Public Relations Comes of Age*

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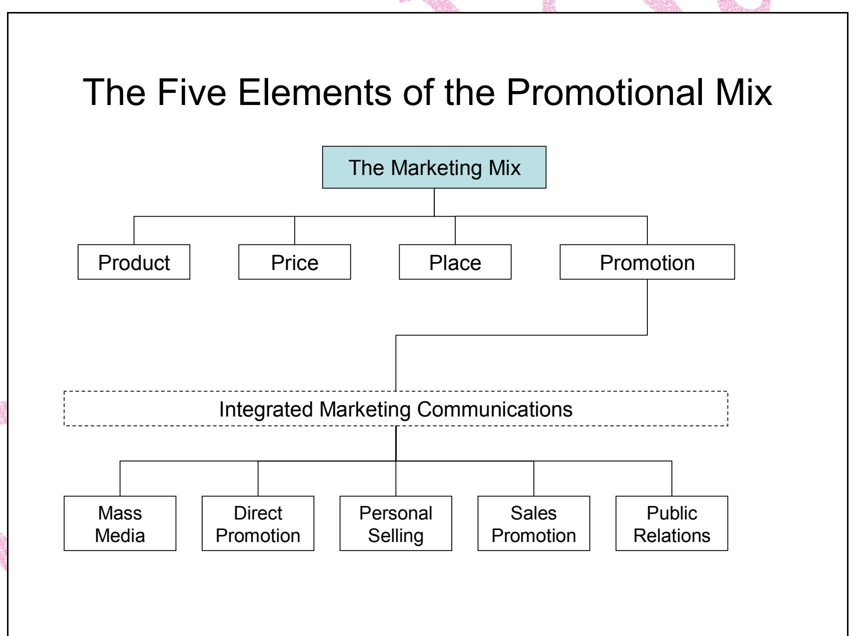
Public Relations (PR) is no longer synonymous with "disaster management" and the emergence of a number of innovative techniques makes it timely for managers to reconsider PR as a full-fledged part of their firms' marketing communications strategies. In the familiar Marketing Mix (for simplicity, referred to as the "Four P's of Marketing") mangers are encouraged to group their decision making into the areas of Product, Price, Place (a mnemonic for "channel of distribution") and Promotion (Figure 1).



Promotion includes any activity that a firm uses to communicate with customers and it's useful to further define a "Promtional Mix" (Armstong & Kotler, 2004, p. 399) of five elements: Mass Media Advertising, Direct Promotion, Personal Selling, Sales Promotion and Public Relations. Thinking about these five elements separately encourages marketers to consider a broader range of promotional activities than simple spending more money on "advertising." Mass Media Advertising—TV and print advertisements and internet banners—is indeed the tip of the promotional iceberg. Direct Promotion encompasses material mailed directly to customers and prospects and recently has come to include e-mail.

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Personal Selling using a professional salesforce or the salespeople of retail channel members is typical for high-ticket consumer durables such as cars and household appliances and is essential for most business-to-business capital goods such as the sale of airplanes or manufacturing machinery. Sales Promotion—a temporary change in the price/quantity offer, such as: "Buy one, get one free!"—is ubiquitous in consumer packaged goods purchased in grocery stores and is very effective at generating a short term increase in unit sales, often at the expense of current period profitability and sales in future time periods. Public Relations, the fifth element, has often been considered as an after-thought, but successful marketing managers no longer wait around for disaster to strike before consulting with their PR counsel. Modern Public Relations embraces a cornucopia of legitimate techniques to promote a firm, its brands and its products beyond traditional advertising.

A strategic approach to marketing begins with an understanding that strategy always involves making choices: Successful firms focus their resources as much by choosing which market opportunities to *avoid* as which to target. Similarly, a managerial approach to the Promotional Mix that is truly strategic will be one that makes choices among the many possibilities. For example, very early in the product life cycle the firm's promotional objective may be solely to generate interest in the category ("Have you thought about getting a satellite phone?") rather than generating sales per se. Different promotional techniques achieve different promotional results: awareness, brand recognition, brand preference, product choice, customer loyalty and so on. An important part of management of this Promotional Mix is to make sure that all elements of a firm's communication strategy are coordinated. A familiar example of a failure in this approach is to go into a retail store in response to an advertisement and find that the sales staff know nothing about an advertised sales price offer. Strategic thinking includes adopting the philosophy of Integrated Marketing Communications: Making sure that activity in one of the five elements is harmoniously coordinated with the others (Schultz, 1993).

