

# Study on the Role of Public Relation and Advertising in Making Corporate Image

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**Abstract –** *The corporate image, or reputation, shows the way in which a company, its exercises, its products or its administrations are seen as untouchable. In an aggressive business atmosphere, many organizations work effectively to create and convey a positive image to their clients, investors, the financial community and the general public. The corporate image is how the company is seen in the eyes of its customers, employees, investors and the general public. A corporate image is important identity of the company wants to project and which will help achieve its objectives. In today's competitive world, corporate image is an essential component that impacts corporate reputation that eventually impacts customer loyalty. All these are very essential to make a brand successful. "The most critical, strategic and perhaps enduring asset that a corporation possesses is its reputation". Having a good image is not enough today. One has to have an image which is not only good but much better than its competitors. Also, a continuous effort has to be made to maintain and enhance a company's image. In this article, we studied various mediums like Public Relations and Advertising for maintaining Corporate Image of a Firm.*

**Keywords:** *Corporate Image, Brands, Public Relations, Advertising etc.*

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## I. INTRODUCTION

The corporate image is defined as the perceived sum of the entire organization, its objectives and plans. It includes products, services, management style of the company, communication activities and actions around the world. It is difficult to quantify a reputation and understand its exact impact on a company; however, it has been shown that a good reputation offers numerous benefits to an organization. Reputation is one of the most important assets for local and international companies and, therefore, has generated enormous interest in literature. Therefore, the purpose of this document is to argue in favor of the active management of corporate reputation and to suggest a framework within which the strategy for improving or protecting corporate reputation can be understood and planned (Aaker, et. al., 2004).

A planned effort leads to results, while an unplanned movement generates confusion, waste of time, effort and money without it. It is important to find the necessity of having a good and a favorable image as it and how does it help profitability in various ways. Does it make it easier to deal with people and make sales? A good image brings positivity in things you do, but what is its role in profitability needed examination. In the current competitive context, corporate reputation and corporate image are recognized as potentially capable of influencing customer loyalty to the company. The nature of the

relationship between corporate reputation and corporate image influences customer loyalty decisions. Every company has an image, scheduled or not, and a good image can offer a lot for the success of an organization. The corporate image is how society sees itself in the eyes of its customers, employees, investors and all audiences. A corporate image is the identity that the company wants to project and that will help achieve its objectives. The corporate image is a concept of perception (Adeniji & Osibanjo, 2012).

Managing the image of a society requires an intimate understanding of how these images are formed and how to measure them. The modification of the images of a society depends on the knowledge of the understanding of the current images and the capacity to transform the factors on which they are based. Most of the most successful companies in the world invest in their corporate images. To fully develop the company's image as an important marketing asset, managers must synchronize the company's vision, marketing communications, business strategy, organizational design and culture.

It is well known that the corporate reputation of an organization is influenced by the actions of each business unit, department and employee that comes in contact with another interested party. In the current competitive context, corporate

reputation and corporate image are recognized as potentially capable of influencing customer loyalty to the company. The nature of the relationship between corporate reputation and corporate image influences customer loyalty decisions. In global markets, the need to add value to products or services is continually emphasized. Creating a positive corporate image is certainly an advantage to reach the demanding customers of today (Balmer, 2001).

Many factors have added to the growing importance of the corporate image in recent times. For example, the business climate in the United States turned out to be one of ecological complexity and change. This has limited numerous commercial efforts to adapt their techniques to contend and survive more easily. The acceleration of product life cycles is another crucial measure of the fierce commercial condition. Globalization has been an additional impetus in the rise of corporate image programs, as organizations have sought approaches to extend their reputation too far from the corporate sectors. A related factor is that as a society extends its tasks universally, or even locally, through acquisitions, there is a danger that its specialized units scattered by topography will extend images that are unique or contrary to the deterioration of commercial synergy.

A well-managed corporate identity is one of a company's generally important marketing assets. It decides the corporate or business procedure, structure and identity, and along these lines endeavors to transmit it crosswise over to the public as obviously as would be prudent. Both large and small associations wish to introduce themselves to their customers and employees in an agreeable and reliable manner. This can, entomb alia, be finished by making utilization of a series of graphic symbols, a certain layout, shading and letter-type on a company's products, and in addition its letterhead. In any case, the corporate identity as a rule involves significantly more than a single logo, brand name or trademark. The logo does not just show up on a piece of paper. It is a statement on angles like who and what the company is, a big motivator for it what's more, the product or service quality that can be normal from the company (Berens and van Riel, 2004).

