

per ticket to get \$1 million flight insurance. If one perceives there might be an accident, this seems cheap.

The facts: there are over 4,000 scheduled airline flights daily in North America alone. That's nearly 1 1/2-million flights a year. In a very bad year there are maybe 6 crashes. But people rationalize that statistics notwithstanding, if they were in a crash it's certain death. Ergo 13 bucks is a bargain. The question is perceived value: what do I get for the money, actually & psychologically. As sales guru Elmer Wheeler put it years ago, "Sell the sizzle, not the steak."

2. Pictures vs. words. Lesly Stahl's epitomic incident from the '84 presidential race was rehashed this time around -- rightly. She tells of realizing Reagan's campaign claims were often at odds with what his administration had done in its first 4 years. So she did a long piece (by tv standards) exposing this deceit. There was footage of the president with senior citizens, then she told how attacks on programs for them had been made. Ditto with the handicapped, the cities, etc.

Arriving at work next day, she was met with a call from the White House. "I'm going to get it now," she thought. But the caller from the campaign staff lavishly praised the extensive coverage. "But I called your bluff, I showed what you were saying isn't true," she protested. "Those were the words, the voiceover," said the caller. "Nobody gets that. What voters came away with was Reagan with seniors, Reagan with families, Reagan in the inner city, Reagan with the handicapped."

USE OF 2-WAY GLASS IN FOCUS GROUPS: ETHICAL?

Focus groups proliferate despite warnings they are severely limited as a trustworthy research method.

Many are conducted in special rooms with representatives of the sponsors looking on thru 2-way glass. Whether participants are told of this spying is unclear -- but doubtful. While such conduct "feels" not quite ethical, some defend it on the grounds it provides untainted data (the ends justify the means?). Here's what ethics codes say:

IAAPOR (American Ass'n of Public Opinion Research): "Unless the respondent waives confidentiality for specified uses, we shall hold as privileged & confidential all information that might identify a respondent with his or her responses."

IPRSA (uniform code of North American PR Council): "A member shall exemplify high standards of honesty & integrity while carrying out dual obligations to a client or employer and to the democratic process." Also: "A member shall deal fairly with the public...." And again: "A member shall not engage in any practice which has the purpose of corrupting the integrity of channels of communication...."

Since ethics is ultimately pragmatic, the bigger fear may be that a focus group could backfire when someone discovers the peeping toms -- thus putting the sponsors' & researchers' overall trust & credibility in doubt.

pr reporter

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CANADA-U.S. TRADE AGREEMENT: WHAT DOES IT MEAN FOR PR? DESPITE MOOT FLAP OVER REGULATING JOURNALISTS, OPPORTUNITIES ABOUND

US-Canada Trade Agreement still ignites controversy -- especially on the northern side of the border, where some folks fear the pact harbingers the disintegration of Canadian identity. Journalists in both countries, however, dread a provision requiring reporters to have a college degree + 3 yrs experience before getting a work permit to cover news events across the border. Freedom Watch columnist John Rutherford, in the Indianapolis News, says this "assumes the right of gov't to decide who can be considered a journalist -- despite the First Amendment. Since some of pr is lumped under the umbrella of communication, what are the implications for the practitioner?

The downside is management consultants, technical writers & journalists are classed as "professionals" while pr practitioners, advertising personnel, researchers & "trade fair & promotional personnel" are mere business persons." The upside is business persons needn't obtain an employment authorization to work in Canada or "be provided confirming documentation" in the US -- which professionals must do. Requirements are also imposed on management consultants (baccalaureate or "equivalent professional experience" -- the definition of which is to be developed).

Eric Cunningham, pres OEB International (Toronto), believes practitioners have reason to celebrate. "Canada & the US have the largest trade relationship in the world -- \$265 billion per year. More than Japan & Great Britain, Canada is America's largest trading partner. The trade agreement strengthens that relationship."

OPPORTUNITIES FOR PR ABOUND

Geographic, cultural diversity will require public relations. "We can help clients find their way around eachother's markets." Cunningham says getting acquainted will be a big pr theme & American clients will be especially needy. "Canadians have the edge on this. They know a great deal about America. It's understandable that Americans don't know a lot about Sweden, Iran, or Abu Dhabi,

"Not to worry," Mike Patton, ed Toronto Sun told prr. "There has been some fuss made by journalists who habitually make fusses about everything. All the provision does is attempt to define 'journalist.' It will keep a lot of people who really are not journalists from bouncing into the country."

"It will actually make it easier for established journalists," adds Brian Watson, Canadian consul (Boston). And besides, John Crosby, Administrator of Int'l Trade (Ottawa) says, "Journalists need not worry." The clear implication is he won't enforce that provision.



but the US & Canada have the largest border in the world! The US must shed its introspective focus."

