CHAPTER 2: MARKETING PUBLIC RELATIONS (MPR): A THEORETICAL OVERVIEW

2.1   INTRODUCTION

This chapter reviews the disciplines that form the foundation of this study, namely marketing, public relations and marketing public relations (MPR). It also discusses the hypothesised benefits of MPR, namely greater credibility, trust and the establishment of long-term relationships. These benefits are the factors that the study identifies for effective corporate online communication.

2.2 MARKETING AND COMMUNICATION IN MARKETING

This section deals with definitions of marketing and provides a historical overview of developments in marketing, marketing processes and activities, communication in marketing, marketing communication and trends in marketing and marketing communication. It is necessary to highlight these areas of marketing because MPR[2] includes thinking from the marketing concept and the societal, cause-related and relationship marketing perspectives, and also has a strong product and/or service focus.

2.2.1   Definitions of marketing

McDaniel's (1979) argument that "marketing's responsibilities and functions have changed rapidly in the past 60 years due to changes in especially values, resources, technology and governments which encourage managers to change their strategies in order to meet their organisation's changing goals", underscores the variety of perceptions in this field.

There are various definitions and perceptions of marketing, which have gradually extended the four Ps of the marketing mix to include the needs and wants of an organisation's customers. The various definitions below illustrate the variety of perceptions of this

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[2] See the detailed discussion of MPR in section 2.5.

evolving discipline.

McDaniel (1979:3) refers to the broad definition of marketing formulated by Philip Kotler, who claims that the essence of marketing is the transaction. Kotler defines marketing as "an exchange of values between two parties" and argues that it is specifically concerned with the way in which transactions are created, stimulated, facilitated and valued (McDaniel 1979:3).

Hart (1990:1) defines marketing as

> the process of balancing the organisation's needs for profit against the benefits required by consumers, so as to maximise long-term earnings per share .

Another definition is that of Stanton, Etzel, Walker, Abratt, Pitt and Staude (1992:7), who define marketing as

> a total system of business activities designed to plan, price, promote and distribute want-satisfying goods, services and ideas to target markets in order to achieve organisational objectives.

According to the American Marketing Association (AAA), marketing is a management philosophy which includes a range of activities. This definition reads as follows (Cant, Strydom & Jooste 2004:4):

> Marketing is the process of planning and executing the conception, pricing, marketing communication and distribution of ideas, products, and services to create exchanges that satisfy individual and organisational goals.

Cant et al (2004:20) define marketing as

> a combination of management tasks and decisions aimed at meeting opportunities and threats in a dynamic environment in such a way that its market offerings lead to the satisfaction of consumers' needs and wants in such a way that the objectives of the business, the consumer and society are achieved.

The above definition includes concepts such as management tasks, decisions, opportunities and threats, the dynamic environment, market offerings, need satisfaction and the attainment of objectives.

According to Belch and Belch (1995:6), 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 organisational objectives.

This definition emphasises the facilitation of satisfying exchanges between buyers and sellers, in other words, satisfying customer needs and wants. To this end, organisations must establish what people like about their product and also what prompts people to buy and use it (Kotler 1994:7).

Boone and Kurtz's (1999:9) definition of marketing which also includes relationships with the organisation's customers, reads as follows:

> the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, services, organisations, and events to create and maintain relationships that will satisfy individual and organisational objectives.

Boone and Kurtz's (1999) definition of marketing is adopted for the purpose of this thesis because it accommodates many of the concepts that form the basis of today's understanding of modern marketing as well as all organisational functions and the creation and maintenance of relationships with the customer. The concepts include the marketing variables, namely product, price, place and promotion.

2.2.2   A historical overview of developments in marketing

Over the centuries, modern marketing evolved through seven stages, as indicated in table 2.1 below.

Table 2.1: The seven stages through which the marketing discipline evolved

First stage: Selling (ancient times) (18th and early 19th centuries)
Second stage: Selling, advertising (late 19th century)
Third stage: Selling, advertising, marketing research (20th century)
Fourth stage: The Marketing department developing a balanced marketing programme which coordinates all the marketing mix instruments (20th century)
Fifth stage: Market-oriented company (20th century)
Sixth stage: Cause-related and relationship marketing (20th and 21st centuries)
Seventh stage: Online marketing (21st century)

Sources: Boone & Kurtz (1999); Cant et al (2004); Kotler & Mindak (1978); Strydom (1999)

The first stage of the evolution of the marketing discipline occurred in the 18th and early 19th centuries in the form of an ancient selling function. Street vendors sold goods calling out in public to attract attention. However, in the late 19th century, manufacturers started to realise that repeated advertising could enhance their sales activities. The swift growth of national markets in the 20th century increased the need for marketing information on which marketing management could base their planning. Sellers realised that they could reduce their risk by spending money to establish what customers really wanted and the way in which customers perceived the organisation and its product(s) and/or service(s). The fact that the sales, advertising and marketing research functions operated independently of one another, led to the development of the fourth stage in which they were combined into a marketing department. The fifth stage, the market-oriented company, occurred when the various departments of the organisation all began to adopt and practise a customer philosophy (Kotler & Mindak 1978:15).

Top management's realisation of the importance of actively marketing the organisation's products and/or services in order to create a competitive advantage, culminated in the sixth stage. This stage is indicative of the new attitude managers have towards the marketing function. Marketers also realise how vital it is to accommodate the needs and wants of the organisation's customers and that credibility and trust hold the key to

improved productivity and long-term relationships (Strydom 1999:11).

The seventh stage includes concepts such as online marketing (or e-marketing, e-tailing and mass customisation) during which marketers realised that the Internet can be used as a valuable tool to create long-term relationships with customers because a marketing strategy for a single customer is developed (Cant et al 2004: 21).

In addition, over the years marketing evolved through a number of perspectives, namely the production-oriented, sales-oriented, marketing-oriented, societal marketing, cause-related marketing (CRM) and the relationship marketing perspectives. These perspectives will be briefly outlined in the sections below.

2.2.2.1 Production-oriented perspective

In the production-oriented stage, the notion in production-oriented organisations was that customers would favour products that were available. Management therefore focused on improving production efficiency (Strydom 1999:11).

During this period (from the time of the Industrial Revolution until the 1920s), organisations focused on the production of a few specific products which were mass-made by machines in factories. According to Strydom (1999:11), the central notion of the production era was that products would sell themselves. Organisations therefore largely ignored the requirements of consumers because their major concern was production and not marketing. Stanton et al (1992:8) explain the underlying assumption during this stage as the fact that marketing is not required to make people buy a product when the product is well-made and cost-effective.

Consumers were relatively poor and unsophisticated and bought new products only when they could afford them. Stocks thus began piling up which made management realise the importance of stimulating demand in order to increase sales. This change in management thinking led to the sales-oriented era of marketing (Strydom 1999:11).

2.2.2.2 Sales-oriented perspective

During the sales-oriented stage (from the early 1930s into the 1960s), sales-oriented organisations believed that consumers would not buy enough of the organisation's products unless a special promotion and selling effort was made (Strydom 1999:12). The major concern was to increase sales which were believed to be the key to profitability.

Organisations now started to take more notice of their competitors and it also became more difficult to reach the market. In sales-oriented organisations, advertisements were placed to inform consumers of the availability of products while sales representatives promoted products through direct personal contact (Strydom 1999:13).

According to Stanton et al (1992:8), it was during this period that selling acquired its bad reputation because of the "hard-selling" approach followed by dishonest used-car and door-to-door sales people.

2.2.2.3 Marketing-oriented perspective

Cant et al (2004:12; 190) refer to the marketing-oriented stage (by the early 1950s), as the foundation of the contemporary marketing philosophy. During this stage, an organisation with marketing-orientation was customer-focused, followed a team approach and was competitor oriented. This stage is based on an understanding that a sale does not depend on an aggressive salesforce but rather on a customer's decision to purchase a product. In the marketing-orientation stage, consumers had more sophisticated needs and better finances as well as access to a variety of competing products which made management realise the importance of the marketing function.

During the marketing-oriented stage the focus was on marketing rather than on selling, the top executive for this activity being called a "marketing manager" or a "director of marketing" (Stanton et al 1992:9). The marketing era emphasised the sales message, the price and quality of products, packaging, methods of distribution as well as communication to the target audience. It was further characterised by the adoption of the marketing concept as a management philosophy (Strydom 1999:13).

a   The marketing concept

According to Skinner (1994:14) and Strydom (1999:13), the marketing concept is a result of the market-orientation stage. Dalgic (1998:45) describes the marketing concept as "basically a straightforward and logical idea, which puts the customer at the centre of overall activities of the firm". The concept gained much recognition among academia in the 1960s. Skinner (1994:14) further states that in order to adhere to the principles of this management philosophy, an organisation should strive to satisfy consumer needs through a coordinated set of activities that also allows it to achieve its objectives. McDaniel (1979:4) argues that the marketing concept requires awareness of the consumer's wants and needs, but not at the expense of the organisation's goals. He also points out that members of the organisation must accept and believe the marketing concept if it is to be successfully implemented.

Strydom (1999:13) defines the marketing concept as follows:

> The marketing concept holds that achieving organisational goals depends on determining the needs and wants of the target market and delivering the desired products or services more effectively and efficiently than competitors.

Strydom (1999:13) also describes this concept as an ethical code or management philosophy according to which the enterprise's tasks are performed to satisfy customer needs and wants at a profit.

Friedman, Giladi and Lewis (1999) affirm that the marketing concept is one of the principal philosophies to influence business today. It has enabled many marketers of consumer goods to survive in today's extremely competitive and difficult economic environment. They argue that an organisation should do everything in its power to satisfy its customers' needs, thereby achieving its own goals. Focusing attention on customers' needs will not only keep an organisation viable, but also assist management to create new opportunities for new products much more readily than if the focus were on current products.

