

PR Strategy

Pertemuan Ke-7

Overview

- Definitions of strategy
- Definitions of Public Relations
- Jargon busting
- Why do you need a PR strategy?
- What are the essential elements?
- Conclusion

Definitions

Definitions of strategy:

- 1. The art of war;**
- 2. The management of an army or armies in a campaign;**
- 3. A plan or action or policy in business, politics etc.**

Definitions

Definition of Public Relations:

“Public Relations is about reputation – the result of what you do, what you say and what others say about you. PR is the discipline which looks after reputation, with the aim of earning understanding and support and influencing opinion and behaviour.”

“It is the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics.”

The Chartered Institute of Public Relations (CIPR)

www.ipr.org.uk/

Jargon Busting - To whom are we talking?

PUBLICS - a group of people with similar interests

STAKEHOLDERS – a special public, composed of those who have a particular interest (or stake) in your organisation (e.g. universities)

AUDIENCES – a “public” with whom you are communicating

PRIMARY PUBLICS – the audiences you specifically want to influence (the people whose behaviour we are trying to change)

SECONDARY PUBLICS – the people who can intervene on your behalf and influence your primary publics (e.g. the media)

TERTIARY PUBLICS – the “special” publics composed primarily of organised groups that can mobilise quickly and endorse your cause (e.g. TERENA as a membership organisation)

Why do you need a PR strategy?

- To complement the overall business plan of an organisation
- To identify ways in which PR can help achieve an organisations objectives
- To focus and manage all the communications of an organisation
- To ensure maximum benefit from all PR activities
- It can also help educate those within an organisation about the value of PR

PR is more than simply producing publicity material. An organisation is only as strong as its reputation. The PR function is to manage that reputation.

Questions a PR strategy should answer

- Where are we now?
- Where do we want to be?
- To whom are we talking (audiences)?
- What do we want them to do?
- Why do we want them to do it?
- What are we going to say to them (messages)?
- Where are we going to reach them?
- When are we going to reach them?
- Which techniques (methods) are we going to use?
- How much are we going to spend?
- What if there are unforeseen problems?
- How did we do?

Where are we now?

- **PR practice should ideally be driven by research and analysis**
- **Carry out some research amongst your key audiences**
- **Can be simple questionnaires or telephone calls**
- **Analyse your results**
- **Are their perceptions of your organisation correct?**
- **For example, audience x is not aware of your services, group y is confused about what you do, etc.**
- **Summarise where your organisation is now (you can include personal observations here)**

Where do we want to be?

- **Get management input here – this should be inline with the overall strategy of an organisation but also identify ways in which PR can help specifically**
- **Keep this realistic but visionary (the whole world being aware of your company is not realistic unless you are Coca Cola, for example)**
- **You want group x to know you exist;**
- **You want group y to sign up for some of your services**
- **You want the media to publish your news releases**
- **You want to help secure future government funding etc.**

Audiences: To whom are we talking?

- **PR objectives are nearly always about influencing someone either to take action or not to take action, the action having some effect on an organisation**
- **Identifying target audiences is a vital part of a strategy – if you are not talking to the right people, you may as well forget it!**
- **The person or persons (public) being targeted become the target audience (e.g. suppliers, customers, shareholders etc.)**
- **Identify the smallest possible groupings of individuals for maximum effect**
- **Once identified, audiences should be prioritised**

What do we want them to do & why do we want them to do it?

- **Once audiences are listed (as primary, secondary, etc.) write down what you want each audience to do and why**
- **This can be combined with the previous section (listed after each audience)**
- **The why will mostly be obvious**
- **For example, TERENA wants the NRENs in Europe to continue to be members**
- **Why? Because it is a membership organisation – without the NRENs it would not exist**

Messages: what are we going to say to them?

- **In a new section, under each identified audience add statements about what you should say to each audience in order for them to do what you want**
- **Ensure messages are simple statements**
- **You can list many potential messages here**

Remember

- **A message must be repeated many times in many different forms in order to have the desired impact on an audience**
- **Messages should be tailored to each audience**
- **Context, tone of voice and choice of language should be considered at all times**
- **Don't bombard audiences with too many messages at once – you may need to pick a couple of main messages to begin your campaign**

Where are we going to reach them?

