

PR and Planning

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Recently I edited a PR marketing plan. It contained good tactics but lacked sharply defined objectives, strategies, measurements and deadlines. This was understandable. The business being helped wasn't sure of what to do, and the plan reflected the company's quandary. On the other hand, the practitioner who penned the plan had an opportunity to sharpen the business' muddled thinking and had not done that. It struck me that it was a lack of courage. PR practitioners are too often reluctant to point the way in business strategy. They see themselves as servants of clients and not leaders. That is pardonable. PR is rarely a direct part of an organization's economic model. It often functions as administrative overhead – a useful tool but not economically fundamental. Moreover, there are good reasons why it so often takes a back seat.

Much of what PR does is removed from a bottom line even though it would be best if PR objectives were pegged to an organization's economic model and to specific and measurable outcomes. That is, a consumer buys a product or service – or does not. A legislator passes a law -- or does not. A regulator promulgates a new rule – or does not. An investor purchases a company's stock – or does not. These are tangible outcomes and not abstract objectives such as reputation and consumer awareness.

Unfortunately, direct connection to action is not always immediate or possible. There may be several steps between positive opinion, purchase intent and an actual sale, and some economic outcomes take years to achieve. For example, the decision by the US Air Force to buy \$30 billion of new aerial tankers took 10 years of hard marketing work on the part of Boeing and loser EADS. Money spent on marketing and PR was an investment decision without a guarantee of return. Another frequent PR job is noisemaker. Is the PR department making enough noise – or not? There are times when PR and marketing raise a clamor to distract audiences or at least, to neutralize competitive claims and/or to claim brand leadership. IBM and Microsoft spread fear, uncertainty and doubt (FUD) for years to keep customers from looking at competitive products and services. Brands like Coca-Cola and Budweiser Beer spend hundreds of millions annually keeping their names and logos before consumers. One could argue that one should not only measure impressions but also purchase intent in order to link PR to the bottom line. That is positive press and opinion should tie to sales. However, if that is the case then one should also link negative press and opinion to negative outcomes. A customer does not buy. A harmful law passes. An injurious regulation is enforced. Investors shun the stock. Would that it were so simple.

However, one can argue that a key role of PR planning should be to clarify links between indirect communications goals and subsequent target audience actions.

E.g., Positive opinion leads to investigation. Investigation leads to purchase intent. Purchase intent leads to a sale. These should be quantified as much as possible. E.g., of 100 percent positive opinion, 50 percent advance to investigation and of the 50 percent, 30 percent claim purchase intent and of the 30 percent, 90 percent actually buy. The resulting linked economic model is understandable to management and moves PR from administrative overhead to line activity. Of course, this is difficult to do, and it may require as much anecdotal evidence as careful measurement, but where it can be done, PR practitioners have an easier time planning and justifying budgets.

Much of what practitioners do is to manipulate or maintain environments in which a potential for action is possible, whether or not action is taken. An organization has more maneuvering room in a positive climate than in a negative one. However, even then, there is uncertainty whether PR can be successful in the long term. Public opinion can and does turn swiftly. A power company may have a decades-long record of safety, but let one nuclear reactor spring a leak... That is why the concept of a reputation bank is a marginal idea. Governments and consumers will give good companies some benefit when things go wrong, but it isn't long-term forbearance. If matters can be fixed readily and things put aright quickly, people and governments might forgive and forget. If a reactor melts down, an oil well blows out, a product defect affects millions of drivers, reputation is swiftly in tatters.

Reputation management, in other words, is dynamic and fluctuates between building, rebuilding and maintaining. PR practitioners are aware that reputation is evanescent. Yesterday's good opinion may be today's anger with their organizations through no misstep of practitioners but solely through events over which practitioners have no control. This is not something management may readily understand, especially management in love with its products and services. Years ago, I knew two high-tech CEOs who were so convinced about their products that they paid no attention to surveys showing their companies losing hundreds of customers a year. The CEOs eventually were replaced but not before they ruined their corporations. Their distortion of reality was so great that they could not accept facts, much less reputation. Still, if there is a feasible way to connect reputation to revenues and earnings, practitioners should do so.

Another difficult issue for PR planning is accounting for negative outcomes. That is, how does one estimate the benefit of avoiding a bad outcome? A devastating story that never ran, a hit on reputation never delivered, a regulation never enforced, a lawsuit never filed? A practitioner can argue that avoiding a negative spared an organization millions in lost sales, poor reputation and litigation. On the other hand, the practitioner could never prove that it did. PR practitioners infer what might have happened and trust CEOs and managers to appreciate the hypothetical scenario. However, some don't. Pragmatic managers want positive PR results in addition to avoidance of negatives.

Public perception isn't always an effective goal in PR planning. Customers can be unhappy with a corporation yet continue to buy its products and/or services because they have no choice -- or they suffer from inertia -- or they are confused by FUD. Cable TV operators, for example, have poor reputations for customer service but are successful. Managers can and have discounted public perception as long as money flows into corporate coffers. There was once a software company that ran this way. Customers complained about high licensing and maintenance fees the company charged for its software, but customers had nowhere else to go, so they forked over renewals year after year. The pragmatic CEO tolerated complaining as a cost of business. Public perception eventually led to action against the company, but it wasn't immediate and in the interim, the company continued to build revenues and earnings. One can argue that the same happened to Detroit auto companies. Customers were unhappy with GM, Ford and Chrysler products for years before Japanese automakers gave consumers an option, at which point Toyota became the largest manufacturer and marketer of cars. Management can and has lived in denial for long periods of time and run successful companies. Erosion was invisible, and many a CEO and manager retired before the effects of customer unhappiness showed in the bottom line.

An allied issue of perception is monitoring, a basic PR task. Monitoring is a precondition for economic activity. It tells marketers and management the state of environments, what competitors are doing, how audiences are thinking, and how to modify messages to spur action. Monitoring creates knowledge that practitioners put into the proper hands for development and/or maintenance of economic activity. Because monitoring is a precondition for action, it cannot easily be cast directly into a linked economic model. That is, monitoring resulted in X dollars of sales and Y dollars of earnings or in preserving Z dollars of revenue. Some managers want to know everything, and some don't. So, how much should a company invest to monitor traditional, online and social media? What kinds of resources should a company devote to scanning the environment? A practitioner is forced to argue based on the felt need of managers rather than economic evidence.

While PR planning goals are best when actionable, many practitioners settle for goals that are indicative, at best suggestive, of actionable outcomes. The success of such goals depends on the credibility that CEOs and other executives place in the value of PR. The lower the credibility, the less effective such goal-setting is. Therefore, it is probably best for PR practitioners to set actionable and measurable goals in planning even when there is no plausible way to achieve them. Such goals would be conditional. "Given resources, we will commit to achieve the following bottom-line results among X target audiences." The fear, of course, is that such goals might be impractical and unaffordable, so why commit to them? The act of connecting communications to economic action forces one to think carefully about what communications can and cannot do. The peril of specific and measurable planning, however, is that management determines

actions are not needed and hence, neither are resources. This, however, is a risk every planner and implementer faces.

When management determines it cannot afford to commit resources, it has three choices: 1. Reject the plan. 2. Tell the practitioner to make do with lower or fewer goals. 3. Tell the practitioner to achieve the same goals with less. This too is a risk every implementer takes, and the practitioner who wishes to be a member of line management must be willing to accept it. That in itself is act of courage that many PR practitioners are unwilling to take.

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