



**Title: Public relations as a Marketing strategy**

Case: Unilever Viet Nam & Jolly Dragon

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<p>This thesis work focuses on Public Relations (PR) role in Marketing strategy as a tool to build and strengthen company brand image. Moreover, the thesis also distinguishes the difference between a Finnish PR company (Jolly Dragon) and a Vietnamese PR company (Unilever) in organizing firm's structure and task allocation. Qualitative research method is suitable for this topic since the relevant information and data analysis is mainly based on textbooks, companies' papers, and interviews with the management. The thesis reveals the important role of PR and how PR can fulfill customer demand as well as manage to affect public awareness through modern methods which have emerged lately due to advances in technology.</p>	
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## **1. Introduction**

This thesis focuses on the significant role of Public Relations (PR) in marketing strategy. Nowadays, the increase of product and service range creates a sensitive market for both customers and marketing companies. Whether it is a concert or charity dinner to promote for a music band, a book or a club, the most important thing is to get customer attention.

Moreover, this thesis will explore fundamental questions regarding how to use public relations as a tool to strengthen company brand and image in consumer awareness. The findings also point out the advantages and disadvantage of traditional marketing, including TV, radio, mail, print advertising and printed promotional materials such as catalogs or brochures.

### **1.1 The main aim and research question**

According to the fact that people's perceptions control their act, public relations professionals' foremost tasks are to control, create, influence or change people's perceptions and lead them to the primary objectives of an organization. (David M. Scott, 2011, p. 4)

The main aim of this thesis is to give readers a comprehensive view and fundamental concepts of PR in marketing strategy as well as distinguish the difference between goals and objectives in PR. (Okonkwo 2007, p. 90)

This paper presents the main role of PR in a marketing strategy through these primary questions:

- What is PR?
- How does PR affect marketing strategy?
- How to recognize suitable and effective PR?

### **1.2 Definition and demarcation**

According to Public Relations Society of America (2011) "Public Relations is a strategic communication process that builds mutually beneficial relationships between organizations and their publics". There are two types of communications: one-way and two-way which could be

classified to four models of public relations (as known as Grunig's Four Models of Public Relations).

<b>Model Name</b>	<b>Type of Communication</b>	<b>Characteristics</b>
<b>Press agent / publicity</b>	One-way communication	Uses persuasion and manipulation to influence audiences to behave as the organisation desires.
<b>Public information model</b>	One-way communication	Uses press releases and other one-way communication techniques to distribute organisational information. The public relations practitioner is often referred to as the in-house journalist.
<b>Two-way asymmetrical model</b>	Two-way communication (imbalanced)	Uses persuasion and manipulation to influence audiences to behave as the organisation desires. Does not use research to find out how stakeholders feel about the organisation.
<b>Two-way symmetrical model</b>	Two-way communication	Uses communication to negotiate with the public, resolve conflict and promote mutual understanding and respect between the organisation and its stakeholders

*Figure 1 Grunig's four models of Public Relations (Grunig, 1984)*

The primary aims of PR are to maintain communication with customers and provide information that assists them in making decisions to purchase products or services. In addition, the characteristics of goals and objectives in PR need to be clarified. (David M. Scott, 2011, p. 5-6) Goal is the achievement that the organization wants to accomplish; for instance, a cosmetic company wants to introduce a new summer lipstick targeted to women from 22-40. Thus, to attain this goal, they need to create different objectives. (David M. Scott, 2011, p. 5-6)

### 1.3 Research methods and sources

There are numerous books and articles about PR that facilitate the process of gathering relevant information and data to provide a valid conclusion for the subject. In addition, the theory from the books could assist in finding answers for the questions brought up in this thesis.

The primary data includes PR's activities of Unilever in Viet Nam and Jolly Dragon Company in Finland is given by the management of both companies through papers and interviews.

On the other hand, qualitative research methods are considered to be a suitable approach to the purpose of this paper, because interviewing people in charge of PR provides more detailed information and realistic experiences. In addition, comprehensive views and opinions of public relations professionals are useful elements to the discussion.

#### **1.4 Limitation**

This thesis work lacks of general view since the research and interviews were only conducted within two specific cases, one is Unilever Vietnam - a large sized organization with separate PR department and the other is Jolly Dragon - a small sized PR organization; so it also limits the findings.

#### **1.5 Theoretical framework**

The theoretical framework of the thesis relates to the earlier research with the question "What is a Public Relations?" .The answers were based on the information from Public Relations Society of America and Jim.R.Macnamara's theory in Public Relations Handbook (2005). In the second question, the thesis quotes the function of public relations, which is explained by Peterson (2006). In order to make it clear, the thesis work shows the meaning of different views of experts about PR's function, explained by David M. Scott and Public Relations Society from other countries.

In brief, the theoretical framework supports the author in explaining several definitions and expert views in the field related to thesis topic.



## **2. Literature review**

### **2.1 What is a brand?**

The fundamental concept of the brand must be creative, impressive and life time potential which is reflected through “the name of the brand, its country of origin, its history and story, its visual image, its logo, its colors, its shapes, its language and its total offerings”. (Okonkwo 2007, p. 9 – 10) A brand that generates tempting attention from consumers and creates financial value to the brand owner represents the enterprise’s warranty and credibility. Every brand possesses different characteristics to distinguish pieces of intellectual property and intangible assets that secures future earnings. (Okonkwo 2007, p. 9 - 108) It is not easy to build, develop and manage a brand , for the fact that consumers consider brand name as an important added value of a product. The significant roles of brand are to create or develop a service or product which matches customer desires. In addition, all organizations need brand identities to provide direction, purpose, meaning for the brand and represent what the brand stands for. (Kotler 2005, p. 548-558). Brand identity consists of brand image and brand personality.

#### **2.1.1 Brand image**

Brand image is how the brand is seen by customers and developed in public perception in the way it projects itself. It needs to be positive and unique since consumers are not only purchasing the product or service but also the image association with that product or service. (Rossiter & Bellman 2005, p. 18-19)

The advanced technology also supports enterprise in spreading brand image which consists of three types of benefits

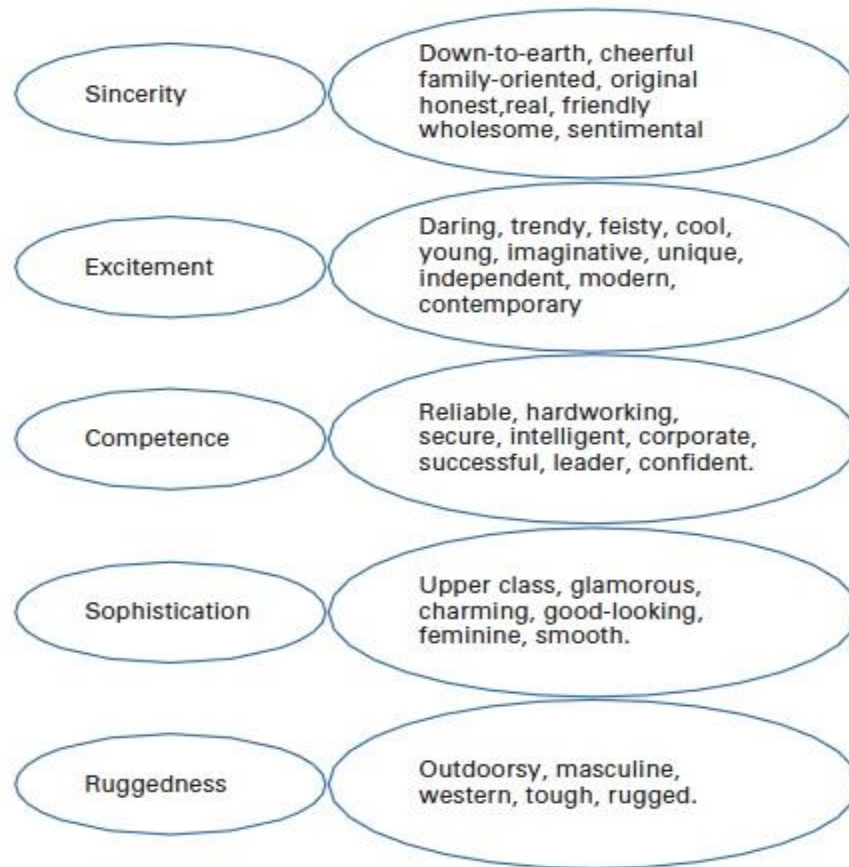
- The functional: what the brand does better than others (Rossiter & Bellman 2005, p. 18-19)
- The emotional: how the brand makes the consumers feel better than others (Rossiter & Bellman 2005, p. 18-19)
- The rational: why the brand is more credible than others (Rossiter & Bellman 2005, p. 18-19)