- **You have identified your audiences, key messages for each audience but where are you going to reach them?**
- **Some audiences you may have all the data you need in order to reach them – names, email addresses, postal address etc.**
- **But, there may be some audiences you do not have any details of**
- **You therefore will need to use specific methods of communication that can help you reach them**
- **For example, perhaps you can reach them by placing stories in the magazines they read (media relations)**

Timing: When are we going to reach them?

- **Timing is very important**
- **Link specific PR activities to fixed events in the corporate calendar**
- **There's no point in issuing a news release days after an event**
- **It is important to include milestones and deadlines here as well (e.g. draft text, edit text, meet designer, first proofs, etc.)**

Which methods of communication are we going to use?

- **Decide what you are going to do in order to convey your key messages to your key audiences (brochures, news releases, videos, etc.) but...**
- **Ensure you are using the right methods to reach each target audience**
- **DO NOT decide on the methods of communication before you have identified audiences and messages – this is a very common mistake**
- **One size does not necessarily fit all**
- **Remember you will need to repeat key messages in several different forms in order to get the desired response**
- **Also remember you cannot target specific audiences via a website**

How much are we going to spend?

- **Unfortunately we all have budget constraints which will have an effect on the methods of communication that we can use**
- **Budget (wo)man hours as well as include design, printing, mailing costs etc.**
- **Allows you to know your limitations, set priorities and plan in advance**
- **It means no nasty surprises for your managers**

What if there are unforeseen problems?

- **This helps focus the mind on potential things can (and do) go wrong**
- **Brainstorm with managers, colleagues etc.**
- **Perhaps your software doesn't work on windows; your server can't cope with the number of increased hits on your website etc.**
- **Think how to deal with potential problems**
- **Contingency planning is vital!**

How did we do - measurement and evaluation?

- **You cannot possibly know if your campaign is successful unless you measure your success somehow**
- **Set measures (before embarking on a campaign)**
- **They can be as simple as:**
 - **Number of hits/unique visitors on your website**
 - **Media coverage (opportunities to see; positive versus negative; etc.)**
 - **Increased demand for services**
 - **New contacts made**
 - **Output (news releases, publicity material developed, etc.)**

Conclusion

- Every organisation can improve its PR, particularly if you plan ahead
- A PR strategy helps you plan
- It will indicate what needs to be done and why
- It will help you manage expectations and achieve real, measurable results

Studi Kasus

- Analisa Kedua Kasus Berikut ini .Menurut Anda, apa perbedaan Praktik PR yang dilakukan oleh Johnson & Johnson serta Exxon?
- Mana yang lebih baik, penanganan Exxon atau Johnson & Johnson? Berikan Penjelasan!

Kasus 1: Johnson & Johnson

- **Companies in Crisis - What to do when it all goes wrong Johnson & Johnson and Tylenol**
- Crisis need not strike a company purely as a result of its own negligence or misadventure. Often, a situation is created which cannot be blamed on the company - but the company finds out pretty quickly that it takes a huge amount of blame if it fumbles the ball in its response.
- One of the classic tales of how a company can get it right is that of Johnson & Johnson, and the company's response to the Tylenol poisoning.

What happened

- In 1982, Johnson & Johnson's Tylenol medication commanded 35 per cent of the US over-the-counter analgesic market - representing something like 15 per cent of the company's profits.
- Unfortunately, at that point one individual succeeded in lacing the drug with cyanide. Seven people died as a result, and a widespread panic ensued about how widespread the contamination might be.
- By the end of the episode, everyone knew that Tylenol was associated with the scare. The company's market value fell by \$1bn as a result.
- When the same situation happened in 1986, the company had learned its lessons well. It acted quickly - ordering that Tylenol should be recalled from every outlet - not just those in the state where it had been tampered with. Not only that, but the company decided the product would not be re-established on the shelves until something had been done to provide better product protection.
- As a result, Johnson & Johnson developed the tamperproof packaging that would make it much more difficult for a similar incident to occur in future.

