

"These surveys suggest organizations should broaden their dialogue with consumers," says Bob Druckenmiller, Porter/Novelli pres. "Most of the conversations organizations have with customers are related to products & services. Now it's clear some consumers want to hear about how companies operate & what values guide their decisions."

READER RESPONSE SOUGHT ON HYPOTHETICAL ETHICAL SITUATION

"In pr, a strong ethical foundation is fundamental to the public's belief in our integrity & credibility. In the academic world," writes professor Steve Shapiro of Rowan College to prr, "we teach that credibility is the one thing no one can take away. We lose it all by ourselves, by our own actions. The literature & evidence of current experience suggest ethics is an area of increasing concern, both in the working world & academe."

Shapiro points to journalism -- "the Geraldo Rivera school of journalism, in the process of becoming the Jenny Jones school of journalism" -- to law -- "the reputation of lawyers speaks for itself" -- & to pr -- "Hill & Knowlton's handling of the Catholic Bishops affair raised some important ethical questions that do not lend themselves to easy answers."

A DIALOGUE: How would you respond to the following situation?

A well-known high school athlete is charged with selling drugs and planning & carrying out, with others, the death of a young married couple. His attorney asks you, a close friend (of the attorney), to advise & assist him in handling the intense media interest in the case. He wants you to try to place positive stories about the athlete in the media to create a positive pre-trial environment for him. Before he "went bad" the athlete was an eagle scout, a member of his church choir, did volunteer work for which he was publicly commended, etc. You are not asked to do anything unethical, only to tell the truth as it was. The money is quite good & you know the publicity from working on this case will probably help your pr consulting career, especially if your friend gets him off. Do you accept or reject the assignment without asking any questions? First you ask the obvious questions (the lawyer tells you the athlete was, in fact, a drug dealer & did participate in the murder). Does the answer affect your decision? What are the ethics of the situation as you see them?

Send or fax your response to prr. We'll report (anonymously) the findings.

WITH THIS WEEK'S prr COMES A NEW SUPPLEMENT

plain talk is written by John Budd -- an honored senior practitioner. He began his career at Carl Byoir & Assocs in the late 40s. From there he moved to Emhart Corp for 11 years -- as sr vp comms from '85-'88. He returned to the revived Carl Byoir ('88-'91) as vice chrm, then opened The Omega Group, of which he is chrm & CEO. plain talk (which will appear bi-monthly) will reflect his views gained from years of notable experience inside organizations.

EVALUATING PR: WHERE DO OUR MEASURING TECHNIQUES STAND?

If you can't measure its contribution, stop doing it, say the beancounters. So practitioners struggle to develop methods. But many are just counting clippings 90s-style -- with fancy computer programs, subjective ratings of "positive" or "neutral" coverage, & outrageous speculation about "reach."

Since communication & relationship results are totally in the hands of the receivers -- not the sender -- any respectable evaluation must be able to accurately determine impact on them, and specifically ferret out whether or not pr efforts induce behavior. That's the challenge.

WHAT CAN BE OBJECTIVELY MEASURED?

1. **Awareness & knowledge** can. But they don't reveal action taken or likely to be taken. Yet awareness is an essential, & knowledge can be an important step to many behaviors, so they can't be slighted.

In some cases, they can prove behavior. For instance, a major school challenge is getting parents involved in their kids' education, which may include helping with homework. If you ask parents, "Do you help with your child's homework?" most will say yes -- the politically correct answer. If they are then asked, "What assignments in math do you remember from last week?", they either do/don't have that knowledge. If not, they couldn't have helped with much homework.

2. **Latent readiness to behave** in a certain way can be probed; and if specific pre-behavioral indicators are known, linkage to behavior is made less speculative. For instance, serious car buyers have most likely checked out some dealers, inquired about current loan rates and asked car-buff friends. Asking them for *specific, knowledge-laden* information -- "Have you talked with friends about car buying recently (yes/no)?; share some specific advice you got" -- may reveal intermediate behaviors en route to buying a car. Asking "Are you aware of current interest rates on auto loans?" can be revealing evidence.
3. Interestingly, **measuring behavior is more difficult**. Relying on respondents' memories is untrustworthy in most cases, so true sociological research is required -- meaning following the subjects & observing behavior or (less valuable but widely used) asking them to fill in a log of some kind (how tv viewing is measured).

Bemused by our penchant to analyze everything, Robert Frost used to say, "Thank God there are some things you cannot measure." In at least one sense, pr qualifies. Its highest value is often **what doesn't happen** -- the harmful events solid pr keeps from occurring.



ARE THERE ANY SHORTCUTS?

All of the above require survey research, which can be expensive & take time.

