CORPORATE IDENTITY AND IMAGE

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OUTLINE OF THE LECTURE

1. What are public relations (PR)?
2. Objectives of PR
3. Advantages and disadvantages of PR
4. Types of PR
5. Tools of PR
6. Unethical practices of PR
7. Relationship between corporate identity and image
8. Corporate identity
9. Corporate image

1. WHAT ARE PUBLIC RELATIONS?

- It is the **planned** and **sustained** effort to establish and maintain goodwill and **mutual** understanding between an organisation and its publics: customers, employees, shareholders, trade bodies, suppliers, government officials, and society in general.

- It is two-way communication designed to improve mutual understanding and positively influence relationships between the marketer and its internal and external publics.

- The management process of engaging productively with all relevant internal and external publics, so that a firm´s improved relationship with these groups enhances its reputation and generates positive publicity.

- **PR = purposeful, deliberate, systematic, planned, beneficial, reciprocal, ethical communication.**

WHAT ARE PUBLIC RELATIONS?

- PR is about creating images, not making sales.
- PR is a long-term activity, with long-term pay offs.
- PR doesn´t require any immediate response from the observer.

- **What good PR will do for the company?**

  - It helps to build a positive image.

  - It can counter bad publicity.

  - It can improve employee motivation.

  - …

FORMATION AND DEVELOPMENT OF PR

4th century B.C.	Aristoteles is writing Rhetoric
1622	Pope is establishing Congregatio de Propaganda Fide
1641	Harvard University is publishing leaflets regarding the fundraising
2nd half of 19th century	Mass media use, development of literacy, first press agents
1900	The first PR agency Publicity Bureau in Boston
1914 - 1919	Propaganda expansion
1947	PR Society of America (PRSA) establishment
1948	Chartered Institute of PR (CIPR) establishment in GB
1952 - 1953	The formation of the second largest PR agency – Edelman and Burson-Marsteller
1997	The beginning of multimedia messages publishing
2000 - present	Digital communication boom, viral spreading of messages, social media, interaction, ….

Source: Hejlová, Public Relations, 2015, p. 18-19

2. OBJECTIVES OF PR

- To gauge what various publics think and feel about the marketer´s brands and about business issues.
- To establish a dialogue about various publics´ interests and concerns.
- To enhance the marketer´s image.
- To build or rebuild trust and goodwill.
- To build a solid foundation for ongoing marketing efforts.

- **Objectives of PR in general way:**
  - Persuade and influence.
  - Inform.
  - Create long-term relationships.
  - Contribute to the reputation of the company.

3. ADVANTAGES AND DISADVANTAGES OF PR

- **Advantages of PR:**
  - Good resident
  - Crisis management ⇨ communication in critical period
  - Flexibility of communication
  - Higher fair-mindedness
  - Higher credibility and lower costs than advertising, …

- **Disadvantages of PR:**
  - Difficulty of effectiveness measurement
  - No direct increase in sale
  - Poor checking, poor control of message
  - Influence of media – media relations – PUBLICITY, …

4. TYPES OF PR

According to targets groups of communication:

- External (employees, top management, co-workers),
- External (investors, politicians, government, local residents, media, experts, general public ...)

According to sector where PR are used:

- FMCG, industry, energy, pharmaceuticals and healthcare, government, non-profit sector, services, IT, sport, culture, ...

According to areas where PR are used frequently:

- Issues management, internal communications, product PR, public affairs and government relations, political PR, CSR, community relations, investor relations, celebrity PR, ...