Cost and benefit

- The cost was a high one. In addition to the impact on the company's share price when the crisis first hit, the lost production and destroyed goods as a result of the recall were considerable.
- However, the company won praise for its quick and appropriate action. Having sidestepped the position others have found themselves in - of having been slow to act in the face of consumer concern - they achieved the status of consumer champion.
- Within five months of the disaster, the company had recovered 70% of its market share for the drug - and the fact this went on to improve over time showed that the company had succeeded in preserving the long term value of the brand. Companies such as Perrier, who had been criticised for less adept handling of a crisis, found their reputation damaged for as long as five years after an incident.
- In fact, there is some evidence that it was rewarded by consumers who were so reassured by the steps taken that they switched from other painkillers to Tylenol.

Conclusion

- The features that made Johnson & Johnson's handling of the crisis a success included the following:
 - They acted quickly, with complete openness about what had happened, and immediately sought to remove any source of danger based on the worst case scenario - not waiting for evidence to see whether the contamination might be more widespread
 - Having acted quickly, they then sought to ensure that measures were taken which would prevent as far as possible a recurrence of the problem
 - They showed themselves to be prepared to bear the short term cost in the name of consumer safety. That more than anything else established a basis for trust with their customers

Kasus 2:

Exxon Valdez Oil Spill



(Photo: NOAA) Exxon Valdez spilling oil into the waters of Prince William Sound. This was the worst environmental disaster in the United States' history.

Facts

- Supertanker Exxon Valdez, second newest in fleet, 984-feet, 24 Mar 1989, 9:12 p.m. ran aground on Bligh Reef in Prince William Sound, Alaska.
- Calm seas, clearly marked maps
Uncertified 3rd mate Gregory Cousins at helm
Capt Joseph Hazlewood had been drinking heavily & was resting
- 11 million gallons of crude oil spilled
Still (2007) largest oil spill in US history
- Wind & current carried spill to 1,500 miles of shoreline
- Dead: 500,000 birds (90 species), including 150 bald eagles
4,500 sea otters
14 killer whales
Salmon, herring, clams, mussels, seaweed
No human life lost, though 4 deaths associated with cleanup
Immeasurable toll on tourism & fishing industry



photo © Oil Spill Public Information Center

- **Public Relations**

Situation:

Crisis Management

- *Stage 1: Continuing environmental crisis as oil spill spreads amid public scrutiny*
- *Stage 2: Ongoing corporate challenge from legal problems, still amid world scrutiny*

Formative Research Phase

Analysis of Issue

Problem of international scope

Intense scrutiny

Exxon culpability re: alcoholism problem of Hazlewood

Consequences on Exxon's visibility, reputation, legal future, financial base

Analysis of Organization

Exxon visible multinational corporation; largest oil company

CEO Lawrence Rawl uncomfortable with public role

Always a low-profile company

Corporate suspicion of media

Rigid & hierarchical internal structure

Public environment included industry criticism on size & safety of supertankers

General degradation of safety & oversight practices

Analysis of Publics

Government & gov't agencies: Want investigation, regulation, restitution, cleanup, potential punishment

