

**PAPER NO. CP 33**

**SECTION 3**

**CERTIFIED CREDIT PROFESSION**

**(CCP)**

**MARKETING AND PUBLIC RELATION**

**STUDY TEXT**

## **KASNEB SYLLABUS**

### **MARKETING AND PUBLIC RELATIONS**

#### **GENERAL OBJECTIVE**

This paper is intended to equip the candidate with the knowledge, skills and attitude that will enable him/her to apply the principles of marketing and public relations in credit management

#### **LEARNING OUTCOMES**

A candidate who passes this paper should be able to.

- Apply marketing principles in credit management
- Analyse the relationship between marketing and credit management
- Use marketing principles to generate sales
- Manage public relations
- Apply ethical codes and legal principles in marketing and public relations

#### **CONTENT**

##### **1. Introduction to marketing**

- Definition of marketing
- Importance of marketing
- Core concepts of marketing
- Marketing philosophies
- Elements of marketing
- Marketing environment

##### **2. Marketing segmentation, targeting and positioning strategies**

- Purpose of segmentation
- Types of segmentation
- Targeting strategies
- Positioning strategies

##### **3. Product decisions**

- Product classifications
- Levels of products
- New product development
- Product life cycle

##### **4. Pricing decisions**

- Pricing objectives
- Pricing methods
- Pricing strategies
- Buyer and competitors reactions

## **5. Place decisions**

- Types of marketing channels
- Physical distribution
- Functions of marketing channels
- Marketing channels decisions
- Channel management

## **6. Promotion decisions**

- Promotion objectives
- Elements of promotion mix
- Developing promotion strategies
- Integrated marketing communication

## **7. Marketing ethics**

- Social responsibility as a marketing tool
- Legal framework in marketing ethics
- Ethical issues in marketing

## **8. Introduction to public relations**

- Definition of public relations
- History of public relations
- Distinction of public relations from marketing
- Steps to successful public relations
- Theories and philosophies behind public relations
- Roles and importance of public relations
- Organisational publics; (internal and external)

## **9. Public relations techniques**

- Internal public relations techniques
- Objectives of employee communication
- Communications crisis management
- Surveys
- Sponsorships
- Press releases
- Print media

## **10. Public relations skills/ Competences**

- Writing
- Designing
- Negotiation
- Photography
- Video recording

### **11. Media regulation in public relations**

- Creating good media relations
- Meaning and role of media relations
- Psychological perspectives on corporate advertising
- Writing a press release
- Media interview techniques

### **12. Media law**

- Laws affecting public relations practice
- Professional bodies in public relations
- Government activities and lobbying from the public relations perspective

### **13. Ethics and corporate social responsibility**

- The role of ethics in public relations
- Conduct of public relations
- Conduct towards training of employees and clients
- Ethical implications: short and long-term
- Community and environment responsibilities
- Ethics in soliciting for clients and advertising

### **14. Emerging issues and trends**

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# CHAPTER 1

## INTRODUCTION TO MARKETING

### Introduction

Every business, service or product oriented organization must complete its operation by disposing of its products or rendering its services to the customers.

Various marketing concepts hold that customers will generally not buy a product they don't know or they have not been asked/convinced to buy. It is therefore the role of the marketing function in any business to fill this gap and complete the business operation.

### DEFINITION OF MARKETING

The Chartered Institute of Marketing of the United Kingdom defines marketing as, “The management **process** which identifies, anticipates, and supplies customer **needs** efficiently and **profitably.**”

Kibera (1996) defines marketing as “the performance of business and non-business activities which attempt to satisfy a target individual or group needs and wants for mutual benefit or benefits.”

Kotler (2006), the American marketing guru provides the definition of marketing as “A **social** and managerial **process** whereby individuals and groups obtain what they need and want through creating and exchanging products and **value** with others.”

Kotler and Armstrong (2008) define marketing as “The process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return.”

### IMPORTANCE OF MARKETING

Importance of marketing can be studied as follows:

#### *(1) Marketing Helps in Transfer, Exchange and Movement of Goods:*

Marketing is very helpful in transfer, exchange and movement of goods. Goods and services are made available to customers through various intermediaries' viz., wholesalers and retailers etc. Marketing is helpful to both producers and consumers.

To the former, it tells about the specific needs and preferences of consumers and to the latter about the products that manufacturers can offer. According to Prof. Haney Hansen “Marketing involves the design of the products acceptable to the consumers and the conduct of those activities which facilitate the transfer of ownership between seller and buyer.”

### ***(2) Marketing Is Helpful In Raising And Maintaining The Standard Of Living Of The Community:***

Marketing is above all the giving of a standard of living to the community. Paul Mazur states, “Marketing is the delivery of standard of living”. Professor Malcolm McNair has further added that “Marketing is the creation and delivery of standard of living to the society”.

By making available the uninterrupted supply of goods and services to consumers at a reasonable price, marketing has played an important role in raising and maintaining living standards of the community. Community comprises of three classes of people i.e., rich, middle and poor. Everything which is used by these different classes of people is supplied by marketing.

In the modern times, with the emergence of latest marketing techniques even the poorer sections of society have attained a reasonable level of living standard. This is basically due to large scale production and lesser prices of commodities and services. Marketing has infact, revolutionised and modernised the living standard of people in modern times.

### ***(3) Marketing Creates Employment:***

Marketing is complex mechanism involving many people in one form or the other. The major marketing functions are buying, selling, financing, transport, warehousing, risk bearing and standardisation, etc. In each such function different activities are performed by a large number of individuals and bodies.

Thus, marketing gives employment to many people. It is estimated that about 40% of total population is directly or indirectly dependent upon marketing. In the modern era of large scale production and industrialisation, role of marketing has widened.

This enlarged role of marketing has created many employment opportunities for people. Converse, Huegy and Mitchell have rightly pointed out that “In order to have continuous production, there must be continuous marketing, only then employment can be sustained and high level of business activity can be continued”.

### ***(4) Marketing as a Source of Income and Revenue:***

The performance of marketing function is all important, because it is the only way through which the concern could generate revenue or income and bring in profits. Buskirk has pointed out that,