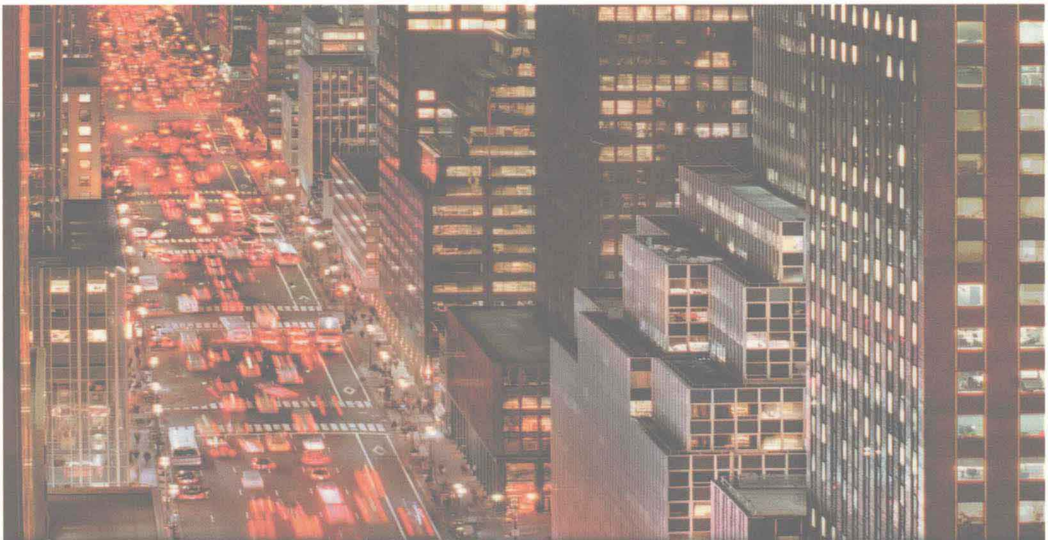
INTERNATIONAL STUDENT EDITION



Public Relations Cases

Jerry A. Hendrix   Darrell C. Hayes

Seventh Edition

Not for Sale in the United States

Public Relations Cases

SEVENTH EDITION

Jerry A. Hendrix

American University

Darrell C. Hayes

American University

THOMSON
WADSWORTH

Australia • Brazil • Canada • Mexico • Singapore • Spain
United Kingdom • United States

THOMSON
WADSWORTH

Publisher: Holly J. Allen
Assistant Editor: Lucinda Bingham
Editorial Assistant: Meghan Bass
Senior Technology Project Manager: Jeanette Wiseman
Managing Marketing Manager: Kimberly Russell
Marketing Assistant: Alexandra Tran
Marketing Communications Manager: Shemika Britt
Project Manager, Editorial Production: Karol Jurado
Creative Director: Rob Hugel
Executive Art Director: Maria Epes
Print Buyer: Doreen Suruki

Printed in the United States of America
1 2 3 4 5 6 7 10 09 08 07 06

Library of Congress Control Number: 2006920823

Student Edition: ISBN 0-495-05028-8

Permissions Editor: Roberta Broyer
Production Service: G&S Book Services
Text Designer: Lisa Devenish
Copy Editor: Kathy Finch
Cover Designer: Patrick Devine
Cover Images: Lester Lefkowitz/Getty Images (top), Photolibrary.com/Getty Images (bottom)
Cover Printer: Phoenix Color Corp
Compositor: G&S Book Services
Printer: R.R. Donnelley

Thomson Arts and Sciences
10 Davis Drive
Belmont, CA 94002-3098
USA

Preface

In preparing this edition, we continue to believe that readers should encounter a clear set of guiding public relations principles accompanied by cases that generally illustrate those principles in a positive light and thus serve as models of effective management and practice.

The book is divided into four sections: Solving Public Relations Problems, Reaching Major Audiences, Emergency Public Relations, and Integrated Marketing Communications.

In Part 1, the introductory chapter begins with a philosophy we have held for a long time—that the best public relations is characterized by interaction, or better still, interactive participation among sources and receivers of communication. This philosophy is based on the underlying premise that public relations is mostly persuasion. Some years ago, communication researchers discovered that the most effective means of persuasion is self-persuasion. Audience involvement thus becomes a crucial ingredient of successful public relations.