Public Relations May be More Effective than Advertising

The limitations on Mass Media Advertising are well known. The readership of daily newspapers is shrinking (Angwin & Hallernan, 2005), especially among those generations whose members grew up accessing information from the Internet. Advances in digital composition have made it very easy to start new magazines (the National Directory of Magazines lists more than 10,000 non-scientific periodical titles). While this means that advertising can be narrowly targeted to niche audiences (Godin, 1999, p.29), such as people who crochet as a hobby, it makes it harder to reach new customers such as people who would be interested in taking up crochet as a hobby.

TV networks can no longer deliver 85 percent of all viewing households as Ed Sullivan could command for his variety show in the 1950s. Cable and satellite TV have led to the fragmentation of media—with many more channels, fewer viewers are watching each one (Leonard, 2004). Worse, from the advertisers' point of view, the most desirable customers may not be watching TV at all, choosing to spend their leisure time online, gaming or watching commercial-free programming. Digital video recorders permit consumers to "zap" commercials by skipping ahead. Those media which do carry advertisements are increasingly cluttered (Kotler & Armstrong, 1996, p. 500) so the impact of each Mass Media Advertising expenditure is diminished.

TRADITIONAL PUBLIC RELATIONS ACTIVITIES

- Issuing press releases
- Fact finding for press inquiries
- Coordinating spokespeople to respond to the press
- Providing public speakers
- Factory tours
- Lobbying
- Investor relations
- Organizing publicity events such as "Grand Opening" ceremonies

Traditional Public Relations activities (see adjacent Text Box) were characterized by rather passive relations with members of the press. PR professionals nurtured good relationships with reporters, hoped to be called for a quote when there was a good story to be told, and issued press releases describing product releases and staff promotions. However, marketing managers now have a much broader array of PR activities that can be used as a proactive part of the Promotional Mix.

The Scope of Modern Public Relations

Before the emergence of modern PR activities, marketing academics used to define Public Relations as: Any non-paid communication between the firm and its public constituencies. However, most marketing managers would take issue with "unpaid": External Public Relations counsel are likely to charge substantial fees and many worthwhile PR activities (such as event sponsorship) require expenditures of many millions of dollars from a firm's promotional budget. This leads to a rather artless contemporary definition that is nonetheless accurate:

> Public Relations is the part of the Promotional Mix that involves communication between the firm and its public constituencies other than paid mass media advertising and direct promotion (mail and e-mail). Public Relations activities seek to promote "Word of Mouth" and increase Media Mentions of the firm and its product.

The long-term goal of any successful Public Relations activity is to encourage positive consumer perceptions of the firm, its brands and its products. From a myriad of PR activities that will be described below, the effect of a successful PR campaign can be identified in two intermediate results: Word of Mouth and Media Mentions. These two vectors are interrelated—positive print articles result in friends talking, friends talking suggest story ideas to reporters—the specific effect of the various tactics will vary with a greater weight on Word of Mouth or Media Mentions as the intermediate result.

Word of Mouth

"Word of Mouth" is the promotional dream of most marketers. If a firm is lucky enough to have it, consumers tell each other about the firm's products, and the most satisfied customers volunteer as ambassadors for the brand. Word of Mouth is particularly effective as a promotional communication because each message comes from a trusted source—a friend, family member or acquaintance.

Not too long ago, a marketing manager whose work I respect commented: "There's not too much we can do about Word of Mouth—we figure, if it happens, that's great." However, Renee Dye's (2000) influential article defined Word of Mouth as a legitimate promotional goal and suggested several techniques, such as creating artificial shortages of in-demand products, to produce what she called "buzz". The recently formed Word of Mouth Marketing Association (www.womma.org) seeks to promote best practices in the field amongst its members. Andrew and Jack Kaikati (2004) recently reviewed a number of "stealth marketing" techniques (such as paying people to talk up the brand) which have been employed to directly promote Word of Mouth. Word of Mouth is particularly desirable as the intermediate goal if there is a narrow group of customers for a product or if the firm is trying to seek the attention of opinion leaders and early adopters. For example, if a firm developed a new product to aid autistic children, while media mentions on morning TV news shows would be nice to have, this would be over reaching (most families watching the shows would be uninterested in purchase). A more strategic approach would be to focus on developing Word of Mouth within autism parent associations and support groups.

