

**¶Make Better Use Of Associations.** By centralizing responsibility for managing (& budgeting) the whole association portfolio in its public affairs dep't, Caterpillar gets more value out of the \$500,000 budgeted for association activities, Byron DeHaan, dpa, recently told Public Affairs Council. He sees opportunities to get leverage for company goals, particularly in ad hoc coalitions.

**¶PR's Future Is As Advisor To Management,** Ralph Frede told PRSA/Houston. He measures the profession with a 1 to 10 pr-value-to-management scale. 1 is a rank beginner, probably in the media relations dep't. 9 is the executive pr officer, over a number of functions -- marketing, public affairs, issues, etc. -- who interprets needs of publics & the organization. 10 is the practitioner who 1) advises mgmt, helps solve its problems; 2) pays attention to values in society; 3) uses 2-way communication; 4) spots trends & their affect, sees alternatives; 5) is close enough to publics to know their thinking, opinion leaders & concerns; 6) understands behavioral changes; 7) values change. Frede recommends joining World Future Society. "We can't predict the future, but we do know that trends are probable."

**¶President Bush's America 2000 Strategy** could slow down public/private partnerships with schools. Bush is requesting \$200 million in private funds to research & develop 535 experimental schools -- one in each Congressional district. According to Committee for Economic Development pres Sol Hurwitz, this could cause businesses to divert money from state & local reform efforts -- where the action has to be.

#### WHO'S WHO IN PUBLIC RELATIONS

**ELECTED.** '91-'92 NSPRA ofcra:  
pres, Steve Knagg (Garland Independent School Dist, Texas); pres-elect, Kathy Leslie (Beaverton School Dist, Oregon); vp at large,

Jenelle Elder-Green (Milwaukee Public Schools, Wisc); vp, Brooks Coleman, Jr. (Gwinnett County Public Schools, Ga); vp, Judy Wall (Federal Way Schools, WA)

#### REMINDERS

- 1) When reference is made to previous issues of pr, free copies are available to subscribers from Reader Service Manager Laurie Eldridge.
- 2) Additional information on subjects covered in the newsletter is also available -- either from our files or by referral to known sources.

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# pr reporter

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#### DECLINE OF ADVERTISING AS BOTH METHOD & STRATEGY

- 1) OPENS GREAT OPPORTUNITY FOR PUBLIC RELATIONS
- 2) PROVIDED FIELD DOESN'T STICK TO THE ADVERTISING MODEL

Factors that are seriously reducing advertising **can** boost pr. Unless enough pr practitioners -- or their managements -- have the same strategy as advertising, and so not only miss the opportunity but themselves suffer. Two publications present the case forcefully:

Martin Mayer's new book, Whatever Happened to Madison Avenue?, is a new look 40 years after his seminal Madison Avenue, U.S.A. What he finds is bleak: "The advertising industry in the United States is troubled... In 1980, advertising absorbed something like two-thirds of all marketing expenditures by manufacturers; by 1990, advertising's share was no more than one-third."

As if in proof, last week's Advertising Age carried the front page head: "Recession's bleak legacy: ad biz may never be the same." Followed by this one: "Media trade groups tottering." Advertising Age seems to be saying the advertising age is ending, approaching what it forthrightly calls "a point of no return."

#### WHAT HAPPENED; & HOW PR CAN FILL THE VOID

1. **No more mass audiences.** Book & mag agree on a major cause -- one that is still a danger for communication-based pr practitioners. As Northwestern U ad prof Don Schultz puts it: "**There have been basic changes occurring in the concept of how to reach people, and mass media aren't necessarily it.**" Mayer notes: "The data processing revolution has begun to cast doubt on the future of all mass media as efficient selling instruments."

2. **Declining influence.** Agencies may become "vendors of technical services & nothing more," Mayer fears -- "a supplier to what are now distinctly customers rather than clients." The ad titans advised the CEO, but agencies "now deal with middle managers assigned short-range goals." [Today pr officers & counselors far more often have the ear of CEOs -- but this must become routine, standard practice for pr to attain its potential in adding value. As many have commented, this requires more strategic-thinking practitioners.]

Book recounts Harvard Biz School's Burleigh Gardner coining idea of "image" 40 years ago to describe value of branding products. David Ogilvy later called it "brand personality." Rosser Reeves of the Bates agency carried it into the concept of the "Unique Selling Proposition."