5. TOOLS OF PR

- **Media relations** – press release, press conference, interview, …
- **Events** – exhibitions, fairs, opening of shops, roadshow, …
- **Digital communication** – social media, websites, …
- **Crisis communication**
- **Endorsement –** recommendations of celebrities, experts and opinion leaders ...
- **Sponsorship (charitable purpose) and fundraising** – financial support for the activities of the company or for a specific purpose.
- **CSR** (3 basic elements 3P – profit, people and planet).
- **CRM** (cause-related marketing ⇨ purchase of a product associated with a commercial goal ⇨ e.g. from each sold yogurt 1 czech crown will be given to UNICEF purpose, ….
- **Lobbying**
- **And others.**

6. UNETHICAL PRACTICES OF PR

- **WHITEWASHING** – actions in order not to inform people about the truth, and especially about the bad, immoral or illegal acts of the company. Whitewashing also conceals or neutralizes the facts about the activities of companies and individuals in history, especially in armed conflicts.

- **Hugo Boss** – the sewing of uniforms for German soldiers, employing 180 forced laborers and prisoners during the second world war.

- **Volkswagen** – the whole concept and philosophy of the company has been linked with A. Hitler to launch a "people's car" with "popular price" modeled after H. Ford, employing many forced prisoners during the second world war.
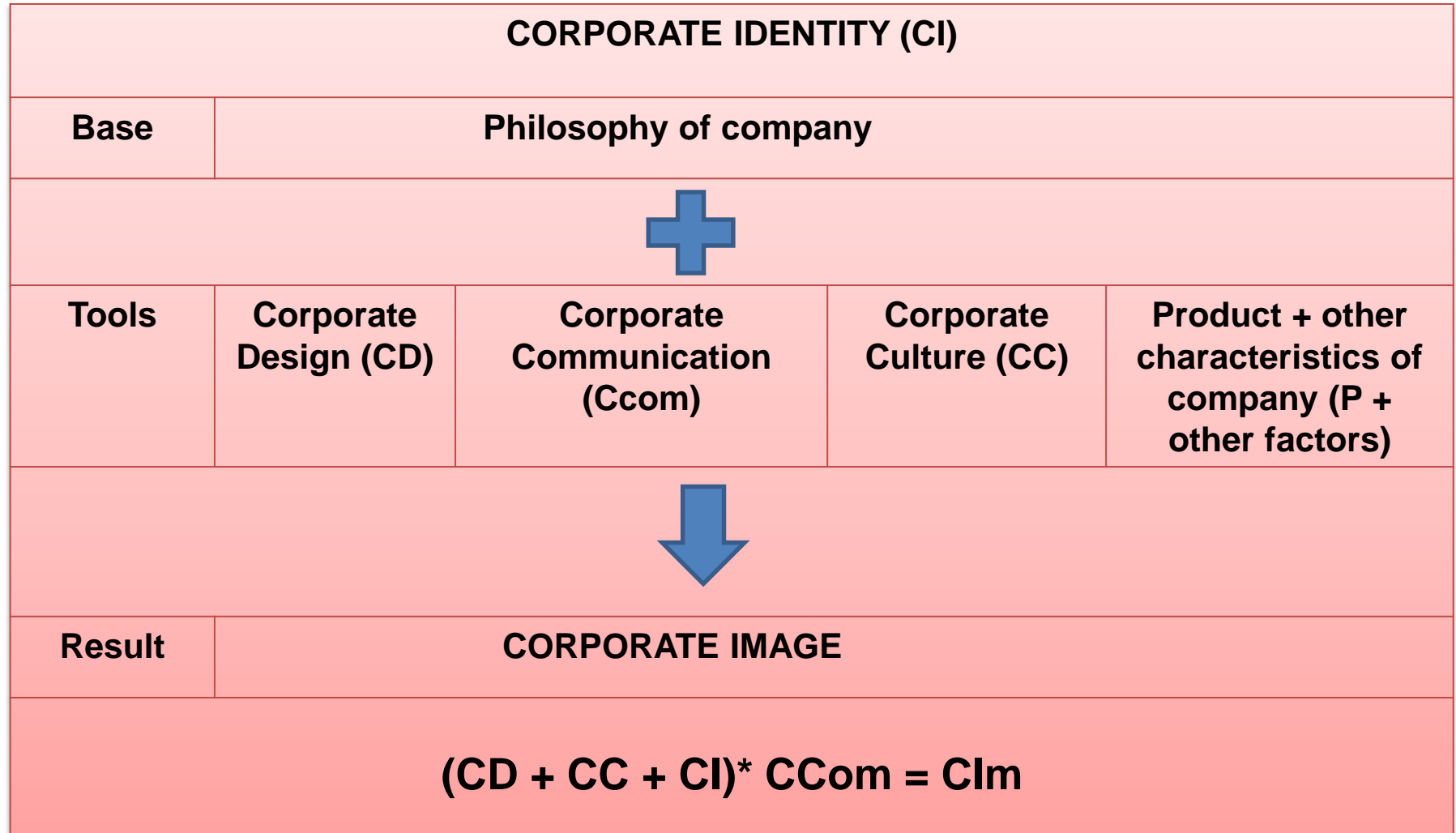
UNETHICAL PRACTICES OF PR