In modern Public Relations there is a broad set of legitimate public relations activities that, if successful, will naturally promote Word of Mouth, and an additional, related benefit, Media Mentions.

Media Mentions

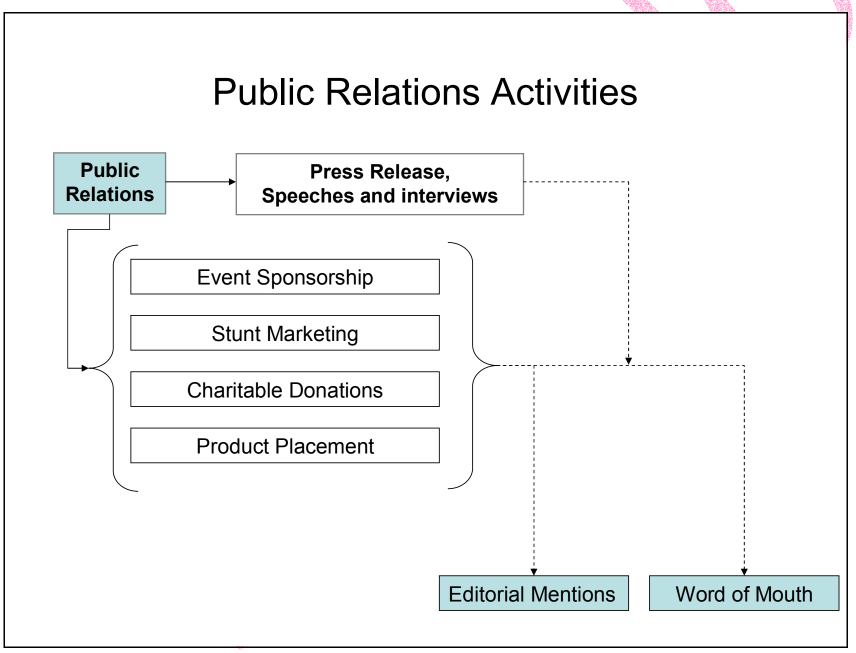
For more than a decade, every Thursday the Wall Street Journal has published a column, "Personal Technology" by its reporter Walter Mossberg. Each week, Mr. Mossberg reviews new technology gadgets that are offered to the market. He is an authoritative critic who doesn't hesitate to say when a bright idea lacks the execution to be ready for broad adoption Conversely, when he says a product is the "best in my opinion for most non-tech users" the product is guaranteed to be a hit. No technology marketer could spend any amount of money to purchase any number of full page advertisements in the Journal that would be remotely as effective as Mossberg's thumbs up or thumbs down.

This is just one example of the power of what are technically called "editorial mentions." This term does not mean a discussion on the opinion pages of a newspaper, but any reference to the firm (in a positive way) as part of the text of an article or on a radio or TV show. For example, when CBS technology correspondent, Larry Magid, calls in to a radio show and mentions that he is using Vonage ™ VoIP telephony, many consumers who have been considering this new communications device will be motivated to subscribe. The good news for marketers is that, just as much as they crave positive editorial mentions, content providers are looking for something to discuss, and there's a considerable cachet in being the first to discover a hot new product.

Like Word of Mouth, Media Mentions don't just happen. There is an active give-and-take process between members of the media who are seeking new stories and new angles on old stories and commercial firms that are looking for positive mentions of their products. In traditional PR, a firm might issue a press release with written description of a product and send it to as many media contacts as possible. Today, this would be considered a rather passive approach to achieving Media Mentions. The modern approach is to say that Both Word of Mouth and Media Mentions are the result of a broad range of specific, proactive Public Relations activities.

Modern Public Relations Activities

Although conventional Public Relations activities, such as the routine dissemination of Press Releases, have their place, the new wave of PR activities can be grouped in four general areas: Event Sponsorship, Stunt Marketing, Charitable Donations and Placement [Figure 2].



