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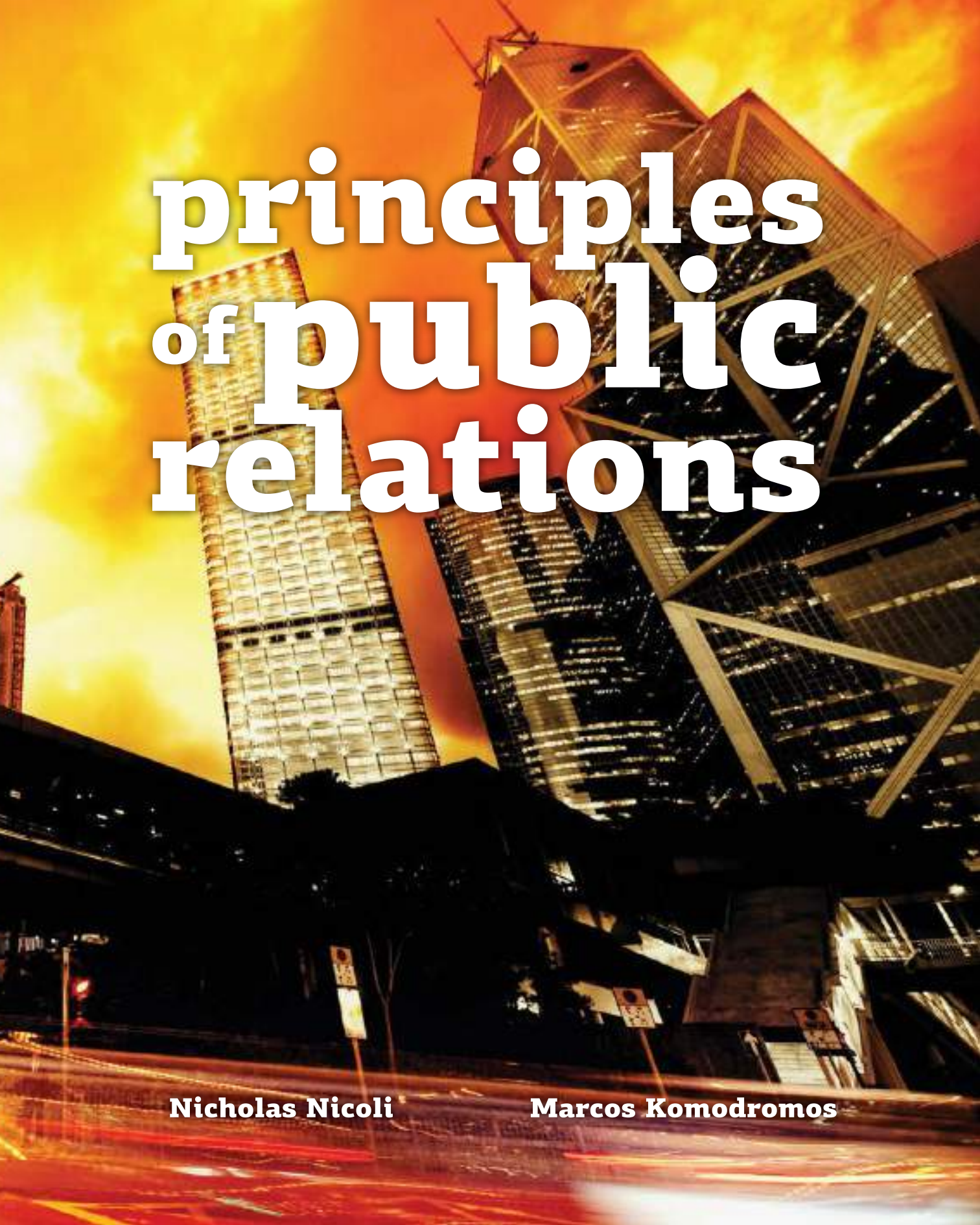


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www.principlesofpr.com
info@principlesofpr.com

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Dedicated to our Students

Foreword

Public Relations has entrenched itself since the mid-nineteenth century in public, professional and academic consciousness, as a sphere of action which underlies and overlays market, socio-economic, cultural and political relationships on many levels. During the whole of this period a mutual understanding between corporate managements and publics (or individuals) has run as a concept through almost all definitions and brief descriptions of the practice of Public Relations and this crucial image has coloured the profession and given it a fundamental ringtone that reaches far into the application of PR the world over. This is by no means extraordinary because to effect the successful application of PR a sound knowledge of both the theories and implementation is a sine qua non, in spite of the fact that concept and practice are not always in harmony and occasionally, some people claim, they are at variance or even at odds with each other.

It is no coincidence, therefore, that spherical knowledge about concepts and practices is, in essence the underlying philosophy of the present publication. The history, the philosophy, the theories and the applications of Public Relations, together with the changing role of the media in the practice of PR as the internet and the social websites drastically affect our communication actions, all constitute the backbone of the book.

The style of writing, far from being academically pedantic and wearisome, is enriched with a social industrial background from which modern and postmodern PR develops and progresses towards new spheres of function and valorisation. The definitions, the terminology and the tightly organized materials of the book unfold a rich canvas of information that makes interesting and attractive reading for anyone who is alerted to the values of PR and more especially for students of the discipline.

Public Relations is all about goodwill and it is here to stay. It is the dynamic in human connections which is the gist and the building block of peace and progress in human affairs. Nicholas Nicoli and Marcos Komodromos, two excellent academics and experienced PR lecturers have succeeded in giving the academic world a valuable tool for the comprehension and application of Public Relations in both Cyprus and the international community. The writing goes well beyond any standardization levels, with original, highly documented research and with a synthesis of ideas that overarches into a very commendable project of contemporary thinking and creative writing, complemented and enhanced by the ideas and contributions of international seminal figures in the area of PR and communication.



Professor Nayia Roussou (PhD)
former Head of Public and International Relations,
Cyprus Broadcasting Corporation, and
former Head of Department of Communications, University of Nicosia, Cyprus

Acknowledgements

Without the help of many people and supportive organizations this volume would not have been created. We would foremost like to thank our publisher, University of Nicosia Press, for its continued and unwavering backing since the idea of the book was first mooted. We are indebted to Christina McRoy who undertook the editorial work on the manuscript and whose experience and meticulous attention to detail have helped to transform this book from a mere concept brewing in our heads to what you now hold in your hand. Our sincere appreciation is also expressed to Damian Lambidonitis for taking on board the daunting task of translating the book from English to Greek and for offering his advice on countless occasions. Eleni Efthimiou's expertise in editing the Greek version of this volume must be acknowledged too. Her work has been of key importance and we are grateful for her contribution. We would like to thank our designer Marios Tziakouris, and our photographer Loucas Karamanos for their creativity and for helping us shape the identity of the book. A huge dept of gratitude is owed to Green Olive Productions and Vivid Networks for producing the excellent trailers and online content of the book. We are honoured to be able to include a foreword to the book by Professor Nayia Roussou, a mentor to us both and without doubt a towering figure in the history of Cyprus public relations. Finally, we owe a debt of gratitude not only to the 12 organizations that shared their case studies with us, but also to the 26 experts and scholars who played a major role in this book by lending their proficiency and experience. The generosity of everyone that co-operated with us is whole-heartedly prized and we hope one day, in the true PR spirit of reciprocity, to repay the favours. Without the input from each and every one, Principles of Public Relations would not have metamorphosed into what we believe is an enriching, absorbing, and ultimately invaluable book. Thank you.

Contributions

Interviewer and Editorial Contributions	Case Study Contributions
Adonis Violaris, Bernhard Schulte Shipmanagement	AlphaMega Hypermarkets
Alexander Novicov, Vivid Network	Bank of Cyprus
Alexia Yiallouridou, CYTA	Chevrolet Romania
Carmel Bonello, BPC International Limited, Malta	CYTA / CYTAMobile Vodaphone
Carmen Ghita, Raiffeisen Bank Romania	FXPro
Costas Gavrielides, Electricity Authority of Cyprus	Hellenic Bank
Cristina Coman, Bucharest University	J&P
Damian Lambidonitis, University of Nicosia	KEO plc
Daphne Prodromou, Bank of Cyprus	Prestige Group
Demetra Eleftheriou, Fileminders	Rotos Developers
Elias Spyrou, Prestige Group	University of Nicosia
Florentina Stoica, Chevrolet Romania	Wilton Confectioneries
George Evripiotis, KEO plc	
George Theodotou, AlphaMega Hypermarkets	
Georgia-Zozeta Miliopoulou, Panteion University	
/ Tenfour Agency	
Jacquie L'Etang, Queen Margaret University	
James Grunig, University of Maryland College Park	
Michael Virardi, Virardi Enterprises	
Myria Ioannou, European University of Cyprus	
Noam Chomsky, Massachusetts Institute of Technology	
Panos Tsirides, V+O Communications	
Pavlina-Kristina Iacovidou, A.I. Motokini Ltd.	
Pavlos Vanezis, PR: Partners	
Philip Kotler, Northwestern University	
Rita Karatzia, CYTA	
Tao Papaioannou, University of Nicosia	

Introduction

Everything in this book must be read cautiously for we are all failing on copious levels. As yet we have to find a sustainable ideological and economical model that the majority of the planet is in agreement with. At the time of writing the ethos and identity of many supranational institutions such as the European Union are under threat. Inequality prevails and we are oceans apart in our quest to fashion a true global community. Omnipresent consumerism is a reality in most developed societies and our planet is in serious danger of surrendering to the greedy squandering habits of its inhabitants. And those that are to blame rarely admit their deviances or are held responsible. Unfortunately, *mala tempora currunt* – bad times are among us.

The public relations sector is culpable for many of the above shortcomings in contemporary life. Some of the world’s leading intellectuals – for instance Noam Chomsky who kindly contributed to this volume – remain as sceptical as ever regarding the field of public relations (PR). Yet ironically, PR has a huge role to play in putting right many of contemporary life’s wrongs. Our historiography of PR in the opening section of the book is written precisely for this reason. We wanted to illustrate from the outset that the field has changed from what it once was and to offer a sociological perspective of how people use persuasive forms of communication on large audiences as well as on smaller more fragmented clusters of society for their own greed and power. Despite the aforementioned account of our failings, we share the view that the same persuasive forms of communication used by power-thirsty individuals are also being adopted by a good number of groups for the well-being of social life, of corporate life, and of political life. Many of these groups are willing to collaborate and negotiate with one another and with conflicting groups in order to discover mutual benefits. They are disposed to offering their services freely, to sharing their thoughts, and to joining forces in ways that were previously unheard of. It may sound overly ambitious but in the present state of flux which is affecting many, we consider a tipping point could be on the horizon: And PR is at the heart of it. In the pages that follow, we have set out to share with you the current state of public relations. Readers will become acquainted with the field’s functions, tactics and strategies, but more than that we hope readers will also begin to realize that public relations is, again, playing a major part in changing contemporary life but this time for the better. The portrayal of this metamorphosis is our main contribution. We hope you enjoy Principles of Public Relations and find it useful in a variety of ways.

Structure of Book

Principles of Public Relations is made up of eight chapters, each one structured in an almost identical manner. The consistency and interactivity extended throughout the chapters is intentional. By perpetuating the chapter format it is our aim to offer a controlled approach so that once the reader has become familiar with the book’s composition it will be much more accessible and intelligible. The consistency of each chapter empowers the reader to hurdle back and forth freely across the book and its different sections. While it makes sense to read a book from beginning to end it is not entirely necessary in this case. All the way through we have tried to be applicable and practical rather than abstract and academic.

Public relations, is a management function and to echo Henry Mintzberg, one of the top management scholars in the world today, the best way to manage is through experiences, examples and application. Therefore, each chapter begins with an overview of what is to follow in that section. Thereafter, within the main body of each respective chapter we have incorporated case studies from leading organizations which are relevant to the content of the chapter. Additionally, we have also included interviews with some of the leading practitioners and scholars from Cyprus, Greece, Romania, the USA, the UK, and Malta. The case studies and interviews are designed to be engaging and thought-provoking and offer invaluable knowledge and insight.

Following a brief summary towards the end of each chapter a short definition of terms is listed. This catalogue of terms is based on phrases or idioms emboldened in the text throughout each chapter. A small sub-section titled knowledge check / critical thinking questions is then presented which is made up of ten relevant questions carefully designed to allow the reader to formulate in a coherent manner, the most important elements of the chapter. Finally, rather than provide an extensive reference list at the end of the book, an individual list of references is added to the end of each chapter to permit easier and more flexible reading.

Nicholas Nicoli and Marcos Komodromos,
Nicosia, 2013

Contents

chapter

01

What is Public Relations? History and Definitions

p.16

- 18 Overview
- 21 Public Relations History
- 42 Public Relations Defined
- 49 What the Future Holds
- 49 Summary

chapter

02

The Function and Profession of Public Relations

p.56

- 58 Overview
- 58 Public Relations Functions
- 74 Working in Public Relations
- 78 Summary

chapter

03

The Use of Theory in Public Relations

p.84

- 86 Overview
- 89 How to Perceive Theory
- 90 Theories Relative to Public Relations
- 108 Summary

chapter

04

Public Relations and other Forms of Corporate Communication

p.114

- 116 Overview
- 116 Marketing and Advertising
- 136 Integration of all Corporate Communications
- 147 Propaganda
- 148 Summary

chapter

05

Public Relations, Ethics and Corporate Social Responsibility

p.154

- 156 Overview
- 157 Ethics
- 168 Corporate Social Responsibility
- 175 Summary

chapter

06

Public Relations, Issues Management and Crisis Management

p.180

- 182 Overview
- 183 Issues Management
- 192 Crisis Management
- 203 Digital Crisis Management
- 207 Summary

chapter

07

Public Relations and Digital Media

p.210

- 212 Overview
- 213 Digitalization and Digital Media
- 220 Public Relations and Digital Media
- 234 Summary

chapter

08

Public Relations Strategy

p.238

- 240 Overview
- 243 Strategy Planning and the Campaign
- 245 Executive Summary
- 247 Situation Analysis
- 249 Setting Objectives and Analyzing Publics
- 253 Messages (and Dialogue Initiation)
- 256 Tactic Strategy and Formation
- 258 Timescales and Resources
- 260 Evaluation
- 264 Summary

Case Studies List

Chapter 1 What is Public Relations? History and Definitions

- 27 Case Study 1.1: CYTA – Just a change of logo? How Cyta used a orporate communications approach in order to change its brand personality
- 44 Case Study 1.2: Chevrolet & SOS Children’s Villages: 100 cars donated in centennial year

Chapter 2 The Function and Profession of Public Relations

- 72 Case Study 2.1: Wilton Confectioneries: doing more with less – the birthday cake, 2010 campaign

Chapter 3 The Use of Theory in Public Relations

- 87 Case Study 3.1: Bank of Cyprus «Πειρίσθηκε το» (Try it campaign: building relationships by setting an example: if they can do it, you can do it. Business lectures «Πειρίσθηκε το»
- 104 Case Study 3.2: Rotos Developers – Rotos Building Society: Engomi City Mall and Student UniHall campaign

Chapter 4 Public Relations and other Forms of Corporate Communication

- 130 Case Study 4.1: FXPro – How FXPro used sports sponsorship to build its brand and rapidly expand the business
- 138 Case Study 4.2: Hellenic Bank-“Morfofis” educational scheme
- 143 Case Study 4.3: Prestige Group – integrating campaign

Chapter 5 Public Relations, Ethics and Corporate Social Responsibility

- 164 Case Study 5.1: CYTA – programme for re-use and recycling of mobile and fixed telephones
- 171 Case Study 5.2: AlphaMega Hypermarkets – dog adoption day at AlphaMega Hypermarkets

Chapter 6 Public Relations, Issues Management and Crisis Management

- 185 Case Study 6.1: University of Nicosia – engaging with issues management: how the University of Nicosia strategically addressed concerns over rising tuition
- 194 Case Study 6.2: J&P – rebuilding trust and reputation: how J&P rebuilt trust and reputation following the 1974 Cyprus invasion
- 204 Case Study 6.3: KEO plc – crisis management and reputation repair

Chapter 7 Public Relations and Digital Media

- 218 Case Study 7.1: CYTAMobile / Vodaphone – MakeYourOwn launch
- 226 Case Study 7.2: Bank of Cyprus – viral ‘If’ campaign
- 231 Case Study 7.3: ‘Social Family’ – AlphaMega Hypermarkets

Chapter 8 Public Relations Strategy

- 242 Case Study 8.1: CYTA brand equity research
- 254 Case Study 8.2: Bank of Cyprus – ‘think about it it’s possible’
- 262 Case Study 8.3: Prestige Publications – researching the publications landscape

Interviews and Editorial Contribution

Chapter 1 What is Public Relations? History and Definitions

- 20 Ask a Scholar – Noam Chomsky, Massachusetts Institute of Technology
- 32 Ask a Practitioner – Daphne Prodromou, Bank of Cyprus
- 36 Brief History of Public Relations in Cyprus, Damianos Lambidonitis
- 38 Brief History of Public Relations in Greece, Georgia-Zozeta Miliopoulou
- 40 Brief History of Public Relations in Romania, Cristina Coman
- 43 Ask a Practitioner – Pavlina-Kristina Iacovidou, A.I. Motokinisi Ltd
- 48 Ask a Practitioner – Carmen Ghita, Raiffeisen Bank, Romania

Chapter 2 The Function and Profession of Public Relations

- 60 Ask a Practitioner – Alexia Yiallouridou, CYTA
- 65 Ask a Practitioner – Pavlos Vanezis, PR: Partners
- 76 Ask a Practitioner – Florentina Stoica, Chevrolet Romania

Chapter 3 The Use of Theory in Public Relations

- 92 Ask a Scholar – Jacquie L’Etang, Queen Margaret University
- 96 Ask a Scholar – James Grunig, University of Maryland, College Park
- 102 Ask a Practitioner – George Evripiotis, KEO plc

Chapter 4 Public Relations and other Forms of Corporate Communication

- 117 Ask a Practitioner – Carmel Bonello, BPC International Ltd
- 135 Ask a Scholar – Philip Kotler, Northwestern University
- 142 Ask a Practitioner – Rita Karatzia, CYTA

Chapter 5 Public Relations, Ethics and Corporate Social Responsibility

- 159 Ask a Scholar – Tao Papaioannou, University of Nicosia
- 173 Ask a Practitioner – Adonis Violaris, Bernhard Schulte Shipmanagement

Chapter 6 Public Relations, Issues Management and Crisis Management

- 191 Ask a Practitioner – Elias Spyrou, Prestige Group
- 199 Ask a Practitioner – Costas Gavrielides, Electricity Authority of Cyprus

Chapter 7 Public Relations and Digital Media

- 223 Ask a Practitioner – Michael Virardi, Virardi Enterprises
- 229 Ask a Practitioner – Panos Tsirides, V+O Communications

Chapter 8 Public Relations Strategy

- 246 Ask a Practitioner – George Theodotou, AlphaMega Hypermarkets
- 252 Ask a Practitioner – Demetra Eleftheriou
- 257 Ask a Practitioner – Alexander Novicov, Vivid Networks
- 260 Ask a Scholar – Myria Ioannou, European University of Cyprus

About the authors



Nicholas Nicoli is Assistant Professor at the University of Nicosia’s Department of Communication, Coordinator of the Public Relations, Advertising and Marketing BA Programme and an Accredited Chartered Instructor of Public Relations in Cyprus, Greece and Romania. He has worked in the field of corporate communication in the USA, the UK and Cyprus and is considered one of the field’s experts in his home country of Cyprus. He consults a variety of organizations in Cyprus and abroad. Dr. Nicoli’s main focus of research is the management of creativity. He has published extensively on the effects of creativity on corporate communication, media management, social media, the digitalization of society and the sociology of culture.

www.twitter.com/NicholasNicoli



Marcos Komodromos lectures at the University of Nicosia’s Department of Communications and is an Accredited Chartered Instructor of Public Relations in Cyprus, Greece and Romania. He has worked in the field of internal communication, corporate communication and crisis management in Cyprus and Greece. He acts as business consultant for a range of organizations in Cyprus and abroad. Marcos has more than 12 years’ experience in the media industry, particularly radio and TV, and has many media projects to his credit. He has published widely on organizational justice, organizational trust, internal communication and corporate social responsibility.

www.twitter.com/mkomodromos

What is Public Relations? History and Definitions

Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ become knowledgeable of the important historical events related to public relations
- ▶ get a grasp of what the field is all about today
- ▶ understand the broader dimensions of public relations and how it can be related to almost any aspect of communication whether it is communicating to many or to one
- ▶ understand the impact of digital technologies on the field
- ▶ acquire an awareness of how the field is changing

Overview

In well-developed contemporary societies millions of people are influenced by public relations (PR). As societies become more technologically advanced, more entertained, more politicized and more democratized, PR will undoubtedly and unavoidably continue to grow. Consider how human beings organize the following events and circumstances:

- ▶ the Arab Spring that kicked off in Tunisia in late 2010 and has led to a snowballing effect of protests, not just in the Middle East but all over the world
- ▶ An exchange of information of your favourite television programme in a Facebook community
- ▶ Squabbles between *X-Factor* judges covered in your daily newspaper
- ▶ A letter from your municipality informing you of planned roadwork nearby your home
- ▶ A CEO calling all his / her employees for an annual meeting
- ▶ Watching a police officer discuss a violent crime on the evening news

All of these examples have public relations at their core. By giving PR a broader scope one can argue that it has been practiced since humans first began communicating with one another, and while it may not have been as ubiquitous as it is today, it was certainly put to use by many prominent figures throughout history. From the accomplishments of Solon, Aristotle and Plato, to the conquests of Alexander the Great, Julius Caesar and Catherine the Great, it is hard to imagine how these historical figures would have achieved so much without the use of techniques we now consider universal tools in the science of public relations.

In this chapter, our aim is initially to enlighten the reader as to how public relations techniques were used even before the field was named in the twentieth century. Hence, a broader definition of PR is maintained throughout the chapter rather than defining it merely as a contemporary communications tool of corporate enterprises. For this purpose we have broken down this part of the chapter into three historical periods, all distinct and important for separate reasons: the *pre-industrial*, covering a large period which highlights the many examples of persuasive communications; the *industrial*, which sees the birth of public relations as a professional scientific discipline, and the post or *late-industrial* that witnessed new forms of public relations along with the rise of digital technologies which allows people connected to the internet to communicate instantaneously with one another. It is worth noting here certain caveats.

Firstly, we will adopt the term *post-industrial* even though we realize that many sociologists remain at odds as to whether or not we are in fact living in 'post' anything. Many sectors of the economy (for example, the pharmaceutical industry comes to mind), are only now going through a process of industrialization. Secondly, we must accept the danger of writing 'a history of PR' in different periods as if history can be broken down into discontinuous narratives. In reality it cannot. Thirdly, in what follows there is an emphasis in the industrial and post-industrial periods on the history of PR mainly in the USA. This is done consciously since contemporary PR has its roots in this part of the

world. While other excellent histories of PR have been recorded (e.g. L'Etang, 2004, for Britain; and Nessmann, 2000 for Germany and Austria), it was crucial for limits to be set and lines to be drawn. We do try and make up for this limitation by offering brief histories of Cypriot, Greek and Romanian PR written by experts in these areas which we hope the reader will find as informative and interesting as we do. Similar histories exist in many regions of the world.

Having addressed the history of public relations, we next introduce the reader to current PR definitions. A word of caution here: Hundreds of books have been written on public relations and if we were to list the many published definitions of the field it is likely that we would identify literally hundreds of different interpretations. The reason for this is because, like so many other aspects that are social in character, the field of public relations is continuously adjusting to the dynamic nature of human beings. Technologies advance, economic systems change and our understanding grows of how the human mind works, all leading to changes in how we, and in extension how our organizations communicate with one another. At this point it seems appropriate to mention that since this is a contemporary book on

public relations, which covers new areas of the field, and since we believe that public relations is a dynamic field that is continuously changing in character and in approach, then the *whole book* can be read as an updated definition of the field and not just a segment labelled 'definitions of PR'.

Finally, the last part of the chapter offers a short section on what the future holds for the field. This is an attempt to offer food for thought to public relations practitioners regarding what kinds of challenges and tasks they might be facing in the near future. It is after all such a fast-paced sector that those working in it rarely have time to reflect on such issues.



Figure 1.1: Was PR involved in the Arab Springs?

Ask a Scholar

Interview with Professor Noam Chomsky



Professor Noam Chomsky is Institute Professor and Professor Emeritus in the Department of Linguistics and Philosophy at the Massachusetts Institute of Technology (MIT). Professor Chomsky is an American linguist, philosopher, cognitive scientist, logician, historian, political critic, and activist. In addition to his work in linguistics, he has written on war, politics and mass media, and is the author of over 100 books, including (with Edward Herman in 1988) *Manufacturing Consent: The Political Economy of the Mass Media* where the two introduce their influential 'propaganda model'. According to the Arts and Humanities Citation Index in 1992, Chomsky was cited as a source more often than any other living scholar from 1980 to 1992, and was the eighth most cited source overall. He has been described as a prominent cultural figure, and he was voted the 'world's top public intellectual' in a 2005 poll. Professor Noam Chomsky took time out of his hectic schedule to give us his perspective

on the field of PR. It is often discussed that the public relations of public relations is failing, possibly on account of its dark history. Newer generations of practitioners entering the field are required to do their best and play their part to reverse the negative perceptions many have of the field.

1. Over the past several years the field of public relations has been going through major changes precisely at its core. That is, the field today is seen as an approach to create mutual understandings between an organization and its stakeholders and publics. Do you believe in this notion or is PR still involved in persuasion, propaganda and ultimately, manufacturing consent?

I'm highly sceptical. From what I've seen the alleged changes are mostly, maybe completely, games with images.

2. There are strong tendencies of many organizations to become social enterprises. In social enterprises, all profits are reinvested in the organization rather than given to shareholders; CSR programmes are a big part of the core competencies of social enterprises. Can this be a model for success in corporate life that will possibly destabilize the 'legitimizing' of elite social actors?

There's been a battle about this over the years, as you know, including legal battles about corporate governance. I don't see any reason to use the term 'social enterprises'. These seem to me struggles about how to share the profits.

3. You often discuss that there are differences between objectivity in the media and reality. Can online digital media content created by ordinary citizens bridge the two? Can it break down systematic biases? If so what does this mean for the elite media, and by extension, how large corporations communicate through them?

The digital media are basically neutral, like technology generally. A hammer doesn't care whether it's used to build a building or by a torturer. The internet doesn't care whether you use it to learn something about the world or to fall into cults or be drawn by advertising techniques into self-destructive behaviour. One can't become a biologist by going to the Harvard bio library, even though everything you need is there. You have to have a framework of understanding, to know what to look for. And the internet is much worse in that respect. In the Harvard library at least everything is likely to be of some positive value.

Professor Chomsky was interviewed by Nicholas Nicoli.

Public Relations History

Pre-Industrial Era

There is a connection between today's public relations with the persuasive forms of communication used during the pre-industrial era. The epoch covers a large historical timeline with many examples of persuasive communication. It is beyond the scope of this book to address all such moments. Yet, we believe that the historical examples we touch upon in this section are significant since they give the reader an idea of how extensive the field of public relations is. As Glen Broom (2009) has noted, evidence of public relations practice (albeit in a primitive form) can be traced back to ancient Iraq, India, Greece and Italy. The Egyptians of the Nile exchanged agricultural procedures and invented Hieroglyphics in order to spread messages of all kinds; the Sumerians and the Phoenicians were expert traders and farmers who used symbols imprinted in clay tablets to persuade their citizens to follow certain farming and irrigation techniques; the Babylonians would use both poetry and the arts more generally to exchange ideas and win over the masses; and the **Code of Hammurabi** is regarded as an imperative tool used by the Babylonians to mete out rules, codes, and punishments to its citizens.

Ancient Greece is a particular case in point as this civilization was concerned primarily with science and philosophy that in turn allowed it to form a foundation which proved to be innovative in many areas. For instance, the Ancient Greeks devised a comprehensive alphabet, studied and created measuring systems based on arithmetical and geometrical progressions, learnt how the earth moves in space, became knowledgeable of how blood fluxes and refluxes back and forth to the heart, and became expert traders. While all of these accomplishments are undoubtedly remarkable, their most important achievement is arguably their understanding of the importance of an informed and equal public. **Solon** should be credited for this awareness. He abolished Dracon's harsh penalties and punishments, gave rights to non-nobles, made enslavement more difficult, abolished debts and created a class system. In essence he created the first *demokratia*, or democracy. Translated literally this means 'a people-state'. The Greeks during this period adopted an equal vote system and created laws that all people could understand forming the basis of an informed citizenry. At the heart of Solon's views were compromise and mutual understanding, terms we often use today to define public relations. Also important during this period is the notion of a public opinion. Before the creation of media, opinions were fashioned through theatre and oratory in large assemblies like the **ekklesia**.

Throughout his short time as Macedonian Ruler, Alexander the Great had conquered a vast area stretching across Egypt and Europe, and as far as India. To control such immense territories properly he needed to employ non-aggressive techniques in order to create his empire. Many of these were what anthropologists today would call examples of **cultural diffusion**, or the spreading of one society's ideas, values, language and its architectural edifices in new territories. Alexander's successors adopted several of these techniques which are still studied today. Historian, Ulrich Wilcken, wrote in his book on Alexander the Great (1967), "*It was from Alexander that the Diadochi took over the idea of making the games (agones) an instrument of propaganda for Greek culture in the East*" (p. 303).

The Roman Empire is also a fine example of how public relations was used to great effect. The Romans were excellent at using techniques that unified their nation. *Senatus populusque romanus*, the 'senate of the people', was circulated across Rome and pamphlets were often used to record historical events and help establish a collective memory. Just like the Ancient Greeks, Julius Caesar understood the value of information and how important it is to inform the public of news. He supported the *Acta Diurna*, a daily newspaper, and allowed all Romans to read it, creating a public opinion that he could control. Possibly the most important public relations achievement of Julius Caesar is his eight volume book, **The Gallic War**, now considered as one of the most famous of ancient books.

The spread of Christianity pointed to a significant moment in our understanding of rhetoric and persuasion. Following the death of Jesus Christ many of his followers, beginning with Paul, devoted their lives to

Christianity. Missionaries spread the values of Christianity and echoed the teachings of Jesus. Christianity become attached to the state and when the Emperor Constantine built the new city of Constantinople, he chose it as the capital of his Empire (replacing Rome), and made Christianity the official religion. In the years that followed, Christianity continued to expand, mainly due to various techniques employed by the **Byzantines**; Emperor Theodosius II created new and fair laws based on the values of Christianity which he disseminated across his Empire, mainly through diplomacy and culture. After the fall of the Byzantine Empire, Europe was in turmoil. In the course of this period the only thing Europe had in common was Christianity. As one nation after another was formed in what was to become the new Europe, the Church and Christianity became its binding factor. Pope Gregory XV formed the **Congregation for the Propagation of the Faith** as a means to extend the spread of Christianity further. It is here that we first observe a connection between the word propaganda and public relations. It is also interesting to note that at the time, the phrase to 'propagate' (or to make something well-known), did not have a negative connotation; it was only during Nazi Germany in the middle of the twentieth century that propaganda started to be viewed as a disparaging word (see next section).



Figure 1.2: Gutenberg's Printing Press, one of the most influential human creations of all time

The most important event in medieval European history, at least in regard to public relations, was the invention of the **printing press** by Johannes Gutenberg in the mid-fifteenth century. The invention led to a printing revolution that completely changed the world, and as a consequence it did not take long for newspapers and nationwide public opinion to be created. As literacy rates grew and urbanization took shape, societies achieved industrial efficiencies that had hitherto been unheard of. It was a period to be remembered as the industrial era.

Industrial Era

Newspapers as we know them today were launched in the seventeenth century. Nevertheless it was the nineteenth century when newspaper circulation figures truly expanded to numbers that could generate what we now consider a public opinion. Media historians note that newspaper circulation rose because editorial content became less politicized and more industrialized. As newspaper partisanship declined, a more liberal and commercial ethos took its place. Commercialization, however, was a phenomenon that did not restrict itself to newspapers. In Europe, like the USA, many sectors of the economy developed on account of both the industrialization of production and the urbanization of society.

The beginning of the industrial age is celebrated as a period of innovative and technological advancement. Yet it is also known as one in which many businesses became successful on the backs of young children and underprivileged segments of society. For instance, cruel business-owners exploited the lack of industrial policies; workers found themselves toiling for long hours and under terrible conditions; and the media, rather than take on their role as watchdogs and representatives of society (and act/speak on behalf of the unfairly treated workforce), were either incapable or unwilling to shed light on the injustice and exploitations of wealthy industrialists. It was a time marked by a complete lack of concern for the public and for the average worker. Indeed, the period is acknowledged as the **'public-be-damned era'** (Broom, 2009). Furthermore, business-owners learnt how to influence public opinion by giving handouts to newspapers and by purchasing large blocks of advertising space which made newspaper owners think twice about judging them too harshly.



Figure 1.3: Workers during the Industrial Age

in such a manipulative manner that a number of journalists, academics and intellectuals began questioning the power and ethics of large business practices. This group of people came to be identified as **muckrakers**. As a critical mass grew, journalist muckrakers in particular, became extremely condemnatory of big business. This led to a reformist philosophy of journalistic practices. This period was known as the progressive era. During this time, many investigative journalists covered stories that dealt with the questionable actions of business people who were referred to as **robber-barons**. By virtue of these reports an increasing number of people became familiar with how large organizations generated profits; the muckrakers managed to create a major shift in how press agents advised their clients, and this point in time was celebrated as the **'public-be-informed era'** (Broom, 2009).

As demand grew for more professional and ethical publicity management techniques, a number of specialized companies were created to fulfil these needs. The twelve-year stint of the first recorded publicity agency, **The Publicity Bureau**, reflected this new age. Little is known about the agency since according to Broom (2009) it operated secretly, and it seems that upon its termination, it just disappeared into thin air around 1911. Public relations historian Scott Cutlip (1994) recorded that The Publicity Bureau was created in the middle of the 1900s by George V.S. Michaelis, Herbert Small, and Thomas O. Marvin, but its historic initiation had no records to justify the claim. Its first published appearance was in a directory list advertisement in 1901 in which it enlisted the forerunners of The Publicity Bureau as the president, treasurer, and secretary respectively.

On yet another account, a certain letter surfaced from The Publicity Bureau President, George Michaelis, to Harvard President Charles Elliot stating, "we have met with very satisfactory success in publication of the articles, and I shall be glad to show you the clippings upon your return." (ibid: 11). Although this letter does not clearly state that there has indeed been

As more corporations became established within each sector, businesses were forced to differentiate themselves from their competitors. One way of doing this was by manipulating public opinion by hiring specialists known as **press agents**. In the late 1880s, for example, Westinghouse Electronic Company and Thomas Edison's General Electric were locked in a battle of standards regarding which electrical current system would be universally used; the battle became so heated that Westinghouse decided to create what is now recognized as the first internal press agency department. As Westinghouse took the battle to General Electric, the large manufacturer responded by launching a scare campaign against Westinghouse (Broom, 2009: 690).

At the turn of the twentieth century, press agent influence on the media strengthened so much and



Figure 1.4: Michael Moore speaking to a crowd in 2009. Is he a contemporary muckraker?

a contract between the parties, it can be considered as the first step to creating a public relations, firm-client relationship.

Another recorded correspondence between the said parties had the following words (ibid.):

[From Michaelis] In the matter of payment, we understand that you are to pay the Bureau \$200 a month for our professional services, and those of an artist where drawings seem to be required. That this sum is to include everything except the payment of mechanical work, such as printings and the making of cuts, and the postage necessary to send out the articles themselves to the various papers, which items are to be charged to the University.

[Michaelis' reply to Elliot in lieu of the first letter] We beg to acknowledge the receipt of your letter of October 9th. It was our understanding also that the charge should begin with the month of September; and we agree that it is quite reasonable that if anything occurs, as you say, to demonstrate the inexpediency of our understanding, you should be at liberty to stop our service before the expiration of the four or five months which we have talked of.

This second letter marked the first-ever **'fixed-fee plus charges'** set by a public relations agency, which is still used today by firms as their charging template. In 1904 two former journalists, George Parker and

Ivy Ledbetter Lee established the firm, *Parker and Lee*, after Parker had hired Lee as an assistant on work for a client. Ivy Lee was particularly influential and is now considered one of the pioneers and founding fathers of modern public relations. Lee had previously worked as a journalist and he understood, like the muckrakers, that the public demanded more transparency from organizations. After working together for four years, the two publicists took separate paths; Lee's influence on public relations grew and the 'public-be-informed' era became solidified. As early as 1906 Lee wrote the now well-known **'declaration of principles'** and sent it to all media outlets. These principles became the cornerstone of modern public relations and allowed Lee to attract some of the world's most powerful clients of the day. Lee is also credited with introducing the **press release** since it was a tactic often used by him to get his clients' messages across. In chapter two we will see that the press release remains one of the most commonly used tools in public relations to the present day.



Figure 1.5: Ivy Lee, one of the founding fathers of public relations

By the time World War One erupted in 1914, a number of press agents had managed to build a growing reputation for themselves. One particular young man that stood out from the rest was an

Austrian immigrant called **Edward Bernays**. Nowadays, Bernays is known to be one of the most influential communications experts of the twentieth century and like Ivy Lee, one of the founding fathers of modern public relations. While Bernays was making a name for himself as a press agent, USA President Woodrow Wilson was trying to sway public opinion to support the war effort. In order to do so, Wilson created a committee and appointed George Creel, a former journalist, to head it. Under the direction of George Creel, the working group was coined, **The Committee on Public Information**, but was also known as the Creel Committee.

During its existence, many communications techniques were used to influence Americans to take part in the war (see figure 1.6). On the staff of the Creel Committee was a young Edward Bernays, who was given the opportunity to demonstrate his talents. In one of Bernays' books (1923), he noted that the committee was created, *"to build up morale in this country, to strengthen our allies, to win over the neutrals, and to defeat the enemy"* (p. 2).



Figure 1.6: Promotional activities created by the Creel Committee to persuade Americans to support the war effort

When the war came to an end, public relations as a field of discipline, exploded. Suddenly, words and phrases like *propaganda*, *public opinion*, and *publicity* became important to be conversant with on a societal level and in academic research also. In Europe and in the UK in particular, many governments began using public relations to expand the welfare state. Jenkins (1998) reflects on the way the UK government used PR *"to explain its health and housing schemes"* (p. 3). Back in America, following the Creel Committee's success, Edward Bernays set up his own firm in New York and it did not take long for his wealth and reputation to grow. His success was mainly due to his profound insight into the human subconscious together with the techniques he elected to use to make consumers feel as though they needed (and not only wanted) the goods and services of his clients. Guided by the writings of his famous uncle, Sigmund Freud, Bernays grew in popularity and worked on many prominent cases, not least of which was the 1929 **Torches of Freedom Campaign**, where he helped to skyrocket the sales of tobacco manufacturers by 'liberating' women thus allowing them to smoke freely in public.

As the grip of the economic depression took effect in both Europe and the USA, public relations as a field of study turned to scientific approaches in order to assist organizations with rebuilding their reputations and positive perceptions. According to Lindenmann (2006), numerous scholarly papers on the significance of communication were published during this period. These papers, which came mostly from the social sciences, specialized in grounding and analyzing techniques and theories in mass communication. Among the more popular authors of the time were Herbert Hyman, Raymond Bauer, W. Phillips Davidson, Carl Hovland, Joseph Klapper, Paul Lazarsfeld, Wilbur Schramm, and Charles Wright.

After the outbreak of World War Two in 1939 the allied forces and the German Nazis relied on public relations techniques to an even greater extent than in World War One. Public relations practitioners were significantly more equipped with theoretical understandings of communications than they were in previous periods of turmoil and conflict. Joseph Goebbels, the infamous Nazi Propaganda Minister, was known to be an admirer of Edward Bernays and had apparently put to use many communications techniques learnt from Bernays' books. By 1943, public relations had become so essential that the term was introduced in the Dictionary of Sociology, and by 1945, the term found its way into Webster's Dictionary. When the war ended, many public relations and marketing experts focused their communication knowledge and experience on their own careers; it is no coincidence that along with the phenomenal growth of television, corporate communications grew to unprecedented new levels after 1945.

In 1948, both the UK's Institute of Public Relations and the USA's Public Relations Society of America were founded. Tench and Yeomans (2006) point out that the Institute of Public Relations in the UK did plenty to help the field mature and grow, not only in the UK but throughout Europe. With the knowledge acquired through the Institute, many professionals that had been trained in the public sector, made a switch to commercial sectors permitting them the opportunity to accumulate vast amounts of wealth. Unsurprisingly, the period spanning the two decades after World War Two saw a tremendous growth for advertising, public relations, and marketing (as any *Mad Men* fan will know).

As corporate communication continued to evolve, business managers, fresh from graduate schools with their newly acquired scientific knowledge, probed to seek answers as to how and why communication could be used to generate sales. In essence, they were continuously searching for what the **return on investment (ROI)** would be if they were to invest in communications strategies. As a consequence, public relations professionals

shifted their focus on the importance of measuring and evaluating public relations effectiveness. The book, *Effective Public Relations* written by Scott Cutlip and Allen Center in 1952, highlights this shift. This publication is not only known as the first textbook in the field but it is also the first to introduce the now familiar **7 C's of communication** (Correctness, Clarity, Conciseness, Completeness, Consideration, Concreteness, and Courtesy).



Figure 1.7: Coca Cola goes global on cover of Time Magazine

Interestingly, one of the most distinct features of public relations during this period has been its emphasis on media relations. As the media evolved in more developed parts of the world, so too did the need for organizations in these regions to make their presence known to the masses. Subsequently, following in the footsteps of Ivy Lee, many journalists from both sides of the Atlantic changed professions to become media relations experts. While the marketing and advertising experts were seducing consumers into wanting more products via paid and identified means of communication, media relations professionals, with their superior understanding of the media, were looking at ways of **breaking into editorial space** (see chapter two). As figure 1.7 illustrates, through this form of media coverage, media relations professionals helped organizations to build their reputations as credible and ethical components of contemporary commercial life.

In the 1970s, corporate communication heightened in complexity as more segments of society entwined with large organizations. It gradually became apparent that public relations was more than just media relations. New **publics** were suddenly brought to the surface. As countries across the world endured economic

recessions, external and internal **stakeholders** of organizations grew more demanding, and public relations departments were assigned responsibility as the official voice of an organization. As a result, marketing, advertising and public relations became more integrated. In 1978 Philip Kotler and William Mindak wrote the much-cited paper, *Marketing and Public Relations: Should they be Partners or Rivals?*, thus ushering in a period known today as **integrated marketing communication or corporate communication**. The seminal paper argued that all methods of communication are required in complex organizations and therefore need more organized and coordinated planning (see case study 1.1 for an example of communication integration).

Meanwhile, against the backdrop of a global financial meltdown in the 1970s, public relations effectiveness continued to be an issue of concern. In October 1977, the first conference organized to discuss methods on measuring the effectiveness of public relations was held at the University of Maryland. At the time, the conference – initiated and sponsored by AT&T – was under a great deal of pressure to justify public relations and advertising expenses. Participants at the conference included academicians, researchers, counsellors, and practitioners; they were also joined by representatives from different trade associations, non-profit organizations, and public relations groups. The then Public Relations Director of AT&T, James Tirone, revealed how his company had created a PR Data System which worked as a specific computerized programme for measuring and evaluating media coverage. In November 1982, Paul Alvarez, Ketchum Public Relations Chairman at that juncture, was quoted in an article that was published by *The New York Times*. The article described the agency's technique for measuring the effectiveness of publicity and its value by using the *Ketchum Publicity Tracking Model*. Furthermore, CARMA International, a company that specializes in computerized measurement of publicity effectiveness was initiated early in 1984, in addition to which a special issue was also published by the *Public Relations Review* during the summer of that same year, which focused on the impact of measuring public reactions (evaluation is described in further detail in chapters seven and eight).

Case Study 1.1 - Cyprus Telecommunications Authority (Cyta)

Just a change of logo? How Cyta used a corporate communications approach in order to change its brand personality



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives

In October 2008, Cyta, the leader in electronic communications in Cyprus, began communicating its new brand personality. A complete change in an organisation's brand personality

entails a series of actions, many of which often backfire if not communicated efficiently. For example, one of the most risky aspects of such a change includes a new visual identity. For these reasons, the revitalisation of Cyta's brand personality was the end result of a process that had begun 4 years earlier with the Rebranding Plan, an endeavour which aimed at reviewing the strategic communication of the corporate brand.

Cyta's rebranding efforts began with the organisation undertaking an in-depth study of its position in light of Cyprus entering the digital age. Based on the results of the study, Cyta decided that it needed to redefine its strategy, its vision and its values in order to communicate its uniqueness and its relevance in the new era of electronic communications. The study furthermore, brought to the surface the need for Cyta to communicate that it was both a market-leader and an organisation that is historically linked with the lives of its customers. Essentially, the brand personality change was a confidence issue. By updating its branding, Cyta was telling its publics that it is willing to hold the flag for Cyprus as it entered the digital age. Furthermore, as a TIMES organisation (Telecommunication, Informatics, Multimedia, Entertainment & Security), Cyta's need to modernise its corporate logo became more pressing if it was to enter all these areas of digitalisation. It needed to show a strong front and a united corporate strategy all under one unified brand (rather than different logos for different services), if it was to be relevant in the lives of its customers. Significantly, with a fresh, dynamic, and revitalised logo, Cyta would compare favourably with other highly competitive companies in large foreign markets, something which was extremely important for the organisation's activities in Greece.

The brand renewal project was a significant one that required the harmonisation of many points between the brand and its publics. The main concern at each stage of the project was to give out the message that brand renewal did not mean a mere change of logo but something far more substantial. In October 2008, Cyta revealed its new identity to the world. Although on the face of it, it seemed like only an identity change, Cyta successfully managed to communicate that there was more going on with the branding elements. All of Cyta's publics knew that it was not only changes in identity, but a new image which would support the organisation's brand values and personality elements. Through the renewal process, Cyta aimed to promote its new image, its more human side, to become more a part of people's lives and, by extension, to accompany them in their new way of life.

2. How the Programme was Implemented

During all stages of the project, the role of public relations was a decisive one. The first phase of the Public Relations programme started some six months before the adoption of the new image and lasted until the day it was introduced.



Promoting the new identity at Cyta's HQ

The Public Relations programme aimed chiefly at media relations and those members of Cypriot society who affect public opinion and set trends. The chosen strategy was that of communicating Cyta's general strategic plans, linking these plans with the visual identity changes. In this way, when people began to have contact with Cyta's new visuals they would immediately understand the story behind why it changed. References towards the revitalisation of the organisation were made without revealing the actual visual identity, thereby preparing the public for the coming change in an anticipating manner.

Tactics chosen were based on systematically feeding the media with relevant articles and interviews. Subsequently, a coordinated effort to create close ties of trust and cooperation with selected media figures was made. This was achieved through scheduled meetings between media representatives and senior management or members of the Board. Because of Cyta's excellent relations with the media - built throughout the years - the organisation was able to successfully fulfil its objectives, further strengthening its relations.



A holistic effort on rebranding

One of the main objectives of this phase was to prepare the public to accept the organisation's new identity in a positive light. It is common knowledge that people's perceptions – that is, not only consumers but personnel too – tend to be apprehensive of change, so creating a positive reaction was a priority. Moreover, Cyta did not want to surprise the public simply through a change of logo: it needed to be fully understood by all publics that this change was a substantial one. One that reflected Cyta's role in today's lives of the people of Cyprus and not just a tactical surprise concerning something transient.

During the same period, a programme of internal communication was implemented within the organisation with the aim of preparing employees and creating a positive, enthusiastic attitude towards the concept of renewal. One of the main tools used for this was the monthly employees' newsletter "Telecommunications Street".

Each issue contained a special two-page feature on relevant topics. At the same time, extensive use was made of online resources with brief, 'friendly' e-mails sent to all members of staff. Furthermore, interactive tools (such as online games) were created for the better understanding of basic messages.

Adoption of the renewed identity

The second phase of Public Relations activity concerned the introduction of the revitalised brand identity. At this stage a major media event was held with guests from all media invited, as well as officials from various other organisations.



Visible throughout the Island



A human element to Cyta's new identity

An intensive advertising campaign was also launched across all media. As the advertising campaign took off, press releases of all kinds continued to be sent regarding the changes. The key message of this phase was that Cyta was moving into a new era of communication in which its main role was to help its customers communicate, work, and be entertained anytime and anywhere in a simple, smart and secure manner.

Cyta's belief in continuous research was reflected during this phase since it undertook a systematic monitoring and evaluation of published articles concerning the organisation and information released to the media. Through evaluation Cyta spotted that it needed to strengthen further its links with Cyprus and with characteristics of quality and passion. As a result, one of the most effective public relations activities in support of the organisation's identity renewal project was Cyta's cooperation with the popular singer Michalis Hadjiyiannis, who became the Cyta Brand Ambassador. Through Michalis Hadjiyiannis, Cyta had found common personality traits and values: both sought through ethos and passion, to instil their work with quality, touching people's hearts, and succeeded in gaining recognition beyond the borders of Cyprus. In the context of this cooperation, Michalis Hadjiyiannis wrote, recorded and sang a song to be used specifically for the organisation's communication needs. A series of related activities was also implemented, including concerts, appearances by the artist at events of Cyta's shops, competitions, etc.



Michalis Hadjiyiannis

Finally, all of Cyta's shops were exploited to the fullest with special in-store and window displays and many supporting activities were carried out. Internal communication continued to ensure that information was provided in a timely fashion and, at the same time, to create the necessary enthusiasm about the renewal project. The first unveiling of the logo was to Cyta employees, mainly through the distribution of new stationery bearing the new logo. Another tool used was the intranet and staff e-mail, via specially created audiovisual material sent for internal use (addresses by Management, corporate videos, etc.). The high point of the activities carried out for the staff was a huge celebratory event in which all current and retired employees from all over Cyprus participated.



Rebranding the Cyta Shops

3. Results?

A wide use of tactics from marketing and public relations were used to successfully meet the challenging objectives set for this major rebranding effort. A strategy combining all these tactics required close links, cooperation and excellent logistics between many departments. By combining these efforts it showed that harmonious corporate communication efforts can lead to great results that allow the brand to flourish in the minds of its publics. Cyta continues to show the way forward in corporate communication in Cyprus, by having closely-linked marketing, communications and public relations departments. The rebranding efforts made in 2008 are proof that these departments need to cooperate so that communications and promotional activities (both internal and external) are supported in a substantial manner, and through an integrated programme of PR activities.

*This case study was prepared by the Cyprus Telecommunication Authority (Cyta) in Nicosia, Cyprus.
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4. Review Questions

- The case study mentioned that a logo change can be risky, why do you think this is so?
- What do you think were some of the challenges in harmonizing all these corporate communications efforts?
- How was research used in Cyta's rebranding efforts, and what do you believe were the results of the in-depth study?

As public relations effectiveness grew in significance, researchers in the field began looking at how a **normative theory** of public relations needed to be introduced. Grunig, Grunig and Dozier (2009: 22), noted how in the late 1970s a **two-way symmetrical approach** to public relations was beginning to be scientifically tested as the most appropriate way for organizations to communicate (see chapter 3 on theories). By 1985 a group of researchers had managed to secure a large grant from the International Association of Business Communicators (IABC) Research Foundation in order to look at best practices and to answer two main research questions (ibid: 24):

1. *For what reason does public relations contribute to organizational effectiveness?*
2. *By what means do excellent public relations departments make organizations more effective?*

The outcome of this huge 15-year research project is a number of seminal books, and a wide range of theories varying from mid- to broader-level (e.g. gender roles in public relations, stakeholder theories, communication processes and others). The name given to this grand theory is called **Excellence Theory in Public Relations**. It is today considered a benchmark in how public relations should be practiced and is therefore taught in universities across the world as well as in major public relations bodies such as the UK's Chartered Institute of Public Relations (CIPR).

As public relations excellence and effectiveness grew, an incident that occurred in 1982 allowed one organization to put into practice all of these theories. We refer to a case study known as **The Tylenol Murders** that is taught in most public relations and crisis management courses throughout the world. At the time of the incident Johnson & Johnson was a multi-billion dollar company and its most profitable brand, the pain-killer Tylenol was extremely popular and widely used (in Europe the equivalent would be the paracetamol known as Panadol). In October 1982 a poisonous chemical known as cyanide was used on the Tylenol capsules and several people who consumed the tablets were killed. Through a series of actions, Johnson & Johnson managed not only to rebuild its lost reputation, but, as mentioned above, the incident is now used as a best practices example; a what to do retail case study in times of crisis. The most important strategic decision it made was to recall all Tylenol medication from shelves all over the USA, albeit costing the company millions of dollars. Following this initial move it sought to open channels with all its publics and kept the public informed through the media and other means. Unfortunately, many organizations even today are not as ethical, and scandals continue to occur worldwide. Nevertheless, what this case has done is to give public relations the responsibility of managing crises (see chapter six).

Post-Industrial Era

When the well-known media critic, Marshal McLuhan, coined the phrase '**the medium is the message**' in 1964, he was trying to persuade us that despite all the interesting programmes made for television, and the exciting formats produced on radio, and hundreds of magazines printed for every consumer taste, it is each *medium* that remains the most important achievement and not the content – the medium is the message. The media, McLuhan stated, became an extension of people's capabilities to listen, to talk and to understand. Each medium has in its own way changed history, from the Gutenberg printing press, and the telegraph, to Marconi's invention of how to communicate wirelessly.

The post-industrial era is characterized by major advancements in technology in much the same way as the industrial age. However, whereas the industrial age is remembered for the steam engine and for the factory model of manufacturing, the post-industrial age is based on **digital networks** and platforms that have as a major component, the connectivity of human beings and the **convergence** of the communications industries. The immediacy of communicating with one another wherever we might be in the world is of major importance in the field of public relations since communication is at its heart. McLuhan would have been fascinated, but maybe not that surprised, with the *Apple i-phone* and with social media such as *facebook* and *twitter*. Today's post-industrial era consists of a plethora of digital media technologies all converging with one another.

Ask a Public Relations Practitioner

Interview with Bank of Cyprus Public Relations Manager, Daphne Prodromou



Daphne Prodromou is Head of the Bank of Cyprus Group Communications Department. She has an MA in Psychology as well as an MA in Sociology, both received from Université de Paris, Jussieu, Paris.

1. What's a typical week for a PR Professional in the banking sector?

There is no such thing as a typical week for a professional in public relations and that makes it difficult but charming at the same time. Managing the image of an organization – because this is the case – is not an easy task since it is an unstable entity which changes every morning. The management of the organization's image starts with the quality of the product itself [in our case with banking services]. This is followed by steps to build up and maximize a correct perception in the eyes of clients so that ideally the brand ends up as being seen in a positive light by the client. This

is a general comment on the role of action engaged in marketing, otherwise known as “the marketing mix industry” and not just of public relations. A typical day for a public relations professional is, therefore, never typical. It is a job which I would characterize as adventurous and designed for people with strong nerves!

2. How has PR changed since you entered the field?

This field has dramatically changed in the same way the market itself has. It has become more competitive and more international. The media has changed as well and plays a leading role in people's lives. Its position has become more widespread than ever before. And, of course, the Internet and especially social media have greatly changed the way people communicate with each other. For all these reasons public relations, particularly, is not what it used to be. Still, its primary purpose is maintained which is to build-up a brand name in times of an accumulation of millions of messages flooding our minds!

3. What are the qualities that make up the ideal public relations man or woman?

A professional in public relations must first of all love communicating. This is quite understandable but not essential. He or she must have an innovative point of view rather than being a follower! S/he must be perceptive towards upcoming trends and be in touch with new people because they always have something more to tell us about the future. Also, s/he must be fascinated by the on-going war taking place amongst the markets which is a daily and merciless battle. S/he must be able to recognize new market research and ideally be trained to do so. With regard to academic qualifications, I believe that all serious fields of study, from mathematics to literature, may lead someone to follow the public relations sector. If you truly love this field, you will find your way into it sooner or later!

4. What is the future of public relations in Cyprus?

The future of this field is both bright and dark at the same time. It is dark because the financial crisis terrifies companies and causes them to withdraw funds from activities where their value cannot be predicted. In parallel, the future is also bright because, due to the crisis, companies will instead target low budget actions that will boost public relations at the expense of “above the line” forms of communication.

Ms. Prodromou was interviewed by Marcos Komodromos.

Yet the period is not only known for huge advancements in digital technologies. There are indeed those who feel that socio-economic and political issues have played an even bigger role in shaping the post-industrial era. Throughout the 1980s and 1990s a wave of neo-liberal ideologies introduced mainly by Margaret Thatcher in the UK and Ronald Reagan in the USA, resulted in a flood of deregulations across all economic sectors. As shareholder rights grew and trade union deals were re-evaluated, public relations departments found themselves dealing with a whole new set of issues. Rather than simply working on press releases and media relations, the role of public relations practitioners suddenly became more entangled with managerial responsibilities. Furthermore, as country after country were affected by the wave of neo-liberal thinking, and as the Cold War ended and the world was divided into larger regions (e.g. NAFTA, EU), public relations began to spread across the world at an accelerating pace (even faster than the pace following World War Two).



Figure 1.8: Environmental Activist
Ken Saro-Wiwa

Commercial organizations took advantage of neo-liberal policies and grew in size and scope. This has consequently led to the rise in anti-corporate activities. Many activism groups blame corporations for changes in the environment and for unethical practices against blue collar workers, young children, women, and consumers. Many large organizations are now cautious of increasing their profits at the expense of bad practices such as the case of Shell in the mid 1990s. Specifically, in 1995 the organization was accused of being involved in persuading Nigeria into military action against a group of activists that led to the death of the Nigerian author and environmental activist Ken Saro-Wiwa.

In June 2009 Royal Dutch Shell settled with the Wiwa family for over 15 million dollars. The incident triggered a new form of governance into Shell's corporate strategic thinking. In 1998 it became the first company to introduce a **Corporate Social Responsibility (CSR)** programme (see chapter five). Yet organizations with CSR programmes do not necessarily mean that they are a priori ethical organizations. Enron, for example, an energy corporation with

headquarters in Houston Texas, had a very respectable and generous CSR programme; however, for many years the organization was caught up in dishonest auditing that finally led to the well-known Enron scandal of 2001. At the time it was the largest bankruptcy in the history of America and many honest, hard-working investors lost a lot of money.

Based on all these changes, one economic sector that managed to take advantage of the growth of public relations was the advertising industry. Following the merger of the three networks, BBDO, DDB,



Figure 1.9: How we communicate and use digital media is having a tremendous impact on the field of public relations

and Needham Harper Steers, an advertising giant was created in 1986 known as Omnicom (today a 12 billion dollar per year organization). The merger was the first in a number of major changes in the field that took advantage of the integration of all aspects of communications (see also section on the history of public relations). Many public relations scholars have called the harmonization of all organizational communications as corporate communications, whereas marketing literature adopts the phrase integrated marketing communication (IMC).

For the past thirty years or so, advertising agencies have been fighting the decline in media ratings and circulation figures by introducing new services that seek to offer advertisers (the clients) a one-stop-shop approach to communications. One of Omnicom's organizations, the well-known BBDO advertising agency has, for instance, 279 offices in 79 countries. Its services include many Corporate Communications functions, from writing newsletters and press releases, to designing and branding and even crisis management. Such trends are currently seen in advertising agencies all over the world.

The media industry too has changed dramatically on account of **liberalization** policies. The wave of media company mergers and acquisitions, particularly in the 1990s, has consolidated the field to an unprecedented level. In broadcasting, the growth of digital multichannel television stations on cable, satellite and new digital terrestrial platforms has played a major role in promoting a celebrity culture across the globe. In publishing and print media, online stores such as amazon and the book depository, as well as digital books and online newspapers read on tablets, have spawned a new generation of readers and changed the habits of book lovers, students and bibliophiles. Furthermore, the popularity of mobile phones has been dramatic as smart mobile telephones loaded with applications of all kinds promise to further revolutionize societies. The greatest impact however, has been the internet itself. A new generation of public relations specialists has mushroomed through PR blogs that have vastly impinged on the field. Some of

these are, Brian Solis, Peter Shankman, talking with Tom, PR breakfast club, Danny Brown and many others. At the same time, social media such as facebook, LinkedIn and twitter have made social connectivity even stronger and it seems the sky is the limit for what public relations professionals can do in the post-industrial era.

Brief History of Public Relations in Cyprus

By Damian Lambidonitis*

Public Relations as a Practice

The term Public Relations was first used in Cyprus during the 1930s, while the island was under British occupation. The then decision of the colonial administration to set up a Public Relations Office (PRO), as part of the Chief Secretariat, marked the introduction of PR in the country.**

In 1971, a little more than a decade after the establishment of the Republic of Cyprus, the first private public relations firm appeared on the island. Operating originally in Nicosia, under the name Action PR agency, it evolved into a global business network, currently with presence in more than 40 countries. Today it is called Action Global Communications. Founder and current Managing Director of the Action Group is Tony Christodoulou.*** Another private public relations company, Christian Alexander PR & Events, is a member of the international cooperation network of boutique**** public relations firms, called the Public Relations Boutique International (PRBI). The PRBI network, which extends from Argentina to North Korea, comprises of 32 businesses from 13 different countries.*****

At the beginning of the 1980s, the Cyprus Broadcasting Corporation (CyBC) created an independent Department of Public and International Relations, originally headed by George Lanitis. In 1988, the headship of the department was taken over by Nayia Roussou, the current head of the Communications Department of the University of Nicosia. Other big public service organizations, like the Electricity Authority of Cyprus (EAC) and the Cyprus Telecommunications Authority (CYTA), as well as the Cyprus Police, also have in place independent departments, which are public relations oriented. EAC has an autonomous Public Relations Department; CYTA, a Department of Corporate Communication and Public Relations; and the police, a Press and Public Relations Office – all emphasizing their investment in an integrated approach to corporate communications.

As the number of PR departments on the island increases, many of them are applying structures similar to those of EAC, CYTA or some of the island's large commercial banks. Also, in another dimension, PR is practiced based on the objectives of the island's largest advertising agencies. As mentioned above, many ad agencies have become affiliated with global advertising brands, and have sought to diversify their services and widen their products to include public relations. For this reason, many of their existing clients now utilise their advertising agencies to help them with PR challenges. Overall, it is the larger organizations that are gradually moving towards more structured public relations departments with professional PR practitioners, capable of forming suitable strategies as in promoting an image where the organization projects its socially responsible and sensitive face/dimension.

Public Relations as a Science

The introduction of the science of public relations in tertiary education, firstly at college level and then in universities, was recorded at the beginning of the 1970s. Public Relations were taught for the first time at the Department of Journalism and Public Relations of KES College Nicosia, which was set-up and chaired by Andreas Cl. Sophocleous, subsequent director of the Press and Information Office (PIO) and present director of the Mass Media Institute (IMME) of the University of Nicosia. The contribution of Theo P. Stilianou, director of the college, who vigorously supported this new initiative then, was also of primary importance. The specialized teaching of public relations was the catalyst for the clear distinction between

public relations, advertising and marketing, that were totally confused in the country hitherto (Sophocleous, 2008: 112).

Today, only one out of the seven universities – six local (three public and three private ones) and one British – operating in the Republic of Cyprus, offers a relevant public relations degree at the highest educational level. This is the University of Nicosia, via its four-year programme of Public Relations, Marketing and Advertising, awarding a Bachelor of Arts degree. The Department of Professional Studies of the same university, through its subsidiary Intercollege, also offers since 2006, the accredited diplomas and higher certificates of the Chartered Institute of Internal Communication (CIPR). Other tertiary level schools that offer diplomas of public relations are the following: 1. Cyprus College, two-year diploma of Public Relations and 2. The CTL EuroCollege, two-year diploma of Marketing and Public Relations. Public relations are also taught as a single course, either a required or prerequisite one in related disciplines, such as communications, journalism, mass media, advertising, and marketing, or as an elective of less related, or unrelated disciplines, in the framework of modern trends and practises for an interdisciplinary education and the offering of interdepartmental degrees.

Lastly, certificates of public relations in Cyprus can be obtained through the State Institutes for Further Education, of the Ministry of Education and Culture, as well as via the MC Institute of Public Relations, a private training outlet owned by Michael Konstantinou, under the auspices of the London Chamber of Commerce and Industry (LCCI), which is organizing written exams in Nicosia with the help of the British Council.

** Damian Lambidonitis is a special teaching faculty member at the Communications Department of the University of Nicosia and research fellow at the Mass Media Institute (IMME) of the same university. The paper is intended as a basis for class discussion and not as an example of good or bad practice. © 2012 Damian Lambidonitis. All rights reserved. (This material must not be reproduced or quoted without the writer's prior permission or without proper referencing).*

*** The PRO was initially succeeded by the Public Information Office and later on by the Press and Information Office (PIO) which administratively is part of the Ministry of Interior of the Republic of Cyprus.*

**** Action PR Group official web @ <http://www.actionprgroup.com/index.php?id=1070> (accessed: Tuesday, 20 December 2011) and Action PR Cyprus Credentials, October 2011.*

***** The word boutique is often used to describe/distinguish something from larger chains. In such cases the establishments aim to convey the idea that the operation is elite and highly specialized. In the strictest sense of the word, boutiques would be one-of-a-kind, but more generally speaking, some chains can be referred to as boutiques if they specialize in particular styles. Source: Wikipedia, the free encyclopaedia, "Boutique" @ <http://en.wikipedia.org/wiki/Boutique> (accessed: Tuesday, 14 February, 2012). Regarding the PR firms of boutique style, these are defined as follows: A PR boutique firm, also known as a public relations boutique, is a business or agency that offers media outreach, media planning, marketing or special communications services for all types of businesses, including larger corporations with their own public relations or communications teams. Public relations boutiques specialize in raising the overall awareness of a brand, product or image of a company or person. Most PR boutiques are small, to medium-sized businesses. Source: Maria McCarron, "Definition of a Boutique PR Firm" @ <http://smallbusiness.chron.com/definition-boutique-pr-firm-19323.html> (assessed: Tuesday, 14 February 2012).*

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Brief History of Public Relations in Greece

By Georgia-Zozeta Miliopoulou*

Public Relations in ancient times

Contemporary terms should be applied with caution to interpret ancient phenomena. However there are many references regarding public relations in ancient civilizations including Greece. Papamichalakis reads in Solon an effort to underpin legislation on good relations between conflicting social groups. He also focuses on the role of the 'Proxenos' in the Delphi oracle, whose duty was to develop good relations with and between the pilgrims. Non-natives in ancient Greece often had the duty to preserve good relations between their city of origin and the city they inhabited.¹

Chrysomilidis mentions that Aristotle, Plato, Xenophon and Thucydides understood the importance of good relations between persons and cultures. He perceives public discourses in the Athenian market as a base for contemporary public relations and analyses the Olympic Games as a public relations' event. In the Roman and Byzantine times, he views through a public relations lens the emperors' efforts to maximize power and influence by organizing great events.²

Public relations in the 20th century

Some writers set the milestone for Public Relations in Modern Greece in 1949. It was in this year when the first Public Relations event was organized by the Hellenic Orthodox Church, the Greek State and the University of Athens to celebrate the 1900 anniversary of Apostle Paul's arrival to Greece.³

Others pinpoint 1951 as the year when the term was first mentioned. It was then that the Hellenic Organization for Tourism assigned a foreign agency a six-month campaign to promote Greece abroad.⁴ The campaign was funded by the Marshall plan. Soon afterwards US experts trained well-known journalists and advertisers.⁵

In 1952, IZOLA – a large electrics factory – endorsed the values and practices of public relations, followed by state-owned companies like the electricity provider and the telecommunications provider. Many corporations also adopted the trend.⁶ IZOLA appointed ADEL, an advertising agency which created the first public relations department and organized the first international Hotel Conference. In 1956, the first 'Center for the Development of Public Relations' was founded in Greece.⁷

That year, the International Public Relations Association (IPRA) organized their annual conference in Athens, signing the 'Code of Athens' that still forms the basis of the current ethics code. The Hellenic Association of Public Relations Agencies was founded in 1960.⁸

During these periods the fathers of public relations in Greece began or reached a peak in their careers. Manos Pavlidis was in charge of that first public relations department in ADEL. He ended his career as an honoured life member of IPRA and in 2005 he donated his archives to the Hellenic Institute of Communication and passed away in 2007.

Dionisis Magliveras is among the first professionals who realized the importance of social communication. Besides holding important positions in both the public and the private sectors, he also published fundamental books and academic texts.

Thalis Koutoupis began his career in 1968 and still maintains an active role as a tutor and consultant for major political and private organizations. He has published more than five books and numerous documents.

During the 1970s, public relations developed at a rather slow pace. A lack of know-how and adequacy in specially trained professionals is stated to be the main cause, setting barriers to the use of scientific methods.⁹ Magliveras mentions that public relations were negatively perceived both as an expression of capitalist prevalence and because of their propagating role in the service of military forces. By the end of the decade, this notion changes as more technocratic and management-oriented leadership was established in many private corporations.¹⁰

In the 1980s public relations still had not reached maturity. Local companies emphasize the use of advertising, leaving public relations to lower level executives.¹¹

It was during the 1990s that public relations started to flourish in Greece¹² following media privatization and deregulation as well as the multinational expansion of foreign agencies in the country. Local public relations' agencies grew and many advertising agencies created public relations' departments, hence aligning public relations with advertising campaigns. On the other hand, most of the larger corporations had created internal public relations and / or communication departments.

