speech with PowerPoint one has to take care of :
 - a. recheck your slides
 - b. know the slide show commands
 - c. practice your speech with power point
 - d. all of the above
2. Following aspects needs to be checked before starting the presentation:
 - a. Colour and text
 - b. fonts and images
 - c. both a and b
 - d. only b

3.11 The Use of Smart Art and Visuals for Creating Impact

Most content created using Microsoft Office 2010 programs is textual, though illustrations improve understanding and memory. With the use of smart art graphics, you can create designer-quality illustrations with a few clicks of your mouse apart from working in Excel, Outlook, PowerPoint, and Word. Although you cannot create in most other Office 2010 programs, you can copy and paste Smart Art graphics as images into those programs.

When you create a Smart Art graphic, you choose a layout, text and other content, colours, styles, effects. Text formatting is automatically carried over to the new layout.

As you add and edit your content in the text panel you can also add and remove shapes in your Smart Art graphic to adjust the structure of the layout. As you add or remove shapes and edit your text, the arrangement of the shapes and the amount of text within those shapes is updated automatically — maintaining the original design and border of the layout for your Smart Art graphic.

Check your progress 10

1. With the use of Smart Art graphics
 - a. we can create designer-quality illustrations with a few clicks of your mouse
 - b. you can copy and paste Smart Art graphics as images
 - c. both a and b
 - d. only a

3.12 Inserted Objects: How to Create a Presentation within a Presentation

Insert a movie from a file

To insert a movie into a PowerPoint presentation, use the movie from file option on the insert menu. If the presentation is located anywhere in the file path at which the movie file is located, PowerPoint stores the movie file as a relative path in the presentation. If the presentation is not located at the path at which the movie file is stored, PowerPoint stores the movie file as an absolute path in the presentation. For example, you have a presentation that is located in the following folder:

C:\Documents and Settings\User\My Documents

You insert a movie from the following folder into this presentation:

C:\Documents and Settings\User\My Documents\My Movies

Movie playback

When you use this method to insert a movie, PowerPoint controls the movie playback process by using Media Control Interface (MCI). Therefore, this method is the best method to use to insert a movie into a presentation.

Insert a movie file as an object

When you insert a movie as an object, PowerPoint is not involved in the process. The process occurs in Microsoft Windows Media Player. Windows Media Player includes a set of APIs that PowerPoint 2003 uses primarily for movie playback. Windows Media Player keeps its own set of codes and, it uses the Windows registry file types to determine which format and codec to use. Windows Media Player looks for a codec signature in the file and then matches the codec that it finds. If Windows Media Player cannot find an appropriate codec, it searches the Web for a valid codec.

Windows Media Player stores the movie file. However If Windows Media Player cannot find the original file at the original absolute path, it looks in the path for a file that has the same file name extension and size.

Check your progress 11

1. Use of MCI is the best method because :
 - a. PowerPoint controls the movie playback process
 - b. movie can be easily inserted
 - c. both a and b
 - d. only a
2. Which statement illustrates a disadvantage to using handouts in a presentation?
 - a. An incomplete outline of your presentation provides notes for you and the audience.
 - b. An incomplete outline invites the audience to participate in your presentation.
 - c. A handout can provide information more detailed than to explain in a brief presentation.
 - d. The audience may read the handout instead of listening to the presentation.

3.13 Let Us Sum Up

In this unit we learnt, how to start a presentation is just as important as knowing how to finish it. It is stated that it is the beginning of the conversation that can make or break it in capturing your audience's attention.

The formats and purposes of presentations can be very different, for example: oral (spoken), multimedia (using various media - visuals, audio, etc.), are described in detail. PowerPoint presentations, short impromptu presentations, long planned presentations, educational or training sessions, lectures, and simply giving a talk on a subject to a group on a voluntary basis for pleasure are also mentioned in detail.

The Interest and Need Section, The Title and Range Section, Matching Objectives with Needs consists of the INTRO Model Proposed by STEVE DICKINSON is also explained very well. The purpose of this unit is to make students acquainted with the impact creation in every type of presentation.

3.14 Answers for Check Your Progress

Check your progress 1

Answers: (1-d), (2-c)

Check your progress 2

Answers: (1-d)

Check your progress 3

Answers: (1-d)

Check your progress 4

Answers: (1-c)

Check your progress 5

Answers: (1-d)

Check your progress 6

Answers: (1-d), (2-b)

Check your progress 7

Answers: (1-d)

Check your progress 8

Answers: (1-b), (2-c)

Check your progress 9

Answers: (1-d), (2-c)

Check your progress 10

Answers: (1-c)

Check your progress 11

Answers: (1-c), (2-b)

3.15 Glossary

1. **Campaign** - The execution of a strategic marketing, public relations or communications plan that usually spans a longer period of time and which has certain goals and objectives it is trying to achieve.
2. **Case Study** - A campaign, strategy or tactic that is studied in detail and used as a paradigmatic example of a certain marketing, PR or communications principle.
3. **Clip or Clipping** - A story cut from a publication or a segment cut from a video or audiotape.

