

The Weekly Source for Media Relations, Crisis Management, Marcom, Internal Communications and Financial Relations

SPECIAL REPORT: Corporate Social Responsibility

CSR. Cause Marketing. The terms often get tossed around corporate communications departments — and PR firms — interchangeably even though they are, for the most part, two totally different beasts. In this special issue of PR NEWS we examine emerging trends in both areas. In our lead story below we profile Rob Densen, former head of corporate relations at OppenheimerFunds, who is trying to push the needle on what he calls “cause commerce.” In the second lead story we explore where the pendulum is swinging on more traditional cause marketing programs. In the same story Edelman’s CSR guru Steve Voien tackles some of the latest CSR trends. We also have cause marketing specialists Carol Cone and Mark Feldman, from Cone Inc., who discuss cause marketing strategies in a contributed article on p. 7.

Changing Mindsets on Cause Marketing, One CEO At a Time



Rob Densen

When he was senior VP/Director of Corporate Affairs for **OppenheimerFunds** in the early 1990s, Rob Densen sensed a huge void in the financial marketplace concerning women and investing. With an endorsement from then-CEO Jon Fossil and then-president Bridget Macaskill, Densen in 1992 spearheaded what is now considered a groundbreaking program on women and investing that, in the ensuing decade, dramatically changed

the conversation on Wall Street regarding female investors. And, oh yes, the program played a big part in increasing OppenheimerFund’s market share of mutual-fund sales, particularly among women.

An update in 2002 of the 1992 survey found that 77% of women said they were more knowledgeable about investing than they were five years previous and that, as investors, women are more goal-oriented and take fewer financial gambles than men. A parallel program that Densen creat-

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Companies Taking Cause Marketing to the Next Level

With many people starting their daily work grind with a cup of java from Starbucks, it’s not a stretch to say that perhaps millions more of Americans now know a lot more about how coffee is produced than they did 10 years ago.

As Starbucks has increased in popularity, the company has executed several cause marketing programs that demonstrate its commitment to socially responsible causes.

“Consumers are much more aware of socially environmental issues and think

that companies should be aligning themselves with basic social needs,” says Kevin Martinez, senior manager for community affairs, **Starbucks Coffee Co.**

For the last five years, Starbucks has been affiliated with Conservation International, which creates economic programs to help preserve the rainforest. Starbucks has worked with CI to provide coffee farmers in Mexico with credit and technical assistance to help ensure the quality of their coffee. Since 1998 Starbucks has committed

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Trend...

Some static about the effectiveness about Audio News Releases (ANRs). A new survey of 50 randomly sampled newsrooms in the nation’s top 50 markets says that 96% of newsrooms use outside sources as part of their newsgathering and air these sources in their news nearly five times a day. The study, conducted by News Generation, refutes a separate survey released late last year showing that 80% of radio station executives said they never or rarely use ANRs for stories that make it on air. (See *PR NEWS*, Nov. 10, 2003). The News Generation study found that while only 19% of surveyed stations said that they rarely use canned audio, each station said they would use such audio in a breaking news story or when they would be unable to get the audio elsewhere for a story they’re airing. Debra Murphy, a consultant to Tobin Communications Inc., which conducted the study now being refuted, told *PR NEWS* its study echoes the News Generation survey in that, in the case of breaking news, radio stations are generally receptive to ANRs with a timely hook. The bulk of news releases and stories being pitched to radio, however, don’t qualify as breaking news.

...and Tactics

Susan Matthews, president of News Generation, says PR pros need to distinguish their ANR’s from service companies that are essentially “pitching infomercials.” She adds that the pitch must have a local angle, compelling content and “has to be newsworthy, not packaged information.”

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Blueprint

Want to Keep Your Seat At The Table? Change Your Vocabulary

In the rough-and-tumble world of corporate America, senior PR execs should consider themselves fortunate if they can win that proverbial seat at the table. But with many CEOs still skeptical as to PR's inherent value, communication execs often have a tough time keeping their seats. Gaining media exposure is one thing, but the real hook for PR managers is to show C-level executives that you can speak — without hesitation — their language of dollars and cents. Speaking CEOs' language is probably not something that was taught to you in communications courses but the current climate (and jobless economic recovery) demands that PR execs change their verbiage when it comes to dealing with the boss. For some pointers, *PR NEWS* asked contributing editor and management consultant James Lukaszewski to weigh in on this growing aspect of corporate communications.