As with any promotional technique, only some of these activities will be appropriate for each promotional need. For example, the launch of a breakthrough new product is a good match to a Stunt Marketing approach, while an established firm seeking to adjust its image in a particular local community might better use a strategic campaign of charitable donations.

Event Sponsorship

Almost every major sporting event in the US now has a commercial sponsor: the Buick Open golf tournament, the Tostitos Fiesta Bowl in football and the SAP Open Tennis tournament are examples of annual sporting events that give name recognition to corporate partners. In general, the sponsor receives multiple mentions of the corporate name on signage and in press and broadcast reports and a generally favorable context (attending sporting events is a leisure activity and everyone shares in the joy of the winner).

EFFECTIVE EVENT SPONSORSHIP

- Have a strategic plan and choose events that match the firm's promotional goals
- Calculate the return on investment, compare with alternatives
- Avoid clutter, "we'd also like to thank"
- Negotiate tie-ins up front
- Make a contract for the naming rights
- Make a long-term, multi-year commitment with options to renew sponsorship
- Coordinate mass media advertising
- Conduct "Internal Promotion" to engage members of the firm
- Be alert for hijacking of the event's image
- Plan for the downside—an ineffective event or incident
- Monitor effectiveness with tracking studies

Not all sports event sponsorship expenditures will necessarily have a positive promotional effect. For example, every year more than 70,000 runners take part in the Bay to Breakers race in San Francisco. The event is a combination of a serious road race with top-class athletes, and a community parade in which people in bizarre costumes run or walk. In 2002 the official race t-shirt was printed with the names of more than two-dozen corporate sponsors, including both Bank of America *and* Wells Fargo, two banks that are in head to head competition. While many managers may experience a competitive argument to make sure a firm has a presence (the other guys are listed, we should be too) it's hard to see how the overall reputation of either bank was improved by whatever they paid for this name recognition. (The event now has a single, lead sponsor and is known as the Albertsons Bay to Breakers race, after the grocery store chain.)

The contrast between an incidental mention on a cluttered t-shirt and marquee billing leads to some practical recommendations for sports event sponsorship. First and foremost, the event a firm chooses to sponsor should be related to the firm's strategic goals. For example, the Round the World Sailing Race used to have the sponsorship of the British brewer, Whitbread (sailors and those who would like to own ocean-going yachts are not especially beer drinkers, nor is beer-drinking a typical nautical activity) but has recently taken on sponsorship from a Ford car division and has become the Volvo Ocean Race (Volvo benefits from associations of individualism, courage and endurance, and incidentally has a marine engine division). Marketing managers should be especially suspicious of proposed sponsorships that happen to match the personal hobbies of the Chief Executive Officer—just because the CEO likes watching or playing tennis does not align the sponsorship of a tennis tournament with a firm's strategic goals.

As part of the managerial decision for sponsorship, firms compare the multi-million price tag for marquis sponsorship with the equivalent advertising cost of achieving the same number of exposures to target consumers. Typically the advertising cost would be six to ten times the cost of sponsorship. However, sponsorship deserves a critical appraisal. While it's true that the cost per exposure is less than for advertising, it's not clear what a company gains from a mere mention of its name in a positive context. Without additional tie-in promotion, mention of the firm's name does not communicate any product benefits nor does it give consumers a reason to buy. Although not all promotional budgets will accommodate the multiple millions required to be a lead sponsor, a mere listing as a corporate sponsor in a long list is probably not worth much—and the donation should match.

In return for a substantial financial commitment, firms that engage in sports event sponsorship receive a commitment that signage, press releases and announcer commentaries will all include the firm's name. Sponsors will also typically negotiate for the rights to peripheral advertising (within broadcasts or on billboard adjacent to the stadium) to prevent the event being hijacked by a rival firm. Once a company has identified an event that is a good match for its strategy, it is prudent to execute a multi-year sponsorship agreement with rights to renewal (assuming the event continues to be a good match for the firm's interests). On the other hand, a case can be made that after many years the sponsorship becomes taken for granted (see the example of Texaco, below) so continuing sponsorship should be critically compared with other possible uses of the promotion expenditure.