The essence of the marketing concept lies in four principles (which may vary according to the views of various authors and theorists). The four principles of the marketing concept

are the target market, customer needs, coordinated marketing and profitability. It starts with a well-defined market, focuses on customer needs, coordinates all activities that affect customers and produces profits by creating customer satisfaction (Kotler 1994:19). Cant et al (2004:13-14) include profit orientation, consumer orientation, organisational integration and corporate social responsibility as the four principles of the marketing concept.

2.2.2.4. *Societal marketing perspective*

Cant et al (1999:14) describe the societal marketing concept which emanates from pure marketing as a marketing management perspective which is concerned about consumers' needs and wants in the long-term. This orientation anticipates possible conflicts between consumers' short-term wants and long-term welfare. It postulates that the organisation should determine the needs, wants and interests of target markets and then deliver superior value to customers in a way that maintains or improves the consumer's and society's well-being.

The societal marketing perspective questions the adequacy of the pure marketing concept in an age of environmental problems, resource shortages, rapid population growth, worldwide economic problems and neglected social services. It also questions whether organisations that have adopted the marketing concept always have the interests of their consumers at heart. The societal marketing concept requires marketers to balance three considerations in setting their marketing policies, namely company profits, consumer wants and society's interests (human welfare) (Cant et al 1999:14).

2.2.2.5 Cause-related marketing (CRM) perspective

Cause-related marketing is an extension of the societal marketing perspective. It links specific products or services to a specific cause and can be defined as "a commercial activity by which businesses and charities or causes form a partnership with one another to market an image, product or service for mutual benefit". Organisations increasingly develop cooperative programmes and partnerships with nonprofit and charity organisations which mutually benefit both parties. The benefits of CRM include an increase in sales, the enhancement of the organisation's reputation and brand, new customers and an increase

in employee loyalty (Cant et al 2004:17).

2.2.2.6 Relationship marketing perspective

The most recent marketing perspective constitutes relationship marketing which entails a broader view of the market. It is also an expansion of the market offering. Its main focus is the maintenance of long-term relationships between the organisation, the government, the public, suppliers, employees and current and potential customers (Cant et al 2004:18). Grossman (1998:27) refers to Evans and Laskin (1994) who state that relationship marketing will lead to greater profitability, increased consumer loyalty, opportunities for strategic advantage, reduced costs in recruiting consumers and more effective organisational planning.

According to Christopher, Payne and Ballantyne (in Cant et al 2004:18), the four Ps of the marketing mix alone are inadequate to ensure full consumer satisfaction. They conclude that two further variables, namely people and processes must be added to the four existing marketing instruments. The variable *people* refers to the employees of an organisation who should be trained in customer service and should realise that their job satisfaction also depends on the success of the organisation. The variable *processes* refers to integral parts of the production, administration and marketing functions (Cant et al 2004:18)[3].

In the literature there is no agreement on a common definition of relationship marketing. All the definitions reflect differences in scope. Boone and Kurtz (1999:333), for instance, define relationship marketing as

> The development and maintenance of long-term, cost-effective relationships with individual customers, suppliers, employees and other partners for mutual benefit.

The above definition explains relationship marketing as extending the organisation's relationships to integrate stakeholders, who also include distributors and retailers, into an organisation's product design and development, manufacturing as well as sales processes.

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[3] See also section 2.2.3 for additions to the marketing mix.

Grönroos (1996:7) formulates the following fairly comprehensive definition of relationship marketing:

> Relationship marketing is to identify and establish, maintain and enhance relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met. This is done by a mutual exchange and fulfilment of promises.

Gummesson (1997) and Grönroos (1996) both provide an interesting European perspective on the relationship marketing theory. Gummesson (1997:7) criticises current literature on relationship marketing as "theory less" and "a stack of fragmented philosophies, observations and claims which do not converge in the direction of an emerging relationship marketing theory". He refers to his contribution to the theory of relationship marketing as the "30R approach". Gummesson (1997:12 - 14) identifies 30 tangible relationships that exist in business and other organisations and therefore contends that relationship marketing is a paradigm shift and not an addition to traditional marketing management. These 30 relationships refer to business networks and interaction and suggest that relationship marketing is a chain of activities and part of a larger context. He suggests that the implementation of relationship marketing requires managers "to go beyond their traditionally function-bound roles". He contends that relationship marketing forces management to value the quality of the total relationship between the organisation, its customers, suppliers, referral and influence sources, as well as potential and current personnel.

Grönroos (1996:7) reiterates the above arguments that relationship marketing constitutes a paradigm shift and not a new marketing model or "another instrument in the marketing mix". He argues that major changes in the business philosophy may be required "if relationship marketing is truly to be adopted". He states that if these changes do not occur, organisations will only be paying lip service and that using direct marketing techniques and developing partnerships alone are not sufficient. Grönroos (1996:7) explains that in order to practise relationship marketing, the four Ps of the marketing mix can and should be applied, and numerous other resources and activities (related to customer care and how to approach customers) should also feature. He proposes that at least four types of resources need to be used to create good customer care, namely personnel, technology,

knowledge (customers) and time which he refers to as the "resource-oriented marketing perspective". He identifies strategic issues in relationship marketing as the firm operating as a service business, managing the firm from a process management perspective and developing partnerships and networks. Tactical issues in relationship marketing include seeking direct contact with customers, building up a database and developing a customer-oriented service system.

Dalgic (1998:51) explains that effective relationship marketing will lead to a higher percentage of satisfied customers and ultimately to greater customer loyalty. But the organisation should consider both the macro environmental and micro environmental factors in order to achieve this.

2.2.3   Marketing processes and activities

Marketing processes and activities are rooted in the organisation's marketing strategy, which includes the four elements (four Ps) of the marketing mix (marketing instruments) to align the organisation's operations to satisfy the needs and wants of its target market[4]. The four Ps were introduced by McCarthy in the 1960s to enable students and teachers to recall or memorise the instruments of the marketing mix[5] (McCarthy & Perreault 1984:v). The marketing approach has been dominated by this marketing mix theory for the last four decades, but theorists increasingly add more Ps to the marketing mix, especially from the services and relationship marketing fields because they perceive the "P" approach to apply in only a few instances of marketing.

Marketing management must make decisions about the four Ps, namely the product itself, the place where it is to be sold (its distribution channel), the marketing communication methods to communicate information about the product to the consumer, and the price of the product. The four Ps combine in a market offering which the consumer may decide to buy if it meets his or her needs (Cant et al 2004:21).

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[4] A target market is that specific section or group of consumers at whom the organisation will direct its marketing efforts (Skinner 1994:19).

[5] Sinclair (1997:76) defines the marketing mix as "the schematic plan to guide analysis of marketing problems through the utilisation of: (a) a list of the important forces emanating from the market which bear upon the marketing operations of an organisation and (b) a list of the elements (procedures and policies) of marketing programmes".

Rafiq and Ahmed (1995:4) refer to Shapiro (1985), who explains that the marketing mix constitutes the idea of controllable variables or a "tool kit" that marketing managers can use by marketing managers to influence customers. They explain that, although McCarthy's four Ps framework is popular, there is still disagreement about what these controllable variables are, especially among European academics.

Rafiq and Ahmed (1995:6) indicate that over the years, numerous modifications to the four Ps framework have been proposed, but that the most severe criticism has come from people in the services marketing industry because of its unique and different approach to consumer marketing. They refer to various modifications[6] to incorporate the unique aspects of services. Booms and Bitner's (1981) extension of the four Ps process,

physical evidence and participants[7], has gained widespread acceptance in the services marketing literature. Quantitative exploratory research by Rafiq and Ahmed (1995:11) indicates that there is general support for Booms and Bitner's seven Ps mix, but not uniform support for the three new variables.

The most recent adaptation of the four Ps of the marketing mix refers to the *four Cs of the marketing mix* that were developed by Robert Lauterborn and proposed by Philip Kotler. The four Cs constitute a more client-oriented marketing perspective**,** namely customer needs and wants, cost to satisfy needs, convenience and communication. The central questions of this approach are as follows (Tenericbusiness [Sa]):

- *Product becomes customer needs and wants.* What does the customer need and want?
- *Price becomes cost to satisfy need.* What is the cost to the customer, both in money and time?
- *Place becomes convenience.* How is the customer demanding convenience and how is the organisation responding?
- *Promotion becomes communication.* What is the most effective way for the

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[6] Suggested modifications include the following: Renaghan (1981's) three-element marketing mix for the hospitality industry, namely the product service mix, the presentation mix and the communications mix; Brunner's (1989) four Cs concept which comprises the concepts of mix, costs mix, channels mix and communications mix.
[7] Process refers to the procedures, mechanisms and flow of activities in a specific service industry; physical evidence refers to the environment in which the service is delivered, while participants refer to the customer who buys the

organisation to communicate with its customers?

2.2.4   Communication in marketing

Messages and communication emanating from modern marketing have a strong customer need-satisfaction focus in order to create lasting relationships. Communication in modern marketing also links an organisation's product(s) and/or service(s) to a specific cause such as environmental projects. In this way marketing communicates the organisation's commitment to and care about society's needs (Dalgic 1998:45).

Communication in marketing is aimed at creating an awareness of the organisation and its product(s) and/or service(s) in order to increase sales and make a profit. The sender (organisation) conveys messages about the organisation's product(s) and/or service(s) to the receiver (customer) in order to persuade the customer to buy the organisation's product(s) or to make use of its service(s). In order to create a lasting relationship, messages focus on the brand, customers' needs and the organisation's commitment to society.   A brand is the sum of all emotions, thoughts and recognitions that people in the target audience have about an organisation (McNamara 2001).

