THE
RELEVANCE
REPORT
2019



2019 Relevance Report

The mission of the USC Annenberg Center for Public Relations is to connect corporations, agencies, academics and students to define the future of our industry and to develop those who will shape it.

Our annual Relevance Report identifies emerging issues, examines current strategies and forecasts future trends.

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Fast Foreword

BY FRED COOK

When Stephen Hawking said, "Intelligence is the ability to adapt to change," he must have been talking about the Public Relations profession. Because 2017 turned out to be another year of disorienting change in our industry driven by five T's. Technology, transformation, transgression, turmoil and, of course, Trump.

We experienced data driving marketing and cars driving themselves. We saw the Senate attacking Google and Amazon gobbling up Whole Foods. We witnessed CEOs fired for sexual harassment and criticized for smoking cannabis. We viewed teens marching on the Capitol and NFL players kneeling on the field. We watched Nike sneakers going up in smoke and Toys "R" Us going down in flames.

According to USC's *Global Communications Report*, 75% of communications professionals believe this dramatic pace of change will continue well into the future. Many admit their organizations are not fully prepared, but most agree this forward momentum will propel the growth and importance of the industry, despite increasing competition from other disciplines and growing confusion about what we actually do.

As the communications world becomes more complex, PR executives must become more sophisticated. Reading the USC *Relevance Report* is one way to do that.

If you peruse these predictions from leading communicators and academics, you may not end up as smart as Stephen Hawking, but you will discover valuable insights into the future of one of the world's most dynamic professions.

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Change Management and the Role of Communications

BY DON SPETNER

How would you like to be running an automobile business today? How about a toy company? Media conglomerate? Hotels? Maybe own retail stores?

Virtually every client I work with is dealing with some form of disruption or change, and for many, it means the very survival of their business.

The management of disruption is a pervasive and phenomenally difficult challenge. If you're a car company, for example, you know that the future of your enterprise will involve electric vehicles, self-driving cars, and ridesharing competitors. This means that the core of your business is under threat. Thus, you must prepare your constituents for massive change: your workforce,

your dealers, your shareholders, your suppliers and your customers. But you also have to keep motivating the three hundred thousand employees who are currently engaged in building and selling your vehicles, and somehow keep them focused, happy and productive.

A recent survey of top communications executives by the Gartner Group identified "Employee Change Fatigue" as the number one strategic challenge facing corporate communications departments in 2018. Not surprisingly, the study noted that Change Communications was the top priority for the past three years, and will be again for the coming year.

More often than not, organizations



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engage management consultants, like McKinsey or BCG, to help develop a strategic blueprint for transformation. This might involve the divestiture of existing lines of business, strategic acquisitions, or the creation of new distribution channels. But the heavy lifting of transformation, the actual execution, is left to the senior leadership of the organization. And the dauntingly difficult challenge of convincing multiple, entrenched stakeholders that change is not just necessary but also good is frequently left to the communications function.

The communications department is often under-resourced and unprepared for the challenge. It's a long-running truth that businesses will pay millions of dollars for strategy consulting, but are stingy with resources when it's time to communicate and inculcate the transformational change that lies ahead. This imposes an extraordinary burden on the communications function.

But this dynamic is changing, and it's being driven by market necessity.

The new paradigm is visible through three emerging trends. The first is a movement by management consulting firms to acquire communications companies. Accenture, Deloitte, KPMG and PWC have all acquired creative, digital and public relations agencies in the past two years. They know, from being on the ground, that

there is a great deal of executional work that goes along with strategy consulting. And they want a piece of it.

The second is the emergence of Employee Engagement and Change Management practices by the big, global public relations agencies. At Weber Shandwick, this practice is one of the fastest growing in the company, and similar offerings can be found in other large agencies. There is increasingly high demand for this service.

The third development, and perhaps the most notable for the industry, is the increasing role that the communications function is playing in driving change throughout the organization. Culture change has historically been led by the HR department, but this is beginning to evolve. It is not uncommon now to see change management being led jointly by HR and Communications, and in some cases, solely by the communications department.

The implications for the industry are significant. Corporate communications departments need to be staffed with professionals who have consulting and organizational development in their backgrounds. Analytical tools that measure engagement and attitudes must be developed, and PR agencies must continue to evolve to a more consultative model that can compete with management consulting and HR advisory firms.

The Moneyballification of Communication

BY KIRK STEWART

I remember the days when sports, particularly baseball, were played and managed more by feel and intuition rather than strictly by the numbers. Unfortunately, those days are long gone. As sports adapt to a data-obsessed world, I fear the same thing is happening to the communication profession.

With the advent of Sabermetrics in the late '70s, later popularized by Michael Lewis' book, *Moneyball: The Art of Winning an Unfair Game* in 2003, a mind-numbing number of analytics have been developed to predict performance and dictate managerial decisions in professional sports.

In baseball, for example, batting average and ERA are the stats from the past.

Today, we have such esoteric measures as WAR (wins above replacement), VORP (value over replacement player), BABIP (batting average on balls in play) and DIPS (defense independent pitching statistics) to name just a few.

We are becoming so infatuated with the latest statistics that we're losing sight of the art of baseball. As *Baseball Prospectus* author Russell A. Carleton wrote, "If there's one thing that sabermetrics is guilty of, it's idolizing the third decimal place."

What these metrics fail to take into consideration are the many intangibles and human elements inherent in a sports competition. What about clubhouse culture? Momentum? Team chemistry?



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Physical fitness? Base running acumen? Just plain bad luck? Managerial leadership? Or the use of PEDs?

With the communication industry's current preoccupation with big data, we seem to be forgetting about the role our heads, hearts and guts play in creating and executing impactful communication that engages, triggers emotional reactions and moves people to action.

It's this nuanced appreciation of the intangibles that no amount of data can replace. It's only our visceral gut reactions and instincts that can spark the kind of creativity and human strength required to create communication that truly resonates.

Take for example Nike's recent campaign featuring Colin Kaepernick and celebrating the 30th anniversary of one of the most iconic, memorable and enduring taglines – Just Do It. No amount of data analytics led to either this campaign or the famous tagline. Instead it took an instinctive understanding of what drives and inspires athletes coupled with a keen sense of popular culture.

Or take State Street Global Advisor's Fearless Girl campaign. The simple bronze statue of a young girl confidently staring down the iconic Wall Street bull sent a powerful message about gender diversity in corporate America.

This campaign, which won a total of 18 Cannes Lion awards, wasn't conceived by sifting through volumes of numbers, but by startling creativity driven by real human instincts and emotions.

Big data isn't dead by any means, nor should it be. The increasing use of technology allows us to collect, store and analyze huge amounts of data. In fact, every day people around the globe create 2.5 quintillion bytes of data – that's 2.5 times 10¹⁸ power for you math geeks. Data science and analytics are a part of the modern communication landscape. But that data is used most successfully when coupled with the intangible qualities of creative thinking, emotional intelligence and human connection.

As Steve Kettmann, author of Baseball Maverick: How Sandy Alderson Revolutionized Baseball and Revived the Mets, wrote, "Like children, the numbers themselves are blameless. It's how we use them – or misuse them. There is a risk that numbers become an end in themselves, and arcane stats proliferate."

The reliance on big data in communication is irreversible. But we as professional communicators should not lose sight of the significant role our heads, hearts and guts play in creating strategy and creative and compelling storytelling. It's the essential value we add for which data alone is no substitute.

When Brand PR Teams Become Emergency Responders

BY STEPHANIE CORZETT

It's both a benefit and a curse that content is king in the digital age. Good content has the potential to go viral, giving a brand a great opportunity to make an impact for little investment, but the flipside is also true.

With a smartphone in every pocket, brands are now facing an environment where someone with 10 followers can now reach millions and jeopardize the reputation of a business overnight.

We can all rattle off fresh examples of ways brands have been tested and failed in the digital age. It usually goes like this: A brand makes a mistake, that mistake is recorded, and before you know it, it's

amplified to a worldwide audience.

While it can be difficult to prevent an unfortunate incident from becoming documented for millions to see, most brands can prepare and respond in a way that upholds integrity and reaffirms public trust.

KNOW VULNERABILITIES AND CREATE A GAME PLAN

Long before a crisis ever knocks on the door, it's an important exercise to identify those areas that pose the biggest threat to the brand. These will be unique to each brand, and it's worth going through the exercise to know what those areas are so that you can address them



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with management and create a tailored plan to respond. The plan should include messages for target audiences, distribution channels and execution steps.

Ideally this exercise has the added benefit of allowing the business to address the issue and avoid it from ever coming to fruition.

CREATE A CLEAR COMMUNICATIONS STRUCTURE

Most brands know the importance of giving the communication team a seat at the leadership table. This is because the role of the communicator demands it and is perhaps most evident during an incident.

In fact, the USC Center For Public Relations' 2018 *Global Communications Report* showed that 51 percent of in-house Communication leaders reported directly to the CEO. In times of crisis, communications needs to move quickly and cannot afford to be bogged down in an onerous chain of command.

Brands cannot wait hours to have a statement approved by a litany of executives. To avoid delays, brands should have a clear line of communication to the crucial "deciders," and this process should be built into the communications strategy.

MESSAGES SHOULD BE AUTHENTIC

Most viral videos have an authentic voice. It's typically evident how the brand messed up. In the same vein, brands should feel compelled to own up to their mistakes and say so.

This is not the time for flowery, coy or purposely vague language. These types of statements reek of inauthenticity and do little to advance the brand past the incident or build trust. Especially in a world where trust in corporations is declining, honest, authentic communication is table stakes.

WATCH AND RESPOND

After initial statements and messages are released, the job is not finished. This is when the monitoring kicks into high gear, which will inform the next steps for the brand.

Sophisticated brands have a robust media-monitoring program in place, able to identify trends, sentiment and the ability to understand when something is a blip or a major cause for concern.

A viral incident is never ideal but it can present an opportunity for companies to seize the moment. If handled properly, brands can weather the storm, walk away building trust and with the brand stronger than before.

Cracking the Code on Employee Communications

BY BLYTHE YEE

Employee communications has a long history of being an underdog in communication circles.

How many people do you know who start off their comms career aiming to be the head of employee communications? For that matter, how many people actually know what they'd be doing if they were in this role?

Few universities offer an employee communications curriculum and there hasn't been a clear path for future leaders to be drawn into this field where strategy, leadership, culture and talent collide.

Well, the times they are a-changin'.

Shifts in external influences, tech-

nology and employee expectations, compounded by a very competitive talent environment, have put a premium on the employee experience.

These catalysts have sparked a radical transformation in the communication landscape and employee communications roles are emerging as the best kept secret powering some of the most successful companies.

There's a reason business leaders are upping their investment in employee communications: When done well, they have an outsized impact on business performance. Employees who understand their business' strategy, are clear on the role they play driving its success and are connected to the



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culture, are more likely to invest discretionary effort because they feel like they're a part of something bigger than themselves. It's no surprise that there's a strong correlation between communications, employee engagement and business performance.

In just about every organization, employees are your most important audience. If you get it right with them, you get a ripple effect with the other audiences you care about – customers, shareholders, media, key business influencers and potential employees.

So what does it take to win employees' hearts and minds so they're inspired to do their best work?

BE SURE YOUR EMPLOYEES ARE THE FIRST TO KNOW.

Trust and personal accountability are built by being treated like an insider, with early access to transparent information about your business strategy and performance. Your team needs to hear news from you first, and the tougher the news, the more important this is. We also need to move as fast as the world around us. Emerging technologies help make this possible, but more than anything this takes a mindset of putting your employees first. Sharing timely context on top-of-mind issues helps cut out distractions and put the focus on

WE'RE ALL
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moving your business forward.

Make it personal. Nobody wants to hear from The Company, the HR Department, or The Office of the CEO. We're all people, and our communications need to reflect our humanity. We need to talk like people, share emotional stories, and invest in face-to-face communications to build personal connections.

GROUND EVERYTHING IN YOUR CULTURE.

Culture can be your biggest competitive advantage. Having a clearly articulated culture helps create shared expectations and shape behavior. Your communications are a highly visible reflection of who you are and what you stand for, so be deliberate about the signals you send, what you choose to reinforce, and how you respond when times are tough. Anchoring your work in your company's culture also helps accelerate change and build agility for whatever the future brings.

INVITE EMPLOYEES INTO THE CONVERSATION.

You've hired amazing talent into your company. It's a missed opportunity not to tap into their ideas to help solve business problems, drive innovation, and build a company they want to be a part of down the road. Be sure to make the time to let them know the impact they've had so they see the payoff from participating.

ENGAGE YOUR EMPLOYEES TO BUILD YOUR BRAND.

Nobody knows your company better than those who spend their days immersed in your business. The good news is that according to the *Edelman Trust Index*, employees are also your most trusted and credible influencers. They need three things to be your best storytellers — a strong belief in what

you're doing, access to the inside scoop, and trust to share your company's story in their own words, on their own terms.

The top companies to work for today use employee communications to build an engaged organization filled with people who understand your business and are inspired to bring their best; companies that thrive in the future will need to do the same to stay competitive. As this shift continues to take hold, employee communicators will be in pivotal leadership roles that shape culture and fuel business performance.

We've Come a Long Way, Baby!

BY JOE SALTZMAN

In 1974, when I became a full-time faculty member of the USC School of Journalism after seven years as an adjunct, I joined a largely white male group of seasoned newspapermen. What I didn't know was how much these print newshounds hated broadcasting and public relations.

During the first meeting of the fall semester, three items dominated the agenda: a move to diversify the all-male white faculty with more women and African-Americans, curriculum, and a public relations proposal.

I should have sensed what was to come when the director reported that the newspapermen were not happy that the School of Journalism was taking over the old Telecommunications School and

that I was brought in to create a broadcast journalism major and update the telecom-broadcast management major.

The faculty presented a declaration stating they were worried that the teaching of broadcast writing, production, on-air and mechanical techniques would compromise the School of Journalism's mission to create the best newspaper and magazine writers and reporters in the country. They said broadcast journalism was a blight on true journalism with its incompleteness, trivialization and superficial news reporting. They opposed any suggestion that broadcast journalism be integrated into the class schedule. They maintained that the teaching of broadcast journalism and everything it entails, including on-air performance, would corrupt the School's reputation as



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a "writer's school" and jeopardize USC's standing in the profession of true journalism. The director said their criticisms were duly noted.

But I was unprepared for what would come next. The public relations faculty proposed that an advertising major be added to the School of Journalism. One by one, the print faculty vehemently opposed the idea, many saying that they didn't even think public relations had any right to be in a School of Journalism. They suggested that PR take advertising and go to the Business School.

The discussion got increasingly heated, eventually dissolving into yelling and name calling. One professor pointed his finger at the PR faculty, shouting, "Flacks have no business being in a School of Journalism and should get the hell out of the School as soon as possible!" After a few minutes of insults from both sides of the table, the entire print faculty got up and left the room, leaving the two public relations professors, the director and me alone. The director said, "I guess this means this week's faculty meeting is over."