The Hellenic Association of Advertising and Communication Companies today include a department for public relations agencies that counts twenty agencies, both local and multinational.

In 2009, the associations' members had 380 employees, 72% of which were women. Of this workforce 85.4% were between 21 and 40 years of age, 54% were University graduates while 32% owned post-graduate titles. In total, the industry had an annual turnover of €65,221,934 and €27,137,886 gross profit.¹³

The academic perspective

The academic year 1990-1991 became a benchmark for public relations in Greek Universities as new departments were created including, for the first time, public relations in their curriculum. Prior to that, public relations was mostly taught in seminars targeting professionals, organized by foreign institutes or corporate associations.

Today, there are at least six Universities with public relations courses, both in pre- and post-graduate levels. Furthermore, two Technical Institutes have departments with a curriculum built exclusively around the field of Public Relations and Communication.

Public relations in the 21st century

For the past decade, the World Wide Web has caught the attention of both professionals and academics but over the last four years especially, social media has attracted interest in theory and in practice.

** Georgia-Zozeta Miliopoulou, PhD is a tutor and research associate at the Panteion University of Social and Political Science, Department of Communication, Media and Culture. She has twenty years' experience in advertising and corporate communication and is a co-founder at Tenfour agency. The paper is intended as a basis for class discussion and not as an example of good or bad practice. © 2012 Georgia-Zozeta Miliopoulou. All rights reserved. (This material must not be reproduced or quoted without the writer's prior permission or without proper referencing).*

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Brief History of Public Relations in Romania

By Cristina Coman*

Introduction

Prior to 1989 there can be no discussion about the existence of public relations during the communist system that existed in Romania since the classic definitions of this profession argue that it should be directly dependent on the existence of a democratic system (J.A.R. Pimlott, as cited in Grunig and Hunt, 1984: 3; Wilcox et al., 1992: 5). Yet following the fall of the communist system, the beginning of public relations was truly chaotic as those who launched public relations actions were basing their strategies more on intuition or mimetism, and not on deep professional knowledge.

Two factors contributed to the almost explosive speed in which the field grew: a) *the internal factor*, or more precisely the *public*, especially through mass media which exercised constant pressing over the state's institutions in order to obtain more information and to enjoy transparent decision-making; b) *the external factor*, especially the pressure exercised by the integration in the occidental institutional systems (NATO and European Union) imposed following the specific institutional communication models of these international organizations.

PR Timeline

In 1995, the *Public Relations Romanian Association* (ARRP) was created and within a short period of time the ARRP became a member of the European association – *European Confederation of Professionals in Public Relations*. In 2003, the *Club of Public Relations Companies* (CCRP) was created with the intention of bringing together the most important public relations companies in Romania. The first public relations private company in Romania, *Perfect Ltd.*, was created by Gabriel Pâslaru in 1992.

In 2007 and 2010, CCRP together with *Daedalus Consulting* completed the first studies regarding the way public relations services are perceived and utilized. The companies' interest in public relations has grown significantly in recent years from 200 interviewed institutions, 92.4% (in 2007) and 97.3% (in 2010), confirming that they use public relations.¹

In 2004, according to the magazine *Capital*,² the first 16 PR companies from Romania had a total turnover of approximately €10 million. Similar research in 2006 by the publication *Adevărul*,³ shows that in that same year the first 28 PR companies from Romania had a turnover of €15.7 million; and the official data from the Ministry of Finance⁴ indicates a turnover of €29.4 million in 2010.

PR Education

Even if the profession advanced in a chaotic fashion, public relations education developed in a more organized manner following recognized Western models. Imposing these models was undertaken through the specialized agencies fixing a mandatory standard of accreditation.⁵ In Romania, in 2008, there were twenty-two (just six in the capital of Bucharest) university level programmes of public relations (Coman, 2009). Two main trends marked the actual evolution of the profile academic medium: a) moving the emphasis from the undergraduate programmes to the masters programmes – the number of profile masters registered at The Romanian Agency for Quality Assurance in Higher Education (ARACIS) continues to grow; b) the numerical growth of the distance learning programmes, undergraduate or masters level – this phenomenon appears to be in response to a request by the labour market where there is an acute reconversion need (for those without profile studies), or of supra-qualification and specialization (for those interested in pursuing leading positions in the public relations institutions).

** Cristina Coman is a Professor at the Bucarest University College of Journalism and Mass Communication. The paper is intended as a basis for class discussion and not as an example of good or bad practice. © 2012 Cristina Coman. All rights reserved. (This material must not be reproduced or quoted without the writer's prior permission or without proper referencing).*

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Public Relations Defined

If you were to put the question ‘what is public relations’ to an average person living in a well-developed society, with an average education, and an average understanding of his or her surroundings, they might give you any one or several of the following answers:

- ‘PR is taking your clients out to lunch and dinner’.
- ‘PR is influencing journalists to write positive things about your company’.
- ‘PR is about giving your organization the most publicity possible’.
- ‘PR is what Samantha does in *Sex and the City*!’.
- ‘PR is telling politicians to wear red ties and never say no comment’.



Figure 1.10: *Sex and the City*'s Samantha influenced many people's perceptions of PR

The truth of the matter is that public relations are all of these things (perhaps with the possible exception of what Samantha does). But, just as advertising is a whole lot more than funny commercials; or marketing demands far more than exciting promotions of your favourite stars; public relations entails a broad scope of tools, techniques and a variety of theories.

As noted earlier, there are numerous definitions given to public relations, but despite the diversity there are also a number of common grounds in the sense that [public relations] is a management function which aims to help an organization reach certain goals and objectives; PR is research based with planning, implementation, and evaluation processes; it requires integrity and ethical understandings; it applies a wide variety of communication tools and techniques to assist organizations in developing and maintaining mutually beneficial relationships; and it can be practiced for profitable and non-profitable purposes.

Frequently, the term *public relations* is defined as “the management function that seeks to establish and maintain mutually beneficial relationships between an organization, commercial or non-commercial, and the audiences or ‘publics’.” (Bates, 2006). The above definition has

many similarities with other determining classifications of public relations. The Chartered Institute of Public Relations in the UK offers the following description, (CIPR, 2012):

Public relations is about reputation - the result of what you do, what you say and what others say about you. Public relations 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 Public Relations Society of America gives this definition (PRSA, 2012):

Public relations helps an organization and its publics adapt mutually to each other.

It is worth noting that there is no mention of persuasion, propaganda or manipulation in either of the above definitions, nor is there any mention of advertising or of target markets, or of promotions and publicity. All of these terms are often used interchangeably with public relations but they have been left out of two of the most respected public relations communities in the world.

Ask a Public Relations Practitioner Interview with Marketing and PR Manager at A.I. Motokinisi Ltd, Pavlina-Kristina Iacovidou



Pavlina-Kristina Iacovidou is the Marketing and PR Manager at A.I. Motokinisi Ltd, official importers of Porsche cars and other luxury brands in Cyprus. Having gained her experience by working at Porsche Italia S.p.A. in Direct Marketing, she successfully organized and participated in a number of communication events throughout Italy, also incorporating contributions to the strategic conceptualization of the client database, its organization as well as its analysis. Fluent in English, Greek and Italian, she is a graduate of the European Business School in London and Universita’ Degli Studi di

Milano in International Business and Management. She is also a chartered practitioner in PR through her accreditation of the Chartered Institute of Public Relations in the UK (CIPR).

1. What is a typical week like for a PR practitioner working in the automotive industry?

A typical week would include several meetings with top management as well as with the sales department. It is important to identify the needs for both in order to set goals and targets. Meetings are also arranged with outsourcing partners such as the advertising / PR agency. Media monitoring is a large part of my day-to-day activities as well. Planning ahead for press conferences and launch events for new car models and other promotion activities is also very important. A main part of this is to identify the relevant target groups and to clarify the best ways to communicate it to them. During the week most of the work would happen at the office, renewing budgets and writing up reports or setting policies for internal and external communication. Other aspects of work take place outside of the work space for market research and monitoring.

2. Which PR project(s) are you especially proud of and why?

The PR projects that I am most proud of are the ones in which we communicate with both current customers as well as prospective new ones. These largely consist of launch events for new car models which are part of the greater campaign we aim for. And, I am similarly gratified by driving events such as the Porsche World Roadshow which took place in Cyprus for the first time in co-ordination with Porsche AG. I am also full of pride regarding different charity events which we have organized as part of our social responsibility policy.

3. What three tips would you offer someone just starting out in Public Relations?

First of all, it is vital to set realistic goals for your career in Public Relations. Secondly, it is prudent to gain as much knowledge as possible both academically and experience wise. Professional qualifications given by the Chartered Institute of Public Relations have given me a great insight into the competitive world of PR. Thirdly, always keep in mind the code of ethics of being a Public Relations practitioner – honesty is the best policy.

4. Did your education prepare you for working in the PR industry? How?

I have studied International Business and Management which has given me a very close look at the world of business and economics which, I believe, is particularly helpful in the world of PR. I have worked on numerous case studies in groups and in individual work. I have also completed a professional qualification from the Chartered Institute of Public Relations which is very specific on all PR aspects and has fully trained me on what to expect in the PR world. Knowing how to connect theory with contemporary PR challenges is a must. My education and training have given me complete confidence in what I do, and why I do it.

Ms. Iacovidou was interviewed by Marcos Komodromos.

CASE STUDY 1.2 – Chevrolet and SOS Children’s Villages*
Chevrolet & SOS Children’s Villages: 100 cars donated in centennial year



- 1. Situation Analysis & Objectives
- 2. How the Programme was Implemented
- 3. Results
- 4. Review Questions

About Chevrolet

Chevrolet is General Motors’ largest global brand with annual sales of about 4 million vehicles in more than 130 countries. It is the fourth biggest global car brand in terms of sales and also one of the fastest growing brands in the world. Chevrolet cars combine passion, bold design and practicality. They provide outstanding value for money. After re-launching the brand in Europe in 2005, Chevrolet more than doubled its sales to over 500,000 in 2008. In 2010, Chevrolet grew its

market share in Europe to 2.5 percent, selling 477,194 cars. Chevrolet has a network of more than 2,700 dealers and service points in Europe. The Chevrolet line-up includes the Spark city car, the small Aveo, the compact four-door Cruze, the Captiva SUV and the legendary Corvette sports car. In 2011, Chevrolet launched seven new cars: the all-new Orlando family van, the new Captiva SUV, the Corvette Grand Sport Coupé, the all-new five-door and four-door Aveo, the five-door Cruze, the Camaro coupé and convertible and the award-winning extended-range Volt electric car. Chevrolet’s biggest markets in Europe are Russia, Italy, Germany, Spain, France and Turkey. Established in the U.S. by Swiss émigré Louis Chevrolet in 1911, the brand celebrated its centenary in 2011. More information on Chevrolet can be found at <http://www.chevrolet europe.com> or <http://media.chevrolet europe.com>.

About SOS Children’s Villages

SOS Children’s Villages is an independent, non-governmental, social development organization that provides family-based care for children in 133 countries and territories and that advocates the concerns, rights and needs of children. Approximately 73,000 children and young people live in 518 SOS Children’s Villages and 392 SOS Youth Facilities around the world. More than 140,000 children and young people attend SOS Hermann Gmeiner Schools, SOS Kindergartens and SOS Vocational Training Centres. Moreover, the SOS Family Strengthening Programmes provide families with material, psychological and social support. Approximately 430,000 people benefit from these family support services; some 455,000 people make use of the SOS Medical Centres. In times of crisis and disaster, SOS Children’s Villages helps through emergency relief programmes. More information on SOS Children’s Villages can be found at www.sos-childrensvillages.org.

1. Situation Analysis & Objectives

In 2011 Chevrolet commemorated its 100th anniversary. The Chevrolet Motor Company was founded on 3 November 1911, by Swiss-émigré and race-driver, Louis Chevrolet and entrepreneur Billy Durant, in Detroit.

The Chevrolet brand was re-launched in Europe in 2005 with a line-up of cars that Europeans would not associate with the brand which is known for its iconic sports cars, Corvette and Camaro, and SUVs.

The objectives for Chevrolet’s European centennial celebration activities were two-fold: Firstly, Chevrolet, with the development of a long-term corporate social responsibility partnership wanted to “pay it forward” and simply help. Help in a very direct way, by donating 100 cars to give away as birthday presents rather than receiving them. Chevrolet also wanted to help increase the awareness of the charity organization SOS Children’s Villages.



One of the car donations

Secondly, the objective was to increase awareness for the Chevrolet brand and its quality models of car in Europe as well as to create a cognizance of its corporate social responsibility programme and its strong (also European) roots and history.

The independent, non-governmental, non-religious social development organization, SOS Children’s Villages, was known to Chevrolet from smaller-scale co-operations dating way back to 2003. This charity provides family-based care for orphaned and abandoned children and through its Family Strengthening Programmes supports ‘at risk’ families before they fall apart. On the other hand, Chevrolet is a car brand for ‘everyday heroes’, rather like the parents of larger families, and SOS mothers who are, so to speak, single parents living together with up to 12 children in a family home: the embodiment of the ‘everyday hero’.

100 new Chevrolet cars were to be donated to SOS Children’s Villages in 24 European countries, Uzbekistan, South Africa, Lesotho and Israel.

The European partnership between SOS Children’s Villages and Chevrolet Europe was signed and announced on the eve of the 2010 Paris Motor Show on 29 September by Wayne Brannon, President and Managing Director of Chevrolet Europe and Richard Pichler, Secretary General of SOS Children’s Villages International.

The main communications objective was to create a “good citizen initiative” using local media coverage in the respective towns where SOS Villages are located. In addition, goodwill and support for the initiative was to be generated with the aid of informed audience opinion including the media, suppliers, and dealers as well as potential and existing customers. The idea was to celebrate Chevrolet’s 100th birthday with parties in SOS Children’s Villages where a car would be presented so that the whole village could enjoy the “handover” of a birthday gift. A further objective was to involve the local Chevrolet dealers and invite them to sponsor free servicing of the vehicles for a three-year period. In addition, the involvement of Chevrolet customers was set in motion by organizing their introduction to SOS Children’s Villages and the partnership.

2. How the Programme was Implemented

A public relations function was selected to lead the project. A cross-functional team was also formed which included marketing, sales, finance and legal representatives to develop the plans and to support the complex multinational project. From the beginning a close relationship was formed with the SOS Children's Villages International Team to ensure that both partners developed communication in line with their respective guidelines.

Their main task was clear: 100 cars were to be handed over to SOS Children's Villages in 28 countries - 93 cars to 24 countries in Europe, and seven cars to Villages in Israel, Uzbekistan, South Africa and Lesotho. The cars had to be ordered by the Chevrolet country organizations for distribution as follows:

- 20 Spark city cars and 20 Aveo small cars, mainly suitable for SOS social workers who support SOS Family Strengthening Programmes and visit disadvantaged families in the communities;
- 20 Cruze compact cars, 20 Orlando 7-seat family vans, and 20 Captiva 7-seat SUVs were intended for SOS mothers who run large households and drive their family members (between six and twelve children).

SOS Children's Villages surveyed all of its European associations to ascertain their Villages' mobility needs. The 'wish lists' that were returned by the country organizations' SOS Children's Villages were matched with the available model-mix. An initial calendar was then drawn up to arrange about 70 handover birthday parties. Country teams were established by Chevrolet and SOS Children's Villages, and together with local dealers the car orders, preparations and events were implemented.

Communication Material development:

In order to facilitate party planning at SOS Children's Villages, a "party-in-a-box" concept was developed which included party invitation cards, car stickers, a bow for the car (to make it look like a gift), posters, party supplies – paper plates, cups, forks, lollies, small give-away toy cars and gift bags – napkins and balloons featuring the programme lock-up and also a poster announcing the dealer support for photo opportunities. Speeches and press releases were arranged for each market.



Chevrolet and SOS Children's Villages together

Sale materials across Europe included a stand-up display with flyers explaining the programme as well as inviting readers to join in and support SOS Children's Villages. The following was organized to profile the events:

- A Chevrolet e-mail newsletter to customers including an article;
- A European 'kick-off' press release;
- The 50th car handover release;
- A car usage template story;
- A story about the final car handover.

A film project was undertaken by Mofilm winner William Kirkley – a Californian film-maker, who won a bursary to produce film of the celebrations. Two summary videos were produced and shared at events and given coverage in press releases (<http://www.youtube.com/chevroletineurope>).



Face painting the children at one of the hand-over parties

The development of the partnership was also presented during press conferences at major motor shows in 2011 (Geneva and Frankfurt) as well as at European events, like the Chevrolet Design Night, featuring the Young Creative Chevrolet Awards Ceremony on 23 September 2011 in London. A Facebook page was implemented as a platform for updates and where communities attending the events were invited to comment on their experiences.

3. Results

100 cars were donated and are now helping SOS families in their everyday lives.

First and foremost, each and every handover event generated an excellent impression of Chevrolet with approximately 5,000 guests in attendance. The atmosphere at events was very friendly and guests had a good time together. Local media coverage was a success in all cases. TV-stations filmed the events and in certain cases the reports were even presented in the evening news. Several million contacts via the media were made by Chevrolet through articles in local papers.

The partnership continued in 2012. Find out about its continuation on Facebook.

*This case study was prepared by Chevrolet Romania in Bucharest, Romania.
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4. Review Questions:

- What other audiences could have been involved and in what way?
- What other communication materials could have been produced?
- What other communication channels should have been used and in what way?
- Based on the initiatives, what tactics were PR-based and what advertising-based?

Ask a Public Relations Practitioner

Interview with Raiffeisen Bank Romania Employee Relations Manager, Carmen Ghita



Carmen Ghiță is manager of the Internal Communication Department of Raiffeisen Bank, Romania. Her 8-years experience in Public Relations has been gained from working in two of the three leading Romanian banks on the market. She majored in International Economic Relationships with the Academy of Economic Studies in Bucharest, has a Master's degree in Marketing and Business Communication at the same university, and is also a CIPR Diploma graduate, with distinction. Carmen Ghiță is currently studying for a PhD Diploma in Communication Studies with the University of Bucharest.

1. How important is employee communication today?

Honestly, I can't even picture an organization where employee communication isn't very important. Employees are or should be your number one audience, your first supporters, or your first critics. Before communicating outside of the company about plans, changes, targets or profits, those who help you to achieve them should be at the top of your list. If they are not, then you should seriously reconsider your communication strategy. Only a company with strong employee communication is capable of retaining and engaging people.

2. What can management do to improve the climate of trust within an organization?

This question is the easiest one to answer in the public relations domain: Communicate, communicate, communicate. And I don't mean creating another company publication and using big words. I mean trying to build trust by looking people in the eye, and by answering questions honestly, even if the answer isn't always the expected one. It may be the oldest "trick" in the book, but direct, open communication remains the best way to appear trustworthy in the eyes of your employees. And if you look at management history over the past 50 years, you will find that the greatest companies or leaders are those who excelled at communication.

3. Let's talk about the communication gap between managers and employees. In your opinion, what is the number one cause for miscommunication?

There is never a right or short answer to this and I'm not sure that I even know it. I could elaborate at length on the subject but what I am sure of is that good communication means frequently (that is communicating more often than not) – a good, upright key message, words that are easy to understand, honesty and feedback. Feedback, because, contrary to popular belief, managers and employees can communicate efficiently if they are willing to see others as partners, exchange information freely, share opinions and ideas, and get involved and work together for a common purpose.

4. What advice would you give to someone considering this job?

Probably my first advice is to "be patient". Patience is needed because the rewards don't come easily in this line of practice, or they come in small doses. So, besides a passion for everything that PR represents, which I have found is essential, PR means learning to take small steps towards achieving your goals. Secondly, you cannot communicate properly about things you don't understand. So my second piece of advice is to "study hard, always stay on top of your game, and learn every day, no matter your age". Finally, "stay true to yourself and your profession". After all, the beauty of Public Relations is that while discovering the adventures of the profession, you also get the chance to discover the true strength of your character.

Ms. Ghita was interviewed by Nicholas Nicoli.

What the Future Holds

Public relations is concerned with how organizations communicate with one another and with themselves, and how, through communication, these organizations can better meet their **mission statements, objectives, goals and strategies** in their respective societies and fields. Contemporary public relations faces new challenges, but it faces them with extremely powerful tools that practitioners of yesteryear would never have fathomed even in their wildest dreams. In post-industrial societies, communication has taken on a new role, not just for organizations but for citizens too. An increasing amount of **user-generated content** is now created by the layperson, which means that the lines will blur between organizations and citizens.

Public relations will, therefore, have to find ways to communicate with publics amidst added scrutiny, with more demands, and more immediacy. As celebrity culture spreads, youngsters in particular are especially susceptible to the easy-rich lifestyles they see around them. What is more, these issues are occurring in circumstances of extreme uncertainty. Protests continue to rise across the world, the financial system as we know it is currently under threat, and increased financial pressure will lead to further outsourcing of services and more accountability. As people become used to working less hours they will simultaneously take on a greener more environmentally-friendly lifestyle. In the meantime, globalization is continuing to prevail on an unprecedented scale, while the middle classes of China and India are growing constantly, hence redistributing global wealth. Islamism too continues to increase across the world, all of which will change the values and habits of human beings.

Possibly the most important issue that public relations practitioners will have to face is the abiding advancement of technology. The internet presses ahead to maintain its momentum and people go on connecting with each other and spreading ideas as creativity goes social. Using the same technologies, organizations around the world are currently looking to establish bridges with their publics, but at the same time are unsure of how to do so.

Summary

This chapter has sought to offer the reader an understanding of public relations by reviewing its history and by offering a definition of the field. It is our belief that public relations need to be viewed in a broad manner and by so doing the value of PR can be fully appreciated. More importantly, we will become more aware of how communications and public relations go hand in hand. From Solon, and Edward Bernays, to Johnson & Johnson and CYTA, all the people and organizations mentioned throughout this chapter are expert communicators that understand the true value of communicating.

We hope that having read through the chapter you are better placed to comprehend the following chapters that look in more detail at the finer aspects of public relations.

Short Definition of Terms

Code of Hammurabi:

A law code created by the Babylonians.

Solon:

An ancient Greek intellectual and law maker credited for having invented democracy.

Ekklesia:

An open assembly created by Solon where ancient Greeks discussed issues of the day in a participatory manner.

Cultural Diffusion:

A term used in the social sciences when one culture is spread to another.

Acta Diurna:

A form of newspaper with news and information carved on stone and posted in public places in Rome during the Roman Empire.

The Gallic Wars:

The military campaigns of Julius Caesar. Caesar wrote his commentaries of the campaign and sent them to Rome in order for Romans to read them and feel proud of their identity.

Byzantines:

An empire based in Constantinople that existed during the middle ages; it was based on Ancient Roman and mainly Ancient Greek traditions.

Congregation for the Propagation of the Faith:

An organization of the Catholic Church founded in 1622 by Pope Gregory XV. Its mission was to spread the word of Christianity. The congregation headquarters are in Rome.

Printing Press:

Johannes Gutenberg invented the first form of printing press, the movable type, around the middle of the fifteenth century. It is considered one of the most significant inventions of the period and often thought of as the starting point of modernity.

Public-Be-Damned:

A period at the dawn of the industrial age in which neither business owners nor the media were concerned with what the public thought regarding unethical business practices.

Press Agents:

The first public relations professionals of the modern era. They were involved with becoming the voice of their clients in the eyes of the fast growing media industry.

Muckrakers:

A group of intellectual reformists consisting of academics, writers and especially journalists that criticized the wrong-doings of the robber-barons.

Robber-Barons:

A group of business owners during the start of the industrial age that led to the public-be-damned era and the ascent of the muckrakers.

Public-Be-Informed:

With the growth of press agents in the field following the influence of muckrakers on public opinion, the period became known as the public-be-informed era.

The Publicity Bureau:

The first press agency founded in Boston in 1900 by George V.S. Michaelis, Herbert Small, and Thomas O. Marvin.

Fixed-fee Plus Charges:

A charging template used by public relations agencies to charge clients based on their costs for services plus a fixed fee.

Ivy Ledbetter Lee:

Considered one of the founding fathers of modern public relations because of his contribution to the field with his open and honest approach, his creation of the press release and the declaration of principles.

The Declaration of Principles:

A statement written by Ivy lee and sent to all media outlets of the day establishing the profession.

Press Release:

An announcement written in a journalistic manner by organizations and sent to the media as a request to be covered in the editorial space.

Edward Bernays:

The second of the founding fathers of modern PR. He became well-known after showing his talents during the First World War and then using the work of his uncle, Sigmund Freud, became a successful PR professional, wrote his own work on Public relations and taught the first PR courses at New York University.

The Committee on Public Information:

A committee created by US President Woodrow Wilson at the start of the First World War to get the public to support the war effort by using communication techniques.

Torches of Freedom Campaign:

A campaign created by Edward Bernays for one of his clients, a tobacco company, to get women to smoke.

Return on Investment (ROI):

A formula used to measure the performance of an organization's investment in certain areas. It is increasingly used for corporate communication evaluation.

7 C's of Communications:

These were created by Scott Cutlip and Allen Centre in 1952 in order to increase effective communication for organizations.

Breaking into Editorial Space:

When organizations send press releases to media outlets and they manage to get coverage in the editorial sections.

Publics:

Groups with common traits and characteristics that might effect an organization.

Stakeholders:

Groups with common characteristics and traits that might effect the organization and have a vested interest in the organization doing well.

Integrated Marketing Communication (IMC):

The term given in marketing that explains how all forms of communication in organizations, whether PR, advertising, publicity etc., when used together in a planned approach, lead to more effective outcomes.

Corporate Communication:

The term given in public relations that explains how all forms of communication in organizations, whether PR, advertising, publicity etc., when used together in a planned approach, lead to more effective outcomes.

Normative Theory:

A theory that states how things ought to be within a specific area / field / discipline.

Two-Way Symmetrical Approach:

An approach in public relations emphasizing the notion of mutual understanding between the organization and its publics.

Excellence Theory in Public Relations:

A normative theory in PR that spans across a series of issues and publics, dealing with better relationships, emphasizing reputation management and mutual understanding.

Chartered Institute of Public Relations (CIPR):

A professional body in the UK that deals with all aspects of pubic relations, from training to research.

The Tylenol Murders:

The tragic events which took place when cyanide was used on Tylenol Tablets. It lead to a best practices crisis management case study by Johnson & Johnson which is studied in PR programmes across the globe.

The Medium is the Message:

A phrase coined by media scholar Marshall McLuhan in 1964 giving emphasis to how the technology behind a medium is more important than the messages and content sent through it.

Digital Networks:

Networks with a binary format using a combination of platforms (satellite, fibre optics etc.) that have been growing since the 1990s and all forms of communication use to send content.

Convergence:

The term used in communications studies to emphasize how all forms of communication use a similar technology to send content. The technology is based on digitalization and allows telecommunications, broadcasting and information and communication technologies to overlap each other on many different levels.

Corporate Social Responsibility (CSR):

A form of corporate self-regulation that organizations follow in order to give back to society regardless of whether it does or does not have a profit element attached to it.

Liberalization:

A process that grew in the late 1970s that involves less government interference, deregulation, privatization of previously large government bodies and free market competition.

Relationship Management:

A change in perspective in how PR is practiced. It gives more emphasis on PR establishing mutual understanding between the organization and its various publics.

Reputation Management:

A change in perspective in how PR is practiced. It gives emphasis to conducting research and in understanding where the organization stands in the eyes of its publics and how PR can play a role.

Employee Relations:

A section of public relations that deals with establishing mutual understanding between the organization and its own employees.

Mission Statement:

The statement created by the organization that explains the purpose of its existence, its role and its overall mission.

Objectives:

The explanation of how an organization can meet its goals in the face of a specific issue and / or problem.

Goals:

The explanation of how an organization can come closer to its mission statement in the face of a specific issue and / or problem.

Strategies:

The overall understanding, choices and approaches of an organization on how to face specific issues and problems in order to realize its mission statement.

User-Generated Content (UGC):

The increasing amount of content created by digital network users of all levels, following the growth and maturation of digital technologies.

Knowledge Check / Critical Thinking Questions

1. The authors argue that public relations needs to be looked at broadly. What do they mean by this?
2. Some historical figures and accounts seem unlikely examples for the history of PR. Why are they introduced? Name some of these?
3. Which era is the most significant for PR? Why?
4. Who was more important as a founding father of PR, Ivy Lee or Edward Bernays?
5. Is there a difference in corporate communication and integrated marketing communications?
6. How and why did advertising agencies get involved with PR services from the 1980s onwards?
7. How has liberalization changed public relations?
8. What has led to corporate social responsibility? Is it worth it for organizations to invest in it?
9. How can we use face-to-face communications as a metaphor to organizational communication?
10. How are digital networks and technologies changing the field of public relations?

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The Function and Profession of Public Relations

Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ know the different functions of public relations
- ▶ understand what tactics relate to public relations and how they are used
- ▶ understand the different job categories in public relations
- ▶ become familiarized with the daily responsibilities of public relations practitioners

Overview

Public relations is known as a management function. Cutlip et al (2000: 6) define the field as *“the management function that establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends”*. As socio-cultural and political-economic factors change, so too does the field of public relations. It is our belief that these factors further consolidate the field as a management function. Increased commercialization, free-market liberalization, competition, globalization, active, connected and educated citizens, and fast-changing technologies are all common characteristics of contemporary societies, and are intrinsically linked with public relations. Therefore, what exactly is the added managerial significance of public relations in such circumstances? And, how precisely do professional **public relations practitioners** spend their day working in such environments? These are the challenging questions we address in this second chapter.

This chapter is divided into two main sections: namely *functions* of public relations, and working in public relations. The functions of PR are often separated into various *publics of significance* for an organization; for example they can be divided into publics such as *media* relations, *employee* relations, and *government* relations to name but a few. Similarly, working in PR is often based on those areas in which practitioners become expertly skilled communicators. A media relations practitioner, for instance, uses specific communications tools that are unlike those adopted by an employee relations practitioner. As an illustration, it would not be necessary for an employee relations PR professional to send a press release to the media if that staff member was devoted to communicating only with employees. Apart from the differences encountered when working with diverse publics, operating in the field is often differentiated by whether a practitioner is employed as a consultant and therefore works for many clients; or as an internal practitioner, and works solely for his or her organization.

Public Relations Functions

Public relations communication techniques are better known as **tactics** – the actual acts viewed by the outside world. A public relations tactic might be an event, a press conference, or a newsletter. Yet behind all tactics are extremely detailed actions and strategies, and it is becoming less likely that tactics are decided upon haphazardly. As management and public relations grow closer together, strategic planning becomes more significant. As a consequence, all definitions of public relations entail the process of planning. The main functions of public relations are subsequently based on planned strategies and actions that are themselves based on research *vis-à-vis* certain issues involving how an organization communicates with previously identified publics. It is only after the plan is agreed that tactics are implemented in order to meet the objectives proposed. Here, it is interesting to note that specific publics are accustomed and respond to specific tactics. In what follows we look at the most significant functions of public relations as seen through these particular publics and tactics. Most of this section concentrates on the two functions of media relations and employee relations. However, it also addresses the PR functions of government relations and consumer relations, and to a lesser extent financial relations, community relations, supplier and distributor relations, opinion leaders, trade unions and potential employees which, according to Frank Jefkins, form the most basic list of publics (1998: 56).

Media Relations

In democratic societies the media serves a multifarious purpose. On the one hand, it has become the tool through which citizens choose to be *informed* in an objective manner, and on the other, it provides an entertainment function since talented story-tellers of all types use it as a canvas for creating their stories. Besides the above we should mention that many societies also embrace the media function of educating citizens; often a role taken by public service broadcasters. Indeed, as the well-known media theorist Niklas Luhmann stated, (2000: 1), *“whatever we know about our society, or indeed the world in which we live, we know through mass media”*. Additionally, with the advent of digital media, people are using media technologies to communicate with each other, adding a new dimension to the field. Moreover, according to Van Loon (2007), echoing many sociologists of culture, not only are more technologies being accumulated to the growing list of media as a result of digitalisation (mobile



Figure 2.1: Can the media define beauty?

phones, tablets, watches, fridges, cars etc.), but other aspects of life are also transmogrifying into *media*. We communicate, for example, through our clothes, our hairstyles, our purchases and even our dispositions – the argument, therefore, is that every one of these can be considered a *medium*. This, of course, complicates things further and gives plenty of ammunition to those theorists and philosophers who argue that we live in what they adjudge a postmodern society (see Jameson, 1991). When it comes to placing the media within the context of public relations these complications certainly matter, and are necessary when strategizing and understanding the human dimension of the field.

There are specific caveats that public relations professionals and academics need to consider on a basic level when studying the media. Significantly, the media brings together thousands of people, often simultaneously (although this is changing), allowing large groups of people to absorb the same messages. Such masses, as they are known, form an opinion regarding this information when identical messages are consumed, and today this is what we consider a **public opinion** in its most common form. Consequently, those with the means to control the media are perceived as bearing the weight of a large responsibility. Numerous studies have shown how media

messages can set an agenda and effect public opinion on all kinds of issues (McCombs and Shaw, 1972). What is more, there are those that believe the media is so powerful when audiences consume media for long periods of time that it can even cultivate impressions of what we believe to be real in the world (Gerbner, 1998). In chapter three we will return to these issues and look at them in more detail. Throughout history, factors such as these have often been used to cause harm and distress to societies as well as to empower them (note Hitler’s right-hand man Goebbels, addressed in chapter one). As McQuail comments (2011), *“it seems that the media can serve to repress as well as to liberate, to unite as well as to fragment society, to promote as well as to hold back change”* (p. 82).

The fields of public relations and media have enjoyed a strong connection ever since media was invented. Many public relations professionals – i.e. Ivy Lee, one of the founding fathers (see chapter one) – began their careers working in news media. Largely on account of this historical connection, the media arguably forms the most used publics that public relations professionals choose to communicate with. The function that the media serve permits them to be what we call, a **two-step public**. The media by definition, involves a technology (the medium), that allows it to be viewed by extremely large groups of people known as **audiences** (if it is audiovisual), **listeners** (if it is audio), and **readers** (if it is print). Subsequently, when public relations professionals need to communicate with these groups, they often choose to do so through the media, rather than directly, because it is easier, faster and cheaper. A media relations professional sends information to the media (step one) where it is filtered and covered by the news media before (step two) it is consumed by the other group that the practitioner is intending to communicate with. This process is unlike advertising in view of the fact that in media relations the editor of the medium decides whether the information sent is **newsworthy** enough. Conversely, in advertising the organization pays for a specific time or space break in the medium. While there are many that criticize corporate media for covering information sent to them by media relations professionals (e.g. McChesney, 1997; Herman and Chomsky, 1998), in free-market societies there is a strong case for including organizational news in media news. Looking at the way public relations is now taught and studied, and the way in which media have transformed over the past 20 years, it seems only natural to want to use the media and be a part of the public sphere as an organization. This is because organizations are so entangled in people’s everyday lives and the media cannot possibly be everywhere to cover all stories. Organizations should, therefore, be active in trying to get their stories

out there by sending news to media outlets. If and when a story is sent to the media and it manages to break through the editorial space, then those who consume it boost its importance simply because of the newsworthy criteria and the journalistic values of the media. In turn, this increases the **credibility** of the story. What is more, if strong relationships exist between the media and an organization, there is a better chance for the organization to procure a more positive response, or secure its own point of view of a story coming out when the media itself covers a story about that particular organization. This becomes especially significant in times of crisis and it is for this reason that a strong media relationship is essential in **crisis management** strategies.

Before we turn our attention to media relations tactics, we also need to consider “*extending media relations strategies to the blogosphere*” (Argenti, 2007: 125). We have already mentioned how influential the social media is in the new digital environment. While organizations can do little to control what people say to each other, they still need to monitor the internet and understand what online users are saying in relation to their own products and services. Although more will be mentioned on this in chapter eight, we should at least include here that PR practitioners need to respect all online views and blogs; no online space should be underestimated.

Ask a Public Relations Practitioner

Interview with Cyta PR executive, Alexia Yiallouridou



Alexia Yiallouridou is a PR executive and has worked in the Communication and Public Relations Department at Cyta (Cyprus Telecommunications Authority) since 1995. Since completing her studies at Vienna University at the end of the 1980s, she has gained considerable work experience in the field, having offered her services and knowledge to various firms and organizations, including Cyprus Airways, the Cyprus Tourism Organization and the Cyprus Broadcasting Corporation. Today, at Cyta, she leads a 15-member PR team that deals, amongst other things, with media and Public Relations issues, event planning, sponsorship activities and print and electronic media.

1. How important is reputation for a company today?

The reputation of a company is of prime importance. A company with a controversial reputation resembles an untrustworthy individual who

lacks esteem. Moreover, the domino effect means that one negative element affects the next one, and so on. In the market, a bad company name automatically translates into a lack of trust on the part of consumers, which affects sales and reduces income. Furthermore, in these times of fierce competition, the good reputation of a business will not only encourage additional sales but will help it retain its existing customers too. Finally, it is broadly acknowledged that it is the good name of a company that will enable it to survive during hard financial times, an economic recession, a communication crisis or any other critical situation.

2. How closely should Public Relations work with other communication areas within an organization?

The closer they work, the better the result. Close collaboration between the various departments in any organization and the communication/PR team is an essential business tool since ultimately everyone is concerned about the organization's reputation. In addition, anyone in a company who finds himself/herself in the public eye will inevitably impact the reputation of the business through their endeavours. While the priorities of various departments may differ, they all share common corporate strategies and goals and so all those dealing in communication (e.g. PR officers, spokespersons, advertising and sales executives) need to develop and commit themselves to the organization's overall policies in order to obtain the desired end result.

3. How important is it for a communications department to be part of the management's decision-making process?

This is a matter of great significance. In addition to any short- or long-term planning that aims at maintaining or further enhancing a positive company image, communication departments often have to deal with issues arising from a number of other areas, both internal and external. Whatever their level of importance, they can affect the reputation of a business and therefore need to be dealt with in an immediate and effective manner in order to prevent any possible damage. Depending on the severity of the issue, it is essential that communication teams join forces and face any threat collectively and consistently. What is more, it is generally conceded that a company's reputation is tightly linked to its brand and if we assume that the brand owner is the company CEO and his senior management, the communications department should certainly be involved at all stages of the decision-making process.

4. Which functions of PR do you consider the most important?

This is a very interesting and timely question. In the past, the most important PR function was media relations – investing in bond building with media people so as to promote a firm and its brands to the public. And while media relations still play a leading role today, rapid advances in technology, globalization, the extensive use of the Internet, greater consumer maturity and improved market efficiency have brought other PR functions to the fore. Image- and relations-building no longer have to negotiate the traditional media route. Instead, a project may now be implemented and achieved by making the most of social media and by investing in online campaigns that feature bright, innovative ideas while simultaneously keeping expenditure budgets low. Online campaigns, if successful, can play their own role in creating communities and forming relations with existing and prospective customers in a very short time. However, over and above these methods, I am personally persuaded that the most valuable asset in any organization is its people and that PR needs to capitalize on internal communications too. Investment in human resources is never a waste of money or time. When an organization's personnel are properly educated, its reputation will be properly represented and promoted at all times and everywhere, especially in the new media. In this respect, every business has its own supply of goodwill ambassadors.

Ms. Yiallouridou was interviewed by Marcos Komodromos.

Media Relations Tactics

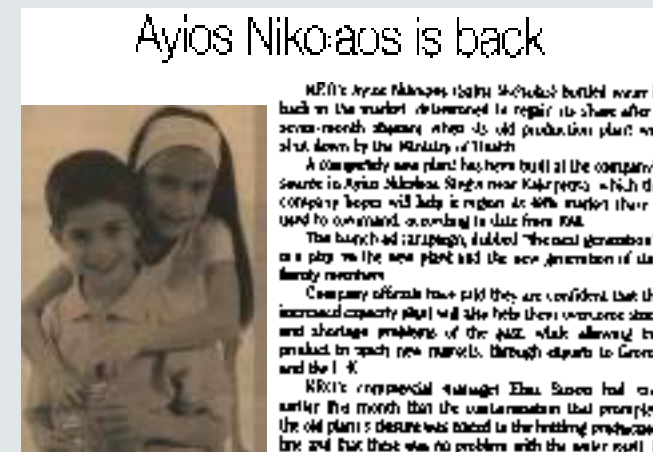


Figure 2.2: KEO's media relations helped Agios Nikolaos redevelop its reputation

For reasons mentioned earlier, all organizations need to have strong relations with the media. This part of the chapter looks at the actual tactics used to establish and maintain those relations. In what follows we analyse the pitch letter, the news release, the feature story, the news conference and the media reception. These are by far the most common and effective media relations. Nevertheless, before we look at them it is essential to realize that all media relations tactics have one common goal, media coverage. They should all be viewed as opportunities to disseminate the organization's perspective as widely as possible; furthermore, in times of crisis the minimum an organization would

want is an opportunity to put across their side of the story. If the organization has consistently used these tactics and has managed to create a solid and trustworthy relationship with the news media, then it can be sure to be offered a chance to communicate its side to any story affecting their group.

When an organization sends a **pitch letter** to a news editor, it is to inform the editor that it has a story worthy of being covered by that particular medium. If the news editor believes this to be the case (having been convinced through the letter's content), then he / she might indeed send a journalist to cover the story. If the pitch letter is directed to a radio or television station then the editor is also likely to send a crew to assist if he / she is convinced of the story's merit. To successfully and convincingly accomplish this, the public relations writer must become well-versed with the intricacies of that medium's main users. The letter should be persuasive enough to be able to sell an idea. The writer must also have a basic understanding of journalism and of what that editor will consider newsworthy for his or her audience / readers / listeners. It is important that the writer has carefully researched the story, is prepared to take on any questions the journalist may have, and is willing to supply whatever information is requested.

If the public relations practitioner would prefer to create the news piece personally (rather than a journalist cover the story and write the article), then a **news release** is crafted. This tactic, as discussed in chapter one, is at the core of the public relations function and remains an extremely popular tactic in the public relations repertoire. It

is arguably the most effective, credible and common way to send information to the largest possible audience in the fastest time possible. It would seem that the more the news media become pressurized to work with fewer resources and less time, the more they are willing to accept and cover news releases. Yet it should be noted that if the news release is not prepared in a proper manner, then any serious news editor would avoid using it. For this reason, whether it is for print media (a press release), for radio (a radio release), or for television (a video news release), the story should always be created with journalistic principles in mind; for example, it must summarize and answer the *who? what? where? when? why?* and *how?* questions, which are often associated with the style of journalism reportage. Moreover, a well-written news release should be focused entirely on communicating one message. It is crucial that a release has a catchy headline that captures the general idea of the topic at first glance, for by doing so it will succeed to draw in the appropriate publics. It is also imperative that news releases are sent in a timely manner as this too ensures publication by editors. Importantly, a news release must have a purpose and should only contain actual news. It is not



Figure 2.3: A press release is sent to print media outlets written in a specific format in order to increase the chances of coverage (courtesy of Dro.Me.A Racing)

intended to hype or hard sell products and organizations, but it should instead remind the public of the organization's recent activities, and in this way maintain the organization's strong reputation.

Generally, it should be noted that there are five types of news releases (although to look at them in detail is beyond the scope of this textbook). They can, for example, be in the form of announcements, spot announcements, reaction stories, bad news, and hometown releases.



Figure 2.4: The actual article covered in the news editorial (courtesy of Cyprus Weekly)

potential than a one-off news release, and if a writer crafts the story well, it can play an influential role in an organization achieving its long-term goals. When presenting feature articles, the material must be interesting and useful to the target audience by carefully pairing an angle that is best suited to the topic and the publication while not forgetting the organization's primary goals. There are several essentials to be incorporated such as quotes from people who are willing to be named in the article, concrete examples of the products and descriptions that paint a mental picture for the reader, and professionally constructed images. Wilcox et al (1992) suggest that the objective of a feature story is to *"educate and entertain readers"*. This being the case, a good PR practitioner will actually attract the media to him / her. A riveting headline such as, 'They were both blind. Yet it was love at first sight' captures the essence of the story without summarizing it entirely. This feature heading entices the reader's curiosity.

The **news conference** is arranged by public relations practitioners when their organization (or their clients' organization if they are outsourced), has an important announcement to make and chooses to do so via the media. It necessitates a setting whereby the news media (journalists, editors, camera crew etc.) are invited before a panel of the organization's representatives who ultimately want to make a statement to the media in order to engage them in publicizing the announcement in their respective editorial spaces. By

A **feature story** is usually written for a trade publication, a specialty magazine or the special sections of a newspaper. The account is written with ample care and research, possibly requiring interviews together with in-depth analysis in order to make it attractive to the reader. A feature provides additional knowledge on a subject and relays it in a more imaginative manner. This is not as time-bound as the news feature but is usually in tune with magazine and newspaper themes. Additionally, the feature is more creative and because it imparts information about the organization in the form of background and context, a more behind-the-scenes perspective is offered. It adds a more personal and human touch to the product, service or organization, and therefore seems better equipped to generate positive perceptions. A feature story has more

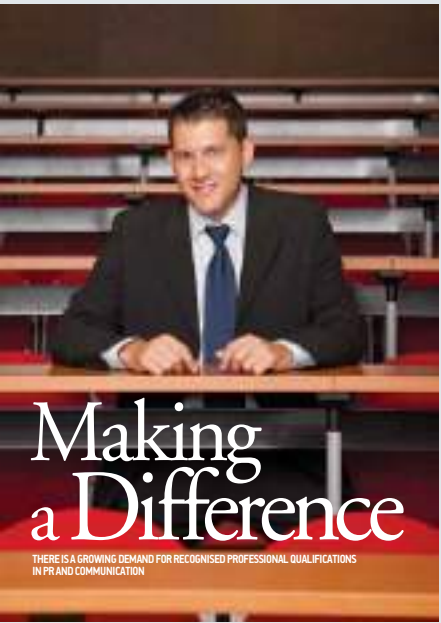


Figure 2.5: An example of a trade publication feature story (courtesy of InBusiness magazine)



Figure 2.6: Armin Van Buren Press Conference

orchestrating an event in this way the organization allows an opportunity for the media to respond to the announcement by asking questions if they wish to do so. It is customary for the organization to hand out a **media kit** (containing information regarding the announcement) to all attending news media personnel at the press conference. If, for example, Cyprus Airways invites news media to a news conference to announce a new route (e.g. from Larnaca to Budapest), the attendees will be supplied with information in the media kit which might include details of scheduling times, Budapest's enchanting city, prices and other related material. Distributing the media kit ensures that enough material has been circulated for the media to create the piece when the news is actually covered by them. Over and above this the organization may arrange something extra for the media – it might, for instance, be an organized visit to Budapest for more significant members of the news media. If, on the other hand, the announcement is intended to promote the launch of a new automobile, the organization might make a car available to the media for an extensive test drive; or if it is to publicize a new building the media might be invited to preview it on an insider tour. These extras are the kinds of tactics often associated with a news conference. It should be remembered here that the main aim is to acquire media coverage of the story in a way that provides the best possible exposure for an organization.

The **media reception** is a tactic frequently used by practitioners to become acquainted with the media such as at the outset of a new project or the launch of a recent product. An organization might arrange a reception whereby members of the news media are invited to get together with associates or new contacts and chat in an informal manner. At gatherings of this nature, no media coverage is expected – at least not regarding the event itself. This remains merely an opportunity for all those involved with media relations to meet and enjoy themselves. It is often the case that these people are known to each other already but it gives them an opportunity to catch up; or it might be that journalists try and lay a hand on some interesting new piece of information, known as a **scoop**. The reason behind this, despite the informal nature of these events, is because journalists are always looking for a good story.

Ask a Public Relations Practitioner

Interview with PR:Partners Ltd PR Manager, Pavlos Vanezis



Pavlos Vanezis has a BSc in Business Administration, a MSc in Finance and Financial Information Systems, and a CIPR (Chartered Diploma in Public Relations). He currently holds the position of Public Relations (PR) Manager at prpartners ltd (sister company of Partners Y&R), a professional consulting firm which offers complete PR guidance and communication solutions through all media types. Prior to joining the company, he worked for several years as Brand Manager at an established company involved in the import and distribution of leading global brand products. Additionally, he is a certified professional trainer with years of experience in the training of individuals and companies.

1. What is the secret of success in the PR industry?

There are no secrets. The best way to view your client is as a partner but ensure that they also perceive you in the same way. PR techniques and tactics can be taught, but it is hard to earn the trust of a close associate from another company. A PR professional must be able to cooperate closely with the client and associates in order to truly understand their communication needs and demands, and to effectively respond to them. After all, to be able to establish a good relationship between an organization and its stakeholders, a mutual and effective understanding must be created initially between the client and yourself.

2. Describe some of the challenges that PR Managers face.

The nature of the PR profession is becoming ever more challenging and demanding. Although organizations are reducing their business activities and budgets they still expect quality results. Among other qualities and skills, a PR practitioner must have strategic and creative thinking abilities, be proactive, professional, flexible and adaptive in the testing environment of today. In spite of the fact that BTL (BELOW-THE-LINE) activities do not always generate an immediate and tangible profit, now, is the best time to take advantage of these because they will establish the organization in the public's mind and set solid foundations for the future.

3. Can you identify some of the biggest stresses as a PR Manager?

As in any position where meeting tight deadlines and challenging targets are involved, anxiety can be a very common and unavoidable reality. Managing stress is one of the most important aspects of this job and failure to do so can often lead to mistakes, bad judgment, and the deterioration of relationships. Another issue is balancing work and social life since long working hours and pressure can prove to be an inconvenient truth for social and personal relationships. Nevertheless, hard work is frequently compensated by the satisfaction of completing a project successfully and contributing to the prosperity of the client and the organization in which you work.

4. How important is it for someone to be passionate about this field in order to be successful?

In order to excel in anything you are involved in, it goes without saying that first you need to be passionate about it. Without passion, I believe one has no direction, no purpose, and a lack of motivation. Yet, in a

demanding business world, passion alone is never enough. Determination, commitment, professionalism, honesty, and a positive attitude are just a few of the imperative components that a PR professional must adopt in order to achieve success, not just for themselves but for their clients as well.

5. In which environment is it better to work – in internal PR or in a consultancy?

It's an interesting question and there are positives and negatives in both. I love working in my current organization because the culture here is so creative and team-building thrives; not that it doesn't in internal PR, but this organization is known for its creativity and I love that.

Mr. Vanezis was interviewed by Nicholas Nicoli.

Employee Relations

The majority of our adult life is spent working; when we work we do so as employees (even a business-owner is an employee of his / her organization). Within a managerial capacity employees can be top-level managers who are responsible for other employees (and in some cases to a board of directors and / or shareholders), middle-managers, and lower-level managers. The two preceding hierarchical levels are more often involved in the direct production of services and products. Next in the tier are the employees in the lower echelons of corporate hierarchies that are excluded from managerial posts but required to contribute with various inputs for an organization. Last of all, we should of course note the burgeoning number of people who now work as freelancers, often alone, and under very flexible (e.g. no office, working from home etc.) conditions. They too are seen as employees, but on a contractual basis.

Particularly since the industrial era, organizations have been growing in both size and complexity. During this same period a number of **managerial paradigms** have been developed with the common goal of making employees contribute more **inputs** in order for the organization to increase its **outcomes**. Of course, in profit-

oriented capitalist societies – which comprise most of the world – inputs should equate to profits. The most recent managerial paradigms involve the combination of understanding human behaviour and using that understanding often with a new generation of digital technologies (see Xu and Rickards, 2007). From the bureaucracy of Fordism to the creative management of today, technology has played a major role in the bottom line. The difference is that the current creativity management paradigm involves technologies that emphasise collaboration and team-building as much as technologies to increase production (Sawyer, 2007). In other words, central to the success of present organizations is how well it manages to open all lines of communication among a whole plethora of employees (Amabile, 1996; Amabile and Kramer, 2011). Amidst other things, improved communication is required to increase job satisfaction, to allow room for encouragement, to minimize ambiguities, and to increase motivation. It has

been proven over and over that in today's competitive, global environment, these are significant issues that lead to revenue growth.

It is worth mentioning that *"communication happens inside organisations whether it is managed or not"* (Yeomans, 2006: 333). Therefore, based on the aforementioned part of this section, it makes sense for organizations aspiring to be successful and wishing to reach their goals and accomplish their missions, to make a conscious effort to improve their internal communication. (We should add that the terms 'internal communication' and 'employee relations' are often used interchangeably – it seems that internal communication is used more frequently in the UK whereas employee relations is more common in the USA). Furthermore, it is interesting and significant when we look at who (or which department) is responsible within an organization for employee communication. In many organizations, for example, human resources (HR) departments are responsible, whereas in others they are stand-alone departments that report directly to the Chief Executive Officer (CEO). And, while the public relations department has control of internal communication in certain organizations, a combination of these options might exist in others. One particular growing branch of an organization that now has a legitimate claim over employee relations is the corporate communication department that perceives all forms of communication as holistic, and hence integrated (Cornelissen, 2007). People working in this department view all employees as 'brand ambassadors' who can, and indeed should, play a role in the overall reputation of the organization. Whether employee relations lie within the HR department, the PR department or the corporate communications department depends upon the many variables, strategies and decisions made by management. There is no single correct answer because organizations and the ways in which they are structured are ultimately, human constructions. What remains significant is that regardless of who has access, employee communication has become paramount in today's organizations.

Employee Relations Tactics

Media relations involves securing positive media coverage. Employee relations involves creating communication lines within an organization that allows for well-informed employees. Communication can flow in all directions. It can be downward (from employer to employee), upward (from employee to employer), or sideways (between employees). All these forms of communication, if managed well, lead to more productive employees that consequently invest more inputs to the organization. The central tenet here is that contemporary organizations need to be more transparent; in the long-run this can positively affect the bottom line. Yet unlike media relations tactics, the actual benefits of employee tactics are not as easy to identify especially since employee productivity can be based on a number of reasons. For instance, when a press release is sent to the media and it is subsequently covered, then the benefit is clear. Conversely, when an organizational intranet is created for all employees to use as a communications tool, it is harder to grasp the relation between that and increased productivity. This section addresses a number of employee relations tactics. Although there are more, and the number is growing on account of advances in **information and communication technologies (ICT)**, the ones described here are the most common to date. Moreover, we should take into account that tactics differ depending on the characteristics of the organization.

Possibly, today's most important employee relations tactics are based on internet technologies. In organizational settings, the internet can be used as an organizational platform to create its own **intranet / extranet**. An intranet is like the internet except that it is created for private use and only those people with access to use it can do so. In other words, an organization intranet uses the same basic digital elements of the internet but it is password protected for employees only. An intranet can be considered an overarching tactic since it can be used to allow for many other smaller tactics. For example, it can be used: as a bulletin / noticeboard, as a space for sending visual and audio-visual content, as a collaborative tool where employees can interact on projects, as the organizations' accumulated memory, as an area where employees can find forms and information they might require, and as a newsletter among many other uses. Similar to the intranet is an extranet. An extranet allows



Figure 2.7: Creativity occurs best in small collaborative teams

1996; Amabile and Kramer, 2011). Amidst other things, improved communication is required to increase job satisfaction, to allow room for encouragement, to minimize ambiguities, and to increase motivation. It has



Figure 2.8: The University of Nicosia intranet (courtesy of University of Nicosia)

certain other stakeholders close to the organization to have access to it. These stakeholders might be suppliers, or partners that work closely with the organization on certain projects.

The profound effect of internet technologies has introduced another tool that cannot go unmentioned in a discussion on employee relation tactics. The **email** is now used far more often than the telephone in the way organizations communicate internally. There are, of course, numerous reasons for this – one of them being that one person can communicate with many people simultaneously. It leaves behind a trace (frequently known as a thread), for others if they want to join in a discussion on a various topic. And, generally it is simple, efficient, cheap and fast.

A large number of organizations are now looking at **corporate blogs** as a possible sideways communication tactic. Unlike the intranet and the email, a blog can be more user-friendly in allowing for topics to be discussed and commented on. These topics and comments can often be written anonymously, hence permitting a truer flow of transparent communication to exist within organizations. The logic here is that it is better to have an open discussion in a blog than on corridors where the **grapevine** might lead to more threatening issues regarding an organization.

In organizations that are geographically dispersed, the above ICT tactics are undoubtedly invaluable to an organization's internal communication strategies. Yet several studies (see Murgolo-Poore and Pitt, 2001) show that the most effective forms of employee relations tactics are those that are based on face-to-face communication. As Murgolo-Poore and Pitt state, *"a number of social psychological studies explain that face-to-face comments have been found to have a substantial impact on decision-making"* (2001: 234). One of the more common face-to-face employee relation tactics is the **large meeting** (often supported with the aid of audio-visual technologies such as PowerPoint). While in the past this might have been organized once a year, it is now becoming a more common aspect of organizational life. An organization might perhaps use it to communicate and illustrate a new communication / advertising campaign, change the organization's climate or philosophy, or even to introduce a new slogan to be used in its foreseeable future.



Figure 2.9: A large organizational meeting can resolve many employee issues.

The **roadshow meeting** allows managers to communicate important information that they believe requires their own presence. When the organization has branches, stores or offices in different areas the roadshow meeting can bridge the differences between departments and hierarchies. It can also add significance to various issues. It is undoubtedly a technique that demonstrates strong leadership and understanding (see case study 8.2 on *Bank of Cyprus*). Similarly, another face-to-face communication tactic involves **walking-the-floor**. Here, managers can demonstrate a more approachable, human element by showing their faces more and talking with employees and discussing their issues. Some managers even take it a step further and help employees with whatever tasks they might be doing at that particular moment.

Before the age of the internet, the most common employee relations tactic was the **newsletter**. That is not to say that it is no longer common today. In fact, most major organizations have one. Newsletters can be in print format, or they can be sent digitally (these are commonly called **e-zines**). Newsletters are usually published



Figure 2.10: The Raiffeisen Bank Romania newsletter (courtesy of Raiffeisen Bank, Romania)

monthly or quarterly and they contain all kinds of information regarding the organization. It is one of the organizational 'glues' that bonds or unites the organization's employees. Special features of a newsletter might be the organization's future plans, success stories, employee of the month or any other message that motivates and unites employees.

Another tactic that does not require technology is the **ideas box**. This tactic allows employees to make recommendations, often anonymously, in order to improve their organization or their working conditions. Although this tactic is indeed effective, managers need to be sure that the ideas handed in are taken into consideration, even though they might not be implemented – otherwise, there would be little point in having an ideas box. If ideas / suggestions are ignored, this tactic could even backfire, and might engender a negative effect on motivation and productivity.

The final employee relations tactic to examine is the **induction literature** which should be handed to all newly hired employees. Often the responsibility of human resources departments, the literature, at minimum, needs to include information on the identity, philosophy and culture of the organization. For this reason, although it is more likely to be the responsibility of HR to induct a new employee into the organization (activities other than just literature might be introduced), those involved in the corporate communications and branding of the organization also need to be involved in one way or another.

Government Relations

It is hard to think of an organization that functions without some form of relationship with government agencies. Equally, it is just as challenging finding a government agency that does not open its own lines of communication with organizations from within its own geographic area. Contemporary governments that function under more open public management systems are in fact, encouraged to create those lines of communication. **New Public Management (NPM)** and **Digital Era Governance (DEG)** are two such public administration systems that seek to decentralize large government bodies, opening up many government functions to the private sector, and ridding governments of the red tape they are regularly perceived as having. DEG in particular is involved in digitalizing all government functions. The Oyster Card, which is required to access the London Transport System



Figure 2.11: A digital card is needed in order to use public transport in London

in England (see figure 2.11), is one such example. Additionally, it seems that many government agencies have spokespeople that inform citizens, mainly through the media, of their everyday activities. In most contemporary societies, government spokespeople give the media **daily briefings** that they, in turn, communicate to citizens through news segments. Yet, when discussing government relations within the context of public relations, what usually comes to mind is how organizations communicate with governments and not how governments communicate with organizations.

For organizations, the most common form of government relations is **lobbying**. In free-market economies especially, one of the main functions of governments is to legislate for it seems that all sectors require some form of regulatory control. Consider a nursing home being run without government legislation to guide it. The home might not be motivated to appoint enough staff, it might not have

properly trained personnel, and it might not provide appropriate care to its residents. These are areas that the market alone might not be able to 'correct'. Self-regulation would not suffice. In other words, it could be feasible for such 'immoral' nursing homes to exist with or without government intervention. So, for the well-being of all citizens it is obvious that legislation is required. Let us also ponder on what might happen should the government decide to allow citizens over the age of 65 to employ private care providers cheaply. This would likely have a detrimental effect on nursing homes since many elderly people would choose to stay in their homes with private care providers. In such a case the legislative powers of government might, in the eyes of the nursing homes, have gone too far. As a consequence it would make sense for all nursing homes to get together and form an association, and then appoint a lobbyist to try and advocate in their favour against such legislation.

Examples like this exist throughout all sectors of the economy and some of them are, of course, more sensitive than others. Contemplate perhaps an unregulated banking sector or media sector without controls in place: it could be damaging for society. Lobbying, therefore, is a function of government relations that is required to enable government to become more acquainted with the various sectors of its society, and for organizations to attempt to apprise governments of their points of view.

Consumer Relations

In 2004 the father / daughter team of Al and Laura Reis wrote a book with the title 'The Fall of Advertising and the Rise of PR' signalling a shift in consumer behaviour. While in the USA the book became a national bestseller (and for good reason), it also added confusion regarding what the function of PR is exactly. It gave the impression, possibly indirectly, that PR could be used *instead* of advertising but this is not necessarily the case.

We shall discover throughout this textbook that PR can indeed be used to increase the bottom line but it is also used for numerous other functions too. Besides, if we are to reflect on whether the police or army use PR for the bottom line, what bottom line exists in such areas do you think? And conversely, we can muse on where many organizations might be without the use of advertising (especially companies from the retail sector).

Yet it must be said that PR can function to *assist* strategists in meeting the objectives of advertising, which to a large extent involves sales. It is here where the Reis book has a point. As consumer habits change, and as people's lifestyles become more fragmented, it is harder to reach, and persuade, certain groups of people to purchase goods or services through advertising alone. Consequently, consumer relations, traditionally a PR function, can play a part. As Seitel notes, *"building sales is the primary consumer relations objective"* (2007: 293). But similarly with



Figure 2.12: Consumer relations often involves direct contact with potential consumers

other publics, there are some departments that often claim a stake in consumer relations. For example, sales departments are often involved in what they call **consumer relations** management. Once more, regardless of where the responsibility lies, consumer relations is about bridging a gap and creating a mutual understanding with a particular segment of the organization. As publics like this can directly affect revenues, extreme sensitivity is required. One particular tactic might, for instance, be to establish a direct line with consumers – either via

telephone, email, live chat or a combination – but if that communication backfires for whatever reason, the effects could be disastrous for the organization. Another category of consumer relations tactics that is so popular it is often viewed separately as a function on its own, is promoting services or goods of the organization. This is usually called **direct promotion**. In this case the product or service is usually presented directly to the consumer at the place of purchase (i.e. supermarkets, fairs etc.)

The Other 'Publics'

In this concluding subsection several other publics will be addressed in which public relations is directly involved. **Financial relations** involves a very specific group of stakeholders (or potential stakeholders) that are growing in significance for many organizations. These are publics that wish to purchase shares in an organization, or are shareholders already. It should be mentioned here that financial relations frequently involves institutional shareholders, or big buyers such as pension fund managers and large fund managers of all types. It is also worth noting that financial relations and media relations might overlap since public relation practitioners might at some point be directly involved with the financial pages of the media with the aim of building their relationship and reputation to shareholders.

Various organizations often require strong **community relations**. For example, consider an airport and the kind of issues it might have with its surrounding community: It is possible the airport is built close to neighbourhoods, there might be hotels and other large organizations within that community, and many of its employees might share the same community. There is little doubt, therefore, that the airport would continually seek to build strong relations with everyone in that community.

Two particular publics with similar PR functions are **distributors and suppliers**. Again, the importance of these two publics depends upon the nature of the organization. Both suppliers and distributors of any organization can be vital for its survival so the kind of relationships that are created and nurtured by PR practitioners should be given careful thought.

Opinion leaders may come in many forms. They might be specific customers or clients, the news media, politicians, or any other group that can sway opinion and change the perceptions and / or attitudes of an organization's stakeholders. Furthermore, with the growth of the internet and social media in particular, opinion leaders now take on a new role that public relations practitioners need to be aware of. By way of illustration, in the technology sector, one blogger's opinion can destroy or bring huge successes to a product.

In times of crisis, particularly, the way in which an organization communicates with its **trade union** can be crucial. When a trade union, its employees and management are mutually aligned then an organization usually manages to thrive, or works through harsh times at the very least. On the other hand, if a trade union decides to take strike action, it might cost the organization a great deal of money and potentially damage its reputation.

Ultimately, attracting **potential employees** is a growing function of many organizations simply because of increased competition amongst them. Furthermore, in contemporary businesses, creativity has taken on a more crucial role (Nicoli, 2011). The need to appoint employees who might introduce innovative patents, great ideas and strategies or other **competitive advantages** has become more apparent; organizations are looking to recruit new employees from universities, schools and other organizations, but in order to do so they must demonstrate to these publics why they would be better off joining their particular organization.

CASE STUDY 2.1 – WILTON Confectioneries*

Doing More with Less – The Birthday Cake, 2010 Campaign



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives

The first Wilton Confectionary opened in Limassol in 1986. Today it has over 100 employees, with four different locations in Limassol, one in Larnaca, one in Pafos and one in London. Its next expansion is scheduled for Nicosia in 2013. The organization has followed a steady growth pattern, taking care not to endanger its identity and competitive advantages while growing into a chain. It has combined its quality of products with stable messages over the years. Above all, it has maintained a strong relationship with all its publics and always considers their feedback either by word-of-mouth or through research. The period 2007-2009 was a difficult one for Wilton Confectioneries and for Confectioneries in general. Large bakery chains have made in-roads into the confectionary sector by stocking sweet products of their own to sell and consumers are warming to the fact that they can find these products from such outlets, often at cheaper prices. In spite of the fact that their sweet products are usually less fresh and of inferior quality than those from Confectioneries, it seems that consumer convenience is important for these products.

With these challenges in mind, Wilton Confectioneries sought to consolidate their branding activities in an effort to save costs but not to change the quality of their products. By using a variety of communication tactics it was important to continue their strong relationships with their publics whilst not jeopardizing the strong reputation they had built over the last 20 years.

2. How the Programme was Implemented

In 2010 Wilton Confectionary decided to 'do more with less'. This phrase was an internal one that was coined solely amongst its employees and not one intended to be publicized externally to its publics. Wilton decided that there was a need to implement public relations tactics to the existent marketing campaign since marketing tactics were normally more expensive than PR tactics. Additionally, PR tactics reach all kinds of publics whereas marketing tactics were used only to generate sales. The main strategy for this campaign was to convey the high quality of Wilton Confectioneries through one product – The Birthday Cake. It did not go head to head with the Bakeries but it communicated its competitive advantage through this campaign.

This is how Wilton's communication team did it:

Employee Relations:

- ▶ Organize a large meeting to inform all employees of communications strategy
- ▶ Roadshow meeting to all stores
- ▶ Creation of central factory to distribute products centrally
- ▶ Inform employees mainly through meetings of reusing an older slogan, 'Because Sweets Have Their Own Name' ('Γιατί και τα γλυκά έχουν το όνομα τους')

Supplier Relations:

- ▶ Private, formal and informal meetings explaining to suppliers that the quality of their products will be just as in the past despite the crisis in the confectionary sector. Wilton will continue to make the tastiest, freshest products and will strongly promote Birthday Cakes. Unlike the bakeries, this is how they can differentiate. For this to happen, they need the best quality from their suppliers.

Marketing Activities / Customer Relations / Media Relations

- ▶ Reintroduction of slogan, 'Because Sweets Have Their Own Name'
- ▶ Creation of competition with prizes over a one-year period
- ▶ Promote competition to new areas directed at parents and places of interest to children (schools, pediatricians, play grounds)
- ▶ Magazine Advertisements
- ▶ Point of Purchase in-stores
- ▶ Direct Mail to existing database
- ▶ Radio Spots
- ▶ Banners
- ▶ Leaflets
- ▶ Party, announcing the winner of the competition

o Pre-Party

- ▶ Invitations to all stakeholders (letters and emails)
- ▶ Preparation of products
- ▶ Speech preparation
- ▶ Pitch letter to media

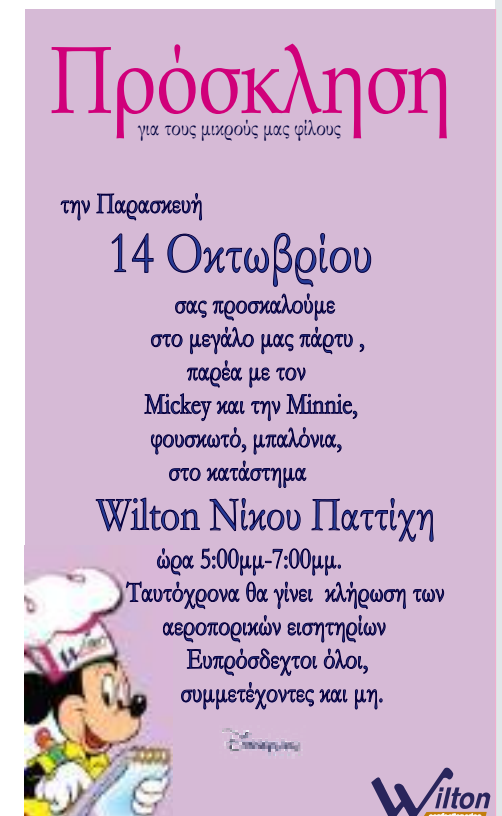
o Party at one of the main stores in Limassol

- ▶ Face-painting
- ▶ Mickey and Mini Mouse
- ▶ Catering with plenty of products offered
- ▶ Speech
- ▶ Announcement of new 1,500 square metre factory in Ayia Sylva in Ypsonas
- ▶ Screens with images of new factory promoting the ISO22000
- ▶ Draw and announcement of winner
- ▶ Blow-up balloons

o Post-Party

- ▶ Press-Releases of event showing winner of competition
- ▶ Coverage of event in homepage

At approximately €15,000, the budget for this campaign was not huge. The campaign lasted one year from October 2010 to October 2011.



