

# PR News

Building the bridge between PR and the bottom line.

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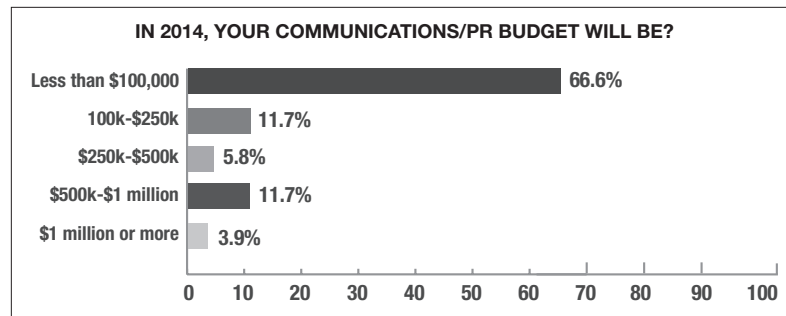
Issue 18 Vol. 70

## ► Exclusive PRN Study

# When it Comes Spending on Social, Facebook Dominates

## Main objective is market visibility

PR budgets for social media activities are rising, according to a new survey conducted by PR News and the Counselors Academy/Public Relations Society of America. And for 2014, that money is being spent mainly to increase market visibility, and it's being spent mostly on **Facebook**. About a quarter of



A majority of PR pros are operating with a budget of \$100,000 or less this year.

PR pros and communicators now devote more than 35% of their social media budget to Facebook. No other major network, including **LinkedIn**, **Pinterest**, **Twitter** and **YouTube**, has any-

where near that large a portion of total spend. In fact, only a tiny, single-digit fraction of respondents report spending 35% or more of their budgets on any of those other networks. For the moment, Facebook is king. Asked what's been the most effective social media channel, 50% of the respondents said

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## DID YOU KNOW

1. Most social channels command less than 5% of social media budgets. (p. 1)
2. P/E/O (paid, earned and owned media) is getting to be de rigeur in PR. (p. 1)
3. Different world cultures have a huge effect on communicating effectively. (p. 2)
4. Twitter can indirectly help PR pros expand the reach of their messages. (p. 3)
5. Philanthropic efforts need to be constantly reevaluated by communicators. (p. 4)
6. Social channels can help PR pros to develop more "earned" media. (p. 6)
7. What sort of questions do you ask before crafting a press release? (p. 8)

## ► Media Matters

By Heather Kernahan

# Unify Paid, Earned, Owned Initiatives



## Integrating all three is the new norm in PR

There has been a lot written about paid, earned and owned media for the last few years. More recently, with the swim lanes merging, there has been confusion among communications professionals. Should we position ourselves to be the strategists for all three disciplines, or strategically partner with advertising and Web agencies and keep within our "earned" channel lane? As digital media expands our audiences, people now consume media differently. They no longer segment these channels the way we do as marketers.

So, to run highly effective communications campaigns, our silos need to collapse and we need to embrace all three pillars of P/E/O. The definitions will continue to evolve and the lines will continue to blur, but here is a guideline on how to think about each:

► **Paid:** Any advertising that is bought in magazines, newspapers, websites, social media or TV (direct ads, paid social, native advertising).

► **Earned:** Communication about a brand that is not controlled but earned by influencing (news, articles, reviews, peer-to-peer communities).

► **Owned:** Branded communication that makes a direct connection between

the brand and a customer, such as corporate website and microsites, company blog and company social channels.

## THE P/E/O CHALLENGE

I see two main challenges for in-house PR teams as they start to weigh in and even take on responsibility for the owned and paid channels. They differ depending on the size and structure of your organization.

If you're in a large company, where there are separate media-buying teams and Web teams that run your website, communities, blogs and social channels, you may need an influencer strategy to break down the silos. In some

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## ▶ How To...

By Liz Guthridge



# Build Trust Across Different Cultures

On the trust barometer, is the pressure rising or dropping for CEOs? It depends if one sees the glass half empty or half full. The 2014 Edelman Trust Barometer showed an overall decline in trust this year, largely due to a drop in trust of government in many countries. Trust in CEOs stayed steady, at 43%. Yet storm clouds could be on the horizon for global business leaders, considering that geography increasingly is playing a larger role in trust levels.

The Edelman data is showing more gaps in trust related to geographical location. Since geography and culture are so tightly linked, leaders should start to pay attention to the implications of cultural and geographical differences.

Different world cultures have a profound affect on building trustworthy, long-term relationships, according to Stuart Friedman, CEO at Global Context LLC, which provides cross-cultural consulting, training and workshops for global executives and organizations.

World cultures also affect how we meet, present, propose, sell and negotiate, Friedman observes. To say it another way, our culture influences how we interact with others and what we do. Even more significant, our culture does more than surround us; it's embedded in our brain.

Recent brain imaging and eye-tracking studies have confirmed earlier cultural behavior studies. These studies show that people from different cultures process the world differently and literally see different things. For example:

- When looking at pictures or scenes, Westerners tend to focus on objects while Asians tend to focus on contexts and relationships.

- We recognize facial emotions better when we're looking at people similar to us in terms of our ethnic group and nationality.

- Asians tend to view close relatives, such as their mother, as part of their self, while Westerners tend to see themselves as independent.

**85%**  
 Respect for employee rights; positive factor for impacting overall trust in an organization.  
 Edelman Trust Barometer, 2014

While the science is convincing, it's generally not compelling enough to motivate many CEOs to improve their cultural intelligence, according to Friedman.

"CEOs have a lot of pride in their past accomplishments and years of experience, which got them to where they are today," Friedman said. "This only amplifies their cultural blind spots about the importance of understanding cultural issues."

If you're a PR advisor to a global CEO, how do you convince your CEO to take actions that will prevent cultural miscues that can contribute to mistrust?

Try helping your CEO adopt a few positive "Tiny Habits," Friedman suggested, assuming your CEO is interested in being viewed as more trustworthy by people in other cultures.

Tiny Habits is the brainchild of Dr. B.J. Fogg. With Tiny Habits, you first focus on creating a new habit that you want. (That's why the CEO's mindset around culture and trust is so important.)

How could this work in practice? Try three Tiny Habits related to business travel. They

could be: For my next international business trip, I, the CEO, will commit to:

1. Learn one key national value of the country—that is, something that is an integral part of the national psyche—before getting on the plane.
2. Ask one local businessperson what he or she thinks is the single biggest misunderstanding that Americans have about doing business in that country.
3. Observe the surroundings, especially the physical space, and how people interact with one another, including the distance they stand from each other and the gestures they use while talking.

To make these easy for the CEO, work with the CEO's executive assistant and a local country contact to set these actions into motion. That helps the CEO comply without any additional motivation.

When the CEO returns after the trip, be sure to ask about the experience. These small steps can help the CEO increase cultural awareness. In time, by adding more experiences in other geographies, the CEO will improve his or her ability to relate to those in different cultures, which improves trustworthiness as well as increases cultural intelligence.

As our "VUCA" (volatile, uncertain, complex and ambiguous) world becomes more unpredictable, those who can embrace and bridge cultural diversity will not only survive, but also thrive. **PRIN**

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