
CAMPAIGN STRATEGY

Aim

- ◆ To examine the strategies organisations use to 'engineer' their image.

Outcome

- ◆ Participants will have a better understanding of the ways organisations use PR to manage their reputation and deal with crises.

What you need

- ◆ Photocopies of either **Actionpage: Mega Mining** and/or **Actionpage: Food for life** (see 'What you do', below) and **Appendix 2: Rules of the road**

What you do

- ▷ Brainstorm: *What are the methods organisations use to promote their image?* Write on flip chart and ask for examples (using celebrities; placing stories in media, eg press release, video news releases to TV news; advertising; sponsorship of events, eg arts, sport; sponsorship of education, eg computers, books, teaching materials; set up trust to make donations to charities or support popular issues, eg Shell Better Britain Campaign).
- ▷ Explain that many transnational corporations (TNCs) are being criticised by pressure groups because of the damaging impact of their operations – on the environment, health, human rights, including workers' rights etc. This has led to a prolonged PR war as TNCs try to counter criticism, maintain a positive corporate identity, retain customer loyalty and limit regulations which may restrict their operations.
- ▷ There are two case studies which use fictional organisations, but draw on real examples – *Mega Mining* which deals with the impact of mining, and *Food for life* which tackles the issue of health and nutrition. Decide whether the group will look at one or both.
- ▷ Divide participants into small groups. Distribute relevant **Actionpages** and **Appendix 2: Rules of the road**, advice on crisis management by one of the world's largest PR firms.
- ▷ Each group represents a team of PR consultants who will devise a PR strategy based on their brief. They will present their plans to the whole group in the form of a role play presentation to their client.
- ▷ After the presentation, the whole group should ask questions, assuming the role of clients trying to ensure that the proposals satisfy their objectives.
- ▷ After the groups have made their presentations, broaden discussion to cover issues raised.

Whole group discussion

- ◆ Where did you get your ideas?
- ◆ In the real world how effective would these strategies be in influencing policy makers to limit legally binding regulations imposed on the activities of TNCs?
- ◆ How much impact do these type of strategies have on developing a long term positive corporate identity?
- ◆ Can you think of real life examples of companies with a good corporate identity? How has this been achieved? Is it deserved?

Key ideas

- ◆ TNCs use a range of PR techniques to ensure a favourable climate for their activities, especially those faced with sustained criticism by pressure groups.
- ◆ They employ PR consultants whose services include advice on 'crisis management', and 'strategic planning' – research into pressure groups in order to anticipate problems that might arise in the future, and ways of dealing with them.

- ◆ PR consultants also set up 'front organisations' for their clients. These include 'grassroots citizens groups' – often paid employees – who present the views of business to the media and at meetings.
- ◆ TNCs employ professional lobbyists who make representations to politicians on their behalf, providing 'corporate hospitality' at prestige events, eg sports. Some make donations to political parties.
- ◆ There is a 'revolving door' between business and all levels of government – senior business executives are often brought in to advise governments, and many businesses retain sitting or retired politicians and civil servants as advisors.
- ◆ TNCs set up trade associations which use their power to influence governments and international bodies such as the United Nations and World Bank.
- ◆ They try to use the media to present their perspectives, eg video news releases, press briefings, reports.
- ◆ They commission research from scientists to undermine their critics.
- ◆ They use 'cause-related marketing' – linking their name to good causes, eg sponsorship of arts, sport and education, community projects, to create a positive image among the public.
- ◆ There are also many documented cases of intimidation of opponents by threats of libel action, blackmail, violence and even assassination.
- ◆ TNCs use the threat of court action to censor critics. For example, McDonald's forced an apology from the Vegetarian Society's *Greenscene* magazine for publishing an interview with Morrissey in which he linked McDonald's to rainforest destruction.
- ◆ However, the company came unstuck in the 'McLibel' case when it took two activists to court for distributing a leaflet which was critical of the company. The case dragged on for 2½ years and was a PR disaster. The judge ruled that McDonald's "exploit children" with their advertising, produce "misleading" advertising, are "culpably responsible" for cruelty to animals, are "antipathetic" to unionisation and pay their workers low wages.
- ◆ The food industry projects an image of concern for food safety and healthy diet – highlighting its work with health professionals, schools, regulating agencies and scientists. It sponsors teaching packs on nutrition and campaigns to promote healthier lifestyles while continuing to promote food which is highly processed and high in sugar, salt, fats and additives. It also resists regulation of the industry, favouring voluntary guidelines.
- ◆ The extractive industries, such as mining, oil and gas, have been targeted for their poor record on the environment and human rights. It is no coincidence that their PR focuses on their support for conservation and development initiatives.