That was only the beginning. For most of that semester, both sides hardly said a word to each other. In class, one law and ethics professor couldn't stop talking about how much he hated

public relations and what a blight on the free flow of information PR was. He would tell his students that when he was reporter, PR people made it incredibly difficult to get a story, making it impossible to talk to the people they represented. Public relations, he said, was one of the most dangerous professions in America today because it distorted information. While the journalist's main job was to inform the public, PR "guys and gals" were there to protect their clients at all costs, he said. And if this meant distortion and even downright lying so be it. "How could that kind of job be allowed in an academic environment is beyond me," he would yell. When students complained that they were tired of his tirades in class, he told the director, "Try and fire me. I'm tenured. No one is going to stop me from telling the students the truth."

That's the way it was, 44 years ago in the USC School of Journalism.

Today, Annenberg has more students majoring in PR than in journalism.



Z-tail Therapy: Gen Z Shoppers Spark Retail Renovation

BY DEANNE YAMAMOTO

Retail therapy has been a refuge for stressed-out consumers since the 1980s, but today, retailers need their own therapy to win over a new breed of Gen Z shoppers. Born between 1995 and 2010, they will represent 40% of consumers by 2020 and wield unprecedented influence on purchases made by both family and a wider community. They are known as Pivotals, Gen Y-fi, Screenagers or Gen Z. But no matter what you call them, here's how this socially-rooted, on-demand, "curated self" generation is transforming the retail industry.

DEMANDING HYBRID HIGH- AND LOW-TOUCH EXPERIENCES

The boundaries between Gen Z's

online and offline worlds are indistinguishable. They are both low-touch, using the internet for research and inspiration, as well as high-touch, with 66% also preferring in-store shopping to be able to see, feel and try on products. This hybrid disposition has brands scrambling to find new ways to engage them with real world experiences that are worth featuring on their social feeds and apps that are fast, visual and ensure privacy. From pop-ups and nimble smaller-store formats to showrooms without merchandise and buy-online-pick up (or return)-instore, brands like adidas, Walmart and Amazon are redefining what it means to have a physical location and create experiential moments.



Deanne Yamamoto is managing director of Golin's Los Angeles office, where she spearheads trend research about how to effectively reach Gen Z consumers. She is a USC graduate and a member of the USC Annenberg Center for PR Board of Advisors.

AUGMENTING REALITY

Blurring the lines even further, augmented reality (AR) has become a reality for Gen Z, allowing them to personalize their shopping experiences. Furniture retailers like Wayfair and Ikea have launched new AR apps that allow customers see products in 3D within their space, and then purchase straight from the app. Beauty and apparel giants Sephora and Zara are going beyond virtual makeup trials and dress fittings to digitally transform their industries. Sephora's Virtual Artist is an AR tool that not only allows customers to try on thousands of shades of lipstick, eyeshadow, false lashes and many other products, but it also lets users go through beauty tutorials on their own face digitally to learn how to achieve certain looks. Zara's AR brings mannequins to life to model seasonal collections by posing, moving, and even talking, and then allows consumers to order directly at the touch of a button or in a local store.

OPERATING WITH EQUALITY FOR ALL

Gen Z holds brands to a higher standard. Having grown up with a black president, legalized gay marriage, #MeToo and more than half of their peers belonging to a minority group, it's easy to see why inclusion and individuality are deeply valued by this new generation. And because they view

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brands as an extension of their personal brand, they expect to see and feel that everyone is represented. Regardless of size, race or gender, retailers need to dismantle the traditional notions of style, happiness and success to reflect equality for all. To put a finer point on it, a recent survey found that nearly three-quarters of Gen Z have purchased or would consider purchasing a brand or product to show support for the issues the brand supports.

The time has come for retailers to become Z-tailers. Their sheer size, influence and \$44 billion in purchasing power will continue to renovate retail in ways we can only imagine.

Is Influencer Marketing a Fad?

BY TYLER STEVENS

Whether it's placing Frank Sinatra on a Coca-Cola poster or Nike contracting Michael Jordan for shoe ads, marketers have been leveraging their audience's affinity for influential stars for ages. The reason influencer marketing is currently being viewed with skepticism is because while the concept has been around forever, the game has completely changed. So before we write off influencer marketing as a fad, let's consider the state of the current landscape.

THREE BIG CHANGES

- American youth 6-17-years-old consider social media stars to be their top role models, outranking musicians, athletes, and actors.
- The world's youngest self-made billionaire (Kylie Jenner) made her fortune selling \$29 dollar makeup kits to her social media following of over 110 million.

 There are a combined 2.5 billion people, or 70% of the internet connected world, on Facebook ecosystems alone.

CELEBRITY NO LONGER REQUIRED

Since a teen from Ohio creating videos in their bedroom is just as likely to be an influencer as an Oscar winning actor, I'd suggest it doesn't benefit us to delineate who is and who isn't an influencer. Instead let's ask: What is an Influencer?

An influencer in 2019 is anyone with a following, on any social media platform, that has the trust and admiration of their audience. It no longer matters if the influencer is conventionally famous, as long as they are in communication with a significant representation of the audience you are trying to reach.



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DOES IT REALLY WORK?

While there are many variables that can impact the performance of an influencer marketing campaign, the short answer is yes. A recent Nielsen Catalina Solutions study found that influencer marketing delivers 11 times ROI over all other forms of digital media. Last year, influencers drove over \$1 billion in sales through the RewardStyle referral network. Influencers have become so effective at driving results through social media, many have begun creating their own brands. In less than three years, Kylie Jenner leveraged her social media following to build Kylie Cosmetics, which Forbes values at \$800 million.

MORE MASSIVE THAN MASSIVE

Because today's influencers live on social media, understanding the scale of these platforms is essential.

- 70% of the internet-connected world engages with Facebook.
- Instagram Stories now commands over 400 million daily users.
- People watch over 1 billion hours of video on YouTube every day.

'Massive' no longer feels adequate enough to describe the reach and impact possible on social platforms. Social media is quite literally reshaping our lives and the way we interact with people, products and companies while driving unprecedented revenue and reinvigorating entire product categories. Participating in this ecosystem has become mandatory and the most effective method is through the use of influencers.

MOVING FORWARD

Now that you have a grasp of the opportunity, here is a three-step plan for incorporating influencers into your communications efforts:

- **1.** Identify influencers of all sizes that align with the values and interests of your brand.
- Commission several of those influencers to share your message in their own voice.
- **3.** Track their effectiveness and double down on the influencers with the highest performance.

For PR professionals, influencer marketing is the "new" media relations. While reach and reward may differ, building reciprocal relationships is still the key to success.

What Is Branded Content and Is It Ethical?

BY TARYN MAISTER AND ULRIKE GRETZEL, PhD

The USC Center for PR's 2018 *Global Communications Report* indicated that 42% of PR professionals were concerned about the increasing prevalence of branded content. In a follow-up study, we asked the same survey participants specific questions about their perceptions of branded content. A total of 220 professionals, representing agencies, private companies, consultancies and government organizations in over 25 different countries, shared their opinions with us.

BLURRED LINES

When asked to define branded content, our respondents provided a wide variety of answers, suggesting that it encompasses a wide variety of media content types. Several professionals emphasized

that branded content takes advantage of formats familiar to consumers but are not traditionally seen as paid media. Taking the majority of comments into account, the following definition of branded content can be derived:

Paid content that is created and delivered outside of traditional advertising means, using formats familiar to consumers, with the intent of promoting a brand—either implicitly or explicitly—through the means of controlled storytelling.

BRANDED CONTENT IS HERE TO STAY

Three-quarters of PR professionals stated that they used at least some branded content strategies for the campaigns they worked on, mostly using social media platforms and social media



Ulrike Gretzel, PhD, is the director of research at Netnografica, and a visiting fellow at the USC Annenberg Center for PR. Taryn Maister '17 graduated from USC with a BA in public relations and an MA in digital social media. influencers. Almost a quarter (24%) described it as a very effective strategy, and an additional 57% as somewhat effective. Over two-thirds (67%) of the professionals indicated that their/clients' spending on branded content would increase over the next 12 months.

TURNING A BLIND EYE ON ETHICS

Nearly half the respondents thought it was somewhat or very difficult for consumers to distinguish branded content from editorial forms of content. Yet only 15% thought using branded content was somewhat or very unethical. Of those who had at least some ethical concerns, 69% indicated that the major problem was misleading the consumers, while half said it diminished the credibility of media and 47% agreed it undermined the authenticity of influencers.

NOT ALL BRANDED CONTENT IS EQUAL

While most professionals agreed that it was acceptable for social media platforms, social media influencers, online news outlets and magazines to offer branded content opportunities, their opinions were split as far as national and local newspapers, national and local TV, national and local radio, and cable news were concerned.

Further, fewer than half (47%) of PR professionals indicated that certain organizations or industries should not be allowed to use branded content strat-

egies. The top five listed by the respondents were tobacco, hate groups, political organizations, alcohol and firearms.

TRANSPARENCY IS KEY

The majority of PR professionals (83%) indicated that branded content should always be explicitly labeled. Further, 62% stated that consumers should be able to block branded content on online platforms.

In summary, the use of branded content is widespread and growing, but while many PR professionals recognize that it might be misleading to consumers, and especially harmful in certain industry contexts, not many see any ethical issues with it and think labeling will solve all problems. This places pressure on media platforms and outlets to create strict internal rules and processes to ensure the ethical use of branded content. It also means the industry assumes that consumers have the necessary ability to process these labels or will rely on technology to filter content.

The Answer Is "Earned First," Now What Was The Question?

BY STUART SMITH, PhD

Much has been said about media and creative agencies working better together. But that stool needs a third leg and it's us. Here's a POV on why what we do is the magic ingredient marketing needs more than ever.

When David Ogilvy founded the company, advertising was the dominant marketing capability. Through it Ogilvy built brands which remain household names today. In Ogilvy's 70th year we have rebuilt the organization to get ahead of changes sweeping through marketing. PR & Influence is one of five capabilities that sit together on a common enterprise operating

system. That OS blends multiple crafts and talent to anticipate and answer our client's most pressing business problems.

Why the change? Because, 70 years on, we live in a more complex, fragmented world where technology fills near infinite media with sometimes ubiquitous content. Marketing no longer relies solely on advertising, and frankly it has become more difficult for brands to cut through the noise. Clients need simple, creative and elegant integrated solutions and as agencies we need to make it easier for clients to buy them. But what is the new role of PR and why is it the missing ingredient?



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This year, I was invited to be president of the 10th PR Jury at Cannes. As we sifted through over 2,100 entries (fewer than 250 from PR agencies), we found the answer. And it's been hiding in plain sight.

Put bluntly, no idea created for a brand should see the light of day if it does not have the potential to earn significant attention, media and influence.

Famously successful examples are Dove's "Real Beauty" and Coke's "Open Happiness." The same is true of the ideas that surf a news cycle or a cultural moment. Great examples of this won at Cannes, including "Net Neutrality" (Burger King), "The Flip" (McDonald's) and "This Coke is a Fanta" (Coke).

Ideas can be supported purely by paid media. But why put \$100 million into media when well-designed Earned First ideas create millions of dollars of additional value through earned media, talkability and third-party endorsement? Nike reportedly spends about \$1.5 billion on media in the USA. The Colin Kaepernick work earned media worth over \$160 million (credit: Apex Marketing) in a very short space of time. That's approximately 10% of their U.S. media and promotional spend. And at the time data was showing consumer sentiment at around 65%

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positive or neutral. Ogilvy's chief strategy officer, Ben Richards, has no doubt about the value of Earned First thinking: "Earned isn't measured in media value, it's measured in stock value.

Nike's Kaepernick work initially had some customers burning their shoes, but sales quickly spiked, discounting dropped and Nike added \$6 billion of share value."

That is just one of the many reasons why CMOs and their C-suite colleagues are more interested than ever in powerful ideas that earn attention, media and influence. It truly is our time to step forward as public relations professionals and claim not just a seat at the table but an influential voice in the creative process.

To do this we must be clear about the relationship we want with marketing and the people who build brands. And we are not. Over 65% of PR people surveyed by USC Annenberg (in 2017) feel that PR will get closer to marketing, but the sample was divided on how that will manifest itself.

I am both an optimist and a realist. I believe in the power of PR, but ideas do not care who their parents are. Some of the best ideas that earn the most exposure do not even come from PR agencies.

We have to adjust to a world where the PR playbook is open source and address our industry's systemic weaknesses if we are to grasp the bigger purpose.

What's that? Using the magic ingre-

dient of Earned First thinking we can help bridge the gap between the worlds of the media and creative agencies. If we seek this ambitious role and fulfill it successfully, we will earn the thanks of many CMOs and their communications colleagues.

What's at stake commercially? Here is some simple, sobering math. In the U.S. alone the advertising business was worth over \$200 billion in 2017. If Earned First thinking shifted just 2% of that spend, then the U.S. public relations industry would grow from its estimated \$4 billion today to \$8 billion overnight. The truth is, money is already shifting into Earned First thinking, but PR agencies are not yet benefiting from a lot of that shifting revenue.

Bringing "Promise" to Life to Build a Modern, Authentic Brand

BY DAN TARMAN

It's become somewhat cliché to talk "brand," but the fact is that getting it right means combining a lot of science and a good bit of art. As a leading global internet and consumer brand, eBay is on a multi-year journey to modernize our brand across our stakeholders. Along the way, we've gained some insights that have informed and shaped our approach.

A starting point for us has been the understanding that we need to adapt our brand to meet the myriad of changes in our business and the environment around us. Over the past several years, we've seen major shifts in how people engage and consume information,

driven partly by technology, as well as the coming-of-age of millennials and Gen Z.

Here are several principles we've applied to inform our strategy:

THE BRAND IS THE PROMISE

First and perhaps most importantly, the brand is not the packaging – or the TV spot. At its essence, a brand is the promise that is delivered to customers.

This is a principle that has stood the test of time. Think about the Pepsi Challenge back in 1976, in which Pepsi challenged Coca-Cola drinkers to a blind taste test. The point that the



Dan Tarman is the chief communications officer at eBay. He is a member of the USC Annenberg Center for PR Board of Advisors, and of the Arthur Page Society, The PR Seminar and Communications 50. beverage company was making in its iconic campaign is that the brand was the formula inside the bottle, not the labeling on the outside.

PURPOSE CAN BE A DIFFERENTIATOR

For companies that are driven or defined by a purpose, it can serve as a powerful North Star. It's the "why": Why does the company matter? What impact does the company have on the world? Increasingly, many consumers and employees are drawn to brands that stand for something beyond commercial interests. Nike's recent collaboration with Colin Kaepernick stands out as a great example of how a brand can seize on a key cultural issue and make a statement about its purpose that resonates strongly with consumers.

Over nearly 25 years, eBay has become one of the largest commerce platforms in the world, while abiding by an enduring purpose of creating economic

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opportunity for all.

We also believe that tech companies have a role and responsibility to help address economic disparities. Through our Retail Revival Initiative, in 2018 we've partnered with Akron, Ohio, and Lansing, Michigan, to bring scores of entrepreneurs online, scaling their businesses and in turn helping their local communities by adding jobs and new sources of revenue.

