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## POOR SERVICE, TREATMENT OF CUSTOMERS IS A PUBLIC RELATIONS FAILURE; BLAMING IT ON OTHER DEPARTMENTS WON'T WORK FOR PR PRACTITIONERS

Organization after organization that spends a bundle on publicity, promotion or advertising shows this is only words. In deeds -- customer service & treating people with respect -- they reveal far different attitudes. Retail & travel industries are most criticized but hospitals, utilities, insurance & even education are often just as culpable.

Because relationships & reputations -- "images" if you must -- are far more affected by actions than messages, practitioners cannot duck responsibility for dealing with the situation. As Emerson said, "What we do speaks so loudly no one can hear what we say."

How Wide Spread Time mag put serv-  
Is The Problem? ice failure on its  
cover February 2.

Chain Store Age devoted its January issue to the subject. "The number one problem in business today is service," says J.C. Penney's mgr of services & customer relations. But no one need take their word for it: think for even a moment about your own experience....

It Begins Case in point: com-  
With Policy puterized check-out  
lanes clock the amount

of time cashiers spend with retail customers. A speedy checkout -- higher productivity -- is encouraged. Customers with problems, questions are irritant to cashiers who don't want to look bad to their managers. "These assembly-line methods may boost productivity, but there is a long-term hidden cost -- the decline in service," observes Harley Shaiken, UCalif-San Diego.

Compare the now-competitive long distance phone biz, where operators are computer-monitored to spend only a short time with each caller -- no matter what the situation.

But service influences choices. For example, survey by Chain Store Age shows 50% of today's shoppers say restrooms influence where they shop (see box).

### Influences On Where To Shop

Money-back satisfaction	77.9%
Convenient parking	61.0
Quick checkout	52.8
Restrooms	50.7
Advance notice of sales/events	45.9
Private fitting rooms	43.8
Sales assistance	43.3
Store charge card	37.0
Phone orders	24.6
Low-cost home delivery	21.1
Giftwrap	19.7
Someone in the store knows you by name	19.5
Background music	8.5

-- Source: Chain Store Age/  
Leo J. Shapiro & Assocs.



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Improving Service A. Understand the lot of the front-line worker. They're doing "emotional labor" -- a term coined by Arlie Russell Hochschild in her book, The Managed Heart: Commercialization of Human Feeling. Wait-people, for example, may feel their smiles belong to the company. She recommends giving employees a chance to rest & recharge their smiles thru rotation to less stressful jobs.

B. Behind-the-scenes staff into customer contact. All central staff (data processing, adv'g, personnel, accounts receivable, merchandising, even the chrm) at Weinstock's (Sacramento department store) work on the selling floor one day every other month. Procedure boosts customer service by identifying & solving problems, e.g., cumbersome credit authorization process was resolved by installing TIE lines which expedite credit sales.

C. Get rid of "customers." Weinstock's discovered all personnel (not just sales people) needed a new & more positive way to think about customers. From that point on they became guests. "It was the key to success for our entire program. When you talk about how you treat a customer as opposed to how you treat a guest, everyone immediately understood the different attitude. But it's no overnight process," explains chrm Cheryl Turpin.

D. Ask for opinions from customers, advises J.C. Penney store mgr Warren Christenson. And when

customers have complaints, make every attempt to resolve them. How-to bulletin from headqtrs advises: 1) Ask the shopper who is leaving without packages, "Was there something you couldn't find that you were looking for?" 2) Customers with packages, "Did you find everything you were looking for?" 3) Do a minimum of 15 interviews per week 4) at both the main entrance & within the store.

Disney wrote the book on training & evaluating all personnel in the area of service to customers (see t&t 11/24/86). And many organizations now seek customer opinion thru hand-in surveys & formal research. The question is: How involved in such activities are pr pros? Since most issues & embarrassing incidents arise from basic operations, monitoring them is a legitimate, even essential pr function. Some experts feel it's the first step in issue anticipation.

GLOSSY ANNUAL REPORTS NO LONGER REQUIRED -- BUT IN FACT THEY NEVER WERE

Shareholder, in the Wall Street Journal. General Motors, SEC & a few co-conspirators are the assassins. SEC still requires corporations to file specific financial info before annual meetings. But companies do not have to file this info in annual reports.

"The annual report we have come to know & hate is dead," writes Edward Kulkosky, publisher of Corporate

"The fact is, there has never been a rule that requires publication of an annual report, at least in its familiar form. Regulations require only that corporations provide certain specific information to shareholders each year, usually just before the annual meeting. Annual reports have customarily fulfilled this requirement," writes Kulkosky. Now organizations can do as they please with them as long as they don't conflict with 10K reports or proxy materials, says the SEC.

How did this come about? SEC has been studying the possibility of summary annual reports but feared financial statements would be condensed, violating the

rules. In December, GM wrote a letter to the SEC proposing to publish a summary annual report and to meet the formal information requirements separately -- thru a press release with full audited financial statements, audited financial statements in its 10K, and repeat them in its proxy materials along with other required info.