Oil industry: Hope to save face, not jeopardize operations

Exxon stockholders: Want continued financial profitability

Media: Demand immediate information, full disclosure, culpability

Environmental activists: Angry, seek restitution, participate in cleanup

Strategy Phase

● Objectives

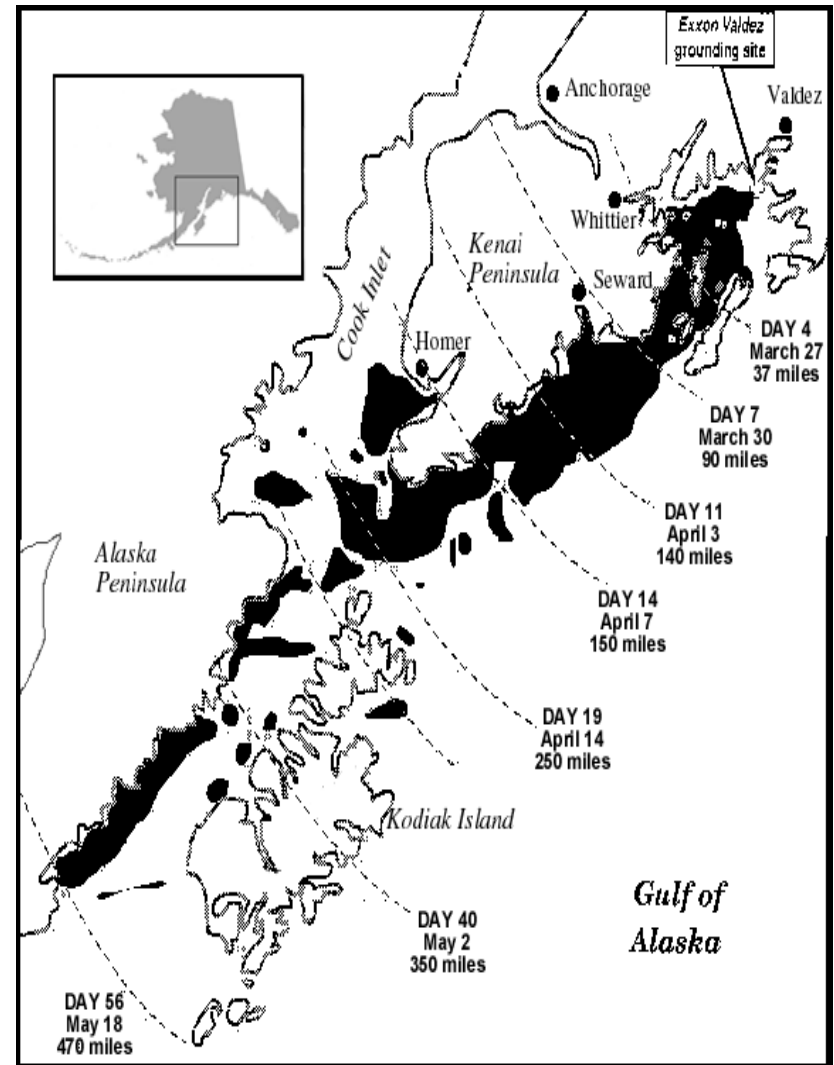
- Minimize criticism
- Maximize profits
- Minimize legal & financial consequences

● Action/Response Strategy

- Decided to handle response with no outside public relations consultants
- Ignored criticism
- Dismissed interest/involvement of environmental activists
- Refused to acknowledge extent of problem (abiding by legal advice)
- Refused assistance from local residents & environmental volunteers to help with cleanup
- Fear appeal: predicting increase in gasoline prices because of cleanup cost
- Shifting blame: Accused Alaska & Coast Guard of causing delay in cleanup

● Communication Strategy

- No designated spokesperson
- Refusal to communicate openly



- **Tactics Phase**

- Two-week delay (in calm weather) before clean-up begins (now in rough weather)
- CEO refuses to be interviewed; no time for such things
- Amid media clamor, Dir of Exxon Shipping Frank Iarossi flew to Valdez for news conference
- Mayor of Valdez John Devens said town was "betrayed" by Exxon's inadequate response to the spill
- After 6 days, Rawl made statement to media. Eventually went on TV; unfamiliar with latest Exxon cleanup plans; claimed that, as CEO, it was not his responsibility to read such reports; blamed media for making a big deal of the spill
- After 2+ weeks, Rawl finally visited site of oil spill
- Corporate claims contradicted by eyewitness accounts
- \$1.8 million for full-page ad in 166 newspapers; apology but no acceptance of responsibility
- Response publicity, such as Exxon news release "Exxon-Supported Otter Center Highly Successful" (issued one day before Wall Street Journal article about "otter slaughter")



Evaluation (& Continuation) Phase

Criminal Restitution (clean-up): \$100 million; eventually \$2.2-3.2 billion

Criminal Plea Agreement: \$150 million fine (largest ever for environmental crime) (later reduced to \$25 million w/ half for North Am Wetlands Conservation Fund & half to Victims of Crime Fund; \$300 million in lost wages for fishermen

Civil Settlement: \$900 million over 10 years to restore environmental resources

Punitive Damages: \$5.3 billion (largest punitive fines ever for corporate irresponsibility); vacated & reinstated; Dec 2006 reduced to \$2.5 billion (now \$4.5 billion w/ interest); Exxon still appealing (Jan 2007)

Reputational Outcome: Exxon lost market share, stock dropped \$3 billion; slipped from largest to third-largest oil company; target of consumer boycott.