Bigger forum. "When a Canadian practitioner sees a saturated market in this country, s/he can look southward to a market 10 times bigger!" Also, international business could thrive. "I think Canada will provide a gateway for the US. Canada has good relationships with France, Great Britain & India. As for Canadians, we have product expertise we wish to take to the Pacific Rim -- South Korea looks particularly exciting. Also, new opportunities will exist for Quebec & Ontario as entering points into the US."

Reasonable, unrestricted access between counselors & clients. "There is a lot of across-the-border business in pr."

Freed-up-trade will need more pr. "At present, 80% of goods & services moves freely, without tariff barriers. Now business can enjoy trading that outstanding 20%."

Canadian businesses must be taught to increase productivity. "US is geared to produce on a unit basis that is 20x what Canada produces on a unit basis. One beer plant in Ohio could flood our entire market. Canadians must be more productive. PR must teach Canadian businesses that the roots of productivity lie in better employee communication."

Challenges:

1. America must acknowledge Canada as primary partner. Cunningham advises America to look first to Canada for trade rather than the rest of the world. "Remember your best customer. You can spend a lot of money & time chasing markets on the Pacific Rim, but the largest client you have is Canada."
2. Currency & taxes will present problems. "In Canada, the tax infrastructure is different. Even within the country, there is uneven tax distribution. Quebec & Ontario are like night & day."
4. Patience is necessary for the agreement to succeed. "There is bound to be some business fatalities, but over the long haul, there will be great opportunities for both countries."

"The unification of Europe will foster an even larger consumer market than Canada-US," Cunningham concludes. "We would be ill-advised to become protectionist. We should be a partnership."

SELF INTEREST DICTATES PUBLIC'S ATTITUDE TOWARD BUSINESS, STUDY FINDS; CORPORATIONS NECESSARY BUT NOT TRUSTED

According to a current Opinion Research Corp study, the public believes: a) large companies are too powerful (66%); b) business will do anything for profit (55%); c) including sell defective products (47%). During interviews with a random sample of 1,007 adults, these issues prompted uniform responses irrespective of education & income. Even the most schooled & affluent among them expressed distrust of major corporations.

Despite suspicions, however, respondents find Corporate America essential for economic growth & hesitate to adopt regulation, anti-trust policies, or active

union movements. The reason for this dichotomy, according to ORC, is that attitudes toward business are shaped by the person's bottom line -- "What does it do for me?"

Attitudes toward unions indicates how public opinion is guided by self interest. Differences according to demographic groups are great. Altho 61% believe unions are too powerful, more favor (50%) than oppose (41%) federal action to facilitate unionization of workers. Most earning below \$25,000/ year are pro-union while those earning more are not. Blacks (87%) are twice as likely as whites (44%) to favor easy unionization, as are youth, singles, & members of female-headed households. Tho most blacks favor unionization, 51% feel unions have too much power. This leads ORC to propose "lower income groups support a pro-union policy not because they trust unions, but because they see unions as a vehicle for economic advancement."

"People's attitude toward business is shaped by a calculation of their own self interest," says pres Andrew Brown. "Altho ORC has proven in previous studies that individual corporations can win trust thru vigorous pr campaigns (pr 9/26), it's not automatically transferred to the business community. To gain support, Corporate America must convince people pro-business policies will produce benefits for them."

A similar pattern emerges regarding:

1. legislation which affects business. Despite their suspicions, people balk at tighter federal laws on business & action to break up large companies. An '87 ORC study revealed 78% believe gov't regulations on business should not impair international competitiveness. If regulation means diminished economic growth, public is unwilling to pay price.
2. public policies, perceptions of which are formed by framing of issues. Regarding local development: 68% believe state & local gov't should offer tax abatements, incentives to large companies to attract them to the community (more jobs); but 72% want local businesses to pay for infrastructure improvements -- public will favor hiking biz taxes if they see policy in terms of roads, sewers, etc.

"The large corporation is an institution that is unloved by the American people," says Brown. "However, business can rally popular support for its positions if it can show a pay off for the average person. Establishing a community of interest with the public may be more effective than winning its affection."

PERCEPTION OVER FACT: 2 SUPREME EXAMPLES TO USE IN PERSUADING MANAGEMENT

"Just get the facts out" say execs ignorant of the realities of public relations practice. If you're keeping a file of cases to prove the power of perception over fact, here are two additions:

1. Perceived value vs. cost. Credit cards that automatically offer flight insurance whenever a plane ticket is purchased must make fat profit. They have constant direct mail pitches for the service, anyway. American Express reports half a million enrollees among gold card holders alone. Cost is \$13