3. **Uses of creativity misunderstood.** As number-crunching brand managers drive creativity out, agencies strive ever harder for it. Good creative is what gives brands personalities. But, as Mayer quotes several old ad pros, mediocre ad campaigns which run for long periods will outsell flashy creative ones that change too often. Winning awards may help agencies, but hurts clients. [How often do the appeals, messages & symbols used in pr campaigns change? Are there too many self-congratulatory pr awards competitions?]
4. **Financial system damaging.** On 2 fronts, Mayer notes: a) The old 15% commission no longer supports what was a key element of agency services, research -- "truly decimated in the 1980s." b) Having gone public, with many agencies now owned by holding companies, need for "immediate short-term profits" prevents telling clients "what it is they ought to know -- whether they want such services or not." Result? Mayer quotes a client exec: "They're all whores. They do what you tell them to do. The only thing that worries them is losing the account." [To what extent is the professional ethic of "telling it like it is" -- as true counselors -- ignored also by pr pros? Consider that the largest pr firms are owned by the same holding companies as the agencies.]

#### WHAT CAN ADVERTISING DO FOR ITS USERS?

Mayer concluded in the first book that "uniqueness through communications" has always been the main value of advertising -- differentiation by created perception. Tho this can be trivial, even socially undesirable, it is something consumers will pay for: the "brand set" phenomenon. It changes **products**, not people. He finds today's research confirms this.

"Trade enthusiasm" is another benefit -- dealers want to carry & will push the product. [Creating awareness is not mentioned. Ads by hospitals, schools, gov't agencies, trade ass'ns usually aim for this -- tho decline of mass audiences reduces the impact.]

In Ad Age, GM marketing-ad head Philip Guarascio argues that our definition of "advertising" is too narrow, It should include "whatever you do to support your market position." [But his list omits pr or even publicity.]

#### A DISTINCTION BETWEEN ADVERTISING & PUBLIC RELATIONS

Even at its best, advertising is 1-way communication, thus tends to be a propagandistic, even manipulative **tool** -- however entertaining & appealing. At its best, pr is a **philosophy** of interactive personal relationships that allows people to participate directly in decisions, big & small, that impact them. But publicity, promos & other 1-way vehicles are simply substitutes for advertising -- "free space" as marketers like to say. Marketing pr can avoid advertising's fate by showing real enthusiasm for **participative, personalized programs**. [Ad agencies are now at work devising them (pr 8/13/90).] Very often this will mean convincing autocratic managers to learn new ways.

#### ALONG WITH THE PROFESSION'S REQUISITE BODY OF KNOWLEDGE COMES AN ARRAY OF ANECDOTES

If you have one to share, John Allen wants it. He's compiling them for a book. "They're not jokes or definitions. Every one is true -- an anecdote involving a pr person or situation," he explains. And no mentioning names of celebrities or politicians. "I insist the anecdotes must be about pr people doing pr work. If someone famous is mentioned by name, it makes it that person's anecdote -- not a story about the pr person involved."

Allen has been encouraged by educators, who note anecdotes make good points & would be valuable recommended reading for pr students -- certainly a fun way to learn. Here's a sample:

**"The retired public affairs director for the port authority of a major East Coast city recalls a lesson he learned early in his career about securing approval from top management for a new publication.**

**"While reviewing sketches with the artist for the first brochure he worked on, he spotted a glaring, obvious error. 'We have to change this,' he said. 'I can't take it upstairs until it's been corrected.' The artist laughed. 'That's the "third arm,"' he responded. 'It's so obvious, they'll spot it immediately and believe they've made a valuable and constructive suggestion. Then, they'll feel they don't have to look at the rest of the layout as carefully and make other suggestions.'**

**"It worked out just as he'd predicted. The public affairs director and the artist worked together harmoniously for many years, with every proposed layout containing an error as obvious as a 'third arm' on a human figure.**

**"Without fail, top management at the port authority, having spotted one glaring error, invariable expressed satisfaction with the rest of the layout and never questioned its basic concept."**

Every practitioner knows humor is powerful -- and difficult. The book may help harness a supply of it for use as needed. (Send yours to Allen, 7017 Chipperton Dr, Dallas 75225-1706)

#### ITEMS OF INTEREST TO PRACTITIONERS

**"Quality Management" Is An Oxymoron**, writes David Geary in an article on TQM (see pr 6/24): Managers cause 85% of all problems by not defining exactly what needs to be done. Management must shape up; but employees must challenge supervisors to provide clear directions before tackling tasks. Unfortunately, most quality courses don't teach how to deal with people. The emphasis is on process. Process doesn't achieve quality. People do. Without good leaders and effective 2-way communication, quality will fail. In a note to pr he adds: "Many pr people are missing the opportunity to help the CEO and gain entrance into the organization's informal, powerful decisionmaking coalition. Once again, pr is abdicating its advisory role, preferring the tactical rather than the strategic approach," writes Geary.