

INSULTING EVEN THOSE WITH UNHEALTHY HABITS IS STRATEGY THAT WILL BACKFIRE, GROUP SAYS

Print ad for Avia Athletic Footware features a dirty ashtray & a cigarette butt: "If this is the only thing that gives your lungs a workout, don't buy our shoes." Dave Brenton, chmn, American Smokers Alliance (Nashville), questions a marketing approach which offends "60 million smokers who make a major contribution to the nation's economy."

"It's a bone-headed response to a societal trend," he told prr. "Smokers are still stinging from Northwest Airlines ads. Difference is, when NW lost customers it had revenue coming from the int'l market. Reebok Avia doesn't have the same monopoly. And 70% of US households have at least 1 smoker. The campaign will backfire in a big way."

Avia also intends to bash:

Drinkers -- "If this is what an afternoon of mixed doubles means to you, Avia doesn't want you to buy our tennis shoes;

Computer Enthusiasts -- "If this is the only kind of basketball you want to play..."

"It's a fun way of defining who we are by saying who we're not," Pat Kipisz, dir adv'g, Avia (Canton, Mass) told Ad Age. Brenton says, "If they really want to promote health & fitness, they should encourage people to get out & do things, not insult them with ads that say, 'We're too cool for you.'"

Parent Company Reebok Int'l seems to disown Avia regarding the campaign. "They're not us," a spokesperson told prr. "Reebok Int'l bought Avia, but Avia is still a competitor. We can't control its advertising decisions. Unfortunately, people have been getting us confused." Brenton: "They can pass the buck that way, but let's face it -- money talks. If they didn't want the campaign, they could've stopped it. It wouldn't surprise me if retailers refuse to do business with Avia."

ITEMS OF INTEREST TO PRACTITIONERS

Men Make More in communications, too. A study conducted by IABC & Ohio State U shows that male communicators average \$12,000 more per year than their female counterparts. Difference is in sync with, but less than the pr gender gap, where at the senior level men earn about \$21,000 more than women (pr 9/12/88). Female journalists needn't despair, however. Like their pr sisters, they can find comfort in the fact that differential increases with age -- i.e. older women may have returned to or entered the market later in life. But prr makes the point that salaries still differ greatly even with the same experience, title and that pattern may originate with lower starting salaries for women.

Enough Excellence, Already! In a Christian Science Monitor column, Babson College prof Neal Thornberry decries excellence. "First came 'In Search Of Excellence,' then 'A Passion For Excellence' & 'Management For Excellence,' & now we've rediscovered Edward Deming's proclamations on excellence in quality control." Thornberry, who conducts training & development seminars, says CEOs want him to imbue employees with "that spirit of excellence." "I look at the group and know that 68% of the class is average and will remain average, no matter what I do or the company does to make them excel." He urges appreciation for mediocrity. "It can't be that bad. There are so many of us. If everyone is excellent, then all we've really done is redefine average."

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SURVEY FINDS CORPORATIONS TOO APOLITICAL IN CHOICE OF CAUSES; RAISES OLD QUESTION OF WHAT CONSTITUTES SOCIAL RESPONSIBILITY, WHICH IS AT THE HEART OF PUBLIC RELATIONS PHILOSOPHY

Some corporations have been focusing contributions in geographic or subject areas which specifically impact their business environment. Now a new study urges them to apply a political test. According to Patterns Of Corporate Philanthropy by Capital Research Center (DC), corporations are not strategic in their giving. Latest stats are from '86 -- when companies donated over \$4 billion to various causes. Survey excludes educational, cultural, social service contributions & concentrates on nonprofits with a "specific public policy focus." Co-authors Roger Meiners & David Laband say 122 responses from questionnaires sent to the Forbes 250 have 2 disturbing implications --

1. Many public companies won't reveal details of their public affairs giving even to their owners, the stockholders.
2. Nearly 60% of the \$35.4 million given to public affairs causes went to what the authors consider "liberal org'ns, some of which have long histories of antagonism to corporate America & free enterprise." Reasons may be:
 - a) Corporate Guilt -- "To compensate for such alleged corporate sins as exploitation, pollution, malnutrition or obscene profits." Authors urge corporations to remember money belongs to the stockholders, not the managers who dispense it, & only a profitable company can employ a community, provide economic & social benefits.
 - b) Poor Monitoring -- "The often scant supervision of public affairs giving within large corporations leaves public affairs officers free to pursue their own goals." "Decisions about contributions should be made on the same level, by many of the same people, as decisions about corporate strategy and investment," claims preface writer William Simon, ex-Treas Sec'y & political rightist.
 - c) Hush Money -- Donations are intended "to try to buy the good will or silence of a company's critics." Authors argue that such giving instead lets anti-biz activists "increase their high-decibel and obstructionist campaigns."

Chrysler (Highland Park, Mich), is cited as refusing to give info on corporate giving. Karen Stewart, media rels: "We did provide the authors with annual reports -- which contain this type of data -- and a copy of our set of guidelines," she told prr. "If they wanted further information, it was probably impossible. We are simply inundated with thousands of these types of questionnaires from researchers, students, etc. We have to make & sell cars! If we responded to all of these requests, we would not get our work done."