At a recent meeting I attended where CEOs were presenting their management strategies for the coming decade, one CEO made a particularly candid observation. She said, "What I need from those around me are ideas that can make money, keep money, or save money...otherwise they're wasting my time."

The question for the communicator is, "Where does what I do fit into the spectrum of finding, keeping, or saving revenue?" Management's expectations of us:

- Valuable, useful, applicable advice beyond what they already know
- Well-timed, truly significant insights (the ability to distill wisdom and useful conclusions from contrasting - even seemingly unrelated - information and facts)
- Advance warning plus options for solving, or at least managing trouble or opportunity, and the unintended consequences both often bring
- Information and intelligence about what's going to happen (something the news media can never provide since news is always about yesterday)
- Supporting evidence, usually through behavior of their peers

• Your instincts and gut feelings, the real lessons of your experience

Diana Fusco, of Cleveland, told the story (at a **PRSA Counselors Academy** meeting) of how her agency and her practice were dramatically changed when acquired by a regional management consulting firm. She described the impact on her as a practitioner and how her business thinking and strategy were transformed. The first thing that changed was the vocabulary. The revised list of client service descriptions for her new Management Communications and Strategic Communication Counsel function speak for themselves:

- Customer/loyalty management
- Strategic planning
- Customer-centered reengineering
- Executive and management development
- Staff development
- Team/employee loyalty building
- Organizational operation review and analysis
- Corporate marketing and communication

- Crisis consulting
- Issue/exposure forecasting

Notice the word, "communication" appears in the list only once. This is an operationally oriented presentation of communication concepts. If you want the attention of those who run the business or organization, and who are almost totally operationally focused, learn to speak their language and make recommendations within their frame of reference.

PR vocabulary, techniques, and approaches are well known to management. Use them and you're wasting top management's time. My advice: learn to talk like a manager, act like a manager, and focus on the management context of issues. This is the way you make, keep, or save money. Believe me, start doing this and you'll be invited back to meetings time and again for your advice.

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Changing Mindsets

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ed examined the attitude and behaviors of Gen X women as they related to savings and investments.

One of the key findings of the study was that most single women said that they would acquire 30 pairs of shoes before accumulating \$30,000 in retirement savings. The study was quickly dubbed the “Carrie Bradshaw Syndrome,” named after the “Sex and the City” lead character’s penchant for Manolo Blahnik shoes. The results of the study were sent to producers of the HBO program, who then developed story lines around women, shoes and money. Coincidence? Unlikely.

“In every piece of research Rob does he pushes a button that gets released again and again and again and that’s how companies get their messages out,” says Jean Chatzky, editor at large at *Money* and financial editor for NBC’s “Today Show,” who has written extensively about the women and investing study. “What Rob has found a way to do is to further the underlying mission of a business while enabling the business to accomplish something that’s good for the world.”

Now, Densen wants to do for cause marketing what he’s accomplished for women and investing: steer it in a profitable, new direction and show the marketplace there is a better, more cost-effective way for companies to do well by doing good.

In early 2003 he launched **Tiller LLC**, with the goal of boosting clients’ reputations as well as their bottom lines and, in the process, transforming the way businesses view their advocacy marketing and charitable giving efforts. So far, **Merrill Lynch Investment Managers**, one of the world’s largest investment managers with more than \$450 billion under management, and retail giant **Sears Roebuck & Co.** have hired Tiller. Neither company could discuss the details of the relationships, but Densen shared his general approach to an area of communications that is at a crossroads. (*See sidebar, p. 4*).

You can’t argue with his timing. In the wake of a string of corporate scan-

dals – with all the dirty laundry to be aired in several upcoming executive trials — there is a growing feeling throughout the country that corporate America could stand to be a bit more altruistic.

