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

Chapter Eleven

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 pamphleeters: 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 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

### Cooperate sexism

- Public relations offer opportunities for women in corporate ranks
- The “velvet ghetto”—woman 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