"On the positive side, once the word spreads that the myth has been shattered, we believe many corporations will unleash a lot of pent-up creativity and invent a better glossy report. Inevitably, the reports will become the province of communicators and not accountants or lawyers. And that should be good for companies and investors alike," writes Kulkosky.

Wrote GM: "Since (the annual report) would no longer be used in any SEC filings or proxy mailings, it could be dropped entirely. However, we believe that it has value as a general communications medium to our stockholders." SEC responded positively, in writing. Because of the broad implications, the exchange of letters were made a matter of public record.

PLANT TOURS, GUEST RELATIONS COMBINE  
MASS AUDIENCES WITH PERSONAL CONTACT;  
GUEST RELATIONS ASSOCIATION SHARES INFO

purposely kept small, no more than 14 people. "That way guests feel free to ask questions. Unlike tv advertising, this 2-way communication allows them to see the organization and ask questions."

"The 1-on-1 communication we have with our guests is very effective for Coors," Joan Sullivan, ass't mgr of guest rels, told prr. The key: tour groups are

60-yr-old Guest Relations Ass'n is a membership org'n for companies with free tour programs. Many offer tours but on a pay basis. Its 60 members -- e.g., Lawry Foods, UpJohn, Hershey, Johnson Wax -- "get together to talk about our programs because we're all looking for ways to improve." GRA's past intention to remain small is being replaced with a campaign for new members. (For info, contact Sullivan at Adolph Coors Co, Golden, Colo. 80401; 303/277-2555)

Studies show people remember 10% of what they read, 30% of what they see -- but 90% of what they do, such as tour a facility.

Coors started its guest relations program in 1948. 300,000 tour the brewery yearly. That's several million who have had personal experience of the company -- and its products since tours end in a comfortable lounge where free beer is served.

areas. But mostly it's by word of mouth," which reaches across the continent. People regularly come from far away & say they heard about it from friends, she reported.

What brings them? "We do some advertising. We have a brochure. Put up some posters in the Denver & Golden

Program has moved from the domain of public relations to sales, back to public relations. "We're now answering to the vice president of public relations."

INSTANT APPEAL, DESCRIPTIVENESS  
NOT GOALS OF BEST NAMES, SAYS IDENTITY CONSULTANT

Unisys warn against two traps in evaluating potential new brand or company names.

The professional planners of such names as Navistar, Citicorp, Trinova, Contel &

Otto Spaeth, principal of Anspach Grossman Portugal (NYC), responded to prr's statement (1/12) that "some sound very odd... but apparently work."

TRAP #1: CONFUSING NAMING WITH DESCRIBING. "General Cinema today is best described as a beverage company. Chris Craft no longer makes boats; it is in broadcasting. Over half of corporate name changes are made at least partly to repair damage done by obsolete or misleading descriptive names. Sure, a descriptive name can help launch a low budget start-up -- it can be changed later (maybe to insipid initials). The most fundamental purpose of a name, however, is to designate; effective designation calls for brevity plus distinctiveness, both enemies of description."

TRAP #2: EXPECTING INSTANT APPEAL. "Knowing that the name is merely a peg upon which perceptions will be hung, professional namers (and courageous clients) go for durability rather than for the kind of clever word plays or slick familiarity that can help assure instant appeal. Often, the sturdiest pegs are precisely those which sound odd at first; being more distinctive, they are more memorable. (Can you remember your initial reaction to Exxon...Apple...Citicorp? Was it comparable to your reaction to Navistar? Unisys?)"

"Some of the more readily criticized names we have had a hand in have actually been highly effective in achieving their special goals," Spaeth reports. One key is mnemonics: a system to improve or develop the memory. "This is not to say there aren't some truly dumb name changes." How about the announcement last week that the parent company of United Air Lines, Hertz & Westin Hotels will change its name to Allegis Corp. from UAL Inc. Lippincott & Margulies, another identity firm, said the name was derived from the words "allegiant," meaning loyal or faithful, and "aegis," meaning protection & sponsorship.

RECOGNIZING TALENT WITHIN THE ORGANIZATION  
CREATES RELATIONSHIP-BUILDING TOOL  
WHICH APPEALS TO RELATED PUBLICS

son's or daughter's work illustrated, Dick Kipperman, dpr, Franklin Pierce College (Rindge, NH), told prr.

It's a calendar. Not unusual. But it uses student photography done thru a course offered on campus. Parents get "excited" when they see their

Beyond that, calendar "is a good bridge piece." It's mailed to alumni, parents, VIPs, key donors, community leaders, biz leaders, faculty & staff. "And the admissions office uses them sometimes for prospective students."

Similarly, some organizations use employee's photo -- or art work. Some choose pics to appear thru a community or other contest. The appeal of this for many publics is undeniable. Franklin Pierce, with enrollment of 950, printed 7,000 this year. Mailing envelopes have holiday decorations and a "Happy New Year" message. They aren't dated in any way so can be used from year to year.

\$2,500 was saved this year by changing from a plastic comb binding to saddle stitching. Printing is b&w to keep cost down. "Color would almost double the price. And b&w can be pretty... printed on the right paper using the right process." Despite economies, college receives compliments, reports Kipperman.