But Densen knows the language CEOs speak. So he’s fused a new approach to cause marketing that combines charitable gift giving, advocacy marketing, research and public relations. While his mission may seem pollyannaish to some, Densen’s busi-

Densen wants to steer [cause marketing] in a profitable, new direction and show the marketplace there is a better, more cost-effective way for companies to do well by doing good.

ness plan is firmly rooted in the bottom line. “He’s got a huge heart but is coming at it from a business point of view,” Chatzky says. “If it’s between the business and a charitable endeavor, the business comes first.”

Densen says companies need to more clearly define the term “cause marketing,” which can mean everything and nothing. Part of the problem is vocabulary. “CSR sounds so heavy and onerous and is so unrelated to the business. It can mean anything from corporate governance to manufacturing policies to the environment to workforce diversity,” Densen says, adding: “It’s not about check writing or policy generation but active, long-term advocacy on behalf of your customers. The problem is most CSR programs are sitting on the bench and I’d have them batting clean up.”

In order to provide solid returns any “cause commerce” program needs three components: business alignment, intellectual integrity and a multi-year perspective. But with managers focused on one business quarter to the next, investing in “cause commerce” for the long-term may seem soft to a hard-nosed CEO.

“I feel like Moses and I may not make it to the promised land but I hope somebody does,” Densen says. “People ‘get it’ conversationally. The question is can they execute and create a high-concept plan that is going to

take some time” to show business results.

Densen’s pitch is to show companies that by viewing advocacy marketing as a long-term obligation to society and opportunity to the business—as opposed to a short-term media vehicle that will soon vaporize — consumer goodwill will eventually materialize and, when that happens, the media will surely follow.

Richard Thau, president of New York-based **Presentation Testing**

Inc., which uses dial technology to test and improve the effectiveness of business presentations, and has worked with Densen, says: “Rob has a way of disabusing companies of the notion that just because they are underwriting a CSR of some sort that the world will pay attention. Instead, he will come up with a plan that advances a corporation’s trust with society.”

PR can play a big part in cause commerce programs. But in order to gel throughout the company the effort is most effective when it originates with a business unit. “PR can facilitate this conversation but [the plan] ideally starts with a business unit,” Densen adds.

Densen’s business plan is gaining applause from senior communications execs. “Rob helps corporations understand the best possible fit for the company and community needs and that’s different from straight cause marketing,” says Frances Emerson, senior VP/corporate communications for **MassMutual Financial Group**, which owns OppenheimerFunds. “He gets to know his clients, their values and their markets and then tries to find the nexus between legitimate causes and what the company can do to advance the cause.”

Emerson says there’s two ways PR execs can play a crucial role in “cause

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commerce.” One is to help the company connect all the dots of the plan and second to position the company to invest in programs that will reflect well on the organization’s core business. She adds that what often happens in traditional cause marketing plans is that companies start to throw bad money after good. By contrast, Densen’s “programs will provide focus,” she says.

Ivy McLemore, first VP/Corporate Communications for **AIM Investments**, one of the 10 largest mutual fund companies in the country, says

prior to the program Densen created at OppenheimerFunds, women were not pursued by investment companies. “Rob has a very good way at determining what companies can do to demon-

him, however, in changing corporate mindsets. “He’s going to have to tell [clients] that you don’t want to be clever, but sincere and need to go beyond symbolism to make the con-

“[Densen] is going to have to tell [clients] that you don’t want to be clever but sincere, and need to go beyond symbolism to make the connections between growing your business and having a strong advocacy program.”

— Ivy McLemore, AIM Investments

strate value in corporate advocacy as opposed to proclaiming integrity in some clever ad campaign.”

Densen has a tough road ahead of

nections between growing your business and having a strong advocacy program.” McLemore says. “He’s on an island now and has to build the bridges back to the mainland.”

Indeed, Densen has to brace himself for battling the status quo in cause marketing. “He wants to challenge clients to commit to causes and not just give them lip service,” says Bill Heyman, President-CEO of **Heyman Associates**, an executive search firm in PR and communications, who has known Densen for years. “Rob is willing to take a chance and say to the company, ‘OK, this is going to cost you money now and you won’t get an immediate return but ultimately it will pay off for the company.’ Something that is almost too easy to dismiss makes you pay more attention to it.”