Is Biz More Apolitical Than It Seems To Be?

Maybe even more "liberal/progressive"? Everyone assumes business is part of the conservative establishment, but this is untrue," CRC's David Poole told prr. "Healthy for business means healthy for employees, communities. It's hard to explain

why some companies would fund groups (Institute For Policy Study, Center For Community Change, Jesse Jackson's Operation PUSH) which are unsupportive to business. In some cases, there are other motivations at work."

Poole cites Hoover Institution, American Enterprise Inst and Heritage Foundation as supportive of free market. (Is the book a covert fundraiser for them?)

Do businesses have a divine right to exist & profit, so that their one obligation even in the public policy realm is to shareholder interests? How does that square with Johnson & Johnson's idea that shareholders come after customers, employees & communities -- because unless they are supportive it may be impossible to deliver profits to shareholders?

It's no wonder the Heritage Foundation (DC) tops CRC's list of groups that are good for business; "CRC is an offshoot of it," Sean Gervasi, Institute For Policy Studies (DC) told prr. "They're very closely associated. Who are they to set up these categories & classify companies under them? All they do is take the data on corporate giving & cook up their own theories. They're waging a war. It's just the kind of stuff that was being said during the McCarthy era, only these people are more organized & systematic. But we must take them seriously because they've gained such influence."

Corporate Misgiving? Or Sound Strategy?

Generous to groups advocating "policies hostile to corporate interests" are:

<u>Corporation</u>	<u>Ideological Rating</u>
Dayton Hudson	2.42
Coca-Cola	2.62
General Mills	2.81
Pillsbury	2.96
Chemical New York	3.14
Aetna	3.15
Atlantic Richfield	3.17
AT&T	3.21
J.P. Morgan	3.34
Citicorp	3.38

Authors give "best" ratings to:

RJR Nabisco (6.32), EMC Corp (6.2)

"Look at the corporations on this list," Jane Redfern, sr vp, AT&T Fndn (NYC) told prr. "They're all strong, financially healthy Fortune 500 companies. Certainly, we encourage free enterprise & do nothing to harm the US economy. In fact, the projects we support advance the country in general and the economy specifically."

"The charges are ludicrous," says A. Steven Perelman, spokesman for Aetna (Hartford). "Our giving is in line with our business strategy. It isn't a matter of left-wing or right-wing. If we don't help solve social problems and improve neighborhoods, education, the health of the workforce, then all businesses will suffer. I don't think anybody takes the CRC or its study seriously, but it is a book in print so I suppose we must comment."

Contrary Evidence

The company that leads the list last year staged a spectacular proof of how longterm positive stakeholder relationships pay off. Dayton Hudson marshalled its many friends, led by causes to which it had donated, to pull off in 7 days a special legislative session that wrote new state laws protecting companies from hostile takeovers. Moreover, it did this when the legislature was not sitting -- requiring a special session. Its unfriendly attacker limped away. The company credited its longstanding community, employer & supplier relations programs.

U.S. PRESIDENTS AS COMMUNICATORS: TRAINERS, SPOKESPERSONS CAN LEARN FROM THESE WELL-KNOWN MODELS

The one study names JFK the most overrated public figure & calls his pr approach an "almost total disaster" (pr 7/25/88), he is still rated #1 presidential communicator,

according to new study by Burson Marsteller.

A panel of BM communication coaches, who train hundreds of CEOs yearly, observed news clips, judged 20th Century Presidents on audience empathy, style, commanding presence, comfort in speaking & overall personality.

1. John Kennedy: "...an American Cicero. Schooled in the classics, supremely self-aware; communicated his vision by literally fixing his gaze on the horizon."
2. Theodore Roosevelt: "A visceral speaker; communicated by instinct, not design. You can feel energy & passion -- and the crowd's engagement -- even in silent footage."
3. Ronald Reagan: "Polished, controlled, soothing; communicated sincerity. He could be folksy, off-the-cuff & anecdotal. Cracked jokes & had fun even with opponents."
4. Harry Truman: "Also a good storyteller, obviously relished public speaking. Masterful at getting people on his side."
5. Franklin Roosevelt: "Warm, gentle, reassuring. 'Fireside Chats' made radio a comn tool. His disability made hand gestures even more dramatic."

Worst rated: Calvin Coolidge -- "A lifelessly dull, silly public presence who ushered in the age of 'photo opportunity' by performing a host of unlikely activities -- fishing, bailing hay, holding press conferences while wearing an Indian headdress, etc." Dwight Eisenhower, the "exception that proves the rule" -- beloved despite the fact he didn't appear to notice his audience. Lyndon Johnson and Gerald Ford were speech readers who made little eye contact, seemed awkward. Jimmy Carter started well, with down home charm & an irresistible smile, but grew stiff, nonsmiling, difficult to watch.

Improved: Richard Nixon's style & gestures were forced; knew all the steps but couldn't dance. Conscious of his comn problem, he remade his image several times; mistakes followed by comebacks -- the mark of a successful communicator. Gerald Ford does better now, in informal settings. George Bush began poorly but now allows his warmth to come through, having learned that "the best communicators fashion their public image out of their personalities."