- **FRONT GROUPS** (fake groups) - PR agency creates a specific group which outwardly looks like a real non-profit, cultural or civic group, which aims to promote certain ideas. In fact, it is financed and managed by another organization, in whose interest it is. There is mostly the innocent use of names such as the Association of citizens of the city XY, ...).

- **South Bohemian Mothers Organization** (founded 1992), which fought against the nuclear power plant ⇨ supported and financed by the Austrian side.

- **The Association of Municipal Administrators of Pennsylvania State –** the aim was to restrict the passage of truck traffic through municipalities ⇨ supported and financed by specific rail carrier.

UNETHICAL PRACTICES OF PR

- **ASTROTURFING -** is the practice of masking the sponsors of a message or organization to make it appear as though it originates from and is supported by a grassroots participant(s). It is a practice intended to give the statements or organizations credibility by withholding information about the source's financial connection.

- The term astroturfing is derived from AstroTurf, a brand of synthetic carpeting designed to resemble natural grass, as a play on the word „grassroots". The implication behind the use of the term is that there are no "true" or "natural" grassroots, but rather „fake" or „artificial" support.

- **Microsoft was accused (2001)** when the US editorial offices were overwhelmed with letters strikingly similar to the letters disapprovingly responded to the lawsuit of the company with Department of Justice in USA.

7. RELATIONSHIP BETWEEN CORPORATE IDENTITY AND IMAGE

CORPORATE IDENTITY (CI)				
Base	**Philosophy of company**			
	✚			
Tools	**Corporate Design (CD)**	**Corporate Communication (Ccom)**	**Corporate Culture (CC)**	**Product + other characteristics of company (P + other factors)**
	⬇			
Result	**CORPORATE IMAGE**			
(CD + CC + CI)* CCom = CIm				

8. CORPORATE IDENTITY (CI)

- It is the outward manifestation of the organisation, a visual means of identification. It includes the corporate logo (the symbol that the organisation uses on all its points of public contact), but it also includes the style used on its letterheads and corporate publications, interior and exterior design of buildings, staff uniforms and fleet, and packaging and products, …)

- **CORPORATE DESIGN**
- **CORPORATE COMMUNICATION**
- **CORPORATE CULTURE**
- **PRODUCT OR SERVICE**

CORPORATE DESIGN (CD)

- It is a set of visual constants that are used to communicate within, but also outside the company. Graphic form of individual components of the visual style should be enshrined in the **design manual.**

- **Corporate design includes:**
  - Company name and method of presentation
  - Logo
  - Brand
  - Font and colour
  - Business graphics (promotional items, stationery)
  - Orientation graphics (signs on buildings and interior decorating)
  - Graphic of packaging
  - Other elements according to the business sector

CORPORATE DESIGN (CD)

- The graphic manual (complex processing of rules and recommendations for both print and electronic visual presentation) is the part of design manual.