Several sources refer to Densen as a “visionary” but add the caveat that he’s got to be careful not to get too far ahead of business managers, who tend to move with all the speed of dripping molasses when it comes to effecting real change. “The problem with visionaries is if they get too far ahead the troops get lost,” McLemore says. “He needs to convince CEOs that this is not only where they need to be but have to be and this is how we’re marching.”

Feel Warm and Fuzzy All Over... Even on Your Bottom Line

Rob Densen, CEO of Tiller LLC, thinks he has a better — and more cost-efficient — way of creating what he calls “cause commerce” initiatives. It’s a new twist on doing well by doing good that, he believes, benefits both the public and the company alike. Here are the critical ways in which Tiller LLC differentiates its approach from traditional cause marketing plans:

>> It’s About the Business: Advocacy programs are about *business building*. In this era of consumer concern and outright skepticism, the best way to grow your business is by being a true and forceful advocate for your customers’ interests.

>> Intrinsic vs. Extrinsic: Cause Marketing programs are *associative* in nature. They represent the old “Colored Ribbon” approach — find a worthy cause and associate your company with it. Advocacy programs focus on issues or markets that are *intrinsic* and central to a company’s business.

>> Advocacy vs. Association: Advocacy programs go beyond basic association with a cause. Companies that are true advocates understand and proactively advance their customers’ interests over the long term. Placing a charity’s logo on a product or donating a percentage of revenues is not enough.

>> Research as a Differentiator: Advocacy programs frequently use thoughtful public opinion polling as their foundation. Why? Because research is the best way to understand marketplace concerns and needs and to credibly associate with an issue. These data provide invaluable market intelligence and provide a foundation for your PR outreach.

>> Optimize Your Charitable Giving Budget: While more and more companies are using their charitable dollars to forge an association with a worthy cause, we go one step further, building focused, proactive charitable partnerships linked to the Advocacy marketing platform. In so doing, we can better advance the company’s business interests and create more appetite for charitable programs.

>> The bottom line: Advocacy programs work best when executed enterprise-wide — from the business unit to sales to marketing to PR to charitable giving. They are not easy to execute, requiring an abiding corporate commitment, organizational alignment, intellectual integrity and a multi-year time horizon. But with consumers expecting the highest standards of ethical behavior, community concern and customer care from Corporate America, companies that can meaningfully demonstrate these qualities will win the public’s confidence, loyalty, and, most important, business.

Source: Tiller LLC

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Endorsements — of Every Stripe — Boost Cause Marketing Plan

Case Study

Since 2001 **Verizon Wireless** PR has donated nearly 40% of its professional time to a cause marketing plan for abused women, employing everything from sports endorsement to press conferences to get the message out.

The program plays out on a number of fronts in different regions. Some collect phones for use by women in shelters, while others gather used phones and sell them, donating the proceeds in support of battered women's programs.

One recent effort in Indiana showed particular ingenuity and PR initiative. The object in this case was to maximize the reach of an existing HopeLine effort to provide confidential voice mailboxes to domestic violence shelters. Women use the voice mailboxes as a way to achieve confidential communications with their families, doctors, employers, landlords, childcare providers and other critical contacts. The PR team hoped to reach out to domestic violence shelters, survivors of domestic violence, the media and the general public with news of an expanded program.

In order to gain for the effort both visibility and legitimacy, Verizon Wireless and PR partner **Hirons & Company** forged two vital partnerships: One with the Indiana Attorney General's office, and another with the **Indiana Coalition Against Domestic Violence**. The PR team was able to land the endorsement of the Attorney General's Office since the AG's office has an existing relationship with survivors of domestic violence via a confidential address program in which women can register with the state to receive critical mail without fear of being tracked by abusers. The voicemail program could be positioned easily as a logical extension to that program.

This synergy of the voicemail program and the confidential address system is typical of the kinds of mutually beneficial partnerships that made HopeLine a success over the years. "Some partners will really need funds

for facilities. Some just need the phones, and others are really out in front in trying to reach the community with a message," says Andrea Linskey, executive director of corporate communications at Verizon. "You have to listen closely to your partners,

Eventually, victims were found who would go public, and they appeared with Attorney General Steve Carter throughout a three-day, seven-stop tour. Due to Carter's presence, the media were ready and waiting to cover the events, with local TV and

Calling On an Important Issue

Domestic violence presents tough challenges in cause marketing plans. Here's what Verizon Wireless Executive Director of Corporate Communications Andrea Linskey has learned in her time working in this area of cause marketing:

- People still don't want to talk about it. Her solution: Repetition. Keep drumming the message home until people acknowledge the issue.
- Competing causes vie for attention. Her solution: Spotlight high-profile cases and crimes to demonstrate the seriousness of the subject matter.
- Skeptical or lethargic media? Her solution: Team with political leaders who can bring legitimacy and energy to the issue.

because their needs will vary."