All elements of the marketing mix communicate specific messages to the organisation's target audience (Kitchen 1999:22). The role of communication in the product, for instance, is to communicate the extent to which the organisation's product(s) and/or service(s) can satisfy consumer needs, compared with those of competitors. According to Burnett and Moriarty (1998:35), communication should be about how and why a product meets the needs of the organisation's target audience(s).

Communicating the second "P", namely price to the organisation's target audience is one of the most important marketing messages because it motivates consumers to purchase the organisation's product(s) and retains them as customers. This is communicated by organisations through packaging, coupons, signage, price copy advertising, price concessions and price bundling (Burnett & Moriarty 1998:54; Burnett 1993:103).

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service and other customers in the service environment (Rafiq & Ahmed 1995:7).

The third "P" in the marketing mix, namely the place or distribution channel, includes all the institutions, processes and relationships that facilitate the distribution of the product. The distribution channel can convey a specific message about the organisation to the consumer (Burnett 1993:95).

According to Kitchen (1999:24), the role of communication in the fourth "P ", namely marketing communication (promotion), is to persuade customers to buy a product or make use of an organisation's service(s). In order to effectively communicate

messages to the organisation's target audience(s), the '"what to say, how to say it, through which media/channels, to whom and how frequently" become important in all the components of promotion.

Marketing sometimes uses the tools of the marketing communication mix (promotional mix) to effectively communicate with the organisation's customers.

2.2.5   Marketing communication

Marketing communication is the fourth P in the marketing mix, which is used to inform and persuade the target audience to buy or use an organisation's product(s) and/or service(s). Rowley (1998:384) states that marketing communication ensures that customers are aware of the organisation's available product(s) and/or service(s) and plays a key role in determining profitability and market success. Koekemoer (2004:11) defines marketing communication "as the collective activities, materials, and media used by a marketer to inform or remind prospective customers about a particular product offering and to attempt to persuade them to purchase or use it".

Although the concepts of marketing communication and promotion are regarded as having the same meaning in most of the literature on the subject, Shimp (1993:7) makes a distinction between these concepts. He describes promotion as the aspect of general marketing that promotion management explicitly deals with. Marketing communication, on the other hand, is a "more encompassing term" that includes communications via any or

all of the marketing mix elements[8]. Marketing communication represents the collection of all elements in an organisation's marketing mix that "facilitate exchanges by establishing shared meaning with the organisation's customers or clients". Rowley (1998:384) suggests that organisations should develop an appropriate marketing communication mix[9]. Kitchen (1999) identifies the following elements (or tools) of marketing communication[10]:

- advertising
- sales promotion
- direct marketing
- personal selling
- MPR
- sponsorship
- the Internet

Communication with customers can be either on a personal or an impersonal basis - in other words, through direct selling by the salesperson or a mass advertising campaign. Pitt, Bromfield and Nel (1994:159) refer to the mix between the personal and impersonal approach as the communication mix. When applying the tools of the marketing communication mix, Pitt et al (1994:159) argue that the organisation should consider the balance between personal and impersonal communication to its target audience. They should also accommodate the behavioural effects it requires for advertising, its advertising objectives, and how it will ensure that its advertising strategy addresses the characteristics of each customer group.

An interesting perspective is that of Kitchen (1994:21), who cautions against unwanted or incomprehensible marketing communication messages. He explains that marketing communication "does not and cannot operate in a vacuum of its own making". He also suggests that before marketing related messages can have any influence, consumers must

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[8] See section 2.2.3.

[9] The promotional mix is the combination of different promotional channels to communicate the organisational message and involves an appropriate selection from the range of tools available.

[10] The inclusion of these elements in the marketing communication mix differs from author to author.

pay attention to them. Since the volume of marketing communications is increasing rapidly, Kitchen (1994:19) points out that this form of communication represents what has been termed a *leviathan*[11] and which has the potential to be a form of "pollution".

The elements of the marketing communication mix identified by Kitchen (1999) will now be briefly discussed.

2.2.5.1 Advertising

Koekemoer (2004:65) defines advertising as "a means of making known what we want to sell or want to buy, a means of informing existing and potential customers about a product, its special features and benefits and a means of persuading them to buy the product. More generally the purpose of advertising is to induce potential customers to respond favourably to the offerings of a firm".

Koekemoer (2004:66) explains that the source of the information or message is known as the advertiser, which could be a manufacturer, retailer, service organisation or even the government. The message is the advertisement that is normally prepared by an advertising agency. The message is transmitted through nonpersonal mass communication such as newspapers, magazines, television, radio, outdoor advertising, direct mail, etc. When the message is transmitted, it is adopted by the target market. According to Kitchen (1999:268), advertising "takes a more remote approach" to its target audience than the other elements in the marketing communication mix and its primary role has become longer-term brand-building through building awareness, conveying information, telling a story, establishing an identity and creating a predisposition.

2.2.5.2 Sales promotion

Koekemoer (2004:267) defines sales promotion as "a blend of marketing communication activities and materials designed to intensify the efforts of the marketer's sales force, induce intermediaries to stock and sell the marketer's product offering, and/or persuade

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[11] Anything of a colossal size (Kitchen 1994:19).

consumers to buy the product offering within a specified, limited time period". Some of the objectives of sales promotion include encouraging salespeople to increase their efforts to sell more of a specific product, to locate more prospective buyers of a product, and to build consumer goodwill.

Kitchen (1999: 292) identifies types of sales promotion as price cuts, coupons, displays and feature advertising and/or a combination of these. Communication is either personal or impersonal.

2.2.5.3 Direct marketing

Koekemoer (2004:326) refers to the generally accepted definition of direct marketing used by the American Direct Marketing Association, namely that direct marketing "is an interactive system of marketing that uses one or more advertising media to effect a measurable response and/or transaction at any location". Koekemoer (2004:326) also refers to a more elaborate definition by Stone and Jacobs (2001:5) that "direct marketing is the interactive use of advertising media to stimulate an immediate behaviour modification in such a way that this behaviour can be tracked, recorded, analysed and stored on a database for future retrieval and use".

Kitchen (1999:311) identifies forms of direct marketing as inserts in print media, radio, television shopping, telemarketing, direct mail and database marketing. Communication with the organisation's target audience is more direct and personal.

2.2.5.4 Personal selling

Koekemoer (2004:13) defines personal selling as "a person-to-person process by which the seller learns about the prospective buyer's wants and seeks to satisfy them by offering suitable goods or services and making a sale". Communication is extremely personal through direct contact with the purchaser.

Kitchen (1999:327) explains that personal selling constitutes personal contact with one or more purchasers in order to make a sale and is more expensive than other elements of the marketing communication mix. However, in order to be effective, marketing management need to integrate personal selling with other marketing communication mix elements

(Kitchen 1999:327). The salesperson's communication is direct and personal.

2.2.5.5 MPR

Kitchen (1999) regards MPR[12] as a vital element of the marketing communication mix in that it adds value to an organisation's marketing efforts. Kitchen (1999:352) refers to the definition by Harris (1993), namely that "MPR is the process of planning, executing and evaluating programs that encourage purchase and consumer satisfaction through credible communication of information and impressions that identify companies and their products with the needs, wants, concerns, and interests of consumers".

This study argues that MPR is an integrated cross-disciplinary approach with a strong product and/or service focus. Communication can be either personal or impersonal.

2.2.5.6 Sponsorship

Koekemoer (2004:456) defines sponsorship as the "alignment of a brand with an activity in order to exploit the commercial potential created by the association, thereby positively impacting brand image and/or sales amongst the sponsor's target market, in order to attain marketing and corporate objectives". The organisation provides resources directly to a beneficiary to pursue some activity in return for rights as detailed in a sponsorship agreement. In addition to traditional advertising, it offers the opportunity of brand-building and the selling of marketers' goods and services. Communication is impersonal and concentrates on the sponsoring organisation's image.

2.2.5.7 The Internet

The Internet is a significant new element of the marketing communication mix. According to Kitchen (1999:387), it is not a mass marketing or selling medium but a communications medium that can establish online relationships[13]. Various Internet resources such as the corporate website, e-mail and discussion forums are used to attain specific objectives. Communication is personal and directed at the Internet user, and there is also an

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[12] See detailed discussion in section 2.5.

opportunity for feedback.

2.2.6   Trends in marketing and marketing communication

Trends in marketing and marketing communication include more emphasis on improved and long-term relationships with the organisation's customers and finding alternative media (for instance, electronic media) to communicate more effectively[14]. Koekemoer (2004) and Kitchen (1999) both include new media in their marketing communication mixes.

Doyle (1995:23) refers to this trend as "marketing in the new millennium" and points out that those organisations that are not focused on their customers and which do not understand the needs of the market, will be "dominated by other organisations in the network with superior knowledge". He also states that marketing's impact will depend on how effective managers interact both internally and externally to adhere to the principles of the new marketing orientation.

Dalgic (1998:45) reiterates the above arguments and explains that market-led organisations make the customer the organisation's priority. This entails focusing on the customer, specialising in the customers' unique needs and communicating to the customer the "organisation's commitment and care". Grossman (1998:34) indicates that organisations use marketing communication tools to develop better and long-term relationships with customers. For instance, he refers to the frequent flyer programmes which airlines use to encourage customers to develop a sense of commitment to the airline, rapid check-in and luxurious travel lounges. Relationships with the customer are also built through perceptions of the organisation that are conveyed through marketing communication messages.

