Chapter 14

Public Relations

DEFINING PUBLIC RELATIONS

Though there are some similarities between public relations and advertising (both try to persuade and both use mass media), they are essentially different. Although the line between advertising and PR is becoming blurred, three main differences are that:

- public relations is a function of management whereas advertising is a marketing function.
- advertising uses all communication methods except interpersonal communications; public relations uses all forms of communication.
- advertising is sponsored (paid for), whereas PR communications are not, though advertising may be used to help further the public relations agenda.

Promotion (the staging of events to attract media or public attention to a person, product, organization, or cause) is sometimes confused with public relations. PR is much broader than simply attracting attention, though attracting attention can be useful in some PR campaigns. Another term often confused with PR is publicity, the placing of stories in the mass media. Like press agentry, publicity is also just a tool of a public relations campaign. In addition, publicity is primarily a one-way process whereas PR involves two-way communication.

To help define what PR really is, let’s examine what PR people actually do.

1. **PR involves working with public opinion.** It attempts to influence public opinion in ways positive to the client.

2. **PR is concerned with communication.** The PR professional explains the client's actions to its various publics (internal and/or external groups involved with or affected by the client).
   - Internal publics include employees, managers, unions, stockholders.
   - External publics include consumers, government, dealers, suppliers, community members, mass media.

3. **Public relations is a management function.** Its goal is to help a company set its goals and adapt to a changing environment. It is a planned, goal-oriented activity.
Public relations as defined by the World Assembly of Public Relations:

“Public relations is the art and social science of analyzing trends, predicting their consequences, counseling organization leaders and implementing planned programs of action which serve both the organization’s and the public’s interests.”

A SHORT HISTORY OF PUBLIC RELATIONS

Interpreted broadly, public relation practices show up throughout history. In our own country, the Boston Tea Party, symbols of liberty, and the publications advocating freedom from Britain are early examples. At the end of the 19th century the muckrakers’ stories on big business corruption spurred these companies to hire writers to help counter what we would call “bad press,” and highlight instead the industry’s side of the story. Thus we see the first clear evidence of a specific and concentrated effort to manipulate public opinion by communication specialists. These people were prototypes of what we might call press agents or publicists.

Ivy Lee is generally acknowledged as the first real PR practitioner. He and his partner opened a publicity office in 1903. Lee is credited with humanizing business and demonstrating that public relations is most effective when it affects employees, customers, and members of the community.

During World War I, President Wilson set up the Creel Committee to mount a PR campaign to help persuade Americans to save food and buy war bonds. The effort demonstrated the power of a well-planned and executed PR campaign.

Another pioneer of the public relations industry, Edward Bernays, wrote the first book on PR, Crystallizing Public Opinion, in 1923. Yet another early PR pioneer was Carl Byoir who, in 1930, organized a PR firm that became one of the world’s largest.

The Depression caused many citizens to look to business and government with suspicion and distrust. Soon both business and the federal government began employing public relations effort in an attempt to regain public favor. The fireside radio chats given by President Roosevelt to help explain his New Deal policy and quell public anxiety are an example of a successful PR campaign.

Since then, social changes have promoted a huge growth in the PR field:

1. Corporations have acknowledged their social responsibility to the public. PR finds the means of fulfilling this responsibility.

2. Increasing consumerism is forcing organizations to be more responsive and communicative with their customers. This task falls to PR professionals.
3. The increasing complexity of modern organizations has made it difficult for them to get their messages to the public without using a PR professional.

4. Increasing population growth and workplace specialization mandates the need for PR specialists trained to interpret the needs of various publics for the client organization.

Reflecting those trends, the public relations industry has skyrocketed. Recent politics have seen the rise of the "spin doctor," a specialist in political campaigns and government activities. President Bush used PR extensively to gather public support for Operation Iraqi Freedom.

**PUBLIC RELATIONS IN THE DIGITAL AGE**

The Internet has added several new dimensions to public relations.

**Communicating with the Audience**

Corporate web sites have become a first line of communication for organizations, shareholders, and consumers. Many PR firms encourage clients to use the interactive features of Web 2.0. Corporations are using podcasts and blogging. These opportunities require resources, but the web is likely to remain a major PR tool.

**Communicating with the Media**

PR practitioners are using the Internet to streamline their media efforts. Press releases are e-mailed; e-mail has replaced the telephone as the preferred means of communication between PR professionals and journalists. The web is an important channel of distributing information to the media. The Internet allows PR professionals to target story proposals and press releases to appropriate sources. Database software and e-mail merge programs allow PR practitioners to efficiently target outlets for their stories.

