

appeal to Belongers. "Look for the highest zip code concentrations of Belongers when picking a spot to open a new hardware store."

"Combining VALS & geodemographics (ACORN, ClusterPlus, VISION, PRISM) helps determine not just to whom you should send your message (and constructing it accordingly) but exactly where to target it. It's a win situation!" (For further info, contact SRI International, 333 Ravenswood Avenue, Menlo Park, Calif 94025; 415-859-3882)

SURVEY ON PUBLIC'S RESPONSE
TO CHARITY REVEALS KEY ROLE
OF PUBLIC RELATIONS TECHNIQUES

When it comes to donations, people respond to "objective sources" more than direct solicitations from charities. That from a Roper survey for the National Charities Information Bureau (NYC). "When contributing to a charity, people rely heavily on mass media for info," Ken Albrecht, NCIB pres told prr. "3/4 of contributors seek info from magazines, newspapers, tv or radio before deciding to contribute to a charity. Almost half consult friends & relatives."

Study involved face-to-face interviews with 1,982 adults across the US. Other findings:

1. 47% of the public does not contribute to any charity -- other than parish or synagogue. Of those who do contribute, half give to only 1 or 2 charities.
2. Proportions of men and women contributors are almost the same. "The prevailing misconception is that women give more money, but they actually give equal amounts. 53% of the women report giving, 52% of the men."
3. While high incomers are most likely to give -- 73% of those making over \$35,000 -- substantial numbers in all demographic groups contribute, e.g. 1/3 of those making less than \$15,000.
4. Most contributors are the middle aged (61%/45-59) followed by young adults (59%/30-44). Giving drops to 54% from people 60 or more, but as age increases, so does the tendency to give to more charities.
5. The West spawns the most givers, 57%, followed by 56% in the Northeast. In the Midwest, 54% give. The South finishes last with 46%. (More info from NCIB, 19 Union Square West, New York, NY 10003-3395.)

Styming contributions is public concern about the legitimacy of charities. 3 in 4 have difficulty in discerning whether or not a charity is sound. People also wonder about the dispersement of funds -- how much goes to administration, management, fundraising, etc. & how much to actual programs?

ITEM OF INTEREST TO PROFESSIONALS

¶Census forecasts show aging of population in a useful way for practitioners. Median age will go up 7 1/3 years to 39 by 2010. Was 28 in 60s, now mid-30 range. So when thinking of an adult public, just remember most of them now are 40 or older -- since median is point at which half are below, half above, and when you remove the children from that equation you're left with a group that probably doesn't listen to hard rock.

pr reporter

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KEY JOBS FOR PR NOW: 1) HELPING ORGANIZATIONS & PUBLICS FACE FACTS ABOUT HARSH REALITIES OF CHANGING SOCIOECONOMY, 2) STIMULATING PRODUCTIVITY IMPROVEMENT, 3) HELPING CEOs LIFT EYES ABOVE BOTTOM LINE

Both US & Canada just suffered thru elections -- but did candidates even mention that middle & upper income jobs are declining & will continue to drop 'til at least the late 1990s? That average US family income fell 10% over the past decade? That the only group whose income didn't fall was the rich? And more critically, that this will have sharp impact on a) social issues, b) purchasing decisions, c) worker morale?

Yet these facts are well documented. Here's another blockbuster from future-researcher David Pearce Snyder:

¶Large cities are 1) an obsolete social technology & 2) diseconomies of scale once population exceeds 350,000. "Our cities are dying because we don't need them anymore." They arose because armies of workers were needed in a central location to run massive manufacturing plants. That need has passed -- with manufacturers now "greenfielding," placing factories (which require few workers due to automation) in rural locations like Smyrna, Tenn.

¶As a result, cities require huge subsidies to keep this way of life going -- as does farming. Agricultural subsidies, says Snyder, now \$17B a year, are really for that purpose, not because we need the food production.

¶In 1970, 65% of all jobs were middle or upper income. By mid-1990s, only 45% will be. During this period

We hate to face up! One candidate did cover these issues: Jesse Jackson. Which explains his popularity among those who understood (often thru bitter experience). Mondale talked about these issues in '84; Reagan labeled him a complainer & voters turned away from him. Other problematic examples:

1. Snyder calls Reagan's years "the second Hoover administration" referring to that administration's refusal to face up to the Depression. Reagan dazzled us with acceptable perceptions about "making America great again," but the facts are ascertainable in the trade deficit, budget deficit, homelessness, fire sale of corporate assets & real estate to overseas buyers, inability of average family to buy a home at today's prices.

2. Wall Street ignored the warnings of many, including a widely touted J.K. Galbraith Atlantic article (pr 1/19/87), that Black Monday was inevitable based on economic & psychological reality.

3. Columnist Nat Hentoff reports the nearly all-minority attendance realities of NYC schools -- which he labels "the reversal of Brown v. Board of Education" -- brought an outcry from state education officials when a task force appointed by them dared to state the facts. Dual education standards are reported in most major cities.



educational levels rose & with them expectations. Will today's empowered citizens sit still while their share of both the economic pie & fulfilling work lives falls apart? (Remember, in public opinion terms, 20% is critical mass.)