Follow-up

- ◆ The following websites have further information: mining – www.riotinto.com/, www.icem.org/; food – www.fdf.org.uk, www.nestle.com/, www.unilever.com/, www.foodcomm.org.uk/, www.soilassociation.org/.
- ◆ **Appendix 1: PR for beginners** provides more detailed exploration of public relations. **Appendix 7: School meal deals** looks at cause-related marketing directed at children. **Appendix 11: Triple bottom line** **Appendix 13: Greenwash guide** and **Appendix 14: Bluewash** look at how TNCs try to project a more responsible image.
- ◆ Prepare a dossier of PR material disseminated by well known TNCs that have been criticised, to illustrate the range of PR techniques which can be used to counter opponents' claims, eg adverts in media, website, newspaper articles
- ◆ Produce a radio programme, poster or leaflet on the issues raised.

“**The advantages of an ethical image are well known and PR companies openly advise companies who face criticism to adopt 'cause-related marketing' strategies – to aggressively advertise their links with charities and good causes in order to counter-balance bad publicity .**

The benefits of cause-related marketing are long term... You are building a surplus account for the times when you have a crisis.”

from Marjorie Thompson, Saatchi & Saatchi, in *Marketing Week* February 1999

Actionpage: Mega Mining

You are a team of PR consultants who have been asked to devise a PR strategy for Mega Mining Corporation, a high profile transnational corporation (TNC) that is being criticised by well organised pressure groups*.

▷ Study the briefing paper carefully and devise a PR strategy that will meet their needs.

Your strategy should include:

- ◆ a breakdown of the groups of people you are trying to reach
 - ◆ detailed plans for managing the crisis in the short term
 - ◆ proposals for securing the business a favourable economic and political climate for its operations in the long term
 - ◆ ideas of how you can create a more positive corporate image in the long term
 - ◆ how you propose to monitor the success or failure of your strategy
- ▷ Prepare a five minute presentation for your client, producing visual aids that will help you make your case.

Briefing paper written by Mega Mining

Mega Mining Corporation (MMC) is one of the world's leading mining companies, with operations all over the world. These include copper, iron ore, gold, bauxite and tin. Turnover in 2000 was £40bn with profits of £3bn. It employs 20,000 people worldwide.

Since the 1970s the mining industry in general has been under pressure from pressure groups. They claim that:

- ◆ mining scars the landscape
- ◆ production methods produce toxic waste which affects ground water and rivers
- ◆ polluted water and toxic dust create serious health problems for local communities
- ◆ indigenous people are thrown off their land, depriving them of traditional livelihoods.

In the past five years MMC has expanded its open cast mining operations on the island of Poinsettia. In accordance with the Memorandum of Agreement signed with the government, the company has worked in close co-operation with elders of the indigenous communities to minimise disruption. Local people will benefit from:

- ◆ improvements to the infrastructure of the area including roads
- ◆ increased employment opportunities bringing much needed cash into the local economy
- ◆ company-run housing, school and clinic for employees
- ◆ an integrated development plan devised by experts in consultation with community leaders; this will include initiatives to improve farming methods.

