CORPORATE COMMUNICATION & PUBLIC RELATIONS

(CORE SUBJECT)

What is Corporate Communications?

Corporate Communication is a total communication activity generated by a company, body, institute to its public(s) in order to achieve its planned objective.



What is Corporate Communications?

In simple words:

Corporate communication includes advertising, marketing communications, marketing, and public relations, but they all function under a managed perspective

Corporate communication is managing an organization's internal and external communications

Scope of corporate communication

1. Create an identity:

The success of many companies in India like Reliance industries, Tata group of companies portray that all these companies have created their identity as an organization which is for their people

The function of corporates are complex and undivided, finding an audience for their products, services or companies determine the growth of an organization

2. Build a brand:

Corporates in their day to day affairs interacts with two kinds of an audiences, internal and external

The internal audience who may be in form of shareholders, stakeholders or employee of the company carry the pride of association with an organization wherein the external audience are crucial for the future growth of a brand.

3. Manage the reputation:

Nowadays, the media intervention is very high. The rumor spreads and impacts on organization's reputation, therefore the corporate communicate practitioner manage the task of building the organization reputation and keep its prestige intact.

• Eg: maggie

4. Develop a communication model: –

It is crucial to communicate with their people on a timely basis. An effective communication model will help an organization to build a strategy which will be beneficial for them in a long run.

Corporate Communication in India

- India, as a country is a brand driven consumer markets
- Each phase of industrialization has come up with a new medium of communication and vision
- The objective of the company moved from attention seeking to relational capital (reputation + bonding)
- Today, every corporate wants to manage their stakeholders through various medium of communications.

Need/Relevance of Corporate communication in modern

<u>contemporary scenario</u>

- Internal and external communications to be the engineering of consent in the interest of the company
- Arthur Page focused to build the goodwill of the company. It is important for a business to influence society through persuasion or convince
- Today, corporate communication is not considered just as a job in a company but a department that is fundamentally creating the social environment of economic value creation and challenge our traditional understanding of communication management.

• Corporate communication helps to develop a culture of dialogues, feedback and flexibility

 Any organization who works and go ahead along with its people is bound to get success and excel in the field

 The success of Tata, Reliance, Facebook, Mahindra & Mahindra and many other companies define their way of communicating values to their people

CORPORATE IDENTITY

- A corporate identity or corporate image is the manner which a corporation, firm or business presents themselves to the public (such as customers and investors as well as employees)
- The corporate identity is typically visualized by way of branding and the use of trademarks but it can also include things like product design, advertising, public relations etc.

FEATURES OF CORPORATE IDENTITY

- It provides visibility and recognition to brand
- It provides support role to corporate reputation
- It gives corporate visual identity structure
- It relates organization as a whole.

EXAMPLES:

- Google always changes its shape and color because it wants to portray as a modern company
- MacDonald's has "M" logo and the color combination of yellow and red appears consistently through its packaging and advertising
- The puppy dogs in Vodafone advertisement is consistent throughout its launch and it talks about connecting people with a red background

CORPORATE IMAGE

Definition:

Mental picture that springs up at the mention of a firm's name

Similar to a firm's reputation or goodwill, it is the public perception of the firm rather than a reflection of its actual state or position

Unlike corporate identity, it is fluid and can change overnight from positive to negative to neutral

FACTORS INFLUENCING CORPORATE IMAGE

- Reputation
- Electronic Business
- E Commerce
- Trust (emotion)
- Perception

MEANING:

A company's **corporate reputation** is the sum of all the views and beliefs held about the company based on its history and its future prospects, in comparison to the close competitors



ADVANTAGES OF GOOD CORPORATE REPUTATION

- A good reputation is a marketing strategy. Your customers will become brand-ambassadors and will market your products to their contacts on your behalf
- The reputation of an organization can enable a company to differentiate its product in highly competitive markets
- It supports an organization in times of crisis or controversy.
 Despite the recalls Toyota has had in the past few years, it still has loyal customers
- Consumers may have a preference for that company even if there are similar businesses offering the same products or services for different prices

- A good reputation allows an organization to charge premium prices
- A solid reputation facilitates international expansion
- A good reputation helps you to win new business, retain existing customers, attract new employees, gain favorable media coverage and acts as a barrier against competitors

ETHICS AND LAW IN CORPORATE COMMUNICATION

As the role of a corporate communicator is to make the <u>consumer aware, instruct and persuade</u> towards the organization vision, mission and values to create a good image and reputation, therefore, they need to be extremely truthful and accurate before their internal and external stakeholders

The concept of ethics and law in corporate communication is divided into 4 parts:-

1. Mass Media Laws:

- In India, the concept of mass media laws were enacted during the British Raj
- In 1857, Government passed the "Gagging Act" which had the rule to have compulsory licensing for the owning or running of printing presses and gave multiple rights to government to suppress the freedom of the press
- But after independence, The Indian constitution has signified the "Freedom of Press" and empowered press to disseminate knowledge to the masses

2. Invasion of Privacy: -

- In India, we all have the right to privacy. But, sometimes, this right is being curbed especially in case of celebrities or any public figure
- Invasion of privacy is the unjustifiable intrusion into the personal life of another without consent

