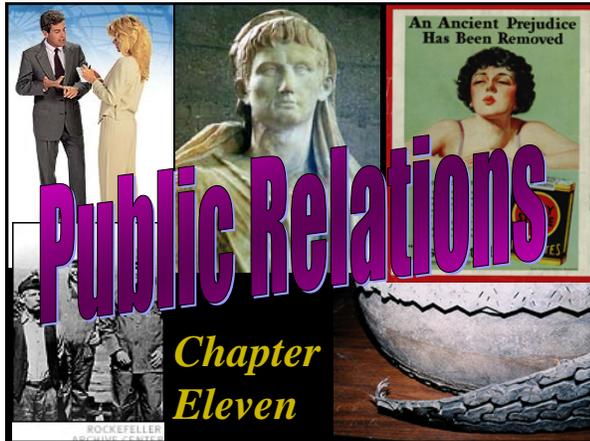


Announcements and today's schedule

- ❏ *Second Midterm Exam – Monday, April 18. Multiple-choice format, like first exam*
- ❏ *Advertising quiz on Monday, April 11.*
- ❏ *On Wednesday, April 13, we will cover Politics and the Media. Chapter 13*
- ❏ *Midterm covers chapters 7, 8, 10, 11, 13, readings on Digital Media, Advertising, Mobile Phones*



Public relations defined

- ❏ *Classic definition: Creating an understanding for, or goodwill toward a company, person or product*
 - Edward Bernays' definition, 1961: "The three main elements of public relations are practically as old as society: informing people, persuading people, or integrating people with people"
- ❏ *"Public relations" vs. "PR"—some professionals dislike "PR" because it has negative "spin" connotations*



Public relations in ancient times

- Persuasion used to maintain power of leaders in ancient civilizations
 - Augustus Caesar built statues of himself
- Julius Caesar: commentaries written as propaganda
- “Propaganda” originated by Vatican: “Congregation for Propagation of the Faith”
 - First propaganda ministry created by National Assembly of France in 1792



Public relations in early America

- American Revolution pamphleteers: Ben Franklin, Sam Adams
- *Federalist Papers*: Writings supporting ratification of the Constitution (Alexander Hamilton, James Madison, John Jay writing anonymously)
- *P. T. Barnum*
 - “The Greatest Show on Earth”
 - Publicity stunts



The press and public relations

- Business either ignored or worked with the press until muckraking era
- *Muckraking*: Investigative reporting that uncovered unsavory business practices (*McClure's* and *Collier's*)
 - Ida Tarbell: exposé on Standard Oil Company
 - Upton Sinclair: *The Jungle* exposed meat packing plants
- Companies must respond to allegations



Beginnings of corporate public relations

- Development tied to struggle of American labor
 - Carnegie-Frick Steel Company strike (1892): strike broken, but union won public opinion
- Edison's General Electric vs. Westinghouse**
 - Standards for power generating/ transmission system: *Direct current (DC) vs. alternating current (AC)*
 - Used former newspaper reporters as publicists; AC eventually won because of superior technology
 - Edison tried convince public that AC was unsafe, patented electric chair; even used "to Westinghouse" to refer to electrocution by alternating current
- Association of American Railroads claimed to be first to use term "public relations"

Founders of public relations

- The Publicity Bureau (1900)**
 - First publicity firm, Boston
 - Employed by railroads to oppose regulation
- Ivy Ledbetter Lee**
 - Former reporter, opened NY office with George F. Parker
 - Didn't use term "public relations"
 - Believed that corporations should not conceal truth from press and business leaders should not shun publicity



Lee's *Declaration of Principles* (1906)

- Lee mailed "Declaration of Principles" to newspaper editors to counter hostility
 - Work done in the open
 - Supply news about business and public institutions
 - Honest and accurate information; assist editors in verification
 - Not advertising agency
- Most famous clients
 - Pennsylvania Railroad
 - John D. Rockefeller



Lee's public relations practice

- Went to work for Rockefeller full-time (dissolved firm)
- Countered negative publicity of Ida Tarbell's Standard Oil investigation
- Advised Rockefeller on countering negative publicity following *Ludlow Massacre*: strike in Colorado where several miners, two women and 11 children were killed
- Questionable clients tarnished rep
 - Soviet Union: attempted to get country recognized in U.S.
 - German Dye Trust*: taken over by Nazis; became known as "Hitler's press agent"



Edward L. Bernays

- Credited with originating term "public relations counsel"
- Worked for Committee on Public Information during WWI
- Wrote first books on public relations
 - Crystallization of Public Opinion* (1923); *Propaganda* (1928)
 - Public Relations* (1952)—first public relations textbook
- Taught first course on public relations
- Interest in *mass psychology*: how to influence large groups of people
- Impressive list of clients
 - Procter & Gamble
 - General Motors
 - American Tobacco Company



First public relations counselor

- 1919: Bernays opened public relations counselor firm
- Ethical concerns
 - Set up front groups for industries: "Better Living Through Increased Highway Transportation"—front group promoting trucking industry
 - Used feminism to gain publicity for tobacco companies—*"Torches of Freedom"* (1929): Women march down 5th Avenue on Easter, smoking to promote "equality"