Firms that make good use of event sponsorship will use an Integrated Marketing Communications approach and make sure that contemporaneous mass media advertising ties in to the event. There are many opportunities to engage the firm's own employees, particularly sales force members, in contests for which the prize is a trip to the event. The maximum effect of sports event sponsorship will occur when the other elements of the promotional mix fill in the gaps in the communication and advocate specific product features and brand associations.

Before turning to non-sporting events that are opportunities for sponsorship, the now-frequent practice of corporate purchase of stadium naming rights deserves examination. Although firms vie with each other for the opportunity to spend millions of dollars to name a sports venue, the positive benefit from this expenditure is hard to see. Naming a baseball stadium "PacBell Park" probably did little for the reputation of Pacific Bell which was the dominant local telephone carrier with probably close to 100 percent name recognition. That fans liked the new stadium and the local team did well did not hurt Pacific Bell, but probably lead to no measurable marketing payoff. (As with a number of stadiums, this deal was further complicated when, after a few years under the PacBell name, the corporation decided to go with the brand name of its parent company, SBC, and the stadium was renamed "SBC Park" to further diminish any promotional effectiveness.)

Many of these naming rights deals have backfired when the naming company has foundered: Enron Field in Houston, now named for Minute-Maid, and Adelphia Coliseum in Nashville, now simply “The Coliseum”. Presumably the attraction to naming rights is that it gives a firm a local presence and announces that the firm has achieved success. This would account for 3Com’s purchase of the naming rights to San Francisco’s famously frigid Candlestick Park. Consumers had little understanding the name, and the naming rights alone did not convey product benefits. In another example from Candlestick Park of the ineffectiveness of naming rights, when 3Com’s naming rights expired, the facility was renamed “Monster Park”—not for the well-known online jobs bulletin board, but for the company that makes Monster Cables. It’s likely that the firm’s $6 million expenditure will do little for the sales of cables and indeed any positive name-recognition would seem to accrue to Monster.com—the other company. In sum, stadium naming rights can be considered in the universe of sponsorship, but most often will reward corporate vanity more than corporate strategy.

In addition to sporting events, firms can consider sponsoring cultural and civic events, each with their own potential positive associations. For example, American Express has many years of commitment to ballet performances such as the American Ballet Theatre. Presumably ballet patrons are a good match to the type of customer American Express seeks to attract. As in the case of sports sponsorships, firms will gain little benefit from throwing money into the pot with many other corporate donors, and should insist on naming rights, signage and other recognition while coordinating mass media advertising and employee participation. While a long-running commitment makes sense, there is a danger of being taken for granted. For example, Texaco sponsored live broadcasts of the Metropolitan Opera every year from 1940 to 2004. While this undoubtedly contributed to Texaco’s corporate image with the very small segment of its customers who listen to the opera, it’s unlikely that sales of its gasoline were in any way diminished when it abandoned the sponsorship.

Civic events are the newest opportunity for sponsorship. With the high cost of insurance and security, civic groups have a new willingness to sell full naming rights. For example, Southwest Airlines moved from being a donor to the marquis sponsor of what is now called “The Southwest Airlines Chinese New Year Parade and Festival” in San Francisco. On the surface, this is a good fit if Southwest seeks to improve its image in the city, or with Chinese Americans, but most likely has benefits in reminding consumers outside California that San Francisco is an exciting tourist destination, and Southwest can fly you there.

As attractive as event sponsorship may be, a couple of notes of caution are in order. First, a firm that spends good money to sponsor an event should commit to tracking studies to make sure the even is viewed favorably and that the firm has achieved its promotional goals (awareness or positive image for example). Second, before committing to a sponsorship, the firm should analyze the potential risks. For an arts organization, there’s always the possibility that the institution will run out of funds and be forced to cancel a season. In civic and sports events where there are large crowds, there is always the possibility of some unknowable tragedy, such as a fan riot or terrorism attack. Such occurrences are rare, but they should be foreseen and a mitigation strategy should be prepared.

In a closing note to this discussion of event-sponsorship, we can add the additional element of experiences to the consideration of events (Kotler & Keller, 2005, p. 591).Several firms include experiences as part of their promotional mix by substantially expanding the scope of their factory tours (Kerwin, 2004).