Unclear brand image can sometimes make customers confused since the internal understanding of the brand from its employees is different from the external understanding of the brand from its consumers (Okonkwo 2007, p. 110 - 111)

### **2.1.2 Brand personality**

The brand personality is the core personality traits and human characteristics which can be described by demographics, lifestyle, age, gender, activities, etc. It is the “true self” of the brand. It reflects who the brand has decided to be, how the brand views itself and how it wants to be. (Okonkwo 2007, p. 110 – 111)

The Brand Personality Model uses five elements to distinguish the personalities which brands could adopt. Although some additional personality traits are absent, the model below is a useful guide contributing to define the meaning of brand function for customers. (Okonkwo 2007, p. 111 – 112)



*Figure 2 The brand Personality Model of Jennifer Aaker (Okonkwo 2007, p. 112)*

In conclusion, the effective rules for brand identity creations are:

- Interpreting personality choice and image projection to the society. (Okonkwo 2007, p. 112 – 113)
- Developing and maintaining the chosen personality and image (Okonkwo 2007, p. 112 – 113)
- Constancy and relevance in the marketplace over time. (Okonkwo 2007, p. 112 – 113)

## 2.2 Brand equity

Brand equity, in the sense of “brand value”, has emerged as the most popular bottom-line measure of marketing – including marcoms, marketing communications – effectiveness. Brand

equity applies to the corporate brand and to brand-items, but differently. (Rossiter & Bellman 2005, p. 18)

### **2.2.1 Corporate brand**

Corporate brand equity valuations are accepted by the world's leading stock markets which are based on expert assessment of seven main marketing characteristics of the brand, such as: leadership 25 per cent, internationality 25 per cent, stability 15 per cent, market strength 10 per cent, market trend 10 per cent, support 10 per cent, and protection 5 per cent (Rossiter & Bellman 2005, p. 18) According to Interbrand, the world's 10 most valuable brands in 2013 were: Apple (\$98.3 billion), Google (\$93.29 billion), Coca-Cola (\$79.2 billion), IBM (\$78.8 billion), Microsoft (\$59.5 billion), GE (General Electric \$46.9 billion), McDonald (\$41.9 billion), Samsung (\$39.6 billion), Intel (\$37.2 billion), and Toyota (\$35.3 billion). (Interbrand, 2013)

### **2.2.2 Brand-item equity**

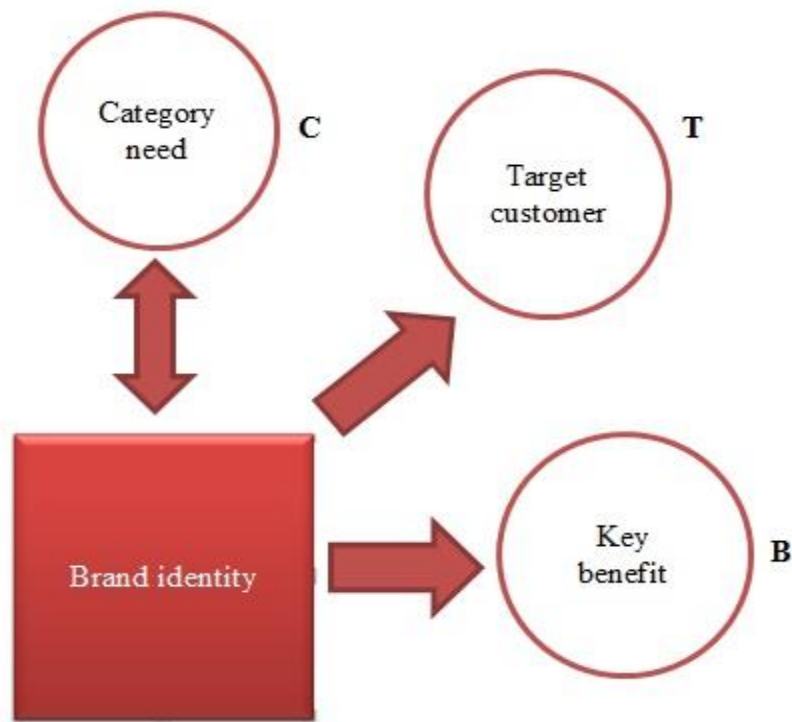
Brand-item equity is measured by Moran's method which based on tracking the brand-item's price elasticity of demand. Moran separates price elasticity of demand into "upside elasticity" and "downside elasticity". (Rossiter & Bellman 2005, p. 19) This produces two types of brand-item equity:

- The brand-item's value equity is indicated by its upside elasticity. High value equity means that the brand-item sales go up. (Rossiter & Bellman 2005, p. 19)
- The brand-item's uniqueness equity is indicated by its downside elasticity. High uniqueness of the brand-item is indicated by low downside elasticity. (Rossiter & Bellman 2005, p. 19)

## **2.3 Brand positioning**

Brand positioning is not only the place where the relationship between a brand and consumers become apparent, but also the point where the company achieves profit from its brand value. The manager has to decide, change, or reconfirm the target customers the brand should

focus on, identify customers' category need, and select the key benefit to emphasize. Brand positioning involves the placement of a brand and all its associations: characteristics, attributes, personality, and image, in a distinct place in consumers' mind. (Rossiter & Bellman 2005, p. 32-33)



*Figure 3 The T-C-B positioning model (Rossiter & Bellman 2005, p.43)*

The T-C-B model of positioning requires the manager to choose a position for the brand in terms of three factors:

- The Target customer for the brand (T factor) (Rossiter & Bellman 2005, p. 43)
- The Category Need into which brand is to be positioned (C factor) (Rossiter & Bellman 2005, p. 43)
- The Key Benefit offered by the brand (B factor) (Rossiter & Bellman 2005, p. 43)

## 2.4 Brand awareness

Brand awareness establishes a high level of knowledge and recognition in its market to extend the consciousness among consumers. In other words, customers can remember the brand name and its association; especially they can recall the brand from memory and buy the product. The more impact of a brand to customers' mind, the more powerful brand awareness is. Brand awareness consists of two factors: Brand Recognition and Brand Recall. (Okonkwo 2007, p. 113-114) Both types require the target customers to associate the Brand Identity with the Category Need.

- Brand Recognition: the directional association required is Brand Identity → Category Need. The main tactic is to show the visual brand mark clearly (Rossiter & Bellman 2005, p. 107-108)
- Brand Recall: It is the reverse as the Category Need arises first in the choice process, thus: Category Need → Brand Identity. The two main message tactics to increase Brand Recall are association of the brand name with the Category Need and repetition of the association. The enterprise can deliver and repeat the message in the media schedule. (Rossiter & Bellman 2005, p. 107-108)

## 2.5 Brand loyalty

Brand loyalty is the strongest evidence of the success of a brand to both customers and company since it reflects consumers' preference in a product category. Moreover, the habit to purchase products from specific brand demonstrates a high level of trust and the suitable solution, with customers, to fulfill their demand. (Okonkwo 2007, p. 118-119)

Brand loyals (BLs) can be divided into Single-Brand loyals and Multi-Brand loyals who are loyal to two or three brands

- Single-brand loyals (single-BLs) are defined as those consumers who do 80% or more of their shopping at a specific brand's store. They are a large group (about 40%-50% of all customers) in personal use FMCG (fast-moving consumer goods) categories such as bath

soap, shampoo, toothpaste, etc. or subscription product and service categories such as credit cards, telephone services. (Rossiter & Bellman 2005, p. 84-85)

- Multi-brand loyals (multi-BLs) are known as consumers who prefer to purchase two or three brands in the category for different purpose of use. Since most industrial buyers think that services or products may increase prices if they are loyal to just one supplier, thus potato chips, snack and dessert foods have high prevalence of multi-BLs. (Rossiter & Bellman 2005, p. 84-85)

## **2.6 Brand value**

Brand value is the bottom line of the branding which contains the entire elements above and reflects the final result (success or failure) of a brand. As an intangible assets of an enterprise which represents the confidence in company current strength and guarantee for future earnings and growth. (Okonkwo 2007, p. 124)

### **3. Public Relations (PR)**

#### **3.1 Public Relation concept**

Due to the recent strong emergence of PR, many people think that it appeared a few years ago or in the 20<sup>th</sup> century. Indeed, PR was born with the human civilization together with the speedy growing need of communication to understand human beings demands. In a long time, PR stayed domestically in Unites States. It only became popular in Europe and Asia many years later. Therefore, Asian organizations still lack of experience and have not yet recognized the strength of PR and cannot know how to use PR as an effective and suitable tool. Nowadays, the significant role of PR has been widely acknowledged and many companies even have separate PR department Thus, students who learn PR have more opportunity to experience and sharpen their professional knowledge. (American city Business Journals, 2012)

There are different definitions of PR. According to Edward Bernays – an Austrian-American pioneer of public relations - PR is the function of management to search for public attitude; defines the policy, process and interest of corporations. PR main aim is to affect publics' perception with good products and responsibility business activities through communication and interest. (The museum of Public Relations, 1997)

“Public relation” is the management tool that use communication to create positive relationship with the people who support the success of a business. The word “people” includes: customer, investors, employees, suppliers, distributors, competitors, the government etc. (CIPR, 2013)

The first World Assembly of Public Relations Associations (1978) determined to define Public Relations as “the art of social science in analyzing trends, predicting their consequences, counseling organization leaders and implementing planed programs of action which will serve both the organization and public interest”.