For many companies, purpose can be seen as not just part of its brand promise. It can be the essence of it.

CULTURE AND VALUES MATTER. A LOT.

If purpose is the "why," culture and values are the "how." They are the "how we do things around here."

A company is only as good as the people who work there. In an increasingly competitive "war for talent," employees are drawn to companies who invest in their culture and live their values. This means going beyond slogans on posters and symbolic mentions of culture at company-wide meetings. It's about creating an environment that is responsive to employee attitudes and addressing issues from the top-down and bottom-up.

It's also imperative for companies

to create an inclusive environment that fosters differing perspectives. It helps build a better platform and also connects values to purpose.

CUSTOMER EXPERIENCE IS THE ULTI-MATE EXPRESSION OF A BRAND

If purpose is the "why" and culture and values are the "how," then customer experience is the "what." In a crowded space for consumers, the experience is what keeps them returning.

Over the past three years, eBay has been transforming its customer experience to meet consumers' shopping expectations by creating a more personalized experience, tailored to each person's interests and preferences. We're using technologies like artificial intelligence and machine learning to accomplish this.

AUTHENTICITY KEEPS IT REAL

Brands tend to maintain long-term relevance when they connect with the world around them.

Purpose, culture, values and customer service combine the science and art to create a brand's promise. As communicators, our job is to do everything we can do to nurture and express the brand authentically, remaining true to the company's heritage and purpose, tapping into corporate values and relentlessly delivering compelling value for consumers through innovation and technology. The goal is to create a modern, evolving and dynamic experience that delivers our brand consistently to customers every day.

Brands as People: The New Rules of Advertising

BY DAVID MEASER

In 2010, in a case known as *Citizens United*, the Supreme Court held that corporations should be afforded the same First Amendment freedoms of speech rights as people. The main outcome was that corporations were allowed to behave like private citizens, contributing unlimited money to the political campaigns of their choosing.

Eight years later, Nike released on Twitter and other owned social media platforms a post with a single photograph of former NFL quarterback Colin Kaepernick with a line of copy: "Believe in something. Even if it means sacrificing everything." The reaction came swiftly – comments, editorials, cheers, protests, even burning shoes.

How are these two moments connected? And what does it have to do with advertising?

In many ways, the Nike ad was the apotheosis of an unintended consequence of *Citizens United*. That companies and brands now have permission (legally and symbolically) to behave exactly like people do in pushing their political and social values.

It's particularly relevant because it shines a light on the way that brands communicate today. The way we see brands in culture has changed; it's become more relationship-based, more emotional, and ultimately more human. We friend brands on Facebook. We follow brands on Twitter.



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We watch brand stories on Instagram. It's a lot like what we do with our flesh-and-blood friends and acquaintances. We choose to hear as much about our friend Nancy's delicious lunch as we do about the biting jokes from our "friend" and (burger maker) Wendy's.

So when Nike gets behind a controversial athlete whose protests have polarized people, our reaction is, well, very human. Many are inspired. Others are disgusted. Shoes are bought and worn proudly, some are scorched. In all cases, Nike becomes the fulcrum of pop culture conversation for weeks. Some estimates value this conversation in the hundreds of millions of media dollars.

Of course, brands pushing their values, lifestyles, and behaviors isn't a new phenomenon. Brands have always espoused their values in mass media, hoping to influence like-minded people to buy their products. You're in Good Hands. Think Different. Because You're Worth It. These brands are doing more than just selling products, of course. They're appealing to shared values – ones of community, creativity, and pride.

But as the advertising industry continues to transform with rapid changes in technology and human behavior, we are seeing an elevated BRANDS HAVE ALWAYS
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role for brands. One that is less interested in the hard sell of moving product. And one that is more interested in creating and sustaining real, true relationships. And since relationships begin and end with a human touch, brands are more inclined to use their advertising budgets to spark conversations, provoke reactions, and fight for their beliefs – in much the way that real people do.

Marketing in Today's Polarizing Times

BY JESSICA ADELMAN

The nearly equally politically divided United States means companies are likely to upset 50% of their stakeholders at any time. In today's political and social landscape, business is often pulled into the issues of the day — wanted or not. The best course is to be ready, act boldly and proceed with purpose.

We know trust in the U.S. has taken a nosedive, especially in government and media. The 2018 Edelman Trust Barometer reports the average trust in institutions dropped nine points among the general population, the steepest decline ever measured in the survey. Among the informed public, the U.S. went from sixth in trust in institutions to dead last at 28th. This trust contagion is having a negative effect on business. Of those surveyed, 56% said they don't know

which politicians to trust, and 42% stated they don't know which companies or brands to trust. This is creating a vacuum of moral authority, a venerable position previously occupied by politicians, statesmen, academics and journalists. With the erosion of trust in these institutions, business increasingly finds itself as the default moral authority on major social issues.

The book *Microtrends Squared* examines the insight that right below society's surface there are small changes coming together in powerful patterns that are fundamentally shifting our world. Think of these small changes (the microtrends) as the individual paint dots that when you step back and look at the picture holistically, come together in a full impressionist painting.



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One of these microtrends is that more choices in our society has resulted in people finding ones they like and then repeating them over and over again, thereby further balkanizing America and Americans.

The complexity in navigating this divide increases with the number of employees, range of investors and breadth of products or services. In short, the bigger a company is and the more mainstream, the greater number of stakeholders with divergent and polarized opinions to manage. So how can communications and marketing professionals help business leaders navigate this volatile environment?

The weight of recent research and insights seems to point to a few key actions:

- define and share an authentic purpose;
- proactively consider what issues matter to you and how you will engage; and
- **3.** shout about it (marketing!) so consumers connect your brand to your social impact platform.

ANCHOR TO PURPOSE

Everyone is talking about purpose and social good. And rightly so. Clearly defining who your organization is, what it stands for and why you exist as an

entity are immensely valuable for many reasons. Having a corporate purpose, vision and stated values proves especially useful in complicated and controversial times.

Purpose is also essential to building your brand for customers of both today and tomorrow. Kantar Consulting's Purpose 2020 study acknowledges that companies today have more than enough size, reach and trust to make a positive impact on the world. With this comes higher expectations - in the Kantar Global MONITOR, over 60% of consumers under 30 preferred brands that have a point of view and stand for something compared to less than half of older consumers. Kantar also reported that brands with a high sense of purpose experienced a brand valuation increase of 175% over the past 12 years, compared to a median growth rate of 86%, and a 70% growth rate for brands with a less honed sense of purpose.

BE READY

Defining and expressing an authentic purpose helps brands weather a storm or contain a crisis. While speaking out no doubt creates risk, silence can be just as damaging. It's best to assume your brand will be drawn into related (and possibly unrelated) controversy. Plan for scenarios proactively.

The experts recommend having a

bias toward preparedness and action – because in today's world time to respond matters nearly equally as much as the response itself. Weber Shandwick research showed the average time a company takes to activate a social media plan in response to a crisis is 38 hours, an eternity in today's news cycle. Be proactive and ready with a compelling narrative.

Consider actively sharing your purpose, engaging in relevant cause marketing, and entering germane conversations on social media, too. Sprout Social reported that 66% of consumers surveyed said brands should take public stands on social and political issues, and more than half (58%) are open to this happening on social media. Interestingly, respondents said these posts rarely or never influence their opinions on issues; however, they give credit for effecting positive change.

BE BOLD AND MEMORABLE

Despite so many politically charged topics, there are still a few unifying topics, including hunger relief, economic growth and environmental issues. Here, being bold matters.

In the APCO *Corporate Advocacy* study, when asked which companies consumers would admire more, 77% said a company that uses its business interests and expertise to address

a social issue, versus 23% who said a company that donates money to a worthy charity. By a wide margin, doing nothing is the least appealing thing a company can do among this group of stakeholders. It's also more important than ever to be memorable. In the barrage of media and marketing messages, it's easy to see how consumers could struggle to connect brands with their respective social causes, particularly if not clearly related. Despite consumers' strong beliefs that companies should actively support social causes, they are not good at remembering which companies are doing what.

These and other compelling insights underscore Kroger's Zero Hunger Zero Waste social impact plan. We introduced this plan in 2017 with an ambitious commitment: to end hunger in our communities and eliminate waste across our company by 2025. We "market" this sub-brand as bold, committed, connected and uplifting. In fact, Fortune magazine recently ranked Kroger #6 on its Change the World 2018 list, which recognizes companies around the world that use their business resources to solve social issues. We believe we not only made the list for the first time but also debuted in the top 10 due to simplicity, authenticity, and the sheer ambitiousness of our goals.

Zero Hunger | Zero Waste is authentic to who we are as a company. For Kroger, 135 years in the grocery business have taught us a few things about people and about food. We know that meals matter. Families that share meals together have children who do better in all aspects of their lives. And yet there is a fundamental absurdity in the U.S. food system – 40% of the food produced is thrown away, yet 1 in 8 Americans struggle with hunger. In fact, 1 in 6 children go hungry every day.

It's also how we live Our Purpose – to Feed the Human Spirit™ – every day. Across our family of companies, we have a rich heritage of providing the food and nourishment people need to live their best lives. As America's grocer, we have the physical assets, technology and resources to drive positive change, plus nearly half a million passionate employees.

With purpose and Zero Hunger | Zero Waste in mind, business decisions become more clear, like Kroger's latest commitment to phase out of single-use plastic grocery bags. We know there are less wasteful ways for our shoppers to take their groceries home, and we want to be part of the solution.

We can already see that *Zero Hunger* | *Zero Waste* is inspiring action and

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building community across our divided world. More than ever, marketing and building your company's brand depends on navigating our polarized world with vision, clarity, authenticity and empathy. Customers, associates and stakeholders will know what you really stand for and can opt-in with full transparency and trust.

Listen Up: Podcasts Have Spoken

BY CINDY GORDON

If current studies are correct, about half the people reading these words have listened to a podcast sometime this year.

Nielsen Insights reports that 124 million people in the U.S. have listened to a podcast in 2018. There are currently 525,000 active shows with over 18.5 million episodes. People walk around with dedicated podcast apps on their phones, and services like CastBox and Stitcher are figuring out how to monetize podcasts, Netflix style. As I write this, I'm listening to an NPR podcast and the sponsor is none other than Netflix. The irony isn't lost on me.

Although podcasting has been around for more than a decade, it is the ubiquity of smartphones and smart speakers causing the explosive surge in popularity. In 2018, 6 million more Americans listened to podcasts weekly compared to 2017, bringing the weekly total to 48 million. When you consider that 20 million people watch *Sunday Night Football*, the highest-rated TV program, you understand that modern PR pros must make haste to figure out how to fit podcasts into their marketing mix.

Podcasts offer engaging talent and quality storytelling. Content appeals to every age, style and taste. You'll find something to enjoy whether you're a fan of true crime, health and wellness, leadership and business, democracy, science, fashion, pop culture, self-help, or motivation, or if you just want to laugh out loud to comedy or find an entertaining but educational show for your kids.

PR folks can consider how to pitch their expert spokespeople for relevant shows, as they would with any other media outlet. But another and perhaps



Cynthia Gordon is vice president, strategic comunications, for Nintendo of America. She is a member of the USC Annenberg Center for PR Board of Advisors.

less obvious route is to create your own original podcast, either in partnership with an influencer, or on your own.

Here are a few different approaches and the lessons associated with each.

BE THE CONTENT. DON'T OVERSELL.

Take the GE show called *The Message*. This is an original and engaging sci-fi thriller series, and it is podcast theater at its finest. In talking about GE's strategy, the company's Chief Creative Officer Andy Goldberg told The Globe and Mail, "I'm not saying, 'hey go out and buy a jet engine.'It's a science fiction story to connect listeners with what the GE brand is about, without selling the GE brand."This might sound like an odd pairing, but it has historical roots. In the 1950s and '60s, General Electric Theater ran briefly on radio and for 10 seasons on TV, the latter hosted by an actor named Ronald Reagan.

BE SUBTLE. OFFER SOMETHING OF VALUE.

Blue Apron could have produced a thinly veiled commercial in the form of a cooking show. Instead the company created a podcast called *Why We Eat What We Eat*. The show combines investigative reporting with storytelling to provide insights into the factors that shape our eating, covering topics from the sudden kale craze to the origins of jambalaya. Blue Apron promotes the podcast and doesn't hide their sponsor-

ship, but you won't hear the brand plugging its delivery service throughout the podcast. You may not hear Blue Apron plugged throughout the podcast, but the content gets people interested in tasting new foods, a great positioning for a brand that offers a meal-delivery service.

MAKE IT CLOSE AND PERSONAL.

Nintendo recently introduced the Nintendo Power Podcast, named for the classic video game magazine Nintendo Power. The show is hosted by Chris Slate, who is the magazine's former editor-in-chief and whose relationship with the magazine began when he bought the first issue as a child. Chris and his fellow hosts talk about the games they are playing and enjoying. The podcast is an extension of the banter that the team was already having with one another in the office. The hosts are having fun, and listeners feel like they could jump right into the conversation. It puts a face, or in this case, a voice, to the brand.

As you consider your strategy and path to the world of podcasts, don't lose sight of how your brand can fit authentically into the podcast space and offer something uniquely compelling. Most importantly, remember that no one wants to listen to a 30-minute commercial. Keep the content interesting, and people will tune in.

The Role of Artificial Intelligence in Financial Reporting

BY MEGAN JORDAN

When companies such as Facebook, Tesla and Citigroup release their quarterly earnings statements, reporters scramble to assess what's important. It's no longer enough to just focus on earnings per share and revenue. Bloomberg's editor-in-chief John Micklethwait has equated the timely dissemination of breaking financial news to "an arms race...with the battle-ground moving to secondary data."

It's also a resource issue. Companies such as Bloomberg and The Associated Press are among those that have changed the way an initial story is published, using artificial intelligence and machine learning to immediately obtain the information with limited

or no human interaction, notes Brad Skillman, a managing editor and global news automation leader at Bloomberg.

Automation is also being used to seek out other material details or market anomalies. Micklethwait also points to the use of artificial intelligence in non-financial news like the Washington Post's reporting on high school sports.

For routine reporting, newsrooms build templates for their stories using algorithms that search for content from press releases, websites and social data using programmed key words and logic. Technology also allows information extracted through automation to be combined with comparable estimates to



Megan Jordan is senior vice president of global corporate communications for Herbalife Nutrition. She is a USC graduate and member of the USC Annenberg Center for PR Board of Advisors. ensure accuracy, and publishes a tagline that identifies the use of automation in reporting for its readers.

In the case of financial coverage, given its power to move markets, Skillman unequivocally believes "accuracy and transparency are paramount.... A substantial amount of work is done ahead of time, researching the right metrics and reviewing details before the actual earnings release to ensure we are getting it right."

This technology-based approach to reporting allows the newsroom to shift its resources in how it pursues the news. As Skillman puts it, "news automation answers the 'what' so journalists have more time to find the 'why'."