"Exxon Valdez" synonymous w/ corporate arrogance & shirking responsibility (2004). Called "most anti-environmental company in the world." Alaska Bishop: Exxon threatens "the web of life." Greenpeace: "Classic case of deny, dupe & delay." (2006) Britain science academy: Stop funding groups that misrepresent climate science. Canada: Exxon-Mobil spending millions to discredit science that fossil fuels accelerates global warming.

Corporate Outcome: Merger w/ Mobil Oil; \$36 billion profits in 2005 (largest ever for any US company)

Legal Spin-off:

In 2000, Alabama jury assessed Exxon \$2.5 billion for defrauding state on gas royalties; verdict set aside; jury in 2003 re-trial assessed Exxon \$11.9 billion; reduced to \$3.6 billion.

2006: Texas investigate Exxon-Mobil for delaying in reporting Gulf oil spill.

2007: NYS AG threatens legal action for \$58+-billion delay in cleaning oil seepage in Brooklyn

Hazelwood immediately fired; tried & convicted of misdemeanor for negligent discharge of oil; worked as SUNY Maritime instructor, lobster fisherman, boat transporter, claims adjustor for his lawyer, 1,000 hours of community service in Alaska

Rawl resigned in 1993, still earning \$1.3 million salary (plus benefits)

Iarossi quit a year later to become president of American Bureau of Shipping

Exxon Valdez repaired for 11 months, \$30 million; renamed SeaRiver Mediterranean; legally barred from Alaskan waters

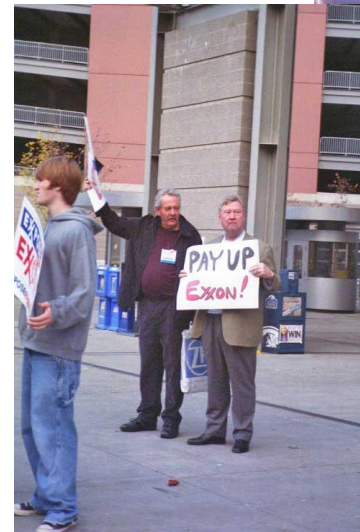
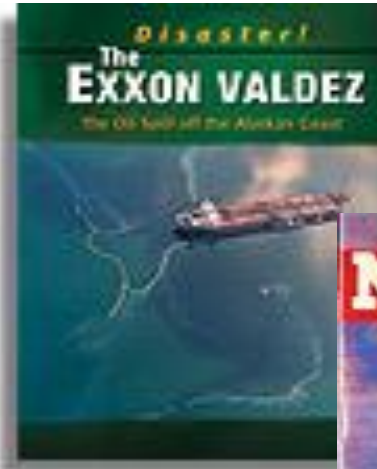
Regulatory Outcome: 1990 Oil Pollution Act requires double-hull tankers, escort tugs, other safety measures; includes financial/civil/criminal provisions, including fines and prison terms; created national Oil Spill Liability Trust Fund

Environmental Outcome: continuing environmental monitoring; only 2 of 28 species affected "fully recovered" (bald eagle & river otter)



Public Relations Lessons

- Company failed to follow own procedure;
showed little leadership;
failed to show concern;
failed to involve media;
failed to respond to activists
- Crisis is difficult to deal with internally;
appropriate response often goes against organizational mindset
- Public will forgive accidents;
less willing to forgive unpreparedness or arrogance
- Short-term gain is off-set by long-term financial, legal & reputational pressures



Protests continue (Nov 2005, Pacific Marine Expo, Seattle)