Chapter 1 also includes a section on ethics in public relations. As in previous editions, we have included the Public Relations Society of America (PRSA) Member Code of Ethics in Appendix II, but you will also find some additional dimensions of ethics in this opening chapter.

In Chapter 2, you will encounter the "Hendrix process model," which involves initial research, the setting of objectives, programming, and evaluation. (The elements of this process model form a convenient mnemonic device, the acronym ROPE.) This model focuses special attention on the significance of objectives and their arrangement in a hierarchical order of output and impact functions. Another feature of this process model, reflecting a training and background in speech communication, is special emphasis on the role of interpersonal communication, including speeches, speakers bureaus, small-group and one-on-one formats, and nonverbal aspects of communication. In a word, the ROPE process model is interactive.

Part 2 consists of audience-centered applications of the process, with accompanying illustrative cases. The audience-centered forms of public relations included are media relations, employee and member relations, community relations, public affairs and government relations, investor relations, international public relations, and relations with special publics. Most of the cases were winners of the prestigious Silver Anvil Award contest, conducted annually by the Public Relations Society of America, and therefore constitute some of the finest examples of public relations practices available. The cases also follow the Silver

Anvil entry format, which is somewhat different from the format of the ROPE model. The major difference is that the ROPE model sets objectives apart as a separate category, and the Silver Anvil format does not. The ROPE programming phase includes planning and communication (execution), and both Silver Anvil and ROPE begin and end with research and evaluation. Thus, the two models have a difference mainly in format, not substance.

Part 3 includes both theory and illustrative cases for emergency or crisis public relations. This field of PR is not oriented to a particular audience, so we have set it apart in a separate section of the book.

Also set apart is the section on integrated marketing communications (IMC), the newest area of public relations. IMC is a combination of public relations and marketing techniques, so it is not really new. Though some practitioners, scholars, and the PRSA itself omit the word "marketing" and call it "integrated communications," our preference is to use the widely accepted term "integrated marketing communications."

Finally, the appendixes contain questions for class discussion and the PRSA Member Code of Ethics 2000, which contains guidelines for the ethical practice of public relations.

All but one case from the sixth edition have been replaced to give current examples of award-winning communication campaigns.

Many public relations practitioners have helped by granting permission to use their cases. We hope they will accept our gratitude and understand that space does not permit a list of all their names.

The Instructor's Manual for the seventh edition has been expanded with additional material from many of the cases and updated scenarios for class exercises and discussions. Instructors who adopt the book will have access to the online edition of the Instructor's Manual and may request a copy of the video material from the publisher.

We thank the American University graduate assistants who have helped us with the seventh edition, Jessica Awig and Ileana Schinder.

As with previous editions, we are indebted to administrators in the American University School of Communication for their encouragement, support, and financial assistance.

Authors work most closely with their production editors and it is a pleasure to thank Jamie Armstrong for the warm and outstanding work as production editor for this edition.

We also thank Holly Allen and Meghan Bass for their leadership, guidance, and patience on this edition.

Finally, we gratefully acknowledge the following reviewers, whose constructive comments helped in the development of this seventh edition: Susan Balter-Reitz, Montana State University–Billings; Sheridan Barker, Carson-Newman College; Zoltan Bedy, SUNY at Oswego;

