

The employee risk-takers -- intrapreneurs -- are highly charged, innovative mavericks who have little patience for bureaucracy. "But an organization's climate must be right for nurturing such an individual. If it isn't, the effort is bound to fail," says Lee Caudill, principal of TPF&C Cresap, McCormick & Paget division. She gives 7 key factors for nurturing them:

1. Belief that innovation is important to the organization's success.
2. Availability of high level "sponsors" who understand & will protect the intrapreneur, making sure he or she gets the resources needed.
3. Continual challenge to the intrapreneur -- achieving a delicate balance between praising current activities and pushing for even greater accomplishments.
4. Steady stream of "food for thought" -- problems to solve or the germs of ideas.
5. Good working relationship between the organization's staff & line operations; an intrapreneur will become frustrated if ideas get caught in a line-staff cross fire.
6. Policies that can be loosened or adapted to allow the intrapreneur some leeway.
7. Program to reward intrapreneurs for accomplishments that lead to organizational successes.

USEFUL ITEMS FOR PRACTITIONERS

New form of bio being used by Ketchum Public Relations "de-emphasizes the dry stuff and tries to insert a little color," explains John Paluszek. In his case, the bio highlights his belief that public relations has entered its Golden Age rather than the typical life history details. As it explains: "No doubt about it," he says. "Most American institutions have made the commitment to public relations, and it is taking root all over the world. Even the Russians called a press conference to explain their role in the tragic Korean Airline incident. The Russians!" Bio gives background info in a few short sentences and concludes with personal data: "Besides his family (a mini consumer panel consisting of his wife, Jean, and nine children -- three of whom are in pr) and his work, John loves books, baroque music and botany. And tennis, although he hasn't learned how to play it."

To get info from your members or employees, send them a response sheet that demands attention and provides writing space. PRSA Educators Section distributes an 8 1/2 x 11" sheet with attention-getting black border that accentuates the blank space in the middle -- it asks to be filled. The words "Take A Minute..." in large letters are printed at the top. Bottom explains what information is desired and where to send it.

WHO'S WHO IN PUBLIC RELATIONS

AWARDS. Kim Diahn Oakley (jr at UTenn, Knoxville) wins \$2,000 Paul M. Lund Undergraduate Scholarship sponsored by AT&T...Debra Eloise Dunbar (master's student, UOkla) receives Foundation's \$3,000 Rea W. Smith Grad Scholarship.

RETIREES. Paul W. Cane (vp, Bechtel Power, & mpr, Bechtel group of cos, SF) after 18 years.

DIED. John McCarty (vp-pa, Adolf Coors, Golden, Colo). Formerly with GE and Pepperdine U.

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PUBLIC RELATIONS IS THE MARKETING MIX: THE OLD "4 Ps"
GIVE WAY TO 3 MORE, INCLUDING THE ULTIMATE -- PERCEPTION

Today, relationships more than any other factor are what set an organization apart. Therefore, it becomes clear that marketing & public relations ought to be essentially the same thing. At the very least, they are expressions of the same philosophy -- the one that puts key publics and their needs & values first.

But somewhere along the line the idea was put forth that these terms have very different meanings. A review of tactics illustrates how the techniques fit together:

Marketing used to consist of the 4 Ps: 1) product (or service), 2) price, 3) place, 4) promotion (all forms, from advertising to publicity to point-of-purchase to merchandising to special events). Now there are 3 more Ps.

5. Packaging: Organizations realized there was another powerful way to differentiate themselves. Its slogan is, "If you can't improve the product, improve the package."

6. Positioning: Behavioral sciences became important. Differentiating product, package, price, etc. was not enough. It became clear we have to integrate everything offered our customers, & every relationship we have with all publics, so that we can position our organization in their minds -- and against others competing for this share-of-mind.

"Marketing Too Narrow" At this point of development, those working under the banner of marketing seemed to be riding high. But then something upset the applecart. Organizations with good products, competitively priced, well packaged & positioned, began to find that some competitors -- often those with less sophisticated application of some of the Ps -- were more successful.

How could this be? Evaluation studies showed there is another, and superior, P. One that overrides all the others:

The American Marketing Association sticks with the 4 Ps in its recently adopted definition: "Marketing is the process of planning and executing the conception [product], pricing, promotion & distribution [place] of ideas, goods & services to create exchanges that satisfy individual & organizational objectives." It includes the activities of nonprofit org's and the marketing of ideas, services, as well as products, according to AMA prez Stephen Brown.

But, as Edward L. Bernays says, modern public relations helps organizations adjust to the needs & demands of publics on which they depend for viability. What is the difference?



7. Perception: Regardless of the facts of the situation, how do customers perceive our organization compared to our competitors? Are we as friendly? Easy to understand? Open & participative? Socially responsible? Or are we so rigidly businesslike that we are perceived as 2nd choice, even though our other 6 Ps are fully competitive if not superior?

Coca Cola's number-crunching approach to satisfying customers led it astray. People's perceptions of everything about the product must be considered -- not just some new market research that indicates changes are desired.