According to Rich (2000:172), a current trend in marketing is what he refers to as "one-to-one relationship marketing", which he treats as an extension of the relationship marketing

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[13] See detailed discussion in chapter 4.
[14] See chapter 4.

theory[15]. He emphasises that the Internet can play a crucial role in communicating more effectively with the organisation's individual customers as well as in building better long-term relationships. Schultz and Kitchen (2000:14) refer to this trend as the "interactive marketplace" and "global marketplace" which began to develop in the early 1990s with the growth and expansion of various forms of electronic communication such as the Internet, the commercialisation of the World Wide Web and the introduction of e-commerce. This resulted in marketing communication messages changing from linear to two-way communication.

Rich (2000:175) argues that because of its customer data-gathering capabilities, the Internet has the ability to apply the relationship marketing concept. He refers to the example of the *Ford Motor Company* which launched a relationship marketing programme using the Internet. This company's website links its dealers, establishes an owner e-mail network and offers ownership benefits. *Ford's* objective is to create an interactive medium to gather customer feedback, allowing local dealers to respond and thus to develop "added value to the *Ford* ownership experience".

Arguments by Cant et al (2004) reiterate the importance of being focused on the customer's needs. According to them, it is no longer enough for organisations to win new customers or to be product or technology driven. Organisations now need to provide value to their customers and to be customer-oriented and market driven in all their actions. Schultz and Kitchen (2000:30) emphasise that this can only be achieved through integrated communication or marketing communication.

2.3. PUBLIC RELATIONS

Because MPR also includes public relations techniques, this section discusses definitions of public relations, a historical overview of public relations, theoretical and

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[15]See section 2.2.2.6.

practical approaches to public relations, public relations activities, corporate social responsibility and trends in public relations.

2.3.1 Definitions of public relations

Since public relations is a growing and dynamic industry there are various definitions and perceptions of this field. However, there is still no final universally accepted definition. Over the years a number of definitions of public relations have been proposed, some of which are recognised by authoritative bodies in public relations. These definitions are mostly conceptual and reflect the fundamental role of public relations as an "agent" for both the organisation and the environment. A case in point is the definition of public relations that was developed in 1989 by a panel of experts in the USA (Lubbe, in Lubbe & Puth 1994:6):

> Public relations is the management process whose goal is to attain and maintain accord and positive behaviours among social groupings on which an organisation depends in order to achieve its mission. Its fundamental responsibility is to build and maintain a hospitable environment for an organisation.

Cutlip, Center and Broom (2000) debate the problems relating to a single definition of public relations and in their work refer to the many existing definitions of public relations. They address the concept of public relations in practice by referring to the definition of the public relations scholar and professional leader, the late Dr Rex Harlow, stemming from his analysis of 472 definitions of public relations. What distinguishes this definition from earlier ones is that it that includes both the conceptual and operational aspects of public relations (Cutlip et al 2000:4):

> Public relations is the distinctive management function which helps establish and maintain mutual lines of communication, understanding, acceptance and cooperation between an organisation and its publics; involves the management of problems or issues; helps management to keep informed on and responsive to public opinion; defines and emphasises the responsibility of management to serve

the public interest; helps management keep abreast of and effectively utilise change, serving as an early warning system to help anticipate trends; and uses research and sound and ethical communication as its principal tools.

Harris (1993:11) points out that the length and complexity of the above definition is indicative of the difficulty of defining a "multifaceted field" such as public relations.

Cutlip et al (2000:6) also provide their own definition of public relations as

the management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success or failure depends.

The above definition reiterates perspectives of other theorists that public relations establishes "mutually beneficial relationships" between an organisation and its various publics.

National and international public relations organisations such as the Public Relations of Society of America (PRSA) have also formulated various definitions of public relations. PRSA's definitions refer to the role of public relations, namely (Du Plessis 2000:17):

Public relations helps an organisation and its publics adapt mutually to each other.

AND

Public relations is an organisation's effort to win the co-operation of groups of people.

The Institute for Public Relations and Communication Management (PRISA), which was established in 1957 as a governing body of public relations practice in South Africa, formulated two definitions of public relations. Their first and earlier definition emphasises the deliberate nature of public relations and its nature and role. This definition states that (Lubbe, in Lubbe and Puth 1994:6):

> Public relations is the deliberate, planned and sustained effort to establish and maintain mutual understanding between an organisation and its publics.

PRISA's current definition of public relations was accepted in 1998 and acknowledges public relations as the management of communication and strategic relationships with different stakeholders (Koekemoer 1998:348). It reads as follows:

> Public relations is the management, through communication, of perceptions and strategic relationships between an organisation and its internal and external stakeholders.

Some definitions of public relations include the operational aspects thereof. A case in point is the definition developed by *Public Relations News*, a leading newsletter directed at public relations practitioners in the USA which reads as follows (Lubbe, in Lubbe & Puth 1994:6):

> Public relations is the management function which evaluates public attitudes, identifies the policies and procedures of an individual or an organisation with the public interest and plans and executes a program of action to earn public understanding and acceptance.

The above definition states that the public relations management of an organisation must encourage research and communication programmes in order to gain an understanding of what the organisation's various publics expect from the organisation. It also refers to the way in which the organisation fulfils these needs and expectations in practice.

For the purpose of this thesis, the researcher adopts the following working definition of public relations of the British Institute of Public Relations (IPR) (Newsom, Turk & Kruckeberg 2004:2):

> Public relations is about reputation – the result of what you do, what you say and what others say about you. Public Relations Practice is the discipline which looks after reputation with the aim of earning understanding and support, and influencing opinion and behaviour.

The last definition has been adopted for this thesis because it reiterates the researcher's perception of public relations in terms of earning credibility for the organisation.

2.3.2   A historical overview of public relations

This section provides a brief overview of the development of public relations.

Over the years the concept of public relations has been both misused and misunderstood "through incorrect associations with its past". In more recent literature, changes in its focus and operation have been emphasised, for instance, the scientific and professional nature of the many activities in this field (Mersham, Rensburg & Skinner 1995:5).

According to Kotler and Mindak (1978:16), the field of public relations has "its roots in ancient human activities". Public relations can be traced from primitive society where leaders controlled their people by force, intimidation and persuasion to Babylon where historians had to paint favourable images of the kings.

The public relations discipline evolved from so-called "press agentry"[16] to creating mutual understanding between the organisation and its different publics (ie from one-way to two-way communication). This had a bearing on the different roles[17] that public relations practitioners fulfil today (Mersham et al 1995:4).

Modern-day public relations originated in the USA. Mersham et al (1995:4) refer to the following significant events that impacted on the development of the discipline:

- the use of the Boston Tea Party to gain support for breaking ties with Great Britain (1773)
- Samuel Adams's use of the press to unite the colonists against the British

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[16] Press agentry is an unscrupulous public relations technique that was used in the 19th century to generate publicity (especially for political campaigns) which impeded the growth of responsible public relations. This technique was used by politicians to manufacture news through gimmicks and stunts. The most successful press agent of the 19th century was PT Barnum (Mersham et al 1995:4).

[17] The different roles as identified by Lubbe (in Lubbe & Puth 1994) are technician, expert prescriber, communication facilitator, problem-solving facilitator, public relations manager and public relations strategist.

- The use of public relations as a political tool by the abolitionist movement to obtain support for blacks in the North through the publication of *Uncle Tom's Cabin*
- the great showman PT Barnum's use of public relations to generate publicity for attractions in newspapers (19th century).

The concept of public relations as one-way persuasive communication was still dominant when the USA entered World War I and created the Committee on Public Information, headed by George Creel. The role of this Committee was to unite public opinion during the war effort by means of a national propaganda campaign. As late as 1955 the concept of public relations as persuasive publicity was reflected in Bernays' influential book *The engineering of public consent* (1955), a view of public relations which some managers still support today (Mersham et al 1995:5).

2.3.3 Theoretical and practical approaches to public relations

The practice of public relations also evolved through several theoretical and practical approaches. Four theoretical approaches to public relations are briefly discussed, namely the asymmetrical and symmetrical, systems, process and rhetorical/persuasive approaches.

Lubbe (Lubbe & Puth 1994:8) explains that Grunig and Hunt (1984) were the first theorists to define four typical ways in which contemporary public relations is practised. This is known as the symmetrical and asymmetrical approach to public relations. These four models are important because they describe and explain how and why

contemporary public relations is practiced, and comprise the two levels at which public relations practitioners operate, namely the technician[18] and managerial levels (Lubbe, in Lubbe and Puth 1994:8):

- The *press agentry model* describes public relations as a publicity function based on the technician role of public relations.
- The *public information model* describes public relations as the dissemination of

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[18]Communication technicians provide technical services such as writing, editing, photography, media

information through the mass media and controlled media, for instance, newsletters and direct mail. This model also focuses on the technician role of public relations.

- The *two-way asymmetrical model* of public relations refers to the research component of public relations practice. Information is disseminated on the basis of research on the most suitable channels and messages to persuade publics to behave as the organisation would like. This model uses both the technician and the management roles of public relations.

- The *two-way symmetrical model* describes public relations efforts in terms of its research base and explains the use of communication to enhance understanding with strategic publics. It also requires both the technician and management role of public relations.

Another prominent public relations theory is the systems approach to public relations. According to Angelopulo (Lubbe & Puth 1994:41), the systems approach offers a framework for the public relations process and tasks in the organisation's operations. The systems approach addresses any system, be it inorganic, social or cognitive. A system is a set of objects or entities that interrelate with one another to form a whole (Angelopulo, in Lubbe & Puth 2004:41). It emphasises the importance of maintaining the equilibrium, balance and interdependence of the various systems and subsystems in society. All systems are perceived to have five qualities, namely wholeness, hierarchy, self-regulation, openness and adaptability. The systems approach is not unique to public relations but contains principles which can be applied from the natural to the social and applied sciences (Angelopulo, in Lubbe & Puth 1994:41).