Invitation to party

3. Results

The use of public relations tactics across all publics made the campaign extremely successful. Over 700 people took part in the competition and many people came to the event itself. In Limassol, research identified that the best Birthday Cake in town became synonymous with Wilton Confectionary. Accordingly, many children's parties now purchase from Wilton's. Of course the sales of all products increased, but more importantly Wilton's brand image and reputation grew tremendously.

*This case study was prepared by Wilton Confectioneries in Limassol, Cyprus.
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4. Review Questions

- Why was the whole strategy based on just one product, The Birthday Cake?
- In times of crisis why did Wilton Confectionary create a new central factory?
- Why does Wilton Confectionary wish to differentiate from the Bakery?
- What else might have been done in terms of media relations?

Working in Public Relations

Throughout this book we argue that all organizations are required to communicate. We stress, in fact, that it is not merely organizations but all kinds of groups and individuals that need to communicate and practice some form of public relations, marketing or a combination of both. Moreover, as organizations expand the need for them to communicate becomes more noticeable. To put it within context, public relations functions will become more significant as an organization expands.

From the outset we should clarify that any person working in public relations is known as a **public relations practitioner**. Anyone wishing to work as a public relations practitioner should not only be aware of these functions but also be mindful of the available routes that can be taken in order to achieve a career in this field. The way in which most socio-economic democracies are set up today allows for a variety of routes. For example, a practitioner can work in a public relations department of any particular sector. To illustrate this point, the newly recruited practitioner would either work alone or with a team of other practitioners purely at a single organization, i.e. the one they are currently working for. An employee operating in this role is known as an **internal public relations practitioner** – in-house practitioner. On the other hand, a person performing in a public relations consultancy role is recruited to work with colleagues at numerous organizations – the clients. In other words, the clients outsource their public relations requirements from public relations consultancies. This position is called the **external public relations practitioner**, or the public relations consultant. In this section both of these positions are examined in further detail and the characteristics of each one are highlighted.

However, before we move on we must also take note of another issue which involves the career paths of public relations practitioners. This subject is important in an analysis regarding public relations professions. To begin with, an entry level practitioner is called a **public relations technician**. Whether a technician works internally or externally their responsibilities involve executing public relations tactics. That is to say, the technician might write a press release, or create a corporate blog, or organize a press conference. Once technicians have sufficient years of experience and a sound understanding of the basics of the field, they may have an opportunity to climb the corporate ladder and become a **public relations manager**. PR managers work much closer with higher levels of management and usually provide council and advice to senior managers regarding



Figure 2.13: A strategist and a technician working together

issues of communications. Their main responsibilities lay in the creation of strategies and plans and their job is to analyze research data, work on short- and long-term issues, set budgets, give presentations, create timelines and delegate technicians among other responsibilities involved in the PR plan (see chapter eight).

In conclusion we must emphasize again that depending on the nature of an organization, PR functions differ. To give an instance, an airline company would surely have strong media relations since the aviation industry is sensitive and prone to many newsworthy events. The

practitioner involved with this function would, therefore, be extremely familiar with this area. He or she may even have worked previously as a journalist before moving to aviation public relations.

The Internal Public Relations Practitioner

Anyone working in internal public relations must surely be fond of the demanding sector they are working in. In fact, it is often the case that internal public relations practitioners are already trained or educated in a particular sector before becoming involved in public relations. For example, if an employee works as a public relations practitioner for a pharmaceutical organization he or she might have a background or university degree in chemical engineering or some other related area prior to entering the corporate communications sector. Once employed, he or she is most likely to be retrained in the field of communications. There are various degrees and training centres across the globe that offer such courses for adult learners. One other pathway to building a career in internal PR is to have previous knowledge of working as an external PR consultant. Having acquired sufficient experience practitioners often choose to shift to internal PR.

An internal public relations department is structured so that it can maintain its function and meet the needs of that organization. Nothing is set in stone and issues of organizational structuring are quite dynamic. As addressed earlier, many positions created in the department of internal public relations, exist based on the needs of that organization. Its functions are also dependent on how much relevance a manager gives to them. Possible questions that a manager might raise when creating an internal public relations department are: Do we need a full-time employee relations practitioner?; Do we need to appoint someone to conduct communications research?; Do we need a lobbyist?; and so on. If the answers to such questions are, 'only sometimes', then it might be the case that these services are subsequently outsourced from public relations consultancies. A general rule of thumb in most developed economies is that there are more internal practitioners than external; which evidences the added value that many managers now give to the field of public relations.

For the internal practitioner there are several advantages. They can truly concentrate on excelling in one specific area. Each field has very sector-specific characteristics so a public relations expert, who is able to acquire these characteristics, can stand out. Furthermore, working for an internal PR department usually offers improved lines of communication. The employee 'knows the whole story' by working internally and can, therefore, offer better advice and remain more devoted. Finally, one of the most significant advantages of working in-house is that during times of crisis the department can work holistically, around the clock on restoring order.

Ask a Public Relations Practitioner

Interview with Chevrolet Romania PR Manager, Florentina Stoica



Florentina Stoica is PR Manager at Chevrolet Romania. She joined the organization in 2007. Prior to working as an internal PR practitioner she worked as PR Manager in the Information and Communication Technologies (ITC) sector. She has worked in PR and marketing for almost 10 years.

1. What is your definition of PR? And, how do you apply such a broad definition in your organization (for both internal and external publics)?

Public Relations is a strategic communication management function that builds mutually beneficial relationships between organizations and their publics, creates positive products and corporate news and conveys confidence in the future of a brand or an organization.

To put in practice this definition and to transform it in a successful PR strategy, I always think about my publics first: It's important to identify the publics for a specific campaign; therefore research is imperative in any PR campaign. Once I define the publics and the key messages of my campaign, I move to the next step: anticipation of public opinion. What the publics will say about my message/campaign ... only after these questions are answered can a campaign be developed. Oh, I also consider that ethics is very important in Public Relations. Successful public relations hinges on the ethics of its practitioners.

2. Share two or three trends that indicate how the practice of PR is changing and evolving (for this question, you can either respond for the Romanian market or the market in general; we would like your opinion).

Consumer behaviour and technological advancement affects the markets and media landscape. Public relations is connected to these changes and therefore has to be adapted to the new landscape.

One of these new trends is represented by social media applications. Social media appearance generates a new trend in monitoring: monitoring platforms that allow us to gather information about our brands, the market and to better understand the publics that we want to reach.

These changes also require measurement changes. In a relatively short period, the measurement discussions moved from Advertising Value Equivalent (AVE) to understanding the differences between Return on Investment (ROI) and Return on Participation (ROP). Advertising equivalency and media impressions are not the PR industry's means of measuring success. The new trends in measurement are search engine rankings, inbound links, website traffic, etc.

3. Which social media applications do you use and think are the most useful for your business?

I mainly use Facebook, Twitter and YouTube because here I find the biggest groups of my publics, but I am always ready to add more to the list if I consider this necessary. Being flexible and well-informed is a must in PR.

4. What do you like most about your work, and what advice would you give to someone who is just starting out in his or her PR career?

I am very passionate about my job and I strongly believe that one should do what he or she loves the most. One thing I enjoy very much in my job is the fact that there is always something new even though it is internal PR. I like the liberty of decision and creation as well. Having worked as a technician earlier but moving on now to more managerial and strategic work is also very rewarding. I feel I have something to give to people who are just entering the field.

If I were to give advice to someone starting a career in PR, I would ask him or her to be sure that he or she understands what PR is. I think that many practitioners at the beginning of their career know very little about this profession. My advice: understand what you are supposed to do, decide if you like it and then take action. Also, begin with many clients at the start and then make a decision as to which specific area of PR you like.

Ms. Stoica was interviewed by Marcos Komodromos.

The External Public Relations Practitioner – The PR Consultant

When students are asked where they would rather work; in an in-house public relations department or a public relations consultancy, most of them choose the latter. It seems that the actual word 'consultant' holds more allure for students since it implies added prestige and an increased understanding of an area. This is not a coincidence. Ever since the 1980s a whole host of organizations began to use management consultants, advertising consultants, image consultants and any other conceivable type of consultant. As efficiencies and accountabilities grew in importance so did the use of such experts in order to assist organizations in minimizing costs and making the most of what they had.

In corporate communication, we touched upon how advertising grew from the 1970s onwards due to the accelerated growth of the media, increased competition and a better understanding of consumer behaviour. But as publicity budgets have stagnated recently, many advertising agencies have sought new areas of growth and a large number have introduced PR consultancies as an added service for their clients or for bringing in potentially new clients. Along with advertising agencies, many PR consultancies that concentrate solely on PR have also grown recently. It appears that many of them have clients from other geographic locations (i.e. a client wishing to enter a new market), or have clients with little expertise in certain areas (i.e. lobbying, media relations, event planning, political communication and others).

We believe that new entrants in the field of public relations should, if they obtain the chance, start their careers as junior technicians in public relations consultancies. There are good reasons for this advice and one of them is to familiarize young technicians and bring them into contact with many different sectors. A PR consultancy firm might have several clients from numerous sectors, hence, those working in such firms will acquire an opportunity to 'check out' which sector they prefer before choosing a specialty area. It is more likely that juniors would be assigned to working on tactics which are less 'sensitive' than internal tactics are. This stage should permit the technician an opportunity to get to know the people in the communications sector whilst building up confidence. Owing to the size of its clientele base, a consultancy usually has more events running simultaneously which should (we presume) allow junior technicians to further improve their skills (and be invited to more reception parties).

Summary

The field of public relations has numerous functions, all of which should be aligned with the managerial ethos of an organization. An effective way to understand these functions is to break them down into the organization's many publics. In fact, this is how the field views itself and organizes itself. For example, the function of building a relationship with the media is simply called media relations. The function of internal communication is known as employee relations, and so on. It is, of course, worth mentioning that there are functions of the field which have not been touched upon yet such as issues and crisis management, corporate social responsibility, and others, but we will look at these in detail later in the textbook.

Part of understanding the PR function is to get to know the options which are open to technicians working in public relations. So far we have seen that a beginner practitioner starts out as a technician and works his / her way up to a managerial / strategist level. Furthermore, there are two options, i.e. technicians can either work in an internal public relations department where they are able to specialize in communicating for one specific sector, or they can work externally, in a public relations consultancy. As a beginner, the options to learn more about the field – in a generic way – seem far more favourable in an external firm because of the many clients brought into contact with technicians, and as a consequence their exposure to a large number of diverse sectors.

Short Definition of Terms

Public Relations Practitioners

The occupation name which people working in the field of public relations are known by.

Tactics

The actual action / activity taken by public relations professionals.

Public Opinion

What is generally considered to be the collective beliefs, verbal expressions, perceptions and attitudes of the population of a given society.

Two-Step Public

The phrase given to the media due to its ability to reach other publics.

Audiences

A group of people consuming audiovisual media content (especially if done at the same time).

Listeners

A group of people consuming audio media content.

Readers

A group of people consuming print media content.

Newsworthy

Information deemed worthy by media gatekeepers to be covered in media outlets.

Credibility

Information seen as authoritative, reliable and sincere.

Crisis Management

The term used in public relations to restore normal daily practise and reputation building in organizations.

Pitch Letter

A tactic used in media relations to arouse the interest of media gatekeepers to cover a story of the organization.

News Release

A tactic in media relations in which the organization prepares a story in a journalistic style to be covered in the media.

Feature Story

A tactic in media relations in which the organization prepares a story in a journalistic style to be covered in the media.

The News Conference

A tactic in media relations in which the organization invites the media in order to announce information it deems newsworthy.

Media Kit

Information handed out to the media, usually at a news conference, in order to assist journalists to better cover the story the organization is announcing.

The Media Reception

A tactic in media relations in which the organization invites the media to a gathering where the mood is more casual and relaxed and no newsworthy information is expected to be passed along.

Scoop

An exclusive (original) story that journalists / reporters publish before their rivals.

Managerial Paradigms

A specific way academics and practitioners practice and perceive the discipline of management.

Inputs

What an employee gives to a job / organization.

Outcomes

What an employee gets back from a job / organization.

Information and Communication Technologies (ICT)

The term given for the integration / convergence of computers, telecommunications and media.

Intranet

A network within an organization that uses the same technology as the internet, but it is password protected for employees only. Also used as an employee relations platform for communication tactics.

Extranet

A network similar to an intranet which also allows stakeholders close to the organization to have access. Also used as an employee relations platform for communication tactics.

Email

A digital form of communication now considered an imperative tactic in employee relations.

Corporate Blogs

An internet site where employees can enter, in a non-hierarchical manner, and communicate with each other often anonymously. Also used as an employee tactic to promote transparency.

Grapevine

Gossip that spreads fast within organizations.

The Large Meeting

Within the context of public relations, an employee relations tactic used by management to communicate important information to employees.

Roadshow Meeting

Within the context of public relations, an employee relations tactic used by management to meet with employees that are geographically dispersed.

Walking-The-Floor

Within the context of public relations, an employee relations tactic used by management to see what employees are doing on a daily basis – often getting involved themselves with the same responsibilities as their employees.

Newsletter

An employee relations tactic whereby a printed document with several pages – often looking like a magazine or newsletter – but customized with organizational news, is distributed across the organization and close stakeholders.

E-Zines

A digital newsletter sent through email or uploaded on an intranet / extranet.

Ideas Box

An employee relations tactic whereby employees can communicate their recommendations regarding the organization.

Induction Literature

Information given to new employees stating significant information that allows the employee to become better acquainted with the organization and its customs.

New Public Management (NPM)

A form of public management that seeks to make governments more efficient often through increased competition.

Digital Era Governance (DEG)

A form of public management that seeks to make governments more efficient mainly through the use of ICT.

Daily Briefings

A tactic used by government spokespeople to bring the media up to date.

Lobbying

A public relations function that seeks to inform government policy-makers to construct policies in favour of the organization, or sector, that is doing the lobbying.

Consumer Relations Management (CRM)

A method, often used in marketing and sales discourses, of building long-lasting relationships with clients or customers, often with the use of a variety of digital technologies. Within public relations this is often seen as a function of customer relations.

Direct Promotion

A group of tactics used to bring products or services closer to the customer / client without the use of media.

Financial Relations

A public relations function, mostly for public companies, used to build mutual understanding with current or potential shareholders.

Community Relations

A public relations function used to build mutual understanding with the community of the organization.

Distributors and Suppliers

Two significant stakeholders of an organization.

Opinion Leaders

An active receiver of messages who becomes influential to others around him / her based on those messages.

Trade Unions

An organized association of workers in a trade or profession formed to protect and improve their working conditions, interests and rights.

Potential Employees

Within the content of public relations, a specific public that when appointed by an organization will benefit it.

Competitive Advantage

A term used in organizational studies for a specific trait that a particular organization has but its competitors do not.

Internal Public Relations Practitioner

A public relations practitioner that works within a department on responsibilities of his / her employer.

External Public Relations Practitioner

A public relations practitioner that works with clients that outsource their PR activities.

Public Relations Technician

A public relations practitioner that executes the tactics of a campaign.

Public Relations Manager

A public relations practitioner that strategizes, leads and organizes public relations functions.

Knowledge Check / Critical Thinking Questions

1. What are some examples of public relations functions? How do they differ from public relations tactics?
2. Why do the authors give more emphasis on media and employee relations?
3. Why are most public relations functions broken down into their ‘publics’?
4. Which tactics are more ‘credible’, those used in media relations or those used in advertising?
5. Is the tactic of ‘media reception’ a way of ‘paying off’ media?
6. When would a media relations practitioner use a news release and when a news conference?
7. Other than media and employee relations, which functions are significant?
8. How can we define those that work in public relations? How can they be broken down?
9. Where is it better to work, in internal public relations or external public relations?
10. Why have many advertising agencies also become external public relations companies?

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chapter
03

The Use of Theory in Public Relations

Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ understand the use of theory in public relations
- ▶ be comfortable with what the main debates in public relations theory are
- ▶ become familiar with some of the many theories involved in persuasion studies
- ▶ become well-informed with several main media theories

Overview

Few people are fond of theory. They find it laborious and of little use, often portraying it as being rather disconnected from reality. It could be deliberated, however, that as the public relations (PR) profession matures, those working in the field might become more sympathetic towards the need and use of theory. And yet, in a survey of 100 PR practitioners in the UK the importance of PR theory was placed at the end of a list of competencies required to succeed in the field (Moncur, 2006).



Figure 3.1: Why should organizations get involved with CSR tree planting schemes?

Our experience is that truly successful PR practitioners have a clear understanding of theory. They adjust to situations better and are more confident in strategizing, applying – and importantly – justifying tactics. This last point, we believe, is an unconditional requirement in the field of PR. Consider the concept of corporate social responsibility (CSR): Should it not be the case that PR practitioners, building CSR campaigns and programmes, ought to be equipped with a theoretical understanding of why an organization should give something back to society regardless of whether or not there is any direct benefit to the organization? Practitioners who are armed with appropriate theoretical frameworks in relation to

CSR are certain to have more conviction and self-belief as to why their organizations should pursue such activities (more on this in chapter five).

Apart from the need for practitioners to ascertain theories that will provide the necessary tools to help them improve in their careers, there is another, more profound, reason as to why the public relations sphere should be concerned with theory. To put it quite simply, all disciplines require solid theoretical foundations. In their edited book on PR Theory, Carl Botan and Vincent Hazleton, Jr., note that,

Central to the maturation of public relations as a profession and an academic discipline is the development of a body of theoretic knowledge that differentiates public relations from other academic disciplines. The academic roots of the discipline are clearly found in departments and schools of journalism and the empirical and humanistic social sciences concerned with the study of communication (1989: 13).

We must in other words distinguish the field of public relations with other social sciences that are a part of the all-encompassing discipline of communications. For example, what is the difference between PR and persuasion? Why is PR often used interchangeably with propaganda? Which communication theories can PR practitioners apply, and why? How can PR be placed in the postmodern context? Admittedly, the above points are pressing questions that when answered strengthen the field and give it a stronger metatheoretical grounding. Although we are not delving into areas such as the philosophy of science, we must touch on the basic elements of PR theory as well as address the theories that we believe equip PR practitioners best.

CASE STUDY 3.1 – Bank of Cyprus (BOC)*

“Επιχείρησε το” (Try it) Campaign

Building relationships by setting an example:

If they can do it, you can do it.

Business lectures “Επιχείρησε το”

Τράπεζα Κύπρου



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions



1. Situation Analysis & Objectives

In the business world, there are certain people who have the necessary vision to achieve their aspirations and goals. These people tend to become trend-setters, as well as great inspirers. BOC, as one of the biggest financial organizations in Cyprus, wanted to create a bridge between the public and these successful professionals in order to drive the growth of the local economy by providing invaluable know-how, information and solutions.

With this goal in mind, BOC has established a series of free business lectures in order to educate and help its customers. The main objectives of the lectures have been to expand their customers' knowledge within their field as well as to face their business problems by providing them with specialized information they may never have received or because it was too costly for them to attend. Mainly directed at small and medium businesses, these lectures are titled “Επιχείρησε το” (which in Greek and within this context, refers to venturing a new business or embarking on a new project, we call it ‘try it’) and has a primary goal of not just supporting and inspiring, but also of providing appropriate suggestions and answers on important issues that concern the business environment.



A print ad promoting one of the seminars (on the importance of market research):
Headline copy reads: ‘STOP WALKING IN THE DARK: Market Research – A necessary tool in facing the financial crisis’

Speakers are mostly distinguished professionals and experts in their field coming from the business community of Cyprus and abroad. In every lecture they present their own experiences, concerns and innovative ideas that make them so prominent in their field. Business lectures are organized 3-4 times a year and thus far there have been 14 lectures in total. In every lecture, a general booklet is given to all attendants, which includes notes on all the previous lectures.

2. How the Programme was Implemented

The exceptional idea to organize a series of seminars of this scale is also very ambitious. We believe that only a few organizations could have taken on the task, one of which is the Bank of Cyprus. In fact, based on our reputation and on how we are seen and what is expected of us, we felt responsible to implement the idea once it became fine-tuned.

There are many subtle details in organizing the seminars, from the content, to the discussants, to the venue. We have categorized them in the following way:

Steps:

1. Trying to find current issues that concern the business in question
2. Finding an appropriate speaker for each lecture
3. Creating all the necessary promotional materials (invitations, printed listings, branding on site)
4. Sending out invitations to the Bank's clients and placing advertisements in newspapers and magazines
5. Implementing the lecture

**3. Results**

The lectures which are organized in all cities are very popular amongst the general public, and this is demonstrated by the large attendance of people that exceeds 150-200 each time.

The business lectures have been successful in bringing the Bank closer to the public and adding extra value to a rather typical "seller-buyer" relationship with them. Through the lectures, the Bank has managed to build a reputation of a caring, trustful, value-providing brand which shares the anxiety and the concerns of its stakeholders, instead of one which is unapproachable and insensitive.

*This case study was prepared by Bank of Cyprus, Nicosia, Cyprus. © Bank of Cyprus - 2012. (This material must not be reproduced or quoted without permission).

4. Review Questions

- a. Through this initiative is the Bank of Cyprus trying to persuade its publics or is it embarking in a mutual understanding programme?
- b. Is this campaign an example of Excellence theory in practice?
- c. Discuss this campaign in reference to Systems Theory.
- d. Why are small and medium-sized businesses the prime publics used in this campaign?

The aforementioned theories that we now present below are just a handful of the many that may enable PR practitioners to become more adept. This section is introduced in two parts; the first is entitled, How to Perceive Theory, and the second, Theories Relative to Public Relations. The latter is a much longer section which has subsequently been broken down into four shorter sub-sections. The first sub-section seeks to place public relations within a postmodern context. In doing so it aims to create an overall awareness and acquaint the reader with examining the bigger picture. The second one looks at systems theory and reintroduces the concept of excellence theory (initially introduced in chapter one). The third sub-section addresses the connection between persuasion theories and public relations and the last one offers a range of well-known and useful communication and media theories that practitioners of corporate communications need to be aware of.

How to Perceive Theory

An effective way of understanding and appreciating social science theories is by using an analogy. We can compare theories to lenses used on observational tools such as glasses, cameras and telescopes. Different lenses allow the same unit of analysis to be observed in a different way. Some, lenses for example, zoom in and others zoom out, whereas some use different filters or different levels of sharpness.



Figure 3.2: Theorists see the world depending on which 'theoretical lenses' they are using

Consequently, like lenses, theories can take different forms, shapes, levels and sizes. They are flexible and can adapt and change over time. They can be proved, disproved and debated, but most of all theories are used to resolve differences, explain phenomena, and overall acquire a better understanding of the world and how its citizens are informed.

Let us take for instance the theory of structuralism. Theorists from this branch of sociology believe that human beings behave in a way that is often based on deeper structures, rather than on how they are conditioned (a theory social scientists call **behaviourism**). Some of these structures might form our subconscious (as Sigmund Freud might argue), others might concern

money motives (Karl Marx might argue this), whereas others might argue that money *and* culture are complex structures that drive human beings (Antonio Gramsci). On the other hand behaviourists such as Ivan Pavlov and B.F. Skinner did not take too kindly to these structures; they perceived that behaviour depends on how humans are conditioned rather than on structures that are difficult to observe. Here we have two theories which observe the same context and units of analysis (humans), but arrive at different conclusions.

We further create theories to use as guides that help us to do the right thing. These theory types, known as normative theories (see chapter one), can easily be used to test whether phenomena are practiced and exist in a manner which allows society to function and flourish.

Because different theories are often used to view the same thing, theoretical disputes often occur. In the field of public relations one of the biggest and on-going disputes relates to what PR is used for. The debate over this goes to the very heart of the field of study. On the one hand there are those that state that public relations is about a mutual understanding with one's publics – the Grunigian view (see Moloney, 2006) – and on the other, there are

those that see PR as more of a persuasive tool (see Miller, 1989). In the next section we endeavour to touch on these debates as well as on several others.

Theories Relative to Public Relations

Throughout the book we argue that public relations is concerned with how humans act, and especially how humans working in groups (organizations), communicate with, and to, other groups and individuals. Perceiving the discipline in this way gives it a much broader and more all-encompassing role in contemporary life. With this in mind we designate various theories and perspectives that we believe every practitioner should be conscious of.

Public Relations in a Postmodern World

Contemporary public relations became established during a period when society and how we live it, were viewed as both straightforward and obvious. Humans would strive for an education, marriage, two children and a stable job for life.



Figure 3.3: Urbanization is a major characteristic of modernity

Science, the rule of law and rational thinking were of great importance; it was a period of urbanization, elitism, and, importantly for PR, homogeneity and large audiences – audiences which could be influenced by powerful media companies that had access and control of analogue communication technologies. Due to audience sizes, advertisers could easily send their messages across and meet their marketing targets (see chapter four for more on this). Conversely, public relations messages were usually sent to editors as many PR practitioners would imitate journalists and try and get their

messages across through their editorial columns (Moloney, 2006). Social scientists have called this period **modernity**. It continued until the late 1970s and early 1980s but since that period many contemporary societies have undergone seismic changes which consequently prompted a large number of academics to reconsider what era we are living in precisely. The upshot is that researchers remain convinced that the changes are irreversible and so significant that they have coined the period, **postmodernity**. It has to be stated here that not all sociologists are totally convinced, nevertheless, a sufficient number of influential thinkers have bestowed an appreciable label of merit on this time.

While we may argue that in architecture the postmodern chapter started even earlier than the 1980s (Jameson, 1991), possibly the most consequential moment that truly marks the beginning of this new era is the launch of the **Apple Macintosh in 1984**. It signified considerable variations to modern life and led to a series of changes that are of particular importance for public relations. As discussed earlier in the book, digital communications started to take effect in the 1980s. Apple Inc., of course, played a major role in this, particularly with the launch of its first Macintosh Personal Computer (PC).



Figure 3.4: The 1984 Apple Macintosh Computer

The PC and the internet performed a crucial part in the shift from modernity to postmodernity because it rendered power and a right of entry to all levels of citizens and online users. Furthermore, groups were broken down into smaller segments and access extended into areas that were only allowed by a **dominant coalition** during modernity. Indeed, the above changes are in line with Holtzhausen's (2002) account regarding how postmodernity had applications in PR. Specifically, she notes that management strategy needs to be more inclusive since postmodern thinkers reject managers as the only rational employee; moreover, she adds that other stakeholders and organizational actors also play a role in public relations. In her conclusion Holtzhausen poses the question, *"what are the implications for public relations if other organizational actors have as much impact on public relations as the practitioners who are assigned to this task?"* (p. 260). As if responding to this question, Coombs and Holladay (2012) argue that because the 'other actors' have become so significant and real they are moving away from the fringes and challenging the orthodoxy of the dominant paradigm known as excellence theory.

Excellence Theory and Public Relations

In chapter one, we mentioned how by the mid-1980s a large research fund examining the effectiveness and impact on public relations had led to various significant insights into how the field should be studied, and more importantly, how it should be practiced. The two main researchers steering the project were James E. Grunig and Todd Hunt. This research paved the way for what is now known as *The Excellence Theory*. The foundations of the theory were laid in 1984 when the two scholars published their seminal work, *Managing Public Relations*. The 1984 book introduced the four models of public relations for the first time (see below). As a term and then as a dominant paradigm the theory took several more years to evolve until, in the early 1990s, *Excellence in Public Relations and Communication Management* was published (Grunig et al., 1992). Despite its criticisms the theory has been consensus-seeking and has, by and large, managed to create a paradigm shift in the field that is still being witnessed today. Before we look in further detail at excellence theory and the four models, we must, according to Lee Edwards, first address the more comprehensive framework of systems theory (think, zooming-out the lens), since it is within this context that Grunig and Hunt were working (2009: 46).

Ask a Public Relations Scholar

Interview with Professor Jacquie L'Etang



Professor Jacquie L'Etang has pursued critical themes relating to public relations since the late 1980s and early 1990s when she published articles on PR, CSR and business ethics, subsequently collaborating with Magda Pieczka on *Critical Perspectives in Public Relations* (1996) and a follow-up volume *Public Relations: Critical Debates and Contemporary Practice* (2006). She is author of *Public Relations in Britain: A History of Professional Practice* (2004), a textbook *Public Relations: Concepts, Practice and Critique* (2008), and has written more than 60 chapters and articles on a range of themes including: rhetoric, diplomacy and public diplomacy, history, propaganda, ethics, CSR, and anthropology. Forthcoming book projects include a book on sport, a co-edited international history book, two co-edited theoretical books, and a new edition of her textbook. In 2007 she was awarded a prize for her contribution to the literature by the University of Girona. She is founding and lead editor (with Jordi Xifra and Tim Coombs) of *Public Relations Inquiry* (launched in 2012). Professor L'Etang holds a Chair in Public Relations and Applied Communication at Queen Margaret University, Edinburgh, Scotland, and teaches public relations on undergraduate and postgraduate degrees, professional diplomas, and supervises several doctoral students. She has examined PhDs in the UK, Norway, France and Australia. She is also a Visiting Professor at the University of Ulster.

1. Is theory important for PR practitioners, and if so why?

Yes! – Because it helps them to see the bigger picture. Theory helps practitioners (and their clients) to develop a much deeper and more rigorous understanding of underlying issues and connections. It helps them make sense of their environment and the issues that arise, and to develop scientifically based responses.

2. Which theoretical frameworks do you see as important for PR practitioners to be aware of?

The range of relevant theories at any one time depends a little upon the seniority, role and scope of a particular post; the theories that are highly relevant to a media relations specialist are different to the person who specializes in internal employee communications or CSR programmes.

I don't think it's helpful to talk about particular frameworks because each area below, relevant to public relations practitioners, offers a wide range. Choosing one or two is both arbitrary and unwise. It could give the impression that all one needs to know in public relations practice are a few key items that can be applied by rote automatically without thought. Unfortunately life (and public relations practice) is not like that. Trainers (as opposed to educators and scholars) do sometimes highlight particular frameworks, but then training is a very different thing to education.

It's important to understand that public relations is an interdisciplinary subject area that draws on a range of ideas from many other disciplines. (Many other disciplines also operate in this way). Public relations scholars are creative in packaging and adapting concepts and this is a useful and innovative approach to understanding complex environments. Some functional approaches to public relations have tended to try and simplify the subject into straightforward planning process models or prescriptive typologies and these can be a useful starting point, however, to go beyond basic description requires deeper level knowledge. There are a number of textbooks that introduce a selection of approaches to public relations (organizational-managerial / functional; rhetorical / discourse; community / CSR; critical / political theory; gender / LGTG) and all of these (and others) have variable application in different settings. Therefore, a public relations practitioner who wishes to go beyond automated routines will always need to continue reading and to read more deeply – just as

you'd expect your General Medical Practitioner to continue reading about latest medical thinking / debates.

Finally, it is really important that public relations education includes critical perspectives and not solely functional approaches. Public relations practitioners need to consider their role in relation to the concepts of power, transparency and propaganda.

a) Social science research methods

These are the most useful 'tools' for practitioners, as it is only by their use that practitioners can set measurable objectives and evaluate their work against those objectives (presently many practitioners set behavioural objectives but then evaluate these through analysis of media coverage which is a flawed approach). Understanding the different worldviews that lie behind quantitative and qualitative work is important because it helps practitioners to appreciate how and why the type of knowledge gained from a statistical survey differs from that of a one-to-one interview and why both are useful complements to each other. Research Methods have the potential to help professionalize the public relations occupation by giving public relations practitioners a rigorous underpinning to their practice. A good grounding in research methods helps the practitioner to identify, conceptualize and analyze problems. Research skills help practitioners to ask questions and to guide clients towards a deeper understanding of issues.

An understanding of social science research methods inevitably improve intellectual capacity for logic and can contribute to more rigorous practice. It also enables practitioners to make good choices when purchasing public opinion or market research externally. Internally, it is impossible to produce a meaningful Communication Audit without an ability to conduct qualitative and quantitative research (mixed methods).

b) Organizational communications, organizational studies, organizational behaviour

These various streams of theory contribute immensely to a practitioner's insight and ability to make sense of their environments. They provide in-depth insights into concepts of organizational culture and climate that mitigate against simplistic and knee-jerk definitions and reactions. Invaluable insights here in relation to organizational change, cultural dynamics, organizational symbolism, discourse, organizational cultures and counter-cultures, organizational justice, leadership, conflict and teams. There is especially useful work on networks, learning organizations, participation and decision-making invaluable in both public policy and internal contexts.

c) Communications theories

Practitioners need a good grounding in mass and media communications theories to help them understand the inter-relationship between sponsored communications and information subsidies, media including social media consumption and public and stakeholder opinion formation around public issues. In addition to the societal dimension, practitioners need specialist understanding of inter-personal, group, organizational and in a globalized world international communication.

d) Media theories

Many practitioners have jobs that are focused on media relations and therefore need to understand theories of news, news values, gatekeeping and especially theories relating to the influence of the media – Media Effects theories. Public relations practitioners often claim media effects as a consequence of their own work, and knowledge of these theories and the methods that underpin them (see above) would help them to demonstrate their influence as well as understanding the limits (media effects is not the same as behavioural effects on a particular group).

e) Social theory and sociology

Public relations takes place in societal and cultural contexts. Social theories produce a range of useful insights about the PR role in society including its role as a 'cultural intermediary' (see Carrie Hodges and Lee Edwards work) as 'impression management', as an activity which may privilege powerful interests, as risk management, and as an occupation and activity which produces and circulates discourses.

f) Moral philosophy

Essential for any understanding of CSR activity and important in trying to understand the potential benefits and dis-benefits of public relations practice in society.

3. Is PR about mutual understanding or persuasion?

First of all, this is too simplistic a choice! Public relations is also about relationships and power. Mutual understanding and persuasion are not simple constructs. Persuasion may be seen as the domain of psychology but also requires an understanding of rhetoric, discourse, societal contexts, and ethics. The concept of 'mutual understanding' demands interrogation as it tends to be trotted out as a moral good somewhat loosely. While it is sometimes linked to the (generally) quantitative framework of co-orientation theory, a more reflexive approach that builds in analysis of the concept of 'dialogue' (see writing by Maureen Taylor and Magda Pieczka) is more holistic.

The concepts are not necessarily mutually exclusive as both self-understanding and understanding others are ongoing processes that are part of all communication (interpersonal communication, intra-personal communication, inter-organisational communication, international communication).

4. How does PR fit in with the current climate: economic crisis, activism and protests?

Public relations activity and discursive struggle occurs at points of change, as do advocacy, public debate, activism and social movements.

5. What is the future of the field of PR as a practice and as an academic discipline?

I would hope that the practice begins to commission research from scholars and to sponsor practitioners through educational programmes based in universities.

It is an exciting time to be studying PR and the discipline is engaging with a wider variety of perspectives from other parts of the social sciences, which can produce insights for practice, but, as importantly generate understanding of the role of PR within and between cultures.

Fortunately, the idea that there is 'one' scientific theory or theoretical approach to the study in public relations is less apparent, which is fortunate because it would (a) be a very boring subject otherwise and (b) would not be sustainable as an academic discipline. Public relations is a social science and consequently an area of debate and multiple perspectives.

Finally, I hope that many more practitioners and students will study the subject at PhD level in order to advance our understanding of the occupation.

Professor L'Etang was interviewed by Marcos Komodromos.

For the sake of historical accuracy and correctness, Systems Theory has its roots in the natural, and not the social sciences. Yet over time the theory has become more widespread and multidisciplinary with well-known sociologists and communications scholars such as Margaret Mead and Niklas Luhmann also using the term to develop their own theories and writings. Within the context of PR, the formula places organizations within an environment often seen as a suprasystem (in much the same way as various organs exist in a body – hence the connection with the natural sciences). *"A suprasystem consists of natural, technological, human, political, socioeconomic and market environments"* (Creedon, 1993: 158, citing Brody and Stone, 1989).

As systems theorists, both Grunig and Hunt sought to construct an approach in the field that would a priori place organizations within an open system, guiding them towards working proactively in their relative environments. Based on their initial studies, they devised a **four-model typology** that became a guideline for all PR students and practitioners alike. According to Coombs and Holladay (2012), *"it was designed to explain the evolution and practice of public relations"* (p. 3). With this in mind the history and evolution of the field (as described in chapter one of this textbook) becomes vital reading in order to comprehend the typology, which is as follows:

1. Press Agency / Publicist
2. Public Information
3. Two-Way Asymmetrical
4. Two-Way Symmetrical

The first two periods are what Grunig and Hunt characterize as a one-way form of communication – here reflecting the *public-be-damned* era mentioned in chapter one. As they argue, it was a period in which the public receiving the messages



Figure 3.5: Greenpeace is often considered an organization that practices the two-way asymmetrical model

constructed by press agents (early PR practitioners) were not intended to establish dialogues. The authors claim that the Press Agent / Publicist model would often consist of outright lies and exaggerations. The second point – that of public information – was still one-way communication with the difference between the two of them being that the latter was at least truthful and accurate. As governments and large organizations grew in size across the world during the twentieth century they would frequently practice the public information model. In the opinion of the authors a gradual shift occurred during the 1970s as organizations began to open up dialogues with various publics; however, they still continued to be persuasive. Furthermore, Grunig and Hunt had this to say specifically regarding the asymmetrical model: *"they [practitioners] use what is known from social science theory and research about attitudes*

and behavior to persuade publics to accept the organization's point of view and to behave in a way that supports the organization" (1984: 22). With the exception of only a few organizations (such as Greenpeace), even the two-way asymmetrical model was criticized by Grunig and Hunt because it still meant an organization acting in its own self-interest. They noted that it was still a form of persuasion, and persuasion is manipulation. For this reason they introduced the fourth model – the two-way symmetrical model. They saw only a few companies and organizations acting this way, a method they termed excellence in communication management. This model held mutual interest at its heart, and as seen in chapter one, most current definitions of PR include this. The logic behind this model is as follows: as an organization sends out messages within an open system it still needs to listen to what its publics are saying. By doing so, the organization can adapt and

change its own messages accordingly and at a juncture where both parties involved can mutually benefit from the communication.

The fourth model gradually became synonymous with Excellence Theory. As a consequence, all organizations that followed this ideal were seen as practicing excellence in communication management. The central components of excellence theory are:

- ▶ Public Relations should be perceived as a significant part of the organization and have relative autonomy in making decisions
- ▶ There needs to be separate roles for both PR managers and the technicians that carry out the tactics
- ▶ Ethics and codes of practice are significant (a theme we return to in chapter five)
- ▶ Integration between other forms of communication such as advertising and marketing is imperative (the theme of the next chapter)
- ▶ Two-way symmetry is crucial. And by this, the theory notes that research with all publics needs to be on-going. Based on the conclusions of the research, the organization might need to change its own future messages (hence a more symmetrical form of communication)
- ▶ Strategy and preplanning is imperative in all actions taken
- ▶ Strong emphasis on internal relations
- ▶ Pressure from activist groups should be viewed as an issue to take note of and to manage rather than ignore

Ask a Public Relations Scholar Interview with Professor James E. Grunig



James E. Grunig is Professor Emeritus in the Department of Communication at the University of Maryland College Park. He is the coauthor of five books and editor of a sixth. Grunig has written 246 other publications such as book chapters, journal articles, reports, and papers. He has won six major awards in public relations and the most prestigious lifetime award of the Association for Education in Journalism and Mass Communication (AEJMC), the Paul J. Deutschmann Award for Excellence in Research. He is the founding coeditor of the Journal of Public Relations Research. He has been awarded honorary doctorates by the Universidad San Martin de Porres in Peru, the University of Bucharest in Romania, Istanbul University in Turkey, and the University of Quebec at Montreal in Canada.

1. Professor Grunig, is the excellence theory a normative theory?

The excellence theory is both a positive and a normative theory. It is a positive, or descriptive, theory in that it is actually practiced by the organizations that have the most excellent public relations programmes – as our extensive research for the excellence study showed. It is also a normative theory because it is the theory that I believe is most effective and the approach to public relations that I would recommend over others. The best normative theory is not just an idealized theory but one that also can be found in practice and demonstrated to be the most effective. I believe my colleagues and I did that in the excellence study.

2. Although excellence theory is the current paradigm - or presupposition as you note - many believe that PR is still essentially about persuasion. Can two parties be symmetrical when they communicate?

Of course: People communicate symmetrically all of the time. To communicate symmetrically means that we listen to other people as well as speak to them. We think of their interests as well as our own. We open ourselves to the possibility of persuasion by others, as well as trying to persuade others. If we only think of public relations as an attempt to persuade others to think as we do, we limit its ability to help organizations listen, learn, behave in a socially responsible way, and make decisions that are in the interests of publics as well as in the interest of the organizations we represent.

3. What role do other theories play in the field of PR? For example, critical theory, postmodernism, feminism etc.

I think that all of these theories have value, although I don't always agree with their implications for public relations. We have studied most of these theories and tried to incorporate them into the excellence theory. I especially like Derina Holtzhausen's postmodern theory of an activist role for public relations. I have always thought that public relations should challenge organizations to think more broadly rather than to blindly defend everything they do. However, I think Holtzhausen is incorrect when she says that the excellence theory is modernist in nature. Excellence theory doesn't follow all of the assumptions of postmodern theory, but I believe it is closer to a postmodern theory than a modernist theory. Feminist theory has played an important role in the development of the excellence theory, especially through the work of my wife, Larissa Grunig.

4. As the financial crisis continues, and even worsens, and as citizens go out in thousands to protest, what do you think is the role of PR?

The major role for public relations is to provide a voice for publics in management decision making. It is a strategic management discipline that provides information on the consequences of organizational behaviours on publics to management before decisions are made and helps organizations to behave in ways that are sustainable, socially responsible, ethical, and in the interests of publics as well as organizations.

5. Public relations is maturing and you have personally played a large role in its maturation. How do you see the field's future?

I believe that public relations must be a strategic management function as well as a communication function if it is to survive as a profession. I believe that the new, digital media will help make this possible. The interactive nature of digital media makes symmetrical communication not only possible but almost impossible not to practice. The enormous amount of information available to public relations people on the Internet makes it much easier to conduct environmental scanning research to identify problems, publics, and issues created by the consequences of management decisions – information that is necessary for public relations to become a full participant in the strategic management process.

Professor Grunig was interviewed by Nicholas Nicoli.

Public Relations and Theories of Persuasion

If readers of this textbook have been attentive they will have noticed how **persuasion** appears to play a central role in public relations. We have already mentioned that persuasion and mutual understanding are viewed as two extremes in the way that PR is practiced, and this is considered the main debate in studies of PR theory. Interestingly, persuasion is often regarded as a communicative act as well as an art, (as those who both practice and understand it are aware of). Social scientists that are gripped by the art of persuasion are usually also fascinated by attitudes, the reason being that persuasion serves as the central overriding means to affect or shape people's attitudes. This, in turn, is important because an attitude is the starting point for how an opinion is formed about anything and eventually it positions how we will act or behave on it. In other words, persuasion is pivotal because it can lead to how we make our decisions in life; these decisions could determine how we purchase goods and services, how we vote, how we rate, etc. Because of the significance of persuasion, many communications scholars are intrigued by its process and understanding. The following theories, ideas and approaches best describe this phenomenon.

Rhetoric

Theorist / Precursor: Aristotle

Date written / Published: No records found

Rhetoric is the ability to debate, argue and ultimately persuade in an effective manner. Unsurprisingly, rhetoric appears in every persuasive form of communication. It strives to highlight that if the sender of the message is



Figure 3.6: Aristotle Statue located at Ira, Greece – birthplace of the great philosopher

eloquent enough then its content may persuade others into believing it. Aristotle's rhetoric utilizes different forms of persuasive techniques that primarily aim to make the message more believable and consequently appear as the truth, or truest option. Heath (2001) argues that public relations is rhetorical persuasion and perceives it to be a significant characteristic of a good leader, something which the ancient Greeks also believed in. To Aristotle, rhetoric was specifically broken down into three different spheres of persuasion: *ethos*, *pathos* and *logos*. In order to rally or to persuade the receivers of a message these spheres must be carefully mastered by the sender. By using various techniques such as forms of argumentation and debate (as in those noted by Zieglmueller and Kay, 1997), rhetoric can be directly linked to persuasion. But with rhetoric and persuasion also comes ethics. According to Aristotle *ethos* appertains to the *credibility* or the *ethical appeal* of the character of the sender of the message. The public tends to believe or be persuaded by individuals or institutions that they respect and admire. In many aspects, if an individual has a perceived level of intelligence, is of virtuous character and maintains a good intention, the public seems to be persuaded instantly. In short, *ethos* aims to project an impression of authority and credibility to persuade the audience.

On the other hand, *pathos* points to the ability of the sender of the message to *appeal to the emotions of the receiver*. Emotions are best affected if the senses are aroused. If a particular PR strategy stirs most of the senses

then it becomes more emotionally appealing and can effectively transform a campaign. That said, *pathos* is more often associated with advertising because this form of communication is frequently connected with emotion.

In Aristotle's third and final sphere of persuasion he described *logos* as the perceived *intelligence* of the sender of the message, such as when a message tries to persuade the public via the use of reasoning. Reason, intellect and

logic are more likely to persuade people because these areas of wisdom assume hard facts that can be verified unlike false assumptions or weak assertions. The premise is simple: give the public sound reasoning and they have reason to believe and be persuaded. It is for this purpose that PR messages are filled with statistics, expert-opinions and all manner of data.

In the main, politicians, government officials, public speakers, philanthropists, priests and news personalities among others are observed to have mastered the art and science of Aristotle's rhetoric. These standard bearers have been noted to bring into play the three spheres on many occasions to persuade the public for a cause; appearing to draw on their stature in society and use their gained credibility together with the authority vested in them over the people they are accountable for. It is apparent that this perceived credibility and authority is employed to better reinforce their persuasive communication.

Belief Congruency

Theorist / Precursor: Milton Rokeach and Gilbert Rothman

Date Written / Published: 1960, 1966

This theory highlights that all humans have a set of *beliefs*, *attitudes* and *values*. Grounded in Rokeach (1960) and Rokeach and Rothman (1966), **Belief Congruency** makes the assumption that the values that a given society or individual has is based on their attitude on a particular idea. And these points of view appear because of certain beliefs which consequently shape them as cornerstones of their values. We have many beliefs that form fewer attitudes that together, form even fewer values.

The interplay of beliefs, attitudes and values is rather simple. The relationship should be interwoven; enjoying a similarity with each other so that a single, seamless form of standards is produced. The theory states that the values that a particular person has may be very difficult to change. However, if it is the beliefs that should be altered first then the attitudes will follow as well. If the attitudes are altered then the values are easier to adjust also.

By way of illustration, sodas, soft drinks and other 'unhealthy' beverages might be losing sales due to a more health-conscious society so the soft drink industry may, therefore, seek to change *the belief* to reflect that these refreshments are in fact healthy in many ways. This might be achieved through well-handled marketing stunts, advertising strategies and public relations campaigns that appear to highlight the health benefits of their product. The audience or public that has not considered the drinks as healthy selections in the past might change their belief. Congruently, they might shift their attitudes and start to purchase and even patronize the product. It is evident that there is a change in belief and attitude but keep in mind that there is no change in value. The public may still not begin to buy anything that seems unhealthy to them, but the alteration in their belief and attitudes pushes a change of action in purchasing decisions.

Elaboration Likelihood Model

Theorists / Precursors: Richard E. Petty, John T. Cacioppo and Rachel Goldman

Date Written / Published: 1981

Petty, Cacioppo and Goldman (1981) note that when humans receive information (advertisements, articles, comments from discussions and other persuasive messages) there are two routes used to change attitudes that in turn affect behaviour, and or opinion – the central and peripheral routes. This is the basis of **Elaboration Likelihood Model Theory (ELM)**. The **central route** tends to exaggerate the message while the peripheral route utilizes cues to gain acceptance. In other words, the central route constructed messages are more detailed

and require the person receiving them to be motivated and to have a higher form of elaboration. Contrariwise, the **peripheral route** messages are shorter, visual or quicker to process. In fact, the peripheral route is used without the receiver even knowing about it: It could be the good quality of the image, or a catchy phrase. Unlike the central route, it does not require the receiver to use extensive and elaborative ways of thinking before the message is accepted.



Figure 3.7: When someone recognizes images like the Nike Swoosh, what kind of cognitive route is taken?

Most 15 or 30 second advertisements, for instance, use the peripheral route in order to acquire as many potential buyers as possible. The goal is to grasp the attention of the audience so that the product is purchased in the quickest time possible. Equally, the central route has been an effective persuasive tool when used in infomercials – where its long-format enables the audience to carefully analyse the message before accepting or rejecting it. Similarly, a feature story and press release has the same effect (see chapter two).

Rank's Persuasion Model

Theorists / Precursors: Hugh Rank

Date Written / Published: 1976

This theory explains that persuaders use two techniques to get their messages across; intensify and downplay. According to **Rank's Persuasion Model** (1976), persuaders will tend to focus on or *intensify* the strong attributes of their message and / or highlight the weak characteristics of a competing message. Also, persuaders tone down or *downplay* their weak distinguishing qualities while they try to restrain the strong and positive points of their opponent. The intensify schema of Rank can be divided further into *repetition*, *association* and *composition*, while the downplay schema can be broken down into *diversion*, *omission* and *confusion*. Rank described repetition as the repetitive firing of visuals, or word patterns to invoke recall on the mind of the receiver thus intensifying persuasion. The objective is to induce in the mind that the word or visual is of key importance, i.e. commercials repeating the words 'soft' and 'smooth'. Association, on the other hand, attaches the message to social norms, mores and culture. In addition, association harmonizes with pre-existing and established ideas – for example, an organization associating itself with anti-bullying through its CSR campaign. Moreover, to intensify an argument, composition may be used to further enrich it. This happens when persuaders present benefits, necessities, comparison and contrast, among other enhancements. As an illustration, in order to attract potential holiday-makers, Cyprus' tourism board might note that it has the highest rated clean beaches in Europe.

Conversely, Rank's downplaying schema can use diversion tactics to persuade audiences by diverting their attention to other positive aspects of the argument. Hence, if an organization is experiencing a crisis it might create a PR campaign to highlight an area of its functions that was not used previously. When persuaders simply delete or basically say nothing about the pitfalls of their argument, this is a straightforward technique called omission. Last of all, Rank's downplaying may also employ confusion. This works perfectly when reinforced with data, statistics and scientific approaches. To give an instance, if a phone maker has been accused of using a design similar to a competitor the company might issue a series of technical press releases to unravel how they innovated the design and confuse their publics by doing so.

Social Judgment Theory

Theorists / Precursors: Muzafer Sherif and Carl Iver Hovland

Date Written / Published: 1961

Social Judgment Theory (Sherif and Hovland, 1961) assumes that people are consumed with their own set of attitudes and therefore judge messages subjectively rather than objectively. The acceptance of messages is compared to already held opinions, beliefs, attitudes and values. When received, there seems to be a cross checking of these factors to the imminent message. If it falls into place in the psyche of the receiver then it is accepted, whereas if it does not give the impression that it will fit with the presently held belief system and attitudes of the individual, then it is discarded. Social judgment theory entails three concepts; latitudes of acceptance, rejection and non-commitment, assimilation and contrast and ego-involvement (Perloff, 2003: 60-64). In latitude of acceptance the receiver stores all accepted messages but in the latitude of rejection all rejected messages are retained. The realm of the latitude of non-commitment lies in the middle of the two aforementioned continuums. This area, or latitude, appears to hold the perspectives and standpoints whereby the receiver of the message becomes apathetic. Perloff notes that "*individuals with ... extreme views on a topic have large latitudes of rejection. They reject nearly all opposing arguments and accept only statements that are adjacent to their own ...*" (p. 60). When people receive confusing messages they either assimilate them to fit their own values or contrast them so that they are unlikely to be accepted and agreed on (or be persuaded by). A couple that live together might assimilate each other's messages until they argue for the first time and realize that their attitude towards something is not what they thought it was. Perloff claims that this is why politicians frequently make ambiguous statements in order not to offend constituents (2003: 61). Additionally, the acceptance or rejection of messages also depends on the ego-involvement of the receivers. If the receiver(s) of the message or the ones who are being persuaded are highly involved, then it becomes harder to persuade them. Highly involved individuals will evaluate every possible aspect of facts in a matter they have assessed and scrutinized which is important to them and therefore, they will have larger latitudes of rejection concerning that subject. A simple example will explain this seemingly obvious point. Suppose a friend is trying to persuade you to go to the cinema and the choice is between two films – one is a comedy and the other is a drama. If you are not particularly involved in genre selections, or you are not a big movie buff, then you will probably go to whichever film your friend chooses and generally not have much of an opinion. On the other hand, if you are really involved in movie-going and take it more seriously, then you might be more active in making the choice of which film to watch.

Source Credibility Theory

Theorists / Precursors: Carl Hovland, Irvin Janis and Harold Kelley

Date Written / Published: 1953

This theory appears to be within the ethos sphere of Aristotle's Rhetoric. Hovland, Janis and Kelley (1953), state that individuals are more likely to be persuaded by someone who has an established credibility. Similarly, people tend to be persuaded by individuals who are in authority or have social attractiveness. **Source Credibility Theory** gave a new perspective to Aristotle's ethos since the theory deconstructs the essential elements of credibility. By doing so it allows the main idea of the theory to be clearer and less equivocal than Aristotle's ethos concept. Credibility essentially derives from three main elements – expertise, trustworthiness and goodwill (Perloff, 2003: 160-162). Expertise is based on what the receiver thinks the sender's level of knowledge is on a specific issue; trustworthiness is based on the sender's honesty, character and safety; and finally goodwill is defined by Perloff as the 'perceived caring' of the sender (p. 161). As we have examined in chapter two, credibility is of extreme importance in public relations, and practitioners often do their utmost to employ credible media relations to cover their stories. By doing so, the publics who read or view the stories are more easily persuaded that the messages are credible; this is the basis of source credibility theory.

Ask a Communications Practitioner
Interview with KEO plc Marketing Manager, George Evripiotis



George Evripiotis is the Marketing Manager of KEO plc. and President of the Cyprus Advertisers' Association. He acquired his academic qualifications (BA Business Management and MSc International Marketing) in the UK and during his studies, he also obtained the Diploma of the Chartered Institute of Marketing. His professional career is associated with the largest beverage companies in Cyprus. Since 2001, Georg has been the Marketing Manager of KEO plc., handling the strategic communication of all local and imported brands and supervising the company's corporate image. He is currently the President of Cyprus Advertisers Association, a role which he describes as very challenging given the diversity and fast evolving nature of Cyprus' mass media scene.

1. Has theory you picked up from your studies been important for you in how you manage the communications of such a large firm?

The academic knowledge obtained during any under or postgraduate study gives you the framework on how to structure a solid thinking base. Learning doesn't stop at graduation, especially for communication professionals. It is true that the fundamental principles of marketing as a science are solid, but in an ever-changing environment you have to evolve and adopt.

2. What are the most important aspects of managing the corporate communications of KEO?

Like any other complex organization, KEO's role to society is manifold. It goes beyond trading. It is a living entity and as such, it should stay in pace (if not ahead) with market developments. The aim is not only to build, but most importantly to safeguard the company's image. Having in mind that every single thing, inside and outside the company, communicates our corporate identity, it is of crucial importance to strategically control them in order to maintain a favourable reputation.

3. For a large retail organization that absolutely needs advertising in its communications, how important is public relations, and how does it fit in the mix?

PR is an integral part of the communication mix. It applies to commercial or non-commercial organisations. It involves all forms of communication with all the people with whom the organisation has contact. If we define advertising as the "message", PR can be distinguished as the "understanding". Advertising is more likely to succeed when public relations activity has previously educated the market through knowledge, of the product or service being promoted through advertising. Public relations can be regarded as a holistic activity, bigger than advertising because it relates to all the communications of the total organization.

4. Other than your consumers, which other publics and stakeholders are significant to communicate to?

A stakeholder is anyone having interaction or is in a position to affect or be affected by the actions of the organisation. Suppliers and associates, employees and labour unions, government and media, shareholders and the community as a whole, can be considered as the audience which public relations may need to address. Their attitudes and behaviours can be the difference between success or failure, especially in small size markets. Their perception of what the enterprise's image is, reflects in the consumer behaviour towards the company's brands.

Mr. Evripiotis was interviewed by Nicholas Nicoli

Activation Theory of Information Exposure

Theorists / Precursors: Lewis Donohew, Phillip Palmgreen and Jack Duncan
Date Written / Published: 1980

Activation Theory of Information Exposure states that prior to individuals accepting a message or before they are persuaded, they first seek to satisfy their need for stimulation and information. This means that the majority of individuals would most likely seek gratification or fulfilment of their cognitive and biological senses. The foundation of this theory derives from the fact that individuals do not accept messages when it does not satisfy the way they think and the way they feel, and they become increasingly difficult to persuade when these two factors are not satiated.

Donohew, Palmgreen and Duncan (1980) explain that the level of information we seek varies from individual to individual; some people have a more acute need for information activation and generally have need of more sensations in their lives. However, those with a low level of stimulation are aroused with lower levels of information. In other words, high sensation seekers have a higher level of optimal arousal but if it is not met they lose interest and cannot be persuaded. We can draw an analogy between a high sensation seeker and an adrenaline junkie that base jumps; will this person be stimulated by a theme park ride – probably not? In the same way, certain types of people need more information-stimulation. For example, many people who try experimental drugs do so because they are sensation-seekers and most likely have higher levels of optimal information activation. If a public service PR campaign is to succeed in persuading them to stop taking drugs it would also need to embody a high level of optimal arousal (more daring images, tone, tactics, etc.).

Fear Appeals

Theorist / Precursor: Kim Witte
Date Written / Published: 1998

Fear Appeals was primarily made as a health communication theory. Witte (1998) used this theory to persuade the public against the spread of AIDS; it explains that using fear or instilling terror in the minds of the public will persuade them. Witte wrote in his journal that hesitations are cast aside because fear influences or motivates people to take actions. This theory becomes very useful when persuaders want to induce a change in views and behaviour in a particular subject. The principle behind this theory is that when fear becomes an element in any given situation it drives the receivers of the message to act. Given the fact that they see, hear and feel the terrible things (read: gory, gruesome, horrible, etc.) that might happen to them if the message is not followed, they willingly follow the message. In short, fear appeals present a cause-effect kind of persuasion by using hard-hitting, usually graphic representations of the possible outcomes when the message is rejected.

Although this concept was originally researched by Witte as a health communication theory, it can also best describe why campaigns on environmental awareness are so effective in persuading people. The Earth Hour campaign, for example, has been effective because it has instilled fear in the minds of so many people on a subject that is important for everyone. The negative repercussions of environment neglect (such as the use of CFCs, illegal logging, etc.) through old and new media has all served to inculcate fear. The Fear Appeals model therefore tells us that the public will more likely be persuaded if fear is added to a given situation.

CASE STUDY 3.2 – Rotos Developers*

Rotos Building Society

Engomi City Mall and Student UniHall Campaign



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives

Rotos Developers has been operational since 1961. Based on the many years of experience of its founder, Christos Rotos, it initially undertook the construction of small private projects. Once it became established in the construction sector, it then diversified into land development. Since 1985 the company's director Mr. Nicos Rotos has steered the company to become one of the most creative and reputable construction companies in Cyprus. The mission of the company is to provide exceptionally high standards of architecture through the excellent quality of construction and the correct choice and application of materials so that its projects are able to satisfy the functional, technological, technical and aesthetic needs of its customers. It views all projects separately and takes pride in making each one with passion and zeal.

From June 2012, Rotos Developers began the construction of a multi-purpose project close to the University of Nicosia that will offer a series of commercial services including 300 luxury student apartments (UniHalls) 3,000 sq.m. in size, as well as a Mall (City Mall) with cafeterias, a lounge bar, restaurants and retail stores. The students residing at the UniHalls will have the choice of optional cleaning and laundry services, a common study and entertainment room, copy centre (networked with each apartment to forward printing jobs, etc), parking, free Wi-Fi, DSL high speed internet and cable TV, available 24/7 security and maintenance, and fully furnished rooms. The complex will include a 1,800 sq.m. gym with an Olympic dimension swimming pool, a futsal pitch, tennis courts, a green park that will be open to all visitors, and state-of-the-art saunas and spa. The project is set to be completed by September 2013.

A project as significant as this one requires a communications campaign prior to the project's commencement. The initial objective of the campaign is to attract students for the student accommodation centre (the UniHalls). Upon completion of the project the campaign will seek to generate awareness of the Mall, especially in the surrounding community.

2. How the Programme was Implemented



Images of the Rotos Building Society Project

The company performed a feasibility study and market research examining the likelihood of success of the proposed students accommodation development project and the Mall. To date, promotional activities have started on the University of Nicosia campus which include substantial below-the-line activities with some above-the-line undertakings. The promotional programme began in May 2012 and is aimed to comprise of 8 promotional events in the cafeterias of the University of Nicosia for a period of 16 months.

These are the tactics of the campaign thus far:

- Promotional leaflets placed in seven locations on campus for a period of two academic semesters
- Promotional banners of images of UniHall placed in several locations of the University of Nicosia for a period of two academic semesters
- Two inside-page advertisements in the main University magazine named UNIque magazine that is distributed to students as promotional material
- Feature stories in the student's newsletter with information of the project and specifically of the Mall and Student Halls
- Billboards placed for a period of 6 months along the route from Nicosia centre to the University of Nicosia, covering the area of the European University of Cyprus (also located in the vicinity of the project)
- Student Halls' images placed in Flat Screen TV ads in the cafeteria of University of Nicosia for a period of 6 months
- Flyers and posters in the reception areas of the University
- Coverage in InBusiness Magazine for a period of 12 months including interviews and several presentations of the progress of the project (to increase awareness)
- Online advertisements
- Active Facebook page
- Advertising and competitions through Facebook



Visual of leaflet distributed across University of Nicosia – the copy in the visual states that Rotos is buying a frappe for all students present

3. Results

The main objective of the promotional campaign is to widely expose and publicise the multi-purpose project to the target publics. The campaign is being evaluated using a quantitative method – questionnaires that target students and people working near the area where the project is to be built. Other measures to evaluate the effectiveness of the promotional activities are: Setting standards for sales returns from smaller promotional activities (e.g. attract students to rent student rooms), assessing the amount of editorial coverage that activities receive in the media, appraising the online influence of the Mall's activities in the social media such as Twitter and Facebook Fan page.

*This case study was prepared by Rotos Developers in Nicosia, Cyprus.

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4. Review Questions

- a. Which theories from this chapter can be applied to this campaign?
- b. What other promotional activities / tactics could have been incorporated in the promotional campaign?
- c. Suggest what other social medias can be used in the overall campaign?
- d. What examples of postmodernity can you identify from this case study?

Public Relations and Communication and Media Theories

Hypodermic Needle / Magic Bullet Theory

Theorists / Precursors: Elihu Katz and Paul Lazarsfeld

Date Written / Published: 1955



Figure 3.8: The aftermath of The Orson Welles' War of the Worlds Radio episode that aired on CBS radio

Two-Step Flow Theory

Theorists / Precursors: Paul Lazarsfeld, Bernard Berelson and Hazel Gaudet

Date Written / Published: 1944



Figure 3.9: An opinion leader in the field of technology reads more media regarding the sector and then passes the information on to followers

Although the **Hypodermic Needle Theory** (Katz and Lazarsfeld, 1955) is now somewhat outdated, it demonstrates how significant the media became during the mid-twentieth century. The theory states that receivers of media messages are extremely passive, absorbing all media content as if messages are received intravenously by needle, or shot into the brain like a bullet (hence the names given to the theory). At the time, a number of occurrences offered support of the theory. A well-known case in media studies is the Orson Welles' War of the Worlds incident in 1938. Radio producer Welles created a radio segment about Martians invading Earth (a story written years earlier). Members of the public listening to the transmission believed it to be a real news incident. The result was an exodus of thousands of people from New York. Other significant instances which reinforce the theory are the Payne Study in the 1930s that showed the effects of film on children, World War Two and post-World War Two growth in corporate communication (see chapter one).

The **Two-Step Flow Theory** (Lazarsfeld, Berelson and Gaudet, 1944) states that the media do not directly affect people as much as people affect people. For the first time in scientific studies the two-step model introduced the notion of opinion leaders. These were people who were extremely interested in an issue, viewed it and received information via the media and then, by using their role as opinion leaders, would influence others around them. Having gained credence because of their reliability, trustworthiness and authority, opinion leaders have the ability to influence and alter behaviour, attitudes and the actions of people that they exchange messages with. The ways in which we understand and consume media have become pronounced in strategizing corporate communication campaigns. For example, to specifically target opinion

leaders through extremely targeted media which is consumed by a certain category of opinion leader, gives confidence to communicators. The opinion leaders will then 'do the work' for the campaign objectives.

Agenda-Setting Theory

Theorists / Precursors: Maxwell McCombs and Donald L. Shaw

Date Written / Published: 1972

Agenda-Setting Theory informs us that the mass media not only have the power to tell us what to think but more importantly how to think. McCombs and Shaw (1972) advocate that the mass media, especially news media, tends to have a large influence on audiences. They observed that what people talk about at work, at home, or when they go to dinner parties correlates with the news headlines of that period. This theory originates from the idea of salience and framing which means that the mass media has the capability to transfer ideas, situations or issues from media agenda to public agenda. Through a routine of gatekeeping and choosing what to print or air, editors give different weight to different stories (journalist salience); similarly, the news media frames stories in a way that highlights the areas where they want more exposure. According to McCombs, '*Agenda-setting asserts that audiences acquire these saliences from the news media, incorporating similar sets of weights into their own agendas*' (1993: 4). Media relations PR practitioners often do the same and choose to give more, or less emphasis to certain aspects of what they want covered in the news media.

Cultivation Analysis Theory

Theorists / Precursors: George Gerbner

Date Written / Published: 1998



Figure 3.10: The more we consume media messages the more we cultivate the impression that real-life is the same

Cultivation Analysis Theory (Gerbner, 1998) asserts that regular usage of media messages over a long period of time gives the user the impression that real-life is similar to the content consumed through the media. Before Gerbner reached his interesting conclusions on how we consume the media he studied it for over 20 years with his colleagues. The implications of cultivation analysis theory are significant on many levels. For instance, it illustrates how a **mediated society** can be dangerous if those living in it are unaware of the pitfalls. Consider a teenage girl who reads hundreds of glamour magazines and then comes to the conclusion that she is overweight, short and disagreeable to look at because all the women in her magazines are thin, tall and pretty. This diagnosis can undoubtedly affect her self-esteem. In contrast, PR professionals can use the theory ethically to portray a picture of their organization that over time will be clear in the minds of their publics and stakeholders.

Encoding / Decoding / (Active Audience Theories)

Theorist / Precursor: Stuart Hall

Date Written / Published: 1973

Encoding / Decoding Theory (Hall, 1973) is the start of the **Active Audience** metatheory we are witnessing at the moment in communication studies. With the advent of technologies and with more educated and mature

media audiences, more power has been handed to us (the audience). Especially through the internet, audiences are now more prone to become involved in the creative process of how the media is produced. In fact, audiences can become producers themselves in the digital age (YouTube, blogging, citizen journalism, etc.). Stuart Hall in the 1970s was one of the first scholars to take notice of this and to break down the linear model of communication hitherto witnessed. He detected that receivers consume the messages they are given but do not necessarily accept them. They might also reject or negotiate with the messages too. This, as mentioned earlier, is the start of the active audience approach. We are currently witnessing seismic changes in how we consume the media which shows exactly how significant the active audience paradigm is. As this publication draws nearer to print many new theories regarding networks, social media, mass collaboration and other digital related concepts are being researched, published and studied at an unprecedented rate.

Summary

Many people dislike the study of theory but those that persevere with it learn to use it effectively in critical thinking, in application, and in comprehending all kinds of phenomena. This chapter has examined theories that have been deployed to investigate communications techniques between people and between organizations. The theories introduced here are far-reaching and multi-levelled. Postmodernity, for example, is a broad all-encompassing theory that allows social scientists to perceive things in a new way – or (to continue our analogies from above) through a different lens with a much wider-scope. Much of the research undertaken in contemporary public relations academic studies has been through the lens of excellence theory. This approach, introduced in the mid-1980s and refined in the early 1990s, is important for PR practitioners simply because it is the only theory developed for this discipline. Although currently it is the main metatheoretical approach in the field it is also being challenged from within the sphere of persuasion studies. Additionally, a large number of persuasion theories have been introduced in this chapter. Finally, we have looked at several media and communication theories in order to give the reader an opportunity to appreciate why media relations is such a significant aspect of public relations. Here, it is worth mentioning once more that the area of digital media is constantly evolving and will continue to challenge many twentieth century theories on account of the new-found influence and access being extended to different groups and individuals.