3.16 Assignment

Prepare a presentation on how to use smart art graphics.

3.17 Activities

Create a SmartArt graphic and add text to it.

3.18 Case Study

'Where did you learn to speak like that?'

Aviat Networks

Aviat Networks

Background:

Aviat Networks is a NASDAQ-listed global network provider with a presence in nearly 50 countries

A senior manager, based in Nigeria, was regularly giving high level presentations to customers, colleagues and international audiences

Whilst she enjoyed it, she found giving presentations an ordeal, often crumbling under the pressure with nerves accompanied by "a rapidly beating heart". She turned to us for help

Solution:

A 3-hour intensive coaching session, focused both on presentation and influencing skills

Results:

The results were summed up in a testimonial she kindly sent after the coaching:

"Initially I was sceptical about flying over from Africa for a course lasting a couple of hours but I have no regrets and feel "transformed." The coaching has definitely helped improve my public communication skills and its satisfying looking at the difference between the first recording and the last one! My only regret is that I wish I'd done this course a lot earlier on in my career. After my first presentation the CEO came up to me to ask where I learnt to speak like that! Thank you, thank you, and thank you."

She continued to improve, bolstered by an additional complimentary telephone consultation prior to a particularly crucial presentation

3.19 Further Readings

1. "How to Win Friends and Influence People" by Dale Carnegie.
2. The New Rules of Marketing & PR: How to Use Social Media, Online Video, Mobile Applications, Blogs, News Releases, and Viral Marketing to Reach Buyers Directly by David Meerman Scott.
3. "Confessions of an Advertising Man" by advertising legend David Ogilvy.
4. Spin: How to Turn the Power of the Press to Your Advantage" by Michael S. Sitrick.
5. Shape Minds, Build Brands, and Deliver Results with Game-Changing Public Relations" by Ronn Torossian.

Block Summary

In this block we studied about the presentation techniques. It is mentioned that presentation is one way of communication that can be adapted to various situations. So there are two categories of presentation: Formal and Informal

It is said that to gather the data: Framework, Host/presenter, Audience, Barrier, these four elements are required.

How much information to begin and how to use the information is also given. The Triple S stand for Substance, Style and Support is also mentioned. Presentation tips and coaching skills are also mentioned. How to plan the speech in chronological or spatial order both are given.

Three main purposes for speaking is to inform, persuade or to demonstrate is also narrated. How to write main points of speech are also given. How to present speech in detail is also mentioned

Art of dealing with the questions asked is also given in detail. The INTRO [Interest, Need, Title, Range and Section model] has been very well explained.

The Teaser Campaign is defined as is a type of advertising campaign which consists of a series of small, cryptic, challenging advertisements that anticipate a larger, full-blown campaign for a product launch or otherwise important event.

Characteristics of teaser campaign are: relevancy of a campaign, rate of recurrences, novel concepts are necessary, time is everything and audience.

The importance of storytelling is also mentioned. And various techniques for developing and sequencing content and key points are also given. How to use advanced techniques for visual aids is also explained.

Block Assignment

Short Answer Questions

1. How to gather raw data?
2. Explain the formula of Substance, Style and Support.
3. What are the main points in the speech which are to be considered?
4. How to deal with the questions at the end of speech how to use teasers for creating and maintaining interest.

Long Answer Questions

1. Read the Microsoft official document and see the uses of smart art graphics mentioned in it.
2. How to do the memorable closing?
3. How to use Smart Art and visuals for creating Impact.
4. What are the dangers of totally relying on the power point?
5. How to have a memorable closing at the end of presentation.
6. Give presentation in the classroom with the help of PowerPoint on how to use different software.

Enrolment No.

1. How many hours did you need for studying the units?

Unit No	1	2	3	4
Nos of Hrs				

2. Please give your reactions to the following items based on your reading of the block:

Items	Excellent	Very Good	Good	Poor	Give specific example if any
Presentation Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Language and Style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Illustration used (Diagram, tables etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Conceptual Clarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Check your progress Quest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
Feed back to CYP Question	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____

3. Any Other Comments

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*Education is something
which ought to be
brought within
the reach of every one.*

”

- Dr. B. R. Ambedkar



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