Likewise, the Indiana effort had the virtue of being highly localized, as are most HopeLine programs. "The issue of domestic violence is very different for someone in Iowa than it is for someone in Philadelphia. The resources for them are varied, the economic situation of the victims is very different, and the community leadership is very different," Linskey says. With this in mind, the PR team set out to schedule seven news conferences in targeted markets in Indiana.

While this is no small feat, planners took a highly methodical approach to their effort. They chose sites based on a set of criteria that included: The presence of Verizon Wireless retail stores or mall kiosks; existing relationships with shelters and state or association officials; the proximity of secondary markets with multiple media outlets (to improve the company's profile) and the travel logistics for an ambitious three-day schedule in mid-September.

By applying these strategic criteria to the planning process, the PR team was able to turn a potential crapshoot into a highly tactical effort. Once the schedule was set, the PR team worked with shelters in the target areas to identify survivors of domestic violence who would be willing to share their stories.

print media in all locations giving the story airtime and ink.

It helps that Verizon Wireless CEO Denny Strigl backs up that message with public talks three or four times a year on the subject of domestic violence. He's even been invited to the White House to address the issue.

While the CEO is out speaking to the head of state, the PR shop is frying smaller — though no less substantive — fish. In addition to political partnerships such as the tie-in with the attorney general in Indiana, HopeLine has forged a range of other affiliations. The program has collected old cell phones through Publix supermarkets in Florida; sponsored events and collected donations through the **Chicago Bulls** and **Chicago Blackhawks** sports franchises. It has also teamed up with the **University of Alabama** to collect backpacks to benefit children living in domestic violence shelters.

These events typically unfold at the regional level; everyone in the company's PR shop soon hears about them. "We share best practices among ourselves all the time," Linskey says. "We share the great ideas that have helped the most victims or generated the most coverage."

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Cause Marketing Trends

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\$2.25 million to CI in CI's efforts in coffee-growing regions. A fundraiser last year hosted by Starbucks CEO Orin Smith garnered an additional \$1.8 million to help CI in its ongoing environmental efforts.

Starbucks' efforts reflect the changing nature of cause marketing. Rather than a promotional blip, which may

(or may not) garner media attention, corporations worth their salt are increasingly threading their CRM strategies into both the PR and marketing functions from the get-go.

"There is a realization among corporations that in an increasingly competitive environment appealing to consumers based on cause-affiliations is a very effective way of marketing," says David Hessekiel, founder of New York-based **Cause Marketing Forum**, which

provides businesses and non-profits with cause-related marketing strategies. According to **IEG Inc.**, corporate sponsorships increased to \$922 million in 2003 from \$125 million in 1990. The figure is expected to hit \$1 billion in 2004.

Hessekiel, who will host the Cause Marketing Conference June 16 in New York City, (www.causemarketingforum.com) says companies could get burned if they sing the praises of cause marketing without divulging how much it is devoting to charity. It's equally important to have the CEO on board and make sure there is a "logical link" between the brand and the sponsored program(s), Hessekiel.

Snapple Beverage Group, for example, devotes a certain percentage of sales of its SNAP 2.0 bottled water to **Kaboom!**, which builds playgrounds and skate parks in poor communities. Last September, 150 Snapple employees – as well as 40 U.S. soldiers returning from Iraq – redesigned Mullally Park, in the shadows of Yankee Stadium in Bronx, N.Y., to promote physical activity. There's some subtle Snapple signage in the park.

Steven Jarmon, VP of partner marketing and community ventures for Snapple, says young people from the neighborhood "had a tremendous hand" in reconfiguring the park, which is another key to effective CRM programs: making people in the community feel they have a stake in the program. Snapple's effort got widespread coverage in the *New York Daily News* and cable news channel NY1 News, among other media outlets.