Short Definition of Terms

Metatheory:

The term given to a wider-scoped theoretical approach, or paradigm. It often serves as a way of looking at other narrower theories.

Systems Theory:

A theory that reviews how systems (from across different areas) continue to function and self-regulate themselves. It is often used in the social sciences to argue that open systems are better-equipped to continue functioning normally.

Social Science Theories:

Theories that study human behaviour, thought and societies.

Structuralism:

A social science paradigm that supports the notion that humans’ behaviour is based on deeper, often unseen and unobserved, structures.

Behaviourism:

A social science paradigm that supports the notion that we can only study and make conclusions based on what we can observe through how humans behave.

Modernity:

A period in time based on certain characteristics such as a strong nation-state, industrialism, elitism, science, clear laws and rational thinking.

Postmodernity:

A period in time that counters modernity based on antithetical characteristics.

Apple Macintosh /1984:

One of the first successful personal computers created by Apple Inc. It is viewed as having changed the way we communicate on many different levels.

Dominant Coalition:

A term often used in Marxist theory for a group of people with more authority and power over the larger masses. It is said that these groups do what they can to remain the dominant coalition.

Four-Model Typology:

Grunig and Hunt’s 1980s study came to the conclusion that public relations has evolved in four distinct ways, or models: The press agency, the public information, the two-way asymmetrical and the two-way symmetrical models.

Persuasion:

Persuasion is when a sender influences the beliefs, values, attitudes and behaviours of a receiver.

Rhetoric:

Rhetoric is how a sender communicates linguistically and consciously to others and whose main objective is to persuade those others.

Belief Congruency Theory:

A persuasion theory that addresses the relationship between people's beliefs, attitudes and values. We have more beliefs that form fewer attitudes that together make even fewer values. They all need to be aligned for values to change.

Elaboration Likelihood Model Theory (ELM):

A persuasion theory that addresses the way in which people accept messages. The messages either follow a central route or a peripheral route. High elaboration means there is a central route to deconstructing a message whereas low elaboration means a peripheral route might have been taken.

Central Route:

When people are motivated to think through a message (high elaboration) then usually a central route is taken.

Peripheral Route:

When people are less motivated to think through a message (low elaboration), the message might still be accepted or processed by means of a peripheral route, or a mental shortcut.

Rank's Persuasion Model:

A persuasion theory that addresses the emphasis placed on messages. Persuaders do two things to achieve their objectives towards a sender. They either emphasize their strong points (intensify) and downplay their weak points, or do the opposite of their opponents / competitors.

Social Judgment Theory:

A persuasion theory that addresses our own subjective perspective first. People judge issues and are therefore persuaded based on their existing set of values. We tend to accept messages that are closer to our own.

Source Credibility Theory:

A persuasion theory that is based on the credibility of the sender. We are persuaded by people that already have an established credible reputation.

Activation Theory of Information Exposure:

A persuasion theory that addresses both cognitive and biological perspectives of how we accept messages. If we are stimulated by the message both intellectually and emotionally then we are more drawn to it (it activates our interest). People have different levels of activation for accepting information.

Fear Appeals:

A persuasion theory that assumes instilling fear through the message will persuade senders more easily.

Hypodermic Needle Theory:

A media theory that states audiences are passive and will accept all messages sent across media.

The Two-Step Flow Theory:

A media theory that argues opinion leaders accept media messages and then they persuade others (hence a two-step approach).

Agenda-Setting Theory:

A media theory that states there is a positive correlation between what people discuss and what the headlines are in news media.

Cultivation Analysis Theory:

A media theory that argues prolonged media consumption cultivates the impression that real life is similar to what is consumed through the media.

Mediated Society:

A society that is heavily reliant on media and media consumption.

Encoding / Decoding Theory:

A media theory that argues audiences can accept messages, reject messages or negotiate with messages presented in the media.

Active Audience:

A media paradigm that argues individuals have the tools, technology and intellect to be a part of the production process of what messages are shared in society.

Knowledge Check / Critical Thinking Questions

1. Why is theory important to public relations practitioners? State some examples.
2. Explain the metaphor of lenses used by the authors to understand theory.
3. Why do the authors believe there was a shift in modernity following the Apple Macintosh 1984 launch?
4. What does living in a postmodern society entail? Why is it significant for the field of PR?
5. How does the four-model typology relate to the history of public relations?
6. Why will organizations such as Greenpeace always follow a two-way asymmetrical approach?
7. Are the central components of the excellence theory realistic for an organization to follow and practice?
8. Is communications and persuasion the same? If not, when is it not?
9. Which persuasion theory do you believe to be the most appealing? Why?
10. Which media and communication theory do you believe to be the most appealing? Why?

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Public Relations and Other Forms of Corporate Communication:

Marketing, Advertising, Integration, Propaganda

Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ comprehend the role of public relations as part of the corporate communication mix
- ▶ become acquainted with marketing and advertising
- ▶ understand the differences between public relations and advertising
- ▶ appreciate the strengths and benefits of an integrated corporate communication approach
- ▶ discover how public relations is related to propaganda

Overview

One question that we are always eager to pose to students is, “*what is the difference between advertising, marketing and public relations?*” Their responses are curiously diverse, interesting and useful. They are diverse because university students hail from different backgrounds and experience different aspects of corporate communication, thus evoking a variety of opinions which prove interesting and useful. Each year, through the responses of students, we observe how much closer these disciplines are becoming in some areas but equally we perceive how much they diverge too. And then there are grey areas where no one discipline has yet staked a legitimate claim such as administering a Facebook page or twitter account. The ‘social’ variable we are now experiencing in all forms of communication models has truly revamped the corporate communication field. It is no wonder that students, scholars and practitioners are baffled as to how the different areas of corporate communication should be defined.

In this chapter we introduce the concepts that are so often used interchangeably in the broad field of corporate communication. We first seek to define the field of marketing and how it has adapted to the fast pace of commerce and technology. In this section we address one specific component of marketing in detail – that of advertising. This area of activity is no doubt the most conspicuous – and arguably – creative element of corporate communication. Because of this, advertising is often the one sector that becomes entangled in how other areas of an organization communicate. Indeed, there are cases where public relations professionals need to use the tools, tactics, know-how and accessibility of advertising in the same manner as advertisers often do when similar expertise is required from public relations (PR). Advertising, possibly more than any other area of corporate communication, is changing at an extremely fast pace and is having to readapt itself. We may argue that now is currently the best time *and* the worst time to work in this field because the same technologies that allow advertisers to communicate with customers throughout the day on their smartphones, tablets, and digital television (and not solely during what is called advertising **primetime**), are also empowering them to skip these same messages. With this in mind, advertisers are constantly looking at new ways to overcome technological advancements and to break through the filters and resistances that customers construct.

Following on from our analysis of advertising, we then look at other areas of the marketing mix which are used to communicate with customers, i.e. direct marketing, sponsorships, sales promotion, and product placement. It has to be noted that there are many others and the list is growing constantly, but we believe that we have included the most frequently adopted and most significant forms currently in use.

Marketing and Advertising

Marketing

In 1993, shortly before the onset of the internet-age, Shultz, Tannenbaum and Lauterborn made this astonishing observation:

Just as we were watching the field of marketing communications mature, we started to see it change. Perhaps that is what has been so surprising – the incredibly fast change from mass marketing to one-to-one marketing, from mass communication to individual communication, from what we knew and were comfortable with to things that seem to challenge the very nature of our businesses and our lives (p. 17).

What makes the above statement surprising, apart from how accurate the authors were, is that it could have been written even today, post internet, post social media. It shows the continuity occurring in corporate communications.

Ask a Public Relations Practitioner

Interview with BPC International Ltd. Director, Carmel Bonello



Carmel Bonello is Director of the Public Relations Unit at Malta's leading marketing communications agency, BPC International Limited, which operates overseas in countries including Malta, Cyprus and Libya. He obtained a BA in Humanities and a Diploma in Political Science from the University of Malta prior to completing his MSc in Public Relations at the University of Stirling, Scotland.

Carmel has been a visiting lecturer at the University of Malta, and was also Malta's national coordinator for the project 'European Body of Knowledge for Public Relations', a nation-by-nation introduction to public relations theory and practice in Europe. He is a founder member of both the Institute of Maltese Journalists and the Malta Chapter of International Advertising Association. He began his career as a Journalist-Producer at Malta's national

broadcasting station and worked as in-house Producer-Director with Audiovision Productions Ltd. In Malta's millennium project he served as Deputy Chairman on the board of trustees of St James Cavalier, Foundation Centre for Creativity, in Valletta.

1. What is the status of public relations in Malta?

Public relations is slowly emerging in a field of its own. With the expansion of the news media through broadcast and online pluralism, more opportunities are open for different business sectors to inform their specific targeted publics, not least through special and/or sponsored events. In politics, public relations skills, together with propaganda techniques, play a major role in the process of forming opinions as general elections or local councils' elections approach. The functions of public relations manager and public relations officer ('technician' in Dozier and Broom's 1995 terms) have been the two most frequent role models. However, other titles, such as 'communication manager' and 'communications officer/executive' are being increasingly used. This may lead to the blurring of boundaries between public relations and other marketing communications tools.

2. What is the position of public relations in organizations?

Research in Malta demonstrates that official designations do not reflect the work done by the respective public relations practitioners. Hence, the respective designation may not be the best key to understanding what practitioners actually do. The status of designations is only a label to describe individual cases. Some time ago, I surveyed the profile of Maltese practitioners through five reference frames; professionalization, respectability, monopoly of knowledge, dissemination of information, and negative regard. The latter refers to the practitioners' perception that management does not consider public relations to be a prestigious occupation. Significant differences were found among practitioners in relation to years spent in the same public relations position, gender, location of public relations department, and salaries.

3. Can you elaborate on these differences?

As regards the number of years in the same public relations position, the most significant difference registered by this variable was the contrast between those with more than ten years in the position, who had a very low mean for negative record, and those with one to three years in the position, who scored just above the norm for negative regard. In terms of gender, there was one significant difference which was only visible in the 'negative regard' reference frame. Female practitioners were perceived with higher negative regard by management compared to male practitioners. Another good indicator is the location of the public

relations department within the respective organizational framework. Among in-house practitioners who form part of their respective chairman/CEO's office, there is a higher attitude towards professionalism and a perception of positive regard for public relations from their respective employers. When the public relations function is situated within a marketing context or, even worse, within a sales office, this is much less so.

Salaries are another factor: there is a significant difference between the lowest paid practitioners and the highest paid practitioners in terms of their perception of negative regard by their employer. The lowest paid group perceives a high negative regard whilst the highest paid group perceives a low negative regard. No significant differences were registered for such variables as: years employed in public relations, age group, area of tertiary study, and number of staff in public relations department.

Other professionals such as accountants and lawyers, and to a lesser degree, engineers and architects, often feel that public relations practitioners are encroaching on what they perceive as their ground; whilst the opposite is not so common. Bear in mind that other professionals may dislike the feeling of losing total control over an organization's public relations because the price to pay is the loss of high visibility that public relations usually affords them.

At the same time, public relations practitioners are generally aware of the possible negative repercussions that such a shift may create and, through a negotiated process, tend to avoid such a conflict. Where possible, they usually achieve this by integrating the ideas of those professionals and by exposing other professionals in their respective professional role wherever and whenever appropriate.

There are no marked differences between practitioners in profit or business organizations and public administration. In the non-profit sector, public relations is mainly undertaken on a voluntary basis, sometimes by practitioners and consultants who have a full-time job in public relations.

4. How do you see the future of public relations in Malta?

Perhaps one of the most striking features in Malta is that the public relations function within organizations often falls under the direct responsibility of top management. Although this may be due to senior management's desire to control, and at the same time profit from the subsequent benefits of public relations, if managed well by the practitioners themselves, this situation could lead to positive developments in this field.

A sustained higher degree of professionalization is, however, required if practitioners and consultants want better recognition of the strategic contribution that public relations can provide to the Maltese economic, political, social and cultural realities.

Public relations cannot be pursued by anyone indiscriminately. It is important for newly employed communications graduates to acquire a more systematic body of public relations knowledge as this would enhance the reputation of public relations in Malta, while at the same time avoid encroachment by non-public relations professionals to manage the public relations function.

The importance of brand and corporate public relations – in that order – followed by internal communications, will continue to form the key issues in Maltese public relations. Then again, as competitive forces play a more significant role due to globalization and economic influences, practitioners and consultants will further expand their activities and functions to gradually include lobbying, issues management, and investor relations. Increasingly, these developments will portray practitioners and consultants as analysts of the social, political and economic contexts in which these functions distinguish the true public relations professionals from the publicists.

Mr. Bonello was interviewed by Marcos Komodromos.

As the internet and the digitalization of communications have spread, individual communication has become more encompassing; and with these trends in mind, the field of marketing has had to adapt its definitions. The American Marketing Association (AMA, 2012) defines the discipline as:

The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

One of the most influential marketing books used today is by Belch and Belch, *Advertising and Promotion: An Integrated Marketing Communications Perspective* (2009). In it, an interesting point is made regarding the AMA definition. Revised in 2007, it signals an important change in how marketing is currently practiced and perceived. It apparently marks the point that the marketing process is not only in the hands of marketers: Specifically, Belch and Belch record *"the role of non-marketers in the marketing process"* (p. 8). We believe that marketing professionals and theorists have come to realize the significance of a more circular form of communication where all parties are involved in every area of the process of communication. Consequently, marketers – like public relations practitioners – are trying to regain some form of control by creating longer-lasting links with customers. Indeed, the term **relationship marketing** – used in marketing to address the significant shifts occurring in the field – is comparable to the PR term – *relationship management* (defined in chapter one). The use of such similar phrases and concepts between these disciplines is no coincidence. It seems that all corporate communication disciplines are blurring their borders, integrating and converging with equivalent goals and objectives. As a result, *all* current forms of corporate communication are based on the notion of establishing long-term relationships with publics, target groups and other stakeholders.

We shall return to this important point in a moment, but before doing so we must first revisit the definitions of marketing. Possibly one of the best ways of understanding marketing, as well as other forms of corporate communication, is to use Cees Van Riel and Charles Fombrum's (2007) three forms of corporate communication. According to Van Riel and Fombrum, there are three 'task-related clusters' that define how organizations communicate (p. 14). The first is what they term **management communication**. In this book it is defined in chapter two as internal communication and in so doing we give it a broader scope as internal communication works through all levels of an organization. It appears that Van Riel and Fombrum include this because they wish to emphasize specifically *how managers* communicate to internal and external publics. Managers today are possibly the biggest brand ambassadors of any organization. More than any other member of the organization, managers lead and steer their organizations and are subjected to minute examination, constantly operating under a microscope. The second cluster is known as **marketing communication**. Below is how Van Riel and Fombrum define the term, *"[it] consists primarily of those forms of communication that supports the sales of products, services, and brands. In marketing communication, a distinction is often made between the promotional mix and the public relations mix"* (p. 17). They next define the promotional mix as consisting of advertising, sales promotion, direct mail, sponsorship and sales management (ibid.). Similarly, Belch and Belch (2009) note that marketing as a function and process, is based on a **marketing mix**. To these authors this mix is as follows

marketing facilitates the exchange process and the development of relationships by carefully examining the needs and wants of consumers, developing a product or service that satisfies these needs, offering it at a certain process, making it available through a particular place or channel of distribution, and developing a program of promotion or communication to create awareness and interest. These four P's – product, price, place (distribution), and promotion – are the elements of the marketing mix (p. 10).

The final cluster of communication within the organization is introduced by Van Riel and Fombrun as **organizational communication** (p. 20). By and large, this comprises all forms of public relations and, in essence, covers the tactics, processes and strategies addressed in chapter two of this book.



Figure 4.1: Marketers often find opportunities and then decide on the product / service

We now have all the features in place in order to understand how marketing differentiates from other forms of communication within a corporation. As a rule, the discipline is associated with making profits. The mix is developed by first combining the discovery of an opportunity or need (either a product or service) – a niche, and thereafter establishing a pricing, promotion and distribution strategy. The overall purpose of this mixture is to form an exchange process, or to create a target market that will purchase the product / service. Many marketers will highlight the significance of pricing and distribution from the marketing mix (and there are several approaches and techniques used to perfect them – see section on sales promotions); however, the most enduring and crucial aspect of the mix is the promotion part of the product / service. In the next two subsections we focus on the discipline of advertising and thereafter cluster the other forms of promotion in a separate subsection.

Advertising

Promotion forms an extremely complex yet substantial part of an organization's everyday functions. Its most vital component is that of advertising. This subsection takes a brief look at the advertising process of AIDA and the importance of targeting correct groups. It then looks at the economics of advertising; how information is processed, and the different types, characteristics and formats of advertising. The final part concentrates on the differences between advertising and public relations.

Figure 4.2: Current advertising such as the above consists of breaking through human cognitive filters

AIDA and Targeting Groups

The basic principle of advertising is to generate *awareness* in a product or service through traditional media to specific groups of large and small target audiences. Once awareness is achieved, advertisers try to stimulate *interest* of the product or service to a particular **target group**. Creating sufficient interest in a product or service leads to a desire for it which in turn, leads to action, or purchase. Together, these four components make up the advertising process known as **AIDA**.

Media users can be broken-down into different demographic groups since each group, to a large extent, has similar tastes and media preferences. Advertising, engages in matching products and services with media content so that these groups can be reached. Specifically, in order for AIDA to be achieved with as little advertising budget wasted as possible, advertisements are matched to those groups of people that are more likely to purchase a particular product. For example, it would make little sense to advertise a Porsche Carrera GT on a soap opera television programme because it is unlikely that audiences of soap operas will be potential Porsche owners.



Figure 4.3: This Porsche Carrera GT advertisement is targeted to a specific demographic group

Soap operas are television programmes which are produced specifically for women with families who are often viewed as the decision-makers in relation to what supermarket products to consume. In fact, on closer

examination regarding how to advertise a Carrera GT, the television, as an option, might even be left out totally since potential purchasers would probably lead lifestyles that include little television consumption.

Advertising Economics

Advertising, therefore, entails the production of informative messages to specific target groups placed inside media content. In other words, as we watch, read or listen to media content, advertising breaks the flow in order to send messages to us regarding the products and services of the advertisers. The economics of advertising is quite complex as large exchanges of money take place between advertisers, the media, advertising agencies, and other third-party suppliers (e.g. production houses, photographers, and models). Essentially, advertisers try to reach the largest audience of a specific target market at the lowest possible price. The larger the audience is, the more the media will charge the advertiser to place their messages. Sandwiched in all of this is the advertising agency which gains a **commission fee** for their services. At this point you may be querying how audiences are counted if they are so dispersed. Each medium has its own particular method of collecting audience numbers and it is usually undertaken by one organization that has a monopoly in the market. Since the audience is so vast, it is extremely difficult to know exactly how many people are consuming media content at any given time; however, by utilizing different statistical models and technologies, estimated audience figures are becoming more specific. In effect, given the opportunities of interactivity in the digital age, audience figures and habits are becoming much easier to calculate.

Advertising and Information-Processing

In chapter three we discussed how difficult it can be to persuade people into action because humans are influenced by emotion (feelings) and cognition (thought), but the way in which people are persuaded into a purchasing action is often extremely multifaceted and multi-layered. Shultz, Tannenbaum and Lauterborn (1993) offer one of the most worthwhile accounts on how we take-in and process information. In what follows we attempt to offer an abridged version of their approach.



Figure 4.4: How much information do humans process on a daily basis?

We live in an age of information-overload and we acquire this information from all around us. It comes from friends, family, journalists and news media, teachers, professors, politicians, statisticians and experts of all kinds. Returning to the concept of postmodernity (chapter three), we notice how much of this information is frequently competed for. Information often competes even between experts. One doctor tells us one thing, but another tells us something else. One lecturer gives us one perspective while another completely contradicts it. Reflecting on this, Jean-François Lyotard notes how today we live in a world of **micro-narratives** as opposed to one or a few **grand narratives**; we live in a world of disputes which he refers to throughout his writings, as **differends**. When we place these overabundant blocks of information within context, it is simply impossible for the human brain to accept them all. In the end we create walls, or filters that block out information in order to handle contemporary life. Ultimately, we construct attention resistances to avoid information overload.

Today, technological advancements in communications take up the lion's share in terms of information overload. We only need to own a twitter account and smartphone and place it on push notifications, to witness exactly what information overload can do. Information and Communication Technologies (ITC's) continue to fragment humans into smaller and

more isolated groups, making the level of responsiveness much harder to retain. These advancements come at the expense of advertising and as a consequence, advertisers often seek to use periphery routes to persuade target groups (refer back to the ELM theory in chapter three). Today, advertisers do not merely say, “*here is the product and here is where you can get it from*”, because by doing so the message will simply not pass the filters we erect. To grab our attention, sophisticated advertising currently plays on our emotions and deepest inner-feelings (and for some advertising critics, our insecurities).

Once a message breaks through (not only for advertising but for all forms of information), humans transform and categorize it. To use computer language as a metaphor, we store information in folders and files in exactly the same way as we do on our computers. Information regarding a nice chardonnay wine, for example, might be stored in a ‘wine folder’ whereas if we are knowledgeable enough it might be stored in a more specific ‘white wine folder’; if we are wine experts or enthusiastic wine lovers, we might even create a ‘chardonnay folder’.



Figure 4.5: Vacuum-cleaner of Hoover?

So, based on this knowledge of how we organize and categorize, if the information on the new chardonnay passes through the filters then it becomes stored, rather like a file in that folder. This technique enables humans to store more information. Advertising messages constantly attempt to send files to us that pass through our filters and become positioned or categorized in our minds. Ideally, if a brand becomes strong enough, we ‘promote’, or ‘upgrade’ that file into a folder. Think of brands like *Aspirin*, *Panadol*, *Kleenex* and *Hoover*. These household names are so strong that competing brands become arranged in files within those folders. These brands, known as **generic trademarks**, are essentially what all marketers and advertisers strive for.

Advertising Types, Characteristics and Formats

Advertising is broken down into different types as well as into different media. While it is beyond the scope of this book to go into too much detail regarding these types, the basic categories of advertising are introduced. Remember, all these approaches are used as creatively as possible in order to break through the filters erected by

humans in the fight for their attention. First, it is necessary to differentiate the main traditional media used by advertisers which are:

- ▶ Television
- ▶ Radio
- ▶ Newspapers
- ▶ Magazines
- ▶ Outdoor (billboards)

The above forms of advertisement are aired or circulated to large audiences simultaneously and are often known throughout the industry as **above-the-line communication**. It is worth noting here that the above media (even outdoor media) now have digital forms which change their characteristics somewhat. In table 4.1 we offer some of the characteristics of both traditional and digital advertising.

Table 4.1: Characteristics of traditional and digital advertising

Traditional (analogue) Advertising	Digital Advertising
Targets large audience	Targets large and small audiences
Lacks a relationship (one message at a time)	Relationship-based
One-way	Two-way
Above the line	Above the line / Below the line
Isolated strategy (at the most, part of the marketing mix)	Integrated with other forms of corporate communication
Non-live more common	Frequent live interaction
Single-platform	Multi-platform
Measurements prone to statistical errors	Precise measurements of target groups
Strong gatekeeping (for large advertisers only)	More opportunities to be viewed (online viral campaigns)
Strong boundaries between media content and advertisements	Blurry lines between advertisements and media content (product placement, reality television)
Low influence of audience	Audiences extremely influential and active

Apart from the different media forms of advertising, the field can be broken down further into its different formats (Arens and Bovee, 1994). For example, many advertisements are created as **straight announcements**. As the phrase implies, this format is simple to produce but lacks creativity. Another format is the **presenter**



Figure 4.6: An example of a lifestyle advertisement from CYTA with the headline “I feel”

commercial where a credible presenter (often a celebrity), carries the message to the audience. Another frequently used advertising format is the **testimonial** where a satisfied customer tells the audience of their positive experience with the product or service. **Demonstrations** of the products or services are another convincing format especially when the advertisement is audio-visual. **Jingles** are musical pieces that allow the product or service to become associated with the music. This is particularly true of **musical logotypes**. The **slice of life** advertisement offers fictional real-life situations to audiences where the product or service is part of the story, often being portrayed in a beneficial manner. **Lifestyle** formats present a user rather than the product or service – the user is often the same looking demographic group as that targeted by the advertiser. The **image ad** or **corporate ad** is used when the advertiser wants to increase its reputation with a generic message conveying the whole organization (see figure 4.2). Finally, an **animation** advertisement allows the advertiser to be more playful with a product or service and also simplifies the messages to make them more memorable.

Differentiating Advertising from Public Relations

In chapter one we observed that advertising and public relations are constantly converging. Before the 1950s public relations was more closely linked to journalism and media relations but as time moved on following the growth of corporate forms of communication after World War Two, advertising and public relations grew closer together in both scope and function. We return once more to this in the next section on integration. In this part of the chapter it is important to give readers clear distinctions between the two because while they are both significant elements of the corporate communication mix they are, nevertheless, different.

The two disciplines vary mainly in their tactics and their publics. There are, however, exceptions or crossovers between the two (e.g. the **advertorial**), but usually the two remain distinct, their biggest differences being:

Public relations address *all* publics and stakeholders and not only those that the organization hopes to advance an exchange offering with. For example, a public relations department might need to establish a relationship with activist groups wishing to influence policy affecting the existence of the organization.

Advertising messages are controlled. The advertiser knows exactly when, where, and for how long the message will be included in the media. Public relations often do not have this luxury. In media relations, especially, when the PR practitioner is attempting to break into editorial space, the criteria for whether they achieve their goal is based on factors other than buying space or time, such as the quality of the press release. Additionally, ads can be viewed with more frequency whereas public relations messages and tactics are often one-off gambits.

Advertising messages have identified sponsors. It is apparent immediately who the message is from because it probably follows a certain recognized individuality and generally has a logo and the name of the organization shown in the ad. Conversely, in public relations and particularly in media relations, the tactic does not normally have an identified sponsor. This has an effect on our perceptions because if we are consuming a tactic derived from public relations, our filters may not be as heightened as they are when we consume advertisements.



Figure 4.7: Should a clinic advertise?

Returning to our understanding of how people are persuaded and how they process information, another difference between the two disciplines can be highlighted. Many advertising messages try and connect with our emotions whereas PR tries to persuade us time and again in a more logical manner, using acknowledged data and statistics. When we consume advertisements we are fully aware that a good number of the messages communicated to us are exaggerated. To illustrate this point, in an advertisement where a teenager is viewed spraying a certain deodorant over himself and women around him suddenly begin flirting with him, consumers know that in reality it does not happen. When ads are produced this way it is called **puffery**.

Finally there are countless organizations that do not use advertising as a form of corporate communication because they believe it triggers certain resistances (such as *persuasion knowledge* – see below the section on sponsorships) and may result in a negative influence rather than a positive one. For example, a private clinic may not wish to adopt such a direct form of selling and persuasion and instead build its reputation through public relations tactics and other less direct forms. If it did choose to advertise, it might run the risk of being perceived as too aggressive and may even be regarded as an insecure business. This oddity seems to be a social construction more than anything else. What makes one sector more prone to advertising and marketing messages than another? This is an interesting question that many theorists debate.

The Other Forms of Promotion

Although advertising takes the lion's share of the marketing mix there is an abundance of other promotional styles used to meet marketing objectives and many of the forms adopted to reach consumers are known as niche focused. To explain this further, '*niche focused*' is when the mass media is not adopted but the focus is shifted rather more on targeting smaller groups, or even on individuals through direct marketing. In the industry, this form of communication is known as **below-the-line**, and is growing tremendously fast.

When choosing the kind of tactics to use in a certain campaign, strategy and planning is imperative, but this is true of all forms of corporate communication and it all depends on what objectives are set. In the next section on integration, we note how different forms of promotional activities, advertising and public relations tactics can be applied to meet corporate communication objectives. In what follows, we address some of today's most significant forms of promotion *other than advertising*. Of course there are more, but this textbook is not centred on promotion. In our view the promotional activities we have chosen are more suited for an integrated approach to corporate communication; they are more ubiquitous, and should therefore be more familiar to public relations practitioners. Included below are direct marketing, sponsorships, sales promotions and product placement. Nevertheless, it should be remembered that marketers are continuously chasing exposure of their brands. The list is long and constantly growing – bathroom ads, transit ads, in-flight entertainment, cinema commercials, boxer shorts, footballers' t-shirts, mobile billboards, and a variety of other approaches which are continuously used by communications' practitioners. It should also be mentioned here that because of its growing impact on corporate communication the whole of chapter seven is devoted to the effects of digital media, a topic we maintain could quite easily fall into this section by virtue of its one-to-one, below-the-line traits.

Direct Marketing

In the wake of more advanced technologies, cheaper implementation costs and increased competition, many organizations choose to skip mass media altogether, or include strategic tactics in their plan of action that involve **direct marketing** with target groups and publics in order to increase awareness and generate exchange responses (encourage the target group to purchase the brand). They do this via **direct-marketing-media** (see Belch and Belch, 2009: 458-459). The direct marketing media list is long and continually growing due to advancements in technology. Some of these include direct mail (non-catalogue), direct mail (catalogue), digital marketing, telephone marketing, and commercial email marketing, plus many others.

One of the most significant benefits of this type of promotional activity is that it offers strong support to other forms of communication. There is a robust crossover effect when combined with advertising; target groups clearly remember campaigns better when a direct marketing tactic is involved. On the other hand, the tactics have become so profuse that much of direct marketing is also labelled as 'junk' marketing.

It is evident that in order for direct marketing to work, organizations must acquire certain knowledge in database technologies and thereafter should develop a long-lasting contemporary and up to the minute database. Databases vary in size and structure: Some are extremely specific with information such as purchasing patterns, psychographics, credit card history and other detailed information. The more detailed the information collated, the more successful marketers are likely to be in establishing relationships with customers.

Sponsorships

Organizations of all sizes use **sponsorships**; the reason for this being that although it is not precisely a below-the-line activity (because it goes out to large audiences), it is nonetheless an effective supplementary tool to advertising in the communication / marketing mix. In fact, Carrillat and d'Astous (2012) advocate that the two together can form an effective tool in an organization's communication efforts because sponsorships are less intrusive and do not trigger **persuasion knowledge** – a term expressed when people are aware that someone is trying to persuade them (filters are reinforced in such circumstances). Specifically, with regard to the benefits of sponsorships, Carrillat and d'Astous state that *"when a persuasion attempt is subtle, persuasion knowledge may not be activated and consumers are less likely to generate cognitive responses that express resistance to the communication"* (p. 563).



Figure 4.8: Adidas offered both forms of sponsorship to UEFA for the 2012 Euro

But what exactly is sponsoring? For certain, it is big business. In America alone over US\$18 billion are spent on sponsorships, and promotional funding is one of the world's fastest growing forms of marketing (Dolphin, 2003; IEG, 2012). Sponsorship is also a form of 'soft' communication that does not trigger persuasion knowledge, as mentioned above. It is a less intrusive communication approach, and more altruistic towards a specific theme. So, in effect, sponsorship has links with an organization (the sponsor) and associates itself with an event (usually a sports or arts event) by offering support in the form of money (**financial assistance sponsorship**), or in the form of goods or services (**in-kind assistance sponsorship**), or both.

Ironically, although sponsorship as a form of communication is growing, many marketers are still unfamiliar with its advantages (Dolphin, 2003). It may be that advertisers do not always convey sponsorship gains because the budgets for sponsorship come at the expense of advertising budgets, and it is often more difficult for an ad agency to obtain commission from sponsorship deals. Advertisers, therefore, only solicit this approach occasionally and it is left to those organizations that are in need of sponsorship to solicit their own. As a consequence, because smaller markets do not have specialized sponsorship agencies, many marketers

remain unclear and wary of investing in the approach. From experience we observe that this is often true; many marketers are reluctant to sponsor events but are more willing to utilize budgets for media advertising because they conclude that sponsorship is a form of donation rather than an effective tool. Since the persuasive strengths of sponsorships are complex, and assuming there is little understanding of the world we live in, the benefits of investing in sponsorships remain ambiguous, so it is not surprising that many communications specialists are hesitant. In other areas of the book we examine the visual world where one sign (e.g. a logo) might encompass multiple meanings for different groups of people. As alluded to earlier, it is a central theme of postmodern life. Our understanding, therefore, is that a clearer insight is required as regards the benefits of sponsorship.



Figure 4.9: What are the benefits of associating a brand with a long-distance running club?

So, what exactly are the benefits of sponsorship? To recapitulate, it can be used to target specific groups as a softer, less intrusive way of communicating than advertising. Furthermore, it portrays the altruistic side of the organization (adding goodwill). But most importantly, when a sponsor is recognized as an official partner via a financial assistance sponsorship, the organization benefits from the sponsor's visual presence and improved overall image and reputation (promoting brand awareness), *"as a transfer of meaning from the event to the sponsor is sought"* (Carrillat and d'Astous, 2012: 564). When 'in-kind assistance sponsorship' is used, *"it demonstrates the functional soundness of the products used in order to assert the brand's legitimacy"* (ibid.).

Organizations of all kinds should be pursuing sponsorship opportunities that warrant an association with a brand which identifies them with certain values in an unobtrusive manner. An example of this is a sponsor who wants to support a marathon run in order to equate their brand with the benefits of long-distance running, healthy living, and stamina. In conclusion, the more direct benefits of sponsorships should also be addressed. By way of illustration, research shows that Formula One fans welcome sponsorships because they enable events to take place and devotees are more willing to purchase goods and services from associated sponsorships as a token of their appreciation (Dolphin, 2003).

CASE STUDY 4.1 – FxPro Financial Services Ltd (FXPro)*

How FxPro used sports sponsorship to build its brand and rapidly expand the business.



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives

FxPro is a leading global foreign exchange broker, headquartered in Limassol. Launched in 2007, it provides forex trading services to over 15,000 clients in more than 150 countries. It has won a number of awards, including the 'Best Global STP/ECN Broker 2012' by the World Finance Foreign Exchange Awards, the 'Forex Provider of the Year 2010' by the Financial Times/Investors Chronicle Investment Awards 2010 and the 'Best Institutional Broker' by Forex Expo Awards 2010.

The forex industry is highly competitive with hundreds of forex brokers. In such a crowded market place brand recognition is of vital importance to the strength of a business. Because traditional advertising mediums are used extensively the market is saturated and has become prohibitively expensive. That being the case FxPro decided that the most effective way to build the brand on a global scale and take market share in a short space of time was to allocate the majority of its marketing budget to sport sponsorship. The sponsorship of football teams such as Fulham FC, AFC Monaco and the Asian Champions League offer TV exposure to potential clients, over a large geographic area, far more cost-effectively than traditional advertising can.

Football in particular was chosen as a key area because the fan base suits the demographic of our traders, and the sport is also immensely popular in many of our key target markets, especially East Asia.

FxPro's past and present enterprise in sports sponsorships has, within a few years, contributed to the company's success making it one of the most recognised global forex brands. It has allowed the company to present its brand message before a vast number of people and create a link between the search for excellence, dynamism and competitiveness that are shared by both the sports teams and FxPro. There is a synergy of strengths that we can communicate in a highly effective way.

2. How the Programme was Implemented

In 2009, FxPro made its first foray into sport sponsorship, joining the high-performance world of Formula One by sponsoring the BMW Sauber F1 Team – this leveraged the popularity of the BMW team and brand and F1's reputation for speed and technological advancement to promote FxPro as a company with a global footprint and hi-tech capabilities.

Following the success of the BMW partnership FxPro took its sponsorship enterprise to the next level – at a time when the business continued to grow at a rapid rate. Firstly, it became a major sponsor of an exciting new entrant into F1 – the Virgin Racing Team – backed by billionaire businessman Sir Richard Branson. This not only gave FxPro an opportunity to engage in direct marketing on the ground in many of its key markets with F1 Grand Prix's in Europe, South America, Asia and the Middle East, but it heralded the added benefit of increased recognition through association with the popular Virgin brand.

FxPro further expanded its sponsorship of motorsport by signing on as the Official Forex Trading Partner of the World Rally Championship (WRC) in a two-year agreement. At the same time as expansion of its global platform continued, the company became the main sponsor of the Superstar Sunday Golf Tournament at Aphrodite Hills Golf Course in Cyprus. This CSR event was hosted by Liverpool FC legend Kenny Dalglish and was organised to raise funds for the Marina Dalglish Appeal – a breast cancer research charity.

The summer of 2010 was a landmark moment for the business with the announcement of partnerships with not one but two football clubs in the Barclays Premier League. FxPro truly stamped its mark on the world of sport with agreements which made it the Official Main Team Sponsor of both Aston Villa FC and Fulham FC.

The Barclays Premier League is viewed by 935 million people at least once a month; it is broadcast in 211 territories, in 634 million homes for a total on-air time of 185,000 hours annually. To put it simply, it is the most watched and most popular football league in the world.

The FxPro logo was displayed on the front and centre of the teams' home and away jerseys and throughout the stadiums on perimeter LEDs and other advertising hoardings.



Fulham FC sponsorship

Launch events in Birmingham and London showcasing the new team kits for the 2010/2011 season targeted not simply local fans but a global audience. Players modelling the kits served as both brand ambassadors and walking billboards. Unprecedented media exposure and brand awareness was generated and the benefits to the company were significant. As a consequence, exposure and brand awareness led to an increase in website searches for 'FxPro' and new account openings and trading volumes grew exponentially in 2010 and 2011.

After much analysis the management team of FxPro decided to renew the partnership with Fulham for two more seasons. August 2012 saw the start of FxPro's third season as Official Main Team Sponsor and the partnership is going from strength to strength.



FxPro main reception area

To capitalise on its standing, and to diversify its awareness and appeal to a wider audience, FxPro signed on as the Official Forex Trading Partner of the Asian Football Confederation Champions League. Partly as a result of the huge popularity of football in Asia and FxPro's sports sponsorships the region has realized significant growth in trading volumes. This tournament runs from March until November each year and is contested by the best 32 clubs from Asia's top ten leagues.

The geographical diversity of this competition has served as an ideal platform on which to extend the reach of FxPro into markets such as Vietnam and Thailand. Instead of sponsoring just one team in the region, the FxPro logo is displayed on the pitch-side advertising screens wherever the matches are televised, ensuring that the TV and stadia audiences are exposed to the brand message and FxPro's role as the official Data Provider.



FxPro F1 Sponsorships

Australia is another growing market and serves as a business base for Asian operations. To coincide with the launch of its Sydney office in late 2011, FxPro was announced in early 2012 as the Naming Rights Partner of the Australian Conference in Super Rugby. FxPro Super Rugby is a showcase of the world's best rugby players from Australia, New Zealand and South Africa. Additionally, FxPro branding features on the official match ball, in stadium and on-screen for games played in Australia as well as on Australian teams' uniforms.

3. Results

FxPro has been a forex industry-leader in the generation of brand awareness and value, and sports sponsorship has played a key role in raising the company profile globally.

Google analytics show that in 2011 there were 8,671,603 visitors to the website, 1,151,133 brand searches and 434,307 new visitors to the website. A search of 'FxPro' on Google returns 3,250,000 results.

Research conducted by Repucom Ltd., shows that exposure of FxPro's brand through sports sponsorship totalled 1,355,932 as at 31 August 2012. The exposure is made up of TV shots, online and print media.

Repucom attributes a total media value to this exposure of \$38,152,892 – meaning FxPro would have to spend an equivalent sum on traditional advertising to perhaps achieve less effective results.

Sponsorship has proven not only to be an extremely useful method for building the brand globally but more importantly it has been a very cost effective tool for advancing the business.

According to the respected Forex Magnates industry report FxPro was ranked twelfth in total trading volumes at the end of Q4 2011 with 3% of market share versus other global forex brokers.

It is the newest and fastest-rising entry in the Top 15 world rankings with \$285 billion of trading volumes in Q1 2012. Figures and facts included in this case study are accurate as of 1 September 2012.

*This case study was prepared by FxPro in Limassol, Cyprus.
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4. Review Questions

- Why have FxPro chosen sports to sponsor its brand?
- What is the purpose of FxPro entering into such large global sponsorships?
- What other tactics have FxPro integrated into their sponsorship efforts?
- What kind of evaluation has FxPro conducted for these efforts?
- What examples of postmodernity can you identify from this case study?

Sales Promotions

Sales promotions are activities developed by the marketing department to stimulate sales through an incentive. The promotion can either be directed towards the consumer or towards the retailer / wholesaler / distributor. The latter is known as a trade promotion, or trade marketing. Sales promotions can be extremely effective, particularly when the organization needs to increase sales momentum. This may be achieved by offering various inducements such as coupons, price-offs, limited-time offers, two for the price of one, premiums, and other motivational offers. Belch and Belch (2009) present an elaborative diagram (see figure 4.10) that lists the different types of sales promotion for both consumer-oriented and trade-oriented promotions (p. 510).

Sales Promotion	
Consumer-Oriented Promotions	Trade-Oriented Promotions
Samples	Contests and dealer incentives
Coupons	Trade allowance
Premiums	Point-of-purchase displays
Contests / sweepstakes	Training programmes
Refunds / rebates	Trade shows
Bonus packs	Cooperative advertising
Price-offs	
Loyalty programmes	
Event marketing	

Figure 4.10: Types of Sales Promotion Activities (Belch and Belch, 2009: 510)

Product Placement

The notion of placing a product directly into media content (and not through an advertising break) is not new. Edward Bernays would encourage his clients to use products of other clients and then prompt newspapers to take photos of them, or place them in movies. During the time that Bernays practiced the activity it was considered manipulation; it is from such examples that Bernays is often criticized for being an expert-manipulator and deceiver. More recently, however, with the support of policy, the concept of product placement is currently burgeoning to a point where there are product placement agencies that now deal solely with the activity. It has to be mentioned that although such activities, when combined with public relations tactics (e.g. in a news media editorial) are doubly effective, they can also be extremely unethical if the user does not actually use the products. To give an instance, if your favourite football player is paid to drink a certain sports beverage in public places so that journalists can take photos of him holding it, is that ethical? We believe it is unethical because product placement needs to be identified at some point with the programme's consumer or editorial piece. But, if the placement is in the editorial there is no way to identify it clearly. In films, television programmes and other media, producers are currently amassing fortunes from product placement opportunities. Some films such as the James Bond franchise recuperate a large part of their production budget from placing products within the content.



Figure 4.11: Aston Martin and the James Bond franchise have created a successful working formula together

Various regions of the world have different perspectives with regard to product placement. In Europe, following the most recent audiovisual directive, product placement has become feasible since 2007, and is now codified in the Audiovisual Media Services Directive of 2010. In the USA it seems that product placement is not judged as an intrusive factor when programmes are consumed, whereas other regions hold stronger views on the topic (Lee, Sung, and de Gregorio, 2011). Regardless of what we think of product placement, it is a fast growing component in the communications mix and needs to be considered in the integrated corporate communications approach.

Ask a Communications Scholar Interview with Professor Philip Kotler



Professor Philip Kotler is the S.C. Johnson & Son Distinguished Professor of International Marketing at the Kellogg School of Management at Northwestern University, Evanston, Illinois. Now in its 14th edition, *Marketing Management* is the world's most widely used graduate level textbook in marketing. His other textbooks include *Principles of Marketing* and *Marketing: An Introduction*. Kotler has also written fifty other books on such subjects as museums, performing arts, place marketing, poverty alleviation, innovation, professional services, religious institutions, healthcare, education, tourism, hospitality, and corporate social responsibility.' (Wikipedia, 2013).

1. Professor Kotler, your seminal paper written in the 1970s with William Mindak is often used in the literature on Corporate Communication as the moment that spawned both IMC and Corporate Communication. Based on this belief, do you believe PR and marketing should be structured in an organization separately or together?

I have recently told audiences that we need to add a fifth P to the 4Ps of Product, Price, Place, and Promotion. The fifth P is Public Relations. In this news-filled world, companies need a news plan for informing and exciting people about their company. Most promotion money in the past went into 30-second commercials. Now that these commercials are growing less effective, we need to add more PR to our marketing mix. PR cannot be put under marketing because there are several types of PR such as financial PR, human resources PR, etc. But I would put Marketing PR (MPR) under marketing. Tom Harris wrote an interesting book on how companies have used PR to support marketing activities and goals.

2. Both marketing and PR are now thoroughly interested in building relationships with publics and target groups. What is your take on this? How are the two fields managing to do this?

A company needs to define which publics and market segments that it wants to reach and influence and which tools can best work together to achieve reach and influence. We need joint planning by marketing and PR so there is message consistency and not too much message duplication.

3. Digital media, and social media in particular, are allowing ordinary consumers / citizens to get into dialogues with corporations of all sorts and on various levels. How should organizations adapt to these changes in communication? Should strategies be changing to implement social media on a corporate level or on a lower, more functional level?

The two big mistakes would be to ignore social media altogether or put all your money into social media. I have advised marketing departments to initially put 10% of their normal marketing spend into social media to learn what works. If putting content on Facebook works for the company, then increase the budget to 15% in the next round. If Facebook or Twitter or other social media is not working, don't put more money into these media. And don't give up the old media either. Smart companies will blend the new and the old media to work together. Often old media (newspapers, magazines, radio, TV) will mention the new media. And the new media will refer back to big campaigns conducted on the old media.

Professor Kotler was interviewed by Nicholas Nicoli.

Wikipedia, 2013. [Online], available from [www.wikipedia.org], accessed 8 February 2013.

Harris, T. 1993. *The Marketer's Guide to Public Relations: How Today's Top Companies Are Using the New PR to Gain a Competitive Edge*. Wiley Series on Business Strategy.

Integration of all Corporate Communications

From the outset we should reaffirm that, in the marketing literature, the integration of all forms of corporate communications is referred to as integrated marketing communication (IMC). Nevertheless, we believe that the term corporate communication more appropriately represents the combination of all forms of communication within an organization and there are a number of reasons for this. IMC focuses its priority only on the field of marketing which is slightly misleading in relation to where the emphasis should be placed. Ideally, prominence should be given to combining the marketing mix (which already involves the integration of many forms) with all forms of communication within the organization. This, in fact, can be called **through-the-line communication** – when all marketing efforts are combined (both above- and below-the-line). According to Van Riel and Fombrum (2007), the three clusters of communications referred to in the section on marketing, are important within this context. The authors claim that marketing communication is but one of three different clusters. Corporate communication should integrate all three – marketing, management communication and organizational communication. This interpretation of integration places emphasis not solely on marketing (hence the exchange of goods or services), but on other significant areas as well.

Imagine an organization that advertises its benefits to target groups via above-the-line activities while at the same time its trade union is on the brink of strike action because of ongoing internal disputes. In our opinion this creates tension within a company and can lead to employees and close stakeholders discussing issues that are different from the messages being sent to external publics. To explain further, the voices heard internally are different to what is actually going on, which intrinsically can lead to an organization suffering from delusions. If this process continues for long, the company might suffer from similar symptoms to those of an individual going through the same suffering for lengthy periods of time – a serious illness, well known as schizophrenia. Van Riel and Fombrum (2007) advocate that this consequence should be avoided at all costs by adopting what they call **strategic alignment** (SA) (p. 209). They sum it up as follows, “aligned companies are more likely to build reputational

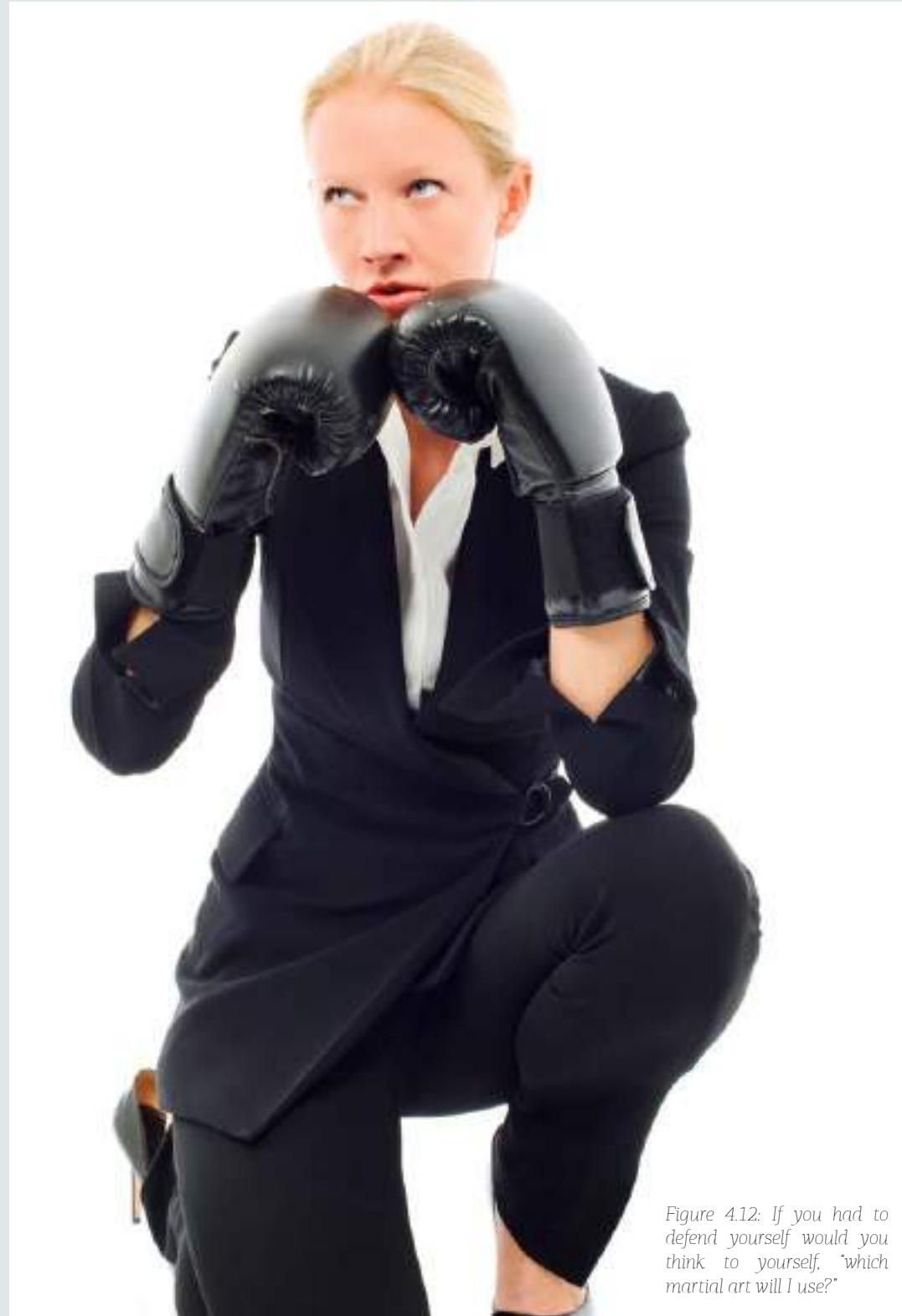


Figure 4.12: If you had to defend yourself would you think to yourself, “which martial art will I use?”

capital than companies lacking strategic alignment – employees are more likely to act as ambassadors for the company to outside audiences” (p. 211).

Achieving strategic alignment is easier said than done. If an organization has ongoing differences with certain stakeholders it does not mean that all other efforts should cease until alignment is achieved. Still, it is in the organization's best interest to nurture a communication department that is fully aware of communication issues and constantly strives to align its efforts with all communication clusters so that a significant value chain is tailored to benefit all. Outlined below are some areas that permit better integration of all forms of communication.

How to Integrate

Imagine that you are attacked in the street by a robber and you are an expert boxer, judo fighter and Tae-Kwon-Do fighter (bad luck for the robber). Would you choose to defend yourself with only one discipline or would you apply the best self-defence approach that the situation requires? This is the basic principle of corporate communication integration. All forms deal with the same process – that of communication. Depending on the situation, the communication approach and style that matters most should be used. If one punch, or block, or kick is required, then that is what should be employed – all three disciplines applied at once simply cannot be achieved.

Between the three forms of communication there is a good deal of overlap but there is also much that separates them. Even in profit-oriented organizations, as identified above, the objectives of marketing are to induce a client or customer purchase, whereas the objectives of other forms of communication might be different or more specific such as the strengthening of relationships with the government, or increasing morale amongst employees.

So, how can an organization integrate all these forms of communication? Initially, it might need to **restructure** itself in a way that permits a more comprehensible, synergic communication programme, hence a marketing department and a public relations department might merge into one. By doing this, the tools, tactics and techniques of corporate communication may be housed under one roof. This approach is more efficient and effective than having different departments doing similar things and competing for the same budget. It also allows better research methods to be applied for similar evaluations (see chapter eight). Much care is required to recruit the right people for particular tasks. For example, it is crucial to have a department manager that understands all aspects of communication and does not prefer one side over others. In this way, when a communications programme is developed, one department has control and includes integrated tactics for all. To give an instance, before the launch of a new advertising campaign, or slogan, this same department can coordinate other PR activities. It might want to organize a press conference, press releases, inform employees and investors or use other similar tactics.

CASE STUDY 4.2 – Hellenic Bank *
Morfosis Educational Scheme



- 1. Situation Analysis & Objectives
- 2. How the Programme was Implemented
- 3. Results
- 4. Review Questions

1. Situation Analysis & Objectives

Hellenic Bank offers a wide and complete range of educational solutions to cater for the needs of all children and young adults from kindergarten, primary and secondary school through to university.

The Educational Scheme is addressed to parents / guardians providing for their children's expenses, covering all spectrums of:

- ▶ Kindergarten
- ▶ Private primary school
- ▶ Private secondary school
- ▶ Private lessons in Institutes (for foreign languages, music, dance, sports, etc.)
- ▶ Colleges / Higher education schools
- ▶ Universities in Cyprus or abroad (the loan caters for living expenses as well as tuition fees)

The Educational Scheme offers a combination of lending facilities, including a Student Card that is linked to a current account, as well as other benefits. Interested clients have the option to choose all or part of the facilities offered, i.e. application for a single student card or application for a loan only.

The Bank created a student package, named Morfosis (in Greek, Education), that contains numerous products and services that best suit the needs of a student. The packaged product contains: a student loan with favourable terms, a Visa Electron debit card, branded StudentCard, and a medical card from Hellenic Alico Life, branded MediCard. Below, is a list of products that make up the Morfosis Package.

Educational scheme – details

- ▶ Student loans from €2,500 to €140,000
- ▶ Repayment period of up to 30 years
- ▶ Attractive interest rate
- ▶ Flexible monthly instalments
- ▶ Grace period up to five years
- ▶ Option of loan currency: euro, dollar, sterling pound
- ▶ Attractive interest rates that may fluctuate from time to time

Hellenic Bank wanted to create a service that truly works for students. For that reason the loan caters for all educational needs by providing loans starting from €2,500 up to a maximum of €140,000. The loan can be disbursed gradually with a maximum disbursement period of 7 years. Customers have the flexibility to either choose to repay the loan by monthly instalments which remain unchanged until the expiration of the loan, or adjust them by choosing to pay low monthly instalments that will increase as the repayment loan period progresses.

Loan guarantees

- ▶ Personal guarantees and/or tangible securities with the assignment; in addition, it covers relevant fire / earthquake insurance when the loan amount is over €45,000 from Pancyprian Insurance.
- ▶ Life and permanent total disability insurance of the parent (and optionally of the student) from Hellenic Alico Life.

Student card

- ▶ No charges for cash withdrawals through ATMs abroad in the Eurozone and through Hellenic Bank and JCC ATMs in Cyprus
- ▶ Direct access to the student's money (current account / savings account / Hellenic Net account), anytime, fast and easy
- ▶ 24-hour access to Hellenic Net Banking services to manage the account
- ▶ Discounts in more than 400 businesses via the Discount Scheme MORE4U
- ▶ Free travel insurance provided that the tickets are purchased with the specific card
- ▶ SMS Alerts card service



The main visual that drove the creative strategy of the campaign

Student medicard

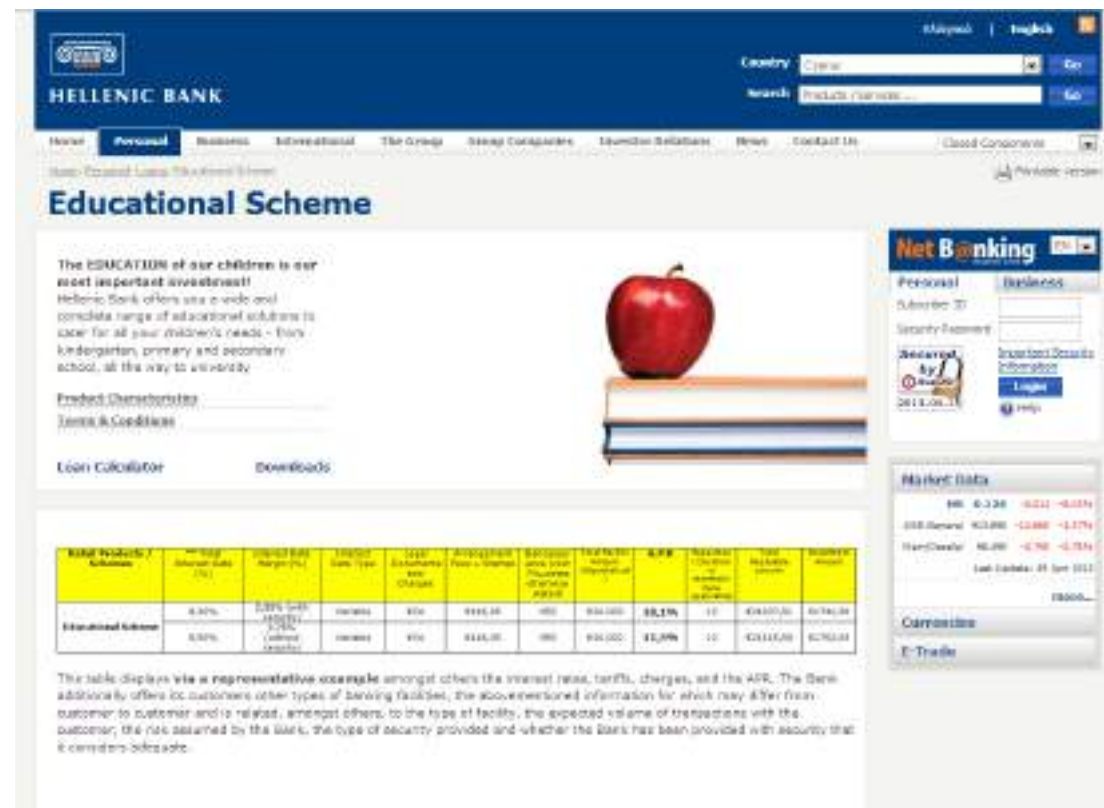
- ▶ In-hospital medical care due to sickness or accident in the country of studies
- ▶ Cover when the student is on holiday in Cyprus
- ▶ Cover when the student is on a short-term stay in a different country (for the purpose of their studies), other than the country of their main studies (excluding the USA and Canada)
- ▶ Cover of the cost of a return airplane ticket for one of the parents in case of hospitalization of the student for more than 48 hours
- ▶ Medication expenses following the hospitalization
- ▶ Doctor visits following the hospitalization
- ▶ Cover of the cost of transferring the insured from the country of study to the country or to the nearest hospital in the country of permanent residence
- ▶ Flexibility in the choice of insurance cover depending on the country of study

2. How the Programme was Implemented

Hellenic Bank, long ago, pinpointed the need to offer financing for educational purposes. Since the 1980s, Hellenic Bank has offered a specialized loan for the aforementioned purpose; however, it was not until 2009 that the Bank decided to take this to a new level. In order to make this a genuinely useful and value-added scheme for Hellenic Bank clients, it carried out exploratory market research. The primary interviewees of the research were clients with children at studying age. The main methodology of the investigation took the form of detailed qualitative methods consisting mainly of focus groups. After setting up the focus groups comprehensive brainstorming sessions were organized to assess how the needs and overall data from these groups could be implemented in a complete integrated communications campaign. The results of the research led to a reengineering process of its educational loan structure culminating in the Morfosis scheme.

Making the scheme public included a variety of integrated corporate communication approaches such as:

- ▶ Press releases to all media outlets informing them of the scheme
- ▶ Television advertising spots
- ▶ Radio advertising spots
- ▶ Newspaper advertising
- ▶ Magazine advertising
- ▶ Posters and flyers in the branch network of Hellenic Bank
- ▶ Promotional activities among the student community such as publications, exhibitions and organization of events
- ▶ Complete description and interactive online information of the scheme



3. Results

Year 2009 – Launching year – €6 million was designated under the scheme Morfosis.

Year 2010 – €4 million was designated under the scheme Morfosis.

Year 2011 (up to November 2011) – €3 million was designated under the scheme Morfosis.

Overall, during its 4-year lifespan, the student scheme has offered over €13 million to approximately 750 students.

*This case study was prepared by Hellenic Bank, Nicosia, Cyprus.

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4. Review Questions

- Why were focus groups the main methodology of market research?
- When do you believe the press releases were sent out and why?
- Once a student is part of the Morfosis package, how do you think the bank establishes a relationship with him / her?
- What steps of action can be taken in order for the student to continue to be a Hellenic Bank customer after he graduates and is employed?

Coordination teams may be put in place to oversee these activities and as organizations grow and become more complex, these teams need to implement technological tools that empower them to better administer corporate communication functions. Coordinating teams are a new facet of contemporary organizations. And depending on the function of the organization they can maintain a variety of other responsibilities other than merely overseeing communication flows from the organization's perspective. As an illustration, they may monitor social media sites to track how 'non-marketers' are responding to campaigns. Such tactics can save organizations a great deal of money as well as conserving efforts in campaigns that are not proving to be as in vogue as first expected. Similarly, in philosophical terms, it gives access to all communications practitioners of events, strategies and tactics that currently exist. Everyone is aware of pre-planned campaigns. Again, it is worthy to note that various network technologies can assist in the overall function of integrating communication activities.

Another simple approach to integration is to provide a common visual identity manual, known as a **corporate identity kit**, to inform everyone about the organization. As companies change in size, merge, or are forced to make redundancies, restructure and add or let go of different brands, a strong corporate identity is needed in order to help establish unity and cohesion. Here too, an open access internal system should be in place to allow the organization to move forward in rapidly shifting situations. While this may sound straight forward enough it is surprising how many organizations neglect this tactic. In our opinion a restructuring of the organization to construct one department solves this issue.

At this point it is vital to identify two significant obstacles to such strategic approaches which need addressing to enable complete integration to take place. First and foremost is the issue of how **decentralized** an organization might be. The bigger the organization the more likely it is to be broken into different business units which creates problems for communications programmes. Paul Argenti (2007) makes an important point when he states that *"while decentralization allows for more flexibility in tough economic times, these advantages are not without accompanying risks. Dispersing corporate communications across individual operating units without some central oversight significantly raises the potential for inconsistent messages"* (p. 45).

Ask a Public Relations Practitioner
Interview with CYTA Manager of Communications and PR, Rita Karatzia



Rita Hadjiloizou-Karatzia is Manager of Communications and Public Relations at Cyta (Cyprus Telecommunications Authority). She established the organization's Public Relations Department in 1990. Since then, her division has developed to also embrace Above-the-Line, Below-the-Line and On-Line activities, both corporate as well as for the Cyta sub-brands, Media Relations, Strategic Management of the Cyta Brand, Media Management, Corporate Social Responsibility matters, issuing of various publications and internal communication activities. Before joining Cyta, she worked as Marketing Manager at an offshore company in Nicosia. She is presently the Vice Chairman of the Advertisers Association and a member of the board of the newly founded Self Regulating Organization (SRO), which aims to self regulate the advertising industry. She was voted the Madame Figaro Woman of the Year in the category of 'Professional of the Year' in 2009.

1. In your opinion, what are the qualities expected in a PR person?

I established the PR Department of Cyta in 1990 and have managed it ever since. A PR person must possess certain essential attributes such as good communication and writing skills, proactiveness, creativity, attention to detail, understanding politics and adherence to ethical practices. Nowadays people working in PR must acquire some new skills in order to be adequately prepared to meet the challenges of the new era. Today's PR professional must place much more emphasis on listening to what the customers, the media, influencers, employees and the community are saying and at the same time, maintain healthy relationships with them. Understanding how social networks perform and the importance of blogging is very crucial at this point in time. Decisions must be based more and more on data rather than on intuition.

2. What is interactive PR and how do you incorporate it in your organization's PR Campaigns?

Interactive PR is the use of Internet tools and technologies to disseminate information directly to the customers and the public, without relying solely on mainstream media. As the word interactive implies, it is often a two-way communication between an organization and its publics. At Cyta we are trying to incorporate Social Media – such as twitter and Facebook – to an even greater extent in our public relations campaigns.

3. What are the basic requirements of a company or project to ensure successfully becoming part of the editorial content?

When it comes to editorial content, conformity does not work as the media is continually looking for captivating stories. One must capitalize on a distinctive product, service or an unusual story to attract and maintain newsworthiness. Other important matters to be considered are the right timing, truthfulness, transparency and relevance.

4. How do you measure the performance of the PR activities / tactics in your organization? What are the monitoring methods that you use?

The performance of our PR practices is usually measured through surveys that are conducted during or after a publicity activity. Some relevant information is also extracted from the Brand Equity survey that we conduct regularly among the public and our employees. The monitoring services we use cover press and TV coverage as well as electronic media.

Ms. Karatzia was interviewed by Nicholas Nicoli.

This argument is accentuated in organizations that are geographically dispersed. The second obstacle is the added conflict and clash of philosophies that such clusters of communication might bring to the surface. The more mature generation of communications professionals may experience some difficulties in agreeing with others on certain points purely because they have been trained, educated and work in very different ways. For instance, the more senior PR professionals were trained in journalism schools and may not favour meeting and working on advertising and sales promotion strategies. This works both ways as many sales and marketing elders view public relations as a waste of budget, time and effort. On the other hand, the younger generations of university-educated professionals are schooled early on in all aspects of communications. In Cyprus, at the University of Nicosia, for example, corporate communication students complete a degree in Public Relations, Advertising and Marketing where they become acquainted with all disciplines in the field, from journalism and multimedia, to core courses of the programme.

Regardless of aforementioned drawbacks, it seems that the trend today in the discipline of corporate communication (as a whole), is to integrate approaches as far as possible. The diversity of ideas stemming from a wide spectrum of viewpoints, disciplines and approaches can only lead to additional fresh creative strategies and, consequently, to more efficient and effective communication results.

CASE STUDY 4.3 – The Prestige Group*
Integrating Campaign



- 1. Situation Analysis & Objectives**
- 2. How the Programme was Implemented**
- 3. Results**
- 4. Review Questions**

1. Situation Analysis & Objectives

Having assessed the need to create a niche market for the provision of luxury services on the island, primarily to high-end affluent consumers, the Prestige Group entered the luxury services market with the objective of becoming a leader in this area.

The entry of the Prestige Group into the luxury services market came at the onset of the global economic crisis period. The organization reacted to this crisis by maintaining a firm understanding of the spending prerequisites of wealthy people while monitoring developments over the course of time and by taking into account that business opportunities are less likely to be a common find in the current climate. It was further ascertained that affluent business people tend to focus more on occupying themselves throughout crises due, perhaps, to a lack of having to do so in the past. One of the consequences of emotional depression, experienced by extremely wealthy business people, is to spend extra on luxury services.

The absence of a luxury services market on the island led the Prestige Group to carve out a niche market for such provision, and enable the high income section of the population to spend their money locally rather than abroad, by supplying desired sought after luxury services to them. This, in turn, would contribute towards the formation of an environment where high-earning individuals might wish to spend their money. These services are offered across the group's divisions in order to actively promote quality services in Cyprus and further upgrade the market with a longer term objective of branding Cyprus as a specialized corporate and luxury services provider to the international community.

The Prestige Group was founded in March 2011 upon firm ground that had been established more than two decades earlier by its parent companies, Arto Estates and Prestige Car Rentals. The group also includes Prestige Publications, Prestige VIP Events and Prestige Investments.

Over the past two years this group has rapidly evolved and has established itself as a pioneer and leader in the luxury services market. The fast growth and solid development of the organization is primarily attributed to the building and strengthening of local and global partnerships, as well as the continual increase of high-net worth and corporate clientele.

With an impressive database of many affluent professionals and well-connected people, the natural progression has been to enhance the top-level networking which has already been taking place and to nurture it among those at the high end of the market, especially consolidating ties between Cyprus and Russia – the homeland of a good number of clients, who seek the provision of luxury services.

Prestige Car Rentals

As a pioneer and leader in the car rental market of Cyprus for over 25 years, clients have access to world-class luxury and performance supercars in addition to the classics. The vehicles of the fleet comprise the most exclusive manufacturers in the world, ranging from the Mercedes S-Class, the BMW 6 and 7 series, to the Porsche Boxter and Cayenne, the Ferrari F430 Spider, the Aston Martin DB9 and the brand new Maserati GranCabrio, to name but a few available models from the diverse car fleet selection. The fleet team is well-equipped to manage all ground transportation requirements from Airport Transfers to Chauffeuring and Private Limo Services.

Prestige Investments incorporates the parent company, Arto Estates, which was founded 30 years ago and has built an enviable reputation for locating the perfect luxury property for its discerning clients. Prestige Investments can also help clients to secure private jets or yachts, for either short and long term hire or purchase.

Prestige VIP Events creates and coordinates memorable corporate and social occasions including 'red carpet' events at the most prestigious luxury venues in all parts of the Republic of Cyprus.