Getting to the "why" is more important than ever given the large volume of content available online with varying degrees of transparency of the source, motive, or integrity of the content.

According to USC's 2018 research on ethics, 64% of communications professionals believe that in the next five years, the average consumer will not be able to distinguish whether or not the content they consume is paid, earned, shared or owned, and 59% believe that for consumers the source will no longer be important.

By newsrooms adopting automation to

identify the facts, journalists will be able to turn more of their attention to topics and angles that require human deductive reasoning and judgment. As a result, Micklethwait believes that the increasing prevalence of automation in reporting "gives even greater value to people who can uncover news that computers cannot reach—the fact that two companies are in takeover talks or the corruption of a politician."

It also places increased responsibility on communications professionals whose skills need to evolve, especially knowing automation could be used to obtain the information. For example, earnings press releases using structured data with a consistent format and key words allow for greater accuracy for automation-based reporting. Website and social data should reflect the key messages and key words used in critical communications like earnings releases and scripts.

To preserve the integrity of news and content, and facilitate the evolution of our collective professions, news-rooms, the communications industry and academia should come together to identify risks, create guidelines, establish ethical standards, and encourage transparency. Together, we will be better positioned to win "the arms race" and deliver accurate information to our audiences.

Breaking Through the Content Clutter in Entertainment PR

BY SIMON HALLS & JENNIFER TEHRANI

In June 2018, Andy Warhol's Interview Magazine announced it was folding after a stylish and groundbreaking 50-year run. The magazine was ultimately saved by a relaunch, though it's now speculated that the print edition of Glamour may not be so lucky. Print publications are routinely biting the dust, and the media landscape continues to evolve.

It's no secret that the world of content is not what it once was. Media students have been warned of the paradigm shift and PR professionals continue to learn how to adapt. But as print publications regularly go under, in the digital age, publicists are mainly too distracted to mourn these losses. New blogs and online outlets are popping up consistently, anyone who's anyone hosts a

podcast, and a standard interview leads to a print feature, viral video content and exclusive social media coverage. In short, content is massive, more so than it's ever been.

This climate may seem alluring to an entertainment publicist, whose main priority is to secure press coverage for clients. But while there are benefits to these endless amounts of opportunities, they present an arguably greater challenge. With such a vast scope, how does one select the right types of opportunities for his or her clients? And how do clients stand out and most efficiently appeal to their audiences?

How does an entertainment publicist break through the content clutter?



Simon Halls is a founder and a partner at Slate PR, a leading entertainment PR agency. He is a USC graduate and a member of the USC Annenberg Center for PR Board of Advisors. Jennifer Tehrani is a USC Annenberg graduate and has worked on various film and television clients at Slate PR.

TRUST THAT LESS IS MORE

With so many forms of content at a publicist's fingertips, the media land-scape is a PR playground. But like many areas of life, PR calls for a "less is more" approach. Securing substantial coverage while avoiding overexposure is a fine line to tread. It's a natural instinct to take advantage of as many opportunities as possible, simply because they are available. But there is such a thing as too much press, further crowding an already jam-packed space with content that serves little purpose.

When crafting a robust campaign, it's imperative to critically evaluate offers and opportunities to maintain exclusivity. There will be anchor pieces and those of less significance to add color. It's encouraged to make unexpected choices and not play it safe. But to successfully brave the clutter, selectivity must be practiced and will lead to greater payoff among the public and press.

STAY TRUE TO CLIENTS' BEST INTERESTS

In this era of so much content, it's tempting to secure select press based on readership data. But while publicists want their clients' features to be seen by a large group of people, above all, it's vital to keep clients' best interests in mind, sticking to outlets and opportunities that best align with their personal brands, projects and audience.

OUTLETS SUCH AS THE NEW YORK TIMES. THE LOS ANGELES TIMES, VARIETY AND **VOGUE HAVE BEEN** INTEGRAL FOR OVER A CENTURY, THEY'VE WITHSTOOD FACH TRANSFORMATION THE MEDIA HAS UNDERGONE THUS FAR, AND IT'S DIFFICULT TO IMAGINE A FUTURE IN WHICH THEY DON'T FXIST IN SOME FORM

Let's say a client is offered two magazine covers in the same month and it would be a conflict to commit to both—one offer is for GQ, and the other for a niche, socially-conscious magazine that's well respected, yet attracts fewer eyeballs. Let's also say this client is a leading-man whose

upcoming film centers around the LGBTQ community's fight for equality. A higher readership is an enticing safety net in the broad world of media, but committing to the niche outlet helps further evolve the client's brand and sends a stronger message to the audience of his new film.

REMAIN LOYAL...

There's no doubt one must embrace new media to stay ahead of the curve. But while being on the lookout for the trailblazers of tomorrow, it's wise—and credible—to remain loyal to the trusted voices. Outlets such as The New York Times, the Los Angeles Times, Variety and Vogue have been integral for over a century. They've withstood each transformation the media has undergone thus far, and it's difficult to imagine a future in which they don't exist in some form. So why abandon them now?

...YET INVENTIVE

Print features in these trusted outlets are still the holy grail of press, but for a client to truly stand out, it's crucial to also capitalize on more modern forms of content. Conscious of the clutter, journalists and publicists continue working together to devise relevant and buzzworthy material. In the internet

age, this innovation often comes in the form of video. Vogue amasses millions of viewers with its amusing rapid-fire "73 Questions" interview series. And The New York Times recruits nearly every modern director of note for its "Anatomy of a Scene" commentaries, offering a more in-depth look at filmmaking than what's typically conveyed in print. In the fight to break through the clutter, collaborating with trusted media has proven to be a sharp and reliable weapon.

As complex and crowded as the world of content has become, it can be manageable to navigate when approached strategically. It requires a conscious mindset to avoid distractions and irrelevant offers, in spite of vast competition and opportunities. And it calls for a delicate balance between what's trusted and innovative for a client's press to most efficiently emerge from the crowd. Through each evolution the content landscape will undergo, these staples will remain critical for publicists to note and put to practice.



Why Having a Family "Row" About Technology Isn't All Bad

BY WILLOW BAY

The rise of digital and social media and the ubiquity of mobile devices is rewiring the way we work and live, changing the way we engage with the world around us and with the people who are closest to us. These shifts are happening in many countries around the world, more rapidly and dramatically than any change in recent history. To truly understand the impact of technology on our relationships, I wanted to dig deeper into the global media habits and attitudes of parents and teens.

In October I went to London with Common Sense Media to share the findings from our report on parents and teens in the U.K., *The New Normal:* Parents, Teens, and Mobile Devices in the United Kingdom, part of a collaborative global mapping project examining family mobile device use around the world. From this early phase examining technology and family life in three countries — the U.S., Japan and the U.K. — it is clear that the impact of mobile devices on daily life and the challenges of navigating the current digital media environment are felt across cultures and communities.

The British press highlighted our finding that 1 in 5 families in the U.K. argue — or have a "row"— about device



Willow Bay is Dean of the USC Annenberg School for Communication and Journalism and holder of the Walter H. Annenberg Chair in Communication. use every day. At the same time, families are developing strategies to manage the intrusion of devices in their family life. Two-thirds of families in the U.K. said they set rules for mobile device usage such as no phones at the dinner table; though, 70% said someone in their family broke them!

I find it encouraging to hear parents and teens express a growing awareness of the unhealthy dimensions of their device use. A significant number of parents and teens report "feeling addicted" to their devices and distracted by them on a daily basis. Yet those concerns sit alongside feelings of optimism about the benefits of mobile technology. Our findings suggest they are adapting to this newest member of the family and are increasingly mindful of both the downsides and the advantages of tech use.

When we began this collaboration more than a year ago, the idea for this

work was timely. This is the first generation of teens to grow up with a mobile device in their hands — and the first generation of parents to face unprecedented challenges in managing digital media in their own lives and in the lives of their children.

Since our initial study, the news and noise around the impact of these powerful technological, social and cultural shifts continue to grow — as does our need for a deeper understanding. We hope to advance the conversation by grounding it in new data and continuing to offer timely and thoughtful analysis that will spark a new wave of global interest, research, and conversation.

And I know that I'll be even more adamant about using my own device management strategy – asking everyone to deposit their phones in a festive red basket during holiday get togethers this year. I have the data to back me up!

You can access The New Normal: Parents, Teens and Mobile Devices in the United Kingdom at ANNENBERG. USC. EDU/MOBILE DEVICES UK.

Above and Beyond Thoughts and Prayers

BY JIM OLSON

Nearly six years ago our hearts were shattered and our souls were shaken as news broke of the 20 young children and six adult staff members killed at Sandy Hook Elementary School during the deadliest school shooting in U.S. history.

Few issues are as politically polarizing or emotionally charged as guns. This time, I and my fellow Starbucks teammates, where I was the head of global corporate communications, felt connected. That's because one of those victims was Lauren Rousseau – a 30-year-old substitute teacher and a part-time barista at the nearby Starbucks in Danbury, Connecticut.

Despite tear-filled pleas for gun law reform from President Obama, Sandy Hook victims' family members and others, little changed. While we tried to do our small part at Starbucks by respectfully requesting (not demanding) that our customers not bring their firearms into Starbucks stores, the public outcry for action quickly receded.

But the response to last February's shooting massacre at Marjory Stoneman Douglas High School in Parkland, Florida, where 17 students and faculty were killed, has given gun law reform advocates hope. Unlike Sandy Hook, the Parkland survivors have catalyzed, galvanized and mobi-



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lized an anti-gun violence crusade unlike anything we've seen. Teenagers with a cause harnessing the power of social media with a raw, unfiltered voice and an unstoppable bias for action is a potent combination.

Along the way, their #NeverAgain movement inspired millions of like-minded Americans to march in Washington and in cities across the country, and orchestrated a 17-minute student walkout on middle school and high school campuses nationwide. It has also nudged more than a dozen companies to cut ties with the National Rifle Association (including Delta Airlines, Hertz and MetLife) and to take a more aggressive stance on gun control (including Dick's Sporting Goods, Walmart and Levi Strauss).

Dick's Sporting Goods CEO Edward Stack put it this way during a CNN interview a few days after the Parkland tragedy: "Our hearts went out to those kids and their parents. Everyone talks about thoughts and prayers going out to them. That's great but that doesn't do anything. We felt we needed to take a stand." And in September, Levi Strauss CEO Chip Bergh declared in a Fortune Op-Ed, "While taking a stand can be unpopular with some, doing nothing is no longer an option."

Indeed, it will be years, even decades, before we know the depth of the mark that the student-led #NeverAgain movement will make on reducing gun violence. In the meantime, there are four important leadership virtues we can take away from these future political, community and business leaders and the companies that are following their lead:

- People buy our products. They buy <u>into</u> our purpose.
- Authenticity is the new advocacy.
- Non-influencers are the new influencers.
- Courage is contagious.

#NeverAgain may not have the deepest pockets or the most sophisticated lobbying apparatus, but it has a courageous grit fueling its cause that can't be bought. A courageous grit that may very well become the most valuable currency of our time – for businesses and leaders of all stripes and those of us who advise them.

Connecting the Dots

BY JANET CLAYTON

When you hear hiring managers talk about public relations professionals of the future, you usually hear about the hunt for multi-taskers, change agents, the need for work-life balance and, of course, diversity that mirrors the future that awaits us.

I'm always on the lookout for dot-connectors, skeptics and the person who has just one more question.

In more than 20 years of managing people in a newsroom and the corporate communications world, I've found that it's the **dot-connectors** who are the greatest assets to an organization. Who do I mean by dot-connectors? The people who bring context to a conversation (*how is this going to play in the #MeToo market?*); people who have read a piece in the Harvard Business Review or the Economist that informs

an action plan; and people who bring a point of view not typically found in today's corporate communications, like those from a blue-collar background.

There will be to be fierce competition for these key people. The U.S. talent pool has shrunk by 9% over the last three years, according to CEB. Job seekers are now job shoppers due to their experiences with Google, Amazon and Uber.

As we think about diversity in our profession, the idea of what diversity is must expand to keep corporate communications jobs competitive. Agencies that emphasize incentive pay can more easily attract the agile dot-connectors. For corporate roles where the attraction can be greater job security, it's going to be tougher to attract and retain the right mix of professionals.



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Skeptics, who have a healthy suspicion of the status quo, are valuable contributors to the PR team. Now that every communicator has basic social media skills, I predict we'll see a return to the people skills, the ability to write clearly, and the honed instincts that have always been the bedrock of good communications.

Adding a social media component to any communications campaign is a given. The skeptic asks, What are we doing that everyone else isn't doing? Are we launching a particular campaign because that's what the playbook says, or is there a more creative and effective way of reaching our audience? What are people tuning out? What's a new (or forgotten) approach that might work better?

Finally, you've heard it said in many communications classes: There are no stupid questions. I will say that I've heard a few, but communications professionals cannot allow themselves to be intimidated by what we don't know — or by what the client thinks he knows but doesn't. A confident communicator will ask the question that she knows everyone is thinking but is afraid to ask. As a communications leader, I want the fearless person who will ask the risky question on my team.

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know. They tell their leaders the truth. They make sure they know all the angles of that truth. They do that by connecting dots of seemingly disparate things, being skeptical of the easy and trite, and by understanding the wide range of realities that reflect our pation and our world.

Flip the Script: Inclusion and Diversity

BY R. MATT DAVIS

Think back to that middle school dance where you were standing alone. That's how my good friend Cynthia "Cynt" Marshall, CEO of the Dallas Mavericks NBA basketball team and a former executive at AT&T, describes the experience for diverse employees at workplaces that lack inclusion.

While many companies have taken great strides to improve employee diversity, it's not enough to simply be invited to the dance. The focus needs to shift to inclusion, which in this analogy is being invited onto the dancefloor itself.

It is widely recognized that diverse backgrounds beget diverse thinking, encourage problem solving and ultimately benefit the bottom line. However, this can be meaningless without a platform to share each team member's unique thinking and incubate these ideas. While diversity efforts shift demographics, the deep structural inequalities that persist in our communities do not relent when you enter the office.

An inclusive workplace equips and empowers everyone to contribute, make an impact, pursue success, enhance innovation and, at the most basic level, operate as their authentic self. It is only with an attentive focus and deep commitment to inclusion that we can move the needle on culture and create workplaces that embrace this new normal. At Dow, we are learning not to



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put the proverbial cart before the horse and we are committed to prioritizing both inclusion and diversity.

While the reordering of these two words may seem inconsequential, or, to the skeptics, even gimmicky, the implications are huge. A workplace that promotes inclusion, provides access to opportunities and demonstrates mobility, can attract diverse minds to work, collaborate and lead. Without inclusion, diverse talent will be expected to assimilate to a culture that was not designed to support it. As a member of our leadership team, I will be transparent in saying that achieving the former can be more complex, and seeped with nuance.