Bruce K. Bell, Liberty University; Dan Berkowitz, University of Iowa; Bojinka Bishop, Ohio University; Ashley Fitch Blair, Union University; Linda Burkley, Slippery Rock University; Keith Cannon, Wingate University; Robert Carroll, York College of Pennsylvania; Shirley S. Carter, University of South Carolina; Rod Carveth, SUNY at Oswego; W. Timothy Coombs, Eastern Illinois University; Gael L. Cooper, University of Southern Indiana; Terri Cornwell, Liberty University; Jeffrey L. Courtright, Illinois State University; Donna W. Cunningham, Northern Arizona University; Richard Davis Jr., August State University; Lora De-Fore, Mississippi State University; Bruce Dorries, Mary Baldwin College; Jeanette Drake, University of Findlay; Cynthia Droog, Grand Valley State University; Bosah Ebo, Rider University; Thomas R. Flynn, Slippery Rock University; Karen Fontenot, Southeastern Louisiana University; Tom Gardner, Westfield State College; Amiso M. George, University of Nevada, Reno; Kelly Griffin, Rider University; Felicia LeDuff Harry, Nicholls State University; Christine Helsel, Eastern Illinois University; Dan Henrich, Liberty University; Sue Hinz, University of Idaho; Terri Lynn Johnson, Eastern Illinois University; LeeAnn Kahlor, University of Texas, Austin; Chi-Chung Keung, Biola University; Frank Klapak, PhD, Seton Hill University; Jerri Lynn Kyle, Southwest Missouri State University; S. Law, Texas A&M International University; Ann Liao, SUNY at Brockport; Lisa Lundy, Louisiana State University; Deborah Menger, University of Texas, San Antonio; April Mouser-Fatula, Harding University; M. Nadler, Miami University; Joy M. Newcom, Waldorf College; Richard A. Nida, Emporia State University; Troy Oldham, Utah State University; Michelle Recicar, Stonehill College; Hugh Reilly, University of Nebraska at Omaha; Dr. Freda L. Remmers, Kean University; Brent Roberts, Montana State University–Billings; Richard C. Robertson, University of Tennessee at Martin; Helen Schubert, Roosevelt University; Mohammad A. Siddiqi, Western Illinois University; Jay Silverman, Sage College of Albany; William Sledzik, Kent State University; S. Catherine Walsh, Mount Saint Mary College; Debra Worley, Indiana State University; Debbie van Tuyll, Augusta State University; and Sr. Rita M. Yeasted, La Roche College.

About the Authors

Jerry A. Hendrix, Ph.D., is professor emeritus of communication at American University in Washington, D.C., where he taught for 37 years. He is an accredited member of the Public Relations Society of America.

Darrell C. Hayes is an assistant professor at American University's School of Communication, Washington, D.C. Before joining the faculty, he had more than 15 years experience in public relations with technology firms, nonprofit associations, and as a government communication manager. He has also worked with a marketing research firm and been the managing director of the Aerospace Education Foundation. He is an accredited member of the Public Relations Society of America.

Contents

PART I

Solving Public Relations Problems

Chapter 1

Public Relations in Action

One of the best ways to learn about public relations is through the study of contemporary examples of its practice. Such case studies can bring public relations to life in a way that theoretical textbooks and classroom lectures cannot. Here we will first examine the nature of public relations through its definition and a process model. Then we will look at various forms of public relations along with several cases to illustrate each form.

One way of defining public relations has been simply to invert the term so it becomes "relations with publics." An improved modification of this definition is "*interrelationships* with publics." This better reflects the nature of contemporary public relations as an *interactive* form of communication in which the targeted audiences yield information to the organization through its research efforts and often *participate* in the public relations programming itself. This interactive or mutual dimension of public relations is seen in the comprehensive description adopted by the Public Relations Society of America (PRSA) in 1982 (see Exhibit 1-a).

EXHIBIT 1-A *PRSA's Official Statement on Public Relations**

Public relations helps our complex, pluralistic society to reach decisions and function more effectively by contributing to mutual understanding among groups and institutions. It serves to bring private and public policies into harmony.

Public relations serves a wide variety of institutions in society such as businesses, trade unions, government agencies, voluntary associations, foundations, hospitals, and educational and religious institutions. To achieve their goals, these institutions must develop effective relationships with many different audiences or publics such as employees, members, customers, local communities, shareholders, and other institutions, and with society at large.

The managements of institutions need to understand the attitudes and values of their publics in order to achieve institutional goals. The goals themselves are shaped by the external environment. The public relations practitioner acts as a counselor to management, and as a mediator, helping to translate private aims into reasonable, publicly acceptable policy and action.

As a management function, public relations encompasses the following:

- Anticipating, analyzing, and interpreting public opinion, attitudes, and issues that might impact, for good or ill, the operations and plans of the organization.
- Counseling management at all levels in the organization with regard to policy decisions, courses of action, and communication, taking into account their public ramifications and the organization's social or citizenship responsibilities.
- Researching, conducting, and evaluating, on a continuing basis, programs of action and communication to achieve informed public understanding necessary to the success of an organization's aims. These may include marketing, financial, fund-raising, employee, community, or government relations, and other programs.
- Planning and implementing the organization's efforts to influence or change public policy.
- Setting objectives, planning, budgeting, recruiting and training staff, developing facilities—in short, *managing* the resources needed to perform all of the above.