There are other definitions of Public Relations which are accepted by experts internationally:

- Definition of Public Relations Society of America: “Public Relations is a strategic communication process that builds mutually beneficial relationships between organizations and their publics.” (PRSA, 2011).



- Definition of British Public Relations Consultants Association: “Public relations is all about reputation. It's the result of what you do, what you say, and what others say about you. It is used to gain trust and understanding between an organization and its various publics - whether that's employees, customers, investors, the local community - or all of those stakeholder groups.” (PRCA website, 2013).
- Canadian Public Relations Society (CPRS): “Public relations is the strategic management of relationships between an organization and its diverse publics, through the use of communication, to achieve understanding, realize organizational goals, and serve the public interest. “(Flynn, Gregory & Valin, 2008)

“PR related to the credibility and reputation of the organization. The goal of marketing and advertising is selling products or services that are accepted by customer. However, the objects and sphere of Public Relations are greater diverse” (Frank Jefkins, 1998, p. 10).

“All public relations should exist to preserve a consistent reputation and build relationships.” (Robert L. Health, 2001, p. 642.)

In an organization, PR department manages public relations communication to build and maintain positive image for company. It includes understanding issues and analyzing public attitudes which impact on planning and implementing communication initiatives for an organization. Public Relations activities comprise promoting company success, mitigating the effects of failure, announcing the achievements and future goals. (Parkinson & Ekachai, 2006, p.10-14)

Public relation activities can be carried on all type of communication channel, thus it is versatile and suitable to all types of organizations, from commercial enterprises to non-profit organization. Nowadays, due to the development of technology and communication devices, PR functions have stretched out with more options coming into view. (Rossiter & Bellman 2005, p. 377)

Looking through many definitions, the author would like to provide the reader with multi-facet view about public relation. Nevertheless, though PR covers a wide range of activities that highlighted divergently in different definitions, “all public relations should exist to preserve a consistent reputation and build relationships.” (Robert L. Health, 2001, p. 642.)

## **3.2 The development of Public Relations**

### **3.2.1 Traditional Public Relations**

The fundamental rules of traditional Public Relations have been changed gradually, since the methods of communication and public contact are shifted over the years. Therefore, people working in public relation field always need to update their knowledge and information about the newest communication practices. For example, presently, press release can be announced to customers by email instead of traditional letter. (David M. Scott, 2011, p. 8)

Hereunder are the traditional PR fundamental overviews:

- The first readers of press releases are the editor or newspaper reporters. Organizations must have important information include quotes from third parties such as customers, analysts or experts before approaching social media to send out messages. (David M. Scott, 2011, p. 9-12)
- It takes time for people to know about an enterprise or organization since company data or articles need to be accepted by the media. (David M. Scott, 2011, p. 9-12)
- The easiest and fastest way to evaluate the effectiveness of PR tools is through archives, articles and post. Nowadays, PR professionals use press releases to directly reach to customers. Most of the marketing and PR professionals quickly understand the impact of PR through internet is explosive in short time. (David M. Scott, 2011, p. 9-12)

### **3.2.2 The modern Public Relations**

- The enterprises are proactive in providing information to customers. Through Facebook, Twitter, LinkedIn, etc. enterprise can easily send information about discount campaign, press release, contest event, etc. anytime. (David M. Scott, 2011, p. 23-24)

- Instead of targeting a number of journalists, companies can build PR strategies and directly reach their customers.

- The press releases can contain many online keyword searches. (David M. Scott, 2011, p. 23-24)
- Links to PR website can be created and sent to potential customers. (David M. Scott, 2011, p. 23-24)
- Press releases and PR articles are optimized to be suitable for online searching activity and access on the Internet. (David M. Scott, 2011, p. 23-24)
- The companies can guide people to the sales process through PR campaigns to reach buyers directly. (David M. Scott, 2011, p. 23-24)

Traditional PR rules state that the most effective way to implement PR activities is through social media. However, advance technologies have shortened the distance between enterprises and the society, or even the government. For instance, all the press releases, PR articles can be sent directly to customers' communication devices. Years ago, a reporter or journalist had to work with a photographer for a whole day to produce a story. Nowadays, the pictures of an article can be taken by a smart phone which is equipped with load of photo design applications. (Nebo blog, 2011)

To maximize the efficiency of online PR methods, organization should write the PR articles about what the company is implementing that can generate the attention from customers, for instance:

- CEO has an important conference to attain enterprise's future goal (Nebo blog, 2011)
- Achieving a reward (Nebo blog, 2011)
- New version or upgrade for existed products (Nebo blog, 2011)
- Additional product or service features (Nebo blog, 2011)
- New service for specific customers (Nebo blog, 2011)

To carry out a successful PR campaign, enterprise needs to think like a publisher and raises these questions: Who are the readers? How to approach them? How to give satisfied solutions for their problems? How to make the readers willing to read enterprise information? What make the brand attractive and urge customers to buy its product? (Nebo blog, 2011)

The marketing experts have to realize that they are information providers, and they should manage the message sent to customers as decently as publishers do. The publishers usually start at the content, then move on to the design that support to highlight the information. The suitable content should be determined base on the definition of target readers. If press releases and PR articles are uploaded straightly onto website, the companies will not need help from the media to reach its customers. This means that they have direct access to wider customer range, which can be considered as an advantage in time and effort saving. (Rossiter & Bellman 2005, p.389)

### **3.3 Public Relations' activities**

The PR team of a company always relates to other departments such as marketing, and advertising, for which identifying its function is somewhat confusing. As mentioned above in the concepts of PR in this thesis, PR manages the communication between an organization and its customers. Thus, the most important purposes of PR in an enterprise are building and maintaining good public reputation of the company through marketing activities such as:

- Analyzing feedback and attitudes of the public through all kind of communication devices. (David M. Scott, 2011, p. 15-24)
- Developing and implementing policy processes related to communication with the public. (David M. Scott, 2011, p. 15-24)
- Developing good relationships and goodwill with our customers as well as public groups through two-way communication. (David M. Scott, 2011, p. 15-24)

Basically, PR is known as a tool to simultaneously build relationships and marketing the brand of enterprises or individuals. For instance:

- Fan club of famous singers such as: Britney Spears, Adele and Blue.
- People who addicts soft drinks like Pepsi, Coke.
- Agency media (television stations, newspapers, radio stations, internet electronic media)
- The events (unions, parties, groups)

There are some specific cases in which PR is particularly useful, such as:

- Announcing a new product: PR create “news” which sets off a “buzz”, or “blast” for first impression with public. (David M. Scott, 2011, p. 15-24)
- Rejuvenating an old product: PR devices useful for breathing life into an old product. Sponsoring a concert, hosting a seminar, contributing to a community charity, etc. (David M. Scott, 2011, p. 15-24)
- When enterprise has small budget and cannot afford advertising through social media, PR provides necessary communication with the customers. (David M. Scott, 2011, p. 15-24)
- Acting as a memory aid – people remember a well-written piece while advertising is filled with clutter. (David M. Scott, 2011, p. 15-24)
- Creating word-of-mouth feedback and discussion. (David M. Scott, 2011, p. 15-24)
- When company launch complicated product, PR allows more comprehensive explanations. (David M. Scott, 2011, p. 15-24)
- It is better to have third party help organization in enhancing reputation. (David M. Scott, 2011, p. 15-24)

### **3.4 Distinguish Public Relations, Marketing, and Advertising**

PR is often deceptive among many other definitions such as: marketing, advertising, Media Relations, etc. However, the concept of PR is really different from all others. The following table shows the distinction of PR and with marketing and advertising, in several attributes:

	Advertising	Marketing	Public Relations
Cost	Expensive cost (company pays for ad space)	Expensive cost (marketing campaign)	Low cost or even free (press release, article, media pitch)
Shelf life	Extending as long as company wants (depends on financial ability)	According to marketing strategy and finance enables to support	Last long time (internet) and easy to find by search engines (Google).
Content	Focus on increasing sales	Focus on pushing product or service that company provides.	Building and maintaining positive relationship with the society
Control	Controlling the message since enterprise pays for ads.	Full authority over promotional materials, from design, content to message.	Influencing the message through reporter.