Inclusion requires the acknowledgment and preservation of individual backgrounds, experiences and cultures, and the augmenting of internal structures to mirror that understanding. A common framework for success assumes that we are all lined up at the same starting place, and inclusion challenges businesses to be more human than that. While this all sounds conceptual, and difficult to implement, the inclusion challenge calls for a new type of leadership, one fostered through strengthening employee training and career development programs, placing an increased focus on mentorship, expanding

AT THE HIGHEST-LEVEL, INCLUSION IS THE DISCIPLINED ABILITY TO LISTEN AND ADJUST, UNTIL YOUR BUSINESS'S CULTURE HAS BEEN CO-CREATED.

continuing education opportunities and empowering employee resource groups. At the highest-level, inclusion is the disciplined ability to listen and adjust, until your business's culture has been co-created.

So, start inviting the people at your party to dance. Take accountability and move boldly to address the challenge that the best thinkers, problem-solvers and team members may not be at your table, and demographic changes alone will not correct that. As communicators, business leaders and employees, we have to emphasize the human element of diversity efforts, and be relentless about fostering inclusion, otherwise we will always fall short of what we are capable of accomplishing.

Let's Make a Deal

BY AMY VON WALTER & MATT FURMAN

The art of the deal has gotten a bad name these days. Forget for a moment its political associations, there is a case to be made that we could use a little more deal making and a lot less posturing or arguing.

Let's start with the role communicators often play, that of negotiator. A reporter calls with a story we'd rather not tell. All too often those calls get ignored or the reporter gets stonewalled. Why? Because the art of taking something unwanted and turning it into something better has fallen out of favor or has simply been forgotten. Anyone who

has done this job for a while knows that at least 50% of the time, the reporter is looking for a story and if you give her something else, something better for you and interesting to her, you can all win. What does it take? Some negotiation skill and the courage to try.

Likewise, what about all those times you see someone negotiate – or not – a raise or promotion. They go in and ask for what they want, a method which, on its surface, seems right. But what they're missing is that these things are most easily accomplished when the person you're asking feels like they are rewarded, too. This can be in the form of gratitude, loyalty, renewed energy for the job, willingness to move loca-





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tions or take on something thankless. A unilateral ask – one without any elements of negotiation – just isn't as good as one in which some respectful deal making is present.

Within your organization, there is no shortage of opportunity for the right deal to be struck. You can be the person who stands their ground and behaves as if their idea is the best, their area of responsibility is the most important or their budgetary needs are the most acute. That might work, but what might work even better is the idea of finding alliances comprised of people with similar needs or interests, sharing resources with those who have overlapping responsibilities or finding ways to piggyback on each other's efforts in order to accomplish something bigger.

Sadly, there are few societal role models to remind us that making a deal is something we should aspire to. The disincentives for our politicians, pundits and opinion makers are too high for them to advocate for, let alone attempt to make, a deal. The zero sum nature of our world, whether it's the way we talk to each other on social

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media, consume news or even where we choose to live, tells us that staking a ground and not budging is the right course. As two people with vastly different personal backgrounds but similar professional experiences, we are here to say that nothing can trump the art of the deal.

#MeToo, #TimesUp & Now What?

BY CAROLINE DETTMAN

I remember when "me too" was just an answer to an unremarkable question.

I might ask a colleague "Are you a fan of wine or beer?"

"Beer," he might reply.

"Yeah, me too."

Then in late 2017, those two words — me too – changed everything. #MeToo became the cultural movement that linked just about every woman in the world together as a target of sexism or sexual harassment in their personal and/or professional lives. Women found strength in numbers and finally let their collective voice be heard. At the same time, some truly monstrous and criminal behavior by some of the world's best known male executives was

outed for all the world to see. Humankind could no longer bury their heads in the sand.

What came next? #TimesUp on gender inequality. Women and men began to agree that a lack of women in leadership roles wasn't just a woman's problem or gender flaw — no women actually ever believed this, by the way. A habitual culture of toxic masculinity had gone unchecked. And with compelling evidence that more female leadership at companies makes a positive impact on revenue margin (such as a recent study from the Peterson Institute of International Economics), there are no more excuses.

The marketing industry has been no exception. According to a PRWeek survey, we have a majority of females



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working in public relations (63%), yet only 13% are board directors or top leaders. If you look closely at creative departments within agencies, it's worse. Just 11% of creative directors are female, meaning 89% of agency ideas are likely missing a female point of view. This is simply tone-deaf. And we cannot do business successfully if we're tone-deaf.

So what does that mean for 2019? This will be the year to show we have her back.

I'm biased of course, because Golin created the #haveherback campaign to challenge our industry to propel all female creative's careers forward. Since launch in March 2018, we moved our senior creative leadership from 20 percent female to 45 percent – and we aren't done yet. Even better news? We aren't alone. Agencies all around are beginning to take actions that will change the culture from one of entitlement to one of shared empowerment. Here are some ideas happening already:

- Hire creative freelance talent as fulltime staff
- Train men and women on how to handle unwanted (but still too common) #MeToo scenarios
- Host "Manbassador" workshops for male leaders
- Close the gender pay gap

- Fund travel buddies for safe staff/ client travel
- Sponsor rising female and male leaders

Agencies aren't just taking these steps to be better corporate citizens. Clients are starting to demand diversity from their partners. For example, HP's top five roster of agencies reported a 20 point increase in women working on HP account teams and HP also reports an increase in business impact since this approach began. As more clients demand diverse points of view, more and more agencies will have to be ahead of the curve.

With different perspectives – whether that be within agency leadership, creative departments or client teams – communications will be better and relevant. And finally reflective of the public that is both diverse and yes, majority female.

I know I look forward to conversations years from now, when gender equality is not an uncomfortable topic but a comfortable reality in our industry. And when I ask a colleague "Do you have her back?" and he says "Yes," I will respond with a knowing smile when I say, "Me too."

Black, Brown & Red Are the New Green

BY JULIA A. WILSON

After Queen Elizabeth welcomed a bi-racial American woman into the Royal Family in May 2018, the crowds that gathered along the English roadsides to get a glimpse of the newlyweds – along with the reported 2 billion worldwide TV viewers – were witnessing a global phenomenon: Multi-cultural relationships are reshaping Western culture.

BUYING POWER

Social and cultural acceptance aren't the only issues shaping Western culture, especially in the United States. Purchasing power by U.S. minorities has significantly increased as the "minority becomes the new majority." Heading into 2019, this emerging multiculturalism will have profound impacts on public relations, marketing, branding and other industries.

The coming decade will be a time when interfacing with people of various backgrounds will provide an insider view of what appeals to each of them — their cultural and political sensitivities, as well as their various tastes in consumer goods such as fashion, food and digital technologies.

As PR and marketing communications professionals, we must adapt and adjust our thinking, pitching techniques, client consulting and management skills to serve a more diverse and complex American buying audience.

BUYING POWER DATA

Jeff Humphreys of The Selig Center of Economic Growth addressed minorities' incredible growing money power this way: "As America grows more diverse, minority groups are reaping



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great economic dividends. Minority buying power is growing at a faster pace than the white consumer market for a number of reasons, such as demographics, increases in educational attainment and entrepreneurial activity. And business owners would do well to pay attention."

The Selig report estimates the total buying power in the U.S. to have been \$13.9 trillion in 2016 and predicts it will grow to \$16.6 trillion by 2021. The report notes that the African-American buying power is growing most significantly and is estimated to expand from \$1.2 trillion in 2017 to \$1.5 trillion by 2021, making it the second largest racial minority consumer market in the U.S. The U.S. Hispanic market is the largest minority consumer with \$1.7 trillion buying power in 2017, wielding more financial muscle than Mexico's GDP, with an economic might larger than the economies of all but 14 countries in the world

ETHICAL INFLUENCE

While minorities are becoming the majority and the biggest spenders in the U.S., how does that affect the "ethical" responses by American corporations to public scrutiny of racial, ethnic and gender-related incidents? Data from the USC 2018 *Global Communications Report* notes that 62% of PR professionals are predicting busi-

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nesses to become more ethical over the next five years.

Major U.S. corporations have come face-to-face with issues of racial and religious intolerance, xenophobia and homophobia in the workplace. Starbucks closed its 8,000 nationwide stores for an afternoon to provide its 174,000

employees with racial bias training. And ABC moved swiftly to cancel Roseanne Barr's hit show after she tweeted "abhorrent and repugnant" racial insults. But do these ethical responses support the data of increased ethical behavior, or are companies simply more aware today that minorities are fiercely brand loyal and that they expect the companies with whom they spend their dollars to respect them and strongly support their causes? Additionally, Hispanic and African American audiences are also more likely to interact with brands on social media and publicly voice their opinions about their experiences with various brands.

MERGING THE BOTTOM LINE

Multiculturalism, purchasing power, brand loyalty and ethical responses by corporations make for a good merger in public relations. Our role as PR professionals is to service our companies and clients in a fiscally and socially responsible manner. That includes striving for fairness, diversity and inclusivity, which may at times conflict with our own

personal or political positions.

As PR professionals, we need to understand our client's products, services and audiences, and remember that our buying audiences include Gen Xers and millennials who are more accepting of diversity, nontraditional lifestyles and culturally-mixed relationships than previous consumer audiences. And these audiences also seek ways to contribute to our planet and to our society.

In short, we need to customize our marketing research, humanize our messages, and become better acquainted with our key audiences' needs and preferences — and the black, brown and red subtleties that are integrated within each of those markets.

We must tap into the expanding buying power of people of color in the U.S. to help keep our country the most prosperous and diverse nation in the world.

Setting an Example for Civility

BY BILL IMADA

As a baby boomer, I believe we have a responsibility to set an example for the generations who follow us. However, none of us can do this alone. The past few years have been tumultuous times for our country, and the divisiveness that we see in the halls of government is focused more on being heard and less on finding solutions.

The rhetoric of divisiveness is also present on college campuses and amplified by the prevalence of mobile devices and social media. While many protests on campus are justified by current events, some of the activism seems misguided and misplaced. Younger people seek change and influence, but they never seem quite sure what it looks like or how to achieve it. Furthermore, change isn't always about being right or wrong,

but about finding lasting, sustainable solutions. Instead, some institutions of higher learning are fueling dissent in destructive ways, making it more difficult for constructive dialogue. Mobile devices and social media only seem to exacerbate the troubles on college campuses.

Last year, students from Reed College disrupted several classes because they objected to curricula focusing on the writings of historical figures such as Aristotle and Plato. The students felt the curricula was "too white" for the academy and demanded that these mandatory classes be changed to include more diverse thought-leaders from history.

While plenty of historically significant



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thought-leaders could be featured, the students who disrupted classroom after classroom with shouts, rants, threats, and placards did themselves and their fellow students a disservice by not making an academic case for their assertions.

By imposing their abusive actions on students and faculty who were in these classes, they did what they claimed the administrators at Reed College were doing to them—forcing people to do something against their will. Adding fuel to the fire was a wave of negative posts on social media platforms, often launched from mobile devices under cover of anonymity.

College campuses for generations have been safe havens for protests leading to critical societal changes. Boomers

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often led these protests in the '60s and '70s, contributing to the end of apartheid and foreign wars, but also assisting in the establishment of ethnic studies departments and affirmative action programs.

I was part of many of these on-campus protests and rallies. Therefore, as the student body president of California State University, Northridge, I saw value in drawing attention to important causes through demonstrations, rallies, and open forums.

My approach, however, was to preserve the academy as a "safe haven" for all students, faculty, administrators, alumni and external speakers. Therefore, when a small group of UC Berkeley students prevented conservative political commentator Ann Coulter from speaking on campus, I saw this as a missed opportunity for the broader university community.

While I never shied away from a protest rally to expose the myriad of inequities and disparities that plagued our communities during my tenure in college, I also worked actively to protect the rights of others (whose positions differed from mine) to speak freely and openly on campus, which would have included individuals such as Ms. Coulter. I do draw a line on speakers who espouse physical or emotional

violence and abuse, but firmly believe post-secondary institutions should always be safe places for the free exchange of views, thoughts, and ideas.

With mobile devices and the growth of social media, we seem to be losing ground regarding people-to-people discussions on the issues that bring us together and on the things that divide us. However, as more and more people grow disillusioned with the divisiveness that plagues our country, there will be greater demands placed on colleges and universities to advocate for programs, events, and symposia that focus on civil discourse.

Civility begins, in part, on teaching and mentoring next generation leaders

to develop the soft skills necessary to have meaningful conversations. Also, once more of us can have these meaningful conversations based on understanding versus trying to convince, we should push young people to learn how to debate thoughtfully. While protests and rallies will always have their place in a participatory democracy, students with active, thoughtful and well-crafted questions posed to a person they may diabolically disagree with will ultimately win the day.

"Take a Stand!" Pressure Grows on CEOs

BY BOB FELDMAN

Demands on companies and their CEOs to take stands on social issues ranging from immigration to climate change, gun rights to gay rights, Brexit to global trade, have rapidly accelerated in the past two years.

Additionally, companies are now being urged by many investors to demonstrate positive social impact. In his widely reported letter to CEOs this past January, BlackRock's Larry Fink wrote, "Society is demanding that companies, both public and private, serve a social purpose. To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."

The pressure on CEOs to take stands on social issues comes from customers, employees, even the president – just ask the NFL. When deciding whether to engage, companies must weigh risks and benefits that are often difficult to identify and even more difficult to quantify.

To thread this needle successfully, companies must have a more structured, thoughtful, and effective approach to all forms of social engagement. Professor Paul Argenti of Dartmouth's Tuck School of Business, suggests there are four key questions to ask:

 Strategic values alignment: How relevant is this issue to our core business and values?



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- Risk: How controversial is this issue? How might our firm gain? What might we lose?
- How: Can we take action, tie our motivations to our business or share our beliefs?
- Urgency: How urgent is it that my firm respond?

For purposes of this discussion, we can assume that the risk is relatively high – that we are dealing with a controversial issue on which there is likely to be disagreement among our customers and our employees, and that it may invite attention – both wanted and unwanted from the outside.

Urgency is likely to be closely related to how closely the company is already associated with the issue, particularly if the company is under attack in a crisis. The NFL, for example, could not avoid dealing in some way with its players' anthem protests because of the level of public interest in the subject and the dispute with Colin Kaepernick over whether he'd been effectively banished from the league in retaliation.

President Trump only upped the ante further. But Nike's dramatic engagement in the issue, making Colin Kaepernick the face of the brand in its "Believe in Something" campaign, was purely voluntary, the result of a calculation that it has more to gain than to lose – a calculation that initial sales reports indicate was correct.

Starbucks faced an issue it had no choice but to engage on when in April two African American men waiting for a friend in a Philadelphia Starbucks were wrongly arrested for trespassing after the manager called police. The issue exploded across the country, seen as an example of how African Americans are harassed or even arrested for engaging in ordinary activities. Starbucks responded by apologizing to the men, and then closing more than 8,000 stores for staff training, adopting a new policy that broadly defined "customer." It also re-committed itself to be a "third place" between home and work, albeit with a customer code of conduct that includes "using spaces as intended" and guidance for employees on when it is appropriate to call 911.