**New Channels of Feedback**

PR agencies use the web for feedback on companies, products, and issues. EWatch monitors online news media and related sites. Technorati can search the blogosphere. Epinions and Bizrate are monitored for positive and negative comments. Traditional PR research, such as surveys and focus groups, can also be done online.

**ORGANIZATION OF THE PUBLIC RELATIONS INDUSTRY**

Public relations activities are handled in two ways: internally (in-house PR department) and externally (outside PR provider). As an arm of management, an internal PR director generally
reports directly to the president of the company (some 85 percent of the 1500 largest U.S. firms have such a department). Many firms also retain an external PR company to handle special situations as well as to inject fresh and objective viewpoints into a company's management strategies. Internal and external PR departments have their advantages and disadvantages. An internal department, for example:

- can be at work on short notice
- has more in-depth knowledge about the company
- is less costly than an external PR provider

But, the internal department also:

- can find it difficult to have an objective view of the company
- can have trouble coming up with fresh ideas unless new people are brought in
- offers fewer services than available with an external company
- cannot provide the "prestige" associated with being a client of a respected PR firm

Internal or external, PR people perform a wide range of services which can include counseling management, preparing annual reports, handling news releases and other media coverage, supervising internal communications, managing campaign promotions and special events, lobbying, fund-raising, community relations, publishing blogs, creating websites, etc.

Public relations can be practiced anywhere, but most efforts come in the areas of:

- business
- government and politics
- education
- hospitals
- nonprofit organizations
- professional associations
- entertainment and sports
- international public relations
- investor relations
- politics
- crisis management
- environmental

DEPARTMENTS AND STAFF

No two internal PR department organizational structures are identical. Commonly, but not always, the PR director reports directly to the president. An internal PR department might typically include subordinates in charge of such areas as press relations, internal communications, and community relations.

External PR agencies, somewhat similar in organization to an ad agency, are more complex because of the wider range of services they provide. One arrangement includes five departments:
A typical PR campaign involves the following four stages. Though separately defined, these steps are likely to be a continuing and overlapping process:

**Information Gathering**

Information can come from several sources: organizational records, trade journals, public records, research, polls, surveys, advisory committees, personal contacts, and so on. Information gathering is a crucial first step in the process, because what's learned here will influence all that follows.

**Planning**

There are two general types of planning: strategic and tactical. In short, strategic plans are the client's long-term general goals. Tactical plans are more specific and detail the tasks that will be used to accomplish the strategic goals.

Part of the planning process includes framing the objectives, considering the alternatives, assessing risks and benefits, deciding on a course of action, drafting budgets, and getting management's approval. A strong PR trend in recent years is the planning technique of management by objectives, or MBO. Simply put, this approach has the organization set observable and measurable goals for itself and allocate sufficient resources to meet those goals.

**Communication**

In the third stage, PR personnel become the source of communication and decide which messages to communicate and which media channels to use. Communications might take the form of interviews, press releases, press conferences, video news releases, paid advertising, posters, e-mail, staged events, speeches, demonstrations, an open house, tours, press kits, information booths, faxes, letters, web sites, blogs, billboards, etc.

**Evaluation**

This stage tries to answer the question, "How well did it work?" and is generally accomplished through by using questionnaires, polls, surveys, panel discussions, meetings, and various
audience responses. If a measurable goal was proposed for the PR program, then an evaluation technique should be able to measure the relative success of reaching that goal.

Different aspects may be measured, such as the volume of coverage. However, the number of press releases sent out or the number of press clippings does not mean the message was read by the audience. More sophisticated analyses are needed to measure the impact of a campaign on the audience – surveys, panels, experimental campaigns, etc.

These four steps are not distinct stages. The PR program is actually a continuous process, and one phase blends into the next.

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Companies, nonprofit groups, and government agencies spend large sums of money on PR, but the total figures are difficult to hard to measure. One estimate, however, can be reflected in the fact that the top 50 PR firms in the U.S. collected about $1.1 billion in 2006.

The PR industry is dominated by giant firms owned by ad agencies. The industry is volatile, especially for smaller agencies. PR agencies earn revenues in a number of ways; some, for example, perform a specific job for a set fee; some charge their clients monthly retainers; others charge by the hour; still others charge time plus expenses.

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