The process approach to public relations suggests that public relations should be analysed and examined as a set of routinised activities, which is an ongoing process and not limited to a specific timeframe. The process model developed by Cutlip et al (1985), describes public relations as a managed function, which is part of an organisation's problem-solving process (Du Plessis 2000:21).

The rhetorical/persuasive approach to public relations is used by public relations practitioners to achieve compliance, goodwill, understanding, appreciation and action, as

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contacts or the production of publications (Lubbe, in Lubbe & Puth 1994:8).

well as to create a corporate image for and to manage the organisation's reputation. Public relations activities or techniques are not only performed by means of communication, but also by means of persuasion (Du Plessis 2000:26).

The practice of public relations also evolved through practical approaches, which include the well-known raise formula, the four-step plan (RACE), the interactive approach and the cyclic approach to public relations.

The raise formula for practising public relations is accepted by PRISA and comprises research, adaptation, implementation of strategy and evaluation. The focus of this approach is the needs of the target audience and it is normally used to promote an image, product or idea, or to solve a problem (Du Plessis 2000:29).

The interactive approach to public relations regards the needs and viewpoint of the target audience as essential to the determination of the campaign structure and message. The focus is on a "negotiated meaning", which is created by the communicator and the target audience. In order to achieve success, the communicator's aims, needs and viewpoint must be aligned with those of the audience. It involves four phases namely assessment, creation, implementation and evaluation (Rensburg & Angelopulo 1996:51 & 52).

According to Wilcox, Ault and Agee (1986:11-13), the cyclic approach to public relations conceptualises public relations as a cyclic process consisting of six components, namely research, analysis, policy formation, programming, communication and feedback. After the programme assessment, the cycle is repeated to solve and modify related aspects of the problem that may require additional decision making and action. The public relations practitioner uses a variety of professional communication skills and plays a fundamental role in the organisation and between the organisation and the external environment.

The four-step plan (RACE) provides an idea of the practice of public relations and describes public relations activity as consisting of four key elements, namely research, action and planning, communication and evaluation. The primary focus of this approach is on the knowledge and technical skills of the public relations practitioner (Wilcox et al 1986:10–11).

2.3.4   Public relations activities

According to Mersham et al (1995:8), part of the problem of understanding what constitutes public relations has to do with the fact that it is concerned with many different activities. They refer to the International Public Relations Association (IPRA)'s list of 14 different type of activities with which public relations practitioners might be concerned:

(1)   counselling based on an understanding of human behaviour

(2)   analysing future trends and predicting their consequences

(3)   research into public opinion, attitudes and expectations and advising on necessary action

(4)   establishing and maintaining two-way communication based on truth and full information

(5)   preventing conflict and misunderstandings

(6)   promoting mutual respect and social responsibility

(7)   harmonising the private and public interest

(8)   promoting goodwill with personnel, suppliers and customers

(9)   improving industrial relations

(10)   attracting competent personnel and reducing labour turnover

(11)   promoting products and/or services

(12)   projecting a corporate identity

(13)   encouraging an interest in international affairs

(14)   promoting an understanding of democracy

The above activities which require a broad understanding of business, management and the social sciences are carried out by the public relations practitioner by means of a public relations programme[19] and/or a public relations campaign.

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[19] A public relations programme is put in place by the public relations practitioner because of an anticipated need by an organisation for continued dissemination of information to its relevant publics. A public relations campaign is a planned, coordinated and purposeful communication effort over a specific period of time to change or maintain the behaviour of an organisation's publics (Du Plessis 2000:28 & 29).

Public relations theorists and scholars identify various public relations tools and techniques. Not only have these tools and techniques become more sophisticated, but their numbers have also increased over the years, which is indicative of the vast area of the field of public relations. For instance, Skinner and Von Essen (1999:8) identify media relations, the researching, designing and production of publications, corporate image and identity, corporate advertising, sponsorship, promotional activities, issues management, lobbying and networking as some of the primary tools and techniques that a public relations practitioner should employ. They also refer to research, programming and counselling/planning and advising, media relations and placement, organising, writing, editing, production, speaking, training and management as important tools and techniques of public relations. Cutlip et al (2000) list the specialised parts of the public relations function as media relations, investor relations, community relations, employee relations and government relations.

To accommodate an increasing awareness of building better relationships with customers and to communicate more effectively with them, various new public relations tools and techniques have been identified. Goodman (2001:121), for instance, includes the creation of web pages, the generation of better media products, the creation and building of relationships internally and externally as well as the building of trust in all of the organisation's audiences as additional public relations tools and techniques[20].

2.3.5   Corporate social responsibility

MPR considers corporate social responsibility as an essential MPR activity to enhance the credibility of an organisation's product(s) and/or service(s).

Corporate social responsibility is also known as corporate social investment because the organisation invests in a specific cause to uplift the community, and in the process, increases its profits. Public relations practitioners manage corporate social responsibility programmes of organisations in order to create a favourable corporate image for the organisation. Public relations keeps management informed of and responsive to social needs through communication (Mersham et al 1995:78).

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[20]   See sections 2.3.5, 2.3.6, 2.5.3 and section 4.7 in chapter 4.

However, corporate social responsibility is no longer an exclusive public relations function, but is also promulgated in marketing literature. Cant et al (2004:15) regard corporate social responsibility as one of the principles of the marketing concept. They explain that corporate social responsibility is the concept "that maintains that businesses are part of the larger society in which they exist and are accountable to society for their performance."

Different perceptions and definitions of this concept exist. These all indicate that corporate social responsibility has many aspects and different levels of interpretation. Mersham et al (1995:85) refer to Carroll (1979's) definition of corporate social responsibility, which reads that "social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of an organisation at a given point in time". They explain that organisations are primarily socially responsible when they produce goods and services that society wants and sell them at a profit. However, an organisation is ethically socially responsible when it behaves in a specific manner because it is expected by society, even though this behaviour is not required by law. This behaviour strengthens the relationship between the organisation and society. Organisations are, for instance, financially involved in programmes that both benefit and uplift the community such as education, job creation, health services, social welfare, community development, environmental conservation, art and culture and housing.

Apart from being externally socially responsible, organisations can also be internally socially responsible when they care for their employees through the provision of appropriate housing and health programmes, etc (Cant et al 2004:15).

2.3.6   Trends in public relations

Goodman (2001) explains that trends in public relations especially include the acknowledgment of this discipline as a more strategic function. For instance, the results of a study by the Corporate Communication Institute Benchmark Study and the Council of Public Relations Firms Spending Study in 2000 respectively, indicate that communication has become more strategic while better relationships with the community have become a priority to many organisations (Goodman 2001:118). An earlier study by Grunig and Grunig (1998) confirms the shift in the perception that public relations has become a

strategic function.[21]

In addition, the Internet is used by public relations practitioners to build better relationships with the community and to present the organisation as socially responsible (Ihator 2001:199). Cutlip et al (2000:285) refer to the Internet as "the most ubiquitous leading edge of what is a major communication revolution"[22]. Newsom et al (2004: 57) emphasise the impact of electronic communication[23] on public relations strategy and tactics. Because information is more readily available, public relations practitioners must practise proactive public relations tactics more often.

The Internet is increasingly regarded by public relations practitioners and scholars as a valuable medium in the practice of public relations. Advanced technology such as the Internet has changed the way communication is produced, displayed and stored. The speed of communication has changed dramatically and resulted in the Internet becoming a strategy instead of merely being used by the public relations practitioner as a tool. The Internet and Intranet in particular make better two-way communication possible which may result in better customer service (Goodman 2001:118). Ihator (2001:199) emphasises the fact that Internet technology has minimised the distance between the organisation and its publics resulting in a new relationship between organisations and their relevant publics[24].

Another trend in public relations includes an increasing awareness of the values of integrated communication, which is explained in more detail in section 2.4.1.

2.4 THE INTEGRATION OF MARKETING AND PUBLIC RELATIONS

In order to understand how the marketing and public relations fields overlap and support each other, integrated communication and the debate surrounding the boundaries of the marketing and public relations disciplines will be discussed.

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[21] Grunig and Grunig (1998) participated in an IABC Excellence Project. See section 2.5.3.3.

[22] See chapter 4.

[23] For instance, cellular phones, fax machines, video conferencing and Internet resources such as the corporate website and the Intranet.

[24] See chapter 4.

2.4.1   Integrated communication

Earlier literature argues in favour of the concept of integrated communication or closer cooperation between and coordination of disciplines in organisations (Stanton et al 1992:46). More recent literature acknowledges the integration of communication to the benefit of the organisation (Ferguson 1999), or critically refers to this concept as "uncritical acceptance of integration as a panacea for communication management in the twenty-first century" (Cornelissen & Lock 2001). Cornelissen and Lock (2001:427) argue that this concept has been "polarised" amongst academics. On the one hand, academics embrace this concept as resulting in communication effectiveness (referred to as pragmatists – for instance, Schultz, 1996; Kitchen & Schultz, 1999). So-called "purists" on the other hand, see this concept as being unworthy of serious examination because academically it is not respected. They therefore support the traditional distinction between marketing and public relations in the study of communication management[25].