Public relations matures

- ✦ **Press release:** invented in 1920s, written as news story
- ✦ **Public Relations Society of America (PRSA)**
 - Founded in 1948; largest public relations association, with 20,000 members
- ✦ By late 1960s, several hundred public relations agencies with 100,000 practitioners
- ✦ In the U.S. today:
 - 161,000 people in public relations
 - 4,000 firms offer public relation services



Development of *ethics codes*

- ✦ Criticism of public relations
 - P.T. Barnum: "There's a sucker born every minute"
 - Public relations restrict economic competition
 - In 1930s many who worked in public relations were press agents (star Rita Hayworth won best-dressed contest in 1939...no contest; was a publicity stunt)
- ✦ Questions of ethics brought to public attention in 1950s: creation of front organizations hired by railroad company to attack trucking industry
- ✦ PRSA established first code of ethics in 1954, revised in 2000

New technology in public relations

- ✦ **Videoconferencing:** allows large audience at different sites to participate in meetings
 - Tylenol tampering in 1982 (Johnson & Johnson): Reached media in 30 cities
- ✦ **Satellite Media Tours**
 - Spokesperson holds one-on-one dialog with broadcasters via satellite without having to travel
- ✦ **Video News Releases (VNR)**
 - Video version of traditional news release, sent to local TV stations
 - Controversy in that news reports being produced by public relations people



Online public relations

- ✦ **Webcasting**
 - Streaming video of live events (such as Victoria's Secret Internet lingerie show)
 - Video on demand
- ✦ **Web sites: video and audio**
- ✦ **Email**
- ✦ **Electronic press kits (e-kit)**
 - Internet URL can be include (including links)
- ✦ **Electronic press centers:** includes photos, audio, and video



Public affairs technology

- ✦ **Software programs help target legislators and voters**
 - Database programs: *ReConnect* program manages legislative outreach
- ✦ **Role in politics**
 - Bush campaign sent 150+ different emails to nearly a million voters last 10 days of campaign
 - Jerry Brown used technology to develop grass roots financing (used 800 number)



New dimensions for public relations

- ✦ **Unauthorized web sites, or "rogue sites"**
 - Critical of companies; must monitor these sites
- ✦ **Electronic news centers make it easy for media to get information**
- ✦ **Internet discussion**
 - Usenet news groups
 - Listservs
 - Chatrooms: "stooges" can skew discussions



A few of the things public relations practitioners do

- ✦ Advising and counseling
- ✦ Early warning system on emerging issues related to organizations
- ✦ Support for other management functions (publicity, promotion, and media relations)
- ✦ Gatekeeping between organization and public
- ✦ Strategizing and planning
- ✦ Writing and editing news releases, newsletters, shareholder reports
- ✦ Media relations and placements
- ✦ Research



Publics

- ✦ *Audiences for communication*: groups that influence success of an organization
- ✦ Many kinds of “publics”—
 - Customers, banks, legislators, regulators, unions, employees, stockholders, investors, contractors, suppliers, community neighbors, trade associations and business press
- ✦ Nonprofit organizations
 - Employees, donors, legislators, and volunteers



Good vs. bad public relations

- ✦ Good public relations
 - Benefits: increased sales, larger market share, improved employee morale
- ✦ Bad public relations
 - Operations outside the bounds of public interest: faulty products, illegal manipulation of stock prices, negative press coverage, public outrage, and regulatory punishment



Good vs. bad public relations

- ✚ Examples of bad public relations
 - Exxon handling of *Valdez oil spill*
 - Intel handling of *Pentium division error*
 - Firestone handling *Wilderness AT tire treads* peeling off, causing crashes: “No specific problem was found with the design or production method of our tires”
- ✚ Example of good public relations
 - Johnson & Johnson handling of *Tylenol cyanide scare* in 1982: management put customer safety first, before profit and other financial concerns— issued national alert and large recall



Successful public relations

- ✚ Based on research , evaluation and planning
 - Public opinion polls, readership surveys, mail questionnaires, telephone interviews, focus groups, and literature search
- ✚ Goals of public support
 - *Profit organization*: purchase of products, investment in stock, support for favorable regulations
 - *Nonprofit organization*: donations, volunteers, and memberships
 - *Government*: taxpayer cooperation and public participation
- ✚ Communication and truthfulness at all levels

Professionalism

- ✚ Organizations
 - Public Relations Society of America (PRSA) and its student branch, PRSSA
 - International Association of Business Communicators (IABC)
 - Women in Communication (WIC)
- ✚ Job preparation
 - Many practitioners from media
 - Education:
 - Liberal arts education
 - Journalism, marketing, mass communication, English
 - Majors in public relations



Private interest vs. public interest

- ✦ Tempting for journalists to rely on press releases, letting corporations dominate news coverage and issues
- ✦ Lobbying to directly affect public policy
 - Microsoft and AT&T donated almost \$130 million to political campaigns in 2000 election
- ✦ Tension between corporate and public interest
 - E.g., racism in major corporations: Texaco exec using racial epithets; discrimination suit for \$176 million



Corporate sexism

- ✦ Public relations offer opportunities for women in corporate ranks
 - The “*velvet ghetto*”—women find a barrier that stops them from advancing to higher public relations positions within companies
 - Deeper pattern of sex discrimination
- ✦ Female public relations employees often unable to break glass ceiling
 - Only two Fortune 500 companies have female CEOs