

- Personal strategies can be delivered if a product, service or cause is distributed by an intermediary like dealers or local chapters – but this is an area where pr dep'ts have often been powerless, even tho the behavior of these local representatives does more than anything to determine the quality of the relationship
- Perhaps the various e-tools can improve this situation (see lead article); but some, like Chrysler, used random phone calls to customers by execs to accomplish the same goal, which suggests org's weren't serious about relationships before

2. **Localized org's** serve a region where every person or household is or could be a customer etc – i.e. **centralized stakeholders**

- Go-direct, face-to-face & other powerful strategies are available to utilities, gov'ts, retailers, hospitals, schools in a practical way strictly for this reason – a great advantage

ITEMS OF IMPORTANCE TO PRACTITIONERS

- ¶ **Internet Demands Transcript Of Speeches.** According to Nationwide Reporting (NYC), speakers who don't have their talks transcribed & disseminated are missing huge opportunities. "That's why speakers are demanding to have their talks transcribed, since they can reach thousands more than the live event where they were first delivered," says pres Ken Ungarsohn. "For multinational conferences in particular, valuable information can be communicated which would otherwise have remained a puzzle to those attending the talk." Plus many attendees get more from reviewing a transcript than they got from the conference. Demand for & sophistication of post-conference services have gone up, cost has come down, and convenience has increased, he says.
- ¶ **911 System Now 2-Way; What Else Is Possible?** Is a burglar prowling a neighborhood? "Reverse 911" systems (a registered trademark) not only can take the alerting call – but automatically place warning calls to households in the area advising them to lock doors & take precautions. Counterfeit bills show up at one bank or retailer? 911 calls other banks & retailers to put them on guard. Police dep'ts are using the automated system to find lost toddlers, warn of various emergencies & many other ways. Mfr Sygma Micro Corp says system even indicates whether a warning call was received or left on an answering machine – and can be programmed to keep trying. There *must* be applications for this technology in customer service or stakeholder relations programs – beyond those irritating recorded telemarketing calls, of course.
- ¶ **Org's Contributing To Or Co-sponsoring With Animal Org's Are Warned By Outdoors Columnists** to check precisely what their contribution will be used for – as fanatics infiltrate these org's. As one puts it, "This scares the hell out of me when money donated by caring individuals that think their savings are going to protect animals are actually being used by lunatics to promote death threats." Reference is to a letter received by an Iowa hunter with this chilling message: "We know where you live. If you do not stop, your home will be firebombed, your children's throats will be slit. We have a war chest large enough to buy off any politicians. We already have several key people in our back pocket." Last part may be overstated – but first part is looney. Columnist predicts "animal radicals are on the increase & will kill someone in the near future."

PUBLIC MEDIA HAS CHANGED RADICALLY, PRESENTING GO-DIRECT OPPORTUNITY & ETHICAL OBLIGATION FOR PRACTITIONERS

Richard Edelman, pres Edelman PR Worldwide (NYC), says the changing nature of media requires not only a paradigm shift on the part of practitioners, but action. He told pr:

- **"The entire manufacturing process of news has changed.** It used to be tv people had their own camera crews, their own equipment, their own staff. Now, you see more vertical integration, meaning multiple uses of the same stuff"
- **For example, NBC recycles bits of information** thru Today Show, MSNBC, CNBC, Dateline, etc. "Information is either shrunken down or expanded.... Rather than have news reporters, they have news re-purposers"
- **The change offers practitioners the opportunity to deal directly with stakeholders rather than massage the media**

Edelman offered his remarks as a preview of a keynote address he will deliver to PRSA's Southwest District Conference next week. Other points:

1. **The standards have changed.** More journalists are single source journalists. There's not a lot of fact checking
2. **News travels quickly.** "With the rise of the web, news dissemination is instantaneous. People learn news that sometimes comes from a traditional source, sometimes from a news source, sometimes from a chat room"
3. **New opportunity/responsibility for pr.** "We can no longer assume the media is a screen for us to spin." More than ever before, publics can be directly addressed. "Our job as practitioners has changed. No more can we just put our message forward, pitch a story to a reporter"

"Basically, this all changes the rules of the game." What can practitioners do? "Deal directly with stakeholders," says Edelman. "And convince clients and employers of the need to do this."

EDELMAN'S STRATEGY SUPPORTS GO-DIRECT MODEL

Over the past decade, a classic model has evolved for going around the 3 gatekeepers: a) media, b) politicians & c) special interest/activist groups. Its 5 action steps are:

1. Go direct
2. To key stakeholders, surgically targeted
3. Via opinion leaders
4. Using the organizational family, including spouses, retirees, vendors & any others available
5. Always remembering that all issues are local, or interpreted locally (See pr 2/9/98)

CORPORATE SPONSORSHIP WAY UP: BUT DOES ENDORSEMENT LET COMPANIES PLAY HERO, ACHIEVE EMOTIONAL LINKAGE?