Stunt Marketing[*]

An alternative to sponsoring an existing event is to create a pseudo-event for the sole purposes of attracting press coverage—a "stunt." For example, each Fourth of July, Nathan's Coney Island Hot Dogs stages a hot dog eating contest that achieves international media exposure (especially since the winner in this uniquely American extravagance has for the last five years been a Japanese national, Takeru Kobayashi). In advocating a place for Stunt Marketing as a legitimate tool in the promoter's tool-kit, one has to be aware that the reaction of most professional marketers is that stunts include the good, the bad and the downright ugly. In the latter category, local radio stations from time to time run a promotion of the following sort: "What's the craziest thing that you would do to win this car?" and contestants eat light bulbs, tar and feather themselves and so on.

THE PERFECT STUNT

- Grabs attention by something novel
- Achieves some good social purpose
- Provokes a positive emotional response, such as curiosity or laughter
- Reaches the target audience
- Comes early in the product life cycle
- Is simple and elegant

However, there are plenty of good examples (*see* Esfahani, 2005). In November, 1999, CarOrder.com spent more than $1 million to pay the tolls and subway fares of New York commuters in an event called a "random act of kindness". The expenditure was a fraction of the cost that the fledgling on-line automotive site would have spent to achieve name awareness by mass media advertising, and the story was picked up nationally and internationally by a broad range of media. In December 2004, in a story picked up by media all over the world, the British hotel chain Travelodge offered free rooms on Christmas Eve to any couple named Mary and Joseph (Reuters, 2004).

Stunts achieve break-through awareness, but like other modern PR tools, they are limited in scope: They do not provide an opportunity to convey complex information about product benefits. For that reason, they are best suited to the early part of a product life cycle. To be newsworthy, the stunt must be something unexpected and this requires constant innovation. For example, when Ben & Jerry's ice cream began its westward expansion towards becoming a national brand, the firm had a stunt that involved arriving at a randomly chosen company and serving free ice cream to all the staff. Though newsworthy in its day, free ice cream would not make it as "filler" on local TV news these days.

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[*] I am grateful to David Applegate for discussions on this topic.

In addition to matching the promotional task (awareness) a stunt should attract people in the target group (commuters were a good match for CarsDirect.com). An ideal stunt is one that achieves some reasonable social purpose, typically giving away something to a group of people who are appreciative. Stunts that are merely self-serving have a tendency of backfiring on the firm's image. For example, Snapple (a maker of fruit drinks) attempted to set the record for the world's largest frozen popsicle flooded Union Square in New York city with sticky goo when it turned out not to be sufficiently frozen. Similarly, in Chicago, IBM was accused of vandalism when it hired an agency to stencil "Peace, Love and Linux" on city sidewalks.

In sum, Stunt Marketing comes with risks but can be considered as a breakthrough activity that can promote Word of Mouth and Media Mentions. It should be used infrequently and fully integrated with a much broader promotional campaign.

Charitable Donations

Almost all corporations give away money to charitable causes. In many firms this activity falls under the office of the president or an arms-length foundation. The firm's goals for charitable giving are to be a good corporate citizen, and in a general way, promote the firm's image in the community. Fair enough, but often this leads to fragmented, unstrategic giving and a wasted legitimate opportunity for promotion. For example, a firm that gives $5,000 to a breast cancer awareness drive and another $5,000 to support a pediatric AIDS walk might do better if it focused on one or other of the events, where the attendees, volunteers and committed charity members were most likely to match the target group for the firm's products.

STRATEGIC CHARITABLE GIVING

- Focus the firm's donations in a few areas
- Involve more than money—encourage employee participation
- Match the recipient charity to the firm's promotional objectives
- Consider inventing a charitable cause
- Make name recognition contractual
- Follow up and audit if necessary
- Schedule regular reviews of effectiveness

Too often charitable giving is scattershot and reactive to a plea (Grow, 2005). The result is that the firm's name is listed without embellishment in a long list of corporate sponsors: "We'd also like to thank . . ." Keith Epstein (2005) notes the shift to more concentrated (and often more generous) giving that better matches a firm's strategic goals. For example, McGraw-Hill has increased donations to programs that teach financial literacy—a good match for the firm that owns the Standard & Poors indexes. Similarly, food producer Betty Crocker is heavily involved with an annual nationwide bake sale that raises money for a hunger eradication program.