The Prestige Publications division is comprised of two high quality publications:

STATUS is a continuously evolving luxury lifestyle publication, created by an international team of experienced professionals, which delivers content of relevance to its discerning readers, who appreciate the 'life of luxury' and the best life has to offer such as: major luxury retailers and elite VIP services, luxury items, expensive gadgets, technology trends, recreation and entertainment, culture and the arts, haute couture and prêt-à-porter.

The magazine content includes global topics of interest such as civilizations, international and local destinations, as well as local and global happenings and cultural events.

Recently, **Prestige Publications** boldly entered the fast-paced world of business media with **LEGACY**, a business edition that raises important political, economic and social issues, its main objective being to contribute towards the promotion of Cyprus as an international economic and financial business centre.

Moreover, **LEGACY** serves to act as a contemporary mouthpiece for the foremost social and political thought platforms and provides an independent forum for political, economic and social discourses on a local and international level.

Both publications disseminate expert information and deliver a plethora of original topics of contemporary worth and interest, ensuring editorial excellence by reputable columnists and media communications associates. All of the divisions of the new Prestige Group are closely interwoven.

2. How the Programme was Implemented

The swift expansion of the Group over the past two years is largely attributed to the integrated marketing communication methods that have been adopted across the Group's divisions. Listed here are below-the-line and above-the-line marketing methods of communication to date:

- ▶ Establishing an identity or brand by creating a logo, vision and mission statement.
- ▶ Communicating this brand through the creation of company brochures and booklets, audio-visual presentations and promotional materials and uniforms.
- ▶ The logo was placed on all the vehicles and number plates of the SuperCar fleet as well as on the Group's premises.
- ▶ The company employees wear a uniform in the branded colours of the Group, which depicts the logo.
- ▶ Distribution of promotional material with the company logo. Promotional items include leather key rings, stylish pens and leather crafted notebooks.
- ▶ CD's that depict the Group's logo play commercial music and are placed in all cars together with the company's advert.



CD Cover of Prestige Group Airport Rollers

- ▶ Advertising on billboards in prime locations across the island.
- ▶ Advertising on static and rolling billboards at both Larnaca and Paphos airports. Advert grids presenting the Group are found in wall grids at various points at the airports together with company video presentations.
- ▶ Website strategy – All social media means, namely YouTube, Twitter and Facebook are actively used.
- ▶ The Group website is retrieved via the search engine optimization of keywords related to the website.
- ▶ Weekly on-line newsletter is circulated to communicate current and new services and activities of the Group.
- ▶ Prestige Group banners are hosted in key websites such as cyprusnet and isg-tour.ru to further increase targeted traffic to the websites of the Group and its divisions respectively.
- ▶ Advertisements and reviews are placed in local Greek, English and Russian publications.
- ▶ The Prestige Group is also advertised through the Prestige Publications, which are circulated in Cyprus, Russia, Israel and Lebanon through a highly targeted distribution list.
- ▶ Since the Group is constantly evolving, market trends are reviewed on a regular basis, paying close attention to client requests to meet all high-end needs and preferences.
- ▶ Red carpet, corporate and charity events have been successfully organized over the past two years, which have served to promote even further the Group's activities within the local community.

- Constant personal contact and consultation with clients and associates by the Group's partners and management team in order to present the Group and its endeavours.
- Adoption of effective PR skills by the Group's representatives throughout the divisions.
- The cornerstone of the company has always been its high level of service, which has meant that many clients return year after year to book and recommend the company to their friends and business associates. Many clients also remain in contact and over time have become firm friends of the Group.



Feature Story of Prestige Group

3. Results

The objectives of the integrated marketing campaign are to help establish the Prestige Group within the market as a leader in the provision of luxury and corporate services.

So far, the measures that have been adopted to evaluate the effectiveness of the marketing strategies employed are the feedback received from clients regarding the satisfaction level of services provided and the online recorded data of visits to the several websites and their corresponding interactivity. Success of billboard campaigns are appraised by incoming telephone and web enquiries as well as by client visits to the Group's premises. Media advertisement return is primarily weighed by the increasing demand of advert placements within the magazines of the Prestige Publications.

*This case study was prepared by Prestige Group in Limassol, Cyprus.
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4. Review Questions

- What is the logic behind the choices of services created by the Prestige Group?
- How does the database the group has built over the years help the organization?
- What is the importance of creating an identity for the Prestige Group as a whole?
- With so many tactics involving above-the-line (ATL) and below-the-line (BTL) activities, how might the Group be coordinating them?

Propaganda

It may appear strange to find a small section on propaganda in a chapter that deals exclusively with corporate forms of communication, but there is a reason for this seemingly odd structure choice. Along with our aim to familiarize the reader with the key methods of corporate communication *other than public relations*, this chapter also wishes to resolve various phrases, words, activities and approaches which are similar to PR and are therefore often used interchangeably with it. Possibly the most frequently termed activity identified with PR, and one that also gives it a bad name, is propaganda. As alluded to in the previous chapter, Moloney (2006) mockingly notes that public relations perform a woeful job of its own public relations efforts. We suggest that the reason why this is so, is its relation with propaganda.

To be more succinct, propaganda has been associated with public relations since the public-be-damned era (or the press-agentry era), because much of the communication emanating from organizations and well-known figures was misleading and untrue. Grunig and Hunt remind us that *"Public relations serves a propaganda function in the press agency model / publicity model. Practitioners spread the faith of the organization involved, often through incomplete distorted or half / true information"* (1984: 21). In other words, propaganda can possess indistinguishable tactics; much the same strategies and look similar to public relations, with the main difference being that the content of the messages in propaganda are untrue and misleading. Furthermore, the senders of the message are not particularly motivated to change their own minds, or be persuaded otherwise. All the propagandist aims to do – above all, at all costs – is to persuade. From the outset of their now seminal study on propaganda and persuasion, Garth Jowett and Victoria O'Donnell (2005) propose that *"propaganda is a form of communication that attempts to achieve a response that furthers the desired intent of the propagandist"* (p. 1). As observed in the previous chapter, this clearly is not the kind of public relations used or taught in excellence theory.



Figure 4.13: Goebbels often used the bandwagon technique as well as the persuasive technique of the logic of authority to impress such images upon the masses

Propaganda, therefore, is when the sender's *priority* is to persuade the receiver. An organization which sends PR messages might prioritize improving its profit margins, or building on its reputation, and because of this it is more willing and open to other points of view. Conversely, as the propagandists' priorities attempt the art of persuasion they have no problem in being dishonest or using manipulative means and techniques in their communications. And there are many ways to achieve this such as the propagandist who uses a **red herring** as a message. In other words, the propagandist, in a very convincing fashion, promotes an irrelevant story to distract the receiver from the truth. Another effective approach is the **bandwagon**. Here, the propagandist tries to persuade the receivers that they should be a part of the herd, the masses. Humans by nature want to be on the winning side so the propagandist formulates an impression that many people have aligned themselves with something or other, and perhaps you should do too. A favourite tactic of propagandists is to use what is known as **glittering generalities** – vague terms without any back-up reinforcement, but terms that denote pride, belief and high values. One of the most unethical techniques is called **name-calling**. This is a self-explanatory technique which may be used even if untrue; the propagandist might practice it to instil hatred towards certain groups. While there are countless other techniques, the principle of them all is the same – to persuade at all costs. As a result, the term propaganda is now most certainly associated with negative, manipulative and untrue communication behaviour.

Historically, it is important to remember as we close this section that propaganda only became a negative form of communication following the industrial era (as a practice), and as a term during World War Two, and thereafter in the Cold War period. As discussed in chapter one, the word propaganda is a derivative of the word 'to propagate' (to spread, or to disseminate). Also, we debated in chapter one how propaganda is often associated with the Roman Catholic Church, especially during the seventeenth century, when it created the Sacred Congregation for the Propagation of the Faith (Sacra Congregatio de Propaganda Fide). To recap: it was founded in Rome in 1622 by Pope Gregory XV to train missionaries to propagate the faith (to spread the beliefs of the Roman Catholic Church).

Summary

A new communication environment not only demands fresh ways of reaching senders but it also requires listening to audiences much more and including them as a part of the process. The result is a creative fusion of marketing and public relations. While there are still major differences between them and it depends purely on each organization as to which functions are used, the lines are becoming less distinct and, as we shall observe in chapter seven – digital media and PR – there are several newer techniques which fall into both areas, making the differential even more confusing.

This chapter seeks to offer the reader a clear understanding of the main corporate communication forms in use today while at the same time addressing their differences and usage. Also, it has touched upon the various types of integrated approaches to corporate communication. It is important to reaffirm that without an understanding of all communications tactics and their philosophies as a whole, no integrated approach will succeed.

In conclusion the concept of propaganda is introduced to the reader. Marketing, advertising and promotion are often perceived as being the same, or at least very similar to public relations. The last section on propaganda forms a fitting prelude to the next chapter on ethics where we further contemplate what often gives public relations an air of being a manipulative science.

Short Definition of Terms

Primetime:

The term used in advertising for the period of day that attracts the largest audience. It should be noted that different media have different primetimes.

Relationship Marketing:

The term used in marketing studies to emphasize the accelerated growth of establishing relationships with target groups.

Management Communication:

A term by Van Riel and Fombrum defining the cluster of communication activities practiced by managers of organizations.

Marketing Communication:

A term by Van Riel and Fombrum defining the cluster of communication activities that deals almost exclusively on the efforts made to generate profits.

Marketing Mix:

A marketing term defining the integration of various forms of marketing activities such as advertising and promotion.

Organizational Communication:

A term by Van Riel and Fombrum defining the cluster of communication activities that deals with public relations tactics.

Target Group:

A group of people that share similar traits, habits and / or demographic characteristics.

AIDA:

The well-known advertising process abbreviating the words, awareness – interest – desire – action.

Commission Fee:

The most common form of payment of advertising agencies. For each media purchase achieved by the agency for a client's advertising, the agency earns back a commission of the cost.

Micro-Narratives:

The term used by postmodernists to explain the many different beliefs, values, comprehensions and theories of postmodern times.

Grand-Narratives:

The term used in postmodern theory to explain large overarching beliefs, values, comprehensions and theories.

Differends:

A term used by postmodern theorist Jean-Francois Lyotard in attempting to explain disputes occurring in contemporary life where no universally accepted definition of the dispute exists.

Generic Trademarks:

The term used when a brand name becomes so universally used it becomes the defining term of that product.

Above-the-line Communication:

The term used to explain the forms of communication that go out to large audiences. It is often associated with traditional forms of advertising since these forms are more frequently used in mass media.

Straight Announcement:

An advertisement that simply announces information required to inform its target group.

Presenter Commercial:

An advertisement that uses a credible person as a presenter of the information.

Testimonial:

An advertisement that uses a satisfied customer or client to convey its messages.

Demonstration:

An advertisement that uses the product or service in its content.

Jingle:

An advertisement that uses music which is easy to recall and communicates various aspects of the message.

Musical Logotypes:

Short musical phrases used in jingles to make it easy for target to recall.

Slice of Life:

An advertisement that shows fictional real-life situations where the product or service is part of the story.

Lifestyle:

An advertisement that shows people that associate with the target group but not necessarily the product or service.

Image / Corporate Ad:

An advertisement that attempts to build a reputation and increase confidence towards the corporation through more generic messages.

Animation:

An advertisement that conveys the message through non-photographic visuals (such as a cartoon) in order to be more user-friendly for the target group.

Advertorial:

An advertisement that has a border and is paid for by an advertiser but is copy-heavy and often reads like a press release.

Puffery:

Exaggerations of the truth or something beyond belief to get a message across – many critics of advertising use this term to describe how advertising functions.

Below-the-line Communication:

The term used to explain the forms of communication that go out to small audiences or individuals. It is often associated with areas of the marketing mix other than mass media advertising.

Direct Marketing:

A form of marketing which uses databases to create messages going out to specific and named groups of individuals directly and not through mass media forms.

Direct-Marketing-Media:

The media used for direct marketing such as mobiles, emails and other similar media.

Sponsorship:

A form of patronage from one organization for an event organized by another organization or group of organizations. In exchange for the support, the organization supporting the event becomes recognized through brand recognition and / or use of product / service at the event.

Persuasion Knowledge:

When a receiver’s senses trigger that a sender is trying to persuade them and their filters of resistance go up.

Financial Assistance Sponsorship:

A form of sponsorship where the sponsor offers money in exchange for brand recognition at the event.

In-Kind Assistance Sponsorship:

A form of sponsorship where the sponsor offers its products or services to be used at the event in exchange for brand recognition at the event.

Sales Promotion:

A form of communication that tries to increase demand of the product or service for a limited time by means of an incentive and usually directly through non-media forms.

Trade Promotion:

A sales promotion directed towards wholesalers / retailers / distributors.

Through-the-line Communication:

A combination of both above- and below-the-line communication emphasizing the integration of all communications.

Strategic Alignment (SA):

When all the organization's communications activities are aligned in such a way that shows coherence and logic rather than mixed signals.

Restructure:

The activities of management when making department and division of labour changes within the organization to better prepare it for addressing its mission.

Coordination Teams:

A division of labour used to support strategic alignment.

Corporate Identity Kit:

The procedures regarding how an organization's visual communication is perceived. It should be used by all involved parties.

Decentralized:

When an organization is broken down into smaller empowered business units.

Propaganda:

A form of communication whereby the priority of the sender is to persuade at all costs, often practicing unethical, negative techniques.

Red Herring:

A propaganda technique used when the sender wishes to address a convincing argument but the content is outside of the the main issue.

Bandwagon:

A propaganda technique that attempts persuasion by making the receiver of the message become a part of the larger group.

Glittering Generalities:

Emotional and eloquent high-valued rhetoric that avoids the specifics of the main issue.

Name-Calling:

When the propagandist sender says derogatory terms toward other people to instill fear or positive emotions toward themselves without using facts and logical argument.

Knowledge Check / Critical Thinking Questions

1. Why and how has marketing changed its approach and definition?
2. What are the clusters of communication as defined by Van Riel and Fombrum?
3. Why have the authors also introduced a management communication cluster?
4. Why is there usually only one organization that collects audience figures?
5. How is advertising different from public relations?
6. Why are target groups more fragmented today?
7. What is the difference between a marketing mix and a corporate communication mix?
8. Why do many advertising agencies oppose sponsorships?
9. What are the benefits and weaknesses of integrated corporate communication?
10. Can you name some propaganda techniques and how are they different from persuasion techniques?

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Public Relations, Ethics and Corporate Social Responsibility

Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ relate to ethics and ethical dilemmas
- ▶ grasp how to apply ethical principles to ethical dilemmas
- ▶ understand the connection between ethics and public relations
- ▶ apprise sensitively Corporate Social Responsibility (CSR)
- ▶ be acquainted in how to practice CSR

Overview

Jürgen Habermas is a German sociologist and philosopher, known to push the borders of both disciplines. He stresses throughout his work that communication is the most important and applicable of ethical principles. Whether ethical dilemmas occur in commercial settings, political systems, or in a public sphere independent of both, the solutions can only develop through specific forms of discussion and hence, communication (1981). Such understanding of communication is at the forefront of contemporary public relations practice. We shall therefore return to Habermas' ethical theory below, but before we do we need to answer the question of why the complex issue of ethics is important to public relations practitioners. It is our hope that by answering this question at the outset, the younger practitioners reading this chapter will be motivated to start, or continue practising public relations in a more consciously ethical manner.



Figure 5.1: Discussions taking place at protests such as Occupy London are considered to be an example of Habermas' public sphere

There are two main reasons why public relations practitioners are required to study ethics. Firstly, practitioners exude power. Their influence, over large and small groups of people, over public opinion, and over other figures of authority (e.g. reflect on lobbying), means that ethics should theoretically be an imperative characteristic of the practitioner. Information obtained and communicated in their daily activities can easily affect many people. Furthermore, public relations practitioners quickly become expert in communicating with all types of gatekeepers (social media, editorial, shareholder, etc.), and when this occurs they quickly realize the power they have. It is, however, a power that can often become a drawback once information has been made public through the actions of the practitioner, since little can be done to change it. Ethics here can become the practitioners' shield. If they are later required to answer to an action they have taken, then they should have little to worry about if they acted ethically.

Secondly, the endemic albeit ill-informed (in our opinion) perception of public relations (PR) is that it is a manipulative profession. Because PR is the voice of the organization, it is often blamed as the arena for the actions of unethical organizations trying to save themselves through communication. Professor Anne Gregory notes that *"our occupation / profession / craft is not held in the highest esteem and we find ourselves defending it more often than we would like. At the heart of our discomfort is the question of ethics"* (2002: 14). There have been so many scandals and far too much injustice surrounding PR for practitioners to be content with such a view of their field. In today's instantaneous, twitter-driven news structures, the PR practitioner can no longer rely only on doing their own job because there will always be rotten apples that ruin it for the rest. For this reason, PR practitioners need to be trained in ethics and, wherever possible, to apply ethical principles in addition to advising management whenever they see bad practice. More than any other department of an organization (with the possible exception of legal divisions), PR practitioners are expected to understand the consequences of unethical behaviour.

As Heath comments, *"Public relations persons enjoy an ideal position to counsel executives on which values fit best with the interests of their markets, audiences and publics"* (2001: 46). As a consequence, PR practitioners are fast becoming what Jacquie L'Etang calls 'ethical guardians' (2004). Yet, L'Etang disagrees with this view (ibid.) on account of reputation (which should be the priority of PR) and ethics not being synonymous. It is our view that even if not as 'ethical guardians', PR practitioners need to be aware when an organization acts unethically, and as argued by Heath, is responsible to counsel management in such cases because bad ethical decisions can damage reputation.

On the backdrop of this is the practice of corporate social responsibility. Why has CSR grown over recent years? And, what are the responsibilities of organizations to implement CSR programmes? The answers to these questions are imperative for all practitioners – both for epistemological and for practical reasons. It seems that as the current economic crisis lingers on, and as activists and other civil society groups continue to apply their own pressures on organizations, PR practitioners will be required to strike the right balance between what their organizations offer to society, and what they give back to shareholders.

This chapter seeks to address these concerns and questions. In the first section, ethics is placed within a PR context by initially looking at what it is and addressing some of its more well-known principles. It then observes separate duties (priorities), and how the choices we make define our ethics vis-à-vis where our duties lie. The second section addresses the concept of CSR. This part is broken down into three significant components with the first shedding light on two noteworthy CSR definitions. Next, it attempts to place CSR within a framework in relation to why organizations practise it. Lastly, it reports on how organizations should implement their CSR programmes, because if undertaken incorrectly, CSR programmes can often backfire and perhaps be perceived negatively.

Ethics

What is Ethics?

Ethics is a framework which is used to ascertain right from wrong. Although there are many frameworks that serve the same purpose, ethics is the most comprehensive. For example, in order for societies to function properly, human-beings establish and enforce laws that become universally accepted. Ultimately, these laws keep us from collapsing. Laws help people within a society to make decisions regarding what is right and wrong, and therein lays the connection. Nevertheless, laws are different from ethics because a person can live within the borders of the law but still be unethical; or, societies as a whole can be unethical. Study Nazi Germany or the slavery laws in certain countries during previous historical moments. Or, we can contemplate another scenario, i.e. cheating on a partner would be unethical but not illegal. There is no shortage of examples in organizational (business) ethics that are legal but many publics would consider them to be unethical (and therefore harmful to the reputation of the organization). When an organization transfers its manufacturing base(s) to countries with cheaper labour,

it often finds itself in an unethical situation if consumers 'back home' consider its practises to be unscrupulous. Numerous western organizations have been guilty of adopting such business standards, especially when using **sweatshops** in certain Asian countries.



Figure 5.2: Gap Stores were criticized heavily in 2002 for using sweatshops in less developed countries

One more concept related to ethics is that of morals. The two words are very often confused or used interchangeably. According to Patterson and Wilkins (1994), *"Ethics begins when elements with a moral system conflict"* (p. 2). This brings us to an interesting point since a moral system is often perceived as a realm of a religion. As there are many religions in the world, it is safe to assume that when religious principles diverge, it is to ethics that we must turn for the answer. Similarly, when there is a conflict of moral principles within a certain moral system, ethics again can be used to resolve it.

Immanuel Kant, the most influential philosopher of the eighteenth century, described this famous ethical dilemma: What should you do when a man carrying a gun arrives at your front door, asking the whereabouts of a second man (who is hiding in your closet) because he wants to kill him. Do you lie, or do you tell the truth? The Judeo-Christian moral system says that both killing and lying are wrong. Yet, you are being asked to make a choice between the two, and Kant's question is a surprising and perplexing one (ibid: 3).

The study of ethics is therefore used to identify right from wrong regardless of the time when we live, where we live, and within which religion we live in. Essentially, at certain moments in our lives we all find ourselves in what we call **ethical dilemmas**. They may not be as stern as Immanuel Kant's example, but they are, nonetheless, situations that require us to apply ethical principles to resolve the dilemmas. In the subsection that follows we introduce some of the more commonly known and used principles that can guide PR practitioners out of difficult situations during the course of their careers. As mentioned above, these principles are the same ones that can guide people in difficult times regardless of race, religion, and ethnicity.

Ask a Scholar

Interview with Associate Professor Tao Papaioannou



Tao Papaioannou is an Associate Professor and Head of Department of Communications at the University of Nicosia. Before moving to Cyprus, Dr Papaioannou practiced public relations and taught communication in the Department of Communication at the University of Arizona, USA. Her practical experience covers both not-for-profit and corporate public relations. She has worked at the National Geographic Society of America, managing the Society's state alliances in the Midwest region and has also undertaken public relations projects for private businesses as well as charity organizations. Her current research focuses on networked communication and youth culture. Dr Papaioannou is the author / co-author of several journal articles and book chapters, and has, individually and in collaboration with others, obtained a number of large research grants from the EU.

1. It is obviously important for organizations to be ethical. This has always been true, but more than ever, there is a growing emphasis on practicing ethical corporate behaviour and on applying sound codes of practice. Why then is there an increased level of distrust from ordinary citizens when it comes to big business?

Several factors might have contributed to the public's intensifying scrutiny of organizations including the role of large businesses in the global economy, which is not always positive and it emphasizes the centrality of organizational legitimacy to public relations practice. There is also growing participation among citizens in social activism, trying to orient the action and opinions of others especially when an organization enters into a social dispute. As a final point, along with the advent of digital information technology comes the expansion of power basis to include networked communication. Social media have become a key basis for exercising power, for both corporations and the general public. Large, multinational corporations sometimes create economic and social side effects for which they may be brought to account. Human rights, labour practices, health and environment issues and governmental and corporate corruption are of particular concern. Organizations, big or small, have the right to conduct operations; however, the public perception of their legitimacy is based on their actions and responsible communication about these actions. Organizational legitimacy requires dialogue between the organization and its various publics regarding the organization's activities and their compliance with social norms and values, local and global. Organizations must remain responsive to the views of the publics and adjust activities to fit the changing standards of legitimacy, especially when disputes and violations of key publics' social expectations occur. This brings about the issue of social advocacy. Activists push organizations towards excellence; at the same time, organizations can be adversely affected by activism. Application and management of typical activist methodologies are similar to, and can enhance, public relations practice. It would be wise to consider giving voice to the competing advocates and interests as they constitute the rhetorical dialogue of society and pragmatically affect the way a dispute is framed and resolved. Interconnected with the rise of social activism is the shift of information control between the key publics and the organization. Advancement of new information technology has highlighted the power issues of who has access to technology, therefore information, and who can use that information to their advantage. The internet is transforming certain aspects of citizen participation as it provides access to far more information, the capability to reach out to others and opportunities for a greater level of direct and personal involvement. The internet to some degree has fostered more equitable and constructive engagement through democratizing information. While organizations can use technology to respond quickly to criticism, ordinary citizens now have a platform to voice their opinions and demand dialogue.

2. When a PR practitioner is in an ethical dilemma, how should he / she decide what to do?

I would suggest that one takes a very hard and honest look at that dilemma in order to figure out what issues are really in conflict and whose interests are at stake. Then one can determine their own motivation to act with a consideration of ethical rules and principles that both the practitioner and the organization wish to follow. Also, ethical standards might be affected by job functions, depending on whether one occupies the technician role vs. the managerial role. Ethics can be a luxury for those who play the technician role.

3. Once an organization decides to launch a CSR programme, how does it make a decision on what socially responsible activities to concentrate on?

I would propose a step by step approach which entails analysing the situation, planning the programme, implementing the programme, monitoring it and conducting an evaluation as you would for any PR programme. Researching and analysing the situation will help an organization to identify key constituencies and their needs in the community that affect the organization economically or socially. The organization will then be in the position to develop initiatives that are responsive to community needs. These programmes need to be designed in a manner that emphasizes the organization's investment in, and commitment to, the community and these messages need to be transferred to the community clearly and effectively when implementing community relations activities. Finally, periodical monitoring and evaluation will track the impact of the initiatives, allowing the organization to continue, modify or redirect programmes.

4. Nobel-winning economist Milton Friedman supported the notion that an organization has a responsibility first and foremost to its shareholders. Why have so many organizations developed CSR programmes? Is it the responsibility of corporations to make right the social problems of contemporary life?

Your question touched on the debate as to whether or not it is the responsibility of the corporation to function for the benefit of other actors in society. The economic rationale is that corporations provide jobs, goods and services to the free market and tax revenues to government – corporations exist solely to make a profit, first and foremost for their stakeholders. An alternative communitarian view is that all people and processes are fundamentally interconnected within interdependent and overlapping communities. All community members have obligations to be responsive to other members and to foster participation and deliberation in social life. The role of both the market and the state is to serve the community not dominate it. Communitarian relationship is complementary to the multiplicity of memberships of the organization and its key publics. So community is both a right and a responsibility. Most public relations practitioners believe that the essence of public relations is to develop mutually beneficial relationships between an organization and its key publics, and then PR practitioners should lead the organization in a shift that is operationalized by expanding the view of the role of the corporation in its community. The corporation can realize the greatest benefit by committing itself to the pursuit of common good. Of course, in the meantime there is a need to develop new standards and measures to evaluate corporate success in society.

Dr. Papaioannou was interviewed by Nicholas Nicoli.

Ethical Principle Models

In this section we will address four of the major ethical principles that we believe can be of use to PR practitioners. It should be noted, however, that there are other principles which have been established and convincingly supported by major ethicists and it is not our intention to use some and ignore others. The ones we have chosen have been selected merely because we believe they apply better to corporate communication dilemmas.

Aristotle's Golden Mean

For the first ethical principle model we return to Aristotle. According to the Greek philosopher, people that are virtuous behave in a balanced manner. Too much of one thing is bad and the best solution usually is somewhere in an equilibrium state. In other words, a balanced position is the correct response to a dilemma. This principle is known as **Aristotle's Golden Mean**. Cited in Christians et al. (2009), Aristotle is thought to have stated: *'Moral virtue is a fixed quality of the will, consisting essentially in a middle state, as determined by a standard that a person of practical wisdom would apply'* (p. 12). The golden mean is therefore used in the following way. When facing a dilemma, consider the two most extreme solutions and then act on the mean position – the middle of the two extremes.

Example

As a PR practitioner, you are asked by your PR manager to send a press release announcing the decision of your organization to merge with another, but you are aware that the two organizations have not yet signed an agreement because of some minor details. Having hinted to your manager that it might be best to wait, he says that he wants you to send it to guarantee its coverage because the merger is all but certain to go through. Although this is an appalling decision for a PR manager to make, you cannot afford to insist, which leaves you in a dilemma. According to the Golden Mean the two extremes must be identified: To go ahead and send press releases to all media outlets, or to ignore the decision. The wisest choice might be to write the press release and send it out, but call the editors / journalists and request them to hold on to the story until the last minute and until you confirm it is OK to release the information.

Immanuel Kant's Categorical Imperative

The second ethical principle, known as the **Categorical Imperative**, originates from Immanuel Kant, the eighteenth century philosopher. The principle is based on universalism – a concept used to justify equality for all. As stated by Kant, universalism should be applied to all decisions. What is right for one person ought to be right for all, and what is wrong for one person ought to be wrong for all. In Kant's mind, if you are in an ethical dilemma you must ask yourself whether the decision you end up making is one that can be applied universally. There should be no conditions affecting the universal law – it is, in other words, categorical.

Example

As a PR practitioner, you have been asked to work on the annual report of the organization. But working on it you notice that certain funds promised for shareholders in the form of dividends have in fact been reinvested in the organization. You first decide to ignore it and continue working on the report, but as time goes by you begin to feel more uncomfortable. If you were to apply the categorical imperative to help you in this dilemma you would have to consider that the decision you make be workable if applied universally. In this instance, universalism would entail that if all dividends were not in fact given but reinvested in the company, then shareholders would certainly sell their stake and look elsewhere to invest. Essentially, this choice would not be possible, hence Kant would say that regardless of the consequences you must not allow this to occur.

Jeremy Bentham and John Stuart Mill’s Utilitarianism

The third principle is based on **Jeremy Bentham and John Stuart Mill’s utilitarianism**. The significant component for these two ethicists is the *outcome* of the decision made in the ethical dilemma. Consequences towards society (or the larger group) are important and must be given a great deal of consideration, contrary to the categorical imperative which focused on the act being of importance and just, rather than the consequence. As a result, utilitarianism centres on the greatest good to the greatest number, or, the decision that allows the greatest aggregate happiness.

Example

You are a PR practitioner working for the army and have just been informed that during a shooting practice exercise two soldiers were severely injured because of faulty weapons due to bad maintenance. The army has been publicly criticized lately over a number of issues and your superiors would prefer you to frame the story in a way that does not highlight the bad maintenance but concentrates more on the fact that the weapons were faulty. This places you in a dilemma and you subsequently turn to Mill and utilitarianism for the answer. In doing so you consider the aggregate happiness outcome if the story is framed based on faulty weapons against the aggregate happiness outcome if the story is not. The consequences of not framing the story might mean a hit to the army’s reputation that will lead to disciplinary actions internally. But, on the other hand it might also lead to more scrutiny and better care of weapons, resulting in lowering the chances of this happening again. In the long-run, the aggregate happiness of healthy and uninjured solders is arguably more ethical.

Jürgen Habermas’ Discourse Ethics



Figure 5.3: Union Strikes are often triggered by unethical business practices

The fourth and final principle in this section is one we have already touched on in the outline of the chapter. It merits special attention because it is a principle based on communication, and as such we believe it is particularly important for communications practitioners to familiarize themselves with it. Jürgen Habermas is a contemporary

philosopher whose quest has been to update the ethics of Immanuel Kant. His **theory of communicative action** is a normative attempt to apply reason – right over wrong – to ethical dilemmas and Habermas’ principle of **discourse ethics** stems from within this theory. According to this principle, it is in argumentation that the most suitable ethical approach to a dilemma is found. It takes Hegel’s principle of universal law and states that the solution to an ethical dilemma is based on all parties involved in the dilemma being allowed access to the information and being permitted to argue with each other until harmonization is reached. Habermas (1989) advocated that, *“discourse ethics replaces Kantian categorical imperative by a procedure of moral argumentation. Its principle postulates: Only those norms may claim to be valid that could meet with the consent of all concerned, in their role as participants in a practical discourse”* (p. 40). Those in the argument raise ‘validity claims’ that must be true, correct and sincere. Furthermore, from within the argument, norms of behaviour are formed but only if they are freely accepted by all members involved. So for Habermas, ethical solutions are based on the free mutual understanding of all parties involved for a norm to be accepted.

Example

Say you are the internal communications officer of your organization. Due to the bad economic climate management is experiencing cash-flow issues and is thinking of making employees redundant. The union has been informed but does not accept the arguments made by management and is therefore threatening strike action. Either way, the dilemma for management is that the problems they have will lead to the reputation of the organization taking a hit. If discourse ethics were applied to this situation then all affected parties would meet and discuss the issues. Everyone involved would have the opportunity to offer validity claims of being truthful, right in their arguments, and sincere in their intent to secure the best outcome for the organization and its human resources. Only when all parties have agreed can the situation be resolved. As an illustration, it might mean that everyone takes a salary cut until the crisis is over, or that those losing their jobs are given compensation agreements, etc.

Ethical Priorities and Duties

As noted above, we appreciate that many ethical decisions are based on conflicting loyalties, or depend on where an individual’s priorities lie. On the strength of this reasoning, Habermas’ attempts to create an ethical principle in which all affected parties agree upon a solution. First and foremost, the whole question of ethical choices brings to the surface the issue of where people’s duties are placed. Anne Gregory (2009) identifies that PR practitioners have four possible different obligations – **a duty to self, a duty to client or organization, a duty to profession, and a duty to society** (p. 232).

Duty to self, necessitates that people have their own ethical standards and must stick by them in all cases in order to avoid future dilemmas. As an example, a person should not work for a tobacco company if s/he is against smoking. A duty to client or organization places the organization above all and as Gregory observes, *“despite [their] own personal codes, they believe it to be their professional duty to represent their organization to the best of their ability”* (ibid.). A duty to profession is when a practitioner feels obliged to be ethical and abides by ethical decisions based on their profession’s code of ethics. Further examples of where professions have already introduced guiding ethical codes to help those practising the profession include the Hippocratic Oath for the medical profession, and the journalism code of ethics. The **Chartered Institute of Public Relations (CIPR) code of ethics** is an example of a professional PR body creating ethical guidelines for its members. And, last of all, a duty to society is vital in the field of communications because many decisions taken by communications professionals (e.g. journalists, PR practitioners, advertisers) can affect issues within a society. When an individual has a duty to society s/he aims to make decisions for the betterment of their society over and above other duties addressed in this section. This final point appropriately brings us to the next section on corporate social responsibility where the dilemma faced here is on whether an organization should give something back to society or whether its duties should be solely to its stakeholders (and shareholders in particular).

CASE STUDY 5.1 – Cyprus Telecommunications Authority (Cyta)*

Programme for re-use and recycling of mobile and fixed telephones



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives

Cyta's environmental policy

As a socially responsible organization, Cyta shows particular interest in the environment through a range of projects and activities. The objective, over and above the conservation and protection of the environment, is to contribute to the development of environmental awareness. One of the main pillars of Cyta's multi-dimensional environmental programme is the re-use or recycling of its waste. Cyta is one of the first organizations in Cyprus – if not the first – to begin the systematic recycling or re-use of its unwanted material. It is an active member of three non-profit collective waste management systems:

- WEEE Cyprus for Waste Electrical and Electronic Equipment
- AFIS for the recycling of portable batteries, and
- Green Dot Cyprus for packaging.

In 2011 Green Dot Cyprus honoured Cyta with two awards in recognition of its multifaceted environmental work in Cyprus. Cyta received the awards in the following categories: 'Company with a longstanding contribution to Recycling' and 'Company Representative with a significant contribution to Recycling'. These awards represent an acknowledgment to Cyta for the many years the company has worked selflessly in order to make an effective contribution towards raising an awareness of recycling and environmental issues amongst its personnel and the public.

2. How the Programme was Implemented

Mobile and fixed telephone recycling programme

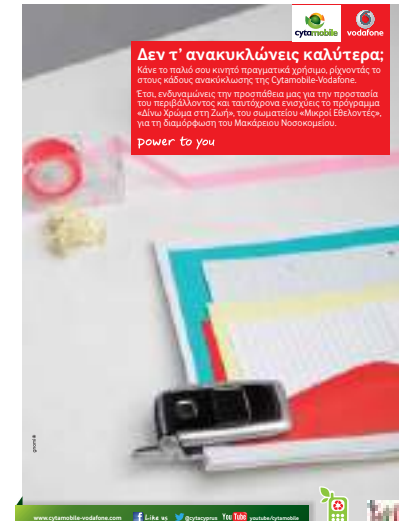
The recycling programme applies to mobile phones and their accessories, including chargers, hands-free, car kits, fixed and cordless telephones, answering machines and other similar devices. Cyta collects unwanted devices at all Cytashops or Sales Network shops as part of the company's on-going programme for managing environmental responsibility.

The programme was launched in July 2010 and like the majority of Cyta's Corporate Social Responsibility (CSR) projects, it is a long-term activity. For this reason, related communication activities and, in particular, public relations activities (including publicity) are included in each annual marketing communication plan, in accordance with Cyta's strategy and objectives.

The objectives for 2010-2011 were:

- Enhance Cyta's social contribution by promoting its sensitivity towards environmental issues via both its activities on a corporate level and through its sub-brands, as in the particular case of Cytamobile-Vodafone. This has a corresponding progressive effect on the image, and strengthens brand loyalty by building and maintaining a positive reputation.

- Raise environmental awareness among the public and within Cyta's personnel by informing them about the programme and offering incentives to encourage them to contribute towards safeguarding the environment as well as the protection of public health.
- Use a more public relations oriented approach rather than an advertising campaign.
- Differentiate and reinforce the company's leading position as opposed to its competitors, through Cyta's social and environmental work.



Collection points:

- Cytashops – Two types of recycling bins are in place; one for mobile phones and accessories and a second for fixed phones and other equipment.
- Cyta's manned buildings – Two types of recycling bins are in place; one for mobile phones and accessories and a second one for fixed phones and other equipment.
- Sales Network shops – Recycling bins for mobile phones and accessories.

In the first year of the programme 100 collection points were in operation throughout the island. During the same phase, the recycling bins 'toured' a number of companies and 'participated' in several events as part of Cyta's collection activities between July 2010-September 2011.

Incentives to raise public awareness:

- Charitable
As the main and permanent incentive for raising public awareness, Cyta placed considerable emphasis on supporting charitable organisations. In the programme's first year the decision was taken to donate the proceeds to the 'Make a Wish' Foundation for children.
- Financial
During the first phase of the programme (July-August 2010) a €10 discount on the purchase of a new phone was offered to every customer who handed in a mobile phone for recycling. Running concurrent to this, small gifts were given to people at various events if they returned handsets for recycling. In other cases those who brought in handsets drew lots for mobile phones offered as prizes.

Activity plan

Communication of the programme was mostly achieved through the following public relations activities / corporate communication tactics were used:

- Phase 1 (July-December 2010)
 - ▶ Advertising campaign (newspapers, magazines, Internet)
 - ▶ Press conference
 - ▶ Publicity (articles and interviews in print and online media)
 - ▶ Posters and leaflets at all collection points
 - ▶ Branding of the recycling bins
 - ▶ Promotional gifts for the Cytashop collection points
 - ▶ Informational leaflets for distribution by the 'Make A Wish' Foundation at events and to hospitals (posters and leaflets)
 - ▶ Direct mail to Cyta's customers via Cyta customers' bills



- Phase 2 (January-September 2011)
 - ▶ Advertising via selected media
 - ▶ Internal awareness-raising campaign among Cyta personnel. Scheduled visits to various buildings across Cyprus for the collection of mobile phones. These visits were announced via internal electronic mail.
 - ▶ Publicity (articles and interviews in print and online media)
 - ▶ Sponsorship of the first Green Dot Recycling Festival which included:
 - Competition for those handing in mobile phones for recycling with ten mobile phones as prizes
 - a kiosk featuring various activities promoting the mobile recycling project
 - distribution of informational material and small promotional gifts
 - promotion of the programme and the competition in the festival's advertising campaign and the publicity plan
 - ▶ The recycling bins 'touring' in the following places:
 - Four 'Sports For All' (AGO) events. It should be noted that Cytamobile-Vodafone was the official sponsor of the AGO programme for 2010-2011
 - Five companies
 - Five schools (two Junior High and three Senior High schools)
- (During these events, presentations of the Programme were given while informational material and gifts were handed out.)

3. Results

Evaluation is based on the data collected for:

- Communication activities during the first and second phase of the programme (July 2010-September 2011)
- The number of mobile phones collected for recycling (July 2010-September 2011).

Based on the above:

- High and ongoing interest from the Media was gained along with extensive positive publicity; 35 journalists attended the press conference which was covered by all five national television stations and three local stations. (The total media coverage value, based on 2010 and 2011 advertising rate cards, has been calculated at around €67,000.)
 - In total, 647.54kg of mobile phones were collected, 307.54kg of which were scheduled for repair in order to be sold to third countries, while the remainder will be recycled.
 - Additionally, 176.65kg of fixed telephones and 211.84kg of accessories were collected for recycling.
 - The most successful collection points were the Cytashops (36.85%) and from Cyta sales network, the most successful collection points were the Telephone shops (15.80%). Participation at the remaining sales network shops amounted to 10.45%.
 - Cyta employees participated dynamically in the project during the first year. Cyta personnel collected 30% of the total amount of mobile phones while 6.9% were gathered in at various events.
 - During Phase 1 (July-August 2010) each customer who handed in a mobile phone for recycling and purchased a new one was given a €10 discount. The data collected from a total of 7,000 sales, confirmed that approximately 1,000 mobile phones were sold using the €10 Cytashop discount incentive, out of which 172 were Sony Ericsson 'green' mobiles,** which were made available with the launch of the mobile phone recycling programme.
- *** (the life cycle of mobile phones – design, manufacture, transport and recycling – is more environmentally friendly)
- In total, the wishes of four children, as part of the 'Make a Wish' Foundation, will be granted thanks to the sensitivity of all those who handed in their mobile phones for proper environmental management.

For further information on this programme: www.cyta.com.cy and www.cytamobile-vodafone.com.cy

*This case study was prepared by the Cyprus Telecommunication Authority (Cyta) in Nicosia, Cyprus.
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4. Review Questions

- a. Is the effort put into the involvement with this type of CSR programme worth it for Cyta?
- b. Why was there more emphasis on public relations rather than on advertising in the tactics chosen?
- c. Why was it important for Cyta to create an internal awareness campaign for this programme?
- d. Why do CSR programmes usually run for long periods of time?

Corporate Social Responsibility

Initially we examined corporate social responsibility in chapter one and considered that even organizations with well-established CSR programmes often act unethically. There is, however, an appreciable link between ethics and CSR in that CSR is undoubtedly an act of righteousness that goes above and beyond an organization's daily obligations. In this section we break down the concept into three distinct subsections that we believe cover the basics of CSR. These are: what is CSR, why practise it, and how to practise it?

What is Corporate Social Responsibility?

Corporate support of social causes falls under the name corporate social responsibility. As defined in chapter one, it is a form of corporate self-regulation that organizations follow in order to give something back to society regardless of whether it does or does not have a profit element attached to it. The logic behind this is similar to that of an individual who volunteers to contribute something to his / her community in terms of time spent, or by lending support in another way.

Organizations are created within a specific infrastructure, or system (see systems theory in chapter three). Once organizations become functional within the system they become receptive in addition to contributing to it. That is to say, they become a part of the system and can have an impact on it. Moreover, the kind of impact they make is dependent on its management team. According to **Lucinda Peach's CSR model** (1987), an organization can function on three levels:

- ▶ *a basic level* – where the organization adheres to its society's laws (pays taxes, deals fairly, etc.);
- ▶ *an organizational (middle) level* – whereby the organization chooses to minimize the negative effects of its functions on society; and
- ▶ Peach's final level is the *societal level* – where the organization actively seeks to improve the society in which it exists by trying to alleviate its problems.



Figure 5.4: Archie Carroll's pyramid of corporate social responsibility

community regard as fair, just, or in keeping with the respect or protection of stakeholders' moral rights" (1991: 43). His ethical responsibility can be compared with Peach's organizational (middle) level. Similarly, philanthropic responsibilities can be compared to Peach's societal level of CSR. Carroll argues that *"this includes actively engaging in acts or programs to promote human welfare or goodwill"* (1991: 41). Ralph Tench (2009: 117-118) reminds us, however, that **corporate philanthropy** is slightly different from CSR and should not be confused with the philanthropy responsibility in Carroll's model. Tench argues that when an organization practices philanthropy

Another way to view CSR is through Archie Carroll's much-cited **CSR pyramid** (1979; 1991). According to Carroll, the pyramid consists of four responsibilities that a corporation should adhere to. They are, economic, legal, ethical and philanthropic (figure 5.4). Economic accountability is the organization's primary responsibility. The organization must create goods and services that are desirable to its customers, clients, and / or targets, and must do so within the context of the law, which undoubtedly follows as the next most vital responsibility of any organization. Thereafter, Carroll, in his description of the ethical responsibility of a corporation, notes that, *"ethical responsibilities embody those standards, norms, or expectations that reflect a concern for consumers, employees, shareholders, and the*

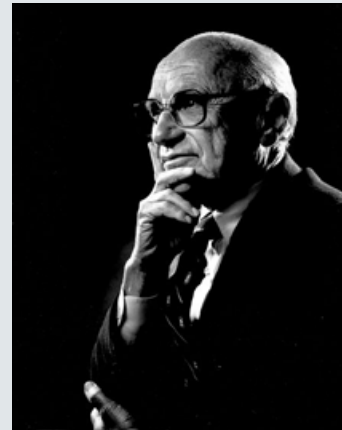


Figure 5.5: Nobel winning economist, Milton Friedman (1912-2006)

it is usually a *"short-term one-way relationship"* (p. 117). On the other hand, CSR is much more planned and when an organization decides to actively contribute to society through acts of responsible behaviour it strives to identity itself with the choices it makes. CYTA's recycling initiatives (case study 5.1) is an example of such efforts.

The models of both Peach and Carroll beg the question: which level (or responsibility) should an organization implement? On the one hand there are those who support the view that the responsibility of profit-oriented organizations is to benefit its stakeholders – particularly its shareholders. They would argue that this is why they exist. Paying taxes ought to be sufficient given the fact that government can best decide how to use the funds from taxed income to better society. This concept, based on maximizing profits, is argued strongly by free-market economist **Milton Friedman**. On the other hand there are those who argue that profit-oriented corporations are mostly to blame for the ills in society and should, therefore, be looking at ways to actively return something back to society. The following subsection

examines in more detail why an organization may choose this approach.

Why Practise Corporate Social Responsibility?

There are at least four, strongly overlapping, reasons why organizations implement CSR programmes. These are: ethical, building reputation, demand from society, and all of the above. Corporations that implement CSR programmes based purely on ethical reasons are probably very rare, and it is close to impossible to identify such instances, but organizational, intrinsic altruism can exist. It is usually based on the aggregate ethos of management and its board of directors. Yet, as Carroll reminds us in his pyramid, the for-profit organization's main responsibility is economic.

In a study published in *The Journal of Public Relations*, the authors (David, Kline and Dai, 2005) were interested in precisely how CSR activities influence an organization. They observed that regardless of the fact that the link between CSR and financial performance is unclear, *"over 80% of Fortune 500 companies address CSR issues on their websites"*: (p. 294). What is clearer is that CSR initiatives can contribute to building an organization's status and a strong reputation has indirect advantages on financial performance. To give an instance, a reputable company can attract better employees, and in times of crisis, if the corporation has built a strong reputation over time and through the goodwill of CSR activities, it will protect the corporation when help is most needed (see next chapter). Moreover, the reward for those that act socially responsible is that consumers' evaluations are affected positively with a purchase intention (ibid.). Finally, when organizations build a reputation of trust by being seen to manage their business processes in the right way and help to shape a socially responsible business, they can be more persuasive. In Aristotle's *Rhetoric* he states: *"We believe good men more fully and more readily than others ... his character may almost be called the most effective means of persuasion he possess[es]"*.

But while building a reputation is possibly the most common of the four reasons we are debating, there is also considerable growth in collective groups of citizens who now demand more proactive ethical corporations that,



Figure 5.6: Because of Toyota Corporation's strong CSR, it is often viewed as more persuasive when it needs to be



Figure 5.7: On 11 March 1978, crowds gather in London's Trafalgar Square to demonstrate against Canadian seal hunting in Newfoundland

one way or another, force organizations into becoming more ethical as well as socially responsible. Overall, citizens are becoming less trusting of powerful institutions, whether they are for-profit organizations or government bodies. Many agencies, particularly since the 1970s, have been created advocating 'social legislation' (Carroll, 1991: 39). The Environmental Protection Agency (EPA), the Equal Employment Opportunity Commission (EEOC), and the Consumer Product Safety Commission are such examples (ibid.).

Activist groups are constantly growing, and with much of the world experiencing a prolonged economic crisis it seems this trend will continue. In fact, with the advent of digital technologies, online activism leading to offline protests and demands is likely to solidify that trend. Much of the blame for the crisis is pointed toward corporate finance and greed. As the majority of social ills (e.g. global warming) are also blamed on corporations, CSR would appear a natural response by organizations wishing to show that they mean well and do not represent a part of the group of organizations harming society.

Corporations are not blind to their surroundings. In their own societies and across the world they observe the trends occurring around them. They see that taking socially responsible actions can make a difference, whether it is for their own sake, to build their standing, or to relieve pressure from activism. In our opinion, most corporations establish CSR programmes because of a combination of all three points. But if corporations are to gain the maximum from their CSR programmes, they should first involve all their stakeholders in the programme and communicate their initiatives in an appropriate manner.

CASE STUDY 5.2 - ALPHAMEGA Hypermarkets*

Dog adoption day at ALPHAMEGA Hypermarkets



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives

ALPHAMEGA Hypermarkets are among the largest and well-known supermarkets in Cyprus. The first ALPHAMEGA supermarket opened in 1958 by Mr Charalambides soon became one of the biggest stores on the island due to its rich selection of both local and imported products. In 1996, a high-quality, state-of-the-art Charalambides Hypermarket opened in Engomi which was subsequently sold, in 1997, to Mr Andreas Papaellinas who founded the company C.A. Papaellinas Emporiki Ltd., and changed the name of the hypermarket to ALPHAMEGA. In 2002, the company expanded with the opening of a second ALPHAMEGA hypermarket in Acropolis and in 2004 it acquired a local supermarket in Larnaca which was renovated to become another modern ALPHAMEGA hypermarket worthy of the company's reputation. In October 2007, C.A. Papaellinas Emporiki Ltd., developed further and opened a modern hypermarket in Limassol. Then, in 2011, the company bought out a local supermarket in Deftera and duly renovated it in keeping with the ALPHAMEGA standard and renamed it ALPHAMEGA fresh & easy. At the end of 2011 C.A. Papaellinas Commercial Ltd., expanded into Pafos with a modern hypermarket, providing the people of Pafos with a new dimension in daily shopping. ALPHAMEGA Hypermarkets has also created and is looking to continuously update its website, www.alphamega.com.cy.

ALPHAMEGA Hypermarkets have a long CSR background and play an active role in creating public awareness on important social issues.

One issue that ALPHAMEGA Hypermarkets decided to support involves the hundreds of dogs that live in animal shelters waiting for families to adopt them and offer them a permanent home. The work undertaken by the shelters is very important. They take care of abused and abandoned animals by offering them a temporary home where they are looked after until the animals can eventually be placed with families that will give them the affection and love they deserve. For this reason ALPHAMEGA Hypermarkets believe they can contribute to these efforts.

2. How the Programme was Implemented

Action Global Communications, ALPHAMEGA's PR agency, devised a new integrated PR campaign under the slogan 'Give me a hug', and in October 2010 'Dog Adoption Day' was launched. The event was aimed at raising awareness on caring for and protecting our four-legged friends, as well as promoting the adoption of dogs.

At this event the public were given the opportunity to see some of the puppies and dogs that live in the shelters and to adopt one if possible. Pet experts were also present to offer insight into the difficulties and problems that the shelters and the animals themselves face, and at the same time provide advice and tips on the proper care of pets.



For the promotion of this event to the media and hence the general public, a full media relations campaign was implemented. Press releases were forwarded to all media outlets and photo shoots were arranged with targeted publications. The event was covered by all key print media and was broadcast on television and on news bulletins, as well as on informative shows.

Additionally, in targeting the customers and visitors of the hypermarkets, the stores were dressed with banners promoting the adoption day and creating awareness of the dog shelters. Finally, as a hand-out, ALPHAMEGA Hypermarkets created a special booklet for distribution at the event which contained information on pets' nutrition and care tips. For every dog that was adopted, a small bag of dog food was also given free to its new owners, courtesy of dog food importers.



3. Results

ALPHAMEGA hypermarkets launched this endeavour in their Engomi and Larnaca stores during the first two years of scheduling it, but following its huge success, the 'Dog Adoption Day' was expanded to include other towns and it is now a permanent annual event at all ALPHAMEGA hypermarkets. Several shelters participate at the event which takes place every October and many dogs are fortunate enough to find a loving hug. Publicity-wise the enterprise is also very successful with good positive coverage before, during and after the event. The general public has welcomed this initiative and continues to support it year by year.

*This case study was prepared by ALPHAMEGA Hypermarkets in Nicosia, Cyprus. © ALPHAMEGA Hypermarkets 2013. (This material must not be reproduced or quoted without permission).

4. Review Questions

- Using the principles of Archie Carroll's pyramid, at what level can we place this CSR programme?
- Do you believe the choice of ALPHAMEGA Hypermarkets to implement this particular programme is a good one? And if so, why?
- Which PR functions were used to implement this programme and which publics were reached?
- What could ALPHAMEGA Hypermarkets do to improve on this programme?

Ask a Communications Practitioner

Interview with Bernhard Schulte Shipmanagement (Cyprus)

Director of Marketing and Corporate Communications, Adonis Violaris



Adonis Violaris is Director of Marketing and Corporate Communications with Bernhard Schulte Shipmanagement (Cyprus) and Managing Director of Telaccount Overseas Ltd. He graduated from Freie Universität in Berlin in 1993 with a Masters Degree in Business Administration. Throughout his education and professional experience Mr. Violaris has maintained close links with the IT and Communications Industry and remains one of the leading speakers at various IT and Communications conferences. With regard to his service role, he is involved at both national and local levels in Marketing and Information and Communication Technologies. He is Chairman of the ICT Sub-committee of the Cyprus Shipping Chamber and Mr. Violaris has served in this capacity for the past 12 years.

1. Is CSR concerned only with financial performance through building reputation or are there other issues connected to it?

The field of corporate social responsibility (CSR) has grown exponentially over recent decades and the debate about whether CSR is connected only to financial performance through building reputation, cannot be clearly identified. Most definitely, there is a cost involved in embracing CSR values and these costs might involve the purchase of new environmentally friendly equipment. For instance, the recent replacement of all light bulbs in Cyprus with LED ones (but this can, to a certain extent, also reduce operating costs) or the implementation of stricter quality and environmental controls. Being socially responsible incurs cost, therefore, benefits should be generated too in order to maintain a sustainable business practice. Companies that believe in nurturing a strong CSR commitment often attract and retain employees which results in a significant reduction in recruitment turnover and training costs. It is difficult to identify the benefits of being socially responsible for the financial performance of businesses or to quantify and measure them.

2. How important should CSR be within an organization's strategy?

Over the past five decades, the perception of corporate social responsibility (CSR) has continued to grow in importance and significance. It has been the subject of exchange every day, as one cannot pick up a newspaper, magazine or view a website without coming across some discussion on CSR issues or a recent or pioneering example of what a company is thinking or doing about it.

Innovative and proactive management of an organization that is persuaded by huge added values that CSR can bring to a firm perceive it as an opportunity to maximize company capabilities and identify new competitive advantages. In order to improve competitive advantage and positioning, companies have included specific time guidelines in their organization's strategy to allow for appropriate responses to Corporate Social Responsibility issues.

3. How can an organization decide which areas of CSR to implement?

Every company is different and will approach CSR implementation in dissimilar ways. Whether the decision of the company is to focus on the environment, communities, employees, consumers or stakeholders, the company has initially to develop an integrated CSR decision-making structure along with a CSR business plan. Not only must the company be able to set measurable targets and identify performance measures, but it should largely engage with employees and other stakeholders to whom CSR applies in relation to providing appropriate training.

How CSR will be deployed across the organization is vital, plus it is most important to create internal and external communications plans so that information about CSR activities are communicated visibly and frequently to all stakeholders.

In order to expedite effective CSR implementation, the company should endeavour to follow similar ideologies for CSR management as they do in other aspects of business. It is crucial that the CSR principles form part of the corporation's values and strategic planning, and that both management and employees are committed to them. Additionally, they should be made as simple as possible by first targeting industry or local concerns; making it a collective effort through proper means of communication, and identifying measurable goals so that CSR is more manageable.

Furthermore, it is important that the CSR strategy is aligned with the company's specific corporate objectives and core competencies.

4. Is it hard to implement ethical business practices and codes of practices across your organization?

Organizations similar to our company recognize the importance, the positive effects, and the outcomes of being ethical, caring and understanding. Being honest, open, accountable and transparent in the way we provide services to our stakeholders, we can achieve a competitive advantage in our industry by building our reputation and by doing so help to retain better staff. A good approach to take to establish the trust of people, whether they are internal or external stakeholders, is through applying ethics. The prevention of unethical practices in our organization is essential in order to maintain an ethical climate. A common approach is to implement a code of practice. In our Company's HR Manual a code of corporate ethics is clearly stated so that the staff is aware of the company's expectations as far as ethical rules and regulations are concerned. Training is essential to support the staff in their understanding of the importance of the company's ethical work policy. One of the ways to promote ethical policy across the company worldwide is the performance appraisal system whereby ethics should be incorporated as one of the parameters for evaluation and reward, the provision of unbiased promotion opportunities and training, good working conditions, and fair pay rises in salaries.

Mr. Violaris was interviewed by Marcos Komodromos.

How to Implement Corporate Social Responsibility

Interestingly, when studying how corporations implement CSR programmes for reasons of building reputation, PR motives are differentiated from marketing motives by communications scholars. CSR initiatives that stem from marketing departments tend to be more focused on actions which are closer to what marketers actually do. David, Kline and Dai (2005) state that

"whereas marketing researchers tend to focus on the impact of corporate image on financial outcomes, such as premium pricing and competitive brand advantage, public relations researchers focus on less tangible variables, such as goodwill capital and strength of relationships between a corporation and its constituents" (p. 293).

In our view, when practicing CSR initiatives a lot of care is required in building the programme in such a way that the corporation does not come across as though it is trying to gain something back from it, but rather that it is genuinely interested in the initiatives. The best programmes are undeniably the ones that

truly seem genuine. Since marketers are more often associated with the bottom-line they have to be wary of how publics / targets, and society at large, perceive the CSR programme they create. This is also true of PR professionals, but PR tactics are generally less associated with actual sales and are, therefore, better equipped to lead CSR initiatives.

An organization needs to think hard and long in relation to how and in what way it wishes to be identified regarding its social responsibility programme. CYTA, for example, has a number of initiatives that link well with its operational functions, vision and mission. By promoting the recycling of electronic goods (case study 5.1), we have seen how it makes a difference to society. But, CYTA also plays an active role in informing society of online child pornography (as part of its internet activities), in addition to road safety dissemination (since many of its own employees work in hazardous high-traffic areas). When an organization manages to link CSR initiatives with its corporate image and reputation then positive results can be expected. Nonetheless, CSR initiatives and programmes have also been known to trigger negative perceptions from publics and stakeholders. For this reason corporations should be cautious in both their choices and execution of CSR programmes.

Summary

This chapter addressed the ethical dilemmas often faced by corporate communication practitioners and has sought to introduce well-known ethical principles used by PR practitioners. Often, PR practitioners are perceived as the 'ethical guardians' of their organizations regardless of the arguments against this point of view. In any event, practitioners need to take responsibility and be aware of basic ethical principles on account of their influence over public opinion. The chapter has also signalled that practitioners dealing with corporate forms of communication are a part of a sensitive field; but when they are guided by ethical principles, these can help practitioners both individually and professionally. Nevertheless, it must be stated that most people establish their ethical decisions on a level of priority based on where their duties lie.

The second part of this chapter concerned the notion of corporate social responsibility. Although there are many definitions and a wealth of scholarly work on the topic, we have restricted our definitions to two: the CSR model of Peach and the CSR pyramid of Carroll. The section delved further into why organizations practise CSR, and touched on four overlapping reasons. Finally, it highlighted that CSR programmes should be clear and strategically well-structured, and above all they should be constructed in a way that enhances a connection with the overall image and reputation of the organization.

Short Definition of Terms

Jürgen Habermas:

A German philosopher / sociologist who trained in critical theory at The Frankfurt School. He is best known for his work on the public sphere and communicative theories.

Public Sphere:

An arena where people can come together to discuss societal issues without the influence of government, commerce and other institutions. Its role is to improve society and the democratic process.

Ethics:

The study of what is good and bad regardless of race, religion or location.

Sweatshops:

A working environment which is considered hazardous, and without respect for employee rights, often connected to child labour.

Ethical Dilemmas:

A position in which an individual must decide to make choices that conflict with each other.

Aristotle’s Golden Mean:

An ethical principle that chooses the middle point of two extremes.

Immanuel Kant’s Categorical Imperative:

An ethical principle which states that we should act in a way that can be applied universally and unconditionally irrespective of the consequences.

Jeremy Bentham and John Stuart Mill’s Utilitarianism:

An ethical principle that states the best choice is the one with the most aggregate, or overall happiness.

Jürgen Habermas’ Theory of Communicative Action:

An ethical principle stating that socialization and interpersonal communication is the principle answer to solve dilemmas.

Jürgen Habermas’ Discourse Ethics:

A method of debate originated by Habermas to allow communicative action to work.

Duty to Self:

When an individual sets his or her own ethical choices in accordance to his / her own.

Duty to Client / Organization:

When an individual sets his or her own ethical choices in accordance to his / her clients or organizations.

Duty to Profession:

When an individual sets his or her own ethical choices in accordance to his / her profession.

Duty to Society:

When an individual sets his or her own ethical choices in accordance to his / her society.

CIPR Code of Ethics:

An attempt by the Chartered Institute of Public Relations to set certain professional ethical standards for the field of Public Relations.

Lucinda Peach’s CSR Model:

A model that identifies three levels of corporate responsibility: the basic level, the organizational level and the societal level.

Archie Carroll’s CSR Pyramid:

A model stating that corporations have four kinds of responsibilities in order of priority: economic, legal, ethical, philanthropic.

Corporate Philanthropy:

The process of when a corporation decides to offer a one-off form of charity to a cause.

Milton Friedman:

A twentieth century American Nobel-Prize winner of economics who advocated a free-market approach to economic systems, stating that the corporation’s priority is to its shareholders.

Knowledge Check / Critical Thinking Questions

1. Why are corporate communications practitioners required to have an understanding of ethics?
2. Why does L’Etang disagree with PR professionals being ‘ethical guardians’?
3. Which ethical principles are driven more by consequences?
4. How does Habermas’ public sphere fit into the debate on ethics?
5. What might be some examples of Peach’s basic level, organizational level and societal level CSR?
6. What is the difference between the CSR pyramid of responsibilities and Peach’s model of CSR?
7. Offer support for Milton Friedman’s arguments.
8. Can corporations act purely ethically towards society?
9. How can a corporation evaluate whether its CSR programme is working?
10. Why does the CSR programme need to be linked to the corporation’s identity?

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chapter
06

Public Relations, Issues Management and Crisis Management

Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ comprehend the connection between issues management and crisis management
- ▶ acquaint with what issues are and are not, and what crises are and are not
- ▶ identify and analyse processes of issues and crisis management
- ▶ realize the growing significance of digital media in both issues and crisis management

Overview



Figure 6.1: Crisis as shocking as the Helios Airways plane crash brought the company to a close

Crises attract attention. They are likely to become newsworthy and are therefore susceptible to being picked up by the media. When this happens and people consume the story, their first thoughts and feelings are to apportion the blame based on their own impulses and background knowledge (known as **attribution theory**: see An, Gower, and Ho Cho, 2011). Once this occurs, it is extremely difficult to change people's initial opinions. That being the case, organizations should make certain that the risk of a crisis developing is minimized, as much as possible. But as we shall see in this chapter, a crisis can befall any organization if it has been in existence long enough.

Sometimes the organization is to blame but at other times crises arise from external factors; whatever the case may be, organizations must be prepared to face anything that comes their way.

When an organization is in a crisis it needs to work together in a harmonious manner to return stability to the business or group. During these periods public relations practitioners are responsible to communicate the situation to all publics. With more attention focused on the organization, it is extremely important as regards what is communicated and how. This phase, undoubtedly, can damage the hard-earned reputation of an organization. Depending on the magnitude of the crisis, reputation levels can take years, and even generations to be restored. Many crises can, in fact, lead to the total destruction of an organization.

Conversely, crisis management does not simply involve dealing with the actual emergency once it occurs. Crisis management is an on-going process that addresses the before, during and after periods of any potential predicament. Furthermore, part of a broader aspect of dealing with a crisis involves the function of issues management. Although **issues management** is far more than simply identifying issues that might trigger a crisis, the link between the two is strong and as such, they are presented together in this chapter.

As a result we begin this chapter by shedding light on issues management before turning our attention to crisis management. The section on issues management first conceptualizes what an issue is; emphasis is placed on negative and positive issues since both are equally significant. In this same subsection an analysis is made of an issue's possible sequence or lifecycle, from its creation to its maturation. Next, we shift our attention to common definitions of issues management before looking at reasons behind its growth. Last of all, we look at one of the many formulae of issues management processes. Here, we investigate how to identify issues, and how to monitor and analyse them before we finally look at ways to articulate a message and make it part of an operational plan.

As in the previous section, we first seek to identify what makes a crisis and ascertain various forms of crises before examining the crisis management process of pre-crisis, crisis, and post-crisis. Additionally, because of the significance of digital media, we include a separate section on how to handle crises in the digital landscape.

Issues Management

Issues and their Lifecycle

To define issues management we begin by identifying what an issue actually is in an organizational context. Put simply, an **issue** arises for an organization when something occurs that has affected, or might in the future affect the perceptions and behaviour of an organization's publics in either a favourable or a harmful manner. Notice here that an issue is not necessarily something attached to the performance or profits of the organization but of the perception of its publics. This definition is wide-ranging and includes issues relating to the reputation and / or image of the organization.



Figure 6.2: Natural Gas deposits as an issue

Gillions (2006) offers a useful six-phase sequence that most issues follow (pp. 380-381). According to the author, issues frequently begin with a study – often through academic and scientific research (1. The initiation phase); then as other experts, industry groups and possibly government organizations become more curious and involved,

the issue moves into its next stage (2. Interpretation stage); the issue quite often is newsworthy and is picked up by a news agency or media commentator, bringing on the next stage (3. Implication stage); according to Gillions it is at this juncture that a tipping point might occur leading to the fourth stage (4. Ignition phase); here, lobbyists and other stakeholders act who generally want to influence the issue (5. Influencing phase); this leads to the final stage (6. Imposition phase), where policy-change usually occurs.

Issues Management Examples

To illustrate what an issue is, two examples are helpful. The first involves an issue that might have a positive outcome for many organizations. Consider how many Cypriot organizations would have identified this piece of information as an issue: *Cyprus has significant deposits of natural gas and will attempt to use it in the foreseeable future.* We assume that at this point the issue is in its second to third stage of Gillians' (2006) six-phase sequence. The question here is, can this information in some way change the perception of an organization's publics; if yes, then it can be identified as an issue. Without a doubt, such a conspicuous and comprehensive example obviously allows many sectors to consider the information an issue. This is even true for sectors that have little direct connection to the piece of information. For example, Cypriot Universities might want to include courses and degrees on such a sector, automotive sectors might introduce a new range of products and engine types; bankers might open up doors to more foreign investment. The examples are endless.



Figure 6.3 What would be the implications of a study showing harmful effects of wireless communication?

On the other hand, as we shall address in this second example, issues can also be harmful. Consider a study published in a respected peer-reviewed academic medical journal stating that a certain medication administered to women with thyroid problems might trigger permanent fertility problems for them. It will surely become an issue to the manufacturer of the medication immediately upon publication of the journal, if not sooner, for example from when the study was commissioned. So from the moment of issue identification, the organization has a certain amount of time to proactively take measures before the issue turns into a crisis and moves through the issues phases. Specifically, from the moment the study is published, to the stage before publics are informed – perhaps through their doctors, the media or elsewhere – the organization manufacturing the medication needs to completely change its business model, re-strategize, and attempt to manage the issue both externally and internally. This is the essence of **issues management**.

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CASE STUDY 6.1 – University of Nicosia (UNic)*

Engaging with Issues Management: How the University of Nicosia strategically addressed concerns over rising tuition

UNIVERSITY OF NICOSIA

1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions



1. Situation Analysis & Objectives

About the University of Nicosia

The University of Nicosia is the largest private university in Cyprus, combining a dynamic student-oriented learning environment, with quality standards and an international philosophy. The University's roots date back to 1980 and its predecessor institution, Intercollege. The University of Nicosia emerged in 2007, following changes in the relevant local legislation and a comprehensive accreditation process. This was the culmination of an on-going journey, which began over 30 years ago, and has since established the University of Nicosia as a leading tertiary education provider in Cyprus – in line with the enduring motto of the institution: 'Excellence in Education'.

Cyprus has recently seen the creation of several private universities. These academic institutions had up to that time operated as colleges for years, building towards the universitization objective. University status has invariably led to increased operational costs for them; in the form of recruiting (and keeping) reputable teaching staff, enriching library and database resources, enhancing lab facilities and so forth.

As before, tuition fees constitute the main source of income for these fledgling universities. Thus, increased operational costs naturally led to higher tuition fees. The resultant raise was received with some scepticism by implicated publics, who were questioning the justification of these higher fees.



In the present case, the primary objective was to effectively convey the necessity for the increase in tuition, while also addressing real concerns over this on impacted publics. An associated objective was to present a complete picture of the tertiary education setting, in terms of the differing modes of operation between public and private institutions in Cyprus, vis-à-vis state funding, pricing and quality control.