The perception of integration was already extremely prominent in the early and late 1990s. Stanton et al (1992:46), for instance, argue that public relations experts regard themselves as part of a team that includes other marketing communication mix elements, a perspective which is also promulgated by Miller and Rose (1994:15) and Erdogan and Kitchen (1998:369). The value of integrated communication is also acknowledged in terms of better consumer satisfaction (Tourish & Irving 1995). A perspective that is indicative of what is happening in practice is that of Schultz (1996), who argues that "the consumer integrates the marketer's and advertiser's communication whether the marketing or advertising organisation does or not". According to Schultz (1996), integration is not up to the organisation, but to the consumer. Even if the organisation directs uncoordinated messages to the consumer, he or she will integrate those communication messages in some way.

Over the years, integration has been endorsed by so many academics as well as marketing and communication executives that it has become a permanent organisational practice. The concept of integration has led to different theoretical positions and different concepts such as integrated marketing communications (IMC), integrated marketing (IM)

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[25]See section 2.4.2 & Ehling, White & Grunig (in Grunig 1992).

and integrated communications (IC) (Cornelissen & Lock 2001:425).

Gayeski and Woodward (1996) refer to Grates (1995) who argues that in this new era "lines between communication disciplines as well as those between communication and other related types of consulting are blurring".

Consequently, separate "islands of communication"[26] have become more unacceptable because of fragmentation, loss of credibility in terms of communication messages and information overload (Gayeski 1993b, in Gayeski & Woodward 1996). Belch and Belch (1998:32) explain that there are various reasons why nowadays marketers adopt an IMC approach. In addition to delivering a consistent and central marketing message, organisations benefit from cost savings by eliminating duplication and coordinating human resource requirements with improved long-term results for the organisation. IMC is a relatively new approach to help manage relationship building. According to Geissler (2001:489), it is "an attempt to look at the communications effort from the consumers' perspective". It involves coordinating distinct parts of an organisation's communication efforts (for instance, advertising, public relations and sales promotion) to "generate a flow of information from indistinguishable sources". IMC's objectives are comprehensible and consistent messages as well as maximum communication impact.

Although some theorists oppose integration of marketing and public relations (for instance, Ehling, White & Grunig, in Grunig, 1992), the marketing and public relations disciples have already integrated their respective tools and techniques. Goodman (2001:18) explains that modern communication has become more strategic while better relationships with the community have also become a priority to many organisations. Based on findings of their empirical study with regard to the role and tasks of corporate communication executives, Dolphin and Fan (2000:99) reiterate that corporate communication has become recognised as one of the most valued strategic planning tools in the organisation together with other line function departments.

2.4.2   The debate surrounding the integration of marketing and public relations

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[26] Different departments in an organisation communicating contradictory messages to the target audience.

The debate surrounding the integration of public relations with marketing and advertising is ongoing. Twenty-five years ago, Kotler and Mindak (1978:8), for instance, pointed out that marketing people tended to view public relations people as "press agents, flacks, and sponsors of pseudo-events". Public relations people, on the other hand, viewed marketers as "hucksters, number-crunchers and deodorant salesmen", both viewing the other's function in its narrowest perspective.

In the early 1990s in particular, a significant disagreement developed about the respective boundaries of both the fields of public relations and marketing. While advertising educators were in favour of the integration of public relations, marketing and advertising, public relations educators opposed this emerging trend (Miller & Rose 1994:13).

However, studies in this regard indicate that this debate is merely academic, that practitioners need a multi disciplinary and more cost-effective approach to communication, and that the integration of public relations and marketing functions has already been practised for years (Brody 1994; Kitchen & Papasolomou 1997; Miller & Rose 1994). Miller and Rose (1994:13) refer to a national study in the USA which resulted in a preliminary Task Force Report suggesting circular integration of public relations with advertising and/or marketing. The report elicited much deliberation. The study reveals that while practitioners support integration, educators are fiercely opposed to the merger. It also reveals that private practice appeals to a more interdisciplinary and cost-effective approach to communication.

Based on the above findings, Miller and Rose (1994:15) argue that perhaps the time has come for both academia and industry to cooperate in meeting this demand for a multi disciplinary approach, one that allows the advertising, marketing and public relations fields to grow together, at the same time learning from each other.

Various theorists and scholars conclude that marketing and public relations are two separate disciplines and use different arguments to substantiate their different perspectives. Other scholars argue that the two functions of marketing and public relations are frequently confused and that public relations is often "subsumed by the larger, more powerful marketing function" (Lubbe, in Lubbe & Puth 1994:10). Others again,

underscore this argument by pointing out that public relations and marketing are both essential factors for a modern organisation, but that when an organisation makes public relations a marketing function, practitioners are reduced to the "technician role", which results in the "organisation losing a valuable mechanism for managing its interdependence with its strategic publics" (Ehling et al, in Grunig 1992:357).

This perspective is much criticised by Harris (1993:13). He refers to it as "hysteria expressed in some PR circles". In particular he opposes Grunig's statement that "a marketing-oriented organisation ignores the nature of a volatile and hostile environment in which organisations, especially business enterprises, must function", arguing that marketing-oriented organisations are extremely concerned with the changing environment. Cornelissen and Lock (2001:428) classify Grunig as a "purist" in the sense that he regards the concept of integration as unworthy of further examination. Brody (1994:20) sees the debate on this changing role of marketing and public relations and other elements of the marketing communication mix as a "disservice to all these disciplines" and emphasises that "one-on-one media are growing in efficiency and effectiveness", a factor which, according to him, necessitates these changes. He criticises this resistance to integration as a perception that interests "will be better served by capturing larger shares of a shrinking market than by expanding the boundaries of their disciplines".

The confusion is also increased because marketing people are increasingly interested in incorporating publicity as a tool in the marketing mix (a function which has been controlled by public relations practitioners), while public relations practitioners have become concerned about their organisation's marketing practices because they question whether they adhere to the organisation's social responsibility (Kotler & Mindak 1978:13). Cutlip et al (2000:6) contend that there should be no confusion between the two disciplines. They argue that marketing and public relations are two different disciplines and that the transaction (exchange for something of value) distinguishes the marketing function from that of public relations.

Various authors (Boone & Kurtz 1999; Erdogan & Kitchen 1998; Kitchen 1996 & 1999; Koekemoer 2004 & Wells, Burnett & Moriarty 2003), however, realise the value of public relations for marketing purposes. They accept that public relations is part of marketing, and in particular assists marketing efforts with customer relations. They also accept that

public relations not only complements but also benefits the marketing approach.

According to Kitchen and Papasolomou (1997:71), in the literature there is some confusion about the distinction between marketing and public relations. However, an increasing number of articles (for instance, those by Erdogan & Kitchen,1998; Kitchen 1996; Schultz 1996), recognise public relations and marketing communications practices as "increasingly integrated and converging concepts". A significant contribution to the debate is that these articles reflect a growing tendency for the public relations and marketing disciplines to be regarded as converging disciplines in both professional and academic worlds.

An interesting perspective is that of Wells et al (2003:467), who argue that public relations can add credibility to an organisation's product messages and must work hand in hand with advertising as part of the organisation's marketing plan. They also contend that integration supports marketing's product or service focus by increasing the brand and the organisation's credibility with consumers.

This debate and the respective boundaries of both marketing and public relations are perhaps best summarised in a paper presented as early as 1989 in San Diego by Philip Kotler entitled "Public Relations and Marketing: Dividing the Conceptual Domain and Operational Turf". In his paper, Kotler contemplates final decisions about which tools, techniques, principles and procedures belong to the public relations and which to the marketing discipline (Kitchen & Papasolomou 1997).

Kotler argues that the two disciplines of marketing and public relations are mistakenly regarded as "adversarial". He suggests that they are better viewed as "corporate allies" rather than as adversaries, a view also supported by other theorists (Kitchen 1999; Shimp 1993). Harris (1991:41) refers to five models suggested by Kotler and Mindak (1978) to illustrate MPR as an element of promotional planning. These five models explain the perceived organisational relationship between marketing and public relations. The fifth model proposes that marketing and public relations have the same function. Marketing and public relations, for instance, both consider publics and target markets, recognise the need for market segmentation, and acknowledge the importance of market attitudes, perceptions and images. In addition both formulate programmes consisting of analysis, planning, implementation and control.

Another interesting qualitative study[27] on the debate was conducted in 1996 by Kitchen and Papasolomou (1997), of which the results indicate that this dispute has been merely academic. In the academic literature, reference has been made to the debate between marketing and public relations academics over the "respective positions and spheres of influence of the two disciplines". The research identifies an inclination among marketing and public relations practitioners to compete over power, territory and, in essence, budget control. Practitioners suggest that the debate between the two disciplines is a question of definition or merely academic - in other words, "a war of words". Some participants even state that the debate between marketing and public relations practitioners is actually about ownership of MPR and that these two disciplines are already integrated (Kitchen & Papasolomou 1997:81).

Despite all the arguments in favour of the integration of marketing and public relations, there is still resistance on the part of public relations academics especially that marketing plays a significant role in public relations. There is particular resistance among these academics to the recent move towards the concept of MPR, which has been induced by the traditional marketing view of what public relations is or should be. However, the qualitative study by Kitchen and Papasolomou (1997) indicates that MPR is not only already accepted but also used in practice (Kitchen & Papasolomou 1997:81).

2.5 MARKETING PUBLIC RELATIONS (MPR)

This section defines MPR, explains MPR activities and conceptualises MPR in the context of the three main benefits which, according to the literature, MPR possesses. These benefits are greater credibility, more trust and the establishment of long-term relationships. Credibility, trust and long-term relationships are, however, universal concepts applicable to all instances of communication in the organisation. The discussion therefore focuses on how these concepts are applicable to MPR.

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[27] Kitchen and Papasolomou (1997) did exploratory research and conducted in-depth interviews with eight major British public relations consultancies from the top 20, selected by fee income on the 1994 rank analysis of top British public relations consultancies.