Sometimes, a company may need to engage on an issue that becomes magnified by a much larger public policy debate. The controversy that erupted this year when Cambridge Analytica was found to have collected personally identifiable information of more than 87 million Facebook users, and then used the information to influence voters, became inextricably linked to the larger debate over data

privacy, manipulation of content, *fake news*, and Russian interference in the 2016 election.

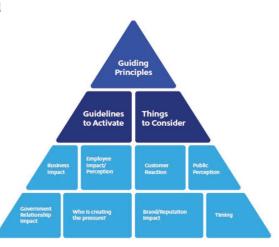
In yet other instances, a company may engage on an issue not out of crisis but because it is related to the brand. Patagonia, the maker of high-end outerwear, prominently criticized the administration's order to shrink two national monuments in Utah, and although the move was well-received by many of its customers, it also generated a boycott effort.

The hardest questions involve whether and how to engage in hot-button issues that are neither forced upon the company through crisis nor are closely related to the brand. They are social issues on which the company wants to - or is being pressed to - become involved. In September, Levi Strauss pledged more than \$1 million to support nonprofits and youth activists working to end gun violence. The company's CEO acknowledged that "we're going to alienate some consumers" but said he was convinced it was necessary to do more in the aftermath of the Parkland, Florida school shooting.

And while an invitation to the White House can be hard to turn down, involvement in presidential task forces carries risks. After the CEO of the DC-area's Taylor Gourmet sand-

wich shops announced he was joining a White House roundtable on small business, sales reportedly dropped 40 percent and never recovered. In September, what had only recently been a growing chain suddenly announced it was shuttering all 17 stores and said to be headed for bankruptcy. Earlier, GE's former CEO Jeff Immelt took considerable heat from some customers and shareholders for leading President Obama's jobs council.

The lesson is that before voluntarily engaging on controversial issues, some form of structured decision-making is essential. Southwest Airlines has adopted this pyramid:



The questions Southwest asks include (but aren't limited to):

Which employees are affected?
 How? Will it affect our status as a

"Best Place to Work"?

- What is the cost to our involvement?
 Does it outweigh the gain?
- Which shareholders and board members are affected? How?
- What customers will we alienate by both the decisions to engage and not to engage? Will we lose them?
- Does what we're saying match what we're doing?

The last two questions deserve particular attention. Professor Argenti urges companies to consider the opportunity cost of not responding, and notes that fully half of millennials want the CEOs they work for to speak out on the issues they care about. On the other hand, an owner's high-profile stance on controversial issues can complicate a company's reputation even when the company itself doesn't engage.

Finally, the decision of whether to engage and how to calibrate the effort isn't just made once for a given issue. It must be re-evaluated and fine-tuned

frequently in light of changing circumstances, in crisis situations possibly even more than once a day. For that reason, an effective program to monitor and analyze the surrounding conversation - mass media, social media, input from customers, and more - is absolutely essential to empirical and effective decision-making. And while technology is important, companies shouldn't overlook the human factor: an outside advisory board, one that is more than window dressing and can be turned to for honest feedback and insight, has proved valuable for many different kinds of companies.

Rekindling the Civic Imagination

BY HENRY JENKINS

This summer, many Americans found themselves misty-eyed as the documentary, Won't You Be My Neighbor? paid tribute to the vision and legacy of Fred Rogers. As director Morgan Neville explains, "In a much more cynical age that we live in today and to be confronted by such emotional sincerity is overwhelming and ultimately, I think, kind of cathartic....He's explaining to these unformed people what it means to be a person and a neighbor and a citizen. And how we should think of other people and how we should think of ourselves."

Rogers spoke directly to the camera to comfort children during times of national trauma; he modeled a more accepting social system through his interactions with his human guests and through the fables performed in the make-believe world of King Friday and Daniel Tiger.

Rogers represented a generation that had come through World War II and were consciously constructing a more democratic, more accepting culture for their children. Dorothy Baruch, a leading child-care expert of this post-war era, wrote, "To our children, democracy must not be something you-speak-but-do-not-live-by. It must assume reality. It must become a word associated and made real by many small but real experiences."Writers like Dr. Seuss, television creators like Fred Rogers, Bob Keeshan (Captain Kangaroo), Linda Ellerbee and Joan Ganz Cooney (Sesame Street) created stories that gave young people a sense



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of security, took their concerns seriously, spoke with them honestly, and modeled civic virtues — top among them, respect for others.

My current research, in collaboration with Sangita Shresthova and Gabriel Peters-Lazaro, focuses on the importance of the civic imagination. The civic imagination is the cultural cornerstone for political engagement and participation. It describes what we imagine a better world might look like, how we see ourselves as political agents, how we understand our relations to others in our community and those who are different from us, how we identify mechanisms of change, and how we experience freedom, democracy, and respect if it has been denied us.

USC's Civic Imagination Project, with funding from the MacArthur Foundation, has been conducting workshops across the country. When we asked a group of tobacco farmers and coal miners in Bowling Green, Kentucky, to share meaningful objects that speak to their feelings towards work, we experienced first hand what it still means to be a neighbor, as participants laughed and cried over stories that helped them see long-lost connections between their families.

When people describe the ideal

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world as it might exist in 2060 (beyond current political impasses), we hear remarkably similar things everywhere we go: people want to have some sense of security and wellbeing, a society more accepting of people of diverse backgrounds and identities, a sustainable environment, and an educational system that creates different pathways for learning, among other things.

Differences resurface as we shift to models of change — a lack of faith

in core institutions, worries about our fraying social fabric, a distrust of corporations, etc. — which make it hard to work together to achieve our common agenda. Our approach is playful with people playing show-and-tell, making up and performing stories for each other, and in some cases, drawing pictures or doing craft projects, all designed to unleash their imagination.

Media plays an active role in shaping the civic imagination. Our research on contemporary youth finds that they often adopt political metaphors drawn from the realm of popular culture. Everything from the three finger salute from *Hunger Games* to Dumbledore's Army from *Harry Potter*, from superhero sagas to *A Handmaid's Tale*, has surfaced during recent rallies and marches, offering them resources that inspire them to push for what they see as a better world.

With great power comes great responsibilities. Media producers need to embrace their responsibility to model what it might mean to be a good neighbor in today's world and to encourage us to explore alternative futures together.

Rekindling the civic imagination does not necessarily mean "taking sides" in core ideological debates. Rather, we need media that taps the values and aspirations we share rather than what divides us. Right now, brands are fueling the divides through their sponsorship choices and getting caught in the partisan crossfire. Right now, political discourse focuses on wedge issues as a means of rallying "the base," and brands are often playing that same game as they seek advantage in a fragmented marketplace. Right now, telling diverse stories often means focusing on problems people have overcome, but it could also mean calling attention to our hopes and aspirations.

As the example of *Mr. Roger's Neigh-borhood* suggests, media makers might pursue another path, appealing to our common humanity. Rogers understood children as particularly needing such messaging, but in fact, such programming can and should speak across all demographics. *Star Trek*, which emerges from that same moment as Mr. Rogers, showed adults and youth a future which had overcome some of Earth's racial and political divides.

Some of those visions seem cornball today, but that is because they represent the civic imagination of another era. Today, white, middle class, suburban, male norms can no longer be taken as neutral or universal, but that's why the most striking moments in the docu-

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mentary are when Rogers embraces difference (for example, sharing a wading pool with a black neighbor). And that's why we need to reimagine these formulas based on field work mapping the contemporary civic imagination. Recent works such as *Hamilton* and *Black Panther* have won huge success by speaking for a more diverse

and inclusive society. The misty-eyed response to *Won't You Be My Neighbor?* demonstrates that many hunger for someone to perform these same functions today, providing comfort to those who are hurting, welcoming those who have been excluded, and bringing us together as neighbors once again.

The Evolution of Ethics, Revisited

BY RON ANTONETTE

The USC Center for Public Relations issues two reports: this *Relevance Report* that predicts trends, and our *Global Communications Report* each spring that analyzes them. Since we live and work in a time when truth is questioned daily, it seems timely for the industry to weigh in on ethical issues facing the public relations profession.

In this year's *Global Communications Report*, we discovered that more than 90% of PR executives believe that the distribution of *fake news* and the purposeful distortion of truth are the biggest ethical threats we face in the future. Defense of malicious behavior and lack of corporate transparency were cited by over 80% of the respondents.

The evolving media landscape is the

major driver of change in the PR industry, according to our respondents. Today, earned media – pitching and placing stories through work with journalists and influencers – remains the dominant source (50%) of revenue for PR agencies. It's predicted to drop to 37% over the next 5 years, with shared (23%), owned (23%) and paid media (17%) picking up the difference.

Further complicating the issue, nearly two-thirds (64%) of PR professionals think that in five years the average person won't be able to distinguish whether the information they consume comes from paid, earned, shared or owned sources. On one hand, removing editors and news gatherers from the process gives companies tremendous opportunity to tell their own story. But



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it also places a tremendous responsibility on PR professionals to be honest in presenting that story.

In the USC survey, we also found that over 80% of the professionals agree that everyone has a right to public relations counsel. This is despite the fact that 95% say there are organizations, individuals or governments they personally wouldn't work for due to ethical concerns (tobacco, political candidates and firearms were the three most cited).

PR students also had significant ethical concerns about representing the same industries, with four out of five saying there are industries or clients they would not represent due to ethical reasons. Students are slightly higher about working for the cannibus industry (about half say they would not) than for pharmaceuticals (59% would not). It also appears that the alcohol, oil and gas, and defense industries may have a challenge recruiting future talent, because more than half of the students surveyed believe these fields have significant ethical issues.

Fortunately, respondents overall predicted business will become more ethical over the next 5 years. When asked specifically about the PR industry, 9 of 10 predict the profession will be the same or more ethical. This is important because three out of four

students tell us that ethics play a very or extremely important role in their choice of PR as a career.

Three-fourths of professionals told us their agency or department has a code of ethics. While 92% also think the PR industry needs its own generally accepted code of ethics, only 59% believe that a dedicated organization should play the role of ethics enforcer.

From gun control to immigration, dealing with the complex issues of the future requires a new playbook, with new strategies and skills. It also demands an ethical decision-making process that is sometimes based on research, but often based on personal conscience and corporate values. Faced with an increasingly dynamic communications environment, where traditional rules no longer apply, only the truth will set us free.

Leave the Gate Open for Women Gamers

BY CYNTHIA PARK

I'm a gamer, but don't quiz me on what year each *World of Warcraft* expansion came out when I tell you that I've played the game before. Don't test me on which multipliers are most effective for demon hunter gear in *Diablo 3*. Don't tell me I'm not a real gamer if I can't tell you which keyboard shortcut constructs additional pylons in *Starcraft II* (it's E, by the way).

For all the talk about diversity and inclusivity, there remains an element of **gatekeeping** when it comes to women and gaming. While *The 70th Primetime Emmys* celebrated the most diverse group of nominees and *Crazy Rich Asians* topped the box office with an all-Asian cast, in another aspect of entertainment we find that while plenty of women are involved with gaming, the overall tolerance of these women is lacking.

Gatekeeping in the gaming industry is a common occurrence. It works like this: Gaming and eSports have enormous online communities that rally around a common passion, but some members take it upon themselves to decide who does and does not have a right to identify with these groups. Women are often the target of these gatekeepers (who tend to be male). The women are asked very specific questions to "test" their knowledge of the very thing these two parties have in common.

Why purposefully exclude people from enjoying something that you also enjoy? In his book *Good Luck Have Fun: The Rise of eSports*, Roland Li writes that the reason could be twofold. First, that it's "a backlash by a hardcore... fan base dealing with the popularization of the industry and exposure to



Cynthia Park is a USC graduate student studying Strategic Public Relations. A brand ambassador for the LA Valiant Overwatch League team, she hopes to return to gaming and entertainment/lifestyle PR upon graduation. more groups," because "there's often contempt for newcomers in gaming, an environment where expertise and experience are lauded." Second, some people are insecure, which fuels harassment.

Many women avoid voice communication in-game because of the harassment they end up enduring. Just ask streamer AnneMunition, who made a video compilation and blog post with proof of male players making sexist and derogatory comments towards her despite her gaming skill. In competitive games like Blizzard Entertainment's Overwatch, voice chat is integral to synergy and effective teamwork. But when your teammates are making crude comments like "you're s-- at the game" when you make a mistake, or calling you a b-- for not accepting their friend request, how likely are you to use voice comms?

Lisa Nakamura points out in "Racism, Sexism, and Gaming's Cruel Optimism" that two strategies repeatedly come up to address these social issues. Some suggest that we have to diversify game makers to address gaming's racism and sexism. Others say that gaining respect by proving skill with a female character or while being open about being female is the way to achieve "the freedom not to be harassed while playing games." But this makes freedom from harassment to be a privilege, not a right.

The solution is not to include women just for the sake of having them in gaming and eSports, but to celebrate women gamers to encourage more of us to be active in the industry. Let women gamers know they, too, can be great.

Let's change how we communicate. Before being defensive, be inclusive. Be welcoming. Invite others to share in the things you enjoy. Inclusivity is about making space; defensiveness is about closing things off. We're past the point of calling each other "nerds" as an insult. Don't be afraid to call people out for being rude and disrespectful online. Some may say you're "white knighting" (a derogatory term: a man who tells off another man for being rude to a woman in order to gain her favor). You're not—you're simply being a good person.

During my PR internship at Blizzard this past summer, I was fortunate to be surrounded by women who have succeeded in the gaming industry. Women who work at our dream company. Women who have come out on top despite the harassment and gatekeeping.

We've worked hard and we'll continue working hard, but we shouldn't have to prove that we belong. The gates are open, let's keep it that way.

Communication Should Bridge Social Divides

BY BRAD NEATON

Today, moreso than ever before, we live in a society driven by communication. Technological advancements continue to amplify the complexities of our diverse, dynamic world – a global environment in which economic success is strongly correlated to the dissemination of tailored messaging. Institutions have been forced to evolve in response to these changes and the conflicting interests of diverse populations. As a result, effective public relations strategies are now among the most salient of organizational priorities.

If the past is even remotely indicative of the future, it stands to reason that the efficacy of strategic messaging is going to become increasingly dependent on the extent to which brands understand the importance of culture, consumer engagement and behavioral psychology. My argument is that future competitive advantage will favor brands that employ intellect and intuition in pursuit of consumer empathy, using communication as a means to bridge social divides.

To achieve financial and growth goals, a brand's success is solely dependent on attracting customers, which means reputational risk is always a concern. Because today's intensifying digital climate features a media curriculum with limitless social impact, an organization needs to understand its market



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terrain before launching a stratagem. Our globalized communications arena - where information is democratized and rhetoric elicits followers – is full of consumers with more power than ever before, all of who humanize and drive branding, which means even the most innocuous of decisions can subject an organization to the vicissitudes of today's polytheistic brand consumption. Contemporary brands that resort to commercially imprudent tactics and opt to become part of social decision-making leave themselves vulnerable to a polarized America in which consumers are split into mutually antagonistic subcultures. When a brand favors one audience over another for the sake of ideology, it limits organizational influence; that brand may not have necessarily signed its own death warrant, but it has significantly capped its upside.