2. How the Programme was Implemented

UNic Issue Action Team and Strategic Communication

An unofficial yet highly active issue action team at the University is comprised of those chiefly involved in monitoring changing trends and developments in tertiary education (both locally and abroad), and with the authority to manage the institution's anticipatory and / or strategic response to any related issue. Equally important, issues management is recognised as a core management function at the highest level.

Intercollege had long been priming the public for the advent of private universities in Cyprus, having submitted its application to become a university well ahead of other institutions. While the inevitable increase in tuition factored in to the academic institution's strategic planning for this, it was not given sufficient prominence, with early communication focusing on the overall benefits of university status.

Nevertheless, once identified as an emerging issue among the institution's publics, the issue action team stepped up its efforts, reflecting on all pertinent data and subsequently producing an issue management communication plan to strategically address the situation. The team adopted a multi-layered approach, engaging in direct communication with internal and external publics, consultation with relevant advocacy groups, as well as with news media outreach.

Part of this process entailed updating data on the public-private tertiary education models of Cyprus, through a formal research study into the matter. The University's resident Centre for International and European Affairs undertook to compile the required data, carry out supplementary research, and provide analysis.

Leveraging the media contacts it had gained in its many years at the forefront of tertiary education, UNic presented the main findings firstly in a press conference. There followed extensive newspaper articles, depicting discrepancies in the public-private tertiary education model, and detailing private initiative's valuable contribution to establishing Cyprus as an international education hub. TV and print interviews with key people in the institution, including the Rector and President of the University, similarly followed.

Cross-functional and Collaborative PR Action

Overall, a cross-functional and collaborative approach was employed in implementing the issue management communication plan. This was applied both internally and externally, engaging all relevant stakeholders in the process.

Internally, issue action team meetings extended to briefings with additional colleagues (for example, the researchers working on the tertiary education report), with an internal circular also sent out to all UNic employees, informing them of developments and actions taken towards this. Existing students were similarly approached, informing them of the University's stand on the issue and highlighting the topics identified in the report; an official letter from the President of the University was posted onto the student intranet, while printed copies were placed in active areas around campus (i.e. cafeteria and reception points). Moreover, impromptu 'Talk to the Heads' sessions were set up, facilitating dialogue with any students interested in raising concerns about and further discussing this issue.

Externally, UNic wielded its position as market leader, to pave the way for a united front in dealing with what was fast becoming a current issue. Tuition hikes had resulted in broad dissatisfaction with the newly-created universities. In this sense, private universities collectively were taking a heavy hit, which called for not only individual action, but a collaborative approach to the issue that went beyond each institution's reach.



The UNic issue action team had taken the lead in mapping out such a collaborative approach and enlisting the participation of the other private universities in this. Whether putting the messages out separately or together, the universities agreed to follow the same game plan (thus, aligning their PR communication on this; particularly when it came to their media outreach). Importantly, at the time, all parties referred to the evolving educational setting, rather than merely their own university. This sector-wide stance helped refocus the debate on the benefits of universitization for locals and the wider region.

3. Results

The University of Nicosia's response to the issue had effectively contained consumer outcry. More specifically, strategic decision-making and subsequent PR action curtailed the emerging issue from spiralling into a full-blown crisis.

In honest depiction of the situation with its various parameters, in alliance with the other newly-formed universities, UNic was able to perceptibly put across the whole story. As such, positive media coverage on this centred on not only the specific actions taken by the University of Nicosia in addressing its public's questions, but also on the wider inconsistency in the public-private divide; bringing up associated concerns over fairness, accountability, and (mis)management in the current tertiary educational system.

Moreover, the University's handling of this has helped highlight that this is a shared issue, affecting the academic institution itself in a very definite way, as well. In this vein, while the issue has re-emerged with the recent financial difficulties confronting the country, the crux of the debate has apparently systemically shifted. Ultimately, the University of Nicosia's cross-functional and collaborative PR action has enabled this issue to widen into a more comprehensive discussion on the public vs. private arrangements in place, with emphasis on the state's role in this.

Meanwhile, UNic continues to involve all relevant actors across departments (under the guidance of the issue action team) and externally, cooperating with students and their guardians to inform on the situation and assist wherever possible with tuition constraints. At the same time, UNic strives to promote changes to the system, exerting influence on government agencies and advocacy groups, as a visibly informed and directly involved player in the current issue.

*This case study was prepared by the Communications Office of the University of Nicosia, in Nicosia, Cyprus. © University of Nicosia, 2013. (The material must not be reproduced or quoted without permission).

4. Review Questions

- Why was it important for the issues management team to generate research data on the types of University models?
- There was much emphasis on the issues team engaging with internal stakeholders. Why did this occur?
- Apart from internal stakeholders and the media, which other publics were identified?
- If an issues management team had not been created what might have happened?

Defining Issues Management

At this point we elaborate in more detail the various definitions of issues management based on the studies of several of the fields more significant scholars and practitioners. Robert Heath (1997) states that issues management consists of *"the identification, monitoring, and analysis of trends in key publics' opinions that can mature into public policy and regulatory constraint of the private sector"* (p. 6). As we have seen in the medical journal example (above, p. 184), there is a significant connection between issues management and organizational crises but that is only one aspect of the function of issues management. We consider that both the positives (opportunities), and the negatives (the harmful), should be included as this is more in line with current understandings of the topic. The natural gas reserves example included above illustrates this point.

Tony Jaques, an experienced issues management practitioner, has argued for an extra versatile approach to the field, *"much of the challenge seems to have resulted from the success of the application ... in one area of opportunity – namely crisis prevention. The language has ... evolving from containment through opportunity creation towards integration within broader business management"* (2003: 140). This statement shows that issues management is as much about monitoring the environment in order to identify opportunities, as it is to prevent crises. Upon closer inspection the statement also begs another far-reaching question, one also asked by Heath. Namely, is issues management a sub-function of PR or is PR part of a larger umbrella – that of issues management?

Howard Chase, one of the founding fathers of issues management, is just as concerned with the connection between public relations and issues management:

Issues management is the capacity to understand, mobilize, coordinate and direct all strategies and policy planning functions, and all public affairs / public relations skills, towards achievement of one objective: meaningful participation in creation of public policy that affects personal and institutional destiny (1982: 1).

It seems that when public relations practitioners are part of the dominant coalition (see chapter three), they are more closely associated with that organization's strategic management decisions and hence issues management initiatives. This is on account of the fact that issues management is a process that assists organizations to foresee and react accordingly to new or changing habits in the socio-political environment. These are translated to issues that can affect the very existence of the organization. Indeed, returning to Heath (1997), he argues in much detail that issues management and public relations are core components of strategic planning because it reminds strategists that they are affected by their external environment as much as by their internal aspirations. As he notes:

the planning process is invigorated by functions that issues management performs: (a) Anticipate, analyze, and prioritize issues; (b) help develop an organization position on each vital issue; (c) identify key publics and influential persons whose support are vital to the public policy issue; and (d) identify desired behaviors of publics and influential persons (p. 25).

Ultimately, issues management is a strategic tool used to fortify an organization's reputation by either protecting it or finding opportunities to make it grow; and since reputation management is a responsibility given to PR practitioners then the link is clear. We can think of it as a means to create an early warning system for upcoming events that can affect the organization. Indeed, when the term 'issues management' was first coined by W. Howard Chase, he intentionally linked it with PR with the following comment, *"to recommend a new kind of corporate communication response to the critics of business activities"* (Regester and Larkin, 2002: 27).

Reasons behind the growth of Issues Management

In practice it is not a natural tendency of organizations to deal with the forecasting and proactive response requirements of issues management. Conversely, most organizations are predominately concerned with their day-to-day activities. It has taken certain historical events to make organizations reconsider how they strategize and apply issues management within their overall planning functions. Robert Heath (1997: 2) identified four

major events and changes in contemporary life that prompted the growth of issues management. Firstly, the limited amount of natural resources managed in the collective interest, secondly, the increased emphasis on values, attitudes, beliefs and interests, thirdly, the collective power of citizens and the lack of confidence in large institutions, and fourthly, the higher, fairer standards of corporate responsibility. On account of these facts, perceptions and behaviours by publics can, and often do, change at a moment's notice. Indeed, issues management grew during a period of extreme activism and major changes in socio-economic turmoil. Plenty of the criticism of 1970s activism was directed toward large corporations, and issues management grew out of how these corporations should respond. With the prevalence of digitalization and social media in particular, the speed at which an issue's lifecycle matures is likely to burgeon. As a result issues now need to be handled in real-time. Furthermore, with the likelihood of online activism turning into offline, real-word actions, new challenges are arising for issues managers.

The Issues Management Process

In order to conceptualize issues management a number of scholars have broken down its functions into various stages. Lauzen (1997) suggests the following: *issues identification, issues monitoring, issue analysis, message formation, and incorporation of the information into strategic and operational plans* (p. 67). One common component of issues management as seen in these steps is that it remains proactive throughout. All steps require the organization to take some form of action. To apply these steps it would make sense for the organization to create an **issues action team** and to take responsibility of managing issues.

The first two steps, issues identification and issues monitoring include a somewhat more well-known concept, that of **environmental scanning**. This action protects the organization against “*surprise threats or missed opportunities*” (Bridges and Nelson, 2000: 112). To be effective, the issues action team need to be aware of the issues process (addressed above). If they can effectively identify issues through environmental scanning early on then they will also be better placed to monitor them and record the speed at which they are moving towards the imposition phase. Issues managers all agree that the earlier the organization actively takes part in the issues lifecycle the more of an influential role they will have on the issue. It should be noted that while it remains difficult to identify the issue in its earlier stages, if the key players of common and potential issues are identified, it might make it easier for the organization to identify possible future issues.

At the issues analysis phase issues managers are required to prioritize the issues that have been identified and monitored. It is difficult to manage all issues and therefore this action is imperative to manage time and money resources. The problem with analysing issues is that there is too much information out there. Practitioners need to use tools like *Google Alerts*, an internet service that will e-mail you when keywords pop up somewhere on the internet.

Once issues are analysed, and the action team decides on those that the organization will respond to, the message formation phase is initiated. This part of issues management is arguably the most important because it entails strategic decision-making, leading to the next step, that of incorporating the information into applicable strategic planning. As we shall see in chapter eight, strategic decision-making is the key in organizational performance and survival. Prominently, it requires resource allocation towards the issue.

Depending on the issue, if these stages are completed well, the issue can either allow the organization to take advantage of the opportunity, or if it is a potentially harmful issue, a crisis can be avoided. However, like all efficient strategic plans, to be considered completed, a proper evaluation is required. We shall see in chapter eight exactly how significant evaluation is and what precisely the tools of evaluation are. What is crucial to remember is that there is no fixed method to determine how to evaluate how an issue is handled because there are different kinds of issues and as with most aspects of strategy, it all depends. Evaluation is more about finding the right tool to use on the objectives that were established at the beginning of the issues management process. These tools can include *surveys, focus group discussions, interviews* and other research methods.

Ask an Entrepreneur Interview with Prestige Group Partner, CEO, Elias A. Spyrou



Elias A. Spyrou is Prestige Group Partner, CEO and member of the Board of Directors. He has a legal academic background and is a graduate of the Kapodistrian University of Athens, Greece. He is an entrepreneur and an active member of various local and international accredited business communities and affiliations. In March 2011, he established the Prestige Group in collaboration with his partner Eugene Kantserov, which has rapidly developed and evolved to become a successful pioneer in the provision of luxury and corporate services.

1. In your opinion, what must an organization do in order to effectively overcome crisis issues that might arise in a turbulent environment?

I believe that every organization can effectively learn to cope with change as a result of a crisis situation, by viewing this change as an opportunity rather than as a threat. The first step to be taken is to seek a collaborative

and team approach, by shifting negative attitudes of anxiety amongst employees into embracing change as an opportunity for problem solving and innovation.

In my professional opinion, the core change strategies which need to be implemented in order to achieve the anticipated positive results are as follows:

- Proper assessment of productivity and efficiency levels, through client satisfaction and the correct assessment of resources with respect to allocating money for employees and for expert consultation. Following this assessment, the leadership team needs to communicate these needs and benefits to the team.
- The organization's leaders need to have a clear vision for change, through the proper planning of the process, timelines and benefits.
- The organization needs to collectively re-examine and even recreate the vision, mission and goals, through a carefully drafted strategic plan.
- Open lines of communication are essential for assuring a positive change process, through the establishing of a regular communication link via meetings and training sessions.

2. What goes into the development of crisis communication strategy so that it fits into the needs of the organization?

When a crisis situation develops, time is of essence, because as the saying goes “if you're not quick, you're not relevant.” This is why organizations need to have a crisis communication strategy in place, before a potential threatening situation arises.

The following elements were adopted by our organization with respect to our crisis plan:

- Establishing the crisis management team: this can be comprised of the CEO and the heads of departments, who will be responsible for making decisions and communicating strategies.
- Appointment of an organization spokesperson, who will act as the official ‘voice’ of the group.
- Protecting the organization through the adoption of approved procedures in advance, to respond in a timely manner so as to protect the organization's name.
- Development of a ‘response template’ in the crisis communication plan, so as to be able to respond fast and mobilise your team members accordingly. Crisis drills can be conducted over intervals to get the team equipped to handle such crisis situations.

3. *What are the most important steps you believe should be taken in preparation for, and in response to, a crisis?*

- Creation of a crisis team.
- Creation of a proper crisis communication infrastructure.
- Appointment and training of a crisis spokesperson.
- Identifying the organization's stakeholders (employees and associates) and ensuring they deliver the messages fit for the group's reputation.
- Identifying key crisis messages for any given situation.

4. *Do you think that social media changed the way communicators handle a crisis, and if yes, how?*

I believe that social media are fundamentally changing the way people inform themselves, interact and engage in issues they consider to be of relevance. In the case of a crisis, it may in my opinion, be the most powerful option for business organizations, to drive a proactive agenda. The editorial filter can thus be done away with, by taking the opportunity to deliver one's own message directly to individuals, react to specific questions and concerns, and use the right tone for various types of conversations.

Mr. Spyrou was interviewed by Marcos Komodromos.

Crisis Management

In the context of public relations **crises** are situations that are considered significant threats to organizational operations if not handled correctly (Coombs, 2007). In other words, when something occurs that disrupts normal operational daily functions, it can be considered a crisis. Paul Argenti (2007: 213), citing a Morgan Stanley Global Corporate Affairs manager, isolates the following four common characteristics of a crisis:

1. The element of surprise
2. Insufficient information
3. Quick pace of events
4. Intense scrutiny

Undoubtedly, these are broad characteristics and require further elaboration. In today's unpredictable global and competitive landscape, traps and pitfalls occur frequently and many managers will admit that more often than not they find themselves in situations that require handling or else the situation risks shutting down operations. This simply shows that many crises situations are handled swiftly and efficiently without them getting out of control or becoming public knowledge. It also indicates that there are multiple levels and many types of crises. Of the more severe kind, a crisis can threaten public safety, financial capability, internal tensions leading to strikes, and many more. Crises can be grouped in certain categories too. For example, natural disasters, human-induced, negligence, victimization (the Tylenol crisis is a classic case on how Johnson & Johnson were victims of a human-induced crisis: see chapter one), wars (e.g. see case study 6.2).



Figure 6.4: Strikes are frequently covered in the news

Ultimately, many of the more severe types of crises will potentially damage an organization's reputation, and many of the aforementioned examples are newsworthy. For example, an employee strike of a major corporation will surely be covered in the local news and the consequences of this will lead to many publics changing their perception of the corporation. Loyal customers might reconsider their devotions; shareholders might sell their shares; star employees will question their choices of employment there, and the media will 'smell blood' and consider a more investigative approach of journalism regarding the story, subsequently placing the organization under excessive scrutiny. The negative consequences are endless and it could lead an organization to losing millions in turnover and profits and years of carefully built reputation-building. It is here where the work of a public relations practitioner becomes significant and it is for this reason that crisis management is of paramount importance in the field of public relations. Shearlean Duke and Lynne Masland note that almost all public relations textbooks today contain at least one chapter that addresses crisis communication (2002).

CASE STUDY 6.2 – Joannou & Paraskevaides Group*
Rebuilding Trust and Reputation: How J&P Group Rebuilt Trust and Reputation following the 1974 Cyprus Invasion



- 1. Situation Analysis & Objectives
- 2. How the Programme was Implemented
- 3. Results
- 4. Review Questions

1. Situation Analysis & Objectives

Today, Joannou & Paraskevaides Group of Companies (consisting of Joannou & Paraskevaides (overseas), Joannou & Paraskevaides Group, and Joannou & Paraskevaides Avax) has a turnover of over €2 billion per year. It is one of the largest organizations in Cyprus and is considered one of the most reputable construction companies in Eastern Europe, the Middle East, Asia and North Africa. The company began activities in 1941 with the motto, ‘Economy, Quality, and Speed’. These three pillars continued to be the driving characteristics of the company’s two founders Mr. Stelios Joannou and Mr. George Paraskevaides for many years and now this ethos is instilled in the culture of the whole organization.



The Limassol Marina

Mr. Stelios Joannou and Mr. George Paraskevaides’ determination, entrepreneurialism, and hard-earned success were tested in 1974 when Cyprus went through an ordeal that affected and still haunts the whole Island many years on. In July of that year Turkey invaded Cyprus in an illegal war and occupied over one-third of the Island. This undoubtedly affected all aspects of Cypriot society – not least of which was the trade and industry sectors. Being a large construction company, the effects of the invasion on Joannou & Paraskevaides were exacerbated more than most other organizations.



Construction work of the Hilton Hotel in 1965

By 1974, Joannou & Paraskevaides had extended its activities beyond Cyprus. It had offices and on-going projects in many countries such as Lebanon, Libya, Oman, Saudi Arabia, and even in Yemen. Therefore, when the invasion occurred, all the group’s stakeholders from abroad and within Cyprus needed to ascertain the scale of the problem since the headquarters of the Joannou & Paraskevaides Group was located in war-torn Cyprus. In 1974 public relations had not yet matured to today’s heightened levels, and telecommunications were still very much a ‘new’ technology. Yet following the invasion, the Joannou & Paraskevaides Group mobilized itself and showed a level of corporate maturity and vision rarely seen in

organizations in the 1970s. It is precisely this prudence and foresight that made the Joannou & Paraskevaides Group what it is today. The programme that follows illustrates the broad role of public relations and how it extends very much beyond those of promotion, marketing and advertising. It further illustrates its function as a managerial tool. Furthermore, it is because of examples such as these that have led to the growth of ‘relationship management’ and ‘crisis management’ in public relations studies.

2. How the Programme was Implemented



Opening ceremony of Sharjah Suk in United Arab Emirates in 1979

Immediately following the invasion, the Joannou & Paraskevaides Group established priorities through a series of crisis meetings with its high management team. The organization was adamant not to fall witness of denial regarding the situation. They knew that this was a situation that would jeopardize the organization’s very existence. A number of revised objectives were identified, all based on strengthening ‘stakeholder’ and ‘publics’ relationships. In other words, the management team identified which stakeholders / publics required immediate attention based on priorities. These included the Cyprus government, employees, banks, construction unions, and existing long-term clients.

'In Cyprus Operations'

Following the invasion, Cyprus had put in motion its own strategy to recover from the calamity. For the next 10 years the Republic of Cyprus managed to create a cohesive and cooperative ethos in all areas of life. It is what Cypriot sociologists called a 'modern miracle' (see for example Peristianis and Tsangaras, 1995). Trade unions, civil society, the church and political parties put aside their own agendas in order to heal the wounds of the war and especially to find solutions for the thousands of refugees robbed of their homes. The Joannou & Paraskevaides Group made a conscious decision at the time to concentrate its activities abroad. This was done not to take jobs away from Cyprus but to allow other construction companies to flourish at a time when the Joannou & Paraskevaides Group was already a major player in the field. It was a period when demand for construction was obviously high in Cyprus and by taking this decision the company knew it would lose money. Yet it was a decision that in the long-run, paid off, since a mutual understanding was achieved with government and strong bridges were built (no pun intended) between the two.

Very shortly after the invasion, the Joannou & Paraskevaides Group organized meetings with Government officials presenting them with their proposed strategy, and explaining the requirements and support they would need from the Cypriot Government. It had found a win / win situation for all. It next met with the builders' federation of the day to also inform them of their plans and strategies. The Group would need hard-working builders, high-calibre engineers and trustworthy managers to help the company to continue expanding abroad, especially now that it intended to concentrate all of its activities overseas. At a cost to the company, it recruited Cypriot employees, setting them up in each of the countries in which it had on-going projects. Over 5,000 Cypriot workers were hired (a huge number relative to the size of Cyprus). It had been agreed that approximately two-thirds of their salaries would be sent back to Cyprus in a further effort to help the 'Cypriot modern miracle'. These efforts were next conveyed to the banks with whom the Group had dealings with. In order to continue its expansion plans the Group needed to know that it could take out large loans at any given moment. Since the Group lost a great deal of real estate (now illegally occupied by Turkey), it was more difficult to give guarantees to the banks on which to obtain loans. Reassurances were made to the banks based on the 'openness' and 'confidence' of the Joannou & Paraskevaides Group.

Operation 'Overseas'

In the 1970s telecommunications and air-travel were not very advanced. As a consequence, one of The Joannou & Paraskevaides Group philosophies had been to choose excellent managers and empower them in each country where the organization was active. Once each office was set up, it communicated with headquarters mainly through monthly reports. Day-to-day activities and decisions were pretty much left to each office. It might not sound like much of an achievement today since empowerment is a common element in current global management practices, but at that time it was almost unheard of to give employees full authority. It was, nevertheless, a formula that allowed the organization to grow to unprecedented levels. Mr. Joannou and Mr. Paraskevaides would choose managers personally and work with them before they were empowered in overseas activities. The managers needed to be fully aware of the culture of the organization and what its priorities were. The two founding fathers of the organization knew that these main concerns were based on strong relationships, speed of delivery, and reliability.

After the invasion an act of genius on behalf of the group would put at bay all the worries of the various clients in each country where the Group was operating. The act itself was simple enough but because of the already existing strength of relationship between the Group and each client, the following endeavour worked like a charm. Mr. Paraskevaides, who until then had let his managers work alone and had given

them full support through the headquarter offices in Cyprus, personally visited all offices. By this gesture alone, the clients in each of these countries were comforted in the knowledge that they were treated with the upmost respect and attention they believed they deserved. Overseas clients of the Joannou & Paraskevaides Group consisted mainly of government officials that required large-scale constructions at affordable costs, but more importantly by organizations they could entrust to deliver projects on time and up to standard. These enterprises included constructions such as airports, schools, bridges, hotels, and others similar in complexity.



The Al Bustan Palace Hotel in Muscat, Oman

Whenever Mr. Paraskevaides visited a country he would arrange personal meetings with a high-level official from that country. Meetings were based on mutual understanding, honest feedback and respect. Presentations were given of other projects in neighbouring countries; indirectly Mr. Paraskevaides was creating a network between all of these countries. The Joannou & Paraskevaides Group became synonymous with trustworthy, win / win activities. It became standard industry knowledge that whoever cooperated with the Joannou & Paraskevaides Group would benefit not only from the standard of the project delivered but also because of the large network the organization had. At the pre-arranged

high-level meetings, Mr. Paraskevaides would likewise inform his clients of Cyprus' strategy of becoming a major player in construction. Not only would Cyprus not waiver to the invasion, but the country was determined to overcome its challenges and succeed in all aspects of socio-political and economic life. This message was conveyed wherever Mr. Paraskevaides went. It is not an exaggeration to mention that many countries became allies of Cyprus following the invasion because of the methodical and relentless work of Mr. Paraskevaides. It was a strategy that would allow the Joannou & Paraskevaides Group to rebuild its own organization and activities in Cyprus a few years later on.

Additionally, Mr. Paraskevaides' appointment in the overseas offices had another positive effect on the organization. After the invasion, employee morale was low and job motivation was weak. Especially in the construction industry these two industrial facts are tremendously important since they have a direct effect on productivity. Mr. Paraskevaides made sure of visiting and talking to all employees on-site, and by so doing, he heartened them with his presence and charismatic presentations regarding the vision of the organization. He made sure that money could be sent to Cyprus which gave employees all the motivation they needed to deliver projects on time and begin new ones.



The Cardiology Centre Onasion in Athens, Greece

3. Results

Although it was as far back as the mid-1970s, many public relations tactics were used by the organization based on objectives of reassurance, encouragement and support. The way the group identified its stakeholders / publics and established priorities based on planned and sustained initiatives were tactics that were ahead of their time. It is no surprise, therefore, that with such leadership and vision the Joannou & Paraskevaides Group grew to incredible heights and became a major player in its field. Relationship-building, issues management, and crisis management were all imperative for both the 'in Cyprus' operation and the 'overseas' operation.

Reference

Peristianis, N. and Tsangaras, G. (eds) (1995) *Anatomy of a Metamorphosis: Cyprus after 1974*. Nicosia: Intercollege Press.

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4. Review Questions

- Why were the 'in Cyprus' stakeholder / publics identified this way. Which were left out?
- Why did the Joannou & Paraskevaides Group not concentrate its activities in Cyprus? Do you agree with their decision?
- What parts of this case study are issues management functions and what are crisis management functions?
- If the overseas managers were so efficient and successful, why did Mr. Paraskevaides' presence play such an important role in restoring reputation?

The Crisis Management Process

There are three overlapping crisis management tasks in public relations. The first is the pre-crisis phase. The second is obviously bringing the house back in order in times of crisis and is known as the crisis-phase; this is when the majority of **crisis communication** takes place. And the third, often-ignored stage is the post-crisis phase (see figure 6.5).

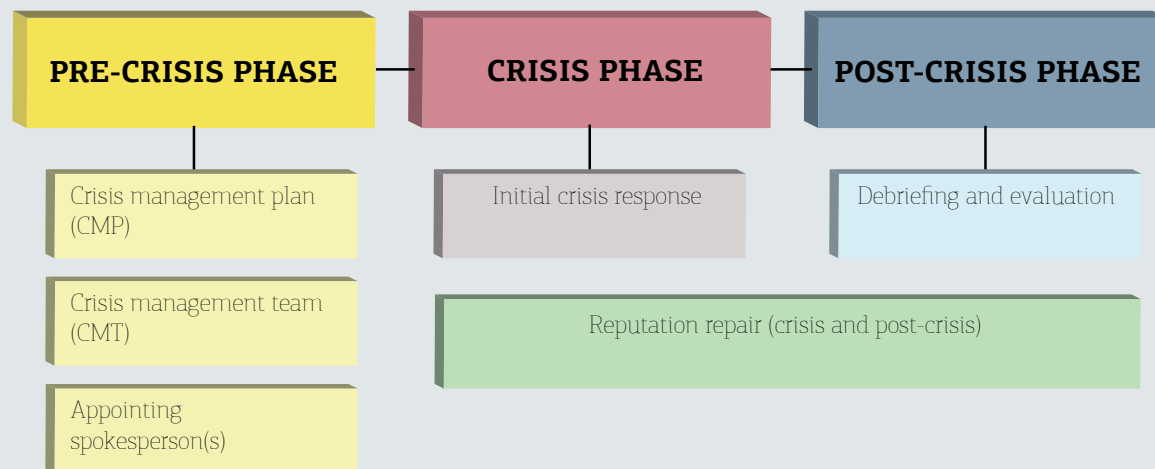


Figure 6.5: Crisis Management Phases

Ask a Communications Practitioner

Interview with EAC Head of the PR and Communications, Costas Gavrielides



Costas Gavrielides is Head of the PR and Communication Department of the Electricity Authority of Cyprus. An Engineer by profession he has a BSc in Electrical Engineering from University of Salford (UK) and a MEng in Electric Power as well as an MBA degree from Rensselaer Polytechnic Institute, Troy, New York.

1. What are the essential elements of crisis communications?

Being prepared in advance is probably the key element for successful crisis management and you must never forget this. Also have in mind that a well-managed crisis is not perceived as such if the communication strategy fails.

Therefore you must get your communication strategy right. Once you achieve the above the rest is easier and, I would add, text-book material which is applicable in all crisis situations. Follow these simple text-book rules and act quickly and decisively. Determine the facts and communicate your organization's story with honesty. Never speculate or admit liability for what has happened although not admitting liability does not necessarily mean that you cannot say "sorry". Express concern in words and actions. Identify all publics involved and address them, and so on.

I would say that if you are well prepared in advance and if you succeed in selecting the right communication strategy once crisis hits, you might even turn a crisis into an opportunity. These two elements are prerequisites for successful crisis communication management.

2. How do you choose who will be on a crisis management team?

All big corporations should be prepared in advance and have a comprehensive Crisis Management Plan and a Crisis Communication Plan before a crisis hits. These plans must identify, according to the crisis at hand, an Executive Management Team, the Crisis Management Team and the Crisis Communication Team. It is essential that these teams comprise a well-organized structure with clear communication lines and flow of information. Who will be in each team might vary from organization to organization, depending on the nature of the organization and the industry it is operating in. The composition of each team might even vary depending on the crisis at hand. One thing though is for sure: All personnel involved must know exactly what is expected from them and be well trained in advance.

3. Which publics are the most important to communicate with during a crisis?

I would say that all publics are important to communicate with during a crisis. Having said this, you can neither ignore the fact that some publics are affected more than others from a specific crisis, nor can you ignore the fact that your organization's own existence depends on some publics. It is therefore important to know your publics before a crisis hits. Are these publics active or passive? Are they guided by their emotions or are they capable of rational reasoning? Do they have conflicting interests between them? What is the possible impact on the organization from their reaction? It is obvious that being prepared in this respect is again very important. But in general I would say that all publics are important and should be addressed during a crisis.

4. How can you restore the reputation of an organization following a severe crisis?

To start with I would say that big organizations should take measures to safeguard their reputation as no reputation is bulletproof. Prevention is better than cure. The most common causes of reputation failure are environmental violations, health or safety product recalls and financial irregularities. In most cases these issues can be identified in advance if better controls are put in place beforehand. Corporations must create an early warning system that detects potential threats. Once the damage is done, reputation recovery is neither easy nor short term. It requires commitment and consistency from the entire spectrum of employees although the job of managing reputation ultimately belongs to the management. You must start by analysing what went wrong and fix it. Then you must communicate this change, time and again.

Mr. Gavrielides was interviewed by Marcos Komodromos.

It is worth noting Peter Stanton's (2002) ten common mistakes of crisis management and how to avoid them in such times as they are more universal calls of action and are consequently related to all three stages of crisis management.

1. *Rushing to judgment.* One of the core teachings in communication, especially when dealing with the public, is to be able to understand and gather facts correctly before presenting information to the public. One must be able to discern all of the data that is being presented and relay to the public only what is vital. Though at times it may be hard to separate personal or even organizational judgment regarding certain scenarios, a good PR practitioner must be able to stay on top of things and in control of all information going out.
2. *Overreacting.* Reacting responsibly is the secret to become an effective communicator. The first step to successful crisis planning is to determine the difference between a crisis and an emergency. Organizational emergency situations are more common but they do not interfere with the daily routine of the organization; a crisis hinders the functionality of the business at all levels – from top management down to the production line.
3. *Failure to act.* The, *if we ignore it, it will go away* policy, does not always work with all types of crisis. Instead of just waiting for the problem to solve itself, PR practitioners must keep track of the situation and act accordingly.
4. *'Bending' the facts.* Altering the truth for it to fit to your goals is not the right way. Instead of masking your way through it, it is best to be honest.
5. *Lack of concern / empathy / sympathy.* An organization must be able to maintain a 'human face' especially when dealing with its employees – because in moments of difficulty, they are the priority, not the general public. Displaying a strong sense of responsible management reflects a good organizational character.
6. *Affixing blame.* Stanton notes that it is better to leave the 'blaming act' to the lawyers and other authorities. What the organization's communications needs is a vision and the right action plans to move forward after the unlikely situation. While doing such, they must keep themselves in the loop while the authorities conduct their investigation.
7. *Remaining insular.* There is nothing wrong with using house human resources but when times are tough, it is also a good idea to seek opinion externally as this gives the organization a more objective perspective of the situation. An external expert's view would be very helpful in determining key areas to address and which of them need to be prioritized.
8. *Absence of teamwork.* In approaching a crisis, a collaborative tactic using a core team is better than using a 'sacrificial lamb' that does the entire job until (s)he burns their energy down to the last drop (or makes a serious mistake). A Core Crisis Team can be made up of different posts, depending on the needs of the organization and crisis. In general, the following positions are proven to be vital: Director of Crisis Communication, which will head the team; then the operations, legal, data and documentation, logistics, emergency response, and administrative support.
9. *Restriction of information.* It is very important for the information to reach those that matter first.
10. *Failure to plan.* It would be wise to be ready with a general approach on crisis situations through crisis manuals created beforehand. Assigning roles to members of the group will be very useful when a crisis hits. It is crucial to quickly create a plan to handle a crisis and the best approach to this is to have some form of crisis manual ready that has hypothetical crisis situations covered in advance.

Pre-Crisis Phase

Although not all crises can be prevented, preparing beforehand is an effective method to help reduce the extent of damage a crisis may cause. An organization may prepare by creating a **crisis management plan (CMP)**. An organization will also have to select and train a **crisis management team**. It has been documented that organizations handle crises better when they have a crisis management plan that is updated regularly, have a designated crisis management team, and conduct exercises to test themselves (Barton, 2001).

Developing a CMP saves precious time in spells of crisis when every minute counts; therefore it should be given plenty of thought when it is written-up. A CMP typically includes a list of key contact information, a checklist of what should be done, and evaluation forms used to document the response. Detailed and well-prepared CMPs identify as many potential crises as possible, and have pre-prepared plans for each one to guide the team if they occur. Information in such detailed plans includes prewritten press releases, areas of where press conferences can be held, lists of important contacts and other such details.

Creating a crisis management team is equally important for they are the ones who will execute the plan. This team should be comprised of public relations practitioners together with members from legal, experts from finance, and assistance from human resources. At least two **spokespersons** should also be appointed so the organization can communicate the critical issue at hand with the stakeholders. However, it is best if all the team undertakes **media training**. The most effective media training is that which gives spokespeople a chance to get in front of the media during stable periods. It would be disastrous if the spokesperson's first experience with cameras, lights, microphones and tough questions is during times of crises. Coombs (2007) offers some broad basic tips regarding media training that enumerate some vital insights:

- ▶ Avoid the phrase "*no comment*" because people think it means the organization is guilty and trying to hide something.
- ▶ Present information clearly by avoiding jargon or technical terms. Lack of clarity makes people think the organization is purposefully being confusing in order to hide something.
- ▶ Appear pleasant on camera by avoiding nervous habits that people interpret as deception. A spokesperson needs to have strong eye contact, limited distractions such as "*uhms*" or "*uhs*", and avoid off-putting nervous gestures such as fidgeting or pacing.
- ▶ Brief all potential spokespersons on the latest crisis information and the strategic message points which the organization is trying to convey to stakeholders.



Figure 6.6: media training is essential in crisis management

It should be repeated again that if the organization has not created relationships with the media before a crisis occurs then the opportunity to get its messages across during a crisis becomes harder. It is imperative that PR practitioners build a healthy relationship based on mutual understanding with all media; in this way making any communication with them less awkward during crises. Good journalists are: always looking for a scoop; always looking for breaking news; and normally always want the organizations' side of the story too. Nevertheless, if you have not established a mutually beneficial relationship with them, they might not give you a chance to tell your side of the story when you most need to.

Crisis Phase

When a crisis hits, the crisis management team, guided by the CMP responds in the following way: with an **initial crisis response** and then with a **reputation repair strategy**. This is when the crisis communication begins. In the initial response, the practitioner is expected to execute an established set of guidelines. There are three recommendations born from these guidelines: (1) be quick; (2) be accurate; and (3) be consistent. We mentioned earlier that during pre-crisis, an organization could prepare a template response. The importance of "*be quick*" emphasizes the need for the organization to share its story immediately. This is

especially true with the speed and recklessness present in the age of social media. During this early stage when blame-seeking is at its most heightened state across publics (attribution theory), all concerned parties will be asking for pertinent basic details like *what happened?* and *what's wrong?* Coombs calls this an information vacuum (ibid.). An organization in crisis needs to be quick to air its side of the story before publics – especially news media – start filling the void themselves. Anything more than an hour to respond is too long (of course it depends on the crisis and how much is already known). Nothing can be worse than handling a growing crisis fuelled by rumours since that increases the chance of the blame being heaped on the organization. Even when blame should be placed on the organization, if a response is released quickly to explain the situation then this will be appreciated by all stakeholders and publics.



Figure 6.7: The success of the Agios Nikolaos water crisis campaign led to the company winning the Marketing Excellence Award 2010 (see case study 6.3)

Next to being quick is being *accurate*. A crisis situation may be compounded if an organization releases inaccurate information to the public. It can mislead the public and create a bigger blunder. This is an actual risk born from the immediacy present in a crisis. Accuracy and speed is critical when the issue is about public safety. Publics are entitled to know what they need to do to protect their selves.

Apart from a quick and accurate response, there is also the need to be *consistent*. During a crisis the public will expect to hear from the spokesperson of the organization, but the spokesperson represents only one voice so it is a good idea to have experts to help deliver a consistent message that the public will understand. You can observe this when you watch your favourite news programmes. There are often interviews with several personalities that help to explain a specific situation. In particular, when the crisis involves public safety, the need to be consistent in the messages relayed is amplified. In cases where there have been casualties it is important to seek the advice of experts such as trauma councillors before the initial crisis response. This way the messages being released can assist publics and often alleviate a critical period.

During a crisis the organization's reputation takes a knock which is why *reputation repair* occurs immediately after the initial response and may continue throughout the post-crisis phase. It is our belief that technological advancement, which allows publics to interact with the organization, has made this stage of crisis management easier to control for the PR practitioner. Digital networked technologies similar to those used for customer relationship management can also be used to alleviate concerns regarding the crisis. Additionally, the organization's website can continuously feed publics with updated information. At this point it is imperative to begin a series of evaluative research methods concerning the various publics involved in order to gain a clearer picture of what kind of messages need to go out.

Post-crisis Phase

After the dust settles the organization gradually shifts to regular mode. Reputation repair may or may not continue into this phase depending on the results of an evaluation (see chapter eight for more on evaluation). Regardless, now is not the time to drop everything in relation to the crisis and assume the worst is over. The organization needs to continue to carefully monitor, evaluate and provide follow-up communication.

If any promises were made during the crisis phase, such as releasing new information about a case, it is vital that the organization works on fulfilling its promises or risk losing further public trust. Also, after a crisis transparent communication should continue to the stakeholders and publics that matter the most. For example, employees

of the organization should have access to information about the crisis so they can educate themselves (and as ambassadors, educate others too) regarding what transpired. Following this stage, the organization needs to begin its **debriefing**. This phase includes examining and recognizing mistakes and procedural issues regarding the crisis communication and how they can be improved. Essentially, the crisis team needs to interview all those involved in bringing back order to the organization as well as identify how improvements can be made. This might include almost the entire organization and require plenty of work and planning.



Figure 6.8: Akio Toyoda Apology following Toyota recall of products (source: nrp.org)

Once debriefing is over the organization must enter into a strategy of restoring lost trust and pursue its reputation repair when and where possible. Depending on the crisis, and on the results of the evaluation and debriefing, a number of different approaches can be made. For instance, showing humility might seem the best approach to regain trust (see figure 6.8.). If the crisis was not the organization's fault then confidence and leadership might be a more suitable communications strategy to follow (see case study 6.2). But, if the organization needs to recover lost loyalty of products then a communications strategy showing the organization's confidence in those products might be the best approach to take (see case study 6.3).

Ultimately, a crisis should be a learning experience. Any mistakes, even the most miniscule ones, can be improved. Lessons learned from the crisis phase should be integrated into the crisis management plan. Finally, a crisis can become an opportunity to increase reputation; start afresh, show the true face of the organization and demonstrate its true character. In the face of adversity the manner in which an organization responds to crises can have a large impact on the organization's future.

Digital Crisis Management

The sheer speed of social media could pose a problem for an organization that is ill-equipped to handle an unfavourable situation. According to a presentation by Thomas Crampton of Ogilvy Public Relations Worldwide (Crampton, 2010), there are five trends in digital crisis management:

1. *Everything happens at lightning-speed* – The organization needs to respond in a matter of hours and not days. A team should already be in place, ready to answer negative feedback. Consider how fast news spreads with Twitter and Facebook.
2. *People demand "hyper-transparency"* – Assume that you cannot hide information. It is crucial to show that all efforts are true and authentic.
3. *Dialogue is as important as message delivery* – Invite your target public into the conversation to foster affinity with them especially when a crisis hits. Create events where you can meet digital users like bloggers.
4. *Search reputation delivers multimedia* – Protect your organization by using different multimedia platforms to spread your message. Remember that once bad content is online, it is not easy to remove.
5. *Brand detractors have the same tools* – Anyone on social media can use the same communication tool you have to promote or distort information. An organization needs to be aware that anyone can influence his or her circles. Traditional site traffic should not be considered as the sole metric for judging influence.

We should conclude from the above that before a crisis, during normal reputation management mode, it is imperative for the organization to already have a well-trusted and existing social media presence. In the following chapter we shall concentrate precisely on this point.

CASE STUDY 6.3 – KEO plc: Agios Nikolaos Water*

Crisis Management and Reputation Repair



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives



The natural mineral water AGIOS NIKOLAOS was launched in the Cypriot market in 1995. By September 2008 it was a market share leader and one of the top household names in Cyprus. In its category it is at the 'top of mind awareness' by a long margin. Although AGIOS NIKOLAOS is competing with over 30 different brands, its market share has reached over 50%.

In September 2008 the Quality Assurance Control Department identified certain microfauna (microscopic organisms) in the water; not allowed by EU regulations regarding retailed natural mineral waters. Although the problem was found only in a small batch, KEO decided

to withdraw all its quantities of the AGIOS NIKOLAOS water as a precautionary safety measure. By doing so, in long-term thinking, KEO showed a sense of responsibility and sensitivity previously unheard of in the local market. When the crisis occurred, the Island itself was going through an extended drought, and the quality of tap water offered to Cypriots was of a lower standard. As a result, the sale of bottled water in the market became a necessity rather than a luxury.

In view of the fact that AGIOS NIKOLAOS was a market leader and by virtue of the size and heritage of KEO plc., the media opted to give the quality violation additional coverage and awareness; something not previously done with other competing brands faced with even more serious problems. The reportage and misinformation that followed hit KEO's reputation hard, and as a consequence the sales of the brand fell. Both its share and its emotional attachment with its target group were damaged, plummeting AGIOS NIKOLAOS into a classic case of crisis. When KEO plc., decided to withdraw all of the brand's products from the shelves, rumours began to spread incredibly quickly that the organization would not return under the same brand again but rather elect to reintroduce itself under a new brand name as has been the case with many other brands that have fallen victim to similar crises.

2. How the Programme was Implemented

Crisis Management

Before the withdrawal of the product from all shelves and distribution points, KEO managers were quick to recognize that the media were finding the news to be extremely worthy of coverage. KEO was therefore swift to respond and put into practice its crisis management plan. KEO announced the withdrawal of the product as well as ceasing production until its new bottling plant was fully operational. The company also made clear that its decisions were taken purely as a precautionary measure in order to be 100% sure of the safety of its customers.

The day after their response KEO began the withdrawal of all AGIOS NIKOLAOS products but also released statements declaring that anyone who had bought the product could return it to the KEO factory or to the place of purchase.

KEO followed on from this action by releasing announcements through the media to say that they were committed to both solving the problem and reintroducing their product to the market with a more improved, modern, state-of-the-art technology bottling plant in Kakopetria village. The production restarted after the complete remodelling of the plant in the Agios Nikolaos region of Kakopetria – this time with self-imposed quality assurances.

Reputation Repair

Feeling socially responsible, KEO began its reputation repair phase by making use of the returned contaminated water by offering it to the parks in the Limassol region to be utilized in irrigation systems during the on-going drought.

Important Strategic Decisions

- The company took the decision not to go ahead with a public apology campaign or change the brand name.
- It further decided to redistribute its product under more stringent quality assurance procedures.
- It decided that if the brand was to succeed it needed to reverse the negative perceptions now instilled in the minds of its target group and publics.

Campaign

- The publics should be broadened-out to include all consumers, but with an emphasis on families.
- The messages of the campaign are to be simple and expressive, and must convey friendliness and honesty but also inspire confidence and boldness.
- The basic promise of the campaign is, 'the water we believe you prefer is returning with all the necessary requirements in order to regain your trust'.
- Reasons why you should trust us again are:
 - ▶ New production plant,
 - ▶ New quality assurance mechanisms,
 - ▶ We learn from our mistakes',
 - ▶ We are investing heavily on a second attempt and we will not give up.
- Obstacles include the negative perceptions and an overall feeling of disappointment from consumers plus the intense negative rumours and suspicions that KEO is to try again. The ground won by the competition is also a serious obstacle.
- Both the frequency and reach of this campaign needs to be intense and all-encompassing conveying a sense of determination from KEO.
- An overall target of this campaign is to create an emotional sense of fair-play so that consumers will 'give their favourite brand a second chance.'
- The sales target is to regain 12% share in 6 months, to reintroduce the brand in all previous locations, and to increase the share to 25% in 18 months.
- The Implementation of the campaign was as follows:
 - ▶ AGIOS NIKOLAOS. The next generation is here.'
 - ▶ Basic parameters of the campaign were:
 - ▶ KEO will not apologize because it might reflect a defeatist perception.
 - ▶ The communication campaign will align across Cyprus with the placement of the products back on the shelves.

- ▶ A slight alteration (face-lift) to the package, giving it a more transparent look; subconsciously conveying that, 'KEO is always honest and has nothing to hide'; replacing the gold colour with platinum reflects a freshness in the image.
- The key concept based on the objectives of the campaign was developed internally at KEO. The idea hinged on the children of KEO's employees, i.e. it was sensed that the best way to change an existing negative perception could be: 'If my kids drink it then it must be safe for yours.' Ultimately, the children became the best brand ambassadors possible to convey the messages.
- The campaign began with a series of press releases to all media outlets announcing the return of the brand to the market.
- The first audio-visuals are in the form of a documentary lasting 75 seconds, which portray a new age in bottling at KEO with an innovative state-of-the-art plant. The spots were shown at the same time on all free-to-air stations between the news breaks on a Friday.
- The following day the full-page ads went out to newspapers and magazines, and on the same night the 40' TV spots were shown with the children as the protagonists. Outdoor ads were also launched on the same day.



3. Results

The redistribution of the brand began in April 2009 at a Pan-Cypriot base. The advertising campaign began during the first week of May 2009. The overall response from the media was extremely positive. They considered the campaign and the decision of KEO to reintroduce the brand to be as newsworthy as the crisis itself. KEO representatives were given media coverage and invited on to programmes so the negative perceptions were gradually replaced by a more positive view of the brand.

The campaign won a marketing excellence award organized by the Cyprus Business Forums Association. The sales shares regained, based on the research group RAI consultants were:

- In 4 months 30.4%
- In 15 months 35.2%

Regarding the communications campaign, KEO decided to conduct intense and detailed evaluative research and established that AGIOS NIKOLAOS had a 55% impulse recognition (first in the market) and a 65% remembrance of the campaign.

*This case study was prepared by KEO PLC Group in Limassol, Cyprus. © KEO PLC.2012. (This material must not be reproduced or quoted without permission).

4. Review Questions

- What could KEO have done to make the impact of the crisis less?
- Why did KEO decide not to send out an apology? Was the decision correct?
- In the campaign, what publics might have been targeted other than those mentioned above, and how?
- Why was the campaign so successful?

Summary

Issues management is one of the most unknown functions of public relations, yet ironically managing issues is at the heart of the field of PR. What the study of issues management has achieved is to emphasize, by bringing to the surface, a certain way of strategizing and thinking. This is because issues management is an anticipatory and strategic management process that serves to assist organizations as to how they might predict and react according to changing habits in the environment. We live in such precarious times and changing environments are often more frequent than the *status quo*. Issues can either benefit an organization so that it needs to act proactively to make the most out of a situation, or they can potentially lead to a crisis. Issues management processes fall into the following major categories: (1) issue identification (2) issues monitoring (3) issues analysis (4) message formation, and (5) incorporation of the information into strategic and operational plans.

Crisis management is achieved in three phases: pre-crisis, crisis, and post-crisis. In pre-crisis it is important to create a crisis management plan to be handled by a trained team of professionals that have undergone media training since the effort of the team will, to a great extent, be based on handling media relations. During the crisis, the team is responsible for creating the all-important initial response; thereafter it must start its work on reputation repair. Initial response dictates that the organization must act quickly, accurately, and consistently. Reputation repair is an on-going process that may start during the crisis and extend into post-crisis. During post-crisis, the organization must fulfil promises it made by delivering information on the crisis that recently transpired. The team should also evaluate the crisis, debrief those involved and integrate lessons learned into the updated crisis management plan. The strategy of reputation repair can then continue until normality prevails.

In digital crisis management, the organization should have a dedicated team ready to handle negative feedback. This team must act immediately (as part of the initial response needs to be communicated on digital networks) to protect the organization from being compromised or ruined by brand detractors. Likewise, it is important to monitor online media and give timely feedback to the target publics.

Short Definition of Terms

Attribution Theory:

A social psychology theory which states that people will create meanings concerning their environment based on their own internal impulses. In times of crisis people will seek attribution for what happened based on their own stimuli leading them to make additional conclusions to the information they already have.

Issues Management:

A proactive approach of managing an organization in a way that enables it to be aware and prepared to take actions on issues that could either benefit or harm it.

Issue:

Something that might affect, or already has affected, the perceptions and behaviour of an organization’s publics in either a positive or a negative way.

Issues Action Team:

A team made up of members of an organization that seek to manage issues of their organization.

Environmental Scanning:

A process of identifying and monitoring issues that might affect the organization.

Crises:

Situations which are considered a significant threat for an organization and which take it out of its normal daily activities.

Crisis Communication:

The communication, by the organization, that takes place in times of crisis.

Crisis Management Plan (CMP):

A written manual covering all aspects of a possible crisis for an organization. The manual is designed to guide the organization in times of crisis with pre-written statements, lists of important personnel and other such information.

Crisis Management Team:

The team responsible for taking control of the crisis communication.

Spokespersons:

The representatives of an organization chosen to communicate directly to external publics (usually the media).

Media Training:

Usually members of the crisis management team that undergo training in front of camera, are drilled on Q’s and A’s and are informed of the internal works of media.

Initial Crisis Response:

The first crisis communication that goes out to the public. This needs to be put out quickly, accurately, and consistently with the same reliable information.

Reputation Repair Strategy:

The communication that seeks to restore lost reputation. It is started following the initial response and can continue well beyond the crisis stage.

Debriefing:

An evaluative form of analysis of what happened following a crisis. What mistakes were made, and how to improve the CMP and any future event similar to a past crisis.

Knowledge Check / Critical Thinking Questions

1. Is issues management a part of public relations or is public relations a part of issues management?
2. What are the six sequences an organizational issue can follow?
3. Can issues also be beneficial to an organization? If so, why?
4. What are the stages of an issue?
5. Why is it important to create an issues management team?
6. According to Paul Argenti how can a crisis be identified?
7. What are the three phases of a crisis?
8. What are the three guidelines in initial response?
9. Who should attend media training?
10. Why is digital crisis management so important?

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chapter 07

Public Relations and Digital Media



Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ come to terms with the significance of digital media, and digitalization more generally
- ▶ prepare/deal with the changes digital media are bringing to the field of PR
- ▶ comprehend social media and the role it plays in contemporary PR efforts
- ▶ feel comfortable at implementing digital media campaigns within the overall campaign



Overview

We live in an age where information is abundant (see Webster, 2006). The ramifications of 'information-profusion' on public relations as well as on contemporary life more generally, is nothing short of amazing. The impact of these technologies is forging a new 'information ecology' (Winseck and Yong Jin, 2010: 6) exceeding what is merely known today as traditional media. With previous technologies now reaching **4th generation (4G)** connection speeds, humans have the ability to communicate with one another and exchange exceptionally large



Figure 7.1: What are the consequences of instantaneous, 24-hour daily communication?

amounts of data instantaneously. This means, for example, that we can see each other while communicating from almost any point on earth, or retrieve any form of information whenever we want (so why have memories you may ask?). With so much innovatory progression in communication technology, even the most adept futurist would think twice before committing themselves to predictions of what lies ahead. Although it is beyond the scope of this book to delve deeper into ontological thoughts regarding communication, we are required, at the very minimum, to *reflect* on these issues since public relations is a form of communication. In so doing we believe that readers will not only be able to comprehend the impact of digital media on public relations as it stands today, but also to apply themselves more comfortably in what is undoubtedly a rapidly-moving, ever-changing environment.

At the heart of contemporary life's shift towards an information-based society is a technological application known as **digitalization**. Before turning our attention to how digital has affected public relations we deliberate here what digital is and what digital media represent. Additionally, we consider some of the possible negative effects of digital media and look at the basic elements of embracing a digital presence before shedding light on two social media zones: social communities and social publishing. Following on from this we address the main issues in relation to building a digital PR campaign plus look at methods of monitoring and measuring public relations efforts online. The significance of measuring and monitoring **weblogs (blogs)** is focused on also, as well as the huge impact that social media have on PR and PR campaigns. To end this chapter we close with a short subsection on conserving a presence on social media and the challenges it brings.

Digitalization and Digital Media

In 1995 Massachusetts Institute of Technology (MIT) professor Nicholas Negroponte authored his ground-breaking and prophetic book *Being Digital*. In it Negroponte explains in vivid detail how a new technology based on a computer language using 0's and 1's would transform all aspects of life because it would turn out to be the standard adopted for all information and communication technologies (ICTs). But for digital content to be communicated across the globe, an interconnected network was required, and it was consequently created in the 1960s (now referred to simply as the inter-net – internet). By the mid-1990s when the network was large enough, many organizations took a further interest and used it as another medium option. This phase we refer to as **Web 1.0**.



Figure 7.2: The internet is a communications platform on which all digital content can be sent

send a wealth of information including voice, images, audio-visual and text; at extremely fast speeds with high quality results. Since all these forms of communicative information can be translated to a digital code, digital technologies have led to a **convergence** of all sectors of ICT. Many organizations that once dealt primarily with telecommunications have since moved into broadcasting and computer services (this is known as **industry convergence**). As convergence has continued to solidify its hold on the communications sector, there has been

The growth of the internet, together with advancements in digitalization, has led to a communication revolution. Indeed, digital language based on **binary code** has profound abilities and is flexible enough to allow new applications to be created daily. To put this into perspective we need only look at another prophetic concept, **Moore's Law**, created in 1965 by Intel co-founder Gordon Moore. Simply put, in its first form (the law has since been revised), the law states that the speed and power of computer processing will double every two years, and this increase in power will continue for the foreseeable future. The prediction was extremely accurate and to a large extent continues to occur to the present.

Digital content distributed over the internet and via other platforms too (e.g. terrestrially), can be used to

a *divergence* of products that allow us to access digital content. Consider, for example, how many devices are available to us. We can watch audio-visual content on what we traditionally call television. Because of digital, we can also now do this on a tablet, a smartphone, a desktop, a laptop computer and let us not forget a television. The same is, of course, true for other traditional media such as radio, magazines and newspapers.



Figure 7.3: Watching video content on a smartphone shows the benefits of industry convergence

Digitalization of technologies has not simply led to ICT industry convergence. Convergence occurs on many levels. Our smartphone, as an illustration, is also our newspaper, computer, radio, music player and many other things. We can define this as **product (devices) convergence**. Furthermore, **convergence of content** is also a reality. For example, we view or listen to content (audio and visual), and read content (copy) on the same online newspapers; or listen to the radio on digital television platforms. Even when we watch a film it is likely that a convergence occurs in traditional filmmaking with computer generated imagery.

As argued throughout this book, digitalization and digital media have had a profound impact on organizational practices of communication. During Web 1.0, public relations practitioners and advertisers were still very much in control of the conversations regarding their corporations. With the maturation of the internet and the continued advancement in ICT technologies, citizens have become more empowered, creating a parallel, digital society where all of its users (or **netizens**) have both access and a voice. As netizens have begun to generate their own content, the transition has appropriately been labelled **Web 2.0**. Corporations can no longer rest on assumptions that they, politicians and traditional media have exclusive access to public opinion. Web 2.0 has led to an excess of **social publishing** from netizens affecting all levels of public opinion. PR practitioners, therefore, have to re-evaluate their strategies as to how they monitor these newer forms of open discussion, and ultimately how they communicate with their publics. Before our attention is focused on how the field must respond to the formation of digital media, we first study several of the basic characteristics of digital media. Moreover, we also offer a small section that focuses on the negative consequences of digitalization because by doing so we believe that readers of this book will be better informed and prepared for its consequences.

Basic Characteristics of Digital Media

Digital media and offline, traditional media are exceptionally different forms. Outlined below are some fundamental characteristics that make up these differences and are of particular interest to PR practitioners. First of all, digital media work in both synchronous and asynchronous time and therefore they demand *immediacy*. For example, anything that is posted online and shared with others usually becomes available instantly. This is especially true of **social media** (see following section).

We next consider the notion of *internationality*. Digital media content travels around the world since the internet is laid-out globally. That said, most digital content is shared with the whole world and not solely in one's local market, society or neighbourhood. With this in mind, digital content producers must always consider culture, language, and tone.

Availability means that the digital media is always there and content can, therefore, be viewed anytime (and currently almost anywhere). It is obtainable 24-hours per day, seven days a week, 365-days a year. Combined with immediacy and internationality, digital content that crosses over the web is available to generate feedback non-stop around the clock. Offices may operate from nine to five but the company website will be open all night, all morning, and all day. Public relations practitioners need to consider how to monitor the company and the competition outside their normal office hours (see section below on monitoring and measuring). A characteristic of digital, related to this point, is its ability to store information and retrieve it at a moment's notice. The archival memory of digital is one of its most noteworthy features (young adults and teenagers posting provocative images of themselves on social media often live to regret it).

Another interesting characteristic of digital media is that it possesses *low barriers to entry*. This means that the internet can easily be used as a distribution tool because anyone with access to it can create websites, blogs, and individual brand names that add to the competition. As a consequence, with the influx of more competition, users will have shorter attention spans or will at least have less time to spare for each organization. Ultimately, whoever has the biggest, latest, and most attractive content will receive the most attention. As a result, public relations practitioners need to keep pace. Large organizations should engage internet-savvy PR practitioners that are able to counter the competition. Over and above the internet being an easy to use tool to distribute content due to its low entry barriers, it is also *relatively low in cost*. Organizations can, perhaps, save cash by opting to put their press kits online rather than printing them onto flyers and in brochures. The battle to add more *Facebook* page likes is based on gaining access in order to communicate with consumers and other publics without cost.

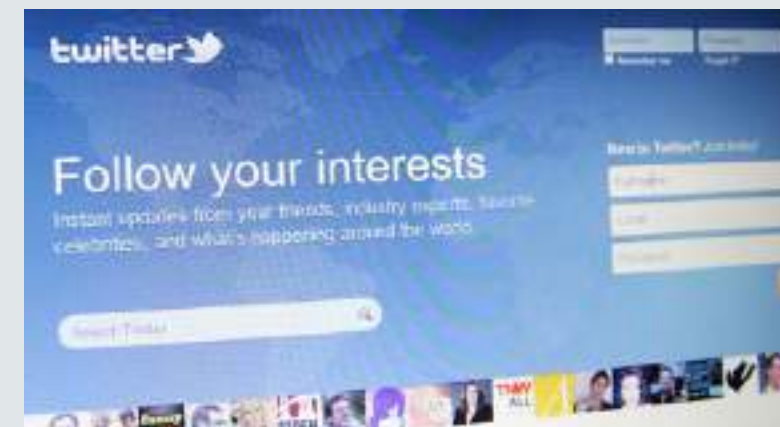


Figure 7.4: Platforms such as Twitter are changing the face of communication

One of the most significant aspects of digital media is its power of *interactivity*. In the past, only journalists, VIPs and brand advocates could acquire easy access to an organization. But, with the influence of social media platforms such as *Twitter* and *Facebook*, ordinary *netizens* can respond directly to what an organization says. Netizens will instantly report their thoughts and complaints. It is of paramount importance for public relations practitioners to monitor real-time

conversations like these because one oversight can ruin an organization's reputation (see chapter six). Equally, it is also bad to ignore feedback. To engage with fans and followers of an organization is at the heart of all digital public relations' functions. Additionally, interactivity serves as a true test for the public relations efficacy in dealing with people who disagree with the organization. Businesses that do not know how to deal with negative feedback on the internet are seriously disadvantaged.

Along with the interactive feedback mechanism of digital media, one often cited problematic characteristic is that of *anonymity*. Not everyone using digital media is required to give his or her real name when providing feedback and comments. Public relations practitioners ought to be able to cope with talking repeatedly to an alphanumeric username and numerous identities of often the same 'real' person.

There is no governing body that dictates digital content. In certain countries the usage of the internet is perhaps restricted by the censorship of certain sites, but overall, the internet is a dangerous place where rumours can roam free and harm a company overnight. And because of this we include the notion of *unreliability*. The internet is an open playground with bullies that often wish to hurt an organization. In line with offline public relations efforts, it is important to build trust with online fans and followers. Public relations campaigns are easier to manage and handle when the audience being targeted trusts the organization.

Negative Impact of Digital Media

The media are often used as scapegoats regarding the transgressions of contemporary life. If children are not attentive then video gaming is blamed; if there is a sharp drop in voters, extensive television consumption is blamed; if crime increases, the movies are blamed. And so it goes. With the emergence of digital media a new set of 'wrongdoings' has arisen. Similar to the pre-digital, analogue era, some concerns are warranted, while others are not, but one of the most palpable worries is that of internet addiction. This wide-ranging problem frequently leads to further issues (cyber bullying, online addiction, sexual or commercial

risks). In South Korea, the most digitally connected country in the world, a regulatory body has been set up that seeks to control internet addiction. As additional countries become increasingly connected and their online figures grow closer to those of South Korea, such extreme measures of control may be a sign of things to come.

The above concerns feed journalists with copious newsworthy stories that in turn, set the agenda regarding the topic of conversation in our daily lives. Attacks like this on the media (ironically, brought to us through the media

themselves), have been present since the first comic books were published some 100 years ago. In our view the majority of the criticism is unwarranted because there are other less salient socio-cultural issues at play. Nevertheless, caveats associated with digital usage trends are surfacing and they require caution. These same caveats apply to individuals and organizations alike and for this reason we address them in this short subsection.

When Evgeny Morozov published *The Net Delusion: The Dark Side of Internet Freedom* (2011), it struck a chord in many people who witnessed numerous regimes withstand the apparent freedoms of the internet and who learnt to utilize the same tools to liberate democracies, sharpen their propaganda messages and their surveillance techniques. By criticizing advocates of the digital revolution and labelling them 'digital utopians', Morozov offers a timely reminder of the power of social and economic forces that work independently of technology.

But it is the **political economy scholars of communication** that are making the strongest case in warning everyone of the harmful effects of the internet. Christian Fuchs (2012) and Dwayne Winseck and Yong Jin (see Winseck and Yong Jin et al., 2010), are prime examples of contemporary political economists who have identified a new, accumulated organization of power on the internet with different players entering what Winseck and Yong Jin call the new 'ecology of information' (ibid: 6). Because of convergence it is no longer media institutions that control information. Instead, a new set of players have accumulated similar power and wealth such as ICT and telecommunication organizations. Furthermore, Winseck and Yong Jin warn that a vast amount of exploitation and surveillance occurs on the internet and they argue that it is as much, if not more of a concern today as it was during the analogue period of media conglomerates. As noted by the above critical theorists, organizations such as *Google* and *Facebook* can amass a huge amount of data in relation to what we like and dislike, where we are, where we will be going, what we have purchased, what we are thinking of purchasing, and much more.

In order to preserve a danger-free zone in the PR field as well as protect it from the critique of digitalization, we believe that it is vital for public relations practitioners to continuously

strive to improve ethical practices as outlined earlier in chapter five. Advantage should also be taken of the technological developments in the field including new and innovatory tools to aid PR practitioners, while at the same time keeping the basic elements of ethics and mutual understanding intact. For instance, PR practitioners monitoring a *Facebook* page on their products or services should be listening carefully to on-going conversations and revising their strategy and approach accordingly. If practitioners simply try to hide negative elements – apart from being unethical – they will fail to impact the new digital era.



Figure 7.5: Online addiction is becoming a common problem for many

CASE STUDY 7.1 – Cyprus Telecommunications Authority (Cytamobile-Vodafone)*

Makeyourown launch



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions



1. Situation Analysis & Objectives

Cytamobile-Vodafone represents Cyta's mobile telephony and is the result of the business collaboration between Cyta and Vodafone Global, the largest mobile telephone company worldwide.

Being part of the Vodafone family not only gives you the benefits regarding local usage but also many facilities to take advantage of when travelling abroad such as: a more reliable network abroad, lower roaming charges and up to 54% off the price for data roaming charges, making it more efficient to share moments with family and friends.

Cytamobile-Vodafone serves more than 850,000 customers all over the island, offering a complete solution package of services, thus promoting and advancing the quality of life on a personal and a business level, as well as both inland and offshore.

The overall philosophy of Cytamobile-Vodafone focuses on the promise made to the market: the 'power to you' promise which impacts on the telecom needs of people during their personal or professional daily routine.

Cytamobile-Vodafone puts the customer at the centre of activities performed, through a more personal approach, enabling him/her to satisfy his/her needs.

2. How the Programme was Implemented

Make Your Own

Having in mind these facts, and following a long period during which the Classic Pack had acquired the biggest market share, Cytamobile-Vodafone set in motion the opportunity to offer its customers the 'power' to make their own plan, based on their own needs, while at the same time retaining control of the account via various mechanisms presented. The plan can be easily altered afterwards (upgraded or downgraded) according to the customers' ever changing needs. This is the real *power to you!*

Design

The overall concept requires the 'creation' of several characters, varying in lifestyle, habits and communication needs. These characters are promoted through the «MakeYourOwn booklet», a communication platform specially designed to promote various pieces of the life of each character, based on the overall strategic communication goals of the Plan.

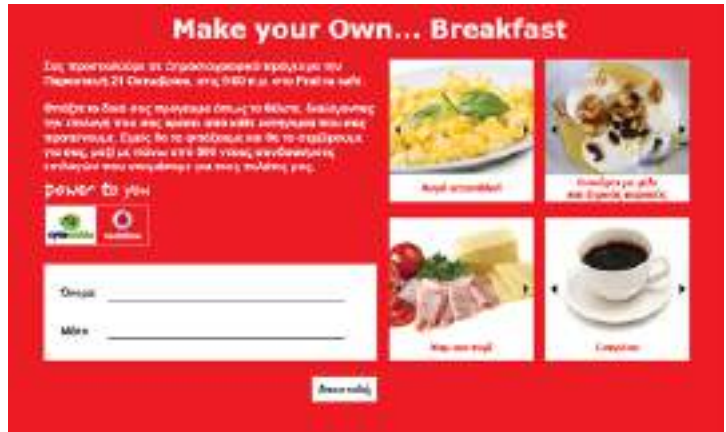
With Cytamobile-Vodafone you can make **your own Programme** (talk – sms – internet – mobile phone), based on your **own needs** and choosing the amount you wish to pay, for talking, texting or browsing, **everywhere** (as we offer the most reliable network), **anytime** (as we aim to fulfil the need for freedom), **in any way** (choosing among a variety of services offered) and with **'clear charges'**

The customers can tailor their preferred combination, according to their personal needs.

Promotion

The new plan was promoted through above-the-line (ATL) and below-the-line (BLT) activities.

ATL:	TV ads Radio ads Digital campaign (Google ads, Facebook) Printed ads (magazines, newspapers) Outdoor Advertising flyers Posters
BLT:	Press Conference Promotional activities in public places Articles & Interviews Advertorials
INTERNALLY:	Customer services personnel training Presentations to all staff Internal competition
RETAIL:	Window stickers for all selling network Other leaflet stands



The mood of the above campaign was 'personal', 'playful' and 'passionate'. **'Power to you'** as well as the **'value for money'** was intensely promoted through the various activities performed.

Press Conference

For the above reason an 'alternative' invitation was designed, which combined the values of MakeYourOwn and the use of technology (digital promotion).

application intended to initiate the interest of the recipients to **make their own** breakfast, choosing from the options shown on the digital invitation. The choice was then uploaded and sent for preparation.

Cytamobile-Vodafone invites you to a breakfast – press conference, this Friday October 21st 2011, which you will 'make' yourself! Make your choice by clicking [here](#). Use the arrows 'Move' to move the icons and choose the breakfast that you prefer. Fill in your personal details as well as your company name and click [send](#).

Your breakfast will be ready for you on Friday October 21st at Pralina Café at 9am, as requested!

*See you there!
Cytamobile-Vodafone team*

3. Results

The above seemed to have been received as a very exciting activity for the media representatives as well as a most interesting approach. While taking part in the press conference, the reps realized that the whole event was designed based on the MakeYourOwn philosophy.

MakeYourOwn plan managed to reach its set expectations within the first four months of the launch instead of taking about one year which was the overall anticipated period. Customers today can easily detect and recognize the advantages of the innovative plan, while it is straightforward for them to adjust it themselves according to their ever changing needs!