A. **One simpler method is Dipstick Research.** While not statistically "pure," if quota samples that reflect the universe being studied are used, solid measurement is possible. Say you're determining whether employees are receiving & understanding important organizational programs, issues or messages. One-day dipsticking of 50 to 100 personal phone interviews ought to provide fairly solid evidence, quickly. If only a few can recite the company's vision or values, for instance, or what the lead story was in the last employee newsletter, that is telling.

Attitude & approach are vital:

Are we doing this to learn & improve & to check our progress? Or to provide rationale for punishment?

B. **Measure one sensitive element of a program,** instead of trying to evaluate the whole. In community relations, for instance, determine how many recognized opinion leaders your projects are reaching or involving. How often people from your org'n rub elbows with these important folks may be the biggest payback, so evaluate that.

SAFE BET IS AN INDEX METHOD

Quite common, and in many ways most valuable, is one that measures that

most critical competitive advantage, customer satisfaction. CS indices can be constructed for internal as well as external customers. Features:

1. **Determine the objectives mutually.** Involve a realm of customers to be certain what will satisfy or delight them. If they emphasize quick turnaround, for instance, their "report cards" (probably on a Likert scale) on how you're doing has real value.
2. **Best to measure items you can check from multiple angles.** Quick turnaround, to continue the example, can be evaluated by surveying customers' perceptions. But also by checking assignment in/work out records. This dual check might show it wasn't actual cycle time at all, but some way customers were handled that led to a low rating. *This is vital in making improvements or dealing with the problem.*
3. **Timing is a judgment call.** Quarterly or semiannually? How about a rolling index to which some new data is added each month, with the earliest month's data dropped?
4. **Behavioral influence of key variables is essential to measure.** Perceptions, actual records, data are useful only insofar as they help guide steps to take to motivate behavior. Finding out what customers actually do in response to being satisfied/unsatisfied on key variables must be premier. And researching that reliably remains a challenge.

An index is valuable because it *systematically* charts & compares indicators. These may include the most basic data -- site visits, phone calls, sales, cancellations. By providing a broader realm of evaluation, indices give perspective that single-topic or project evaluations miss.

CUSTOMERS DO CARE ABOUT HOW COMPANIES RUN THE BUSINESS

Findings from two parallel surveys show there's more to be learned about customers & how much they care about how companies run their businesses. Porter/Novelli commissioned the surveys: 1) 2,645 consumers were asked to rate various factors that influence their buying decisions; 2) 279 corp pr execs were asked how they felt consumers would respond. Findings:

- Both groups named *product quality* most often as 1 of 3 most important factors in a consumer's buying decision (78% of consumers, 87% of execs). Second was *how a company handles consumer complaints & problems* (60% & 54%). No other factor, among 23 listed, was named as 1 of the 3 most important by more than 28% of consumers.
- Other factors named among 3 most important: "*Fairness & equality in hiring*" (24% of consumers, 4% of execs); "*record on environmental issues*" (20% vs. 4%); "*employs people in the consumer's neighborhood*" (20% vs. 3%); "*record of worker safety*" (16% vs. 1%).
- Consumers identify 5 "*major influences*" on their buying habits: 1) quality of product (96%); 2) method of handling complaints (85%); 3) the way a company handles a crisis in which it *is* at fault (73%) [but when company is *not* at fault, only 42% say it's a major influence -- execs thought 63%]; 4) challenge by a gov't agency about product safety (60%); 5) accusation of illegal or unethical trading practices (59%).
- *Named least often* by consumers among 3 most important influences are: openness in dealing with media (5%); support of charitable causes (5%); a boycott by animal rights activists (5%).

DEMOGRAPHIC DIFFERENCES

- **Men & women** are equally influenced by 4 of 23 factors. Women are more influenced than men by all but one of the remaining 19. Foremost among these: an accusation of bias against women (48% vs. 30%); fairness & equality in hiring (58% vs. 42%); record on worker safety (55% vs. 40%).
 - People with **higher educational levels** are less likely to be influenced by fairness & equality in hiring, financial strength, worker safety, number of lawsuits a company faces.
 - **Age.** As people get older they are more likely to be influenced by a company's financial strength, worker safety record, reputation of mgmt, openness in dealing with the media, kind of programs it advertises on, how it handles a crisis when not at fault, accusations of illegal or unethical trading practices.
- Among younger people,** 3 factors are more important: boycott by animal rights activists; challenge by a consumer group about product safety; challenge by the gov't about safety.
- Overall, the higher one's **income,** the less influential most of the factors become. Product quality is the only factor with greater influence for high income consumers than those with lower incomes.

(More: Porter/Novelli, 437 Madison Ave, NYC 10022; 212/872-8000)