Because contemporary brands continue to become entangled in political and social issues, alienating proselytism fueled by social constructionist positions is becoming an increasingly common way for organizations to try and reap benefits from niche target audiences. Although public relations practitioners can sometimes leverage controversy to increase sales, in the long run, such performative tactics limit organizational influence, relegating brands to little more than restrictive.

tive definitions of names, logos, and colors – thereby ignoring the opportunity to galvanize meaning and connect communities by generating shared interest from diverse groups. Over time, selective audience exposure will silo a brand's strategic outlook and limit tactical initiative, hampering an organization's ability to communicate a genuine value proposition that can be understood and consumed by a diverse group of stakeholders.

Business is about creating specific value and subsequently presenting it in a way that others will be inclined to appreciate. If behavioral psychology drives consumerism, then it follows that PR strategists should explore psychoanalysis for insight and a competitive edge while remaining mindful of the basic tenets of relationship-marketing theory. Doing so will facilitate strategic messaging that transcends political differences and maximizes social capital, ensuring practitioners avoid instigating the kind of disconnect that undermines marketing diversity. Going forward, the brands that capitalize on expanding stakeholder engagement and embracing consumers of all opinions, beliefs, and perspectives will be the ones to separate from the competition and set the standards.

An Autonomous Future Will Be About More Than Good Technology

BY MICHAEL STEWART

While the technologies that power autonomous vehicles are rapidly improving, consumer sentiment and confidence is headed in the opposite direction.

In a Cox Automotive study released in August 2018, nearly half (49%) of all consumers surveyed said they would never buy a fully autonomous vehicle. That's up from 30% just two years ago. The perception of autonomous vehicle safety has also declined nearly 20% in that time.

More vehicles on the road with autonomous features has not surprisingly led to

high-profile and widely publicized accidents. But according to the Cox survey the effect of those accidents isn't the only reason confidence has declined. Those unaware of the autonomous accidents are just as likely as those who are aware to believe roads are safer with human drivers. Just hearing and reading about more driverless vehicles on the road makes people uncomfortable.

A fully autonomous future maybe years away, but if it is to achieve mainstream adoption, consumer acceptance and education needs to begin now.

The road to autonomous vehicles will



Michael Stewart is senior group manager, corporate and marketing communications, for Hyundai Motor America. He is a USC graduate and a member of the USC Annenberg Center for PR Board of Advisors. be made up of gradual advancements that are available in cars that consumers can drive today and in the near future. Many new cars already offer autonomous capabilities where the vehicle is able to control certain parts of the driving experience.

For example, several cars today offer highly advanced smart cruise control systems that are capable of maintaining a constant distance from the car in front, automatically accelerating or braking to a full stop if traffic comes to a halt. Some also offer the ability to automatically steer the vehicle and change lanes in certain conditions. In a very short time the number of vehicles with these features will grow dramatically.

All of these features are a precursor to more automation and every year that goes by will be important in the consumer acceptance of these technologies. This is where communications comes in. The future of autonomous vehicles, which have the potential to improve safety, create more free time, increase mobility for the disabled and elderly, and provide greater flexibility in transportation, relies on smart communication strategies.

Many companies are quickly skipping several steps and jumping straight to talking about fully autonomous ride sharing services where the driver has no control and using misleading names to describe certain features, like Tesla's poorly named Autopilot mode. Consumers clearly want to gain confidence in the gradual advancements where they can use autonomous features in certain situations but still have the ability to take control when they want.

Too many fantasy-driven headlines are skewing people's perception. It's on the car companies to better communicate and educate customers, federal and local governments, regulators and other stakeholders on these technology advancements, just like the industry has done successfully throughout its history.

The inevitability of self-driving cars might be put on hold if the industry and its companies don't put equal amounts of attention in how they communicate as they do on technology development. They need to start by being more realistic about the technology's capabilities of today, its areas for improvement and better articulate what the development path should look like, instead of selling the future vision all at once.

Starting now, communications holds an important key in how the future of mobility will play out.

Business Communication in a 5G World

BY DAVID TOVAR

The new revolution of 5G mobile technology will be to 4G technology what social media is to the vacation postcard, campaign fly-arounds are to the whistle-stop speech, and streaming video is to the VHS movie store.

I've had a front-row seat watching 5G develop as the chief communications executive at Sprint, Inc., one of the technology's leading proponents. Sprint, combined with our pending merger partner T-Mobile, and other competitors are poised to market instant access to the internet at staggering speeds and enormous volumes absent today's limiting slowdowns.

Experts agree that wireless technology

revolutions culminate over the period of roughly a decade. For 5G, we're still just at the beginning. It will take massive capital investment and determined effort from both the public and private sectors to fully build out needed infrastructure. But C-suite leadership and their communications teams must get ready now. Opportunity knocks. Our jobs are changing. Think forward and adapt or be disrupted and join the nostalgia party with vinyl records and instant-film cameras.

The FANG cohort of technology companies — Facebook, Amazon, Netflix and Google — came to prominence in a 4G world. They revolutionized the basics of everyday human



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life, redefining how we connect, shop, entertain and inform. Uber boldly turned transportation upside down and created a new household word synonymous with its mobile app centered brand of disruption. Among others, Airbnb became an Uber of hotels, Snapchat an Uber of messaging, and Venmo an Uber of payments.

What new generation of companies will 5G networks give rise to in the years ahead? Expect the birth of an Uber of Uber, unless it disrupts itself first. The possibilities are endless for the world these companies will create.

Smart homes will turn into genius homes with an average of 100 connected devices compared to today's average of three. Working with robotic technology from a central location, surgeons will perform delicate, life-saving procedures on patients around the world. Self-driving cars will react more quickly and precisely than human beings on roads that will be safer than ever before. Remotely operated robots will be able to disarm explosive devices at no risk to human life and with a level of precision that rivals highly specialized human technicians.

When it comes to the corporate world, 5G will enable operating efficiencies, more informed decision-making and

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even better employee engagement. Externally, a potentially bigger picture emerges. Expect to witness an initially uneven but ultimately complete rebalancing of power between consumers, investors, regulators, activists and business leadership.

Annual shareholder meetings, activist protests and even parking lot chatter at the zoning board will play out even more transparently, courtesy of instant, always-on and everywhere mobile devices. 5G will produce ever more consumer behavior data, within clear data privacy constraints, with increased ability to analyze and evaluate how it aggregates, where it's going and what it means. Dashboards will feature

past, current and prospective revenues, expenditures, cash flows, environmental compliance and all other needed metrics in user-friendly formats, updated in real-time and informed by artificial intelligence. Transparency will be a way of life, not the preferred option of only savvy leadership.

For communications professionals, 5G will mean that the use of time-honored "narrative" message architecture will likely yield to "the predictive." News releases, earnings scripts, and CEO shareholder letters that incrementally build on yesterday's facts will add far less value. Increased transparency, technology and modern sensibilities will elevate the demand for C-suite leaders who are fluent in the softer skills of personal, social and mass communications. Public oversight will

increasingly give way to public consent. The license to operate will be earned by quick-thinking communicators deploying a powerful blend of rational, emotive, and predictive skills, credibly, quickly and in accordance with new-century expectations.

If this sounds like a lot of work, it will be. If it sounds like information flow and communications will thrive at the very core of the enterprise, it's true. For quick-thinking, fast-adapting communicators, it sounds like opportunity knocking on the front door. For the chief communications officer, it sounds like an even bigger and more vital C-suite role in the 5G world. I can't wait to see it, work there, and close each workday at least one nimble footstep ahead of that morning's big idea.

The Future of Health Technology Communication

BY MELISSA WAGGENER ZORKIN & STEPHANIE MARCHESI

Disruption is hard to navigate. It moves faster than your ability to plan for it, and demands that you nimbly shift your paradigm, throw out old processes and build new tools. That's always hard, but keep in mind that disruption also brings opportunity. To do better and grow. To learn from past mistakes. To refocus on purpose.

One of our core areas of business is healthcare, which is undergoing dramatic technological change. Everything is transforming, from drug development and treatment options to data analytics and security — and more disruption is coming.

Healthcare is experiencing a welcomed

paradigm shift: It's a cautious, highly regulated industry colliding with an influx of fast-moving tech thinking. These are two highly relevant industries with completely different cultures, values and ways of working, and it's leading to a serious culture clash.

Tech transformation in healthcare is here to stay, but regulations and rigorous industry standards aren't going anywhere any time soon. To succeed in this changing industry, communicators need the discipline to look at best practices in both the healthcare and technology industries and adapt them — or be willing to throw them out. Health tech is a new paradigm, and it requires new ways of communicating.



Melissa Waggener Zorkin is CEO of WE Communications, and is a member of the USC Annenberg Center for PR Board of Advisors. Stephanie Marchesi is the president of WE's Health Sector & Eastern Region.

| Tech Companies | Healthcare Companies |
|----------------------------------|---|
| Fast to market | Rigorous testing |
| Disruptive | Highly regulated |
| Lead with function | Purpose-driven |
| Risk takers | Safety comes first |
| More show, less tell | More tell, less show |
| Iterate based on user experience | Seek stability from user experience |
| Cultivate loyal fans | Cultivate transactional patient relationships |
| Don't justify their price | Need to defend their price |

Here are six guiding principles we encourage clients to keep in mind when building out a progressive health tech communications strategy.

LEAD WITH AN INNOVATION NARRATIVE.

Our Brands in Motion survey found a "halo effect" for industries and brands that were perceived as cutting edge. This effect was even stronger for cutting-edge B2B healthcare brands. Consumers are more likely to love them, defend them in moments of crisis, and see their own values reflected in the brand.

BALANCE FUNCTION WITH PURPOSE.

Healthcare is an inherently

purpose-driven industry. Tech, on the other hand, tends to lead with function — the latest model, the newest features. Both industries can learn from one another here. Health tech requires a melding of the two approaches, and our Brands in Motion research indicates that consumers expect that balance

EMBRACE THE SPEED OF EVOLUTION.

Regulation can be cumbersome, especially for tech leaders new to the industry. While tech is free to move at the speed of disruption, healthcare can move only as fast as regulation and industry checks and balances allow. Communicators will need to be able to set expectations.

REVEAL HEALTH TECH'S EMOTIONAL SIDE.

Healthcare is human care. Health tech cannot afford to rely on tech's function-driven communications style. To succeed, brands need to reach beyond functionality and seek to engage emotionally. It always, always comes back to the human element.

BUILD A CONNECTED HEALTH STORY.

Compatibility between complex technologies is one of the most urgent and challenging topics in healthcare today. Is your brand striving toward standardization and open-source solutions? If it's not yet, can you tell a connected story that shows how your product or service fits into the broader health tech ecosystem?

LEAN INTO PROOF OVER PROMISE.

Many tech health innovations are displacing current standards of care. Brands need to define and spotlight value as quantitatively as possible. Health tech may be influenced by technology companies, but healthcare regulators and media experts still require well-sourced, verified research and proof to back a product up.

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Health tech is an exciting field, and an excellent opportunity for brands to innovate with purpose and principle. Communications professionals have a huge opportunity ahead: navigating the complexities of merging cultures and industry regulations to tell human-scale stories with purpose and emotion at their core.

Health Tech Communication Reloaded

BY BURGHARDT TENDERICH, PhD

The world of medical technology is undergoing a profound transition, driven by the explosion of new products, services and apps. The underlying change agent is—no surprise here—innovative technology, primarily mobile, Internet-based with unprecedented user-friendly interfaces.

This fundamental change represents more than an incremental improvement in technology, but instead has disruptive consequences on how these products are being developed, marketed and sold.

At the center of this change is a new breed of patients who are no longer inclined to sit back and take orders from the healthcare system. Social media has enabled them to connect, build a collective voice, and make their demands known. Now, they regularly turn to social channels to discuss and critique the various mobile medical devices, apps and tools being marketed to them.

But let's back up a bit.

In the traditional paradigm, manufacturers of medical technology mainly engaged in B2B marketing, as they were primarily selling directly to healthcare providers, including hospitals, clinics and physicians. Patients were not asked for input, as pharma and medtech vendors limited their patient



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communication to an onslaught of TV and print commercials—notorious for featuring ridiculously happy people while the voice-over or small print warns of serious side effects. It was all old school, one-way communication, and mostly annoying.

This system started to disintegrate just a few years ago when the internet and social media hit a tipping point. Millions of people were now turning to the internet to obtain better information about their health state, frequently by seeking input from other people living with the same health condition.

They quickly realized that talking to peers can be more helpful than listening to healthcare providers who don't live with the disease they're treating. They also voiced their demands for better tools and better care on social media – allowing patients for the first time to act as a collective consumer market, instead of an invisible majority hidden somewhere below the surface of the institutions that served them.

Coined as the e-Patient Revolution, people demanded to be listened to when companies conceive of and design new health technologies, tools and treatments. In tandem with this, something else hugely impactful was happening. Essentially, the market broke open to transcend medications and traditional medical equipment – as the technology was now allowing the creation of smartphone apps, data-sharing platforms and mobile devices to help people treat their health conditions while out and about, in their everyday lives.

Hundreds of start-ups popped up seeking opportunities in this rapidly emerging market, while established health tech companies began for the first time to roll out consumer-facing tools designed for ease of use.

Meanwhile, proactive groups of tech-savvy patients began to gather online to co-develop their own technologies that would enable them to live a better live. In the diabetes world, these DIY innovators organized under the hashtag #WeAreNotWaiting to reverse-engineer protocols to break into existing products in order to cobble together tech hacks that left the medical establishment and FDA standing by somewhat helplessly.

One of the marquee achievements of this movement was something known as OpenAPS, a homemade "artificial pancreas" that connects a variety of devices, tools and software enabling people with type 1 diabetes to mimic a natural insulin delivery system. The grassroots, open source publishing of this hack forced the industry to listen and change, and accelerate their efforts to bring an FDA-approved version to market.

Clearly, this consumerization of health tech changes the power dynamics in this fast-growing industry. Vendors are forced to build direct relationships with patients, whom they now finally view as consumers. Led by patient advocates, these consumers increasingly self-educate about health conditions on the social web, thanks to leading publishers such as WebMD and Healthline, and countless influential disease-specific web sites such as DiabetesMine,

TODAY, DIRECT ENGAGEMENT WITH ACTIVE PATIENTS IS INCREASINGLY SEEN AS MISSION-CRITICAL FOR HEALTH TECH COMPANIES. which was founded by this author's wife (and was instrumental in the #WeAreNotWaiting movement).

These empowered health consumers don't much resemble patients of the past, who were cast as passive receptacles of information and treatment instructions by their physicians, and who would be inevitably be chastised for not being sufficiently "compliant."

Today, direct engagement with active patients is increasingly seen as mission-critical for health tech companies. In a recent article titled "How to Accelerate the Adoption of Digital Health Technology" the Harvard Business Review concluded that when "creative health systems consider and engage the end user of the digital technology as the 'customer' of that technology, adoption levels are high and so, too, is the impact."