The four most common types of invasion of privacy torts are as follows:

1. Appropriation of Name or Likeness:

Appropriation of a person's name or likeness for commercial or trade purpose without any permission is an invasion of privacy. Use of an individual's photograph, a sketch of the person's nickname or any other names is all considered use of a name or likeness

E.g. In 2005, when famous musician Tom Waits declined an offer made by an advertising agency to do an ad campaign for a new automobile, then the advertisers hired someone who sounds like him to do the soundtrack which made Waits to sue the automaker for appropriating his likeness

2. Intrusion Upon Seclusion:

Intruding someone's private affairs, physically or otherwise, is subject to liability if the other person finds it offensive and unacceptable

When someone illegally intercepting private phone calls and snooping someone's private records without the permission, take someone's photographs without permission, etc. are the examples of intrusion to right to privacy

3. False Light:

False light laws protect your right to not have potentially misleading or damaging information about yourself publicly disclosed. This includes the disclosure of information that may be true but is nonetheless misleading or damaging For example, it may be an invasion of privacy if a caption published with a photograph in a news article about a protest describes a person as a participant, when in fact, the person was only observing the protest

4.Public Disclosure of Private Facts:

As the term suggests, it is about encroaching someone's personal territory. Wherein, the media tries to cover all the irrelevant personal information about the public figure which is not of much concern

3.COPYRIGHT ACT:

- Copyright protects the original work of artists in the area of literature, dramatics, music, artistic works, etc
- The duration of the copyright protection varies
- E.G. Apple vs. Microsoft (Apple did not allow Microsoft to use its software)

Ownership of copyright under the copyright act 1957

- The author of a work is generally considered as the first owner of the copyright under this act
- Under sec 19, assignment can only be in writing and must specify the work, the period of assignment and the territory for which assignment is made

- If the period of assignment is not specified, it shall be assumed to be 5 years
- Territorial extent of the assignment shall be assumed to be limited to the territories of India

Exceptions to copyright infringement in India:

India follows a hybrid approach that allows:

- Fair dealing with any copyrighted work for certain specifically mentioned purposes. It includes:
- personal use
- ➢ Research
- Education
- > Reporting of lecture delivered in public, etc

Remedies available against copyright infringement in India:

There are 3 kinds of remedies:

- **1.** <u>Administrative remedy</u>: it includes detention of the infringing goods by the custom authorities
- 2. <u>Civil remedies</u>: damages and account of profits
- **3.** <u>Criminal remedies</u>: imprisonment upto 3years along with fine of Rs 2lakhs

4. DIGITAL PIRACY: -

Digital piracy is a form of online **piracy** and includes the unauthorized online distribution of electronic copies of copyrighted material such as software, movies, and music

Recently, we have seen that many filmmakers have shown their concern towards the release of the movie on the digital platform prior to release date and it gets leak

Legal measures against online piracy:

• Amendment of 2012:

In 2012, central government added 2 digital rights management(DRM):

- **1. SEC 65A:** it protects technological protection measures(TPM) used by copyright holders to protect their work. Punishment : imprisonment for 2 yrs + fine
- **2. SEC 65B:** Any person who sells or copies, knowing that the rights management information has been removed is punishable for maximum 2 yrs

5. Right to information (RTI):

Under the provisions of the Act, any citizen of India may request information from a "public authority"

• The Law came into force on 13 October 2005

□ **<u>APPLICABILITY</u>**: Whole India accept Jammu and Kashmir

Procedure for obtaining information:

- 1. Disposal of request
- 2. Payment of fees
- 3. Disposal of request
- 4. Third party information
- 5. Rejection of the request
- 6. Information exempted from disclosure

5. DEFAMATION

- The term "defamation" is an all-encompassing term that covers any statement that hurts someone's reputation
- If the statement is made in writing and published, the defamation is called "libel."
- If the hurtful statement is spoken, the statement is "slander."
- Defamation is not a crime, it is a civil wrong. The law of defamation varies from state to state

IMPORTANCE OF ETHICS IN CORPORATE COMMUNICATION

- **1.** <u>Satisfying Basic Human Needs</u>: Being fair, honest and ethical is one the basic human needs. Every employee desires to be such himself and to work for an organization that is fair and ethical in its practices
- 2. <u>Creating Credibility</u>: An organization that is believed to be driven by moral values is respected in the society even by those who may have no information about the working and the businesses or an organization

For example: Infosys

3. Uniting People and Leadership:

They are the common thread that brings the employees and the decision makers on a common platform. This goes a long way in aligning behaviors within the organization towards achievement of one common goal or mission

4. Improving Decision Making:

A man's destiny is the sum total of all the decisions that he/she takes in course of his life. Decisions are driven by values

For example: an organization that does not value competition will be fierce in its operations aiming to wipe out its competitors and establish a monopoly in the market

5. Long Term Gains:

Organizations guided by ethics and values are profitable in the long run, though in the short run they may seem to lose money

6. Securing the Society:

Often ethics succeeds law in safeguarding the society. The law machinery is often found acting as a mute spectator, unable to save the society and the environment. Technology, for example is growing at such a fast pace that the by the time law comes up with a regulation we have a newer technology with new threats replacing the older one