

**Business Management  
Teach Yourself Series  
Topic 11: The Marketing and Public Relations Functions**

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# The Marketing and Public Relations Functions

Having a customer base that is loyal and aware of what the business has to offer is important for any organisation. Consequently it is important for management to recognise this and ensure appropriate resources and staff are devoted to improving customer knowledge of the business to strengthen customer loyalty.

As such, many large-scale organisations will include a Marketing and/or Public Departments to oversee all aspects of marketing and public relations. A Marketing Manager or Public Relations Manager is a senior level manager on the same level as a Finance Manager and Operations Manager. They are involved in strategic planning.

## Initial terminology

### As it appears in Unit 2

Marketing can be defined as the process of planning and executing the conception, pricing, promotion and distribution of goods and services. This process should result in an exchange between the organisation (business) and a customer so as to satisfy individual and organisational objectives.

Marketing management is therefore the process of monitoring and modifying the marketing plan – the document that sets out all the activities that the business will undertake that are aimed at achieving particular marketing outcomes in relation to a good or service. The plan provides a guide for future action designed to reach marketing objectives, such as establishing a customer base.

Public relations on the other hand is the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and the groups it interacts with – known as publics.

## Marketing objectives and strategies

### As it appears in Unit 2

Marketing is the term used to describe the activities undertaken to achieve the objectives of the organisation. These activities include:

- Advertising the product
- Identifying the needs of the customers
- Packaging the product
- Selling the product
- Determining the price of the product
- Delivering the product to the customer

A key role performed by a Marketing Manager is the development of a marketing plan. A marketing plan outlines the objectives of the marketing division of an organisation. It assists a business in identifying the most effective means of moving from where the business is now and where it would to be in the future.

A marketing plan analyses the market and customers and also considers the actions of factors from the external environmental, such as competitors and suppliers.

A marketing plan aims to; identify the section or segment of the market that the organisation will target, what products will be sold, their life-cycle, what development is needed for the product now and in the

future, what features will the product have, what service is required pre- and post-sale, how will the product be branded, packaged and distributed and what advertising is needed. A marketing plan also details plans regarding place and price. As with all plans and goals/objectives, the marketing plan should be reviewed and updated (if necessary) on a regular basis once the plan has been implemented.

A marketing plan should therefore contain the following information:

- \* market analysis – what is the market, what are its features, what is missing, is there space for us?
- \* customer analysis – where are they, what do they want?
- \* competitor analysis – what are they doing, do they offer something we don't
- \* company analysis – where does this plan fit in terms of our overall goals?
- \* marketing objectives – what do we want to achieve, how will we measure success?
- \* product description – what features will our product have?
- \* distribution methods – how do we get the product to the customer?
- \* promotional strategies – what advertising will we do, how much will it cost?
- \* price – how much will we charge, will it be profitable?
- \* review and evaluation methods – how do we measure success?

There are a number of strategies a Marketing Manager can put into effect to ensure the marketing objectives are met. The first strategy is to devise the marketing mix of the business. The marketing mix refers to all the activities associated with marketing and is generally considered to consist of the four 'Ps':

- Product – what product will meet the needs of the customer? The marketing plan should identify what products do and don't sell, what development should occur with a product and what are competitors doing
- Place – where do we sell the product? Do we direct sell, use the internet or do both?
- Price – prices need to cover costs and provide some degree of profit for the business. The price must also be attractive to the customer and be competitive.
- Promotion – the advertising, packaging and branding of the product so it will attract the customer and encourage sales.

A second strategy is to undertake market research. Market research is concerned with finding out information about potential customers, their needs and what is required to satisfy those needs.

Research can be:

- Quantitative – this research determines 'numbers'. How many times do you shop at a particular store? How many products do you buy a week? How much do you spend? This research is generally conducted using questionnaires and can be targeted to specific groups or the general public. The research can be conducted face-to-face, over the phone or via the internet.
- Qualitative – research that aims to determine 'feelings'. It aims to find out how customers feel about a product, what they liked or didn't like. Often conducted using interviews.

## Review Questions

1. Define Market Research.

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2. 'One criticism of modern marketing strategies is that they seek to create a need that normally wouldn't exist.' Discuss what this statement means.

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3. Explain two objectives of a marketing plan.

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## Public Relations objectives and strategies

### As it appears in Unit 2

Public relations is a difficult term to define. It involves promoting goodwill between a business and its stakeholders. It focuses on communication between the business and its stakeholders with a view to building and maintaining a positive relationship.

Public relations includes a large number of activities like:

- Media releases and interviews
- Company newsletters
- Conferences
- Trade displays
- Annual reports
- Factory tours
- Education programs
- Open days
- Participation in community activities
- Sponsorship

- Lobbying
- Managing customer complaints

The Public Relations function is about the management of all these activities. It often involves a public relations action plan.

The objectives of Public Relations include:

- Presenting a good public image to the public
- Managing a crisis appropriately
- Communicating effectively with all ‘publics’ or stakeholders

The key strategy used by a Public Relations Manager is the design of a public relations campaign. There is a five step process to create a public relations campaign:

- ✓ Set the campaign objectives
- ✓ Develop the public relations action plan
- ✓ Prepare a budget of the costs of the campaign
- ✓ Implement the campaign
- ✓ Evaluate the campaign

Part of a public relations campaign is to identify the communication strategies to be used. Communication strategies can be grouped into four categories:

- i. Print communication – media releases, business cards, brochures and flyers, newspaper articles are examples of print communication.
- ii. Face-to-face communication – speeches and presentations, media interviews
- iii. Visual/audio-visual communication – logos, posters, displays, websites
- iv. Special events – trade displays, sponsorship, community projects

### Review Questions

4. ‘There is no link between an organisation’s objectives and their public relation’s objectives’. True or False? Explain your choice.

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5. Define ‘public relations strategy’.

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6. Identify and explain one public relations strategy that a small business could use.

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7. Why is public relations important for a small business?

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8. Identify one Public Relations strategy and:

- Describe how it is used
- The advantages of this strategy
- The disadvantages of this strategy.

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## Market Research

### As it appears in Unit 2

A key role performed by the Marketing Manager is undertaking market research (mentioned above). Market research is the process of gathering data to assist business owners in making informed decisions about how the marketing of the business should proceed.

Good market research will demonstrate an understanding of different data and data collection methods. This can be summarised in the following diagram: