

- **Collegial, Flexible Workplace Vital:** It includes 1) flexible work arrangements; 2) culture encourages teamwork, & cooperation; 3) perquisites don't vary with position; 4) high employee satisfaction; 5) first name basis with top management; 6) titles not designed to designate authority
- **Communications Integrity Matters:** It is achieved when 1) employees have easy access to technologies for communicating; 2) employees can give ideas & suggestions to senior mgmt; 3) financial info is shared with employees; 4) employees have input into how work gets done; 5) business plans & goals are shared with employees

IMPACT Each of these characteristics correlates to higher shareholder returns in this study of 405 US- & Canada-based publicly traded companies with at least 3 years of shareholder returns & a minimum of \$100 million in revenue or market value. (More from Gretchen Ace at 301/581-4538 or gretchen_ace@watsonwyatt.com)

- **These findings are the most concrete yet that nonfinancial indicators have huge impact.** The study puts numbers on the increase/decrease in shareholder value that these management practices contribute, based on analysis of actual corporate performance information

ITEMS OF IMPORTANCE TO PRACTITIONERS

¶ **Responsible Parenting or Infringement on Privacy Rights? What Are We Teaching Our Kids?** AP reports that in Voorhees, NJ, parents can swab teens' mouths with alcohol test kits. The township is offering the kits free in an effort to dissuade kids from drinking. Kits, which the township purchased in a lot of 1000 for \$7 each, are available to parents at the police station & *the high school*. Each contains a cotton swab & a device that looks like a thermometer. After the swab is saturated with saliva, it is inserted into the base of the gauge. If alcohol is present, a purple line rises in the gauge, indicating a blood-alcohol level. In the mounting battle over privacy – it's everywhere now, led by genetic code, healthcare sharing & e-com'n issues – extreme cases like this become the mantras. No org'n, ergo no practitioner, will escape involvement in the privacy struggle, on one side or the other.

¶ **Earth Day Is April 22 & Earth Share can help with your commemoration.** Most org'ns do celebrate, to some extent – based on huge majorities at every age level now strongly in favor of enviro sensitivity, if not always supportive of every conservation initiative. Earth Share is a coalition of 46 major org'ns – including all the biggies – that promotes education plus environmental giving in payroll charity campaigns. Thus its programs are aimed at workplaces & employees, so may be useful to practitioners. One current example is water conservation. *Did you know* that 97% of the earth's water is saltwater, 2% is locked in polar ice caps – leaving only 1% as fresh water for drinking, washing, farming, recreation & manufacturing. (Contact Robin Perkins @ 800/875-3863 or www.earthshare.org)

WHO'S WHO IN PUBLIC RELATIONS

ELECTED. Officers of Institute for PR are Frank Ovaitt (Crossroads Int'l) & Ward White (Northwestern Mutual) co-chairs; treasurer Margery Krause (APCO Worldwide). New trustees are Nick Ashooh (Amer Elec Power),

Sharyn Bearse (Merck), Peter Debreceny (Allstate), Matt Gonring (Baxter Int'l), Harvey Greisman (IBM Software Group) & John Kiker (United Airlines). Jack Felton continues as pres & CEO.

MAKING YOUR MESSAGE CONTAGIOUS; VIRAL MARKETING IS AN INEXPENSIVE & EFFECTIVE WAY TO ENGAGE PUBLICS

It works like a virus spreading from person to person in a school or office. Properly strategized & targeted, & showing a great deal of creativity, Internet communication can be multifaceted & interactive, engaging receivers in the process as active participants.

- “Viral marketing” capitalizes on this characteristic by giving target publics more than just a message: providing the incentive to pass it on
- It utilizes the principles of “People want to be served, not sold; involved, not told” (prr 4/6/98)

There's no “consistent definition,” Michael Gautier, CEO, e-tractions (Bedford, Mass) told prr. “The way we look at it is that it's analogous to direct marketing with these important differences:

1. “Where direct marketing uses broadcast media & direct mail with the hope of improving *percentages* (of responses or sales), viral marketing looks to improve *multiples* (pass alongs)
2. “It embeds important **messages in something interesting** that people will want to pass on. The **Internet enables them to multiply**”

EXAMPLE: “WHACK-A-FLACK”

e-tractions put together the “Whack-a-Flack” campaign to promote itself. Objectives were to attract press coverage *and* expand the company's database. Viral mktg often has such multiple goals. “We took advantage of the interesting dynamic between pr people & journalists” – i.e., the annoyance factor. Journalists are often irritated by publicists, with their endless releases, phone calls, e-mails, etc.

Whack-a-Flack is an interactive game that allows journalists to vent frustrations by shooting paper airplanes at a variety of “pr types” (such as “Lance” who lacks good hygiene & whose favorite quote is “dude!”). Players can 1) choose from a list of well-known firms (Edelman, Hill and Knowlton, Brodeur Porter Novelli, to name a few), 2) state reasons for their irritation – “too pushy,” “clueless,” “lacking strategy,” “rude,” etc. – 3) then whack away.

The player has the option to leave an e-mail address & permission to receive updates from e-tractions. [Never mind its attack on pr! Maybe the catharsis helped]

Gautier reports Whack-a-Flack has been a rousing success. e-tractions sent out 150 e-mails to journalists with links to the Whack-a-Flack site. The address received over 60,000 visitors, plus 3,000 “permissioned contacts.” “We got press from the *New York Times*, the *Wall Street Journal* & about 2 dozen magazines. Plus it really allowed us to expand our database.”

- He says **cost of campaign was “essentially zero”**



VIRAL MARKETING OF A PRODUCT

To translate concept to product marketing, e-tractions just finished a campaign for The

History Channel, which wanted to get the word out to teachers that its programming is an educational tool. "They were trying to build a database of history teachers. We created a viral marketing campaign based on one of their shows called "Frontier Home." e-tractions developed a site where a person can virtually visit a frontier home & test his or her knowledge about log cabins, colonial houses, etc.

- **A call to action is key.** While it's important to allow people to have fun, it's essential to include an initiative – whether it's collecting data, routing people to your site, or, as in the case of The History Channel, encouraging people to download free material (a teaching guide)

"Viral marketing is important for pr. With Whack-a-Flack, we ended up getting a ton of ink plus expanding our contacts in the process." (More from Gautier at 781/276-1800 or www.e-tractions.com)

SURVEY ON PREPARING PSAs, ENSURING AIR PLAY FOR THEM ALSO HELPS STRATEGIZE TV NEWS OR VNR PLACEMENTS

Budget-beleaguered nonprofits often spend lots on talent & technology to put together a savvy public service announcement (PSA) only to have it collect dust on a station manager's corner filing cabinet. West Glen Com'ns (NYC) conducts an annual survey of tv & radio pa dirs to gain insights into what decisionmakers want in a PSA. By extrapolation, findings can be applied to VNRs & publicity.

1. **Length:** 30-secs is the perfect length for tv, with 40% of stations preferring them (vs. 20% for 60-secs). 71% of radio stations opt for them (16% for 60-sec spots)
2. **Format:** TV still wants "hard copy" (tape) with 97% preferring it. This is because satellite equipment is often already in use for news & other programming. Most want Beta or Beta SP (68%) followed by _" (19%). Radio prefers CDs (80%) with live copy following (16%)
3. **Chance of Getting Aired.** TV reports airing 1/3rd of the spots they receive. Radio stations report 41% of PSAs they receive make it onto the airwaves. Aired at what time is another question
4. **Length of Stay in Rotation.** Tho 3 months is average (37% tv & 24% radio), both media report a spot could run 6 months or longer (34% tv & 21% radio)
5. **Event-Driven Spots.** Have an upcoming celebration week or special awareness day? Most tv stations prefer to receive event-driven spots 4 weeks in advance (48%); 21% say 3 weeks. Radio has a shorter lead time – most (35%) say they only need 2 weeks, but 49% say they require 3 or 4 weeks (27% and 22%). **Lesson here is send it 4 weeks in advance**
6. **Be Your Own Proofer.** 59% of tv stations say they call the toll-free numbers & 67% check the Website given in the spot. Radio is less cautious, with 30% checking out the number & 27% visiting the Website
7. **Local Contact?** For tv it doesn't matter, with 65% reporting it's irrelevant if the spot has a local number as opposed to a national, toll-free number. Only 23% say they're more likely to use a spot with a local number. More radio (61%) say they're more likely to use a local number; 25% say it doesn't matter

8. **Increase in PSA Usage?** Most tv stations (76%) say PSA usage is static; only 9% see an increase. In radio, 86% see usage staying the same & 11% see an increase
9. **What Determines Airplay?** Relevance, say 76% of tv respondents. For radio, 85% cite relevance. **Only 2% of tv & 1% of radio say celebrity endorsement weighs into the decision process**
10. **Pet Peeves.** For tv, it's the wrong format (39%) followed by too many follow-up calls (18%); 16% are bugged most by receiving a dated PSA too late. Among radio respondents, too late was the number one complaint (25%) followed by too many follow-up calls (20%) and no kill date (17%)
 - **TV Issues.** Almost half (49%) say they like closed captioning – 5% say it's required. Almost half (46%) say it doesn't matter. One quarter (25%) find storyboards very important; 63% say they're helpful but not necessary. About whether or not network affiliates take network feeds – 40% say it's not their decision. Of decisionmakers, 23% say they rarely air the feeds; 22% usually air them; 11% always air them; 4% never
 - **Radio Only.** PSA usage occurs most in evening (35%) or overnight (31%) followed by midday (18%), afternoon (10%) & morning (6%). With no tracking for radio, stations were asked to provide the average number of airings for a PSA in a given month. Over half (65%) fell between 10 & 30 airings (38% say between 10 to 20 airings and 27% say 20 to 30 airings)

(More from West Glen at 1/800-325-8677 or visit www.westglen.com)

STUDY QUESTIONS VALUE OF FEEDBACK & TRAINING PROGRAMS, TOUTS MENTORING, COACHING, INVESTMENT IN HUMAN CAPITAL

A study by Watson Wyatt Worldwide casts doubt on the return-on-investment value of standard developmental training & feedback programs. For publicly held corporations, study finds investment in human capital is the key to higher shareholder returns. But principle applies in all types of org'ns.

- Some practices traditionally associated with added value – including training & "360-degree" feedback programs – were associated with a 10% **decrease** in market value
- Reason: with job switching common, "other org'ns, including competitors, will recoup those investments," says dir of organizational measurement Bruce Pfau

"This finding is somewhat counterintuitive. While there's nothing inherently wrong with training & employee feedback programs [which are 'investments in human capital'] org'ns must be very prudent in implementing them." E.g. when grooming an employee, more emphasis is often put on training him/her for the next higher level than on helping the employee to succeed in his/her current post. That is associated with a 1.9% drop in market value.

- Translation: coaching & mentoring offer the real payoff

OTHER IMPORTANT FINDINGS FOR PR

Employee commitment today is not synonymous with old-fashioned loyalty, but rather refers to employees who are a) satisfied with their jobs & the org'n; b) proud to work there; c) would recommend the company to friends; d) would remain at that company even if offered a comparable job elsewhere.