

# **PUBLIC RELATIONS (PR)**

- 1. Definition of PR**
- 2. Basic tools of PR**
- 3. Target groups of PR**
- 4. Event marketing**
- 5. Publicity**
- 6. Lobbying**
- 7. Corporate identity and image**
- 8. Corporate communication in crisis period**



# 1. DEFINITION OF PR

- 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.
- The PR managers have the task of co-ordinating all the activities that make up the public face of the organisation.



## 2. TARGET GROUPS OF PR

- **Internal** ⇒ human relations (HR) ⇒ employees.
- **External** ⇒ customers, suppliers, competition, financial institutions, media, local autonomy, professional corporations, ecological associations, general public, ...

A stakeholder is an individual or group that has interest in a business or organization. They can either be internal (e.g., employees) or external (e.g., customers).



### 3. BASIC TOOLS OF P.R.

<b>P</b>	Publications	Promotional materials, firm journal, annual report, ...
<b>E</b>	Events	Roadshow, fairs,
<b>N</b>	News	Press conference, press release, ...
<b>C</b>	Community involvement activities	Sponsorship of local school, sponsorship of local football team, ...

# BASIC TOOLS OF PR

<b>I</b>	Identity media	Firm letters, staff clothing, business cards, ...
<b>L</b>	Lobbying activity	Affecting of legislative and political decisions, ...
<b>S</b>	Social responsibility activities	Activities of social accounting, ...

# 4. EVENT MARKETING

## SALES PROMOTION OR PR?

- **Event marketing** makes customers see brand, company, product as in touch with their interests and lives.
- The company is able to acquire new customers and build mutual relationship with the existing customers thanks to emotions.
- **The target groups:** customers B2C, customers B2B, employees B2E.



# INSTRUMENTS OF EVENT MARKETING

- Business Trade Shows
- Seminars and Workshops
- Fashion Shows
- Open-days
- Air Shows
- Festivals
- Arts and Crafts Shows
- Sporting Events
- Road shows, ...





## 5. PUBLICITY



- **Publicity  $\neq$  Public Relations**
- Publicity is a tool and target of PR.
- Creating favorable or unfavorable news stories about the company and its products and activities.
- **Publicity** is an **unpaid** place in media which paid attention to some company!



# 6. LOBBYING

- **Lobbying** is the practice of influencing decisions made by government.
- It includes all attempts to influence legislators for the benefit of some company.



# 7. CORPORATE IDENTITY AND IMAGE

## CORPORATE IDENTITY



**Base**

**Philosophy of company**



**Tools**

**Corporate  
Design**

**Corporate  
Communication**

**Corporate  
Culture**

**Other  
characteristics  
of company**



**Result**

## CORPORATE IMAGE

$$(CD + CC + CI) * CCom = CIm$$

# CORPORATE IDENTITY

- 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 IMAGE

- **Corporate image** is the rating of the company by external and internal public.
  - **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, ...).
    - ...
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# 8. CORPORATE COMMUNICATION IN CRISIS PERIOD

- Crisis is a moment in the history of the company, which irreversibly changes its corporate culture and business itself.
- The crisis is a sudden event or a long-term problem that can damage the company's reputation, affect its value.
- Key factors of the crisis:
  - The long-term existence of crisis germs /sudden formation.
  - Immediate consequences - it limits normal operation of the company or it paralyzes the company overall.
  - Long-term consequences.

**EFFECTIVE CRISIS COMMUNICATION = PREVENTION + ACTION**



# THE EFFECT OF CORPORATE REPUTATION DURING TIMES OF CRISIS

**Good reputation of company as communication filter**

**CRISIS**



**CRISIS**

**Bad reputation of company as multiplier**

**CRISIS**



**CRISIS**



# TYPES OF CRISIS

## ○ The crisis of image

- Problems with products, especially with regard to their harmful to consumers' health.
- Environmental damage.
- Public campaigns (protests by opponents, e.g. the producer of genuine fur etc.).
- Old burdens (the consequences of previous business activities).
- Human factor (personal crises, deaths - employees' suicides, ....).

## ○ The crisis in connection with natural elements

- Floods, storms, fires, ...




# TYPES OF CRISIS

- **Spiteful attack**

- Damage of corporate reputation.
- The crisis caused by criminal acts (contamination, espionage).
- Information crisis (theft of know-how, information leakage).
- Cyberattacks.