Cost of free publicity acquired (press, articles and interviews): €70,000



*This case study was prepared by the Cyprus Telecommunication Authority (Cyta) in Nicosia, Cyprus. © CYTA 2013. (This material must not be reproduced or quoted without permission)

4. Review Questions

- a. What was the point of creating an online dialogue with members of the media?
- b. How did Cytamobile-Vodafone come to the conclusion that this tactic earned them €70,000?
- c. Go back and look at the tactics used. Was there anything else, especially in terms of digital media, which Cytamobile-Vodafone could have done that might have helped improve the launch campaign?
- d. What other creative ideas similar to the ‘make your own breakfast’ could the campaign have implemented?

Public Relations and Digital Media

Public Relations through Digital Media

Having addressed some of the fundamentals of digital media we aim to review how organizations and interest groups use these technologies to expand their communications. Primarily, organizations create websites to disseminate

information to their various publics. As observed, organizational information can be archived on websites and published over the internet, extranet or intranet so that various publics are able to access information at any given time.

Press releases, annual reports, speeches, Corporate Social Responsibility (CSR) programmes, data in relation to products and services along with many other forms of organizational material can be stored online on a company’s website. Publics must be enticed or pulled (**pull technologies**) in to a website in order to receive their information, but owing to the wide range of facts available to digital users world-wide, people may not be drawn to sites because there is simply too much choice and competition for their time.

For public relations practitioners to take full advantage of digital media it is necessary for them to be **actively engaged**, to speak with their audience in a conversational manner.

Digital media is capable of pushing content (**push technologies**) to specific groups of people rather than having to pull them in. Consequently, the more engaged the organization is with its publics the better use it makes of



Figure 7.6: Social communities can be established from all groups of people and from all over the world

digital technology, and the user base is more likely to listen to the message being sent when an organization engages with the digital community.

Active digital engagement is becoming so crucial in an organization's communications mix that Tuten and Solomon are adding a new 'P' – *participation* (2012: 14) – to the existing four 'P's' (product, price, place and promotion) of marketing. Because Social Media is at the heart of digital media engagement / participation (Web 2.0), our aim in this section is to offer insights into two social media categories particularly (or zones as they have been coined by Tuten and Solomon) (*ibid*: 4). These two zones are **social community** and **social publishing**

It should be noted that although it is not possible here to look at all four zones in detail as analysed by Tuten and Solomon in their exceptional book *Social Media Marketing*, the two zones not covered in this section are **social commerce** (which deals with online buying and selling), and **social entertainment** (which analyses social gaming and alternate reality gaming). It is our opinion that in the near future the latter two zones will continue to grow in significance, so it is prudent for PR practitioners to be aware of all four.

Public Relations and Social Communities

According to Tuten and Solomon (2012), social communities are forms of social media that 'focus on relationships' (p. 5). Interestingly, they have similar characteristics to normative public relations definitions. For example, social communities are based on symmetry in that they provide a two-way line of communication, and should be centred on equality among all users (see also Nicoli, 2013). The primary reason for users to enter social communities is to share knowledge and experiences, and collaborate and create in new and useful ways. Some noteworthy examples of social communities are *Facebook*, *Twitter*, *LinkedIn* and *Google+*. We should mention that apart from the aforementioned, many other social communities exist as well such as *bebo* and *Orkut* or social network sites which have been specifically created for certain geographic areas (i.e. the Chinese social community *QZone* which has approximately 500 million users).

Conveniently, as explained, digital content can today be consumed on smartphones and other portable devices whilst on the move, making social communities more significant than ever as users are able to access information / contacts throughout the day and consequently spend more of their time on them. In fact, one of the main strengths of social communities is the amount of time people do spend connected (Qualman, 2010; Nicoli, 2013). Moreover, users in social communities create digital identities and connect virtually with *friends*, *followers* and *fans*, sometimes in ways that are different from their offline (normal) identity. As the number of individuals creating virtual identities have grown on social communities, so too have specific groups of organized citizens. Specific groups can share common activities and characteristics such as people from the same neighbourhood, or from the same profession, or club. The list of groups is endless; subsequently it has led to an actual global virtual world. As individual users spend a great deal of time connected to social networks and as more groups are created within these communities it is inevitable that corporate organizations should follow suit. All major organizations are currently available on social community sites as they labour to keep pace with, and remain close to, other social and global forums. By and large, public relations practitioners once again find themselves responsible for being the mouthpiece of the organization as they are handed the task of updating, monitoring, measuring and evaluating the environment of social communities. The reason why PR practitioners are being handed this responsibility is because, as **Social cohesions** continue to form on social communities they can lead to vital changes in an individual's perceptions as regards all kinds of information. If a company actions or approves something that it should not have actioned, it takes one negative posting only from a member of a community regarding the company's action, to perhaps create a **critical mass** that, in turn, triggers negative behaviours toward the company (see also chapter six on crisis management). Fortunately, it also works in reverse: If a company actions something positive, creative or worth sharing, the information may go **viral** quickly and encourage positive perceptions and subsequent progressive behaviours to follow. It makes sense, therefore, for organizations to develop a 'social communities' digital identity of their own, and partake in major discussions revolving around themselves and other common causes and information deemed advantageous to them.

Ask a Communications Practitioner Interview with Vivardi Enterprises Ltd. Director, Michael Virardi



Michael Virardi is Assistant Managing Director of Vivardi Enterprises Ltd. He has an undergraduate degree in Business Administration with emphasis in Psychology from Richmond University (UK), and a Master's degree from the University of Westminster (UK). At the age of 40, he has become one of the youngest motivational speakers in Cyprus and has inspired clients in his presentations at company events, training sessions and conferences. His client-list includes a number of large and prestigious organizations such as Interlaw (one of the largest law firms in the world), CYTA, Cyprus Electricity Authority, Bank of Cyprus and the University of Cyprus. He is the author of the best-selling book, 'A Positive Experience! 26 simple ways to differentiate yourself!' and 'Η Κρίση θέλει Κρίση – 24 απλές ιδέες πώς να ξεχωρίσεις!' [Crisis? Let's beat it! 24 simple ideas to boost your business and your life].

1. Is digital media a marketing tool or a public relations tool?

'Digital media' or 'social media', in my personal opinion, is not a marketing tool or a PR tool even though they can be used like one. If used 'correctly' digital media is a powerful value creation tool. Digital Media acts as a corridor between one's knowledge, experience and expertise and the world at large. Moreover, digital media provides a platform on which peoples' personal and professional lives can be influenced in a meaningful way. Since the 'birth' of digital media our lonely voice has been given a microphone to the world and we can broadcast live 24/7/365.

2. How has social media and digital media, more generally, changed the PR landscape?

Digital media and social media, as social media expert Garry Vaynerchuk claims in his best-selling book *The Thank you Economy*, is word of mouth on steroids. The same holds true for the new PR landscape. It is PR 'on steroids' and it is not only instant but it is global too. Of course, PR is best performed in living rooms and board-rooms across the globe but digital media and social media have made it easy for people from two or more remote locations to connect instantly on the 'platform' of the World-Wide-Web!

3. How can an organization use digital media to increase its brand equity?

Great question! Undeniably, an organization can use digital media to increase its brand equity and this should (or could) be done in a myriad of ways, some of which are: a) post You-tube videos of the product or service successfully being used, b) post *YouTube* videos of satisfied customers giving testimonials about your company, product and / or service, c) use *YouTube* to take your customers behind the scenes as McDonald's recently did (<http://www.youtube.com/watch?v=97jyE61nMsg>), d) use *Twitter* to answer in real time any burning questions and handle objections that your prospects have, and e) use *LinkedIn* to connect with customers and prospects alike and then find out as much as you can about them by making sure that they find as many (and as necessary) things about you and your company that will help enhance your image and brand equity.

4. Which digital media tools do you believe are the most essential nowadays?

The most essential digital medial tools currently are the ones that 'help' your particular cause. In my case it is *LinkedIn* (to connect with decision makers in my line of business); *Twitter* (to post a remarkable and thought provoking quote on a daily basis or to find out what people and experts are thinking about a topic of which I am concerned or eager to find out about) and last but not least my *Blog* which is going live in a few days in which I voice my thoughts through the world microphone that we touched on earlier in the interview.

Mr. Virardi was interviewed by Marcos Komodromos.

Public Relations and Social Publishing

The main characteristic regarding social publishing sites is that they “aid in the dissemination of content to an audience” (Tuten and Solomon, 2012: 5). The difference between social publishing and a social community is exactly that – one person sends more information to a group. Yet, it is regarded as social because it is still shared (ibid.). By way of illustration, some are blogs and **microblogs** (i.e. *Twitter* and *Facebook* fall into both zones), video publishing (*YouTube*, *Vimeo*), music publishing (*iTunes*), presentations (*Slideshare*) and photo publishing (*Flickr*).

Blogs – short for weblogs – are websites uploaded by people wishing to publish their own user-generated content (UGC) in reverse chronological order. They may include articles, comments, complaints, videos and images or just about anything else imaginable. Blogs are usually the home-base of an opinionated individual. Although it is difficult to know for sure, there are approximately 175 million blogs in existence (Tuten and Solomon, 2012: 123). Many of them have such a large number of followers that they appear more like media companies. In various areas blogs are becoming trend-setters and opinion leaders within their respective industries. *Engadget*, ranked a top-five technology blog, is so influential it has the capacity to make or break a company, or new gadget. Such burgeoning forms of **citizen journalism** need to be treated with care by public relations practitioners. Although it is a great experience to receive good reviews about your organization and brand from top bloggers, negative information can be devastating to an organization’s reputation.

The Power of Bloggers

Two competing airline companies are making similar claims of providing the best budget flights. Airline A launches a classic public relations campaign by announcing new routes and new promos to an audience of mainstream journalists.

Airline B has similar plans but chooses to also engage with a digital audience by coming up with a more extensive PR effort. Their efforts include, for example, creating online photo and video contests for Facebook fans where winners will receive free travel tickets or other wonderful perks. This develops into a viral campaign that builds up the fan base of Airline B. To top this off, Airline B also invites bloggers to an exclusive tour of the aircraft and affiliated travel hotels. Bloggers then share their experiences on their blogs where conversations are created with other netizens.

The difference between Airline A and Airline B is that the latter identified digital publics – especially bloggers. An extensive digital PR effort was launched to help spread further good news about the airline compared to its competitor. Consequently, in search results, Airline B will generate more articles because of the bloggers coverage, while Airline A – stuck in a pull technology ethos, will have a static official page and a few press releases about its new routes. This is a classic example of why public relations practitioners need to keep abreast of the power of blogs.

Table 7.1: Tactics used by both Airlines

Airline A with traditional strategy only	Airline B with social media strategy
Public relations practitioners speak with mainstream media and journalists.	Public relations practitioners meet with media and journalists but also connect with influential bloggers; Facebook fans; Twitter followers.
Press launch and news articles on websites.	Press launch, news articles on websites, blogs, Facebook and Twitter feeds, and even YouTube (travel video contests).

Applying Social Media to a Public Relations Campaign

From the outset of this subsection we need to remind readers that the following chapter is on PR campaigns and strategy. As such, what follows here can be read together with the next chapter in order to formulate a clearer picture of PR strategies. It is fair to assume that most major organizations today have already invested in a social media presence. But for aspiring public relations practitioners and those just about to venture into social media, here are a few techniques that can be utilized.



Figure 7.7: Steps in applying social media to a PR campaign

- ▶ *Test the grounds.* Creating a social community / media campaign can both supplement a traditional media campaign and in some cases even replace it. Take the time to test and evaluate new technologies available.
- ▶ *Develop your strategy.* Similar to any traditional campaign, setting a digital strategy involves creating objectives, knowing the kind of audience you are speaking to, filling up timelines, and establishing measurable metrics. In addition, the public relations practitioner must identify who or what influences people on social media. Also, the public relations practitioner needs to keep track of the digital campaign instantaneously and be prepared to change strategy at a moment’s notice.
- ▶ *Measure effectively.* It is crucial to use metrics in order to determine whether the digital media platform used is feasible and effective. This can be defined by studying statistics on unique visitors, feed subscribers, and the number of comments or number of re-tweets. In fact, evaluation and measurement can be more accurate in digital campaigns because far more knowledge of user habits and trends are available than they are on traditional or offline activities.
- ▶ *Monitor the field.* Observe the digital media platform and assess whether your organization is being talked about and if feedback has increased or decreased based on how your organization’s message has been forwarded.
- ▶ *Participate and engage.* This is the most important technique of all. Remember to converse with your audience and avoid pitching. Digital media users are aware of hard sell methods and will not react positively to a campaign that tries to sell to social community users.

Overall, it makes sense to create a separate approach within the larger strategy of the organization: The reason is because in our real-world, offline identities are often different to our digital ones. As an example, we might construct more mental filters when we are in *Facebook* and do not wish to be bombarded with messages we cannot control. One of the most significant strengths of social communities is that we can construct them more or less as we like. If that virtual experience changes, and we begin to feel that we are not a part of the relationships in it, there is a chance that we may leave that place for another. The organization should, therefore, be careful to ensure that tactics undertaken inside these communities are merely conversational.

CASE STUDY 7.2 – BANK OF CYPRUS (BOC) CSR through Social Media*

Viral ‘If’ Campaign



- 1. Situation Analysis & Objectives
- 2. How the Programme was Implemented
- 3. Results
- 4. Review Questions

1. Situation Analysis & Objectives

Being one of the country’s biggest economic organizations requires innovative and dynamic communication strategies towards clients and stakeholders. With this in mind BOC embedded a part of its Corporate Social Responsibility (CSR) programme in a viral campaign in order to add an innovative communication tactic with various publics.

In doing so BOC became more efficient in communicating its messages so that they were aimed at various problems facing society today. It is BOC’s belief and philosophy that CSR programmes can flourish and become more useful to society through innovative forms of communication. Furthermore, through this alternative approach, BOC managed to differentiate itself from the more frequently used and considerably more detached corporate image campaigns that are usually associated with financial organizations.

The power of online communication platforms and social media to facilitate effective messages to publics has become well-established. Specifically, viral methods allow for new social networking possibilities whereby content is passed on by individual to individual in a similar way to face-to-face interpersonal communication. Effectively, this means that a message can be spread to thousands of people in a short space of time and without the use of paid media. The idea of the viral campaign grew out of a need to create something unexpected, but more importantly, with a low-budget approach that would allow the Bank to increase its brand awareness and raise money for the children at Makario Hospital (part of the bank’s CSR programme).

2. How the Programme was Implemented

The BOC communications team came across a unique song on YouTube and decided that this would be at the heart of its campaign. Therefore the Bank acquired the rights to use the song and produced a full-length animated video-clip to go along with it. The next step was to create a blog-style microsite whereby users and ‘aspiring poets’ could watch the video-clip, whose lyrics all began with ‘An’ (Greek proverb which means If). Users were invited to write their own rhyming lyrics beginning with ‘An’, in addition to which the Bank agreed to donate 1 euro to the children of Makario Hospital for each lyric approved. Defined as a viral campaign, this had to be achieved without any advertising whatsoever. Having said that, the campaign successfully spread from one person to another via emails and social networks due to its philanthropic nature and its innovative and participative approach.

Users were so happy to see their lyrics posted on the web and gradually began to share the site with their friends, who in turn added their own rhymes. Soon, the webpage had all the hallmarks of a ‘creative-wall’ with fun-to-read song lyrics. By going viral the Bank achieved a secondary objective, which was to promote and educate online visitors about the Bank’s savings plans. The savings plans co-branded the viral campaign (in a subtle manner), linking it to the related microsite.

Steps: The steps that were followed for the implementation of the campaign were:

- 1. Obtaining the rights of the song.
- 2. Co-operating with the production studio to create an animated video for the song.
- 3. Working with a digital company in order to develop a microsite together with a media plan for the transmission of the campaign via social media.

Concerns: One of the biggest concerns was the issue of moderating the campaign: Constant monitoring was required to filter the uploaded lyrics. Moreover, monitoring was required to avoid the microsite becoming a platform with offensive material.

3. Results

The public embraced the effort of the Bank and the philanthropic cause it supported, which in turn led to uploads of more than 5,500 lyrics, 25,500 visits and 10,700 unique visitors within just two weeks – the length of the competition run. The microsite welcomed 3,000 visitors per day and generated 500 comments. Within a few weeks of its launch, BOC donated €4,000 to the Makario Hospital – the total accumulated by 4,000 approved lyrics which were input by users.

*This case study was prepared by Bank of Cyprus PLC Group in Nicosia, Cyprus. © Bank of Cyprus, 2012. (This material must not be reproduced or quoted without permission).

4. Review Questions

- a. If you had been public relations director at BOC, which social media tools and techniques would you recommend your communication team to use in order to give publicity for this campaign and attract more participants?
- b. Name the major characteristics of publics that can be targeted in social media campaigns.
- c. Which publics should CSR programmes communicate to and why?
- d. What evaluation methods could be implemented in such a campaign?

Measuring and Monitoring Digital Media Public Relations Efforts

Even though there are numerous tools available to help PR practitioners monitor and measure how digital users perceive an organization, it is not an easy task given the vast magnitude of the virtual landscape. To help put some perspective as to where and how an organization fits into this landscape, we can refer to three tools which are essential to a public relations practitioner when measuring. It should be borne in mind that these tools are used for evaluating the PR campaign as a whole and can be applied to all forms of campaigns whether online or offline. These are **outputs**, **outtakes**, and **outcomes** (see Lindenmann, 1993; Watson and Noble, 2007). They are also referred to as the ‘three O’s of Metrics in PR’. In 1993, while working at *Ketchum*, one of the oldest and largest PR consultancies in the world, Walter Lindenmann created the three O’s in his **PR Effectiveness Yardstick**. It was an approach he created to assist clients in evaluating their PR campaigns based on three levels: a basic level (the outputs), an intermediate level (outtakes), and an advanced level (outcomes).



Figure 7.8: Facebook insights is an excellent tool to monitor outputs, outtakes and outcomes

which form the combined results of outlooks and outtakes. In other words, did the various publics receiving the tactics change their attitudes? Have they taken any actions or made any behavioural changes? Ideally, have they voiced their opinion favourably, or made a purchase? (This depends, of course, on the objective of the tactic.)

On account of the interactive, storage and retrieval abilities of digital technologies, there are a number of tools to assist the measuring of the three O’s. Measuring the digital output of an organization is quite straightforward as statistics are stored on a server somewhere and can be retrieved, recorded and registered easily. Because of digital technology, gone are the days when people had to search through newspapers with a pair of scissors to cut out press clippings of their coverage. Outtakes can usually be realized through research, but can also be measured when viewing online outputs based on responses to these outputs. To put it another way, if the output was a post on *Facebook*, an outtake would relate to the number of people it went out to since those people are active users of *Facebook* and it would be known for sure that they viewed the post. On the other hand, an outcome would identify how many ‘likes’ it received and what types of discussion were generated based on the output. The latter would be considered as a relationship outcome. If the online response is based on an actual purchase then this would be measured as a financial outcome.

Ultimately, the out-puts refer to all the tactics which were used in a campaign together with the level of efficiency with which they were disseminated. In other words it questions whether the tactics that were listed in a campaign were achieved. The outtakes comprise the changes to the public’s perceptions and understandings of the outlooks. For example, do the various publics recall the messages? Last of all are the outcomes

Ask a Communications Practitioner Interview with V+O Communications Cyprus Director, Panos Tsirides



Panos Tsirides studied Political Science at the National University of Athens and he is currently General Manager of V+O Communication Cyprus. His expertise is planning and directing corporate communications programmes, issues and crisis management, internal communications programmes and CSR strategies. Panos Tsirides has participated in the management, planning and messaging of various election campaigns.

1. How has digitalization changed the field of Public Relations?

The dissemination of digitalization is transforming societies on a wide range of levels, particularly socio-culturally and economically. It is unavoidable therefore that digitalization is also altering the manner of communication. It changes the process, the tone and the content of the message and it breaks down publics into smaller fragments, and importantly, it creates new senders and receivers on unprecedented levels – in other words, digitalization is creating new media. Ultimately, any citizen or organization can potentially be considered a medium. What this means empirically is that protecting corporate reputation is now more important than it has ever been but it is also at a much greater risk on account of new threats and dangers facing organizations.

Furthermore, the scope of media monitoring has increased while the time available to respond to publics has shrunk. The efforts made by organizations to create trustworthy relationships with their publics have transformed into ongoing conversations. Digitalization for the field of PR means that end-users have control of the message as well as access in the production process of the organization’s reputation. Henceforth, the stories belong to the end-users.

2. Are social media forcing organizations to reassess their strategies concerning how they communicate, and if yes, how?

Absolutely. Organizations are required to be present wherever their publics are, and if they are to strengthen their relationships with them they are also required to participate in open, honest digital conversations. Consequently, since conversations are now open-ended via social media, organizations need to completely reassess their communication strategies and not just include social media as a new variable into their existing strategies.

In the open, 24/7 world of social media it is much harder to communicate messages since the process is now a dialogue rather than the top-down linear approach of the past. Organizations must be ready to discuss every platform on an equal standing with all users, and be able to persuade each user along with anyone else looking at how these dialogues evolve. It is, ultimately, a paradigm shift that requires first and foremost a complete overhaul of the organization’s own culture.

3. Measuring, monitoring and evaluating online PR efforts has taken on added significance. Are your clients responsive to this significance? What challenges are you facing in this regard?

Discussions regarding contemporary PR monitoring and evaluation are on-going. Clients often maintain the use of monitoring and evaluation approaches that are more frequently used and which they have become familiar with, but in actual fact the values of each approach vary over time.

In the field of corporate communications, measurement and evaluation is ensured mainly through research methods. At other times, on account of the burgeoning convergence of PR and marketing, it is forced to be judged, other than via classic metrics, on monetarist results.

Even the new social media landscape is bringing into question the traditional approaches of measurement and evaluation.

The way that clients respond not only varies based on their experiences but also on how much significance PR is given in their organizations. The safest choice is to measure and evaluate PR efforts with all possible methods available to the organization: The more the better.

4. How should organizations be structured to handle social media communication? Does it matter which department this responsibility falls under?

The way organizations are structured to handle social media are as follows:

The corporate communications department (if it exists); or the marketing department; or an interdepartmental team which is familiar with these platforms.

It is my belief that social media management should be part of the Corporate Communications / Corporate Affairs department of the organization, but with added support of proper external advice and internal synergies. The logic behind this is that in order for the organizations' social media presence to be considered long-term and sustainable, it needs to be a part of its overall communications strategy, messages and tactics, all of which are the responsibility of this particular department.

Social media will very quickly be the platform of choice on which corporate reputation will be built. When this happens, the existence of two different internal departments sharing the same goals and responsibilities will be a formula for failure.

Mr. Tsirides was interviewed by Nicholas Nicoli.

Measuring and Monitoring Blogs

The digital landscape allows anyone to say anything. The extent of flexibility is reflected in the large volume of blogs published on the internet (see section above). The tools that public relations practitioners can use to monitor blogs include *Technorati*, *Twingly* and *Google Blogs*. These sites permit practitioners to sift through thousands of blogs to try and find out what others say about their organization. Usually it is the more popular blogs that major organizations tend to monitor – but in the age of social media, even lesser-known blogs with negative feedback can be ‘re-tweeted’ or shared with the whole world in an instant by popular bloggers.

The public relations practitioner must consider a wide variety of issues when monitoring and measuring blogs. There are some blogs that rant negative feedback about an organization but these might be limited to only one bad experience. It is difficult to over-monitor and spend time trying to address all blogs, as this exercise could become self-defeating. It is far more important and realistic to critically analyse the overall feel and tone of blogs. For example, some questions to clarify might be, “*is it only about my organization*”, “*what is the subject-matter*”, “*who else is mentioned*”. With so many blogs available, it is better to study them as a unit of one rather than to single out any one blog. Having said that, teams that deal with issues such as digital concerns, need to keep track of how a topic might evolve into something bigger, and be proactive when necessary (see chapter six).

CASE STUDY 7.3 – ALPHAMEGA Hypermarkets*

Social Family – ALPHAMEGA Hypermarkets



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions



1. Situation Analysis & Objectives

The rapid development of technology embodied by the digital era has led to significant changes in society and the way we live our lives. Social media networks like Facebook, Twitter and YouTube, have transformed the way we communicate with each other. At the same time, social media have become important development tools for businesses. Taking the above into account, ALPHAMEGA Hypermarkets have been investing and developing in digital communication and in June 2012 launched a campaign entitled, **Social Family**, an idea created by yiasu, a social media marketing company. Through *Social Family*, ALPHAMEGA Hypermarkets created a new loyalty card – Social Family card – together with digital tools for social media users, thus opening a new communication channel with their customers. Now, customers can have an ongoing, two-way communication with the hypermarkets through social media networks by sharing their views and posting suggestions or questions online. ALPHAMEGA's objective was to enhance its relationship with its customers and, most importantly, to be able to ‘speak their language’ and sense their requirements, aiming to improve its services.

The Social Family Card addresses all social networking users, young and old, who can obtain the card by using a very simple procedure. All they have to do is *LIKE* the ALPHAMEGA Hypermarkets Facebook page, *FOLLOW* their Twitter account (@Alphamega Cyprus), or visit www.alphamega.com.cy and fill-in the online application form and they can take delivery of their card instantly in either digital format or as a card which can be collected at any ALPHAMEGA Hypermarket. Members of the Social Family can interact, receive the hypermarket's news, be kept informed of exclusive offers and participate in competitions where they can win many prizes such as trips, electric appliances, electronic goods, hotel accommodation, gift vouchers and much more.

2. How the Programme was Implemented

For the promotion of the campaign, ALPHAMEGA Hypermarkets employed a multi-layered strategy where public relations joined forces with advertising and digital PR with fully integrated campaigns running side by side throughout a 2-month launch. Internal communication to employees was the first stage of the Social Family campaign. All staff were briefed and trained on this new tool so that customers receive the best possible service. Thereafter, a series of fun, engaging and targeted TV and radio commercials were created. The commercials wittily made use of catchy slang phrases used in social media which were

also printed and posted along with their logos in all hypermarket departments. At the same time, staff uniforms changed to include Social Family logos and messages.



Image from the TV commercial

Naturally, the Social Family campaign was promoted through social media like *Facebook*, *Twitter* and *YouTube*. All Social Family special offers and competitions were promoted via digital newsletter and / or sms to ALPHAMEGA Hypermarkets' current customers, consequently integrating all available marketing tools under the same strategy.

Action Global Communications, a specialized PR company and ALPHAMEGA Hypermarkets' PR partner, prepared and implemented a multi-layered below-the-line (BTL) communications' campaign for the promotion of the Social Family, based on business-to-consumer (B2C) and media relations activities.

To launch the campaign, a press conference was organized and was attended by print, electronic and online media representatives who were briefed about the Social Family initiative and were given the opportunity to familiarize themselves with the process by registering on the Social Family scheme.



Live Mascots at AlphaMega Hypermarket

Next, a series of press releases with information on Social Family were forwarded to all media. The press releases, apart from outlining the details of the programme, analysed the rationale behind the new Social Media channels and explained how consumers can benefit from them. A series of interviews in Tier 1 and Tier 2 publications were also published to ensure a good understanding of the Social Family concept as well as to further communicate and analyse the campaign's key messages.

The three characters that were created as part of the Social Family campaign to represent the social networks (*Facebook*, *YouTube* and *Twitter*) were brought to life and used as entertaining mascots in B2C events at ALPHAMEGA Hypermarkets.

Last but not least, shortly after Social Family was launched, ALPHAMEGA Engomi organized an event where the public had the opportunity to register and 'get to know' the new Social Family. At the event, the campaign mascots were introduced and interacted with the children who also enjoyed face-painting and having Social Family characters decorated on their faces. Balloons were distributed as well with the logo of the campaign. Finally, the campaign was promoted with a live link from a popular national radio station where radio producers chatted about the benefits and privileges of the Social Family.



Images from the event

3. Results

From the campaign's initial launch the general public showed a keen interest in this new project which resulted in thousands of applications within a very short period of time, with the number of Social Family members increasing at a fantastic rate. Based on evaluation and measurement data there is a high percentage rate of Social Family members that engage in competitions and take advantage of special offers.

At the same time, a rapid increase of fans was noted on ALPHAMEGA's Facebook page. The fans are informed of new offers, competitions and news on a daily basis and are encouraged to communicate with

the Hypermarkets and post their comments or questions on-line. This service is aimed at constantly improving the services offered by the hypermarkets.



Social Media visuals used for the campaign

*This case study was prepared by ALPHAMEGA Hypermarkets in Nicosia, Cyprus. © ALPHAMEGA Hypermarkets 2013. (This material must not be reproduced or quoted without permission).

4. Review Questions

- Why did this campaign kick-off with internal relations tactics?
- Which is the best order for the tactics created for this campaign, to be implemented?
- Why were the social media platforms created as models in real-life?
- What is the purpose of creating dialogues with online users on social media platforms and communities?

Challenges in Social Media

There are a number of challenges that PR practitioners should keep in mind when it comes to the organization's digital social presence. First is fragmentation. A practitioner may spend hours disseminating information regarding a new product or service in the hope that others will re-tweet, and it goes viral. But what if he or she is not talking to the right social media base? It is difficult to stay abreast of new trends and new social media. Users might be fragmented into extremely small groups.

Another challenge to consider is influence. We discussed earlier that it is possible to use *Technorati* and *Google Blogs* to study which blogs are highly influential. But for services like *Twitter* and *Facebook*, their fan and follower base can be reviewed. It is also possible to check an organization's *Klout* score which determines influence based on a few social media algorithms. Gaining a strong social media presence and identity requires much careful work and it is only under vigilant circumstances that a brand will earn influence. A list of monitoring tools is provided at the end of this chapter to help study influential sites.

To end here, time is also a challenge. Organizations and public relations agencies need to invest time in building an effective relationship with social media users. Time is also crucial in the sense of urgency in that users will expect organizations to be digitally present and give information as soon as possible. Ultimately, building a PR digital strategy that manages to establish a relationship based on active engagement can only be achieved when a digital reputation is earned. For this to occur users should seek out trustworthy relationships that require time to build.

Summary

At present companies and organizations are investing more in digital media and particularly in social media initiatives. This is not surprising given the profound impact that digitalization has had on contemporary life. Public relations has consequently been given a new and exciting responsibility in taking charge of the organization's digital presence. The environment here is extremely different to offline environments but in many aspects it is also very similar. For example, in the traditional PR media relations model, practitioners build relationships with key reporters. In social media, practitioners need to build relationships with influential participants for word to circulate. Yet digital media demands more active engagement on account of its unique communication characteristics.

Finally, a public relations campaign must utilize both offline and online tools and tactics to be effective and successful. In order to do so we should once again emphasise that PR practitioners must be well-versed in digital technologies and trends. Practitioners should furthermore be capable of handling social media on a daily basis and realize the changing socio-economic attributes of digital media.

Sample Links

Google Blogs (<http://www.google.com/blogsearch>) is a useful tool to help a public relations organization sift through blog contents with the help of Google's search engine.

Klout (<http://klout.com/home>) is a method for PR practitioners to help seek out profiles or personalities that have high influence. This is determined through an algorithm by combining statistics from big social media platforms like Facebook, Twitter, and LinkedIn.

Technorati (<http://www.technorati.com>) is a service that lists highly influential blogs and websites on the Internet. This is an effective tool in finding which websites a public relations organization can build a relationship with.

WordPress (<http://www.wordpress.com>) is a powerful blogging tool that is available either as a free blog or as an independent content management system that a PR organization can install on its current website.

Short Definition of Terms

4th Generation (4G):

A telecommunications standard using a more advanced and sophisticated spectrum space to 3G. The new generation of communication allows high speed wireless access such as the long-term evolution (LTE) standard used, for example, for smartphones and tablets.

Digitalization:

An all-encompassing term used to describe the effect that digital technologies are having on all aspects of contemporary life.

Weblogs (blogs):

A website with entries, posts and comments written in reverse chronological order usually by individual citizens.

Web 1.0:

The first era of the internet that followed a more top-down approach to communication rather than a participative one.

Binary Code:

A computer-processing language that forms the basis of all things digital.

Moore's Law:

Moore's Law was first used by Intel co-founder Gordon Moore to describe the speed at which computer processors would increase in the coming years. Broadly explained, according to the law, the speed of processors would double approximately every 18 months.

Convergence:

In communications, convergence is the coming together of broadcasting, telecommunications and information technology. The reason behind convergence is digitalization.

Industry Convergence:

The merging of all ICT services under one organization.

Product Convergence:

The usage of one device for more than one ICT service (e.g. using a smartphone to make phone calls, to check emails, to watch videos and listen to music).

Convergence of Content:

When viewing one ICT service that has multiple production processes, approaches and phases (e.g. watching audio-visual news reportage through an online newspaper, watching a television programme and tweeting on the same screen through a smart TV, or watching a movie that has computer-generated imagery).

Netizens:

A term used to describe users of digital, online technologies. It combines the words 'net' with 'citizen'.

Web 2.0:

The second era of the internet which entails a more participative approach towards producing digital content. YouTube, Wikipedia, blogging and social network sites are all examples of Web 2.0 technologies.

Social Publishing:

One of the four social media zones of Tuten and Solomon (2012). All sites that share content with an audience but might be unbalanced in favour of one author regarding who sends the information. Examples include blogs, microblogs, *YouTube*, *Picasa*, *Flickr*, *SlideShare* etc.

Social Media:

All digital online media sites that are created either for normal Netizens or from normal Netizens. They use it to interact and share information mainly with each other and for each other.

Political Economy Scholars of Communication:

The presumption of this theory is that organizations working within communications do so with an economic determinant motive. Scholars argue that liberal / classical economics is not enough to study the field of media and communications noting that this is dangerous because of the effects this field has on public opinion.

Pull Technologies:

Technologies that require the user / consumer to be pulled in to consume the content of the technology. Linear television for example works when an audience is drawn in to watch the programme.

Actively Engaged:

Users are more emotionally and / or cognitively aware when they spend time within an activity.

Push Technologies:

These are technologies that allow the content to be targeted directly to the user / consumer. If you 'like' a certain Facebook Page, then the owner of that page can send information directly to you.

Social Community:

One of the four social media zones of Tuten and Solomon (2012). The main focus of a social community is to foster relationships between the users. Everyone more or less is on equal standing, hence more balanced.

Social Commerce:

One of the four social media zones of Tuten and Solomon (2012). According to the authors it is the 'use of social media to assist in the online buying and selling of products and services' (p. 6). Sites like *Groupon* and *Tripadvisor* are such examples.

Social Entertainment:

One of the four social media zones of Tuten and Solomon (2012). The emphasis on these sites is for users to play and to enjoy themselves. The virtual world *Second Life* is an example.

Social Cohesions:

A sociological term often used by functionalists. Broadly, it consists of bonds that make people more homogenized.

Critical Mass:

A sociological term stating a certain point reached where an activity requiring dissemination does not need any more propagation as it becomes self-sustained.

Viral:

When information 'goes viral' via digital networks there is an increased and contagious spread of the information in an exponential way relating to a virus.

Microblogs:

Blogs that are constrained by word limits (e.g. Twitter).

Citizen Journalism:

Journalism that is produced by non-professional journalists and distributed via digital media (e.g. certain blogs have characteristics of citizen journalism).

Outputs, Outtakes, Outcomes:

An evaluative methodology known as the three 'O's' used to analyse the impact of a strategy and more specifically of tactics.

PR Effectiveness Yardstick:

The name given by Walter Lindenmann to evaluate campaigns using the three 'O's and based on three levels: basic, intermediate and advanced.

Knowledge Check / Critical Thinking Questions

1. Do we live in an information age? How does one define such an epoch?
2. What does communication convergence mean and what are its different forms?
3. What kind of criticisms do political economy of communications scholars have of digital media?
4. Identify the characteristics of digital media.
5. Why is it so easy for something to go viral on digital media?
6. Which of the four social zones is the most significant for PR practitioners to be aware of?
7. Why is engagement so important in contemporary PR efforts?
8. What is the impact of blogging and micro blogging on PR efforts?
9. How can the *PR effectiveness yardstick* be used to evaluate digital media efforts?
10. What are the challenges of social media for PR practitioners?

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chapter **08**

Public Relations Strategy

Chapter Learning Objectives

After studying this chapter, you should be able to:

- ▶ distinguish the many aspects of strategy in organizational studies
- ▶ comprehend the functional strategies of public relations planning
- ▶ formulate sound objectives, messages and tactics
- ▶ understand the importance of research and evaluation in a public relations campaign

Overview

Public relations practitioners and researchers agree that strategy is invaluable. The field has amassed more than one hundred years of scientific evidence to support this notion. In chapter one, *The Chartered Institute of Public Relations* (CIPR) defines public relations as a “*planned and sustained effort to establish and maintain goodwill and understanding between an organization and its publics*” (CIPR, 2013), but here the word ‘planned’ implies a strategic approach to all actions taken. Strategy is an amalgam of everything we have described in the preceding seven chapters of this textbook. To be more precise, researching, planning, strategizing and subsequently implementing an agreed plan of action is what public relations practitioners should be doing almost all of the time. The case studies introduced in this textbook are based on strategic formations; therefore, without the strategizing process none would have realized the success each one achieved.



Figure 8.1: Creativity is fast becoming the core component and a must for organizations today

After reaching an agreement on a useful set of practical tactics, practitioners move from one goal to the next to accomplish each desired objective. They often work simultaneously on multiple goals and functional strategies but roughly 30% of their time is spent working on unplanned activities. During such periods even haphazard and unexpected occurrences that knock at the door of the PR practitioner should, as far as possible, be dealt with based

on a preconceived identified goal. To allude to a viable scenario, a crisis might threaten to disrupt an organization’s existing strategic goal effort, but a pre-drafted crisis manual plan developed in anticipation of such disruption could be a valuable asset (see chapter six). This closing chapter is one that we feel the reader will return to often.

A significant aspect of strategy should be made clear from the outset: to be effective, strategy must be fashioned in a manner that allows room for revision, adjustment and creativity. Michael Porter (1996) in his seminal article – *What is Strategy?* – defines strategy as a series of agreed upon actions which an organization needs to take in order to outperform its rivals. The phrase ‘agreed upon action’ seems uncompromising; many perceive Porter as one who believes strategy to be somewhat rigid. In our opinion this is not so. We consider that he corroborates the view of most contemporary scholars in that all forms of strategy – even those from the more ‘rigid’ schools of thought – need to be flexible enough to allow an organization to continually improve, adapt, and change at a moment’s notice. “*A company*”, notes Porter, “*must continually improve its operational effectiveness and actively shift the productivity frontier*” (1996: 78).

As the world in which we live is progressively globalized and more connected, and as all sectors of the economy have become increasingly competitive, the impact of strategic fluency is ever more pressing. Today, innovation and creativity are the ultimate core competencies and form the *modus operandi* for most organizations; many new innovations are imitated almost immediately if they are not patented – and if they are not imitated they are bettered very quickly (Nicoli, 2011). Therefore, strategy ought to be approached with these aspects in mind. Consider an organization trying to *diversify* into a new product or service range but soon realizing that a competitor has beaten it to the punch, or has created something better. How that particular organization responds or manages to adapt to the new circumstances it faces, is crucial. Manifestations like this are not uncommon. An understanding of Joseph Schumpeter’s **creative destruction** (1975) is essential, if only to act as a reminder for strategists to reflect on before deciding on any specific strategy formations. In any free-market economy there is nothing that can remain stationary or repetitive. Organizations have to innovate, create, and be in touch continuously with all things new.

Nonetheless, it can be argued that strategy, by definition, is rigid and unyielding. It can be viewed as uncreative precisely because it is a step-by-step approach to taking actions (see Piercy, 2000 for a thorough discussion on this). When an organization implements a clear-cut strategic plan, then distances itself from what has been agreed in order to be ‘creative’, it might sense that the strategy has been put to one side, or ignored. But does this necessarily have to be the case? For instance, Bilton and Cummings (2010) offer an excellent study on bridging creativity and strategy. According to them, creative processes require a structure in much the same way as strategy does (p. 20). Adaptive and creative approaches to strategy fall under a more recent ‘**emergent**’ style of strategizing which, in a way, threatens the more documented ‘**planning**’ or ‘**deliberate**’ style.

At this point we first take a closer look at strategy definitions before offering an analysis of public relations strategy through the lens of the planning school approach but with an eye on the emergent, creative approaches discussed above. The chapter’s sections, which are broken down into the various common steps of a planned strategy, draw heavily on the work of two PR researchers: Anne Gregory (2000, 2009a) from the UK and Ronald Smith (2009) from the USA. Based on their studies we focus on the steps of a planned PR strategy as follows:

1. Executive Summary
2. Situation Analysis
3. Identifying Objectives and Publics
4. Messages / Content Communicated
5. Strategy / Tactics
6. Timescales
7. Resources
8. Evaluation

CASE STUDY 8.1 – Cyprus Telecommunications Authority (Cyta)*
Cyta Brand Equity Research



- 1. Situation Analysis & Objectives
- 2. How the Programme was Implemented
- 3. Results
- 4. Review Questions

1. Situation Analysis & Objectives

In 2008 Cyta formulated an integrated brand strategy. This strategy reinstated significant aspects of the communication and personality of the Cyta brand, such as its differentiation and positioning in the market, its mission and vision and its corporate values. Upon implementation of the new brand strategy, the need arose for a systematic monitoring of the brand's performance by means of a specialized research methodology.

2. How the Programme was Implemented

In collaboration with a market research agency, the Brand Equity methodology was drawn up with the objective of measuring the parameters which affect the value of the Cyta brand. The approach method was made up of two parts: the first concerning monthly brand tracking which is carried out among consumers and the second concerning six-monthly measurements in order to evaluate the brand among the organization's personnel.

In order to formulate the model by which the performance of the Cyta brand would be measured, a methodology was followed which contained the following research elements:

- *Secondary Research* – existing market surveys regarding the organization were studied in depth, as were the relevant white papers, the new brand strategy and the organization's sales information.
- *Qualitative Research* – personal interviews were carried out with members of the management team and other members of staff. Personal interviews were also carried out with bodies that affect Cyta brand issues such as the media, advertising agencies, government officials and members of the House of Representatives.
- *Quantitative Research* – a survey was carried out among the Organization's personnel plus another among consumers.

Through these methodologies, the parameters were identified which most affect the performance of the Cyta brand and, by making use of specialised statistical analysis, weight was attributed to each parameter.

3. Results

Brand equity measurements are presented in the form of brand scorecards, i.e. tables featuring the repeated measurements of all the parameters affecting the performance of the Cyta brand. These measurements are an important tool for the tracking of corrective measures by the organization's management. Evaluation of the results of the surveys is carried out, among others, on the level of public relations activities. Activities such as writing articles in the daily press and in the employees' newsletter are, in many instances, a reaction to the results of the brand equity surveys. Depending on the type or the seriousness of the findings of the survey, activities are adopted correspondingly. They may take the form of holding a press conference, publishing an announcement in the newspapers, sending out a circular to personnel or other specially-designed actions. A major advantage of the survey among consumers is its regularity, which permits the evaluation of the effectiveness of the organization's various activities, including those in the public relations sphere.

In an attempt to improve the information obtained through these surveys, the methodology was enhanced with measurements relating to competitors and other large organizations for benchmarking purposes. According to the specific methodology, it is essential to regularly review the weight of the various brand equity parameters, thereby taking into account the changes that have arisen in the Cypriot market such as the expansion of competition and the prevailing financial situation. Specifically, Cyta needed to re-examine its initial parameters after a period of four years.

In order to make the most of the Brand Equity results, Cyta is now linking the measurements of the consumer survey to the business plans of the organization's departments with the aim of drawing up strategies and projects that will have a positive impact on these measurements.

* This case study was prepared by the Cyprus Telecommunication Authority (Cyta) in Nicosia, Cyprus. © CYTA 2012. (This material must not be reproduced or quoted without permission).

4. Review Questions

- a. What might a hypothetical questionnaire for the survey and a hypothetical list of questions for the in-depth interviews consist of?
- b. How is research linked to strategy? Name some examples of research findings that might help with setting objectives.
- c. Why has Cyta expanded the research to include competitors?

Strategy, Planning and the Campaign

In chapter one the concepts of *mission statement*, *objectives*, *goals* and *strategies* were introduced. Our aim, now that the reader is acquainted with chapters one to seven is to come full circle and reintroduce these concepts with the intention of providing a clearer understanding of how they are conceived. The start-up procedure of most organizations can be explained using a sequence which normally begins with the organization deciding on its mission and mission statement. Initially, the mission – what the organization wants to be and what it aims to undertake – must be determined first. Following on from this, the people within the organization work together to pinpoint their common goals and identify their mission. Once the mission (statement) has been agreed it rarely changes, if at all. Specific **corporate strategies** are then formulated (Fill, Hughes and De Francesco, 2013: 92) and goals are subsequently identified in order to meet the mission. Afterwards, specific objectives are generated to explain how goals can be accomplished and, depending on the corporate strategy, these objectives can be based on a pre-approved plan or they can be constructed differently (see example of a sport's team strategy).

A Sport's Team Strategy



Figure 8.2: Most collaborative efforts with common goals require strategy

A sports team's mission might be to compete on the highest level and be well-known across the world; its current corporate strategy might be to aspire to be the team which is known to be difficult to beat by playing strong defensively; a goal might be 'to not lose more than X number of games' every season; and an objective to the above might be to shut down the opponent's strongest weapon, and / or to use a specific defensive formation throughout, (to take this analogy further, a tactic in this case might be to double-team the opponent's strongest weapon, and to only commit offensively when certain there is no threat).

Strategy is, therefore, defined as “the means by which an individual or an organization accomplishes its objectives” (Mintzberg, 2000: 20), or as Mintzberg and colleagues expressed elsewhere, “strategy is the pattern or plan that integrates an organization’s major goals, policies and action sequences into a coherent whole” (2002: 10).

Returning to how an organization must approach strategy, Mintzberg (2000: 20) identifies ten different schools of thought. Mintzberg, is a known supporter of the more emergent styles of strategy formation even though he recognizes the significance of all ten. Mintzberg et al. specifically noted that:

Strategy formation is judgmental designing, intuitive visioning, and emergent learning; it is about transformation as well as perpetuation; it must involve individual cognition as well as social interaction, cooperative as well as conflictive; it has to include analyzing before and programming after as well as negotiating during; and all this must be in response to what may be a demanding environment. Try to omit any of this, and watch what happens! (2002: 28).

Strategy formation, as analysed in the overview, is not easy to define and needs to be approached in a more fluid manner. To recapitulate, our intention in this chapter is to centre on strategy by using the *planning school of thought*. It is our belief that despite the creativity which is required in all aspects of strategy formation, planning is still the most influential approach to take when addressing a functional strategic issue such as public relations. Planning should be viewed as part of the functional levels that all organizations practice (see Vranesovic, Vignali and Vrontis, 2006). To give an instance, a PR plan would fall in the fourth point of this sequence:

1. Mission (statement)
2. Corporate Strategy
3. Goal-Setting
4. Planning (a campaign), or functional strategy



Figure 8.3: Michael Porter's 'Five Forces Analysis'

In point 4 public relations move into an area known as communication management strategy. Regardless of tensions between functional and corporate strategy (communication management strategy often attempts to action decision-making processes without the blessing of corporate strategy) there are signs at last that they are becoming more inter-related and more aligned with one another (see Raupp and Hoffjann, 2010). At this juncture we should remind the reader of something we touched on in chapter three (on theories of PR). In order to plan a step-by-step strategy formation, the strategist must be aware of the *system* in which he or she practices. The strategist, in other words, is required to conduct analytical research of the external environment in which they perform (see also Broom and Sha, 2013). Michael Porter's 'Five Forces Analysis' (1980) illustrate that the external environment is of paramount importance in any strategy formation (see figure 8.3).

Although it is beyond the scope of this reading, all ten schools of thought on strategy formation refer to the significance of research on the external environment as well as the organization's place in it. But more than any other school of thought, planning seeks to place an organization within an open system. Once this occurs, then research can be carried out internally and externally, which is the first major step of any PR plan, generally known as a *situation analysis*. Nonetheless, before any details of a plan are presented, it is often a good idea to create an *executive summary*. Thereafter, *objectives* pertaining to the plan need to be drawn up in which the identified *publics* from the situation analysis are listed and described. *Messages* should then be created before the *tactics strategy* is acknowledged and later – based on the tactics strategy – the *tactics* should be listed, whereby resources (budgets) can be estimated along with *timescales*. Last of all an *evaluation* of the plan can be analysed.

The above steps, used by Anne Gregory and defined in detail below, reflect one of the most well-known processes of public relations, **RACE** (Marston, 1963). The acronym, RACE, represents *research, action, communication* and *evaluation*. It reveals that all PR functions must begin with research (i.e. the situation analysis) and ultimately end with research because evaluation is a research process too. It should be remembered that many contemporary PR theorists give added emphasis to research on account of the evolution of the field from a *persuasive* organizational function to a function based on creating *mutual understanding* (see chapter one). Every aspect of mutual understanding requires research in order to recognize where the reciprocal characteristics of the organization and its publics lie. For example, Anne Gregory (2009a) notes that research can and should be practiced during all stages of a plan to ensure that the publics and the organization are constantly aligned with each other. Digital technologies, as examined in chapter seven, make this more feasible.

Executive Summary

If corporate strategy uses a planning approach then regardless of the type of plan, the one common element is that it must be a written document or – as is often the case – a written plan in the form of a proposal that involves approval from the higher echelons of management. Subsequently, it is important to create a title, a cover page, contact information and a statement of intent. The document should also be coded and categorized according to the organization's particular filing system. Thereafter, the crucial **executive summary** is required. Unlike an abstract or introduction, the executive summary serves a further purpose. It does exactly what it is named to do. It summarizes everything that is charted in the written plan. It must, for example, include all the elements of each of the sections of a plan and consequently identify its goals, a summary of the objectives and publics, budgets, and a timescale along with the tactics strategy. If it becomes necessary to go back to the plan to be prompted of its content, the summary makes it easier to remember the plan's substance.

Ask a Communications Practitioner

Interview with ALPHAMEGA Hypermarkets

Head of Marketing, George Theodotou



George Theodotou is Head of Marketing at ALPHAMEGA Hypermarkets in Cyprus. He studied Business Management and Marketing at Middlesex University in London where he earned a BA in Marketing. Prior to his appointment to the position of Marketing Manager, he held managerial positions in various Departments at ALPHAMEGA Hypermarkets.

1. Why is research such an important component of building a PR campaign?

Analysis and research has pushed the public relations practice up to the next level. In the PR planning process, research makes available the initial information necessary to plan our actions. Research not only spots internal and external issues that affect the organization but it determines various components of the PR plan,

such as the strategy, the tactics, the target audiences and the communication channels that will be used. Even though we use our intuition and instinct, we don't count on them because, in truth, only research can provide us with accurate data, and consequently, with an objective view of the facts. Research is also employed to evaluate the success and effectiveness of the programme, along with pin-pointing anything else that might need to be done. I understand that formal research can be considered time consuming and expensive and this might be a drawback for the management of an organization, but we must keep in mind that informal investigations, such as desk research and talking to key people, can also furnish extremely useful insights.

2. How can organizations make campaigns more creative?

Behind every good public relations campaign there is a creative concept that grabs the public's attention and renders its message memorable. Organizations should invest in innovative, out-the-box thinking that produces big ideas because their messages need to break through the clutter of a busy media environment to have an impact. There are specific techniques and tools that can be used to promote creativity, such as brainstorming and using insights and trends, but the culture of the organization can also help; open communication, team spirit, and humour can stimulate imagination and vision.

3. Should communication budgets decrease during crises?

It is a fact that many companies and organizations drastically decrease or cut communication budgets due to financial crises. I believe communication should be long-term and ongoing, even in times of crisis and recession. The image of your brand or your relationship with your stakeholders, which took so many years to build, should never be neglected. Also, in a shrinking market where customers are fewer, we need to make a greater effort to attract as many as we can. We try to focus on the core value of our brand and target specific factors that will yield the greatest benefit to our business at the lowest possible cost.

4. Is evaluation really necessary?

Yes, evaluation is vital. It's simple: if you do not know how your campaign worked, what succeeded and what went wrong, you might end up repeating the same mistakes all over again. Evaluation is an extremely useful tool to improve effectiveness and save money by monitoring and testing the results in a continuous and objective way. Evaluation is needed to check whether or not your messages were transferred effectively to the target audiences and if your goals have been achieved. At the end of the day you should know whether the money, time and effort devoted to the programme was well spent.

Mr. Theodotou was interviewed by Marcos Komodromos.

Situation Analysis

The next step is the **situation analysis** which entails the research efforts and collaborations described in Marston's RACE. Effective research is difficult and often expensive. Additionally, good researchers, especially good focus group moderators, are extremely scarce to come by. Many corporate leaders would rather not conduct research in the wake of their own experiences. Apparently it is not undertaken by Steven Spielberg in relation to his projects, and Henry Ford once said: *'If I'd listened to customers I'd have built a faster horse'* (Bilton and Cummings, 2010: 20). Steve Jobs is believed to have disliked research because it stifles innovation, but rest assured that *Ford*, *Apple* and movie companies all conduct rigorous research before they go to market and PR is no different. It is wiser to put aside an allocated tactics budget for research purposes rather than plunge straight into tactics with little or no research knowledge. Fortunately, as the field of PR continues to mature, research efforts are developing at a steady pace too.

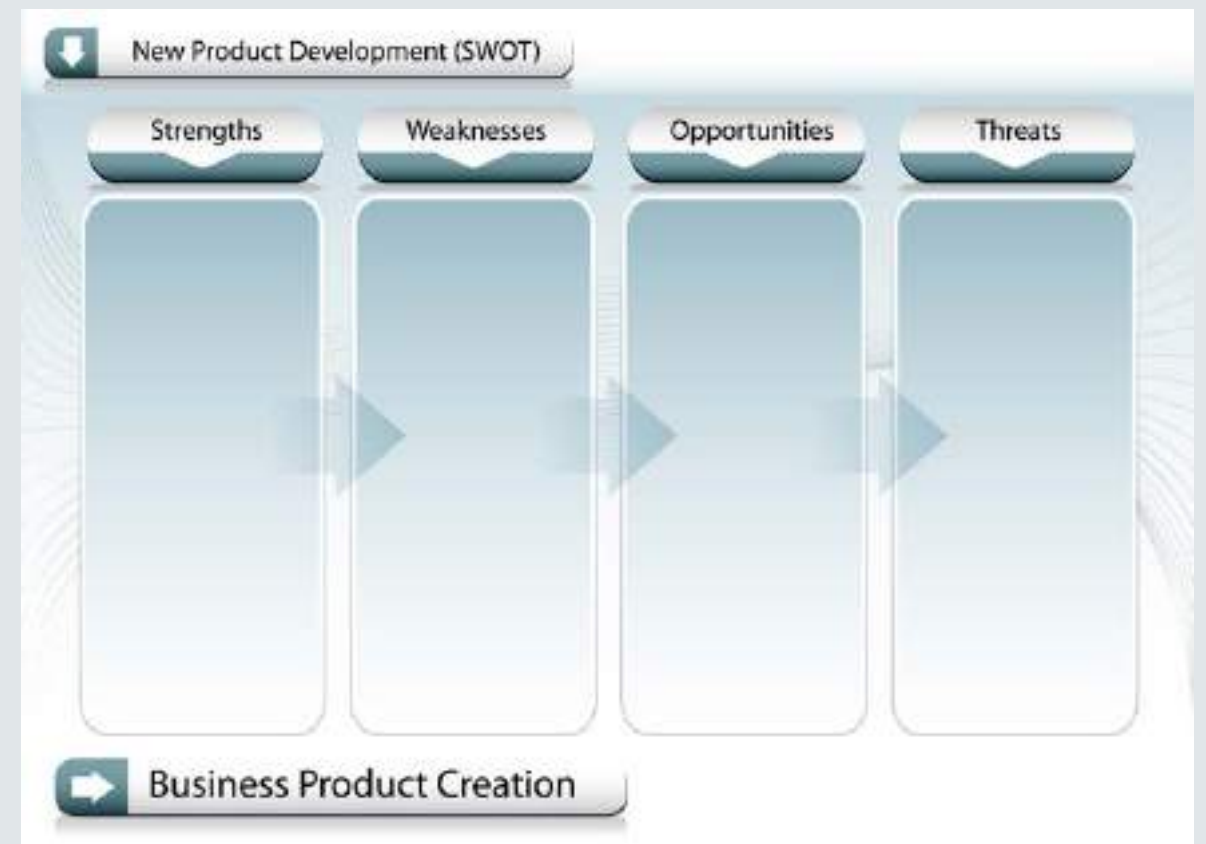


Figure 8.4: Constructing a SWOT list is crucial at the situation analysis stage

Ideally, in a well-structured organization many of the goals that require an action plan will have been identified by an issues management team during their preliminary environmental scanning efforts (what Smith calls the public relations audit, 2009: 35). This step is an important part of the situation analysis. It allows strategists to gradually move towards a study of the external and internal environment of the organization and its place within these domains. It makes it possible for strategists to pinpoint a problem or an opportunity, and to put into decision-making sense the goals of the plan and so on. To offer an exemplar here, an issues management team of a leading organization in mobile telephony might have identified a competitor using aggressive social media to create dialogues with important target publics and this action is having a bearing on why the organization has been losing a share of the market. In this instance the company might commission a series of focus groups to better understand certain publics before creating a **SWOT** (strengths, weaknesses, opportunities and threats

analysis) and / or a **PEST** (political, economic, sociocultural and technical analysis). Gregory (2009b), prefers to use **EPISTLE** (economic, political, information, societal, technological, legal and environmental analysis) rather than PEST because it touches on Information, Legal and Environmental factors as well). The analyses of these formation techniques should lead to a clearer plan of action to counter the aggressive strategy of a competitor.

There are many ways to identify environments in the planning school but possibly the most common is the SWOT analysis. Because it is so widespread, strategists have grown comfortable using it as a tool to discern quickly where the organization stands and how comparable it is to others as well as to itself during former periods. An exercise in identifying the organization's current *strengths*, *weaknesses*, *opportunities* and *threats* can be invaluable in moulding a correct plan of action. The SWOT is particularly useful when observing how the organization stands *internally*. The PEST, on the other hand, is more often used to locate *external* characteristics and reveal how they might effect an organization. *Political, economic, social* and *technological* characteristics as recognized throughout the book are growing in significance as societies (or systems) become more interlocked and dependent on one another. An exercise like this might also generate new functional strategies (Szondi and Theilmann, 2009: 200). As an example of this type of play, strategists looking in detail at the political effects on an organization might glean that forthcoming regulations will considerably alter an organization's ability to sustain itself. It might, therefore, be required to include a specific government relations plan or perhaps, at minimum, identify specific government publics to include in an incumbent plan.



Figure 8.5: A PEST analysis allows an organization to concentrate on its external environment

Anne Gregory reports that a situation analysis is used, “to identify the issues or specific problems on which to base the problem” (2009a: 179). In our judgement this part of the plan also demands thorough detail (allowing for more creativity in the plan of action that follows). Such detail might (depending on the sector) include a comprehensive competition analysis, opponent analysis, market share indices, forecasting material, category management information and price indexing. The devil is always in the detail; therefore the clearer the picture is for strategists, the better the plan will be implemented.

With the advent of the internet and social media – and in our view possibly more significant than a competition analysis – is an exercise known as *opponent breakdown*. Smith divides opponents into seven specific groups (2009: 39-40) which are explained in table 8.1.

Table 8.1: Opponents Breakdown as defined by Ronald Smith

Opponent Category	Description
Advocates	A group of people that oppose you vocally because of their strong support for something else other than your brand – e.g. Apple lovers, Samsung advocates
Dissidents	A group of people that oppose you primarily for the position you hold – e.g. people against franchised businesses
Antis	Dissidents on a global scale that are difficult to change their perceptions – e.g. global groups formed on a social media platform
Activists	Similar to advocates but might be more organized and want more open discussion with your organization – e.g. Student movements
Missionaries	Strongly support a cause and have little motivation to change their perceptions – e.g. anti-gay movements
Zealots	Single-minded, more than missionaries and can act dangerously – e.g. any form of activism that seems extreme
Fanatics	The hard-core opponents of causes and of the status quo. Smith calls them suicide bombers, terrorist snipers etc. (p. 40)

The next step in the situation analysis is to identify which publics to make contact with in the plan. It is worth keeping in mind that it is better to undertake an analysis of the publics a little later when identifying objectives; therefore this step is not so straightforward. Different publics, for instance, might be identified while writing an objective rather than when working on the situation analysis. Nevertheless, if environmental scanning is carried out and completed efficiently, then most publics will be identified at the situation analysis stage.

Smith maintains that it is vital to acquire a clear picture of what he calls **public perception** (2009: 37) – perception referring to the opinion which the identified publics have of the organization. Undoubtedly this is where research methodologies become crucial. Ultimately, solid research will allow strategists to construct the most appropriate messages, objectives and tactics because they have a clear understanding of the publics’ point of view.

Setting Objectives and Analyzing Publics

Essentially, functional strategies are located within an organization's corporate strategy. As a consequence, communication strategists who work on functional strategies must set clear and detailed objectives that will allow the organization to achieve its goals relating to functional strategies yet remain in line with the organization's corporate strategy (Raupp and Hoffjann, 2010).

The most talented strategists stand out prominently when they are forming and setting objectives. This part of the plan requires the combined oeuvre of the tactician with social science knowledge, demographic understanding, consumer behaviour and corporate communication. If objectives are wrongly set a campaign will not succeed. Other steps may leave room for mistakes but setting the objectives is crucial. Forrest W. Anderson, Linda Hadley, David Rockland and Mark Weiner identify six vital reasons why setting accurate objectives is so important (2009).

1. *Objectives create a structure for prioritization:* Once your aim is clear, the focus and sequence of your strategy and tactics are clear.
2. *Objectives reduce the potential for disputes before, during, and after the programme:* If everyone agrees on the objectives in advance it is less likely that anyone will challenge the plan's priorities and results.

- 3. Objectives focus resources to drive performance and efficiency: A clear and shared sense of purpose distils tactics and focuses financial and human resources on those areas which attract the greatest impact.
- 4. Objectives help create successful plans by identifying areas for prescriptive change and continual improvement. Over time, tracking performance against properly set objectives allows for corrective action, or positive adjustments.
- 5. Objectives set the stage for evaluation by making it easier for sponsors and team-members to determine if the PR plan met or exceeded expectations. Once those who are underwriting the PR investment understand and authorize measurable objectives, there can be no doubt as to whether the plan met or fell short of the desired outcome at conclusion.
- 6. Objectives link the PR objective to the business objective. Proper PR objectives are derived from the organization's business objectives (in turn, deriving from the corporate strategy).

If the situation analysis is well prepared a foundation will be established for setting objectives, which subsequently need to be divided into certain overarching themes. Here we make reference to Anne Gregory (2009a: 183) who identifies three levels: **cognitive**, related to thoughts and awareness; **affective**, related more to feelings and attitudes; and **conative**, related to actions and behaviours. Similarly, Smith (2009) as well as Kotler and Lee (2007) define three types of objectives: knowledge-based, belief-based and behaviour-based.



Figure 8.6: The SMART test allows strategists to check whether they have missed out any vital information

Apart from considering types of objectives when designing this stage, strategists should also consider a series of other issues such as the more conceptualized the objective the more efficient it will be. This is accomplished by creating objectives that answer important questions like what, who, how much, and when. *What*, is achieved by determining the target output. *Who*, addresses what the various publics identified earlier in the situation analysis. *How much*, refers to the degree which the overall metric must change to be considered a success, and last of all, *when*, refers to the time period for an objective to be fulfilled.

One way in which communication strategists can tackle the above questions is by constructing **SMART objectives**. The acronym SMART represents *specific, measurable, achievable, realistic and time bound*, and provides a detailed way of testing whether objectives have been set correctly without leaving an important piece of information behind. Reflect on the following cognitive objective for a local bank before kick-starting a large-scale campaign: “To get all cluster managers aware and motivated through face-to-face communication from June 1st to June 15th of the new campaign.” The questions which must now be raised are: Is this a SMART objective? Can it be more specific? Is it measurable and achievable? Is it realistic and is it time bound? If so, and it fits in with other elements of the plan, then the strategist can move on to the next objective.

The next step – to analyse publics – is often referred to as **stakeholder mapping**. Smith uses a series of stakeholder mapping methods (2009: 50-51). One technique is to go through the exercise of breaking down publics into the following categories: *distinguishable* (how they are identified), *homogeneity* (the kind of common traits they share), *importance*, *size* and *accessibility*. Another way to map stakeholders to different groups is to use **limiters** (groups that can add obstacles to your objectives such as opponents – see above), **customers** (potential, current, secondary and shadow constituents or people affected but not direct customers), **producers** (suppliers, employees), and **enablers** (regulators, allies, opinion leaders, media) (ibid., 52-53).

Anne Gregory draws our attention to the **power / interest matrix** which was first used by Mendelow in 1991 (see table 8.2). Gregory claims that “it categorizes stakeholders depending on the amount of power they have to influence others and the level of interest they may have in a particular issue” (2009a: 185).

Table 8.2: The Mendelow Power / Interest Matrix as cited by Gregory (2009a)



Ask a Communications Practitioner

Interview with Fileminders Communications Executive, Demetra Eleftheriou



Demetra Eleftheriou was awarded her MA in Communications from the University of Nicosia whilst working as PR practitioner at the well-known advertising agency DeLeMa/McCann-Erickson. She, thereafter, worked and excelled in fashion PR as customer and PR Manager of the Cypriot brand Complice, by Stalo Theodorou. In 2008, she was part of the Ioannis Kassoulides presidential candidacy staff team as a communications advisor before working in the Business Development department of UpSet! Cyprus as client service and PR supervisor. She is currently working at Fileminders Ltd. as a communications consultant.

1. How important is research before you begin strategizing?

In PR, it is very important to send an engaging message in the presence of target customer groups. Conducting research and its outcome is essential in order to write a PR strategy and design a PR campaign. The market has changed; it has become more competitive and global and the need for an effective strategy is extremely significant. First of all, before a strategic PR campaign starts, you must clarify the purpose of the research. Without a clear sense of what the research project is trying to accomplish, it will be difficult to design a practical and effective strategy, identify 'stakeholders' and facilitate their participation in the research. Building trust and common understanding among the representatives of different interests, is a necessary stage prior to developing the research questions. The list of issues or concerns advanced during the stage of building trust and common understanding could be used during the implementation of the research. By following the previous methods you can create an effective PR strategy.

2. In your opinion, what are the most important steps to develop your PR campaign plan?

Define and write down your objectives for your yearly plan. It is important that your goals be specific, measurable, results-oriented and time-bound. These goals must be in-line with your overall business, marketing, and sales objectives. The following are some examples of how to achieve these goals:

- Establish your expertise among your peers, the press, or your potential clients
- Develop a good relationship between your customer, supplier, or your community
- Create and reinforce your brand and professional corporate image
- Inform and build good perceptions regarding your company and services
- Generate sales or leads
- Moderate the impact of adverse publicity and / or corporate crisis
- Determine who your target audience consists of. Who is it that you want to reach with this campaign?
- What do you want your key message to be?
- Develop a schedule for your public relation campaigns
- What communication vehicles will you use to get your message to the public (i.e. Press releases, Articles, Customer Success Stories, Press Conferences, Radio, Television, or Press Interviews, Social Media Actions, Seminars or Speaking Engagements, Event Sponsorships etc.)?
- Put measures in place to track the results of your PR Campaign
- After each campaign sit down and review the results
- Did you achieve the defined objectives and goals of this campaign?
- Should you consider modifying your original plan?

3. Is the financial economic crisis making strategy less or more important?

History is packed with examples of organizations that have exploited crises to gain market share and develop new products and services. The current crisis is no exception. It is a new and unwelcome experience for many young managers, workers and professionals. Simple survival is the first strategy that most managers come up with when challenging a financial crisis. The savviest managers, however, realize that a period of great uncertainty, with financial and competitive landscapes changing almost overnight, can be the ideal time to make important strategic achievements.

4. How is PR strategy helping your organization?

Every organization should have an interest in public relations. The ability to maintain a positive public image is critical to achieving corporate objectives. Although most people know it is important, the benefits are not always understood. Effective PR can give your company / product / service or solution a competitive advantage in the market.

A few of the significant public relations benefits include:

- Presents an economical way to reach your target audience in the market
- Strengthens your company's image and perception and establishes your brand positioning
- Stimulates awareness for your company's products / services / solutions
- Builds up the picture of a company that is active and innovative
- Shapes credibility and goodwill for your company and products
- Creates an advantage against your competitors that are not using PR effectively
- Promotes a positive reputation among customers and stakeholders

Ms. Eleftheriou was interviewed by Nicholas Nicoli.