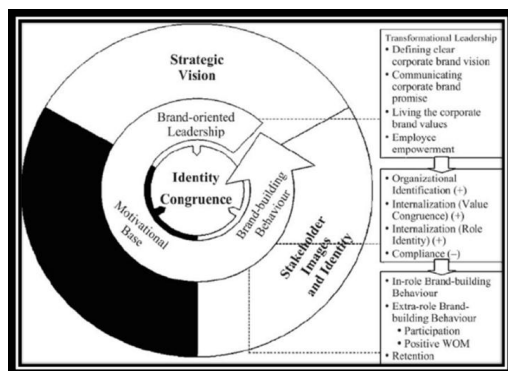


Figure 1: Model of Corporate Image

## II. BRAND EQUITY

The impact of a positive brand demeanor prompts something advertisers call brand equity. What precisely is brand equity? Most advertisers would concur that it is that 'something' appended to a brand that includes an incentive well beyond the target qualities of the item or administration. Whatever that 'something' is, it is encapsulated in individuals' mentalities towards that brand. It is dynamic, and subject to change after some time. It connects itself to the brand name, giving a present outline of individuals' sentiments, information and involvement with that item or administration. Brand equity is a consequence of brand disposition, and this is the thing that gives the way to its comprehension. From multiple points of view, building and guaranteeing a proceeding with positive brand mentality is the thing that key brand administration is about, in light of the fact that it leads to solid brand equity.

The most vital thing to comprehend when you are attempting to measure brand equity is that what is required is a proportion of comprehension, not a proportion of the outcomes or results of a brand's equity. Again and again, when individuals 'measure' brand equity, they are extremely just following rundown proportions of what is happening in the market because of the brand's equity. What is required is a measure the parts that prompt brand equity, and this implies proportions of how the market shapes current states of mind towards the brand. In the event that we are to truly comprehend a brand's equity, we should see how it is built. It is this understanding guarantees a powerful positioning in our advertising interchanges, and the capacity to alter that positioning after some time as expected to keep building and supporting positive brand equity (Aaker and Keller, 1990).

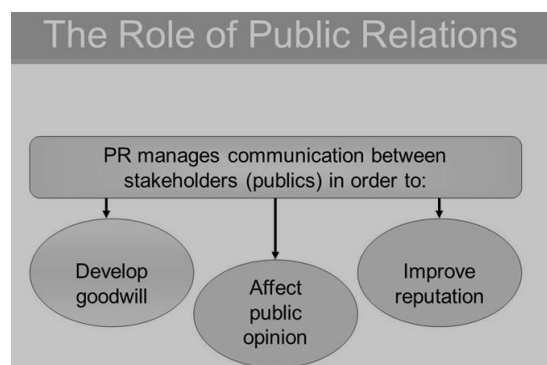
At its most general, a brand position is a 'super correspondence' impact that tells the purchaser what the brand is, it's identity for, and what it offers. This mirrors the relationship between brand positioning and the two center correspondence impacts of brand mindfulness and brand demeanor. It's straightforward that one must have solid mindfulness if a brand is to be considered when the 'need' for that kind of item (anyway the shopper characterizes it) happens. Solid brand mindfulness (for any brand) must be produced and supported with promoting correspondence.

It is promoting correspondence, and advertising specifically, that manufactures and keeps up brand notability. It isn't sufficient for a brand to be perceived in the event that it is to be fruitful. A brand must possess a 'notable' position inside the buyer's thought set. Indeed, the quality of a brand's notability is one marker of the brand's equity. (A helpful proportion of this is the proportion of best

of-mind review to add up to review among focused brands in a class.)

### III. PUBLIC RELATIONS

It is made of two words Public and Relations. Basically it maintains relations between the company and its publics. Public Relations is a management function that aims to establish a communication process which helps develop amiable relations between the organization and its publics. The definition given by **British Institute of Public Relations** is "It is the **planned and sustained effort** to establish and maintain goodwill between an organization and the public". There are Public Relations (PR) firms and professionals that are hired by organizations to shield, boost and build their reputations through the media. PR practitioners study the organization and then find all the constructive and positive messages that are then delivered skillfully as media narrative. Public relations is increasingly linked to credible communication with a key audience that influences business results, such as media analysts, legislators and policy influencers, customers and shareholders. All the elements of the company's brand, from the tone and personality, the functional and emotional benefits, the key message and the final goal to its reputation, if fully exploited with the internal and external public can contribute to improving the performance and credibility. A PR specialist communicates with the target audience directly or indirectly through media with an aim to create and maintain a positive image (Balaban, & Iancu, 2009).



**Figure 2: Role of Public Relations**

**Public Relations (PR)** is the process of "building good relations with the firm's various publics by obtaining favorable publicity, building up a good corporate image, and handling or heading off unfavorable rumors, stories, and events". The first definition given for Public Relations, which is still valid, is that it is the attempt to inform, persuade and adapt the design of public support for an activity, a cause, a movement or an institution.

Public relations is "We are concerned with building an image that tries to create a favorable attitude in

the minds of current clients, future employees and investors, and highlights the meaning of the appearance of people in the promotion of the service. Personal praise is one of the most important information in the decision-making process, in addition, it is very likely that people share and disseminate experiences with the acquisition of the service product with others. The negative experience in this situation tends to have an impact greater than the positive ones.