*Table 1 Distinguish PR, Marketing and Advertising (Alpine, Blog her, K Brady service, 2009-2013)*

### **The advantages of PR - compare with advertising:**

Despite the fact that PR was discovered after advertising, its performance has been developing more effectively. For example, PR has played an important role in the success of many great enterprises such as Coca-Coke, Apple and Samsung. Moreover, in the age that advertisements roam over TV channels and annoy audiences, the information delivered through PR events last longer with greater effect. For this reason, small and medium enterprises should use PR as the main tool in building marketing strategy to reach its target customers. (American city Business Journals, 2012)

In detail, public relation possessed these five advantages compared to advertising:

- Strength of PR performance:

The influence and impact of PR is greater than advertising. Advertising is considered as an imposition, unwelcome method that can unintentionally create adverse effect that makes potential customers resist sales messages. On the contrary, PR is a more gentle way to generate attention from customers, which makes the messages easier to be accepted. (Bitesize PR, 2013)

- Reliable information:

PR activities bring more reliable information to consumers. Customers tend to doubt the information provided through advertisements because it has frequently been strongly modified and amplified, thus only a few true words left while they cannot touch or experience products themselves. PR, on the other hand, proves the advantage of products or services through objective words (information from testers). Therefore, it affects to consumer senses psychologically to achieve its goal to stay longer in their mind. (Bitesize PR, 2013) In public relation events, the customers have a chance to experience completely the characteristics of particular product or service through touching, smelling, or even tasting to determine its quality. (Business insider, 2011) While advertising tries to convince people to choose specific product or service, the PR industry seeks "to gain popularity". PR activities provide the market information and knowledge that support for businesses and products. (Bitesize PR, 2013)

- The long-term effect of PR:

PR has the ability to create longer-lasting effects than advertising does. Advertisement life is similar to that of a butterfly, short-lived and then died. PR brings about different results because the information come from what customers experience for real, thus, definitely leaves impression in their minds. And the memory will last even longer if that is a pleasant or satisfied on. (Haute PR, 2009)

- The benefit from PR event:

PR activities have positive effects on the society. By participating in different launching activities that support community such as customer festivals, job festivals, mothers and children health care day, sharing the pain with Victims of Agent Orange/Dioxin, company can increase its integration with the society. This is also an effective way to improve company reputation and image in public. (Haute PR, 2009)

- The budget:

Businesses do not have to locate big investment on PR activities in the same way as advertising campaigns. Instead of spending large amount of money on advertising, enterprises just need a fairly small budget for PR activities. The effectiveness of word of mouth must not be underestimating, since it can contribute greatly and reduce financial burden. (Bitesize PR, 2013)

Besides reducing cost, PR plays a significant role in marketing mix. It collects the emotion and feeling of customer about the specific products. In fact, consumers are interested in dealing with corporations that has comment and feedback system, for instance, ebay or amazon. Moreover, PR creates favorable conditions and facilitates marketing. (Business insider, 2011)

In summary, marketing and PR activities support each other. Marketing generate revenue while PR activities focus on building relationships, through which increases the cooperation and reduces the confrontation between the company and the public. If carried out in the right time and under good condition, PR campaign gives considerably support to marketing program. Moreover, PR bases on true stories which contribute to long-term success of the company since good relationships with customer can only be built on honesty. After all, PR is not only the Public Relations, but also Performance (the activity) and Recognition (from society). (Business insider, 2011)

#### **PR and Sales Promotion:**

Sales promotion is short-term strategy to increase sales by introducing or refreshing the products. Promotion is more useful than advertising since it transforms cost into creating direct benefits for customers, such as gift card, discount, or bonus (Rossiter & Bellman 2005, p. 378).

People may mix up PR and promotion because promotion also helps the company and its customers reduce the gap. (Rossiter & Bellman 2005, p. 386)

#### **PR and Propaganda:**

Propaganda is a campaign which gains support for an idea, behavior or beliefs. The property of propaganda focuses on the sentiment and reason issues. Propaganda is also a form of communication that is considered similar to PR; however, they are greatly different. PR is a gentle way to connect the message to customers while propaganda might causes trouble in areas (related to politics). (David M. Scott, 2011, p. 124)



## 4. Marketing

### 4.1 Marketing concept

The definition of marketing has a long story. Experts say marketing is a process to establish plans and carry out 4P policy of products, idea or services which includes: Product, Price, Place and Promotion in order to exchange and satisfy purposes of corporations and person customers. Marketing is the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Moreover, marketing identifies unfulfilled needs and desires. It defines measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best, as well as designs and promotes the appropriate products and services. Marketing is often performed by a department within the organization. This is both good and bad. The good side is it unites a group of trained people who focus on the marketing task. However, it is bad because instead of being carried out in a single department, they should be manifest in all the activities of the organization. (Kotler, 2001-2012)

Marketing are the activities, set of institutions, and processes that create, communicate, delivery, and exchange offerings that have value for customers, clients, partners, and society at large. (American Marketing Association, 2013) New technologies and changing fashion means goods and services have a limited product life cycle. Ideally, the marketing mix is adjusted to improve it. For example, the life of commercial products can be extended by changing package to refresh a tired brand and sale - off products. (BBC 2013, p. 1)

In fact, marketing discovers demands and satisfies them effectively. The concept of marketing includes value and satisfaction, exchange and transactions, relationship and market. There are two concepts about marketing: (Kotler, 2001-2012)

- Traditional Marketing concept: Includes business activities that facilitate and ensure the flow of products from the manufacturer to end users – customers. (Kotler, 2008 p. 48)



Figure 4 Traditional Marketing (onlinemtrainingblog, 2013)

- Modern Marketing Concept: the process of discovering and satisfying customer desire with certain products, as well as deliver them to the end users. (Kotler, 2008 p. 48)

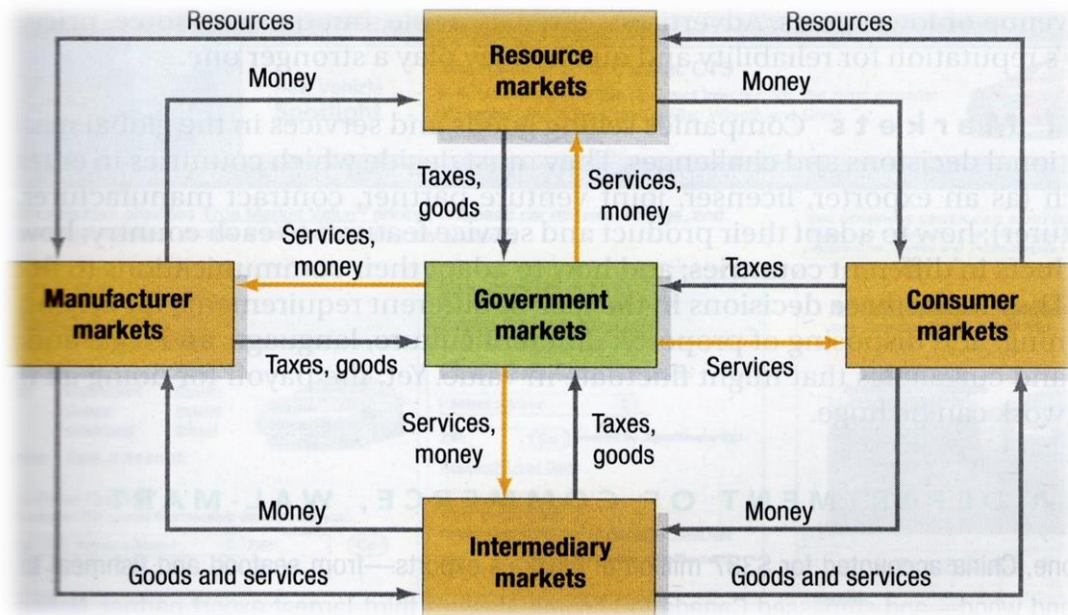


Figure 5 Modern Exchange Economy (Kotler, 2008 p. 49)

Marketing concept should cover customer need identification to adjust the features, appearance, price and distribution method for target market segment which helps business in maximizing profits, minimizing loss and satisfy the demand. Enterprises also need to pay attention to the strengths and weaknesses of product in functional activities such as manufacturing, financial, technical and human resources. The marketing plans have to balance goals, demand and the ability of business resources. (Kotler, 2008, p. 53)

In conclusion, Marketing is the process of social management to find out and satisfy customers' demand through creating, offering and exchanging value products to earn more profit.