Snyder's Conclusion Excellence means keeping the system going in the right direction, not just doing a good job in today's terms. Thus pr's major role is getting others to learn & face the facts.

Productivity Improvement The dominant economic imperative today. Attainable in 2 ways: 1) investment in productivity-enhancing capital goods, e.g. robots & computers; 2) commitment to productivity-enhancing workplace relationships, e.g. quality circles or teamwork, thruout all types of organizations. "Tidal wave of foreign competition" makes this essential. But it is also driven by the technological possibilities. 80% of unskilled labor was squeezed out of the US labor force between 1950-80 by new tech.

Nevertheless, workplace enhancements are the major opportunity. Since technological advances are available to all nations, they are not the way to compete. This is a clear mandate to build internal relationships. But the environment described at the beginning of this article outlines the challenge.

The big number to watch, advises international expert John Stoessinger, is the trade deficit. It is released every month. And its message is "buy American" -- and that demands better quality products & reinvigorating the work ethic. "In this public relations has a pivotal role to play."

John Budd's Views On CEO Trends "The CEOs of the 90s will be forced to raise their eyes from the bottom line" feels the 1988 PRSA Gold Anvil recipient. Why? "Casino auction" mentality of Wall Street threatens the free market system. Congress & the public are realizing this. Idea that things which can't be measured or quantified aren't important leads to one-dimensional thinking.

But "business does not exist outside of society. It is a major player in societal change." CEOs cannot ultimately duck this fact.

"Who will guide tomorrow's CEO thru these unfamiliar surroundings? Myopic MBAs? Doctrinaire lawyers? The cyphers of the accounting profession? This is a calling that is ours to fill...the confluence of forces creates an environment tailor-made to our aptitudes, our skills & our ambitions!"

WATCH OUT: TAX RATES RISE FOR PR FIRMS Effective 12/87, the US income tax rate for personal services corporations became 34% -- regardless of the amount of income. Affected disciplines include: performing arts, law, engineering, actuarial science, architecture, health, consulting -- which means pr firms. Code Section 11-B-2: "...denies personal services corporations the benefit of graduated corporate rates of retained earnings." All part of new tax law enacted by Congress in '86.

"They used to receive a graduated rate -- 15% on the first \$50,000 (of profit), 25% on the next \$25,000, but now it's just the flat 34%," an IRS spokeswoman told pr.

Tho some practitioners commend the new laws, which lower the max tax rate from 46%, as a plus to pr (pr 10/18/86), attention must be paid to the plight of the small to mid-size practitioner. Will smaller organizations, ESOP arrangements, family businesses, etc. be trampled while the larger corporations are unscathed? "That's very possible. Corporations in which stock is owned by outsiders will not be subject to this code," says the IRS.

Personal service corporations are those in which the stockholders are employees, former employees, or the estates of employees. One out is to become a Subchapter S corporation under IRS rules.

VALS LINKS GEODEMOGRAPHICS, PSYCHOGRAPHICS TO AID IN SUPERTARGETING "VALS TYPES"

Values, Attitudes & LifeStyles is a research technique that divides publics into 9 segments based on needs, wants, motivations & beliefs (pr 9/20/82). Developed by SRI International, VALS now enlists segmentation systems which cluster US neighborhoods according to demographic, geographic & socioeconomic characteristics of households. According to John Garrett of SRI, linking "geodemographics" and "psychographics" insures exactitude in finding target publics.

Garrett illustrates how VALS can benefit the practitioner:

Direct Mail: Garrett says an individual's VALS type determines how he or she will respond to appeals. "Achievers take responsibility for their lives and admire others who do the same." They are, therefore, less likely to respond to tear-jerking techniques, would be more sympathetic to a "help them help themselves" approach.

Crisis Management: "If you must make a statement to the community, it's critical that you know what VALS type you're addressing." Achievers may not be as bothered by a plant evacuation if it does not directly affect them, while Societally Conscious types will be "up in arms." "Before

communicating to the public, you must ask yourself if you're talking to Belongers from Macon, Ga. or Societally Conscious from New England."

Strategic Planning: "For example, if you're counseling an expanding business, VALS can help choose a location abundant with people who will respond to you -- whether its for employees or customers. As a basic example, hardware stores

Two geodemographic systems are used to locate exact VALS types: 1) the more general Area of Dominant Influence method, 2) the sharply focused zip coding technique. "If you're trying to reach 'Societally Conscious' types, ADI will tell you Washington, DC is heavily populated with this VALS segment," Garrett told pr. But while Georgetown is packed with Societally Conscious & Experienceals, poor parts of D.C. contain Sustainers & Survivors, wealthy sections are full of Achievers, & rural Maryland & Virginia suburbs have many Belongers. Zip coding, which splinters the population into segments of no more than a few hundred residences, is therefore the more exact of the 2 systems.