"If we show that we're a good corporate citizen, do things in a responsible way and communicate it tastefully – and don't look to pat ourselves on the back – then someone who is holding Product A against Product B in their hand may say, 'These guys are more socially responsible,'" says Jarmon, amplifying Hessekiel's comments. "We want the plan to be a commercial success but realize that we have to build and nurture these programs over time."

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Numbers Don't Lie: The Case For CSR

PR NEWS asked CSR specialist Steve Voien, executive VP-director of operations with Edelman's CSR practice, First&42nd., to provide a bird's-eye view of CSR trends. As Voien makes clear, studies are starting to convince C-level executives that a business case can be made for CSR initiatives.

For UPS CEO Mike Eskew, the mantra when it comes to measuring the value of business activities is: "In God we trust, everything else we measure."

Presumably, this tough minded approach would rule out embracing CSR, whose advocates often use the "soft" language of trust and responsibility rather than the hard language of measurable returns.

And yet in November 2003, Eskew keynoted the annual conference of nonprofit Business for Social Responsibility (BSR), declaring that smart corporations must seek a healthy balance between economic success, social responsibility, and environmental stewardship. He also unveiled his company's first CSR report, entitled "Operating in Unison." Most companies won't tell you what it costs to produce such a report, but industry insiders say the costs run from \$100,000 for smaller companies to a million for the largest.

And that's just the cost of *talking about* what you're doing – it doesn't include the cost of CSR initiatives themselves.

Something has convinced Mike Eskew – and the CEOs of dozens of other large companies – that there is a solid ROI for CSR. While no definitive "silver bullet" study has emerged, a growing body of data is becoming hard to ignore. Here's a look at three of the more recent studies that make the business case for CSR:

>> Financial performance:

A Merrill Lynch / Oekom study of the financial performance of 600 Morgan Stanley Capital International (MSCI) companies between December 1999 and October 2003 found: An index of "best in class" companies, based on a set of rigorous environmental and social performance measures, outperformed an index of "sustainability laggards" by 23%

>> Consumer, Investor, Employee Preference:

A 2002 Cone study of U.S. consumers found:

- 91% who learn about a firm's negative corporate citizenship practices would consider switching to another company's products or services
- 83% would refuse to invest in that company
- 80% would refuse to work at that company
- 76% would boycott that company's products

>> Trust

Edelman's fifth annual Trust Barometer survey, released just last week, polled 1,200 opinion leaders in the U.S. and around the world, and found that NGOs are more credible spokespersons than corporate CEOs by

a factor of more than two to one. This suggests that companies ignore the concerns of NGOs – including "super brand" activist groups like Amnesty International and Greenpeace – at their peril.

Credibility of Spokespersons

Extremely + Very Credible	USA	Europe	UK	France	Germany	China	Brazil
Average person, like yourself	51	51	53	45	55	59	78
Academic	47	42	54	44	27	55	69
Non-profit organization or NGO rep	41	41	44	49	30	29	60
Regular employee of company	29	25	27	25	25	22	38
CEO of company	20	21	27	23	13	47	58
Company's public relations rep	10	13	9	17	13	17	38

Source: Steve Voien - First&42nd.

CSR No Longer A 'Nice Thing' But a 'Must-Have'

Viewpoint

With a rapidly expanding audience tuning in to CSR activities, it's impossible to ignore their growing influence on corporate reputation. In the past 10 years, Cone's cause-related research has documented Americans' increasing expectations of companies to address social issues. A new study conducted last year by Golin/Harris found that 74% of Americans say CSR is important to their trust in a company. Seven in 10 Americans say they would be willing to start or increase the amount of business they do with a company based on that company's CSR record. And, according to Environics' 2001 CSR Monitor, 80% of employees of large companies say that the more socially responsible their companies become, the more motivated and loyal they are as employees.

Even more compelling than the positive impacts of CSR are the consequences of negative social practices. According to our 2002 Cone Corporate Citizenship Study, 85% of Americans say they would be likely to speak out against a company among their family and friends if they learned about a company's harmful social behavior. As a sign that this "activist" trend is a global one, Environics found a surge in the proportion of consumers worldwide who reported that they had punished a company they perceived as socially irresponsible in 2002.