## **4.2 The importance of Marketing**

The marketing concepts mentioned in previous part have highlighted the importance of marketing to corporations. Fully understanding the art of marketing in business is necessary for enterprises in achieving their success. Marketing is used in wide range such as advertising, consumer analysis, sales management, etc. and supports enterprises to generate profit, increase revenue and market share. (BBC 2013, p. 4)

Nowadays, Marketing Strategy is developed from 4 fundamental factors which are called '4P standing for: Product, Price, Promotion, Place and yet expanded to the seven Ps or eight Ps with additional Ps such as: Package, Physical evidence, People and Process. (Marketing mix & Business Fundas)



*Figure 6 7P's of Marketing strategy (Marketing mix & Business Fundas)*

Business nowadays operates in a competitive environment which changes rapidly from science - technology, to laws, policies and customer loyalty. A company is forced to race against other competitors on a never ending road with ever-changing signposts. Marketing is a science of business activity directly related to the flow of transporting goods from producer to consumer. Philip Kotler said that in complex world, everyone must all understand marketing. All the action from selling aircraft, finding jobs, raising money for purposes, or planning an idea, etc. require

the involvement of marketing. Thus, marketing affects strongly on consumer lifestyle since it touches their interests. (Kotler, 2001-2012)

## **5. Public Relations as a marketing strategy**

### **5.1 The role of PR in Marketing**

Nowadays, advertising, public relations, and promotions are significant elements that participate in marketing process of an enterprise. It is complicated to estimate expenses since every company has to invest in its strongpoint. The advance in marketing rules also supports the improvement of PR which is shown clearly in the table below (David M. Scott, 2011, p.6-7)

<b>The old Rules of Marketing</b>	<b>The new rules of Marketing</b>
<ul style="list-style-type: none"> <li>• Marketing simply meant advertising (and branding).</li> <li>• Advertising needed to appeal to the masses.</li> <li>• Advertising relied on interrupting people to get them to pay attention to a message.</li> <li>• Advertising was one-way: company to customer.</li> <li>• Advertising was exclusively about selling products.</li> <li>• Creativity was deemed the most important component of advertising.</li> <li>• It is more important to win advertising awards than to win new customers.</li> <li>• Advertising and PR were separate disciplines run by different people with separate goals, strategies and measurement criteria.</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing is more than just advertising.</li> <li>• People want authenticity, not spin.</li> <li>• Instead of causing one-way interruption, marketing is about delivering content at just the precise moment your audience needs it</li> <li>• Marketers must shift their thinking from mainstream marketing to the masses to a strategy of reaching vast numbers of underserved audiences via the web.</li> <li>• Marketing is not about your agency winning awards. It's about your organization winning business</li> <li>• Companies must drive people into the purchasing process with great online content.</li> </ul>

*Table 2 Compare the old rules and new rules of Marketing (David M. Scott, 2011, p. 8 – 24)*

The old rules of PR	The new rules of PR
<ul style="list-style-type: none"> <li>• The only way to get ink and airtime was through the media.</li> <li>• Companies communicated to journalists via press released.</li> <li>• Nobody saw the actual press release except a handful of reporters and editors.</li> <li>• Companies had to have significant news before they were allowed to write a press release.</li> <li>• Jargon was okay because the journalists all understood it.</li> <li>• You were not supposed to send a release unless it included quotes from third parties, such as customers, analysts, and experts.</li> <li>• The only way buyers would learn about the press releases' content was if the media wrote a story about it.</li> <li>• The only way to measure the effectiveness of press releases was through clip books, which noted each time the media deigned to pick up a company's release</li> <li>• PR and marketing were separate disciplines run by different people with separate goals, strategies and measurement techniques.</li> </ul>	<ul style="list-style-type: none"> <li>• PR is more than just a mainstream media audience.</li> <li>• You are what you publish.</li> <li>• PR is not about your boss seeing your company on TV. It's about your buyers seeing your company in the web.</li> <li>• People want participation, not propaganda.</li> <li>• The Internet has made public relations <b>public</b> again, after years of almost exclusive focus on media</li> <li>• Social networks allow people all over the world to share content and connect with the people and companies they do business with.</li> <li>• Blogs, online video, e-books, news releases, and other forms of online content let organizations communicate directly with buyers in a form they appreciate.</li> <li>• On the web, the lines between marketing and PR have blurred.</li> </ul>

*Table 3 Compare the old rules and new rules of PR (David M. Scott, 2011, p. 11 – 24)*



Many companies choose PR to assist their marketing strategy. The value of a company can be judged by its PR department since a poor PR department could directly affect to the decrease in sales and costs millions of dollars to improve. PR department helps corporations with increasing profit in different ways such as launching and introducing new products or services. PR can reach many different potential customers. So, how does PR affect marketing strategy? (American city Business Journals, 2012)

As being known, PR stands for Public relations which manages and maintains information between an organization and the public. It is necessary for a company to have PR and marketing go “hand in hand”. (David M. Scott, 2011, p. 25) In the commercial world, PR and advertising are integrated with marketing. Marketing mix includes all factors of marketing strategies such as naming, packaging, researching, price marking, sales, distribution and providing after-sales services. (Kotler, 2008, p. 74) Matters are concerned about communication and credibility of the organization, or in another word, are related to PR. In this process, PR plays a significant role in increasing knowledge and delivering information for customer along with advertising. In facts, the goal of PR includes marketing purposes since the sphere of PR activities is wide. (David M. Scott, 2011, p. 26)

### **The goals of PR:**

- **Improving operation in the business**

Corporations and small businesses usually try to use PR to promote their businesses. These corporations might have private PR departments (known as "in-house PR") or hire suitable PR companies to solve their communication problems and represent the speech of corporations. The goal is creating as many positive articles about the company or organizations as possible. Several companies carry out a lot of contribution programs such as charity, scholarships and other non-profit organizations in order to achieve the good feelings and affection from the public. (Bitesize PR, 2013)

- **Raising funds:**

Many non-profit organizations use media to attract investment for their programs. These activities provide information value such as formal signing ceremony of the famous persons or the official sponsors' ceremony often attracts the attention from the media. In these events, both investors and receivers earn benefit. The companies or organizations obtain respect from the public. The non-profit organizations increase contributors or volunteers, thus raise their funds. (David M. Scott, 2011, p. 139)

- **Building A Reputation:**

The core purpose of PR is building reputation for organization. To achieve this, organization should really care for customer thoughtfully, communicate with the concerned parties effectively as well as express the social responsibility to employees, the local communities and the environment. Shining advertising and cover-up actions which applied by many organizations leave negative impression to customer must not exist in effective PR campaign. The politicians, the heads of corporations and the famous people always use PR as represent tool to gain public deference. They will become charity characters who have great effort in contributing to the prosperity of community. Corporations also use this trick to improve their reputation by collecting money to support community activities such as constructing library or renovating public parks. (David M. Scott, 2011, p. 148)

- **The appearance in the public**

The public's awareness is an essential part of every PR campaign. It is important to bring the information about services to the society. No matter what the enterprise does, the main aim is that customers recognize its contribution to the community. Moreover, customer is fundamental element in marketing, thus, understanding customer and finding their demands and desires are greatly important to establish an organization into the market. It helps company with decisions to choose suitable marketing strategy and PR tools (Bitesize PR, 2013). To exploit different aspects of customer, there are some methods:

- ✓ Nowadays, industry technology and social network are developing rapidly. Therefore, organization can scope customers' desires, demands and requirements easier via chat rooms, blog, vlog, Facebook, Twitter, and forums. Reading and paying attention to their comments and feedbacks, trying to fit in customers' shoes are the fastest ways to understand customers' needs. (David M. Scott, 2011, p. 122-129)
- ✓ Sending survey to loyalty customers by mail or email is a great way to receive true feeling feedback. The PR department has to discuss with the marketing team and check their answers to come up with the solutions to upgrade or improve products and services to meet the requirements of customer. (David M. Scott, 2011, p. 122-129)
- ✓ Keeping open communication with other organizations departments to show vigilance with other competitors. And it is great to keep PR department in ready mode for any situation. (David M. Scott, 2011, p. 122-129)

PR is affordable and low cost marketing solution for small and mid-size corporations. It builds the reputation for corporations through transferring image and message to groups of people. The main purpose of PR is the bridge between corporation, its internal and external publics. With internal public, messages represent for manager ideas or visions which are transferred to company staffs to achieve goals and settle down different opinions within corporation. With external public, organization messages help customers to associate easier when they approach a trademark since various kinds of commodity and services nowadays create difficulties to customers in discriminating products. Every organization tries to create a style, an image, an impression, a reputation for their products in order to provide a specific brand for its own product. (Frank Strong, 2012)