*Formally adopted by the PRSA Assembly on November 6, 1982. Reprinted courtesy PRSA.

- Examples of the knowledge that may be required in the professional practice of public relations include communication arts, psychology, social psychology, sociology, political science, economics, and the principles of management and ethics. Technical knowledge and skills are required for opinion research, public issues analysis, media relations, direct mail, institutional advertising, publications, film /video productions, special events, speeches, and presentations.

In helping to define and implement policy, the public relations practitioner utilizes a variety of professional communication skills and plays an integrative role both within the organization and between the organization and the external environment.

PROCESS

The public relations process is a method for solving problems. It has four phases: research, objectives, programming, and evaluation. Each element may be modified by the demands of different audiences or publics, including employees, members, customers, local communities, shareholders, and, usually, the news media.

The *research* phase of the process involves identifying and learning about three key elements: (1) a *client* or institution that has (2) a *problem* or potential problem to be solved, which involves (3) one or more of its *audiences,* or publics.

The second phase of the public relations process involves the setting of *objectives* for a program to solve the problem. These objectives may include the kind of influence the client hopes to exert with the audiences, such as informing them or modifying their attitudes or behaviors. The objectives may also include statements about the program itself, such as its composition or how it will operate.

The third phase of the process consists of planning and executing a *program* to accomplish the objectives. The program comprises a central theme, messages, and various forms of communication aimed at reaching the audiences.

Finally, *evaluation,* as defined in this process, consists of two parts. First, it includes an ongoing procedure of program monitoring and adjustment. Second, evaluation refers back specifically to the objectives that were set in the second phase of the process and examines the practitioner's degree of success in achieving them.

CASES

The illustrations of this process in action—the cases—are grouped in this text according to the various audiences that public relations practitioners reach. Each audience calls for some modifications in the overall four-step process, and the cases illustrate the modified process in action.

Cases are presented to illustrate relations with the media, with internal audiences, with the community, with the government, with investors, with consumers, with international audiences, and with special groups.

Effective public relations cases serve as models for students and practitioners alike. They enhance public relations theory, making it come alive with illustrations and examples of the PR process in action. Moreover, audience-centered cases exemplify the constraints involved in conducting research, setting objectives, designing and executing a program, and evaluating what has been done. In sum, cases, especially audience-centered cases, effectively illustrate public relations principles and management and test theoretical applications in real situations and environments.

NEW TECHNOLOGY

The most striking aspect of the cases included here is the pervasiveness of new technology, most notably the use of the Internet.

First generation "brochure-ware" websites are becoming more interactive. Websites are regularly used to conduct relations with a variety of publics. Organizations keep their media kits on the website in the form of news releases, background information, photographs, executive speeches, quarterly and annual reports to shareholders, position papers, interviews, and so forth. The sites provide means for e-mail feedback, registration, or chat rooms for collaboration. *New York Times* columnist Thomas L. Friedman suggested the convergence of new technologies has made this a "horizontal world" where global collaboration has become the skill that differentiates the best in their businesses.

E-mail has become the dominant form of communication both internally and externally. E-mail has virtually replaced internal print materials, such as newsletters, written memos, and some face-to-face communication. Externally, e-mail has become the major means of communicating news releases, media alerts, and other forms of media relations. E-mail also provides instant communication with consumers, investors, and a variety of other targeted publics.

Many organizations have created *intranets*—internal Internets—to handle large volumes of internal communication with employees and members. Some organizations also have created *extranets*—selective external Internets—to reach targeted external groups, such as investors, journalists, consumers, and others. CD-ROMs and DVDs also have become a major public relations tool, with vast storage and the potential for interaction with targeted groups. Instant Messaging has made online collaboration immediate, speeding both the flow of information and decision-making loops in organizations. Cell phone text messaging made computer e-mail portable and has even led to the rapid mobilization of street protests in many countries. Viral messaging uses the natural propensity of people to share information with others to spread organizational information.