- **Graphic manual includes:**
  - Summary of graphical rules
  - Define of documents layout
  - Definition and rules for the use of fonts
  - Colours definition and rules for their use
  - Logo, its variants and the rules for its use
  - Corporate documents (templates, letterheads, business cards, ...)

CORPORATE DESIGN (CD)

LOGO – ITS TYPICAL SHAPES AND OTHER ELEMENTS

NIKE   Wing of Greek goddess, the first trademark without verbal title

NIVEA   Typical style of font, notable blue colour

ABSOLUT

Unique shape of bottle

ROLLING STONES   Distinctive logo from the 60s of the last century.

Source: Vysekalová, Image a firemní identita, 2009, p. 51

CORPORATE COMMUNICATION (CCOM)

- It represents all means of communication, complex of all behaviour forms, when the company tells something about itself (internal and external communication).

- **Corporate communication includes:**
  - Public relations **-** a public relation building
  - Corporate advertising **-** corporate advertising, …
  - Human relations (employee communication)
  - Investor relations (trade and annual reports, information for shareholders, publishing in professional journals, ...)
  - Government relations
  - University relations (Science, Research)

- **Without adequate communication and presentation, the companies can not create the desired image!!!! The growing influence of social media – especially in the area of FMCG.**

CORPORATE CULTURE (CC)

- It expresses a particular character of the company, the overall atmosphere, the inner life that affect thinking and behaviour of employees of the company. These are the habits, values and rituals in the company.

- **Generally, corporate culture includes:**
  - Presentation of the company and its employees externally.
  - Relations among employees, their thinking, behaviour patterns.
  - The overall climate of the company, habits, and ceremonials.
  - The values shared by most employees.

- **Important rules during the creation of corporate culture:** corporate procedure, directives, the directives for working dress, the seating arrangements at meetings, working time and length of breaks, the employee code of conduct.

9. CORPORATE IMAGE (CIM)

- Corporate image is the rating of the company by external and internal public.

- **The corporate image is a collection of ideas, opinions and experiences of man in relation to a particular firm (brand).**

- **Corporate image can arise in these four sections:**
  - Quality of products and other services
  - Social accounting, participation in public life, …
  - Physical evidence (factories, shops, offices, …)
  - Marketing communication (advertising, events, annual reports, promotional materials, …)

TYPES OF CORPORATE IMAGE (CIM)

- **Generic image -** for an entire species or group of products, when generalized emotional relationships of a particular class of products play a role (automobiles SUV - image of expensive and powerful cars).

- **Product (brand) image -** the image of a specific product brand, which differs from the others.

- **Corporate image – it** is the perception of the company quality.

TYPES OF CORPORATE IMAGE (CIM)

- **The relationship between the corporate and product (brand) image ⇨ three basic models of corporate identity:**

  - **Monolithic identity** (Yamaha, Tescoma, Sony)

  - **Strategy of individual brands** (Procter & Gamble - Crest, Tide, Ariel, ...**

  - **Diversified identity** (Czech Radio – Radiožurnál, Czech Radio Prague, ...).

THE RULES OF CORPORATE IMAGE (CIM) CREATION

- The more information available, the better and more reliable is the image.

- Image penetrates rapidly but strengthens slowly.

- Image is never rigid.

- Image acts selectively.

- Image is compact.

- Image arises from various sources.

CORPORATE IMAGE (CIM) MEASUREMENT

- **Image analysis should be performed when:**
  - The company has a worse outputs than expected.
  - The company opens a new branch or introducing a new brand.
  - There is a new competition in the market and it is necessary to clarify the company's position in the new competitive conditions.

- **Methodological approaches to the analysis of image:**
- Basic methods of data collection (observation, inquiry, experimentation)
- Polarity profile - semantic differential
- Projective methods and techniques (physiognomic test, associative processes, Thematic Apperception-test, ...)
- A comprehensive model for measuring relationship between customer and brand and image - **Brand Commitment**