Messages (and Dialogue Initiations)

Messages are the broad statements communicated to the publics of a campaign. Anne Gregory (2009a) offers several factors to be aware of when designating campaign messages, i.e:

1. *format* – copy or visuals?
2. *tone* – serious, light, fun
3. *context* – in what 'shape' is the organization when sending and the recipient when receiving the message?
4. *timing* – it is controllable and is the timing right?
5. *repetition* – how often will it be repeated?
6. *credibility* – does the message require the recipients full attention? Is it based on logic or does it take a more periphery route to trigger emotions and attitudes? (See chapter three). (Gregory, 2009a: 187)

As can be observed the message does not necessarily have to be the exact copy or slogan. It is broad based and should act as a guide to crafting more specific tactics, designs and copy. To continue with the bank cluster manager example, the messages for such an objective might be as follows:

factual based content offered in face-to-face meetings with the aid of visuals in PowerPoint presentations in order to inform the managers. The tone needs to be serious but informal as it will be communicated among colleagues; one meeting with their full attention and with opportunity to discuss questions will suffice but follow-up messages required

We agree with Gregory who advocates that on account of interactive technologies, campaign messages should now be based more on how to **initiate dialogues** with publics rather than designed as one-way forms of communication. This, of course, allows room for more creativity but also requires time and effort in monitoring, evaluating and continuing the discussions (see chapter seven and below on evaluation). Designing messages that leave room for dialogue can be challenging but they can perhaps be produced in the form of questions, or in a style and format that invites discussion. Regardless, this approach is burgeoning as more organizations attempt to direct their publics on *Facebook*, *Twitter* and other social media platforms. Bear in mind that we are merely at the beginning of the dialogue initiation era and more research / information is necessary in relation to how these platforms should be developed. While many organizations have moved to adopt more interactive messages they still think in a linear fashion.

CASE STUDY 8.2 – BANK OF CYPRUS (BOC) Brand Strategy Campaign 2003 – 2009* ΣΚΕΨΟΥ ΤΟ. ΓΙΝΕΤΑΙ. (Think about it. It’s possible)



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives

Founded in 1899, the Bank of Cyprus Group is the leading banking and financial services group in Cyprus. Following years of successful operation culminating in expansion into Greece and elsewhere, BOC had reached the position of being the indisputable leader in the banking industry in Cyprus. But there is a downside to leadership, which is the threat of complacency and even a certain amount of employee arrogance. The BOC leadership team recognized the potential problem early and decided to develop a new brand strategy, which would re-instil the pioneering spirit that had catapulted the bank to its leadership position. It is BOC’s belief that successful branding begins internally. If every employee understands, but more importantly, lives and breathes the vision, the mission and the values of the bank, then the organization will project a single, consistent image in everything it does. The problem is that the vision, mission and values statements – more often than not – serve to decorate the walls of the boardroom and little else.

In order to be successful, these values need to be translated into a powerful brand expression. An expression that is motivating, relevant and distinct. An expression that develops a sense of common culture and which allows it to project a strong set of impressions outside of the bank: An expression that makes a difference. Realizing that they, and their advertising agencies, were too close to the organization, bank leaders called in an independent brand strategist.

2. How the Programme was Implemented

Developing and successfully implementing a new brand strategy for any organization is a considerable challenge. When that organization is in the services industry, has thousands of staff operating in diverse geographies and across diverse divisions, the challenge increases further. A brand is not a logo. Nor is it a slogan. A brand strategy is not communicated solely through advertising. It is communicated in everything which every person within an organization says and does and in everything they do not say and do not do. Behind a brand is a set of impressions that lives in peoples’ minds – your mind, my mind, everyone’s mind.

In the case of a bank, no matter how well you say something in advertising, and no matter how much you spend on saying it, what the bank-teller says, and how he or she behaves has a far more significant effect on the impression a customer has of that bank. The reason for this is because the teller is a far more immediate contact point that represents far more about the truth regarding that bank than any message, no matter how well it is constructed and communicated through advertising.

Realizing that a brief from top management would reflect the current cultural climate, it was decided to open up the project, to allow the brief to be developed through a series of in-depth interviews and focus groups at different levels throughout the organization – from the Chairman and Board of Directors to tellers in the bank’s smallest outlying branches.

This had multiple effects. First of all, this was a true process of discovery, and not an interpretation of reality. Through the eyes, and expert analysis of the independent strategist, the true state of the organization began to rapidly emerge. Secondly, people shared their private aspirations and their own personal vision for the bank. But perhaps more importantly, people developed a sense of pride and ownership, based on the fact that they were being asked to participate in the shaping of the bank’s – and their own – future. Positive word of mouth spread swiftly throughout the bank. This in itself played an important role in the future success of the brand strategy.

3. Results

The characteristics that had taken the bank to the top of its industry were well known to all. Courage – Daring – Optimism – Self-confidence. Belief in the power of dreams combined with the power of making dreams happen. Everyone, at every level, identified closely with these characteristics. And everyone felt that this ethos was close to the Cypriot ethos. But they sensed that this philosophy had somehow been lost: That the bank, now that it had grown up, had lost some of the spirit of its earlier years. It soon became clear that this was the way forward: That the path to the future would be lit by the same values and characteristics that had taken the bank to its position of leadership.



ΣΚΕΨΟΥ ΤΟ. ΓΙΝΕΤΑΙ.

This slogan was not born from the pen of an imaginative copywriter. It came directly from strategy. And strategy came directly from the deep insight which emerged from the multiple interviews and focus groups. When this slogan was presented to the Board of Directors,

approval was immediate, spontaneous and unanimous. It simply reflected the truth: A truth that everyone could identify with. In three short words, the slogan captured the DNA of this huge and complex organization.

Great brand strategy reflects truth. Truth then needs to be creatively expressed to become a great brand expression. And that is exactly what happened in the case of the Bank of Cyprus. Strategy alone is nothing. It only becomes something when it is tangibly expressed in everything the organization says and does, does not say and does not do. The new slogan was launched internally through a travelling road show in which the bank’s top leaders personally presented the strategy across the entire organization, even in the most remote location.

In order to ensure consistent communication in advertising, the brand strategist conducted extensive personal workshops with the bank’s multiple advertising agencies. Clear and concise guidelines were developed in which all advertising was expected to abide by. The most important research that BOC considered was the research amongst bank employees that had been concluded before the brand development work even began.

ΣΚΕΨΟΥ ΤΟ. ΓΙΝΕΤΑΙ, was launched at the end of 2003. It was used continuously, on every item of communication, until 2009 when the bank decided to suspend its use due to the economic crisis. But in those six years it became part of the Cypriot vocabulary. How? Σκέψου το. Γίνεται ...

* This case study was prepared by Bank of Cyprus PLC Group in Nicosia, Cyprus. © Bank of Cyprus, 2012. (This material must not be reproduced or quoted without permission).

4. Review Questions

- a. What internal communication tactics / activities do you believe were most appropriate to be used for communication with employees?
- b. What communication materials could have been produced to be included in the campaign?
- c. How might employee publics be divided into smaller publics in this brand strategy campaign?
- d. What research methods do you believe the brand strategists used to reach their conclusions?

Tactic Strategy and Formation



Figure 8.7: Tactics are visible. They can be seen, heard and understood by an organization's publics. Submerged and out of sight is a whole sequence of strategic formations that support them

In chapter two we listed and described a series of tactics which are interrelated with the functions of public relations. It is, for example, difficult to talk or think of media relations without considering news releases or press conferences, so in this section we emphasize the connection between tactics and other aspects of a planned PR campaign. First and foremost it aims to tie-in the link between tactics, messages and objectives. Before looking at this in closer detail we should also concentrate on the issue of strategic tactics, which we have re-named 'tactic strategy' to make a clearer distinction between corporate and functional strategy. There are many ways to approach this part of the PR campaign. It could be tackled from several perspectives in terms of:

- ▶ which of the PR functions are triggered
- ▶ will it be based on heavy internal communication, or social media
- ▶ or will media relations be the main function.

Additionally, in this section of the plan strategists should incorporate whether they wish to follow a proactive or a reactive approach (see Smith, 2009). For example, do the strategists intend to be more aggressive? Other useful ideas to consider when examining tactic strategy are:

- ▶ is it to be based on growth, or stability?
- ▶ will it be more of a retrenchment approach – cutting down on certain things? (see Fill, Hughes and De Francesco, 2013)
- ▶ what level of credibility does the strategy require?
- ▶ should a spokesperson or a celebrity be used?

Once the tactic strategy is formulated strategists can move on to prepare a list of tactics. This exercise, like other steps in a PR plan, is not as simple as it sounds because the complexity of it is exacerbated by the number of digital media tools made available to the PR strategist. One tactic – an event, for example – might require a series of sub-tactics or additional minor tactics. Just as a press conference requires a PR strategist to design a media kit (and by definition a news release), many other tactics require additional actions too. Naturally, PR tactics work best when they are implemented successfully. Integrated marketing or corporate communication form the essence of this (see chapter four). The launch of an advertising campaign needs to be prepared and acted upon in conjunction with PR efforts, and similarly, many exclusively PR activities can benefit from skilfully planned advertising efforts and tactics.

Ask a Communications Practitioner Interview with Vivid Network CEO, Alexander Novicov



Alexandros Novicov actually lives online; it is where he works; it is his hobby; it reinvigorates his productivity and it is where he learns and connects with friends and business people. He is Digital Marketing Director and CEO of one of the largest digital companies in Cyprus, vivid network. He is the first person in Cyprus to drive local brands into digital media. Alexandros has been awarded over eight international awards and has worked with more than eighty local and global brands.

1. Do companies implement online PR in their marketing strategy?

To be honest, the sad truth is that companies view online PR as an instant sales tool. They use it more like outdoor advertising. To communicate online requires a lot of time, creativity and intelligence. Some companies know and want to implement online PR in their strategies, but because the company policy says they can't, they don't. I would recommend to every CEO and board member that they should have an online presence. They should enter the online world and experience what is actually happening so they can get the bigger picture.

A small percentage implements online PR while others are still thinking about it. But, by the time they make a decision their competitor has a head start.

2. What is the most important aspect of a digital strategy?

The most important aspect of digital strategy is not about engagement, it is about being engaged. You have to introduce your team, from community managers and content creators to PR managers. In the UK, Ford introduced their PR Manager to their followers on Twitter and other social media. They added the personal touch that each brand needs. After a year or so, one client bought a Ford (he had never owned a Ford before). When the client was asked what made him decide, he replied that he "had had lots of conversations on Twitter with the Ford representative". I hope this example shows you how important it is **to be connected** with consumers.

People have started to add their twitter usernames on their business cards. This is online PR and it is vital.

3. How do you view online PR?

On a personal level online PR is the most important aspect of a business in our time. People don't buy from brands – they buy from people. Digital media is all about people; it is about connecting and engaging with people online. Television programmes, radio programmes are now tweeted live. Take the example of Mr. Komodromos: he is involved in studio tweeting and instagraming everything that is happening offline. People are engaging with him online. This drives offline traffic online and vice versa.

Brands are currently becoming more personal but it is still only a small percentage in Cyprus. As I touched on earlier, I believe that in each campaign, brands should introduce their community managers and marketing teams online so that people can meet and engage with them to their mutual advantage.

4. How can a digital PR campaign make a brand unique?

Online in itself is a noisy world. You see what is happening every day. People may be studying or working, but their minds drift to what is trending (on Twitter) or to posts they might have missed on Facebook. For instance, did somebody like the picture from last night's party? How many 'likes' and so on. People are changing and brands are changing the way they communicate.

I have noticed that many brands are trying to attract attention: A web development company, for example, is posting health tips on their fan page. Yes, really. Healthy food tips. And even more artful, dogs and cats are being used because they (currently) drive the highest engagement.

Brands try to create noise for their businesses but in the wrong way, sometimes copying other fan pages or creating content that is not relevant to their business. But these styles of context and brands will not survive in the digital world. If I'm not mistaken, I think I tweeted recently something like: "If you don't have something interesting or productive to say, then don't say, no really just don't say it. #justSaying." The reason behind this tweet is that people are publishing things just to say it, but without providing value to their content.

Coming back to your question about uniqueness, being unique is a must; it is not an option. Many follow, but very few compete for relevance. And the reason behind it is that 'following' is much easier than competing for relevance. Think of it this way: You have five thousand followers on your twitter because you tell dirty jokes that are of no use to your business; if you ask those five thousand followers to each send 1,000 pounds to your Paypal account, will they? I don't think so. What matters is the real relationships online and being engaged, so the next time you tweet that you have a special offer or a discount, your followers will click and buy from your brand.

How to be unique: compete for relevance; provide value with your campaign; educate people and share stories with them about your brand.

Mr. Novicov was interviewed by Marcos Komodromos.

Timescales and Resources



Figure 8.8: A basic Gantt chart

In order to create a plan that will work with the least number of complications a clear **timeline** is required with pre-estimated budgets for each tactic. Be aware that the time needed to accomplish each stage is generally underestimated (Thaler and Sunstein, 2009) so experience will play a large role in the development of a realistic time schedule for all tactics listed in the campaign. To minimize obstacles there are a series of actions, methods, technologies and tools that strategists can make use of. A basic **Gantt chart** is one example. It allows planners to visually split activities and tactics and share them amongst the team implementing the plan. Moreover, **the critical path analysis (or critical path method) (CPA)** is another way of visually conceptualizing the activities of a plan. There is also a series of software which allows teams to collaborate and organize themselves properly prior to devising their plans. It is prudent for organizations to be trained for such tasks using software packages provided by market leaders rather than rely on newcomer software that might promise much but fails to deliver all too often.

Resourcing, known also as budgeting, is absolutely indispensable before actual campaign tactics are implemented. Strategists may have a confirmed budget in mind that has been pre-allocated to enable them to work on the plan beforehand. Throughout this stage strategists must accurately estimate a price for everything they have listed in the plan or face the risk of under or over-utilizing their budgets. It is also sound advice to apportion a small percentage of the budget for unexpected activities. Experienced practitioners and planners of PR campaigns



Figure 8.9: CPA offers visual clear directions for strategists on how to process their plan

verify this point. What is more, it is often difficult for PR practitioners to rationalize the value of their tactics to those with little communications comprehension. Sometimes, despite necessity, the justification of budgets for certain actions can become stumbling blocks. The process for advertising budgets is clearer because commissionable media is uncomplicated to assess whereas PR tactics are frequently based on the time required to organize an action, and this is more complex to calculate. Additionally, it is difficult to explain the difference between a well-implemented and creative plan from a poorly executed one unless research and evaluation is carried out beforehand. Ultimately, it is imperative that bridges constructed between PR practitioners and the outside world (e.g. journalists) is strong, but the effort that goes into forging such benefits is difficult to comprehend. According to Smith (2009: 261) there are five points to consider when budgeting:

1. *Personnel* – To budget personnel properly, it is necessary to know beforehand what the consultancy costs are, and whether there are any extra advisory fees. Nothing should be left unallocated otherwise strategists take the risk of running over budget. Photographers, printers, editors and many other services should be included.
2. *Material* – This comprises the list of items that will be used as tactics in the campaign. Paper for tactics, press kits, banners and uniforms.
3. *Media Costs* – The way in which media costs are priced in advertising – as mentioned above – can be completely different to how it is figured in PR. Although certain practitioners choose to use a time and space calculation similar to advertising (known as advertising equivalency) most charge a flat fee. It seems that although there are always disputes, most managers currently maintain a keen eye on quality PR tactics and planning, and as a result it is easier for PR practitioners to be appreciated, valued, and able to budget accurately in advance without the hassle of wrong pricing.
4. *Equipment and Facilities* – The capital cost of items needed in the implementation of the campaign. Office equipment, rented space and charges of venues are a few of the items that are applicable here.
5. *Administrative Items* – Many of the operating costs would be appropriately placed here. Telephone calls, travel expenses, delivery costs and photocopying are items that belong in this category.

It can be appreciated that budgeting is not an easy task and can be time-consuming. Nevertheless, if this area is performed efficiently then practitioners, whether internal or outsourced, will find it easier to justify their costs and their value.

Ask a Scholar

Interview with Myria Ioannou



Myria Ioannou is a lecturer in the Department of Management and Marketing at the European University of Cyprus and the coordinator of the Public Relations programme. She earned her PhD in Marketing from Manchester Business School in the UK and her primary research interests concern services marketing, service quality, relationship management and PR as relationship management.

1. Why is research such an important component of building a PR campaign?

Effective communication is *based on research*. Research undertaken prior to the design of the campaign enables a clear understanding of the current situation and the opportunity or problem at hand (e.g. overcome a negative situation or reinforce reputation) and can reveal the attitudes, preferences and dislikes of all target audiences; hence it is ultimately conducive to the development of the most effective message(s) for each audience. Moreover, at the end of the campaign, research can be used for evaluation purposes and for greater accountability.

2. How can organizations make campaigns more creative?

Creativity is a core value in PR and a process that *can be learned*. To this effect, various models and theories have been proposed but, in developing a creative campaign, I would suggest a simple, three-stage process: (a) conception, i.e. clearly understand the current situation, which entails preparation, collection of facts and analysis, (b) emergence of the idea through brainstorming, role-play and / or cognitive-mapping for example, and (c) verification and further development. At a tactical level, creativity may be enhanced by embracing new media and computer-mediated communication channels such as video games and social media platforms.

3. Should communication budgets decrease during crises?

Even though it is a well-known fact that during organizational crises it is imperative to invest in PR efforts, during financial crises organizations tend to decrease budgets. Nevertheless, in times of duress, when the various publics become more sceptical it is important to embrace communication and PR activities in particular, so as to reduce uncertainty and distrustfulness and continue to nurture and invest in the various organization-public relationships.

4. Is evaluation really necessary?

Evaluation is an essential step in the process of effective PR as it enables the assessment of both the programme and its results and ascribes accountability. Therefore, the organization can accurately establish whether its message(s) have effectively reached the target audiences as well as whether the PR process has been efficiently achieved, i.e. without wasting the valuable resources of time, money and effort.

Dr. Ioannou was interviewed by Marcos Komodromos.

Evaluation

Evaluation has been focused on in some detail in chapter seven when directing our attention toward digital media campaigns and how they are appraised. We devoted space to it earlier because digital media communication is not a one-way process; it consists of continuous dialogue but the evaluation techniques used are slightly

different to how they have been considered in the past. Yet the basic principles of evaluation remain the same: All PR tactics must be made accountable. Every effort should be seen to have achieved pre-specified objectives that are listed in a plan, and this is why objectives need to be designed with the SMART acronym in mind. On top of that, if they are categorized under specific types such as cognitive, affective or conative, then evaluation becomes easier to achieve. As in the situation analysis, evaluation requires research efforts, and there are a number of research methodologies which PR practitioners adopt to obtain effective results of appraisal (see figure 8.10).

Research should be developed based on objectives and tactics. A more cognitive objective might require more qualitative methodologies whereas conative objectives might need quantitative approaches. There are also press clippings that can be taken advantage of, together with audio-visual media monitoring services for media relations tactics (see below). At this point we return to Lindenmann's (1993) yardstick and the three O's of metrics in PR; *outputs*, *outtakes* and *outcomes* which can be used for all forms of tactics (see chapter seven). While there are many ways to list and categorize evaluations, the list below gives five common types of evaluation methodologies that PR strategists can use for a campaign.

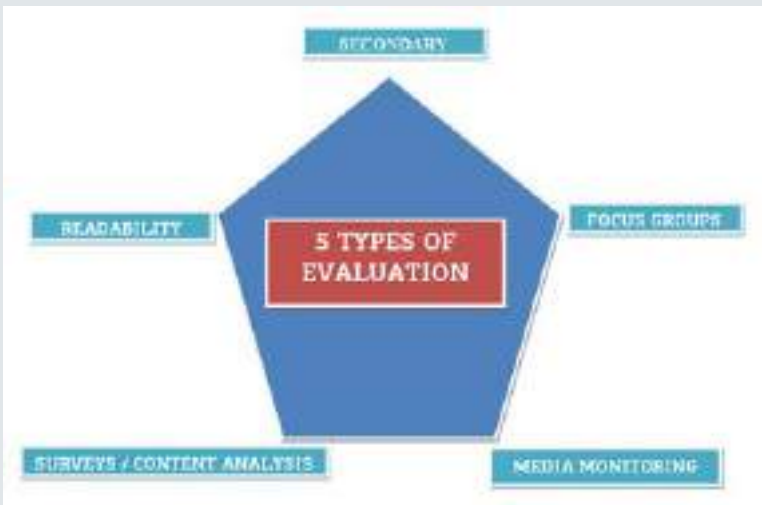


Figure 8.10 Common types of evaluation methodologies

1. *Secondary Data* refers to information gained from sources other than through primary research. For example: internet resources, online forums, social media, and official press releases by research companies such as the *International Public Relations Association* (IPRA), *International Association of Business Communicators* (IABC), and the *Public Relations Society of America* (PRSA), among others.
2. *Focus Groups* research is a qualitative methodology which, if done correctly, can offer huge insights into how a tactic, and ultimately whether a campaign, has worked or not.

3. *Readability Tests* estimate how long it takes for a reader to understand the text. This is a good method to gauge whether the message is being carried across correctly, especially for effective objectives.
4. *Media Monitoring* is a favourite and common method for evaluation. Organizations and corporations use this technique to gather information on competitors. These can be divided into newspaper clippings, online screen captures, plus all kinds of other multimedia platforms where data can be captured over a period of time. It is worth mentioning here that collecting newspaper clippings and other multimedia data can be misleading. Some articles provide negative or neutral coverage with positive mentions. Other coverage may have low circulation and thus give little or no major effect. Media monitoring may also create a problem because the large volume of data collected over a period of time becomes so chaotic that management may view it as information overload and thus discard it.
5. *Surveys and Content Analysis* are two commonly used methodologies, especially for conative and quantifiably measurable objectives. Both can be used to gather data on groups of large publics such as consumers. They can be used to observe customer satisfaction as well as other social trends. Surveys are also good at understanding reputation, even when only descriptive statistics are used. Content analysis reports can be used to see how many times certain keywords are flagged, or how many people show up to an event. These two quantitative methodologies are excellent tools for allowing strategists to **benchmark** in certain areas.

CASE STUDY 8.3 - The Prestige Group Publications*

Researching the Publication Landscape



1. Situation Analysis & Objectives
2. How the Programme was Implemented
3. Results
4. Review Questions

1. Situation Analysis & Objectives



Cover of Status

Prestige Publications is a division of the **Prestige Group** and is comprised of two high quality, free press, publications STATUS and LEGACY. Both publications are printed in the language of English and Russian due to main regional readership response and for business purposes.

STATUS was founded in 2011 and has been in circulation ever since. On the other hand, LEGACY was conceived later following the successful release of STATUS, and its first edition was circulated in summer 2012.

Both publications are distributed free of charge using highly targeted demographics to reach the high-end local and international markets. The publications enjoy the unique stature of having a qualified paid audited circulation. This ensures that the specific demographics are guaranteed to be reached by the publication's targeted circulation.

STATUS is a continuously evolving luxury lifestyle publication, created by an international team of experienced professionals, which delivers content of relevance to its discerning readers, who

appreciate the 'life of luxury' and the best that life has to offer in the way of major luxury retailers and elite VIP services, luxury items, expensive gadgets, technology trends, recreation and entertainment, culture and the arts, haute couture and prêt-à-porter.

The magazine content includes global topics of interest such as civilizations, international and local destinations, as well as local and global happenings and cultural events.

LEGACY – The main objective of this intelligence and development oriented publication is to create a media platform of innovative character, which raises important economic, political and social issues.

The publication aims to provide readers with a broader picture and a deeper insight into issues which have not previously been tackled, by questioning them in an effective way. Moreover, it aims to endorse freedom of expression, correct business practice, inspire leadership and innovation and promote corporate social responsibility and sustainable development.

LEGACY serves to act as a contemporary mouthpiece for the foremost social and political thought platforms and provide an independent forum for political, economic and social discourses on a local and international level.



Cover of Legacy

Prestige Publications convey messages of social and corporate responsibility to their readers by educating them in this respect. Through their annual programme of social contribution of the **Prestige Publications**, **STATUS** and **LEGACY** will present and support social and corporate contribution and responsibility opportunities by dedicating pages in this respect, via each publication.

2. How the Programme was Implemented

Research

The development and consequent distribution of these two publications resulted from the assessment of need to provide the targeted niche for the two areas of readership within Cyprus and several countries of the European and Middle Eastern region.

This assessment was concluded as a result of extensive research undertaken with regard to media sources currently available within the local and international markets. One of the areas focused on was that of luxury lifestyle and the other was that of business media which is intelligence and development oriented. Accordingly, research was conducted using the following means for each publication:

STATUS

- Exploring through means of a content analysis of the competition all local luxury products and services, lifestyle publications.
- Exploring through means of a content analysis of the competition of international luxury lifestyle magazines.
- Preparing questionnaires for high end consumers in the local and regional market (Russians, Cypriots and Lebanese) regarding readership preferences of luxury lifestyle magazines.
- Conducting research through questionnaires regarding content preferences for luxury lifestyle publications.
- Reading multiple successful international luxury lifestyle publications and carefully reviewing content.

LEGACY

- Extensive and timely research was conducted to determine all current media platforms in the fields of business, intelligence and development.
- The editorial team conducted extensive studies regarding topics that most succeed in the business, economic and social news locally and in the region of the Middle East and Europe.
- Extensive reading / research was conducted by editors regarding international intelligence subjects of interest and concern.
- Research was conducted regarding readership content preferences in the fields of business, intelligence and development, in Cyprus, Lebanon, Israel and Russia. This research was carried out via questionnaires to potential readers.
- Successful international intelligence and development publications were studied for their content of high readership worth, as inspiring media models.
- Local and international business publications were studied for the quality of their editorial content and for their distribution method.

3. Results

The **research findings** for **STATUS** revealed that in Cyprus very few publications were found that embraced luxury services and products. The ones that were in circulation were not of high printable quality, were not free of charge and were written either in the language of Russian or English. Those few that were of high printable quality had inadequate editorial content, were written in English exclusively and were distributed solely in the suites of 5 star hotels in Limassol. There was no evidence of a free press publication in the language of either English or Russian, which was of outstanding design and print quality, with embellished editorial content from the local and international luxury services and products arena.

The **research findings** of **LEGACY** revealed that local business media publications were primarily 'business' oriented and less intelligence and sustainable development oriented. In the main they were written in the language of the country in which the publication circulates, or in English. The predominant regional audience response as a result of research undertaken was for the English and Russian language publications. Most local and regional business publications were deficient in their in-depth reportage and analysis. Many of them were politically positioned in the way the content was presented and were lacking in analysis, expert opinions and inspirational leadership role models and strategies.

Most of the business publications studied, were of a mediocre design lay out and the majority were printed on medium quality, lightweight and glossy paper. As none of the publications researched were free of charge, findings regarding targeted distribution and consequent readership were difficult to evaluate.

* This case study was prepared by Prestige Group in Limassol, Cyprus.
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4. Review Questions

- a. Identify the methodologies used in the choices of Prestige Group?
- b. What did the research possibly reveal to Prestige Group that resolved their decision to go ahead with the publications of Status and Legacy?
- c. What makes a free of charge publication sustainable?
- d. Now the publications are in circulation, what forms of evaluative research methods could the Group use to help them sustain their growth?

Summary

Strategy has worked well for many organizations. For others (e.g. many Japanese organizations), strategy planning is almost non-existent (see Porter, 1996), yet nobody can argue the success of Japanese corporations. In this chapter we have attempted to offer a specific approach – the planning school of strategy – but we have done so with an eye on more emergent forms. Everything incorporated into this chapter tries to offer the reader a way of understanding strategy in a flexible, creative, but also structured manner. According to our way of thinking, Anne Gregory (2000, 2009a) and Ronald Smith (2009) are similarly conscious of the more emergent schools of strategies and it is for this reason that we have chosen their approaches over others throughout this chapter.

To sum up this approach, the golden rule is to assume nothing. Subsequently, the most important thing that can be undertaken in order to ensure that a public relations campaign succeeds, is to conduct research. Effective strategy PR planning is achieved by setting sound objectives to correctly identified publics. These objectives have to be measurable in terms of outputs, outcomes, and business results and this can also be achieved by knowing audience composition and by executing the plan via the right messages, tactic strategies, and of course, tactics. Strategists need to diversify their tactic strategies and be cautious to avoid discarding potential opportunities. Tactics can be more effective when combined with one another and with other communication initiatives. This can only be applied efficiently if all elements are recorded in a timeline, and with proper budgeting that leaves room for unexpected events. Finally, evaluation completes the (research) cycle. This is important because it provides the necessary feedback to improve public relations efforts.

Short Definition of Terms

Creative Destruction:

A term used in economics deriving from Joseph Schumpeter to describe how innovative progress destroys previous economic orders in order to make room for the consequences of the new innovation.

Emergent Strategy:

A strategic approach that will occur over time and in which the organization is in a learning process to realize patterns and behaviours before setting on any course of action.

Planning or ‘deliberate’ Strategy:

A strategic approach which derives from a mission that sets out to clear goals and objectives and works on a sequence of planned actions to meet them.

Corporate Strategy:

An overarching strategy of the whole organization that sits one level below the mission of the organization which all functional strategies must strive toward.

RACE:

An acronym created by John Marston in 1963 to define the process of public relations. It stands for research, action, communication and evaluation.

Executive Summary:

The first part of a planned campaign that highlights and summarizes all the aspects of the plan.

Situation Analysis:

The part of a PR plan that responds to the question of where the organization stands at the present moment within a specific sector.

SWOT Analysis:

An acronym used in strategic planning. It stands for strengths, weaknesses, opportunities and threats.

PEST Analysis:

An acronym used in strategic planning. It stands for political, economic, sociocultural and technological.

EPISTLE:

An acronym used in strategic planning. It stands for economic, political, information, societal, technological, legal and environmental.

Public Perception:

According to Ronald Smith (2009), it is the perception that identified publics have of an organization.

Cognitive / Affective / Conative:

Three different levels of objectives used in objective-setting practices.

SMART Objectives:

An abbreviation term for Specific, Measurable, Attainable, Realistic, Timely

Stakeholder Mapping:

The process of identifying groups in society that directly affect or are affected by an organization.

Limiters / Customers / Producers / Enablers:

A stakeholder mapping process. Four categories of publics used to analyze and create tactics.

Power / Interest Matrix:

A stakeholder mapping process based on placing the level of interest of publics against the weight of their power.

Initiate Dialogue:

What can be considered an approach to reach publics by PR tactics not just in a linear fashion but, by way of interactive technologies, to create dialogues with them.

Timeline:

The way in which a PR plan divides tactics and action in a time sequence so as to be more organized and minimize mistakes.

Gantt Chart:

A type of chart first used by an engineer named Henry Gantt, which allows plans to be placed in a sequence and planned accordingly. It is currently created on computer software such as Microsoft Excel.

Critical Path Analysis (CPA):

Similar to a Gantt Chart, a CPA is a method of planning a project that uses specific tools and formulae.

Resourcing (budget):

The process of a plan that lists the costs of each action and activity; used together with a timeline in a Gantt chart or CPA that can minimize the chance of going over or under budget.

Evaluation:

A series of research methods used in PR activities that attempts to show the effectiveness and return on investment of each tactic and action.

Media monitoring:

The process of keeping tabs on media content and saving all media coverage of the organization.

Benchmarking:

A mechanism to enable the comparison of actions and tactics on previous or competitive ones.

Knowledge Check / Critical Thinking Questions

1. What is the strategy procedure of a contemporary organization?
2. What is the difference between corporate strategy, functional strategy and tactics strategy?
3. How many schools of strategy exist?
4. Can the planning school be creative?
5. When is research used in a PR plan and why?
6. Why should objectives be SMART?
7. Why is it important to link objectives to messages and tactics?
8. What methods can be used to organize a timeline?
9. Why is budgeting so important in PR?
10. What are the most common types of evaluation?

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Index

A

above-the-line communication (ATL), 125, 146, 150, 219
acta diurna, 21, 50
activation theory of information exposure, 103, 110
active audience, 107-108, 111
actively engaged, 221, 236
activism, 33, 94, 111, 159, 170, 190, 249
Adidas, 128
Adonis Violaris, 173
advertising, 20, 22, 25-26, 29, 33, 35-39, 42-43, 47, 52-53, 59-60, 68, 70, 76-77, 82-83, 96, 98-99, 102, 105, 115-117, 119-134, 137, 140, 142-143, 145, 148-150, 152, 165-167, 195, 206, 219, 226, 231, 242, 252, 254-257, 259, 267
advertising economics, 123
advertorial, 126, 150
AFC Monaco, 130
affective, 250, 261, 265
Agee, W.K., 41, 83
agenda-setting theory, 107, 110
Agios Nikolaos (see KEO Plc.), 61, 204-206
AIDA, 120, 122, 149
AIDS, 103
airport rollers, 145
Akio Toyoda, 203
Alexander Novicov, 257
Alexander the Great, 18, 21, 54
Alexia Yiallouridou, 60
Allen Center, 26
Alphamega Hypermarkets, 171-172, 231-233, 246
Amabile, T., 66, 82
American Marketing Association (AMA), 152
An, S-K., 209
Ancient Greeks, 21, 50, 98
Anderson, E., 112, 249, 267
animation, 125, 150
Anne Gregory (see also Gregory, A.), 157, 163, 241, 245, 248, 250-251, 253, 264
anonymity, 216
Antonio Gramsci, 89
Aphrodite Hills Golf Course, 131
Apple, 31, 90-91, 109, 111, 247, 249
Apple Macintosh, 90-91, 109, 111
Arab springs, 18
Arens, W.F., 125, 152
Argenti, P., 60, 82, 141, 152, 192, 209
Aristotle, 18, 38, 98-99, 101, 161, 169, 176
Aristotle's Golden mean, 161, 176
Armin Van Buren, 56, 64
Arnaoutoglou, E., 40
Arto Estates, 144
Arts and Humanities citation index, 20
Asian Champions League, 130
Aspirin, 124

Association for Education in Journalism and Mass Communication (EAJMC), 96
Aston Martin, 134, 144
Aston Villa FC, 131
AT&T, 26
Athens, 38, 40, 191, 197, 229
attribution theory, 182, 202, 208
Audiovisual Media Services Directive (AMSD), 134
Ault, P.H., 41, 83
Austria, 19, 54

B

Babylonians, 21, 50
bandwagon, 147-148, 152
bank, 32, 48, 68-69, 87-88, 138-141, 223, 226-227, 251, 253-255
Bank of Cyprus (BOC), 87, 226, 254
Barclays Premier League, 131
barriers to entry, 215
Barton, L., 200, 209
Bates, D., 42, 53
bathroom ads, 127
BBDO, 33, 35
behaviourism, 89, 109
Being Digital (publication), 213, 237
Belch, G., 119, 127, 133, 152
Belch, M., 119, 127, 133, 152
belief congruency theory, 110
below-the-line (BTL), 65, 127, 136, 142, 145-146, 150-151, 219, 232
benchmark, 31, 39, 178, 261
benchmarking, 242, 266
Berelson, B., 106, 112
Bernays, E., 24-25, 49, 51, 53, 134
Bernhard Schulte Shipmanagement (Cyprus), 173
Bilton, C., 241, 247, 267
binary code, 213, 235
blogging, 108, 142, 234-235, 237
blogosphere, 60
blogs, 35, 60, 68, 80, 212, 215, 224, 230, 234-236
BMW, 130, 144
BMW Sauber, 130
Botan, C.H., 86, 111-112
Bovee, C.L., 125, 152
boxer, 127, 137
breaking into editorial space, 26, 51
breast cancer, 131
Brian Solis, 35
Bridges, J.A., 49, 190, 196-197, 209, 259
Britain, 19, 54, 92
Brody, E.W., 95, 111
Broom, G.M., 21-23, 53, 83, 117, 245, 267
Bucharest, 41, 47-48, 96
Budapest, 64
budget, 32, 73, 122, 130, 134-135, 137, 143, 224, 226, 247, 258-259, 266
Byzantines, 22, 50

C

C.A. Papaellinas Emportiki Ltd., 171
Cacioppo, J.T., 99, 112
Cardiology Center Onasion, 197
Carl Hovland, 25, 101
Carma International, 26
Carmel Bonello, 117
Carmen Ghita, 48
Carrillat, F.A., 128-129, 152
Carroll, A., 168-170, 172, 175, 177
categorical imperative, 161-163, 176
Catherine the Great, 18
CBS, 106
Center, A.H., 26, 38, 54, 83, 267
central route, 99-100, 110
Charles Elliot, 23
Charles Wright, 25
Chartered Institute of Marketing, 102
Chartered Institute of Public Relations (CIPR), 31, 52-53, 163, 240
Chase, W.H., 189, 209
Chevrolet, 44-47, 76
China, 49
Chomsky, N. (see also Noam Chomsky), 20, 59, 83
Christians, C., 161,177
Chrysomilidis, I.S., 38, 40
citizen journalism, 108, 224, 236
citizen participation, 159
Club of Public Relations Companies (CCRP), 40
Coca Cola, 26
Code of Athens, 38
Code of ethics, 43, 163, 177
Code of Hammurabi, 21, 50
cognitive, 20, 100, 103, 110, 112, 121, 128, 250-251, 261, 265
cold war, 33, 148
commission fee, 123, 149
community relations, 58, 71, 81, 160
competitive advantage, 72, 82, 173-174, 253
conative, 250, 261, 265
Congregation for the Propagation of the Faith, 22, 50, 148
consumer product safety commission, 170
consumer relations, 58, 70-71, 81
content analysis, 261, 263
contests, 133, 224
convergence, 31, 52, 80, 213-214, 217, 229, 235, 237
convergence of content, 214, 235
Coombs, T.W., 91-92, 95, 111, 192, 201-202, 209
coordination teams, 141, 151
Cornelissen, J., 67, 82
corporate ad, 125, 150
corporate blogs, 68, 80
Corporate communication, 25-26, 30, 36, 39, 51-53, 67, 77, 82, 106, 115-116, 119, 126-127, 135-137, 140-141, 143, 147-148, 152-153, 161, 165, 175, 189, 209, 249, 256
corporate identity kit, 141, 151
corporate philanthropy, 168, 177

Corporate Social Responsibility (CSR), 33, 52, 86, 155, 164, 173, 178, 221, 226
CSR pyramid, 168, 175, 177
corporate strategies, 60, 243
Costas Gavrielides, 199
coupons, 133
Crampton, T., 203, 209
creative destruction, 241, 265
creativity, 49, 66, 71, 82-83, 117, 125, 142, 240-241, 244, 246, 248, 254, 257, 260, 267
creativity management, 66, 83, 267
credibility, 60, 79, 98-99, 101, 110, 253, 256
Creedon, P.J., 95, 111
Creel Committee, 24-25
crisis management, 31, 35, 52, 60, 78-79, 181-182, 191-193, 195, 198-204, 207-209, 222, 229
crisis management phases, 198
crisis management plan, 198-200, 203-204, 207-208
crisis management process, 182, 198
crisis management team, 191, 198-201, 208
crisis phase, 198, 200-203
Cristina Coman, 40-41
critical mass, 23, 222, 236
critical path analysis (CPA), 266
critical theory, 97, 176
cultivation analysis theory, 107, 111
Cultural diffusion, 21, 50
cultural intermediary, 94
Cummings, S., 241, 247, 267
customers, 27, 29, 43, 45, 47, 60-61, 71, 81, 87, 104, 116, 119, 128, 138, 142, 165, 168, 172, 193, 204, 218-220, 223, 231-232, 246-247, 251, 253, 266
Cutlip, S.M., 23, 26, 51, 54, 58, 83, 267
Cyprus, 27-30, 32, 36-37, 43, 60, 63-64, 68, 74, 87-88, 100, 102, 104-105, 117, 131, 133, 138-139, 141-146, 159, 164, 166-167, 171-173, 184-186, 188, 194-199, 204-206, 218, 220, 223, 226-227, 229, 231, 233, 242-243, 246, 252, 254-255, 257, 260, 262-264
Cyprus Advertisers Association, 102
Cyprus Airways, 60, 64
Cyprus Broadcasting Corporation (CYBC) 36, 60
Cyprus Tourism Organization, 60
Cyprus weekly, 63
Cyta, 27-30, 36, 49, 60, 125, 142, 164-167, 169, 175, 218, 220, 223, 242-243
Cyta brand equity, 242
Cytamobile-Vodafone, 218, 220
Cytashops, 164-165, 167

D

d'Astous, A., 128-129, 152
Dai, Y., 169, 174, 177
daily briefings, 69, 81
Damian Lambidonitis, 36-37
Danny Brown, 35
Daphne Prodromou, 32

David, P., 169, 174, 177, 249
DDB, 33
De Francesco, S., 243, 256, 267
de Gregorio, F., 134, 152
debriefing, 198, 203, 209
decentralized, 141, 151
Declaration of Principles, 24, 51
deliberate strategy, 241, 265
Delphi, 38
Demetra Eleftheriou, 252
Demokratia, 21
demonstrations, 125
dialogue initiations, 253
digital advertising, 125
digital crisis management, 203, 207, 209
Digital Era Governance (DEG), 69, 81
digital media, 20, 31, 34, 58, 97, 108, 127, 135, 148, 181-182, 211-216, 220-223, 225, 228, 234, 236-237, 256-257, 260
digital networks, 31, 52-53, 207, 236
digitalization, 52, 119, 190, 211-214, 217, 229, 234-235
direct marketing, 43, 116, 127-128, 130, 151
direct promotion, 71, 81
direct-marketing-media, 127, 151
discourse ethics, 162-163, 176
distributors and suppliers, 71, 82
Dog adoption day, 171-172
Dolphin, R., 128-129, 152
dominant coalition, 91, 109, 189
Donohew, L., 103, 111
Dourountakis, M., 40
Dozier, D.M., 31, 54, 111, 117
Dracon, 21
Dro.Me.A. Racing, 62
Duke, S., 193, 209
Duncan, J., 103, 111
duty to client, 163, 176
duty to organization, 163, 176
duty to profession, 163, 176
duty to self, 163, 176
duty to society, 163, 176

E

e-zines, 68, 81
Edward Bernays, 24-25, 49, 51, 53, 134
Edwards, L., 91, 94, 111
Effective public relations, 26, 29, 54, 83, 267
Ehling, W.P., 111
Ekklisia, 21, 50
Elaboration Likelihood Model theory (ELM), 99, 110,124
Electricity Authority of Cyprus, 36, 199
Elias A. Spyrou, 191
email, 68, 71, 80-81, 127, 219
emergent style (strategy), 241, 244, 264-265
emotional depression, 143
employee relations, 48, 53, 58, 66-69, 72, 75, 78, 80-82
enablers, 251, 266

encoding / decoding, 107, 111
Engadget, 224
Engomi city mall, 104
Enron, 33
environmental scanning, 97, 190, 208, 247, 249
EPISTLE, 248, 265
ethical appeal, 98
ethical dilemmas, 155-156, 158, 163, 175-176
ethical principle models, 161
ethical priorities and duties, 163
ethics, 23, 38, 43, 76, 92, 94, 96, 98, 148, 155-158, 160, 162-163, 168, 174, 176-178, 217, 267
European Union (EU), 33, 40, 159, 204
evaluation, 26, 29, 42, 51, 54, 133, 160, 167, 174, 190, 198, 201-203, 225, 227, 229-230, 233, 239, 241-242, 245-246, 250, 254, 259-261, 264-267
excellence theory, 31, 52, 88-89, 91, 96-97, 108, 111, 147
executive summary, 241, 245, 265
external public relations practitioner, 74, 77, 82
extranet, 67, 80-81, 221

F

Facebook, 18, 31, 35, 47, 76, 105, 116, 135, 142, 145, 203, 215, 217, 219, 222, 224-225, 228, 231-234, 236, 254, 257
Facebook insights, 228
Fackler, M., 177
fear appeals, 103, 110
feature story, 61, 63, 79, 100, 146
feminism, 97
Ferrari, 144
Fill, C., 219, 231, 243, 256, 267
financial assistance sponsorships, 128-129, 151
financial relations, 58, 71, 81
Five-Forces Analysis, 244-245
Fixed-fee plus charges, 24, 51
Flickr, 224, 235
Florentina Stoica, 76
Fombrum, C.J., 119, 136, 149, 152-153
Ford, 247, 257
Forex Expo Awards, 130
Formula One (F1), 129-130, 132
four-model typology, 95, 109, 111
four P's, 119, 135, 222
fourth-generation (4G), 212, 235
France, 44, 92
Friends (TV Series), 222
Fuchs, C., 217, 237
Fulham FC, 130-131
FXPro, 130-133

G

Gantt chart, 258, 266
Gap stores, 158
Gaudet, H., 106, 112
General Electric, 23

generic trademarks, 124, 149
George Creel, 24
George Evripiotis, 102
George Michaelis, 23
George Paraskevaides, 194-195
George Parker, 24
George Theodotou, 246
Georgia-Zozeta Miliopoulou, 38-39
Gerbner, G., 59, 83, 107, 111
Germany, 19, 22, 44, 54, 157
Gillions, P., 183-184, 209
glittering generalities, 148, 152
goals, 42-43, 48-49, 53, 60, 63, 67, 87, 119, 135, 174, 191, 200, 218, 230, 240, 243-247, 249, 252, 265
Goebbels, 25, 59, 147
Goldman, R., 99, 112
Google Alerts, 190
Google Blogs, 230, 234
government relations, 58, 69-70, 248
Gower, K.K., 182, 209
grand narratives, 123
grapevine, 68, 80
Greece, 21, 27, 38, 98, 191, 197, 254
Green Dot Cyprus, 164
Greenpeace, 95, 111
Gregory, A. (see also Anne Gregory), 177, 267
Grunig, 31, 40-41, 54, 91, 95-97, 109, 111, 147, 152
Grunig, J. (see also James Grunig), 54, 111, 152
Grunig, L., 54
Grunigan view, 89

H

Habermas, J. (see also Jürgen Habermas), 156, 162-163, 176-178
Hadley, L., 249, 267
Hall, S., 54, 83, 107-108, 111, 237, 267
Hazleton, V., 111-112
Heath, R., 98, 111, 157, 178, 189, 209
Helios Airways, 182
Hellenic Alico Life, 138-139
Hellenic Association of Advertising and Communication Companies, 39
Hellenic Bank, 138-141
Hellenic Orthodox Church, 38
Henry Ford, 247
Henry Mintzberg (see also Mintzberg, H), 244, 267
Herbert Hyman, 25
Herman, 20, 59, 83
Herman, E., 83
Hieroglyphics, 21
Hilton Hotel, 195
Ho Cho, S., 182, 209
Hoffjann, O., 245, 249, 267
Holladay, S.J., 91, 95, 111
Holtzhausen, D.R., 91, 97, 112
Hoover (brand), 124

Hovland, C.I., 25, 101, 111-112
Hughes, G., 243, 256, 267
Hunt, T., 40-41, 91, 95, 109, 111, 147, 152
hypodermic needle, 106, 110

I

ideas box, 69, 81
"If" Campaign, 226
image ad, 125
Immanuel Kant, 158, 161, 163, 176
In-Flight Entertainment, 127
in-kind assistance sponsorship, 128-129, 151
Inbusiness magazine, 105
India, 21, 49
induction literature, 69, 81
Industrial era, 21-22, 31, 33, 35, 66, 148
industry convergence, 213-214, 235
information and communication technologies (ICT), 67, 80
information-processing, 123
initiate dialogues, 254
inputs, 66-67, 80
Istanbul University of Turkey, 96
Institute of public relations, 25, 31, 37, 42-43, 52-54, 163, 177, 209, 240, 267
integrated marketing communication (IMC), 35, 52, 136
internal public relations, 39, 74-75, 78, 82
internal public relations practitioner, 74-75, 82
International Association of Business Communicators (IABC), 31, 261
International Public Relations Association (IPRA), 38, 261
intranet, 30, 67-68, 80-81, 187, 221
i-phone, 31
Ira, 98
Israel, 45-46, 145, 263
issue, 26-28, 49, 53, 61, 65, 74, 96, 100-101, 106, 141, 152, 156, 159, 163, 171, 182-184, 186-190, 201-202, 207-209, 227, 244, 251, 256, 262
issues action team, 190, 208
issues management, 118, 181-186, 188-190, 198, 207-209, 247
Italy, 21, 43-44
i-Tunes, 224
Ivy Ledbetter Lee, 24, 51
IZOLA, 38

J

Jacque L'Etang (see also L'Etang . J), 92, 157
James Bond, 134
James E. Grunig (see also Grunig, J), 91, 96
James Tirone, 26
Jameson, F., 59, 83, 90, 112
Janis, I.L., 101, 111
Jaques, T., 189, 209
Jefkins, F., 25, 54, 58, 83
Jeremy Bentham, 162, 176
jingles, 125, 150

Joannou & Paraskevaides Avax, 194
Joannou & Paraskevaides Group (J & P), 121, 194-198
Johannes Gutenberg, 22, 50
John Stuart Mill's, 162, 176
Johnson & Johnson (see also Tylenol Murders), 31, 49, 52, 192
Joseph Goebbels, 25
Joseph Klapper, 25
journalism schools, 143
Jowett, G., 147, 152
judo, 137
Julius Caesar, 18, 21, 50
Jürgen Habermas (see also Habermas, J), 156, 162-163, 176-178

K

Kapodistrian University of Athens, 191
Karl Marx, 89
Katz, E., 106, 112
Kay, J., 98, 112
Kelley, H.H., 101, 111
Ken Saro-Wiwa, 33
Kenny Dalglish, 131
KEO plc., 61, 102, 204-206
Kleenex (brand), 124
Kline, S., 169, 174, 177
Klout, 234
Kotler, P. (see also Philip Kotler), 26, 54, 135, 250, 267
Koutromanos, K.I., 40
Kramer, S., 66, 82
Kreshel, P., 177

L

L'Etang, J. (see also Jacquie L'Etang), 19, 54, 92, 94, 157, 177-178
large meeting, 68, 72, 80
Larkin, J., 189, 209
Larnaca, 64, 72, 145, 171-172
Lauterborn, R.F., 116, 123, 153
Lauzen, M., 190, 209
Lazarsfeld, P.F., 25, 106, 112
Lebanon, 145, 195, 263
Lee, N.R., 250, 267
Lee, T.D., 134, 152
LEGACY (publication), 144, 262-264
Lesotho, 45-46
liberalization, 35, 52-53, 58
Libya, 117, 195
lifestyle, 49, 125, 144, 150, 218, 262-263
limited-time offers, 133
limiters, 251, 266
Lindenmann, W., 25, 54, 228, 237, 261, 267
LinkedIn, 35, 222-223, 234
Liverpool FC, 131
lobbying, 69-70, 77, 81, 118, 156

London Chamber of Commerce and Industry (LCCI), 37
London Transport System, 69
Lucinda Peach's CSR model, 168, 177
Luhmann, N. (see also Niklas Luhmann), 58, 83, 95
luxury services, 143-144, 263

M

Mad Men (TV Series), 25
Madame Figaro (Publication), 142
Magda Pieczka, 92, 94
magic bullet theory, 106
Magliveras, D.K., 38-40
'make a wish' foundation, 165, 167
Malta, 117-118
management communication, 119, 136, 149, 152, 186-187
managerial paradigms, 66, 80
managing public relations, 41, 91, 111, 152
Mantas, N., 40
Manufacturing Consent: The political economy of the mass media (publication), 20, 83
Marconi, (Guillermo), 31
Margaret Mead, 95
Margaret Thatcher, 33
Marina Dalglish Appeal, 131
Marketing, 25-26, 30, 32, 35, 37, 40, 42-43, 46, 48, 52-54, 72-74, 76, 81, 90, 96, 99, 102, 115-120, 125, 127-128, 130, 133, 135-137, 142-143, 145-146, 148-153, 164, 173-174, 195, 206, 222-223, 229-232, 237, 246, 252, 256-257, 260, 267
Marketing Excellence Award, 206
marketing management, 135
marketing mix, 32, 116, 119-120, 127-128, 135-136, 149-150, 152
Marshal McLuhan, 31
Marston, J., 245, 247, 265, 267
martial arts, 137
Maserati, 144
Masland, L., 193, 209
Mass Media Institute (IMME), 36-37
Massachusetts Institute of Technology (MIT), 20, 213
McChesney, R., 59, 83
McCombs, M.E., 59, 83, 107, 112
McDonalds, 223
McKee, K.B., 177
McQuail, D., 59, 83
media kit, 64, 80, 256
media monitoring, 43, 229, 261, 266
media reception, 61, 64, 80, 82
media relations, 26, 28, 33, 58-61, 64, 67, 71, 73-75, 77-80, 82, 92-93, 101, 107-108, 126, 142, 172, 207, 232, 234, 256, 261
media training, 201, 207-209
medium, 31, 52, 59
'medium is the message', 31, 52
mediated society, 107, 111
Mendelow, A., 251, 267
Mercedes, 144
metatheory, 107, 109

Michael Moore, 23
Michael Virardi, 223
Michalis Hadjiyiannis, 29
micro-narratives, 123, 149
microblogs, 224, 235-236
Middlesex University, 246
Miller, G.R., 90, 112
Milton Friedman, 160, 169, 177
Mindak, W., 26, 54, 135
Ministry of Education and Culture, 37
Mintzberg, H. (see also Henry Mintzberg), 244, 267
modernity, 50, 90-91, 109, 111
Moloney, K., 89-90, 112, 147, 153
Moncur, C., 86, 112
Moore, 213, 235, 237
Moore's law, 213, 235
Moore, G. (see Moore's Law), 237
moral philosophy, 94
Morgan Stanley Global Corporate Affairs, 192
Morozov, E., 217, 237
motivational offers, 133
Muckrakers, 23-24, 50-51
Murgolo-Poore, M., 68, 83
musical logotypes, 125, 150
Myria Ioannou, 260

N

name-calling, 148, 152
National Geographic Society of America, 159
National University of Athens, 229
Nazi, 22, 25, 157
Nazi Germany, 22, 157
Nazi propaganda, 25
Needham Harper Steers, 35
Negroponte, N. (see also Nicholas Negroponte), 213, 237
Nelson, R.A., 190, 209
Nessmann, K., 19, 54
netizens, 214-215, 224, 235-236
New Public Management (NPM), 69, 81
Newfoundland, 170
news conference, 61, 63-64, 79-80, 82
news release, 61-63, 79, 82, 256
newsletter, 28, 47, 58, 67-69, 81, 105, 145, 232, 242
Newspapers, 22, 35, 88, 124, 134-135, 165, 206, 214, 219, 228, 242
newsworthy, 59-60, 62, 75, 79-80, 182, 184, 193, 206, 216
Nicholas Negroponte (see also Negroponte, N.), 213
Nicoli, N., 26, 71, 83, 222, 237, 241, 267
Nike, 100
Niklas Luhmann (see also Luhmann, N), 58, 95
Nile, 21
Noam Chomsky (see also Chomsky, N.), 20
Noble, P., 228, 237
normative theory, 31, 52, 96
North American free trade agreement (NAFTA), 33
nursing homes, 70

O

O'Donnell, V., 147, 152
objectives, 17, 27-28, 30, 36, 42, 44-45, 49, 53, 57-58, 70, 72, 85, 87, 93, 104, 107, 110, 115, 119, 127, 130, 137-138, 143, 146, 155, 164, 171, 174, 181, 185, 190, 194-195, 198, 204, 206, 211, 218, 225-226, 231, 239, 241-245, 249-254, 256, 261-262, 264-267
occupy London, 156
Ogilvy Public Relations worldwide, 203
Olympic Games, 38
Oman, 195, 197
Omnicom, 35
online addiction, 216
opinion leaders, 58, 71, 82, 106-107, 110, 224, 251
opponents breakdown, 249
Orson Welles, 106
outcomes, 52, 66, 80, 103, 174, 228, 237, 261, 264
outputs, 228, 237, 261, 264
outtakes, 228, 237, 261
Oyster card, 69

P

Palmgreen, P., 103, 111
Panadol, 31, 124
Panos Tsirides, 229
Panteion University of Social and Political Science, 39
Papamichalakis, I., 38, 40
Paris Motor Show, 45
Partners Y&R, 65
Patterson, 158, 178
Patterson, P., 178
Paul Lazarsfeld, 25, 106
Pavlina-Kristina Iacovidou, 43
Pavlos Vanezis, 65
Payne study, 106
Peach, L., 168-169, 175, 177-178
peripheral route, 99-100, 110
Peristianis, N., 196, 198
Perloff, R.M., 101, 112
persuasion, 20-21, 42, 85-86, 89, 94-95, 97-98, 100, 103, 108-112, 127-128, 147-148, 151-152, 169
persuasion knowledge, 127-128, 151
PEST analysis, 248, 265
Peter Shankman, 35
Petty, R., 99, 112
Philip Kotler (see also Kotler, P), 26, 135
philosophy of science, 86
Phoenicians, 21
Piercy, M., 241, 267
pitch letter, 61-62, 73, 79
Pitt, L., 66, 83
planning strategy, 127, 135, 160, 174, 186, 189-190, 240-241, 243-244, 246, 248, 259, 264-265
Plato, 18, 38
political economy scholars of communication, 217, 236
Porsche, 43, 122, 144

Porsche Italia S.p.A., 43
Porter, M., 144, 241, 244-245, 262, 264, 267
post-crisis phase, 198, 202
post-industrial era, 31, 33, 35
postmodern, 59, 86, 89-91, 97, 111-112, 129, 149
postmodernity, 90-91, 105, 108-109, 123, 133
potential employees, 58, 71, 82
power / interest matrix, 251, 266
PR breakfast club, 35
PR campaign, 76, 100, 103, 171, 212, 225, 228, 246, 252, 256-257, 260
PR Effectiveness Yardstick, 228, 237
premiums, 133
presenter commercial, 125, 150
press agency, 23, 95, 109, 147
Press release, 24, 47, 51, 58, 62, 67, 74, 100, 126, 150, 161
Prestige Group, 143-146, 191, 262, 264
price-offs, 133
primetime, 116, 149
Principles of Marketing, 102, 135
Printing press, 22, 31, 50
producers, 108, 134, 215, 233, 251, 266
product (devices) convergence, 214
product convergence, 235
product placement, 116, 125, 127, 134, 152
Propaganda, 20-22, 25, 42, 86, 92-93, 112, 115, 117, 147-148, 152-153, 217
Proxenos, 38
public information, 24, 37, 51, 95, 109
public opinion, 21-25, 28, 51, 53, 59, 76, 79, 83, 93, 112, 156, 175, 214, 236
public perception, 159, 249, 265
public relations manager, 32, 74, 82, 117
public relations practitioner, 32, 43, 48, 60, 62, 65, 74-77, 82, 92, 117, 142, 193, 225, 228, 230
Public Relations Romanian Association (ARRP), 40
Public relations society of America, 25, 42, 54, 261
Public Relations Society of America (PRSA), 54, 261
public relations technician, 74, 82
public relations consultant, 77
public sphere, 59, 156, 176-178
Public-be-dammed era, 22, 50, 95, 147
Public-be-informed era, 51
publics, 20, 26-28, 30-31, 42, 49, 51-53, 58-59, 62, 70-72, 74, 76, 78-79, 82, 88-89, 95-97, 100-102, 105, 107, 117, 119, 126-127, 135-136, 142, 157, 159-160, 172, 175, 182-184, 186, 188-190, 193, 195, 198-199, 202, 205-208, 214-215, 221, 224, 226-229, 240-241, 245, 247-249, 251, 253-256, 260-261, 264-266
puffery, 127, 150
pull technologies, 221, 236
push technologies, 221, 236

Q

Qualman, E, 222, 237
Queen Margaret University, 92

R

RACE, 44, 158, 176, 245, 247, 265
Raiffeisen Bank, 48, 69
rank's persuasion model, 100, 110
Rank, H., 100, 110, 112
Raupp, J., 245, 249, 267
Raymond Bauer, 25
readability tests, 261
readers, 35, 47, 59, 62-63, 79, 98, 126, 144, 212, 214, 225, 262-263
recycling, 164-167, 169, 175
red herring, 148, 152
Regester, M., 189, 209
Reis, L., 70, 83
Reis, A., 70, 83
relationship management, 52, 119, 195, 202, 209, 260
relationship marketing, 119, 149
Repper, F.C., 111
reputation repair, 198, 201-205, 207-208
resourcing, 258, 266
restructure, 137, 141, 151
Return on investment (ROI), 25, 51, 76
rhetoric, 21, 92, 94, 98-99, 101, 109, 152, 169
Richard Branson (Sir), 130
Rickards, T., 66, 83
Rita Karatzia, 142
roadshow meeting, 68, 72, 80
Robber-barons, 23, 50
Rockland, D., 249, 267
Rokeach, M., 99, 112
Roman Catholic Church, 148
Romania, 40-41, 47-48, 69, 76, 96
Ronald Reagan, 33
Rothman, G., 99, 112
Rotos developers, 104-105
Royal Dutch Shell, 33
Russia, 44, 144-145, 263

S

S.C. Johnson & Son, 135
Sacred Congregation for the Propagation of the Faith, 148
sales promotions, 120, 127, 133
Saudi Arabia, 195
Sawyer, K., 66, 83
Schumpeter, J., 241, 265, 267
scoop, 64, 80, 201
Scotland, 92, 117
Seitel, F., 70, 83
Self-Regulating Organization, 142
self-defense, 137
Senatus populuskue romanus, 21
Seven C's (7C's) of communication, 26, 51
Sex and the City (TV Series), 42
Sha, B.L., 245, 267
Sharjah Suk, 195

Shaw, D.L., 59, 83, 107, 112
Sherif, M., 101, 112
Shultz, D.E., 116, 123, 153
Sigmund Freud, 25, 51, 89
Situation Analysis, 27, 44, 72, 87, 104, 130, 138, 143, 164, 171, 185, 194, 204, 218, 226, 231, 241-242, 245, 247-251, 254, 261-262, 265
slice of life, 125, 150
slideshare, 209, 224, 235
SMART objectives, 29, 35, 135, 235, 250-251, 261, 265-266
Smith, R., 241, 247-251, 256, 259, 264-265, 267
social activism, 159
social cohesions, 222, 236
social commerce, 222, 236
social community, 222, 224-225, 236
social enterprises, 20
social entertainment, 222, 236
social family, 231-233
social judgment theory, 101, 110
social media, 31-32, 35, 39, 60-61, 71, 76, 93, 105, 108, 116, 135, 141-142, 145, 156, 159, 190, 192, 202-203, 209, 211-212, 215, 222-227, 229-237, 247-249, 252, 254, 256-257, 260-261
social media marketing, 222, 231, 237
social publishing, 212, 214, 222, 224, 235
social science theories, 89, 109
Solomon, M., 222, 224, 235-237
Solon, 18, 21, 38, 49-50
Sophocleous, A., 36-37
SOS Children's villages, 44-47
source credibility theory, 101, 110
South Africa, 45-46, 132
South Korea, 216
Spain, 44
spokespersons, 60, 201, 208
sponsorships, 116, 127-133, 152, 252
stakeholder mapping, 251, 266
stakeholders, 20, 26, 51, 65, 68, 71, 73, 80-82, 88, 91, 102, 107, 119, 126, 136-137, 160, 163, 168-170, 173-175, 177, 184, 187-188, 192, 195, 198, 201-202, 226, 246, 251-253
Stanton, P.V., 200, 209
STATUS (publishing), 117, 144, 169, 185-186, 207, 249, 262-264
Stelios Ioannou, 194-195
Steve Jobs, 247
Steven Spielberg, 247
Stone, G.C., 95, 111
straight announcements, 125
strategic alignment, 136-137, 151
strategies, 25, 36, 40, 49, 53, 58, 60, 67-68, 71, 75, 83, 99, 119, 135, 141, 143, 146-147, 189, 191, 196, 209, 214, 225-226, 229, 239-240, 243, 248-249, 257, 263-265
strikes, 162, 192-193
structuralism, 89, 109
student unihall, 104
Sumerians, 21
Sung, Y., 134, 152
Sunstein, C.R., 258, 267

supplier relations, 73
surveys, 142, 190, 242, 261
sweatshops, 158, 176
SWOT analysis, 247-248, 265
systems theory, 88-89, 91, 95, 109, 111, 168
Szondi, G., 248, 267

T

tactic strategy and formation, 256
tactics, 28, 30, 41, 47, 57-58, 60-62, 64-65, 67-68, 71-72, 74, 77, 79-83, 86, 96, 100, 103, 105, 116, 119, 126-128, 133-134, 137, 141-142, 146-149, 165, 167, 175, 198, 220, 224-225, 228, 230, 233-234, 237, 239-241, 245-247, 249-250, 253, 255-256, 258-259, 261, 264, 266
Tae-Kwon-Do, 137
talking with Tom, 35
Tannenbaum, S.I., 116, 123, 153
Tao Papaioannou, 159
target group, 122, 127, 149-150, 204-205
Technorati, 230, 234
Telaccount Overseas Ltd., 173
telegraph, 31
Tench, R., 25, 54, 83, 168, 178, 209, 267
testimonial, 125, 150
Thaler, R.H., 258, 267
The committee on public information, 24, 51
The environmental protection agency (EPA), 170
The equal employment opportunity commission (EEOC), 170
The Fall of Advertising and the Rise of PR (publication, see Reis, L and Reis, A.), 70, 83
The Gallic wars, 50
The Hellenic Association of Public Relations Agencies, 38
The Journal of Public Relations, 96, 169
The Net Delusion: The Dark Side of Internet Freedom, (publication), 217, 237
The New York Times, 26
The Paul J. Deutschmann Award for Excellence in Research, 96
The Prestige Group Publications, 143-146, 191, 262
The publicity bureau, 23, 51
Theilmann, R., 248, 267
theories of persuasion, 98
theory of communicative action, 163, 176-177
Thomas Edison, 23
Three O's, 228, 261
Through-the-line (TTL), 151
Thucyclides, 38
Time magazine, 26
timeline, 21, 40, 258, 264, 266
timescales and resources, 258
Tom Harris, 135
Torches of Freedom Campaign, 25, 51
Toyota, 169
trade union, 33, 71, 136
traditional (analogue) advertising, 125
Trafalgar Square, 170
transit ads, 127

tree planting, 86
Tsangaras, G., 196, 198
Turkey, 44, 96, 195-196
Tuten, T., 222, 224, 235-237
Twingly, 230
twitter, 31, 35, 76, 105, 116, 123, 135, 142, 145, 157, 203, 215, 222-224, 231-232, 234, 236, 254, 257-258
two-step flow theory, 106, 110
two-step public, 59, 79
two-way asymmetrical, 95, 109, 111
two-way symmetrical, 31, 52, 95, 109
two-way symmetrical approach, 31, 52
Tylenol Murders (see also Johnson & Johnson), 31, 52, 192

U

UEFA, 128
UK, 25, 31, 33, 42-43, 52-53, 67, 86, 92, 102, 199, 223, 241, 257, 260, 267
union strikes, 162
United Arab Emirates, 195
universalism, 161
University of Arizona, 159
University of Bucharest, 48, 96
University of Girona, 92
University of Maryland, 26, 96
University of Nicosia, 36-37, 68, 104-105, 143, 159, 185, 188, 252
University of Quebec, 96
University of Salford, 199
University of Stirling, 117
University of Ulster, 92
University of Westminster, 223
urbanization, 22, 90
USA, 19, 22, 24-25, 31, 33, 67, 70, 134, 139, 159, 241
User-Generated Content (UGC), 53, 224
utilitarianism, 162, 176
Uzbekistan, 45-46

V

V+O Communication, 229
Van Loon, J., 58, 83
Van Riel, C.B.M., 119, 136, 149, 152-153
Vienna University, 60
Vignali, C., 244, 267
Vimeo, 224
viral, 125, 222, 224, 226-227, 234, 236-237
Virardi Enterprises Ltd., 223
Virgin Racing team, 130
Vivid Network, 257
Vranesevic, T., 244, 267
Vrontis, D., 244, 267

W

W. Phillips Davidson, 25
walking-the-floor, 68, 81
War of the Worlds(radio programme), 106
Watson, T., 228, 237
Web 1.0, 213-214, 235
Web 2.0, 214, 222, 235
weblogs, 212, 224, 235
Webster’s dictionary, 25
Webster, F., 212, 237
WEEE Cyprus for waste electrical and electronic equipment, 164
Weiner, M., 249, 267
Westinghouse Electronic Company, 23
White, J., 111, 124
Wilbur Scrhramm, 25
Wilcken, U., 21, 54
Wilcox D.L., 40-41, 63, 83
Wilkins, L., 158, 178
Wilton Confectioneries, 72, 74
Winseck, D., 212, 217, 237
wireless communication, 184
Witte, K., 103,112
Woodrow Wilson, 24, 51
Woods, R.H., Jr., 177
World Rally Championship (WRC), 131
WordPress, 234
World War One, 24-25
World War Two, 25, 33, 106, 126, 148

X

X-factor, 18
Xenophon, 38
Xu, F., 66, 83

Y

Yemen, 195
Yeomans, L., 25, 54, 67, 83, 267
Yong Jin, D., 212, 217, 237
YouTube, 47, 76, 108, 145, 165-166, 223-224, 226, 231-232, 235

Z

Ziegelmueller, G., 98, 112



chapter
01

What is Public Relations? History and Definitions



chapter
02

The Function and Profession of Public Relations



chapter
03

The Use of Theory in Public Relations



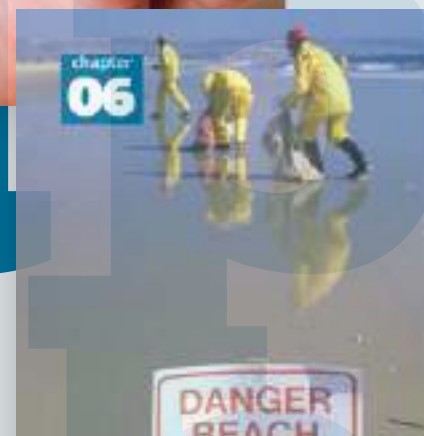
chapter
04

Public Relations and Other Forms of Corporate Communication: Marketing, Advertising, Integration, Propaganda



chapter
05

Public Relations, Ethics and Corporate Social Responsibility



chapter
06

Public Relations, Issues Management and Crisis Management



chapter
07

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