The corporations promote products in different ways: through advertising, PR, price or by product itself with the fundamental goal is to bring the brand into consumers' mind and memory. In particular, PR activities have a positive impact in promoting the brand to achieve the public recognition and inform customers about company goals and activities. Moreover, PR is a flexible communication tool in marketing communication: direct sales or via phone, raising funds and exhibitions activities. Thus, PR is now widely used by organizations from operating

non - profit activities such as charities, scholarship programs, to trading activities such as political parties and game festival. In whole, PR supports marketing in reducing the distance between corporations and customers or publics. (Frank Strong, 2012)

- **What is the advantage of PR?**

PR is good at get attention from public without negative impression like advertising because PR helps corporations to make good reputation through communication while advertisement makes strong impressions in the publics with unverified information. Moreover, advertising and marketing campaign cost much more money compare to PR campaign. Small and medium enterprises might not have the budgets for impressive advertisements, or even a separate marketing department. In fact, PR activity is well affordable solution for these organizations since it creates a positive impact, tangible, suitable cost, resonates in transferring business brand to the public. Besides, PR helps company in human resources because good employees desire to work for companies with good reputation to earn better future opportunities in their career path. Especially, corporations having support and protection from public tend to overcome its crisis easier. (Rossiter & Bellman 2005, p. 385-388)

People are annoyed by overloaded advertising; for instance, everyday, they wake up and always have to listen to morning news advertisement, step out and the billboards are greeted on the streets, read newspaper and see a whole page of advertisements. In contrast, PR messages is nearly non - commercial because it uses intermediaries, newspaper articles or promotion events with performance or entertainment activities packed with load of practical consumption information contain to get public recognition. (David M. Scott, 2011, p. 39-40) PR particularly brings effectiveness in these situations:

- Launching new products (David M. Scott, 2011, p.126)
- Refresh old products (David M. Scott, 2011, p.126)
- Improve reputation (David M. Scott, 2011, p.126)
- Enterprises have limited budget (David M. Scott, 2011, p.126)
- Enterprises face crisis (David M. Scott, 2011, p.126)

## **5.2 Public Relations' activities in different countries (Viet Nam vs Finland)**

### **5.2.1 Public Relations in Viet Nam (Unilever)**

Nowadays, PR is more popular in the world especially with communication companies. In some countries, PR industry has strong growth and quick success. The demand for professional PR activities is increasing and many media companies are established. There are many famous media companies around the world such as: Galaxy, Bloomberg, Cox Enterprise, News Corp, Venus Communication, Golden sun, Max Communication, Nation Media Group (NMG), Televisa, Pacific Ming Pao Group. Although Viet Nam is a developing country and adapts PR in marketing industry later than other countries, PR companies in Viet Nam followed the market trend fast and achieved specific success. In fact, PR campaigns have been held professionally and successfully. For example, Huggies diapers held an extensive PR program for “dynamic Huggies Baby” or Unilever launch the program “Send school uniform for OMO washing powder”. Several other successful campaigns can be recalled such as “P / S protection smile”, “firefly light” of Dutch Lady Vietnam, “I love Viet Nam” campaign of Honda brand. PR activities in Viet Nam focus on two fields: event promotion and press release. (Unilever VN, 1995-2013)

Unilever Viet Nam, which is one of the most successful Public Relations company in Viet Nam, has offices in two biggest cities: Ho Chi Minh and Ha Noi. The organization was established in 1995 to manufacture and distribute international quality home and personal care products at affordable prices to Vietnamese consumers. Since then Unilever VN has always understood that the responsibility of contributing to the development of communities is the long term development to improve people's living and promote the solidarity spirit of Vietnamese people. This is the significant reason which encourages the organization to start PR in Viet Nam. Until now, with the support of the government, Unilever VN has more than 1600 employees and contributed over 6000 billion VND (nearly 200 million Euros) to projects which support the community in the whole country, including Home and Personal Care brands, Oral Care products, Foods and Tea-based Beverages such as: (Unilever VN, 1995-2013).

#### Public health care:

- Unilever VN had 1.5 billion VND (nearly 52 000 Euros) in funding for the program “For children's eyes” from 2002 to 2005 in order to help children from poor families to get free treatment (Unilever VN, 1995-2013)
- The program “P / S VN protection smile” helped 1.5 million people to receive free dental care. Understanding the importance of education and health care for children and community, this program from Unilever was evaluated as an effective and meaningful program to the society. (Unilever VN, 1995-2013)

#### Education and Training:

- Unilever VN funded over 7, 5 billion VND (nearly 260 000 Euros) for the project "Improving capacity of teachers in 2001-2005". (Unilever VN, 1995-2013)
- In addition, Unilever VN supported nearly 2 billion VND (nearly 70 000 Euros) to build training center for disable people and orphans in Ho Chi Minh City (Unilever VN, 1995-2013)
- Unilever spent more than 5 billion VND (nearly 150 000 Euros) in building new schools for blind students in Da Nang (Unilever VN, 1995-2013)
- Unilever has repaired and upgraded the infrastructure of the Hope Village – the warm house of 200 orphans and disable people. (Unilever VN, 1995-2013)
- Unilever runs “OMO - white shirts brilliant future” program to bring scholarship for poor students. This program has been maintained up to now because it continues to bring marketing effectiveness. (Unilever VN, 1995-2013)

All activities of Omo, a brand belongs to Unilever organization, are aiming to benefit society and receive good feedback from public. Omo is considered as the most popular brands in laundry industry. These programs are successful because Unilever knows how to create trend to attract

attention from public and let society comments spread out its messages. Specific commitments of Unilever are:

- Reducing half of the product's effect to the environment (Unilever VN, 1995-2013)
- Help 1 billion people improve health and living conditions (Unilever VN, 1995-2013)
- Using 100% of raw materials from sustainable sources. (Unilever VN, 1995-2013)

Besides, Unilever has launched other PR Campaign in Beauty and Cosmetic such as

- “Secret before 9 am” which is a part of the “real beauty” plan of Dove. This campaign is the idea of taking pictures of singers, models and actors in early morning when they do not have make up to show their natural beauty. “Secret before 9 am” which is the title of this picture book has received good response from the public. Besides the success of the picture book, Unilever Vietnam continues to expand the campaign by encourage ladies to send their photos to Dove. This campaign supports Dove in affirming brand with customer. (Unilever VN, 1995-2013)
- “Life is not waiting” is a Sunsilk campaign which is launched in the occasion of International Women's with many kinds of advertising through newspapers, panel animations, etc. (Unilever VN, 1995-2013)

Unilever is one of the first companies in Vietnam having PR department to support company's business strategy instead of using PR agencies. The company has creative marketing strategy to polish company reputation and attract customers to its products. According to the manager (Loan Pham), the organization's main aim is to introduce to public about Unilever brand in the most detail way which creates strong impression in customers' perception. It is a significant first step for the company to approach Vietnamese market, thus, Unilever decides to create PR department for their future plans also. Since Unilever does not hire PR agency, the company can save the budget to improve and expand its own PR department (Manager Loan Pham, Unilever Vietnam 1995-2013)

In addition, PR is completely new marketing method in Viet Nam, thus, it is easier and more effective way to approach the society. The curiosity and desire from public to experience and reveal organization's purpose of these PR events, press releases, help Unilever spread its own brand. (Manager Loan Pham, Unilever Vietnam 1995-2013) Through nearly 20 years established in Vietnamese market, Unilever products touch the lives of over 2 billion people every day. Nowadays, in Vietnam, Unilever products mean shiny hair and brilliant smile, fresh and clean home, great cups of tea, satisfied meals or healthy snacks. (Unilever Vietnam 1995-2013)

The four pillars of organization vision set out the long term direction for the company what is Unilever wants to achieve and how company does that:

- Organization works to create a better future every day (Unilever VN, 1995-2013)
- Organization helps people feel good, look good and get more out of life with brands and services that are good for them and good for others. (Unilever VN, 1995-2013)
- Organization inspires people to take small everyday actions that can add up to big difference for the world. (Unilever VN, 1995-2013)
- Organization will develop new ways to do business with main aim is increasing company revenue while reducing environment impact. (Unilever VN, 1995-2013)

The organization always believes in the power of its brands to improve the quality of people lives. As an business grows, so do its responsibilities. The enterprise recognizes that global challenges such as climate change concern everybody. Considering the wider impact of company actions is embedded in company values and becomes a fundamental part of Unilever image. (Unilever Vietnam 1995-2013)