To embrace this new generation of health consumers, vendors are encouraged to follow a few key guidelines that should sound familiar to consumer-facing marketers:

- In your strategic map, eliminate the notion of a *patient* and replace it with *health consumer*, or *customer* or some variation thereof.
- · Build a social presence not to sell to,

but to engage with e-Patients. Keep your marketing colleagues and their sales funnel out of it; it's time to qualitatively build mutually beneficial relationships with those who intimately know the health condition you're trying to capture market share in.

- Build a customer advisory board that includes e-Patients, and support them at their events and in online forums.
- Before you build a product, app or service, consult with your e-Patients and listen deeply. Make them an integral part of your product design and development process.

 When it's time to talk about your offerings, start with socializing it among your e-Patient communities to gather feedback in endorsements. Make tweaks where advised.

Customers of critical health products inherently have a love-hate relationship with the companies that sell solutions to them; make it easier for them to love you.

Beware the BAT!

BY GLENN OSAKI

A frequently shared video from Davos 2018 showed Alibaba founder Jack Ma warning audiences to change the way they teach, otherwise 30 years from now we will all be in trouble. "Everything we teach should be different from machines," he warned. The earliest audience for Jack Ma's prophetic statement looks to be the communications industry, as this summer Alibaba announced its AI copywriter – a machine that can produce 20,000 lines of copy per second AND it passed the Turing test to demonstrate behavior indistinguishable from a human.

The AI copywriter is just the latest in a long line of innovations introduced by Chinese tech giants Baidu, Alibaba, and Tencent (or "BAT"). Their collective might is a constant reminder to Western counterparts Facebook, Amazon, Netflix and Google

("FANG") that innovation is no longer the exclusive domain of American companies.

Together, BAT have a collective market capitalization of more than US\$1 trillion. Financial markets have rated each company glowingly because their innovation in the world's largest retail market is transforming China into a cashless, mobile economy that is writing the future of the world.

A 2017 Forrester Research report, Keep an Eye on Baidu, Alibaba, and Tencent, asserts that BAT "have shifted Chinese commerce from cash-heavy to cashless" by introducing e-commerce and digital payments; innovating with peer-to-peer fund transfers; promoting the widespread use of codes for in-store mobile payments; and investing in innovative businesses that boost digital lifestyles.



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BAIDU: WORLDWIDE LEADER IN AI

In particular, Baidu is investing heavily into artificial intelligence. From joint facilities in Beijing, Seattle, and Silicon Valley, Baidu Research is developing AI capabilities in everything from an in-home ecosystem powered by AI to self-driving cars. In July 2018, Baidu launched Baidu Brain 3.0, a central platform that helps enterprises adopt AI solutions more quickly and easily - without programming knowledge. This no-code approach allows SMEs to readily apply face recognition, natural language understanding and video analysis into their retail, logistics and manufacturing operations.

With 800 million Chinese online, far more than double the number of connected Americans, the digital trail of information accessible to search giant Baidu surpasses even Google's fuel to power the algorithms needed to develop AI. Furthermore, the Chinese government's stated ambition to lead the world in AI technology over the next decade adds public pressure (and government support) to move even faster.

ALIBABA: LEADING THE WAY IN ROBOTICS

If Baidu is charting the world's AI future, then Alibaba is leading the edge in robotics. Chinese e-commerce

giant Alibaba is already making drone deliveries in Shanghai through its Ele.me subsidiary. Users order food through the app and Alibaba's drones grab meals and other packages and fly them between delivery points.

But even beyond an advanced metropolis like Shanghai, Alibaba is testing deliveries into rural China via drones and driverless vehicles through its subsidiary Cainiao. The World Bank estimates some 43% of Chinese consumers live outside of urban areas, with many in remote areas inaccessible via highways or trains. This robotic delivery network is truly transformational for those villages, and will give Alibaba access to millions of new customers.

In addition to robotic delivery and autonomous logistics, Alibaba is constantly championing "new retail" strategies that make the transition from online to offline channels as seamless as possible through IoT devices, augmented reality functions, and machines that can substitute for humans by replicating human actions. Alibaba has even opened robotic restaurants where diners interact through apps and QR codes, and robots determine where to sit. show how to order, deliver your cooked meals, and take your payment when done.

TENCENT: WINNER TAKES ALL

But despite the leadership Baidu and Alibaba exhibit in AI and robotics, Tencent is the farthest ahead in new consumer technology because of WeChat, its mobile, social and commerce super app in one. As the fastest ever to one billion monthly active users, WeChat attributes its rapid adoption to an unrivaled focus on user experience (UX).

This seamless UX keeps consumers within the WeChat ecosystem through mini-programs that offer every imaginable feature, from communicating to commerce, from task management to entertainment, from your

THE WECHAT
ECOSYSTEM OFFERS
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FEATURE, FROM
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MANAGEMENT TO
ENTERTAINMENT,
AND ON TO THE
WORKPLACE

personal lifestyle to the workplace. The resulting loyalty and conversion available through WeChat makes the platform absolutely indispensable for consumers. It has fueled China's digital economy beyond what experts could imagine, and is "paving the way for the world's digital frontier in coming decades," according to a McKinsey Global Institute report.

THE BAT IS SPREADING ITS WINGS BEYOND CHINA

In 2016, Alibaba spent \$1 billion dollars to win control of Lazada, Southeast Asia's biggest e-commerce platform. In the same year, Jack Ma persuaded the leaders of the G20 Summit to endorse his proposal for an "electronic world trade platform" (eWTP) to make it easier for small businesses to trade across borders. As part of that initiative, Alibaba launched a "digital free-trade zone" in Malaysia in March 2017 where simplified logistics and payment systems facilitate the growth of SMBs.

Alibaba is already among the world's leading providers of cloud infrastructure and related services. But its marquee platform for going global is Ant Financial, the world's largest fintech firm with the largest online payment platform Alipay (870 million active users), and the largest money market fund Yu'e Bao (1.5 trillion RMB portfolio). Ant Finan-

cial has overseas investments in online payment firms in India, Thailand, Philippines, Singapore and South Korea.

Furthermore, in Q4 2017 Alibaba launched a \$15 billion dollar R&D initiative focused on quantum computing, AI, and other emerging tech. The DAMO Academy (Discovery, Adventure, Momentum, Outlook) operates out of five overseas labs in San Mateo, Bellevue, Moscow, Tel Aviv, and Singapore, covering areas like data intelligence, IoT, financial tech and human-machine interaction. Key real world applications already include machine learning, network security, visual computing and natural language processing.

But Jack Ma's firm is still playing catch-up to Baidu, the early leader in AI overseas, having developed machine learning in 2010, well before Alibaba, Tencent, or even Google. Announcements in the last couple months to spin out Global Du — the unit responsible for utility apps and its mobile ad business - and Du Xiaoman — the financial services arm — are indicative of Baidu's vision to sharpen its focus on AI. According to Baidu, it will set up a new unit around its AI-powered services including recommendation engine PopIn, keyboard app Simeji and other services in the

U.S. and Southeast Asia, which will allow these services to work more closely with Baidu's AI labs.

Tencent is also making aggressive investments abroad. It led a consortium to acquire Finland's Supercell, maker of *Clash of Clans* mobile game, in 2017 for US\$8.6 billion, turning Tencent into the world's biggest online gaming company. Together with Taiwan's Foxconn, it invested US\$175 million into Hike Messenger, the Indian equivalent of WhatsApp.

Even more impressive, Tencent opened an office in the U.K. in March 2017 to introduce its WeChat payments system in Europe, and within six months, BNP Paribas had rolled out WeChat Pay to French retailers, and subsequently across Europe.

Critics argue that the BAT can't fly in the West amid the sharp teeth of FANG. Yet analysts like Gartner have changed their descriptors from saying "Alibaba is the Amazon of China," to saying "Facebook is trying to become the WeChat of the West." The next few years will validate how China has evolved from "copycat" to "pioneering BAT"!

PR Professionals vs. Chatbots: Who Will Win?

BY LINDA CHEN

The summer before I started the master's program at Annenberg, my father, CEO of a tech startup, asked me, "Are you aware that technology will soon replace PR and marketing workers like yourself and other interns?"

I replied, "You mean those customer service robots that are not so helpful will replace my job? There's so much strategic thinking behind PR and marketing that I'm not easily replaceable!"

The chatting robot is a computer program designed to simulate a conversation with human users online. The use of chatbots exploded in 2016 when Facebook launched a platform for developers to create bots, enabling organizations to more easily respond

to questions from the public. Many companies have already installed chatbots on Facebook to greet page visitors; apps like Line and WeChat have also bots installed that automatically push announcements.

Gartner estimates that chatbots will power 85% of all customer service interactions by the year 2020. With the help of chatbots, airlines allow customers to purchase plane tickets and check flight status via Facebook Messenger. Sephora and eBay have integrated chatbots into their sites to help customers find products via chat and place their orders right after chatting.

Robots don't require sleep time, they work 24/7 and will never have "bad



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days." Bots require minimal maintenance once set up. One bot can greet an unlimited number of customers simultaneously and will not lose track of the logic. With these benefits alone, chatbots are best deployed at the frontline to help organizations solve basic customer problems such as answering what are business' hours, how to make a reservation and where to find the nearest location.

Bots are easy to build. There are several platforms and integrated apps available for non-technical users to build chatbots. One of my summer internship tasks was to build a chatbot using existing templates. I wrote the scripts and the technology on the platform created the bot. It was just like building using LEGO blocks.

For marketing, chatbots can be used as part of creative campaigns to maximize consumer engagement. Disney created a Judy Hopps chatbot for the movie Zootopia where users interacted with Officer Hopps (a chatbot) to solve a problem and promote the movie. American Eagle offers a jeans quiz that suggests styles that fit the taste, the chatbot helps to direct shoppers back to the website to facilitate orders.

Chatbots are getting smarter and handling complex functions thanks

to advanced artificial intelligence. Fitness chatbots help users calculate and record daily calories intake, and push out fitness tips daily. The Wall Street Journal and CNN both incorporate a chatbot to send customized daily briefings. We used to call restaurants for deliveries, but chains like Domino's and Wingstop let you place an order via chatbot; the best part is you can save your favorite order, so next time just press order again — boom, dinner is served!

These are just a few examples of chatbots influencing ways businesses connect with their audiences. And, yes, artificial intelligence can replace some clerical parts of PR and marketing jobs. Juniper Research estimates that chatbots could reduce business costs by \$8 billion annually by 2022.

The good news for graduates is that while chatbots can help with some tasks, they can't quite imitate a PR professional's relationship building, idea creating and storytelling functions. Not yet anyway!

The Reboot of Tech PR

BY NIRIT WEISS-BLATT, PhD

What defines tech news, and consequently what is tech public relations? New research conducted at USC Annenberg discovered a turning-point in both practices due to 2017's technology scandals.

Today's issues are not the same as they were a few years ago. Covering technology is no longer just about the company's innovations. Now it's what users do with those innovations and their impact on society. Consequently, tech spokespeople need to adjust their crisis management know-how to manage the new combat era of "Techlash."

To understand the magnitude of change, we need to look back to the mid-2000s. The rise of tech blogs such as TechCrunch boosted this specific

field of coverage. Mainstream outlets started to expand their technology coverage (The Wall Street Journal's AllThingsD is one example) and focused on leading tech companies and their new product launches. If negative stories were published about these companies, those received considerably less visibility.

This notion was illustrated in an industry debate at SXSW 2014 when a tech reporter commented, "A smart young person in the Valley thinks being a reporter is basically being a PR person. Reporters who write favorably about companies receive invitations to things; critics don't."

In December 2016, Recode editor Kara Swisher assessed, "In 2017, journalists



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have to be tougher on everybody. We have to stop being quite as cooperative."

What changed since then? Tech media started to produce "big picture" stories, many about traditional companies that are disrupting their industries with tech-enabled products and services, such as Uber and Airbnb. Tech media now cover these companies in the same way they cover Microsoft and Samsung. There's also been a dramatic increase in coverage of the broader civic and social concerns affected by technological innovations, and by the growing power of the big tech companies.

TECHLASH: A NEW ERA OF RECKONING

After Donald Trump was elected president, the media began reporting on the *fake news* phenomenon with greater interest, blaming the tech companies for spreading it widely. The debate around the tech industry's role grew in 2017 when coverage no longer featured flattering "product journalism" companies were used to, but rather negative stories about their business practices. For example:

 Facebook, Google (including YouTube) and Twitter were criticized for Russia election meddling and the spread of fake news after the Las Vegas shooting; IN WHAT WAY
DID THOSE TECH
SCANDALS AFFECT THE
TECH COMPANIES?
REPUTATION. WE
HAVE CHOSEN NOT
TO LIVE WITHOUT
THEIR SERVICES,
BUT WE CAN LOOK
DIFFERENTLY AT THEIR
ROLE IN SOCIETY.

- Facebook was blamed for allowing the Cleveland shooting video to appear on "Facebook Live";
- Yahoo disclosed that its 2013 data breach was not 1 billion, but 3 billion accounts;
- Apple experienced Batterygate when they admitted intentionally slowing down older iPhones;
- Uber experienced allegations of a culture of sexual harassment and discrimination.

But did people stop using Facebook? Facebook still claims 2 billion users.

Did people stop using Apple products? It reached a milestone of \$1 trillion valuation. Did people stop using Uber? It recently reported cruising toward \$10 billion in revenue.

In what way did those tech scandals affect the tech companies? Reputation. We have chosen not to live without their services, but we can look differently at their role in society.

As an example, Facebook's Cambridge Analytica scandal in 2018 shifted attention to "data privacy" issues. A CB Insights poll asked: "In 10 years, which company will we say was a net negative for society?" 59% of respondents named Facebook; far behind was Amazon at 11%. A more recent survey asked, "Which of the following companies do you trust the least with your personal information?" Facebook was cited by 56% of respondents; far behind was Google, named by only 5%.

CONCLUSIONS FOR PRACTITIONERS

In our regular monitoring of technology industry coverage, we see a rise in the number of stories critical of the industry. The new headlines suggest the world is not as forgiving of Silicon Valley as it used to be: "*Tech giants, once*"

seen as saviors, are now viewed as threats" (The New York Times); "Silicon Valley's tax-avoiding, job-killing, soul-sucking machine" (Esquire). This trend requires a different response from the public relations profession.

When we examined coverage around the 2017 tech scandals, we found that the PR responses were very much alike: "Sorry, we know we need to do better."

Today, tech companies are perceived as the villain – no longer just a source of good, but also a source of bad. As tech giants are "forced" to apologize for wrong-doing, we can expect those PR responses to evolve in the years to come, perhaps with attempts to convince users that other dark forces are at play and the companies are merely the unsuspecting platform.

Instead of saying, "We are working on these actions to fix those problems," tech companies should explain, "We can't fix this alone, and we are working together with others to find a solution." Portraying the problems as bigger than simply issues with their technology could be helpful for them and also for society. PR needs to be ready to address the bad parts of good tech.



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