- **Corporate crisis**

- Physical (work injuries, death, ...).
  - Economical (management crisis, problems with financing, the destruction of jobs, ....).
  - Personal (strikes, violence, suicide of key members of management, ...).
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# CRISIS MANUAL

- Concise and clear summary of procedures, lists and contacts which are important for the smooth management of the crisis. It is provided to all members of the crisis communication team, as well as members of corporate management in print and electronic form.
- An important prerequisite for the functionality of the manual is to provide regular updates.



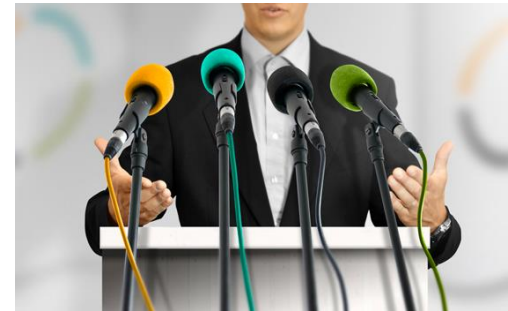
# CRISIS PERIOD

- **Maintain ability to act**

- Fast communication - **from 24 to 72 hours!**
- Speak with one voice. Communicate the true facts.
- Provide reassurance. Interest + (humanity + assurances + Care) = Success!
- Inform all parties.
- Deal with conflict situations with grace.

- **Defend the reputation of the company**

- Agreement with full responsibility.
- Disagreement with responsibility.
- Pointing out the mitigating circumstances.
- Mitigation of outrage (compensation, guarantees providing, ...).



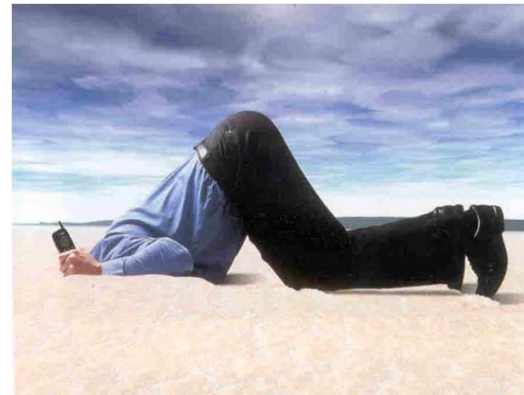
# CRISIS PERIOD

- **Communication with media (publicity)**
  - Press release
  - First interview
  - Press conference
  - Monitoring of media
- **Strengthen position in the Internet**
  - Crisis Website
  - Communicating via social media
- **Communication with employees!**
- **Do not underestimate the influence of pressure groups!**



# COMMUNICATION STRATEGY IN CRISIS PERIOD

- **Strategies of closed door** ⇒ company does not communicate.
- **Strategies of half-open door** ⇒ company communicates partially.
- **Open-door strategy** ⇒ company tries to provide complete, verified and correct information.



# COMMUNICATION STRATEGY „4R“ IN CRISIS PERIOD

- **Regret**
- **Responsibility**
- **Reform**
- **Restitution**



# EXAMPLES OF SUCCESSFUL CRISIS COMMUNICATIONS

- 2018. It was drama. Chaos. Families showed up to KFC's that had closed shop overnight. Locations that remained open did not have chicken items on their menu. You can imagine the outrage of traveling a distance to eat chicken from a chicken restaurant, that doesn't have chicken.
- **Instead of pointing fingers to their UK distributors and farmers, they came up with an unforgettable apology note to its costumers.**
- And, it worked! It worked so well it became the apology note read around the world. People took to Twitter, praising the company and accepting their apology.



# EXAMPLES OF UNSUCCESSFUL CRISIS COMMUNICATIONS

- 2017. Dr David Dao was already seated when he was forcefully dragged from an overbooked United Express flight on April 9, 2017 in Chicago, after he refused to give up his seat for crew members.
- Dao had a “significant concussion”, lost two of his front teeth, and suffered a “serious broken nose”, his lawyer Thomas Demetrio said.
- Phone footage of the disturbing incident prompted widespread outrage and created a PR nightmare for United. United CEO Oscar Munoz issued multiple statements as the public criticised the airline’s initial response.
- After the incident, United was forced to testify before Congress about consumer issues. **Dr. Dao eventually settled with the airline for an undisclosed amount.**

