

- Content for both sites is managed by a "web com'ns council" made up of pr staff from each of Boeing's 5 operating groups. The pr folks control content; a separate technical staff makes it happen.

"While the media is a big audience for us, we have other major audiences like investors, shareholders, employees, researchers, students & the general public," Sue Lorenz, mgr of e-com'ns, told prr. "That's why we have two different web sites."

PLANE CRASH BIRTHED SITE

Media site was developed as a result of the TWA Flight 800 crash. "We had 1,000 news media banging on our (public) web site every few seconds looking for a statement," says Lorenz.

"We didn't have anything there because we were using the traditional channels -- phone, fax, mail -- to get the statements out. Now our web site is the first place we go to post info."

When there's breaking news such as the recent NTSB hearings into the USAir/Pittsburgh crash, statements are issued on the public site in the news section. They're also posted on the media site, where reporters are now accustomed to go for breaking news. Last year during the anniversary of the Flight 800 crash, Boeing posted information about the aircraft involved, and subsequent safety guidelines that have been issued & adhered to since the crash. (More from Lorenz, 206/655-0490)

TV NEWS AUDIENCE CONTINUES DECLINE; MEDIA SKEPTICISM REIGNS

February rating sweeps found the gradual loss of viewers for local tv news continues. In Atlanta, e.g., the 4 late-evening newscasts lost a total of 40,000 homes (2.3 ratings points). Noon and 5 o'clock newscasts also were down. Stations had their explanations, of course -- but fact is the slow & steady audience loss marches on.

PEOPLE TIRED OF SENSATIONAL STORIES FORCED ON THEM

American Society Of Newspaper Editors study finds the following reader attitudes toward current journalism.

One would think by this time media might be listening.

- 88% feel sensational stories are covered for excitement, not importance
- 85% believe papers overdramatize news to sell papers
- 78% think they enjoy reporting personal failings of public figures

ITEM OF INTEREST TO PROFESSIONALS

¶ **Tribute to the overabundance of messages** -- & another reason overcommunication needs to be addressed with information mapping, more face-to-face etc -- is the latest "advance" in newspaper advertising. Going far beyond the plethora of irritating stuffers is McCormick's ad printed on the plastic sleeve that holds the paper -- with a pocket at one end in which a sample of the spice company's latest product is inserted. Out of the box thinking -- but will ads ever leave us alone?

MAKOVSKY: "AVALANCHING," "ATOMIZING" & "ICONIZING" WILL LEAD TO UNPRECEDENTED GROWTH FOR PR IN NEW MILLENNIUM

NY counselor Ken Makovsky adds words to the pr vocabulary, as he describes what clearly is happening in a new way:

- **Avalanching** = the worldwide tidal wave of mega-mergers
- **Atomizing** = increasing fractionalization of the media, the public & even the investment community
- **Iconizing** = putting a human face on org'ns by creating the CEO-branded company, which he feels is about to start

The latter may be arguable *today* on 2 counts: "the Iacocca syndrome" which can cause harm when the branding CEO departs; & increasing reluctance of CEOs to become public persons -- despite the well-proven job requirement to be the "personification" of their org'n.

As the *WSJ* asked in Jan., who can even name the CEO of Exxon? This in a lead titled, "Twilight of the Gods: CEO as American Icon Slips into Down Cycle." Some CEOs interviewed touted the servant/leader model: they serve the employees, who serve the customers. Makovsky sees this changing, citing Burson-Marsteller's study showing 40% of reputation is based on perceptions of the CEO.

AVALANCHING Mergers are creating global companies "so huge their assets rival the economies of nations." This "gives greater power to the corporate entity than at any time in recent history" -- which for some will be a frightening thought, as this power can be used or misused.

- Huge org'ns interested in creating a local presence will turn to local pr firms, he feels -- rather than the global pr goliaths. Community roots & cultural sensitivity will be as important as size for firms
- Practitioners will develop even greater expertise in change mgmt & OD. Psychologists, OD pros & HR staff will join pr dep'ts & firms
- PR will become the central reputation mgmt discipline integrating all of the orgn's communications & relationship-building

ATOMIZING "A com'ns revolution, enabled by the Internet, is sweeping the globe & one of its consequences is personal empowerment. Never before have single individuals had more power to affect large institutions." They're doing that by such behaviors as becoming investors, forming special interest groups & appealing to the news media.



