

**PRACTITIONER OUTLINES
BANKING INDUSTRY'S
HOST OF PR CONUNDRAS**

The public is sour on the banking industry. People are privy to the financial fragility of even the largest, most sophisticated financial institutions. Paul Simoff, vp-pr Austin Assocs, Toledo firm specializing in counseling banks, says the industry has to combat image problems on 2 fronts: 1) "Banking giants, as they venture farther from home territory, are being confronted by a skeptical, indifferent public." 2) Public is justifiably wondering if bigger means better, feel distant from "mega" institutions. "For these banks, established corporate identities are becoming increasingly meaningless." Simoff encourages them to court the public by:

1. **Expanding community outreach** programs beyond government mandates, particularly in neighborhoods for redevelopment, funding, etc.;
2. Encouraging & documenting **employee participation**;
3. Developing creative ties to **major civic promo events**, e.g. benefit races, community beautification projects, etc.
4. **Getting to know local media** to pre-empt negative spins on financial news reports which obscure strengths of individual organizations.

MEANWHILE... smaller banks are battling for respect & position as they fight competition from sophisticated & specialized counterparts. "The glare of the national spotlight on the industry is affecting them," Simoff told *pr*. "People see banks collapsing and wonder if their own may have a problem. They're becoming reluctant to use hometown banks for all of their financial dealings."

"It's an issue of confidence in the industry. What people are focusing on is futility & failure." (Info on Simoff's soon-to-be-published book, *Community Bank Planning: Surviving In the 1990s*, can be obtained from 419/841-8521)

WHO'S WHO IN PUBLIC RELATIONS

DIED. Two PRSA presidents, both Gold Anvil recipients for lifetime contributions to the profession: Don McCammond, (1962) champion of the code of ethics; Ed Lipscomb, 4th president (1952) & one of PRSA's founders.

ELECTED. '90-91 Life Communicators

Ass'n officers: pres Ronald Malcom, Kansas Life; past pres Judith Hebert, Nat'l Life of Vermont, vp Trudy Kaehler, State Mutual Life (Worcester), vp-comrn Deborah Cochran, ITT Life, (Minn.), sec'y Gail Susan, New England (Boston); treas Carol Morgan, The Guardian (NYC).

"PR tactics are being designed to dilute the image of 'out-of-town opportunists' which plagues acquisition-oriented institutions. New campaign themes must reinforce a) caring, b) sensitivity, c) commitment to community." Note First of America (Kalamazoo): "We're Community Banks First" and Banc One (Columbus, O): "20,000 People (employees) Who Care." Both suggest local community involvement.

pr reporter

The Weekly Newsletter of Public Relations,
Public Affairs & Communication

Vol.33 No.41
October 15, 1990

603 / 778 - 0514

**RECENT ELECTION POLLING SHOWS OPINION METHOD IS UNRELIABLE;
NEED IS NOT TO LEARN WHAT PEOPLE THINK, BUT WHAT THEY WILL DO**

The danger of living by simplistic opinion polls -- as more & more organizations & politicians do -- is manifest in recent events. In Ontario, pollsters predicted a victory for the Liberals, were surprised when New Democrats surged from 14% to 50% plus -- and won. The day before the Massachusetts election, gubernatorial hopeful Frank Bellotti was reported ahead of John Silbur 50% to 35%. Voting results the very next day were opposite of projections -- a 24 point swing in which Silbur won by a 9 point margin.

Discrepancy could result from one of several factors, expert Larry Saboto, U Virginia (Charlottesville) told *pr*. List is a quality-control guide for avoiding unreliable research:

1. **Erroneous Sampling.** "They ask people, 'Do you vote?' What you get then is the 'good citizen' response. Everyone intends to vote, but not many get around to it. You get data from a lot of people who are not going to vote on election day." At one point during the Dukakis-Bush race, polls showed the Duke in the lead. Richard Nixon made the point then that "the public" may favor Dukakis, but the "voting public" would elect Bush.
2. **Defective Calculation**, e.g, failing to factor in "undecided" or "no response," which can swing the findings considerably.
3. **Questioning Process.** "A single word in a question can bias the results 5-10%. It's very easy to tilt the results this way."
4. **Analysis.** "Human beings analyze the data, and they often make mistakes."
5. **Timing.** During Summer '88, polls showed Dukakis leading Bush. "People were not acquainted with the new candidate. They were simply choosing change without knowing what it meant." When they found out, results were far different.

**ANOTHER FACTOR:
HORSE-RACE JOURNALISM**

Pushing desire for polling is the folly of the press, which has increasingly sacrificed its mission of informing the citizenry for the sake of "newsmakers"? Media focus on the superficial aspects of public opinion, striving more to entertain than to inform, notes Public Opinion Quarterly.



