

McDONALD'S USES BOOK TO IMPROVE ITS REPUTATION IN FRANCE; BUT WILL FACTS OVERCOME PERCEPTIONS?

McDonald's France has decided to acknowledge what its critics have been saying and to answer them by publishing a book, *McDonald's Se Met a Table* (McDonald's Turns the Tables). Communicating one's troubles to the public is not always a sound strategy – more people than before become aware of criticisms and actions taken by some protesters. But incidents had already received wide coverage. One is the destruction of a restaurant under construction in the central French city of Millau in August 1999 by a left-leaning farm organization; another is the bombing of an outlet in the western region of Brittany in mid-2000, killing a young manager. McDonald's risks more customers learning that unions accuse it of exploiting its workforce of 35,000, composed largely of youth and ethnic minorities.

McDonald's France president Denis Hennequin and his two managing directors, Jean-Pierre Petit and Philippe Labbe, authored the book for the purpose of setting the record straight. They seek to explain why consumers flock to the chain while French opponents of globalization roast it over the coals. In their 110-page book, they defend the quality of its food, the company's role as a major player in the French economy and its commitment to good employee relations. The time has come to say enough is enough, the trio said. They stated, "Like any company, we are exposed to the problems of society, to the problems of change, to the problems of employment. And so it is in this context that we should know how to make our brand liked, beyond prejudice, rancor and partisan interests."

The book augments other crisis management and institutional communications operations of Havas Advertising-owned Euro RSCG Corporate, Paris. One of its campaigns focused on the "Made in France" logo, aimed at informing consumers that the brand may be American, but the products served in France's 750 McDonald's outlets are 100% French.

ITEMS OF INTEREST TO PROFESSIONALS

¶ **How Organizations Respond To Job Hunters Can Build Good – Or Bad – PR.** Current increase in unemployment means more job hunters. Consider not just your department but how your entire organization responds to job seekers. Trends reported in the *Boston Globe* show that many are not acknowledging a) incoming resumes or b) if the job has been filled. Responses that do occur are being sent increasingly by email – a real cost savings. But some companies understand the importance of responding courteously to a candidate. *Yankee Magazine* sends *personalized letters* of rejection because "it reflects on us as a company," *Yankee's* vp of hr told the *Globe*.

¶ **A Belated Recognition Of Richard A. Armstrong, Former Head Of The Public Affairs Council, Who Died In Early May At The Age Of 75.** No history of corporate public affairs is complete without reference to his enormous success in urging business to become an active participant in the political process. Four presidents – Ronald Reagan, Jimmy Carter, Gerald Ford and Richard Nixon – have recognized his efforts. Dick Armstrong headed the Public Affairs Council from 1958 until his retirement in 1988. As Douglas Pinkham, president of the Council, declared: "When people talk about the real giants of corporate public affairs, Dick Armstrong's name is always at the top of the list. He understood that a public affairs executive has to be a strategist, an advocate, a communicator and a student of human experience – all rolled into one person. Without Dick Armstrong, there would be no Public Affairs Council." We at *pr reporter* have often quoted him; for example, when he defined issues management as "the process by which the corporation can identify and evaluate those governmental and societal issues that may impact significantly on it. The issues can then be assigned priorities for appropriate corporate response."

TRUST IS ERODING THROUGHOUT OUR CULTURE; PR MUST SPOT IT – STOP IT – REBUILD IT

Admit it. Every morning as we read about the woes of Enron, Andersen, Tyco, we all say a small prayer under our breath – "thank God it's not us." But could it be? More and more, trust in our organizations is being hammered and stakeholders are waiting for the next shoe to drop. Their antennae are out; they're looking for any sign they can see to save themselves before financial loss.

Media focus on trust has increased by more than 20% in 2002, according to the Golin/Harris TrustPulse review of press coverage in 12 of the most influential and popular news publications – *Business Week*, *Chicago Tribune*, *Forbes*, *Fortune*, *LATimes*, *NYTimes*, *Newsweek*, *Time Magazine*, *USA Today*, *US News & World Report*, *Wall Street Journal* and *Washington Post*. In May 2002, over 900 articles mentioned trust, a 23% increase over May 2001. April 2002 trust coverage was up 18% over last year; January through March 2002 it was up 14% compared to a year ago. Other surveys echo these findings:

- Golin/Harris's recent benchmark survey of more than 700 Americans, "Trust in American Business," found that **69% of Americans say there is a crisis of trust and confidence** in the way we do business in America.
- Brookings Institute research concludes, "**Public trust in the federal government**, which rose significantly after September 11, **has fallen back almost to pre 9/11 levels**. As confidence in government leaders goes down, so does trust in government."

EXAMINE YOUR OWN ORGANIZATION

"Maybe we need to step back and take an honest look at what is happening – not at

Enron or Andersen – but in our own organizations. Maybe we need to examine our current practices, come clean with our employees, customers, suppliers and shareholders," says Ian Percy, business speaker & author and co-founder of Visionary Oasis that provides resources for competitive supremacy. He sees the problem as deeper than financials. "I think it is a spiritual problem. Companies all across America are literally selling their souls for another day of life or for another point in profit margin." Percy suggests **seven signals that the corporate soul is doomed** – or, at the very least, in jeopardy:

1. **You have the phrase "shareholder value" in your mission statement.** If this is the main reason your business exists, consider expanding into pornography and drug trafficking. That's where the real money is. Your shareholders will love you! Am I against great return on investment? Of course not. Find your "higher purpose" as a company and you won't have to worry about shareholder value.