Although few of the first PR projects which were launched by Unilever had some difficulties and received negative feedbacks from public, the company always tries to learn from the failures and improves PR strategy to discover the most suitable way to approach customers. Unilever's management recognizes that Vietnamese people do not evaluate a product just by watching, touching, tasting, they want to use it at home, to know how it really works, if it is worth to buy, or if its function is suitable for family purpose. Thus, the organization starts to run PR



campaigns, which offer free samples for customers. Customers not only can test the product, but also bring few samples home to have their family opinions. (Manager Rohit Jawa, Unilever Vietnam 1995-2013) Through the same method of PR with some minor changes in process and organizing, Unilever already succeeded in introducing all of their products and getting attention from customers. According to Manager Loan Pham, Unilever products are fundamental for people life with affordable prices such as shampoo, washing powder, toothpaste, thus, the best places to attract Vietnamese people are supermarkets. It is not necessary to have a long event, about 1 week is enough, and then the company can continue the campaign by advertising on the newspapers and organizing discount event for specific product. The discount rate is usually 10-12 per cent. (Manager Phuong Nguyen, Unilever Vietnam 1995-2013)

Moreover, Unilever also used impressive advertising as a useful tool in marketing for its brands. Since Vietnamese people usually have dinner together and watch television every day after dinner, advertising at that golden time then organizing PR events in crowded places make customers easy to remember or at least have impression about company brand. The truth is even a familiar brand can still be forgotten if the company does not know how to refresh its image in customers' mind. Thus, PR is a potential market in Viet Nam and become more and more popular within society. Manager Loan Pham said that Unilever PR team is recruited and trained carefully by professional to help company achieve its goal and maintain the organization image towards customers. (Manager Phuong Nguyen, Unilever Vietnam 1995-2013)

In conclusion, the effectiveness of PR campaigns increases reputation for Unilever brands with customers. It builds relationship between businesses and customers, refresh product, expand the market and save costs. (Manager Rohit Jawa, Unilever Vietnam 1995-2013)

### **5.2.2 Public Relations in Finland (Jolly Dragon)**

Compared to Unilever Vietnam, Jolly Dragon (JD) is a small Finnish company which succeeds in promotion event. Paul Brennan, an Irish businessman who is interested in marketing

field, founded Jolly Dragon in 2004. Paul himself experienced how difficult to integrate in Finnish society and decided to create an organization for people to meet and hang out which is called Jolly Dragon. Jolly Dragon started as a small individual Public Relations agency and quickly evolved with more than 2000 international members. The main office of company is located in Kaisaniemi of Helsinki with nearly ten employees and Paul is the owner as well as CEO of the company. (Jolly Dragon 2004-2013)

JD main purpose is organizing friendly atmosphere events for people who would like to spend good time with friends and help other internationals feel like home in Finland. The company begins with hosting multiple small events almost every day of the week such as carting, squash, bar nights, poker, etc. which are easy to attract people and pull people closer to each other. Company's customers can sign up by mail to receive more events' information or register to become a member. If customers confirm to participate in specific events and pay for it, they will receive special deals from company, such as discount for beverage and ticket. The company will receive 5% bonus if customers are invited by JD. (Jolly Dragon 2004-2013) While Unilever's PR activities aim to protect environment, improve health care and education, Jolly Dragon mainly focus on entertainment activities such as:

Sport events:

- Physical Yoga for body and mind (Jolly Dragon 2004-2013)
- Jolly Dragon floor ball (Jolly Dragon 2004-2013)
- JD squash (Jolly Dragon 2004-2013)
- Badminton with Jolly Dragon (Jolly Dragon 2004-2013)
- Jolly Dragon running club (Jolly Dragon 2004-2013)

Entertainment events:

- Pole dancing party (Jolly Dragon 2004-2013)
- Poker (Jolly Dragon 2004-2013)
- Juhannus blast off party (Jolly Dragon 2004-2013)

- Birthday party (Jolly Dragon 2004-2013)
- Surfing white whale – after work party (Jolly Dragon 2004-2013)

Hanging out and having fun events:

- Salsacuzzi & BBQ (Jolly Dragon 2004-2013)
- International BBQ (Jolly Dragon 2004-2013)
- Maxine opening (Jolly Dragon 2004-2013)
- Corona BBQ party (Jolly Dragon 2004-2013)

JD also offers side bonuses for membership of company to get even more tempting discount

- “Win a free drink” - First 50 people sign up will get a free drink (Jolly Dragon 2004-2013)
- “Join us for another Language BBQ this Thursday” – free one drink (Jolly Dragon 2004-2013)
- Cheap drinks sale off 35% at Corona BBQ Party (Jolly Dragon 2004-2013)
- Register as a membership to receive free entrance ticket (Jolly Dragon 2004-2013)

All Jolly Dragon activities aim to emphasize the importance of personnel well-being and enhance the company internal atmosphere while provides the best scale of activities and entertainment. Company’s events inspire relaxing and comfortable feeling for customer through dance classes, hot parties, free drinks, games, hangout, which helps Jolly Dragon to be popular among customers and people. Different from Vietnamese companies, JD gather group of people who share same hobbies such as chess, cards, etc. to enjoy together and cheer up each other. Enterprises which hire JD to promote their events do not need to pay a large amount of money since the company has the deals with specific places or hot spots that allow it to run PR campaign with specific prices. For instance, Corona beer wants to introduce their new product for summer. The company signs a contract worth about 10000€ with JD and JD will build PR strategy for Corona, from what kind of benefit customers will receive in this PR campaign to prizes for lucky customers. JD will also be in charge of preparing brochures, posters, to run

campaign in particular places and give discount cards (or promotion cards) to customers. Whoever interested in the campaign or products can get more detail from promotion employees or register on company's website to receive more bonus discount and future event promotions. And the companies can earn more bonuses if customers are invited by them (Paul Brennan, CEO Unfair Advantage Ltd.)

According to Paul Brennan, Jolly Dragon was established as an organization to help Finnish society and International people get to know each other easier by hanging out and having fun together. It grew overwhelmingly as a great "fun channel" to citizens of greater Helsinki. In 2008, JD won an award from Finland's largest media channel which emphasizes company's mission for the future plan is to make fun and happy life for millions people in this city. (Paul Brennan, CEO Unfair Advantage Ltd.) There are a lot of challenges to face as a small PR company since

- Finland is not a big market. (Paul Brennan, CEO Unfair Advantage Ltd.)
- Finnish people are shy; especially they feel uncomfortable if strangers encroach their personal space. (Paul Brennan, CEO Unfair Advantage Ltd.)
- It is not easy to earn reputation, have faith and inspire customers. For instance, last year, Metropolia University of Applied Science hired JD to organize a barbecue in Suomenlinna for students and school's employee (with 7000€ budget). Everything was planned carefully, however, it suddenly started raining a lot that day, and JD team could not delay the event since it was announced one week before. Even though JD team did buy all kind of BBQ tools and ingredients for more than 150 people, all members had to come up with new plan immediately. The manager contacted a restaurant nearby and offered the owner a reasonable price to serve foods for all customers. Moreover, the manager also requested a stand-up comedy to cheer up the event environment and all PR team members had to help to serve food for Metropolia attendances. The company did everything to keep a good impression with customers since as a PR agency, JD main product is reputation. (Jolly Dragon PR team, Unfair Advantage Ltd.)

In three months working as a trainee in JD Company, the author experienced how the company conducts PR methods. Particularly, the manager usually contacts all current customers in the database to offer them different kind of deals. At the same time, he also tries to find new customers through his old connection and looks for new projects, which will launch within one to three years to send them company's strategy and present it if necessary. Moreover, enterprise's employees have to update information about company campaigns as well as events for customers everyday such as, what campaign we will run, what kind of product customers can get discount, where customers can receive discount, company will offer more bonus for membership or not, and others. (Jolly Dragon PR team, Unfair Advantage Ltd.) According to the fact that Finnish customers are shy but well-behaved, they often react politely if PR team knows how to reach them gently. Finnish customers are not easy to accept something and even feel awkward if strangers are too excited and break their personal spaces. (Paul Brennan, CEO Unfair Advantage Ltd.)