One good example of a very long-term commitment has been American Express's support for the Statue of Liberty and Ellis Island. This dates back to 1885 when the firm participated in the initial fund raising for the statue's pedestal, through the 1983 renovation and more recently for safety improvements. . The firm saw card use increase 28 percent, and new card applications increase by 18 percent, during the campaign (Steckel, 1999, p.5).

Critics see the targeted approach to philanthropy as too nakedly self-serving to do much for a firm's image (Epstein, 2005, p.32). However, targeted philanthropy often attracts bigger donations from corporations than grudging checks offered in response to a shake down of all the usual likely donors in a community. Additionally critics point out that there are many worthwhile causes that have a narrow local focus and they may be left out from strategic corporate giving. This criticism is not as damning as it appears. Any reasonable charity understands that not every donor will give to every cause. If small charities are unappealing to corporations, they may be a better match to personal or religious philanthropy. Firms should be sensitive to this issue and to the potential for reputation backlash if they move to targeting bigger donations more narrowly. The firm's staff can encourage smaller charities to affiliate with a bigger cause, or may possibly suggest alternative projects that could be funded within the firm's plan.

One intriguing opportunity for a firm that has a particular communications challenge is to "invent" a charitable cause. For example, suppose an international car manufacturer opens a new assembly plant in the mid-west. Locals are happy to have the jobs but surveys show that the community is suspicious because of the number of foreigners who have recently moved into town, and attitudes about the firm are mixed. The clear strategic challenge is to move the perception of the firm towards: "A good corporate citizen in this community." The firm should set up a budget and look for specific opportunities to make a charitable donation. For example, although public schools are not charities, a donation of new instruments and uniforms to the local high school band would be greatly appreciated, do more for the firm's image than traditional PR techniques, and would cost a fraction of the price of a single advertisement in a national newspaper.

For strategic giving to be effective, a firm should commit to giving more than money—it should encourage employee involvement through volunteer activities, perhaps with paid time for participation (Epstein, 2005). The firm should hold out for a reasonable "quid pro quo", such as the form of donor acknowledgement that both sides consider equitable. Where a firm agrees to be the lead sponsor of a major charitable event, the right to the mailing list for registered attendees for follow-up direct promotion seems a reasonable condition.

Finally, for a small additional expenditure, the firm should conduct tracking studies to be sure that donations are having a positive effect.

Placement

Long before first lady Nancy Reagan made a habit of accepting the loan of free clothes from American fashion designers, couturiers have known that having their goods worn in public by a celebrity beats any amount of paid advertising. As Mass Media has suffered from declining viewership, fragmentation and clutter, many marketing managers have turned to “placement” as an alternative.

“Placement” should not be confused with the mnemonic “Place” that stands for “Channel of Distribution” in the Marketing Mix, commonly known as the “four P’s” (Product, Price, Place and Promotion). Rather, it has a specific meaning as part of the promotional mix: Arranging for the firm’s products and services to be featured in movies, television shows and video games.

There are two types of placement: In the first, a firm attempts to get its products used and endorsed by celebrities, and in the second the firm seeks tie-ins with entertainment content.

If a firm is very lucky, and has a hit product, a celebrity will spontaneously start using the product and will endorse it. But most often, the celebrity sighting is a combination of a donation of the product to the star and some hustling to get the story picked up by a friendly member of the media. For example, Jaye Hersh runs a small clothing boutique, Intuition, in Los Angeles. She sends free samples to actresses whom she hopes will wear the clothes and then works to place a story in an entertainment magazine (Kang, 2004).

SUCCESSFUL PRODUCT PLACEMENT

- Develop possible lists of target celebrities
- Make a clear plan for the right entertainment context
- Consider free goods as souvenirs at an event
- Actively seek out reporters to cover the placement
- Tie-in mass media advertising, personal selling and sales promotion

As a related technique, a firm can agree to donate its products to an event where influential community leaders and celebrities will be in attendance. (The “goodie bag” at the Academy Awards “Oscar” ceremony is now worth several thousand dollars and has included such items as free cell phones and cashmere clothing.)