2.5.1   Defining MPR

Over the year, the expanded view of public relations[28] led to MPR, a name for an integrated cross-disciplinary approach with a strong product and/or service focus. Owing to the fact that MPR is still a relatively unexplored area, there are still various perspectives on and views of what MPR is and should be (for instance, Harris 1991,1993; Kitchen 1996,1999; Kitchen & Papasolomou 1997; Koekemoer 2004; Marken 1995; Shimp 1993; Strenski 1991; Wells et al 2003).

Definitions and interpretations of MPR vary widely, also partly because of the continuous debate surrounding the integration of marketing and public relations. Public relations experts in particular cannot reach agreement about what MPR entails, but do accept that it "is not free advertising". Definitions of MPR are, however, different from definitions of general public relations because of their product and/or service focus[29].

At a basic level, MPR can be described in the words of Harris (1991:12) as a "new promotional discipline which comprises specialised application techniques to support marketing activities and which is referred to by some theorists and authors as product publicity".

Shimp, 1993 in (Kitchen 1999:352) defines MPR as

> the more narrow aspect of PR which involves an organisation's interactions with consumers or with other publics (such as governments) regarding marketing matters (like safety). In short it is the marketing-oriented aspect of PR.

Kotler 1991a (Kitchen 1999:352) defines MPR as

> a healthy offspring of two parents: marketing and public relations. MPR represents an opportunity for companies to regain a share of voice in a message-satiated society. MPR not only delivers a strong share of voice to win share of mind and

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[28] See section 2.4.

[29] See section 2.3.1.

heart; it also delivers a better, more effective voice in many cases.

According to Kitchen and Papasolomou (1997:73), MPR is

> the process of planning, executing and evaluating programmes that encourage purchase and consumer satisfaction through credible communication of information and impressions that identify companies and their products with the needs, wants, concerns, and interests of consumers.

Perhaps the foremost existing definition of MPR is that of Harris (1991:12):

> MPR is the process of planning, executing and evaluating programmes that encourage purchase and consumer satisfaction through credible communication of information and impressions that identify companies and their products with the needs, wants, concerns, and interests of consumers.

This definition includes the most frequently used definitions of public relations and marketing as well as Harris' own experience of MPR (Harris 1991:12). But while this definition links both public relations and marketing functions in a way that contributes to and complements these disciplines to achieve the organisation's marketing objectives, it still lacks a description of what benefits it has regarding the selling of the organisation's product(s) and/or service(s)[30]. The following working definition of MPR is therefore proposed by the researcher and is the working definition of MPR for the purpose of this thesis:

> MPR constitutes an integrated and interactive way of planning, executing and evaluating communication in order to enhance credibility, trust and long-term relationships with the organisation's stakeholders and customers in the selling of its product(s) and/or service(s).

2.5.2 MPR activities

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[30] See section 2.5.3.

MPR activities include both marketing and public relations techniques and tactics to enhance the selling of an organisation's product(s) and/or service(s). For instance, public relations techniques may include gaining media attention and consumer interest to generate free publicity for the organisation's product(s) and/or service(s) (Harris 1991:78). MPR activities are directed at abundant two-way interaction between the organisation and its various stakeholders and customers, at community involvement and at making the organisation's product(s) and/or service(s) more visible.

The following are examples of some MPR activities. Although some of these activities are typical public relations techniques and tactics, they are applied in the context of selling an organisation's product(s) and/or service(s):

- advertorials
- tie-ins
- contests
- special events
- booklets and brochures
- public service tie-ins
- trade shows and exhibits
- sampling
- demonstrations
- parades
- festivals
- sports events
- entertainment
- sponsorships
- news conference
- printed and electronic publicity
- media tours
- surveys and speeches
- symposiums and seminars
- online communication

- speeches
- social responsibility

2.5.3   Main benefits of MPR

From existing literature and research it is clear that MPR is an integrated cross-disciplinary approach with a strong product and/or services and sales focus which has been practiced for many years. Edward L Betrays, who is regarded as the founding father of modern public relations, for instance, was responsible for various MPR programmes in the early years of public relations (Harris 1991:13). Betrays applied his skills to assist Procter and Gamble to sell Ivory soap carvings among American schoolchildren. He also created one of the greatest publicity achievements of the 20th century when he staged the Golden Jubilee of Light in celebration of the 50th anniversary of the electric light bulb for his client, General Electric (Harris 1998:290).

MPR emerged in the 1980s to distinguish between the specialised application of public relations techniques which support marketing and the general practice of public relations. It has since grown rapidly and convincingly to meet the opportunities of a changing marketplace. In the process, it has adopted and incorporated techniques and tactics from traditional public relations, marketing, advertising and research (Harris 1991:13). MPR has grown dramatically which is documented by a 1993 telephone survey conducted by *The Marketing Report*. The survey revealed that more than one- third of 243 marketing executives at consumer, industrial and service organisations were spending more than 20 percent of their entire marketing budgets on public relations (Harris 1998:91). According to Kitchen and Papasolomou (1997), who conducted qualitative research on MPR, it cannot rightfully be termed a new discipline. They suggest that it is a "new label" for well-established utilisation, traditions and procedures that support marketing communications (Kitchen & Papasolomou 1997:7). However, to date no empirical research has been conducted to support their research findings.

Over the years, various theorists and scholars have not only identified uses and applications of MPR in practice, but also tactics in terms of product publicity. Therefore in some earlier literature MPR is promulgated to be essentially about product publicity (Kitchen 1996, 1999; Kitchen & Papasolomou 1997). However, this constricted focus

gradually changed as MPR gained increasingly more appreciation in terms of benefits other than mere product publicity (Guth & Marsh 2000: 243; Harris 1991:12; Kitchen 1999; Kotler, 1988; Marken 1995: 48; Strenski 1991:25).

The greater part of the literature on MPR hypothesises that when organisations use it effectively to promote the selling of their products and/or services, credibility, trust and long-term relationships are enhanced. Because MPR includes techniques and tactics from both the marketing and public relations disciplines, the organisation can benefit from long-term relationships with its customers as well as greater credibility and more trust in the selling of its product(s) and/or service(s).

Table 2.2 below summarises the hypothesised main benefits of MPR.

Table 2.2: Hypothesised main benefits of MPR

MPR allows for more credibility in the selling of the organisation's product(s) and/or service(s)
MPR can instil more trust in the selling of the organisation's product(s) and/or service(s)
MPR plays a significant role in establishing long-term relationships with an organisation's stakeholders and customers in the selling of its product(s) and/or service(s

The above three hypothesised benefits of MPR are interrelated. An organisation's

marketing activities, for instance, involve a communication process aimed at achieving desired exchange outcomes with its target markets. In order to achieve this, the organisation needs to have trust and credibility with its various target markets. Public relations is the organisational practice responsible for establishing goodwill between an organisation and its publics through continuous interaction (Kitchen & Papasolomou 1997:75). This can engender greater credibility and trust which leads to long-term relationships with an organisation's stakeholders and customers in terms of its product(s) and/or service(s).

Credibility, trust and long-term relationships are, however, universal concepts applicable to all instances of communication in the organisation. The next section therefore focuses on how these concepts are applicable to MPR.

The hypothesised benefits of MPR are now explained as follows:

2.5.3.1 MPR allows for more credibility in the selling of the organisation's product(s) and/or service(s)

Herbig and Milewicz (1995:6) explain that "credibility is the believability of an entity's intentions at a particular moment in time". Credibility is whether an organisation can be relied on to do what it promises. It exists "when one can confidently use past actions to predict future behaviour".

For the purpose of this study, credibility refers to the trustworthiness and believability of the organisation's communication about its product(s) and/or service(s). MPR uses public relations techniques to add credibility to the organisation's product(s) or service(s) in order to increase sales and focuses on responsible action, useful information, the organisation's use of the media and social responsibility.

Marks (2002), Vice President of Public Relations, *Coca-Cola,* North America explains that public relations builds credibility through responsible action. Credibility is built when an organisation is responsive to consumer concerns and provides assistance in terms of information and service. Harris (1991:105) states that in order to achieve credibility, it is imperative for organisations to give something back to the community and to proactively

participate in programmes that benefit the community. By also identifying the brand with causes that consumers care about or by sponsoring high-visibility events, MPR adds credibility to organisations and their products or services (Kitchen & Papasolomou, 1999 in Kitchen 1999:357; Wells et al 2003:461). MPR basically enhances the demand for an organisation's product(s) and/or service(s) by lending credibility (Harris 1998:293). Kitchen and Papasolomou (1997:73) reiterate that MPR "serves a distinct and unique purpose, often giving a product, service or marketer added credibility, exposure and newsworthiness".

The media are often used by organisations to establish the perception of being socially responsible. Wells and Spinks (1999:108) contend that community relations are imperative for the success of the organisation. In this regard, the public relations function "attempts to develop, influence, shape and modify public opinion". For an organisation to have a good community image, it must be featured favourably in the media. Public relations attempts to influence the content of media exposure so that the community image created by media sources will be favourable. The publics MPR targets are the organisation's customers and include intervening publics such as the news media, through which it can win an independent, third-party acceptance of a product and/or

service. Media approval makes the organisation's messages about its product(s) and/or service(s) more credible (Guth & Marsh 2000:423)[31].