The powerful influence of social responsibility – or irresponsibility, for that matter – on reputation is why PR professionals, as gatekeepers to and guardians of corporate brands, are being required to embrace CSR as a must-do business practice. According to a 2002 Jericho Communications survey, more than one-third of Fortune 1000 CEOs assign the responsibility for handling CSR issues to the corporate communications department. It is becoming increasingly clear that CSR isn't only about how companies behave, it's also about how they communicate their actions and conduct to key audiences.

To help you execute and communicate CSR more effectively, we offer the following considerations:

- **Define CSR for your company.** Make sure that your senior executives are all talking about the same thing. CSR includes a broad range of complex internal and external business practices. Although they are vital components of the CSR mix, corporate philanthropy and community relations don't define CSR alone.

- **Build a diverse team.** The development and execution of CSR strategies require a collaborative, concerted team effort. Create a decision-making taskforce that integrates and brings together a range of expertise and resources, including marketing, public affairs, community relations, legal, human resources, manufacturing and others. Put a formal process in place to approach CSR strategy development, ongoing implementation and continuous improvement.

- **Analyze your current CSR-related activities – and revamp them if necessary.** Do your due diligence at the outset – understand CSR gaps and risks specific to your company. Research industry examples and cull best practices from leading case studies. Make sure to consider global trends, as Europe is far advanced of the U.S.

- **Forge and strengthen NGO relationships.** The more than 300,000 non-governmental organizations (NGOs) throughout the world are a powerful force on corporate policies and behavior, serving as both advocates and loud critics. Forge sincere partnerships with organizations that can offer you independent, unbiased insight into and evaluation of your CSR activities; provide expertise on social issues and developing global markets; and offer access to key influentials.

- **Develop a Cause Branding initiative.** Create a public face for your citizenship activities through a signature Cause Branding initiative that integrates philanthropy, community

relations, marketing and human resources assets. ConAgra Foods' "Feeding Children Better program," for example, is a multi-year initiative created to feed millions of hungry children through innovative partnerships, grant-making, employee volunteerism and education and awareness. This program recently earned ConAgra Foods the U.S. Chamber of Commerce's "Corporate Citizenship Award." (See *PR NEWS*, Oct. 13, 2003).

- **Walk your talk.** Critics often assert that companies exploit CSR as a "PR smokescreen" to conceal or divert attention from corporate misdeeds and blemishes. Before introducing any new CSR initiative or drawing attention to good corporate behavior, make sure that your company is addressing stakeholder expectations of CSR at the most basic level.

- **Don't be silent.** According to Cone's 2002 Corporate Citizenship Study, not only do Americans expect businesses to behave socially, the majority – nine in 10 – want companies to tell them how they are doing so. An overwhelming majority also say they prefer to find out about CSR activities from a third-party source, particularly the media.

- **Beware.** Greater public awareness for your corporate citizenship record can be double-edged. Claims of socially responsible behavior, even sincere ones, often invite public scrutiny. Be prepared. Even if your company is not ready to proactively communicate about your CSR activities, be ready to respond to public inquiries immediately. Don't let the threat of public scrutiny keep you mute, though. More often than not, silence regarding CSR issues is translated as indifference, or worse, inaction.

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PRNotebook

Executives on Trial: A scorecard... Senior PR execs will be paying close attention to the spate of high-profile, white-collar trials that will take place this year, starting with the Martha Stewart trial this month. For the low down on communications strategies (or lack thereof) *PR NEWS* asked contributing editor and legal PR eagle Richard Levick to comment. (See table.)

Raising the Red Flag... Fleishman-Hillard said last week that it has formed a strategic alliance with Pegasus Communications, based in Beijing. Terms were not disclosed. The new alliance will serve clients in media relations, market promotion, information, information technology and financial communications. It will also offer brand communication consulting, public affairs, government relations and corporate sponsorships.

Clarification: In 'Beware The Shrinking News Hole' (*PR NEWS*, Jan. 12, 2003) the information provided for the story should have been attributed to D S Simon Productions, which produces VNRs. We regret the error.