Web logs, or blogs, allow anyone to becoming a publisher and to share personal opinions or their own "news." It has blurred the distinction between traditional journalism and other information sources. Some senior managers in organizations have established their own blogs to make sure the organization's positions are posted on this wider tableau of public opinion. Podcasting emerged as another tool for reaching audiences. With the popularity of "personal on-demand" players, podcasts became another way to share news, special events or personal opinions via the Internet. The rapid exchange of information and messages in this digital universe affects not only the way organizations must more quickly respond to an emergency, but has also impacted the practice of public relations in a major, ever-expanding way. It has both cluttered the message channels, and yet opened new avenues for connecting with publics.

ETHICS

The PRSA Member Code of Ethics (see Appendix II), adopted by the Public Relations Society of America Assembly in 2000, provides a way that each member "can daily reaffirm a commitment to ethical professional activities and decisions." The code of ethics first presents a set of core professional values that should guide all ethical practitioners of public relations. These values include responsible advocacy; honesty; expertise; independence (objective and responsible counsel to clients); loyalty to clients while serving the public interest; and fairness in dealing with clients, employers, competitors, the media, and the general public.

The second part of the code consists of such ethical principles of conduct as "protecting and advancing the free flow of accurate and truthful information," "promoting healthy and fair competition" among professional public relations practitioners, disclosing honest and accurate information in all communications, protecting "the privacy of clients, organizations, and individuals by safeguarding confidential information," "avoiding real, potential or perceived conflicts of interest," and working constantly to "strengthen the public's trust in the profession." All students of public relations, as well as long-time practitioners, should read the entire code.

This commitment to ethical practices on the part of PRSA is intended to counter the image of public relations practitioners as "hired guns" who will say or do whatever it takes to accomplish the goals of their clients. There is some basis for this negative public perception of the profession. The following is a discussion of some of the practices that have earned public relations a sometimes-less-than-savory reputation.

On a continuum going from bad to worse we might begin with the relatively innocuous practice of *lowballing*. This consists of downplaying expectations for a program or project that may not be especially successful in its outcome. The mass media frequently accuse the White House of "lowballing" a presidential visit abroad, a peace initiative in some part of the world, or some other effort that may not yield much tangible results.

Closely related to lowballing is the ubiquitous *spin* that is used by governmental and corporate public relations practitioners to make their programs look good. The "spin" actually consists of the one-sided use of facts or data to create a desired impression. These practitioners are often referred to by the mass media as *spin doctors*. By selectively using only positive aspects of a program or a political campaign, practitioners can portray their clients' activities in a favorable light. Conversely, the endeavors of an opponent may be selectively portrayed only in the negative.

Next we might examine six types of *distortion* sometimes found in the practice of public relations. The first of these is commonly called *hype*. Hype is the use of hyperbole or magnification, sometimes referred to as the "blowing out of proportion" of the attributes of a person, event, or product. The mass media are fond of portraying various criminal acts as "the crime of the century." Advertising constantly uses hype in its exaggerated claims for products and services, and public relations practitioners have been known to "stretch the truth" about clients and their programs.

A second type of distortion is *minimizing*, the exact opposite of hype. Sometimes practitioners will play down the seriousness of a failure or the negative aspects of a product or other problems experienced by a client.

A third type of frequently used distortion is *overgeneralization*, or drawing sweeping conclusions based on one isolated case or example. If a candidate for the presidential nomination of a political party loses the New Hampshire primary, for example, the mass media, along with the candidate's opposition, usually conclude that the nomination is lost, based on the results of that one primary election. Similarly, singular successes have been used to draw sweeping positive conclusions. One case study should never be the sole basis for such generalizations.

Categorization is a fourth type of distortion sometimes found in the practice of public relations. An example of categorization may involve the portrayal of a person, event, or product as "good" or "bad" with no middle ground or shades of gray. Other frequently used categories include "successful," "unsuccessful," "useful," "useless," and the like.

Closely related to categorization is the practice of *labeling*. An individual or program may be labeled either a "winner" or a "loser," often on the basis of sketchy or nonexistent evidence. History is replete with