The common sense rules for successful celebrity endorsement are these: A firm should plan to cast its net fairly broadly—not everyone who receives a gift will use it, like it and endorse it. Where the gifts are part of an event, it is reasonable to negotiate for signage or program recognition, and ideally a list of the attendees for follow up. Contacts with reporters are essential for making sure that the story is picked up in “lifestyle” segments of the media.

Historically brand managers worked to prevent any incidental identifiable inclusion of their products in entertainment for fear of negative associations. However, for major product launches, many firms now consider a very specific tie-in to an entertainment product that is likely to position the product in a positive light. For example, in 2003, BMW launched the new Mini automobile with the placement of three vehicles in the movie *The Italian Job*. Historically, movie makers would merely ask for the loan of products to add authenticity to their work, but it is likely that many appearances are now paid placements and there are specialist agents who promise to achieve an inclusion—for a fee. In TV daytime drama, networks have been encouraging paid product placement—even to the point of writing specific story lines—as a way to counterbalance declining advertising revenue (Barnes, 2005). Firms spend tens of millions of dollars to have their products featured in video games (Gentile, 2005) and have even developed games (so called "advergames") with the sole purpose of attracting players and presenting their products in a positive action-adventure environment (And now, a game, 2005).

Marketers embrace placement in entertainment as a way to reach new market segments by piggy-backing on the consumers' existing relationship with a movie or hit TV series (Steinberg, 2004). This suggests that there's nothing too complicated about seeking these types of placements. If a firm has a clear idea of its target market and the desired positioning for its goods, then appropriate entertainment tie-ins can readily be sought. Of course a prudent marketer will make a written agreement with their creative colleagues to insure that the product is given reasonable display and is not disparaged.

Public Relations' Place in the Promotional Mix

How should marketing managers incorporate these modern PR techniques into a strategic marketing plan? The first step is to think through the desired end result. Using the traditional "AIDA" framework, the planning begins by understanding the promotional task and being clear whether the end result is to achieve: Attention, Interest, Desire or Action. Most Public Relations techniques are weighted towards the beginning of that sequence (Attention) and are less useful for giving consumers a "reason to buy," although a good stunt such as the Nathan's hot dog contest certainly brings customers to a store location. Next, managers should be clear about the target audience, and match the promotional strategy accordingly. The Cars Direct free toll event was primarily directed at automobile commuters—a good match. Finally, there should be a reality check for suitability. For example, celebrity placement is suitable for fashion goods while sports event sponsorship is best to position a product as "part of an active lifestyle."

A cardinal rule of promotion is that there should be no promotional expenditure without a way to measure its effectiveness and this applies to PR activities. Where the intent is to drive customer traffic, the appropriate metrics are sales and simple counts of customer visits. Where the goal is "Interest", requests for additional information by mail-in card, calls to a toll-free number or web-site click-throughs will show if the PR activity had an impact. For longer-term attitudinal changes such as refreshing a brand image or restoring the community perception of a corporation, the appropriate metric comes from simple tracking surveys: "I'm going to read you a list of company names and I'd like you to tell me which ones rate 'good corporate citizen' – or not."

REPRESENTATIVE PROACTIVE PUBLIC RELATIONS TECHNIQUES		
Situation	**Technique**	**Integration Activities**
Firm has tarnished image in the community	Charitable donations, invent a cause	Involve employees Hold out for specific recognition
Lack of consumer awareness of product category	Stunt marketing	Make it easy for people to get more information
Consumers are uninterested in the firm's brand	Celebrity placement with "icon" for target segment	Tie in to distribution channel with point of sale displays
Firm's brand is seen as "dowdy"	Event sponsorship for sport popular with target segment	Mass media advertising that stresses significant product benefits
Product is seen as too difficult to use	Media placement in "everyday" setting	Mass media advertising of a sales promotion coupon to induce trial

By focusing first on the end result, managers can critically evaluate whether a proposed PR activity is likely to achieve the firm's goals. For example, a spectacular stunt that receives almost universal media coverage is unlikely to do much for a company if the problem is dealing with an unfavorable public image. The adjacent textbox gives further examples.

No single Public Relations technique is suitable in all circumstances. However, prudent marketing managers will embrace Public Relations as an equal member of the Promotional Mix and will carefully evaluate the full range of possibilities for proactive approaches to enhancing interest in their products. ❖

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