Further evidence comes from the financial markets. Why didn't every saver/investor jump to the money market funds when they were hot a few years ago? Studies show that even though MMCs could offer 2-5 points more interest, large numbers of people preferred to keep their funds in local banks. They knew the staff there. They felt their money was safe there, whereas the original money markets were located in some far-off city. They also knew they could make withdrawals immediately if needed. And use their deposits as psychological leverage to get loans they might need. All of this is perception... and it proved more powerful than "facts," especially with average consumers.

That final P -- perception -- is the topic of a training session pictured on the cover of the July issue of United Telephone System's Midwest Messenger. Chalked on the blackboard within the photo is a message every public relations practitioner or marketer knows: "What the customer perceives to be true is always more important than what is true."

BERNAYS & COLLEAGUES START MOVE FOR LICENSING OF PRACTITIONERS

Acting on his long-held belief that more is needed than voluntary accreditation, Bernays sparked The Public Relations Committee For

Licensing & Registration. Goal is state licensing of practitioners. Bernays fostered the first such attempt in New York in the 30s.

No current practitioner would be affected due to a grandfather clause in the model law. In addition to setting professional standards & sanctions against malpractice, Bernays feels licensing will revolutionize the teaching of public relations and establish the term & its definition.

Others involved are Ted Baron (x-prez NYC/PRSA), Don Bates (x-PRSA staff), Paul Forbes (x-prez DC/PRSA), Frank LeBart (x-nat'l PRSA sec'y), Alan Scott (distinguished teacher, text book author). Also Fernando Valverde (x-prez, Puerto Rican PR Ass'n) who will attempt the first law.

AMERICAN EXPRESS' METHOD OF SOCIAL RESPONSIBILITY -- CALLED "CAUSE-RELATED MARKETING" -- TIES PHILANTHROPY TO PRODUCT USE

Along with donations generated from customer use of the American Express Card, program gives visibility to the

benefiting nonprofit organization. "This is one company's vision of how to mobilize private resources for public interest. We call this commonality of spirit and purpose 'social entrepreneurship,'" says chrm James Robinson.

AE began cause-related marketing in '81. Since then it has run programs within & outside the US. First program to involve the entire US raised \$1.7 million for the Statue of Liberty-Ellis Island Foundation during the last 3 months of '83.

Going Local. With its newest effort -- Project Hometown America -- AE expects to raise \$3 million. Each qualifying community program will be eligible for up to \$20,000, allowing funding for 150. Funds will be generated in the US, through the end of '85, by AE donating \$1 for each new charge card, 1¢ for each charged purchase, 1¢ for each Travelers Cheque purchase, \$1 for each travel package of \$500 or more (excluding airfare) purchased at an AE Vacation Store.

How To Be Included. Coalitions of groups & individuals may submit proposals for funding. Preference will be given to those that involve: 1) new people participating in community service; 2) coalitions of previously unrelated groups; 3) new ideas & approaches to problems; 4) plans to raise public awareness of community problems; 5) new ways to involve the private sector.

Awareness Itself Important. While funding is important, prez Louis Gerstner stresses AE's "most important contribution" -- raising public awareness. "We believe that awareness is the first step to action, and that widespread knowledge of problems is itself catalytic to their solution." A multimillion-dollar advertising campaign in major national print & broadcast media is planned.

Exponential Growth For Beneficiaries. Besides generating goodwill, cause-related promotions have had catalytic effects. Local donations to each cause increased even after the promotion ended: a) an AE program brought a \$25,000 increase in ticket revenues for the San Jose Symphony -- and \$107,000 in additional corporate grants; b) several prominent Pittsburgh biz leaders who learned of the Pittsburgh Center for the Arts thru AE's campaign, now serve on its board; c) in Spain, 1 of 9 countries where Olympic teams were benefited by cause-related marketing, other businesses followed suit, swelling the Olympians' fund to 6 times the total raised by AE.

Growth For AE. On average, cardmember charges are 30% higher during cause-related promotions compared to the corresponding period the previous year. "The program works. At first we didn't know whether we'd found a new way to help our business or just an interesting formula for giving money away. It's both. We're doing good deeds and we're pleased with the commercial results," says Gerstner.

SUPPORTING INTRAPRENEURS CAN GAIN ORGANIZATIONAL ADVANCEMENT, BENEFIT CORPORATE CULTURE

Organizations that want to encourage risk-taking among their employees need a special environment. One that challenges the accepted way of doing things, nurtures creative sparks, has management backing and doesn't withdraw at failure. These organizations are leaders -- extending the boundary of their services in atypical ways, backing their employees' ideas for new ventures, etc.

Other companies have joined the cause-related marketing bandwagon. According to the Wall Street Journal, Nabisco Brands is offering to send its Almost Home cookies to homesick members of the armed forces; General Foods' promotions of Tang will benefit Mothers Against Drunk Driving, and Maxwell House Coffee, muscular dystrophy; Oscar Mayer coupons are being redeemed to support the Statue of Liberty restoration.

"We could reach the point where cause-related marketing will come off as me-too and self-serving. Companies will have to work harder to be distinctive," says Richard Barrett, prez, Glendinning Assocs, a consulting firm.

Adapted from

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