2. **There is graffiti on the “Our People Are Our Greatest Resource” poster.** At the first sign of economic stress what is the first thing most companies do? Cancel exec golf club memberships? Nope. Sell one of the buildings? Are you crazy? Sell off the people – it’s fast and it’s easy. The only trouble is they take spirit with them leaving you with an empty shell of a company.
3. **Executive bonuses go up when the actual performance of the company goes down.** It’s usually justified by “it could have been worse.” I’ve got an idea – the worse the performance and productivity of each employee, the more you pay them too!
4. **Your boss tells you how wonderful everything is a little too often.** We all know that when our boss swears to us that there will be absolutely no more layoffs – that’s the signal to start packing. If things really are going fine, people will feel it.
5. **The company’s recent advertising campaign becomes an inside joke.** When the ad says every customer is important while they can’t even get a real person on the phone – people will equate your advertising to bull excrement. When the promotion brags about product quality and you know you are shipping junk, there will ultimately be a price to pay.
6. **The finance department works through the night to get ready for the bank meeting.** If they are doing their job properly, why would they need to do that?
7. **You increasingly drive into work asking yourself, “Why am I doing this?”** When we lose sight of purpose, we lose sight of everything – including our values. This is why you hear the concepts of “vision” and “values” in the same phrase so often. They go hand in hand. Without purpose you begin to die, economically and, more sadly, spiritually.

“Do all you can to avoid this slippery slope. Business is tough, but this is not the way to gain competitive advantage. Go to whatever pain and expense you must to keep and ensure the trust of your customers, employees, investors and vendors. Do what is right and you will lack for nothing,” advises Percy. (More from him at ian@ianpercy.com, 877-502-3898)

COMMUNICATION THEORY EXPLAINS WHY GOVERNMENT’S ANTI - DRUG ADVERTISING CAMPAIGN FAILED

The lead story in [pr 6/3](#) reported the failure of the fed-backed message campaign aimed at keeping kids off drugs from the perspective of the nonprofit Common Sense for Drug Policy. John Walters, who became head of the U.S. Office of National Drug Control Policy (ONDCP) earlier this year, concurs. Government statistics show that teenagers see anti-drug ads 2.7 times a week, yet 54% try drugs before they graduate from high school. Walters fears that the program may even have encouraged some youngsters to experiment with one drug, marijuana. Almost a billion dollars (\$929 million) of mostly taxpayers’ money has been spent in the five-year-old program. A total of 212 tv commercials were produced, using a variety of themes.

The latest theme, as reported in [pr 6/3](#), links drug use to terrorism. One ad says, “I helped a bomber get a fake passport. All the kids do it.” Jennifer de Vallance, spokeswoman for ONDCP, explains, “These ads take a broader perspective” and that youngsters “do appreciate the concept of social responsibility.”

The strategy is to usher in a new “period of personal responsibility,” moving away from “if it feels good, do it.” This explanation is appealing to some politicians and leaders who yearn for an age of morals, says Janelle Brown in an article, “Saying No to Propaganda,” in the *Spectator Raleigh*. She sees the Bush administration using the War on Drugs “to push a broad and moralistic political agenda while overlooking community-based approaches to drug abuse.” But de Vallance mentions focus group results in support of the terrorist theme: 70% of youths say the ads would deter them from trying drugs. Others caution that their responses don’t so much indicate intentions about drug use as wanting publicly to appear to conform to society’s values.

INSIGHT FROM COMMUNICATION THEORY

1. **Remember the hierarchy of effects** – that there are four levels of effects: awareness, understanding, attitude change and behavioral change. As Robert Hornik, Annenberg School professor and the scientific director of the report, says, “We’re seeing lots of reports of exposure [awareness],” but “we haven’t seen any real change over time, and no real association between exposure and outcomes [behavior].” He restates the familiar communication theory finding, “although there is some evidence that mass media campaigns can be successful, **most studies evaluating mass media campaigns have found little or no effect.**” In other words, advertising by itself is unlikely to affect behavior when the message is more complicated than urging people to switch product purchases from brand A to brand B. A broader principle: *Information does not necessarily change attitudes.*
2. **Take the psychological characteristics of human beings – youths, in this case – into account.** In a seminal article, “*Some Reasons Why Information Campaigns Fail*,” Herbert Hyman and Paul Sheatsley remind us of the importance of motivation. The audience we seek to influence must be interested in what we are saying. *Some of the themes, like the social responsibility one, will appeal to those who don’t use drugs, not those who do.*
3. **Don’t use excessive fear appeals.** Mark DiMassimo, CEO of DiMassimo Advertising (and the creator of a series of Ecstasy ads for the Partnership for a Drug-Free America) says the biggest mistake is when the ads “overstate the danger” of drugs. “Kids believe anti-drug people are stiff, uptight, over-nervous parental-type figures, and when you overdo it you play into that side of the brand.” He says kids know perfectly well that drugs are fun and there is little point in trying to tell them otherwise. The best kind of ad says, “no one says pot will kill you but that there are better things to be than a burnout.”
4. **Use the language of the audience, but don’t overdo it.** DiMassimo describes the traditional approach of ad agencies as “going to hang out with teens, learn about them and then coming back with details in their language, like a cultural anthropologist.” But the ads that try to be “cool” are the ones that will be received most skeptically, he believes. Those ads then appear to have been made by out-of-touch authorities that have no idea how kids dress, talk or dance.
5. **Work with partners to achieve results.** One of the announced differences between this anti-drug campaign and others is that it includes a series of public/private partnerships. Among them are the National Education Association, Dads and Daughters, and the YMCA of the USA. But these partnerships appear to be used more to disseminate information than to involve youths in interactive programs. Community organizations have a major role to play to extend awareness of the drug program to actual behavioral change.