The company has stringent environmental safeguards:

- ◆ slurry waste is collected in a series of tailings dams which will be covered and landscaped when mining ceases; some areas will be used for housing
- ◆ excavated areas will be reforested.

Despite these precautions a small group of local trouble makers with their own political agenda, supported by campaign groups in Europe and the US, is intent on disrupting operations. They have organised blockades of the site and engaged in acts of sabotage.

They have also applied to the courts to have operations halted because the mines are on land occupied by indigenous peoples. In fact MMC have bought mining rights from the government and argue that the indigenous people do not have legal ownership of the land, only traditional land rights established over hundreds of years.

The current crisis concerns the death of two prominent leaders of the group opposed to mining. They were kidnapped by masked gunmen and their mutilated bodies were later found on a rubbish tip. There are allegations that MMC may be indirectly responsible for the killings. A demonstration at the Annual General Meeting of shareholders attracted strong international media interest.

* Although this is a fictional case study, it is based on documented events.

Actionpage: Food For Life

You are a team of PR consultants who have been asked to devise a PR strategy for the Association of Drink and Food Manufacturers, a trade association of food processing companies. The industry is being criticised because of concern about food quality and safety*.

▷ Study the briefing paper carefully and devise a PR strategy that will meet their needs.

Your strategy should include:

- ◆ a breakdown of the groups of people you are trying to reach
 - ◆ detailed plans for managing the problems in the short term
 - ◆ proposals for securing the industry a favourable economic and political climate for its operations in the long term
 - ◆ ideas of how you can create a more positive image for the industry in the long term
 - ◆ how you propose to monitor the success or failure of your strategy.
- ▷ Prepare a five minute presentation for your client, producing visual aids that will help you make your case.

Briefing paper written by Association of Drink and Food Manufacturers

Food and drink is Britain's biggest manufacturing industry, worth over £60 billion and employing about 500,000 people. Your members are involved in every part of the industry, from sourcing raw materials, to processing, packaging and distribution. You aim to:

- ◆ encourage high standards along the food chain from the farmer to the consumer
- ◆ communicate the industry's positions to a range of audiences and to consumers
- ◆ create the best operating environment for UK manufacturers, and the removal of obstacles to trade in the UK and abroad
- ◆ shape legislation in the UK and the EU.

The industry is highly competitive – the UK industry has to compete with other global giants from the USA and other EU countries. The industry is under pressure from all sides:

- ◆ consumers demand value-for-money, and new and better products
- ◆ supermarkets have huge purchasing power and are able to demand lower prices, squeezing the profit margins of your own members
- ◆ there have been serious food scares in recent years, eg 'mad cow disease' (BSE), food poisoning from *e coli*
- ◆ there has been great public concern about the environmental and health risks of genetically modified food, even though biotechnology products (maize, soya, tomatoes) have been used in the USA for many years and have been approved by the US Food & Drugs Administration and the UK's Ministry of Agriculture, Fisheries and Food (MAFF); modern life sciences offer the possibility of reducing dependence on pesticides and herbicides, and increasing production – meeting the needs of a growing world population
- ◆ pressure groups are claiming that levels of saturated fat, sugar and salt are too high for a healthy diet
- ◆ supporters of organic farming are making unproven claims for the health benefits of organic food, and criticising modern farming methods for use of agrochemicals, eg growth promoting hormones and pesticides, which in fact have clearly demonstrated their ability to cut production costs, control disease and ensure high quality produce
- ◆ there are claims that food additives (colourings, flavourings and sweeteners) are used to disguise poor quality food and are linked to increased allergies, especially among children
- ◆ pressure groups are pushing for greater regulation of the industry rather than existing voluntary guidelines:
 - controls on marketing, especially 'health-boosting' claims and misleading descriptions
 - restriction on the fortification of food with vitamins
 - more and tighter labelling of food – amounts of water, GM ingredients, possible pesticide residues etc
 - controls and testing over storage of ingredients to prevent contamination and spoiling.

* Although this is a fictional Association, the issues raised reflect real-world concerns.