According to Kitchen (1996:10), "as marketing has evolved through various orientations as a result of environmental change so public relations has also evolved towards the concept of the public-oriented company". He argues that the integration of marketing and public relations can especially be promulgated "under the societal orientation banner".[32]
 According to Mersham et al (1995: 82), organisations increasingly realise that they need to be perceived as socially responsible in order to gain a competitive edge. Their social

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[31] The media are not always believed or trusted. The perception that the press exploits people instead of serving as their watchdog is an important contributor to the credibility gap between people and the press. Newspapers are aware of this problem and follow certain approaches to heighten credibility, for instance, to practise good journalism and to be accessible (Mori Research 1995:15).
[32] See the discussion in section 2.2.2.4.

responsibility is therefore also reflected in their corporate culture[33].

Case studies indicate that MPR has worked well in practice and has benefited organisations in terms of credibility in the selling of their products and/or services. These case studies also illustrate how MPR can position a new product or service through various public relations techniques which are aimed at enhancing credibility[34].

Strenski (1991:25) refers to the case study of the *Drackett Company,* which made use of MPR when it introduced a new air freshener on the market. Even though it was the first-dry spray freshener on the market and had an advantage over its competitors, it was more expensive than other air fresheners. Its sales message also had to compete with numerous other household products that all claimed to be unique. The *Drackett Company* made use of various public relations techniques to enhance the credibility of its new product. The company, for instance, obtained the President of the British School for Butlers as the official spokesperson for the product and introduced a media tour to 12 cities. During this period, the company managed to obtain 72 media interviews in only 30 days. The Company also sent products to 500 magazine and newspaper feature editors as part of a "Do it Yourself Press Conference at Your Desk" which allowed the editors to demonstrate the product at the office and to compare it with that of a competitor. A consumer information booklet on odour control and "ways to create an ambience with air fresheners" was also offered during the media tour.

Strenski (1991:26) also refers to the Academy of General Dentistry, the second largest dental organisation in the USA with approximately 30 000 members in general dental practice in both the USA and Canada. MPR was used to obtain media attention amidst other dental organisations, which were all attempting to send messages to the media. A national media relations campaign was launched to enhance the Academy's credibility in terms of its services, which involved the following public relations techniques:

- the distribution of *Dentalnotes*, a quarterly publication of news briefs for the media

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[33] Corporate culture includes the values, ideals and inspirations integral to the organisation's activities (Mersham et al 1995:82).

[34] See Strenski (1991:25).

- telephonic follow-up for each issue of the *Dentalnotes* publication
- a caring attitude about AIDS prevention in the dental office

A media training seminar was also held for the Academy's officers and board members to ensure a consistent, credible message for general dentistry to the media. National coverage of the Academy's annual meeting, especially on the topic of preventing AIDS transmission in the dental office, provided publicity in media such as *Newsweek*, *USA Today*, Associated Press Reuters and *Newhouse*. The Academy's President was also invited to testify as the representative of dentistry before the Presidential Commission on AIDS (Strenski 1991:26).

In terms of the above discussion, MPR can benefit the selling of the organisation's product(s) and/or service(s) in terms of credibility because of the following actions by the organisation:

- responsible action
- media endorsement
- useful information
- social responsibility

2.5.3.2   MPR can instil more trust in the selling of the organisation's product(s) and/or service(s)

According to Ratnasingham (1998:162), trust enables people to take risks. She refers to Kipnis 1996 (in Ratnasingham 1998) who explains that trust consists of two components:

- "Concerns of how we feel about being trusted and to be trusted which means that you are capable of managing resources that other people value, ie you have the power over others.
- Concerns of how we feel about having to trust other people which is a bothersome activity and sometimes can bring about feelings of deterrence, anger and anxiety."

Zineldin and Jonsson (2000:248) contend that trust takes time to develop between the parties involved and that it exists when one party has confidence in a "collaborative

exchange" partner's reliability and integrity.

For the purpose of this study, trust means having confidence in the organisation's product(s) and/or service(s) because they pose no risk. The concepts of credibility and trust are interrelated because credibility generates more trust.

MPR plays a significant role in building more trust between the organisation and its various stakeholders and customers, because the organisation's message about its product(s) and/or service(s) is more convincing. Through trust, the organisation minimises its customers' sense of risk. MPR uses public relations techniques to make consumers trust the organisation and its product(s) and/or service(s) more in order to increase sales and focuses on familiarity with the organisation and its brand and making the organisation more visible and accessible.

According to Harris (1991:105), public relations is the only management function that "is uniquely able to build consumer trust". Trust, however, is built up over time. In particular consumer loyalty and trust are built up through expertise and accessibility to consumers. Trust requires direct involvement with consumers, both as individuals and as members of their communities. A gradual building of impressions forms a lasting impression which leads consumers to value the organisation's product(s) and/or service(s) and to be more receptive to product publicity (Harris 1991:109).

To gain trust, organisations must be visible to consumers to build confidence and reassurance in their products' safety and value (Harris 1998: 304). According to Jarvenpaa, Tractnisky and Vitale (1999), assurances help to increase trust, especially when the parties have not interacted before and hence do not have first hand knowledge of each other. Consumers need to feel that the organisation is honest and concerned about its customers.

By becoming familiar, an organisation establishes its own familiar corporate identity. People purchase from organisations they are familiar with and with which they can associate. Kitchen and Papasolomou 1999 (Kitchen 1999:350) refer to research findings by Duncan (1995), namely that MPR builds brand awareness and confidence. They explain that Duncan (1995) conducted a survey among 286 *Advertising Age* subscribers who held

marketing and advertising positions with client organisations. According to Beavers-Moss (2001), consumer involvement creates a "kind of visibility that breeds trust". The organisation's marketing strategy can reinforce leadership and generate consumer trust, while public relations can generate it by making the organisation more visible. MPR can reach the consumer directly through various nonmedia tactics and personal contacts (Harris 1998:304).

In terms of the above discussion, MPR can benefit the selling of the organisation's product(s) and/or service(s) in terms of trust, because of the following actions by the organisation:

- creating familiarity with the organisation and its brand
- making the organisation more accessible
- making the organisation more visible

2.5.3.3 MPR plays a significant role in establishing long-term relationships with an organisation's stakeholders and customers in the selling of its product(s) and/or service(s)

According to Cownie 1999 (Kitchen 1999:407), credibility and trust are pivotal in building relationships with customers because these concepts are central to agreeable personal relationships.

MPR focuses on building long-term relationships with customers in order to persuade them to buy a product or to make use of a service which is based on the principles of the relationship marketing paradigm (Harris 1991:46) and to which public relations can make a considerable contribution (Cowles 1997; Miller & Rose 1994:15). According to Harris (1991:283), relationship marketing[35] is "the ultimate public relations oriented definition of marketing, because building relationships with 'publics' is what public relations is all about".

For the purpose of this study, long-term relationships refer to loyalty towards the organisation's product(s) and/or service(s) based on two-way interaction and the fulfilment of needs. MPR uses public relations as a platform to establish long-term relationships with

[35] See also the discussion in section 2.2.2.6.

the organisation's customers in order to create repetitive sales of its product(s) or use of its service(s) and focuses on personal interaction, customer service and differentiated product(s) and/or service(s).

Research by Grunig and Grunig (1998)[36] indicates that public relations facilitates the building of long-term relationships with an organisation's strategic publics. MPR provides for building of long-term relationships because it allows for more opportunities for feedback. The practice of MPR constitutes more personal contact between the organisation and its customers than the marketing and public relations disciplines allow for separately. MPR focuses more on the target audience/publics in an integrated and engaging manner. According to Harris (1998:299), MPR builds personal relationships with consumers by being helpful and by being known as a consumer's friend. Organisations create a climate of acceptance for their products, advertising and promotion. In this way MPR can bring about better, more effective relations with stakeholders and customers because of its customer and two-way communication orientation. Two-way communication assists in determining the customer's needs as well as explaining that the organisation is striving to meet those needs (Marken 1995:48). Because MPR allows for more opportunities for feedback, the organisation is able to interact more with its customers and can use the feedback to improve upon its customer service and build relationships with its customers.

Another feature of relationship marketing is that of personal interaction with the organisation's customers. This is known as personalisation. Goldsmith (1999:179) explains that when interaction with individual customers occurs, long-term relationships are established because the customer feels valued and the organisation becomes familiar and trusted. Personalisation is the result of a gradual move in marketing thought and practice from mass marketing to one-to-one marketing.

Marken (1995:47) contends that MPR has become increasingly important because of a

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[36] Grunig & Grunig (1998) conducted research for the Excellence Research Project. It consisted of two empirical stages. In the first stage they administered three questionnaires to the head of public relations, the Chief Executive Officer and 14 employees in 323 organisations in the USA, Canada and the UK. They used factor analysis to reduce 1 700 questions on the three questionnaires to a single index of excellence such as the relationship between public relations and marketing. They then conducted qualitative research on 24 organisations with the highest and lowest scores to gain insight into how excellent public relations came about in different organisations as well as details of the outcomes produced by Excellence.

changing business climate. Managers now realise that a product's life cycles have become too short to spend too much time, money and effort on products that will be replaced within a short period of time. They therefore ensure products of a high quality which are different from those of competitors. Managers also realise that because of uniformity in products, services and prices, advertising necessitates new "differentiations", some of which can be brought about by MPR. MPR can be used to communicate new product benefits and uses and in the process retain customers (Harris 1998:301).

In terms of the above discussion, MPR can benefit the selling of an organisation's product(s) and/or service(s) in terms of establishing long-term relationships, because of the following actions by the organisation:

- feedback
- one-to-one interaction
- customer service
- differentiated products and services

2.6   SUMMARY

This chapter reviewed the disciplines that form the foundation of this study, namely marketing, public relations and MPR. It also indicated how the literature suggests that MPR can benefit the selling of the organisation's product(s) and/or service(s) in terms of credibility, trust and long-term relationships.

The next chapter, chapter 3, is a review of the concepts of credibility, trust and long-term relationships.