- Consider the rise of individual investors, up 19% in 3 yrs. This changes the approach so IR now must encompass consumer marketing techniques -- as it did not too many years ago when investors were mainly individuals
- The "glass house audit," which defines the orgn's vulnerabilities both on & off the Net, will become standard pr fare -- so named because the cyber revolution means everyone lives in glass houses
- Increasing fragmentation of consumers into ever smaller target markets will require "pinpoint" relationship mktg, which means market research will become a practitioner's tool, Makovsky predicts
- A wave of Net-based crises will force major org'ns to view Net monitoring as a critical reputation mgmt activity (see story following)

CYBERTERRORISM: A REAL THREAT TO COMPANIES & GOVERNMENTS

The threat of cyberterrorism is not just the stuff of suspense novels & tv, Bob Kornecki of Edelman told IPR's conference on pr & global terrorism. The threat is real for the federal gov't & business alike (or any org'n).

- "Hacker" break-ins to USIA & *NYTimes* jeopardized both orgns' security
- Disinformation campaigns on the web threatened the reputations of such companies as Samsung, Tommy Hilfiger & McDonald's

While the federal gov't is beginning to crack down on hackers as well as rogue consumer hate sites, there are steps that companies can take to address cyberterrorist threats, says Kornecki:

- Take all threats seriously & be prepared to go live with a response. Many companies find (some too late) they underestimated the impact a cyber threat has on their reputations. Prepare in advance by having a formal policy addressing computer hacking, rogue sites & erroneous/malicious postings to newsgroups
- Respond with facts & keep all personal attacks out of the exchange
- Don't take legal action immediately. Keep pr involved to minimize negative impact. Determine the impact of the rogue site or newsgroup postings on your customer base or employees. If content is libelous, then take action
- Continually strive to verify & address complaints. Detractors may be turned into customers, allies or even a virtual focus group
- Monitor rogue sites & newsgroup discussions & assume your competitors & interested media are doing so also. If you don't have time to do this yourself, online monitoring services & pr firms are available to do it
- If you've addressed the concerns expressed by a site, consider linking to it from your own site. May reduce the impact & allows audience to receive a response directly from you rather than from the detractors

- Publish an Internet policy which clarifies for employees how they can use & respond to info on the Internet. Unauthorized employees should not be allowed to make representations on behalf of the company on the Net, in newsgroups or via other electronic means

WHATEVER HAPPENED TO HONESTY IN THE MARKETPLACE?

While manufacturers & retailers spend big bucks to build reputations & brand loyalty, deceptive practices work to exactly the opposite effect:

- Go into a supermarket & see whether "giant" size packages of most products cost more or less than smaller sizes? Consumers' natural expectations -- built by decades of promotions urging us to save by buying the king size -- are that large sizes offer a better deal. But it is usually cheaper to buy 2 smaller size packages than one equivalent larger size. Dishonesty (what else to call it?) makes no customers loyal
- A leading retailer sent a glossy but totally misleading sale brochure to credit card customers. 3 coupons offered: a) \$5 off "your single purchase" up to \$100, b) \$10 off up to \$200, c) \$20 off for \$200+. First, this hype is misleading, since it amounts to a *maximum* discount of only 10% -- peanuts these days. But at the store it turned out the coupons were *cumulative* -- you couldn't use all three as the flyer stated, despite the "single purchase" promise

Do pr folks have any voice among the marketing herds when such tactics are so common? What about integrated mktg com'ns? Do practitioners even speak up? It's pr goals that are eroded or destroyed.

BOEING'S MEDIA WEB SITE: A PRESS ROOM ON-LINE

Last year, Boeing unveiled its version of a media web site separate from its public web site, making it convenient for reporters to access information any time.

- Media have to apply for an account to access the site
- Site is password-activated so Boeing can track journalist usage
- Journalists can download high-resolution, publication-quality images of Boeing products; technical data & info for stories; & home numbers of pr staff (one reason it's password-activated)
- Listserv capability allows reporters to register for info about specific products or activities, e.g., a reporter requesting info about Boeing's space-related products would automatically receive all space releases as they are posted (releases go on the public site; media site links to it)
- Media site is user-friendly, with a "help" section by a "non-techie"
- Site is monitored by staff but maintained by a vendor for security purposes