"For journalists, the horse-race metaphor provides a framework for analysis. A horse is judged not by its absolute speed or skill but in comparison to the speed of other horses & its wins & loses. Similarly, events are understood in a context of competition; picking the winner becomes an important topic."

Eric Cunningham, pres OEB International (Toronto), compares pollsters to weatherpeople who report on temperature, but not climate. "They should look beyond day-to-day popularity rankings & explore attitudes." **Another point:** Ontario upset reflects political trend in North America -- party affiliation vanishes as people vote according to issues that affect them specifically & personally. This may be a point-of-decision (ballot box) phenomenon.

DO PEOPLE LIE? Gerry Chervinsky, KRC Communications Research (Boston), says Bellotti-Silbur data was skewed because many voters liked Silbur's combative style & rhetoric, but were embarrassed to admit it. "This happens when an election involves controversial candidates & emotional issues -- especially if the media presents candidates as unacceptable." Conjecture is supported by Paul Perry, former (17-yr) pres of Gallup who notes that Barry Goldwater had hidden support in '64, as did George Wallace in '68. Both candidates had controversial platforms.

At a rally, Louisiana's controversial candidate David Duke chided 700 supporters because so few had his bumper stickers on their cars. "I know, I know," he said. "You still have your windshields, right?" Duke supporters claim cars with the stickers had tires flattened, windshields bashed in. Even without such threats, supporters of radical causes or candidates may not say so publicly.

¶Implications: These instances reinforce our knowledge that survey respondents hesitate to express "unpopular" views, may say one thing & do another. So can we trust opinion research on controversial issues like abortion, waste facility siting, universal health insurance, gun control, etc.? Respondents may fear appearing to be aligned with extremist positions on one side or the other -- which sound bite public policy debate intensifies. Take the case of someone who is against affirmative action but afraid of being viewed as a white supremacist.

¶Does this make blind questionnaires more trustworthy than intercept interviews & telephone surveying? Phraseology and placement of questions (prr 9/10) seem more crucial than ever. In any case, surveying for "public opinion" via the simple "how do you feel" poll needs to be questioned. What we need to know is not what people think but what they will do.

FEELING PINCH, AD AGENCIES ATTEMPT TO PROVE VALUE

"New study finds advertising nearly doubles return on investment," claims Amer Assn of Advg Agencies. Reference is

to its own research which declares that 3 components -- innovation, quality, consumer perception -- can achieve "true competitive productivity even alongside the lowest low-cost producer." And consumer perception, it says, is built by advertising.

BYE-BYE AMERICAN PIE

4A's publication, "The Value Side of Productivity," posits that the US economy is struggling to preserve its a) standard of living & b) sense of identity as a productive nation & people. Post WWII boom was fluke, left US flaccid & untrained to compete with "low-cost producers." Meanwhile, competition has become brutal, giving rise to new brand of consumers who are: a) informed, b) insistent on quality & value, c) want to be treated as individuals, not as a mass. "Segmented, consumer-driven marketing has become the paradigm for success." [PR always knew that.] The info glut means it's more expensive to keep customers in the 80s than it was in the 60s.

Conceptual Value Added is what distinguishes Perdue, makes Perrier the champagne of non-alcoholic beverages, establishes AmEx's platinum card as special. Having nothing to do with image, positioning, or "good will," it's the perception of a product's unique, singular fit into a consumer's system of wants, needs & value, says the booklet.

¶Practitioner Concerns: Using a research database (PIMS), study compares products' success with their advertising activity from '70 to '85, taking into account inflation, business cycles & global competition. Those perceived by public as low quality advertised little, & vice versa. This factor is correlated to market share, says study. But is this so? Data doesn't effectively persuade that advertising was a magic ingredient. Conclusions rest on assertion that advertising shapes perceived value, which in turn gauges profit. One valid point, however, is that **personalizing a product**, making it fit a consumer's individualized system, is key. (For booklet, send \$5 to Committee on the Value of Advertising, AAAA, 666 3rd Ave, NYC 10017-4056; 212/682-2500)

Of Related Interest...

¶Nonprofits Apparently Buy Idea that advertising changes behavior because many are courting corporations in an effort to link up in advertising coops. American Cancer Society is soliciting retailers of sporting goods & athletic shoes, Boy Scouts is eyeing American Airlines & Phillips Petroleum. They're just 2 of several who feel the PSA route is no longer effective because it isn't conducive to target marketing. So, instead of trying other means of persuasion, they're turning to another form of media campaign. "The only way we are going to affect behavior is by advertising," says ACS's adv'g dir Susan Islam. Scholars (& practitioners) would love to see her evidence for that statement.