Trial/Company (start date)	Charges	Communications strategy*
Martha Stewart (Jan. 20) Martha Stewart Living Omnimedia	Accused of securities fraud and obstruction of justice charges related to trades in ImClone stock	"Classic case of good legal strategy trumping your media strategy. Four points: She's failed to separate herself from Enrons and Worldcoms crowd. She has to make the case that she is the victim of an overreaching SEC. To say 'All I did was defend myself' doesn't cut it. The question for the jury is, which Martha shows up? June Cleaver or the cabbage chop doll."
Scott Sullivan (Feb. 4) Former CFO, Worldcom	Securities fraud, submitting false S.E.C. filings	"Making it too easy to be a corporate target – when you find yourself in a hole, first thing you need to do is stop digging. In this case, building a \$15 million mansion while being accused of corporate greed could not be more poorly timed."
John J. Rigas + others (Feb. 9) Adelphia Comm.	Rigas and his two sons are accused of looting more than a \$1 billion	"Has failed to garner sympathy even though he is a compassionate, philanthropic figure. Needs to develop a NY media strategy. Laying low is not working."
Richard Scrusby (August 23) Former CEO HealthSouth	Accused of orchestrating \$2.7 billion accounting fraud that involved many company employees.	"Sent mixed messages, claiming innocence yet taking the Fifth Amendment. Difficult to take the Fifth in the court of public opinion unless you have a 'potted plant' spokesperson offering an alternative message."

* From Richard Levick, *Levick Strategic Communications*

PRMovers

Ad 2 of Greater Fort Lauderdale – Valerie Milkins (ex-Starmark International) has been appointed PR Chair for Ad 2, a division of the Advertising Federation of Greater Fort Lauderdale that targets young executives working in the communications field. Milkins will direct all publicity and communications initiatives in support of Ad 2 throughout Broward County.

Boston University — John J. Schulz is the new dean of BU's College of Communication. Since 1995 Schulz has served as professor of international communications and persuasion and public opinion in the Dept. of Mass Communication, Advertising and Public Relations at the College of Communication.

Hill & Knowlton — Kathleen Larey Lewton (ex-Fleishman-Hillard) is named senior VP in the PR firm's Health and Pharma practice. During her stint at Fleishman-Hillard Lewton's clients included the American Medical Association, the American Heart Association and Eli Lilly...Hill & Knowlton also added Anne Chesbrough (ex-Saatchi & Saatchi) as senior

VP to the agency's senior healthcare experts. **HSR Business to Business** - Julie Morse (ex-Anthem Blue Cross and Blue Shield) is promoted to senior client service executive. She'll handle the integrated marketing communications for such HSR clients as Hobart and Flight Options.

Peppercom – Ann Barlow (ex-Mindstorm Communications) has been named a partner in the mid-size PR agency, which is part of the Lumin collaborative (See *PR NEWS*, July 21, 2003). Since joining the firm in 2001 Barlow has built Peppercom's client roster and implemented a company-wide education and motivational program for Peppercom employees.

Porter Novelli – Jon Goldberg has joined the company as an Executive VP and leader of the firm's corporate affairs practice group. He'll oversee investor relations and financial communications as well as PN CauseWorks, Porter Novelli's corporate social responsibility and strategic philanthropy consulting group.

RL Public Relations + Marketing – Melissa Karp (ex-GCI) is named senior VP and head of the PR firm's New York office.

She'll be responsible for business development in the New York tri-state area, nationally and in Latin America. She will also work with RLPR's newly created Latino sports group, Sportivo, to implement strategy.

Schering-Plough Corp. – Rosemarie Yancosek has been appointed Executive Director, Global Communications for the drug research company. She'll report to Jeff Winton, group VP, global communications. Yancosek's appointment is the first effort among the company to establish a new, integrated global communications group.

Warschawski Public Relations — Samantha Oehl (ex-Quinn & Co.) has been named senior associate of the firm. She'll handle media and client relations, strategic planning and marketing for WPR's clients in sports and consumer products, and will also drive new business efforts targeting hospitality/travel and tourism accounts.

West Glen Communications – Mark Dembo has been promoted to president (from COO) of the broadcast PR firm. With the appointment, current president Stan Zeitlin will take on the role as Chairman.