In addition, JD promotion campaign is organized by manager and manager can empower an individual to be team leader for a particular time. The chosen team leader is "big boss" in limited time; he/she is in charge of contacting location, confirm date and time, delegate and supervise team member to decorate, design and print posters, promotion cards and banners. Then, the leader creates event site with all necessary information on social networking websites such as Facebook, LinkedIn, Twitter, or company's entertainment website, invites people, sends customers email, and reports the process to the manager. The most interesting part is all team members will take turn to be team leader, thus, all of the employee have opportunities to sharpen our knowledge. (Jolly Dragon PR team, Unfair Advantage Ltd.) However, teamwork is also significant glue which attaches all team members together. Since JD is a small PR company which focus on promotion events, press releases and social networking websites, all team members should help each other to accomplish the goal and make customers satisfy with company's project. That is the best way to attract customers to come back and might introduce other potential customers to JD. (Paul Brennan, CEO Unfair Advantage Ltd)

## 6. Discussion

PR was brought to Vietnam since the 90s of 20<sup>th</sup> century by foreign companies. However, after 30 years, Vietnamese enterprises has not been able to be properly conducted this potential industry. (Unilever Vietnam 1995-2013)

PR activity in Vietnam is solely about "buy land" on newspaper to promote and hype brands through means of communication. In particular way, PR is not recognized as an independent industry and only stands for the relationship between enterprises and media. (PR week, 1957-2013) This is one of restrictions that prevent the development of PR since enterprises do not get all benefits from PR activities. Therefore, improving PR activities is a crucial task to enhance company forecast about public demands. (Unilever Vietnam 1995-2013) From analyzing the PR activities of enterprises, this thesis work presents four existing weaknesses:

- Wrong awareness about PR activities in corporations:

The most common mistake is placing Public Relations and Media Relations in equivalent terms while “Media Relations were based on relationships with reporters that were built up over a long period of time. Public Relations professionals built up large files of information from reporters over meetings” (to public) (Financial times Lexicon, 2013)

Moreover, PR also differs from advertising since PR focuses on response and feedback from society, while advertising is one-way communicate paid by enterprise to spread out company message. (Frank Strong, 2012)

- Businesses do not have budget for PR:

In fact, organizations willing to pay a lot of money for advertising and just few businesses use professional PR in branding. The budget for PR is about 10 % of advertisement, or it already includes in the overall marketing budget. Companies must have “enough” budget for PR activities to improve brand influence effectively. (Frank Strong, 2012)

- Lack of professional PR team:

Most Vietnamese companies do not have their own PR department. If PR is considered important, enterprise would assign some employees from marketing department to be in charge. However, these employees usually have little experience and knowledge in communications or

PR. In fact, human resources of PR team are appointed from other departments since it is the fastest and most economical solution to introduce company information in necessary situations. Therefore, the knowledge, skills and professional requirements of PR teams in these companies are not qualified. (Unilever Vietnam 1995-2013)

- Lack of legal principle for business to build and develop PR industry

Since Viet Nam is a developing country which lacks of specific regulation for PR, it is complicated and difficult in running PR campaign. Moreover, a potential market like PR is attractive not only professional PR organizations, but also apprentice companies which their major services do not relate to PR. Thus, PR campaign costs as well as quality are affected seriously. (Unilever Vietnam 1995-2013)

Through four limitations the thesis mentioned above, a question is raised: How enterprises recognize and implement suitable as well as effective Public Relations? These are some solutions to develop PR industry as below:

Internal solutions:

- Professional programs for training PR teams or staff.
- All enterprises have to realize that they are doing their culture of business so that they should not implement a non-culture PR.
- In this program, the PR staff has a conflicted role; they are on behalf of organization to enhance public image and reputation. On the other hand, they are eyes and ears of organization to receive and collect information to improve existed products or service quality to satisfy customers.

(David M. Scott, 2011, p. 138-150)

External solutions:

- Increasing activities which support community such as: charity, collecting books to build library for children, scholarships for poor students, etc. to create good impression to the public and benefit for society.
- Improving competitive capacity for businesses.

- Cooperating with indigenous companies as well as foreign companies to learn and experience new knowledge.

(David M. Scott, 2011, p. 138-150)

While Unilever use public relations to achieve awareness for their brand, Jolly Dragon is a PR firm which promotes products for other companies. In the early stages of Finnish public relations, advertising agencies performed most of public relations duties. Until 1980s, many universities started to recognize the importance of this potential field and business professionals discussed the future of PR in building good relations with important people in the media to bring the brand forward. (David M. Scott, 2011, p. 122-123) Paul Brennan, the CEO of JD PR agency, affirms the value of PR has been noticed and organizations start to recognize many benefits as well as cost efficient from PR. He said that PR agency can promote the products effectively to create brand awareness and get media attention through the press. (Paul Brennan, CEO Unfair Advantage Ltd.)

According to Armstrong and Kotler (2005) PR has a significant impact on public awareness at a much lower cost than advertising. Starbucks, Play Station, The body shop, etc. are ideal examples of brand which are built solely on public relations. The company can reduce marketing costs since they do not pay for time and space in the media. (Kotler, 2005) As stated by Paul, PR plays an important brand-building role which creates positive and unique image for company. The most important thing is people know the brand. (Paul Brennan, CEO Unfair Advantage Ltd.)

Although Unilever and JD are two different companies, they still have common PR points of view:

- Main purpose of PR is to attract attention from public to support for company products or services.
- Using promotion event as a friendly PR tool to approach customers
- Team work is necessary element for a successful PR event.

Since Unilever and JD have different market target – two distinguish countries with distinct cultures, they definitely have uncommon PR perspectives:

- Unilever do not empower a specific employee to be team leader like JD.



- JD gives customers discount or bonus cards while Unilever attracts customers by free samples.
- Unilever improves organization image by supporting community and protecting environment.

## 7. Conclusion:

The aim of this thesis is to focus on PR role in marketing as a tool to build and strengthen company brand image, in marketing strategy. In the theory part, brand awareness is proved as the significant role in enhancing enterprise's reputation with customers. This thesis presents main role of promotion in a marketing strategy through three primary questions:

*What is a PR?*

- PR is a function of management in order to searching for public attitude and interest.
- PR is all about reputation.
- PR is a communication process to build beneficial relationships between organizations and the public.

*How does a PR affect marketing strategy?*

- In the commercial world, PR and advertising are combined with marketing.
- PR plays a significant role in increasing knowledge and delivering information for customer along with advertising.
- The goal of PR includes marketing purposes since the sphere of PR activities is wide.
- PR campaign ensures the communication among groups of people who influence the purchase of a product, directly or indirectly in a marketing program.

*How to recognize a suitable and effective PR?*

- Depends on enterprise size and budget
- Requirements about PR campaign: what company expects to achieve?
- The PR agency must understand completely about enterprise: What products and services does the company supply? What channels company uses to get its product to the market?

To explore carefully the difference of PR between distinguished countries, this thesis work selects qualitative methods in form of interviews in order to gather necessary information and data. While Unilever Viet Nam is a big organization with strong financial fund, Jolly Dragon is just a small PR company. With personal working experience in both companies: Unilever Viet Nam & Jolly Dragon, the author recognized how effective PR campaigns impact on customers' awareness and how well these companies apply PR in their marketing strategy which have different size of budget.

In addition, this thesis work investigates how public relations in Finland differs from other countries like Viet Nam in getting attention from customers or building brand in consumers' minds. In the 21<sup>st</sup> century - the century of information, the significant role of public relations has been confirmed. PR is always an indispensable activity of any enterprise or organization. Therefore, in order to use PR effectively in building reputation and maintaining brand image, enterprise expects help from the government to improve the legal system and related support policies. It is necessary to set up a private department specialize in PR, manage means of communication effectively and obtain certain knowledge in organizing PR plan.

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# Appendix 1

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## **List of interview questions for Vietnamese Unilever manager**

1. Why your company does not use PR agencies?
2. What are advantages and disadvantages in using PR in Viet Nam?
3. Is it difficult to launch first PR project?
4. What message company wants to deliver to Vietnamese consumers?
5. Over the years, does PR really benefit for company in creating brand image within society?
6. How many brands within your organization succeed in getting attention from customers?
7. How long do you think PR campaign in Viet Nam should last?
8. What kind of PR campaign is easy to get attention from public?
9. Does company ever use PR agencies?
10. Why is it not necessary to use PR agencies?
11. Do you think a big company like Unilever should have PR department?
12. Do you think PR is a potential market in Viet Nam?
13. Do you think advertising is a better way to approach Vietnamese customers than PR?
14. Does your company have professional PR team?
15. Are you satisfied with your PR team achievements?
16. Does company want to improve PR team over time?
17. What is the most important strategy for a successful PR campaign in Viet Nam?

How important PR can affect your company's future goal?



# Appendix 2

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## **List of interview questions for Jolly Dragon manager**

1. Why you decide to establish a PR company?
2. What message company wants to deliver to Finnish consumers?
3. Is it difficult to create brand awareness in Finland?
4. What kind of promotion event you already created?
5. What kind of enterprise you can contact?
6. How important PR can affect an organization's goal?
7. Do you use different method in creating different promotion campaign?
8. Does PR effective in support for service or enterprise profit in Finland?
9. Do you think Finnish customers are easy to satisfy?
10. Does PR in Finland is a potential market?
11. Does your company have professional PR team?
12. Are you satisfied with your PR team achievements?
13. What is the most important strategy for a successful PR campaign in Finland?