**Corporate reputation** - According to a study by University of Pretoria, "A good corporate reputation is extremely valuable, and confers substantial benefits to the organization. In order to better manage their corporate reputation, companies need to align their corporate identity and corporate management (Bernstein, 2004).

The concept of corporate reputation has been studied by researchers in the fields of economics, organizational theory and marketing. A good corporate reputation is indispensable for an association to perform well. Around 40% of a [public] organization's market performance can be ascribed to non-financial variables related with its corporate reputation, as per analysis by the Reputation Institute in 2016. Corporate reputation is the general estimation in which an organization is held by its interior and outside partners in view of its past activities and probability of its future behaviour. Economists analyze issues of reputation in relation with product quality and price.

Corporate reputation has attracted in enthusiasm from an extensive variety of scholarly trains. It is additionally a developing concentration for business and media consideration. This research examines the corporate reputation thinking about interdisciplinary nature of a great part of the prior work in the region. The construct of reputation and the united builds of image and character are each checked on. A structure is proposed in which the three builds can be viewed as marking distinctive yet associated concepts. Many organizations put the significance of a good reputation to the back of their brains while they take care of all the more hard-edged, everyday urgencies. Organizational researchers examine reputation as being a social identity and portray it as an important and intangible resource which may significantly contribute to an organization's performance, and even to its survival.

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#### IV. ADVERTISING

It is a medium that helps an organization to take the organization's message to its existing and prospective customers. Rather than advertising for its individual brands and items, the corporate promotes to manufacture its own image. Here the mediums can be audio or visual (television, radio), print (newspaper, magazines, hoardings, pamphlets, banners etc.) and internet. Business houses who wish to promote their products or services. Advertising informs the potential customers about the qualities of the products or services. Advertising has a focal role to play in creating brand image, regardless of whether at the corporate, retail or product level. It educates customers of the functional capacities of the brand while at the same time saturating the brand with representative qualities and implications significant to the purchaser. These two functions of advertising firmly parallel the instructive and transformational schools of advertising impacts and speculations on the focal and fringe courses to shopper influence (Chutia and Bhattacharyya).

In today's competitive times, corporate image is a crucial component that impacts corporate reputation which eventually impacts customer loyalty. All these are essential to make a brand successful. Advertising brings forward all the qualities of the

product or service in front of the prospective consumers or users. Function of advertising is to attract attention and lure people to make use of the product or service offered. Attraction is the basic technique and it has to be used to its best to get the desired outcome (Deepm 2000).

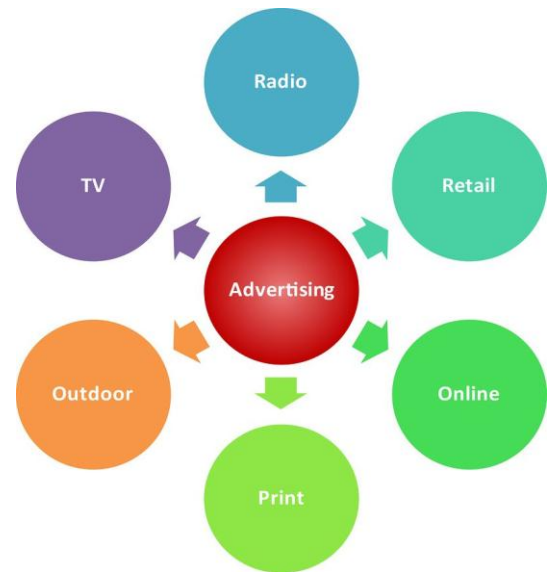


Figure 3: Components of Advertisement for building Corporate Image

#### V. CONCLUSION

A brand is created and controlled by an organization; however a reputation is something that is credited to it by others. Reputation is a perception of past activities and future conduct viewed not in isolation but rather with regards to what others are doing in the marketplace. The constructs of corporate identity, image and reputation are regularly alluded to in the writing however with differing sees with regards to the implications of each. There is distinction between corporate reputation, and its key components, image and identity. The most valuable way to deal with characterizing each construct: corporate reputation as an umbrella construct, alluding to the combined impressions of inner and outside partners. It is valuable to recognize the three along these lines, as 'overseeing reputation' would then be able to be believed to allude to the general action in an association, image with regards to the outer view and identity with regards to the interior view, which may require diverse concentration as far as both scholarly order and business work. A brand is created and controlled by an organization; however a reputation is something that is credited to it by others. Reputation is a perception of past activities and future conduct viewed not in isolation but rather with regards to what others are doing in the marketplace. The constructs of corporate identity, image and reputation are regularly alluded to in the writing however with differing sees with regards to the implications of each. There is distinction between corporate reputation, and its

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