According to sponsorship researchers IEG, Inc. (Chicago), corporate sponsorship will increase by a huge 14% this year, bringing total sponsorship spending to \$8.7 billion. "Companies, especially newcomers to sponsorship, are looking for ways to distinguish themselves & highlight their brands," Sean Brenner, managing editor of IEG's newsletter, told prr. "Sponsorship allows them to rise above the clutter of tv, radio, and now, even Internet."

Drivers this year include upcoming America's Cup & Summer Olympics, which many companies want to be a part of. Or, in another dimension, Earth Day. Other factors:

1. Proliferation of & mad rush to sponsorship by "dot-com" companies
2. **Increased interest by automakers.** "Already major players, domestic & foreign car makers are replacing mass-market strategies with models targeted to specific niches & seeking highly targeted properties to support their efforts" – e.g. relevant sports venue is racing
3. **Rise in spending by financial service firms** to capitalize on consumer craving for investment services, promote newly legalized ability to offer bundled banking, insurance, investment, etc
4. **Business to business sponsorships**, as companies increase spending on com'ns vehicles beyond traditional vertical trade media & continue to blur the line between business & consumer marketing
5. Premium prices commanded by properties in return for **exclusive, less-cluttered environments**, such as recently re-launched ATP Masters Series tennis events

Sports sponsorships get the largest share, \$5.92 billion or 68% of the total. Next are **entertainment tours**, \$817 million; **festivals, fairs & annual events**, \$840 million; **causes**, \$700 million; and **arts**, \$548 million. Overseas, sponsorship is also growing.

APPEALING ON AN EMOTIONAL LEVEL

"By associating themselves with sporting events, musical tours, art exhibits, etc,

they're hoping to hook into the affinity that fans have for the performers or events," Brenner says. "They're trying to connect on an emotional level." Also, he says, consumers are looking to companies & their brands to stand for something. "Sponsorship allows them to do this."

Case: Gov't de-funding of PBS allowed companies to discreetly advertise products, show support for children's education, & make the emotional link without the intrusiveness of a standard 30-second commercial that interrupts the program – e.g., Juicy Juice is good because it quietly supports the award winning "Arthur" program for its target audience, young children

IS SPONSORSHIP REALLY ANY MORE THAN AWARENESS?

One line of thought is that sponsorships are great strategy for unknown brands or org'ns. Think of the sports stadium names or named football bowl games that cause you to say, "Who?" This creates needed awareness. But when GM sponsors the Olympics, does anyone really select a Chevy rather than a Ford for this reason? Or do unions back off their demands, shareholders stop expecting miracles, plant communities view GM more favorably? Another school contends sports gets the dough because macho execs love the attachment. prr wants to see evidence that sponsorship dollars can motivate behavior.

CYBERGUESS: GENERATION Y TO SPEND ONE-THIRD OF LIFETIME ON-LINE; RESEARCHER SAYS TREND IS AN "E-MERGENCY"

According to the Fortino Group (Pittsburgh), Generation Y kids (GY) will spend a third of their lifetime (23+ years) on-line. The trend, says Michael Fortino, constitutes an "E-emergency," which is the title of his upcoming book. His firm contacted 6,000 Internet & non-Internet users to explore how the Net & technology in general is affecting the family & the general public.

■ "Today's kids are not leisurely surfing the net," he says. "This medium is part of everything they do, and growing more pervasive with every year." Among his cyberguesses based on the study:

1. GY (also called Generation.com) will spend the same amount of time communicating with friends via the net as they do face-to-face. They will experience 31% fewer face-to-face social interactions than Gen X, which preceded them
2. Most GY marriages will originate from an initial contact on-line
3. GY will spend 11x the amount of time communicating on-line as they spend communicating with their parents
4. Altho GY are proven to be the most educated generation to date, they are 34% more reserved in social skills. They also express a higher level of skepticism & lack of trust with regard to chat content, personal profiles encountered over the net
5. By 2003, the single most popular hobby, passtime or activity for **retired seniors** will be net surfing

COULD INTERNET USE FOSTER BAD HABITS, DELUSION, DECEIT?

Gen Y subjects express greater impatience & a lower tolerance for applications, processes or systems that move slowly than other groups

studied – a shorter attention span. They display greater admiration for & hold in higher esteem Internet whiz kids, over celeb movie stars or music sensations. They're quicker to discard friendships. 92% admitted to having counterfeited their identity on-line, 84% saying they did so to sound more attractive or brag about experiences they have never had.

On the plus side, most GYs, by the age of 16, will display an understanding of world cultures & world markets 5x greater than Boomers. They will also have a better grip on foreign languages, which could make for *greater* tolerance.

BASIC STRATEGY DIFFERENTIATOR IS STAKEHOLDER DISTRIBUTION

In writing about many strategies over many years, prr notes one characteristic more than any that determines which ones will work for various organizations. It is the depth of stakeholders in an encompassable geographic area:

1. **National or global org'ns** may have millions of customers overall, for example, but their distribution may be only a few per city or region – i.e. **dispersed stakeholders**
 - Distance between customers means reliance on less personal, thus less powerful strategies