

Strategic Communications

advertising & public relations

Advertising

Total U.S. ad spending
2009: \$117 billion
2008: \$1,29 billion

Top Ten Product Categories, by Ad Spend

Product Category	Jan-Dec 2009 (millions)	Jan-Dec 2008 (millions)	% Change
Automotive (Factory & Dealer Assoc.)	\$8,039.1	\$10,491.6	-23.4%
Pharmaceutical	\$4,504.6	\$4,424.6	1.8%
Quick Service Restaurant	\$4,068.5	\$4,014.9	1.3%
Department Stores	\$4,066.3	\$3,956.0	2.8%
Wireless Telephone Services	\$3,386.2	\$3,689.8	-8.2%
Motion Picture	\$3,368.4	\$3,414.0	-1.3%
Auto Dealerships - Local	\$3,227.2	\$4,188.6	-23.0%
Direct Response Products	\$2,465.8	\$2,582.9	-4.5%
Restaurants	\$1,557.6	\$1,615.0	-3.6%
Furniture Stores	\$1,437.5	\$1,553.1	-7.4%
Total Top 10 Product Categories	\$36,121.2	\$39,930.5	-9.5%

Source: The Nielsen Company
NOTE: Data excludes B-to-B Magazine spending

● Advertisings' function in society

- information
- persuasion
- generate income for mass media

● Advertising's Influence on Journalism

- favorable treatment of major advertisers
- self-censorship to avoid offending advertiser

● Advertising's Influence on Consumer Behavior

- consumer behavior:
 - > the study of how advertising affects people
 - > cognitive dissonance
 - a message and action give conflicting and uncomfortable signals

● Identifying Consumers as Types

Tools advertisers and ad agencies use to identify potential customers:

- demographics
 - > characteristics of the person or household
 - age
 - income
 - family size
 - marital status etc.

● Identifying Consumers as Types

Tools advertisers and ad agencies use to identify potential customers:

- psychographics
 - > lifestyles and activities
 - hobbies
 - movie attendance
 - music preferences
 - sports etc.

● Advertising's Influence on Consumer Behavior

- two perspectives of consumer behavior:

1. cognitive
 - > rational mental process
 - > use information in ads to make rational choices
 - > more often found in print ads
2. behavioral
 - > appeals to the emotions
 - > more often found in TV ads

TARES Test

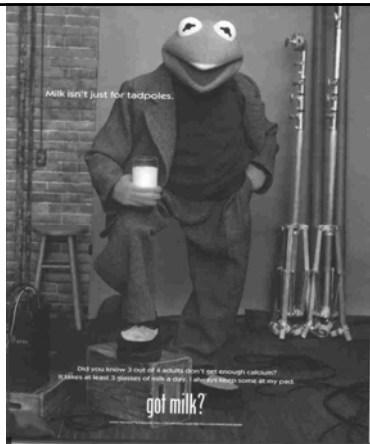
- T** – Truthfulness
- A** – Authenticity
- R** – Respect
- E** – Equity
- S** – Socially responsible

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Some types of persuasive messages

salience and novelty
get your attention



identity advertising

identify with people in ad



source credibility
information is from someone you trust



classical conditioning

stimulus and response: put ad next to something you trust and respect



● Manipulation by Advertising

- influence people to buy things they don't need or can't afford
- influence children's behavior
 - > young children lack rational thinking abilities
 - can't differentiate between program and ad

● Manipulation by Advertising

- Blurring the line between persuasion and information
 - > influencing "grass roots" endorsements
 - > creating fake news stories
 - > creating fake fan Web sites

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PUBLIC RELATIONS

<http://www.prnewswire.com>
<http://www.fullerton.edu/paweb>
<http://www.fullertontitans.com>

Types of PR Messages

• Informational Messages

- make employees aware of changes in the company of upcoming training
- make the public aware of an event or issue that the organization believes is important
 - > new adult education classes
 - > new movie in production
 - > new company president
 - > product recall

Types of PR Messages

• Persuasive Messages

- cause people to change their beliefs or act in certain ways
- FDR's fireside chats in 1930s-40s
 - > created support for New Deal & arming England
- car seatbelt promotions
- news releases touting company products

Principles of ethical advocacy

- access to marketplace of ideas
- disclosure of who is paying for the message
- truthful messages
- process, e.g., contributes to the free flow of information in the marketplace of idea

Public Relations Society of America Code of Ethics

<http://www.prsa.org/AboutPRSA/Ethics>

- A member shall not knowingly disseminate false or misleading information and shall act promptly to correct erroneous communications for which he or she is responsible.
- A member shall not engage in any practice which has the purpose of corrupting the integrity of channels of communications or the processes of government.

- A member shall be prepared to identify publicly the name of the client or employer on whose behalf any public communication is made.
- A member shall not use any individual or organization professing to serve or represent an announced cause, or professing to be independent or unbiased, but actually serving another or undisclosed interest.

- Video news releases (VNRs)**
 video provided by company or its PR firm
- B roll: unnarrated footage and interview clips
 - A roll: narrated news story
- ethical issues:
- > authenticity of the footage
 - > transparency of the footage
 - audience needs to know who provided the video

- Public Relations and Business**
- mid-1800s: businesses began to recognize the benefits of good publicity
 - target government and the media
 - campaigned for federal funds to build railroads
 - offered media junkets on new railroad lines

- PR created positive image public image of business tycoons
 - respond to attacks from muckrakers on John D. Rockefeller, Leland Stanford, Andrew Carnegie etc.

- Politics and Public Relations**
- **Lobbying: influence politicians and policy**
 - purpose is both to inform and persuade
 - > information on the organization's position
 - > information on how the policy would affect the organization or public
 - positive or negative effects
 - > present arguments for or against the policy

- **influence the voters**
 - manage campaigns
 - used by politicians and interest groups
 - spin doctors

● **Work with reporters**

- keep them up to date on the president's, senator's, CEO's etc. activities and statements
- track down answers to reporters' questions
- arrange interviews (or deny interviews) with their bosses

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Sissela Bok:

1. How do I feel about the action?
2. Is there any other way to achieve the same goal that will not raise ethical issues?
3. How will my actions affect others?

In looking at these case studies, think about

- > The Principles of Responsible Advocacy
- > Where your Communitarian duty lies
- > How you would deal with conflicting loyalties
- > Apply the TARES to advertising
- > Public Relations Society of America's ethics code