



Paul Holmes is president and CEO of The Holmes Group, which provides knowledge and insight for public relations professionals, and serves as editor of The Holmes Report.

Holmes was news editor of PR Week in the UK, and launch editor of PR Week in the US. In 2000 he started his own consulting and knowledge management business.

Holmes is a frequent speaker on public relations topics. He has served as a consultant to seven of the top 10 public relations agencies in the world. He also spent 10 years as chairman of the judges for the Creativity in Public Relations Awards and currently manages the SABRE Awards for The Holmes Group.

White paper

Social Media and the Role of PR

In 2008, a few weeks before the start of the Beijing Olympic Games, a group of Chinese students travelling in Germany, came across an advertisement for Coca-Cola.

The students were at a small railway station and the ad in question was an old billboard that had been in place for several years, part of a long-abandoned campaign that had never been replaced. It featured a group of Tibetan monks riding a rollercoaster, their arms raised, their faces an expression of joy as the ride reached its zenith and prepared to plunge down into a valley.

The students saw what to most western eyes would have been a joyous but otherwise unremarkable image and saw a political statement, proof that Coca-Cola—a major sponsor of the Games that were about to take place in their country—supported the Tibetan people, who had protested the Olympic torch relay and sought to take advantage of the Games to draw attention to their cause.

Within hours, a photograph of the ad had been posted to the bulletin board system that serves as a blend of the blogosphere and a social media site in China, along with a suggestion that patriotic students might want to boycott Coca-Cola. There were even calls for the Chinese government to bar the company from the Games. A full-

fledged protest began to take hold before anyone from the global soft drinks giant had time to formulate a response.

And so Coca-Cola discovered how the emergence of social media has changed the world: information (and misinformation) can now travel half way around the globe before a company even learns of its existence. A handful of individuals with a cause or a grievance can come together to create a populist



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movement in a matter of hours. And a mild controversy can turn into a crisis overnight.

The Implications for Corporations

At many companies, it was still possible five or 10 years ago, to believe that the brand was everything the company said about its products and services, the sum total of its logo, its advertising, its press releases, its sponsorships. Today, the brand is no longer determined by what the company says about itself; it's determined by all the things that are said about the

company by others, in the real world (over garden fences, in hair salons, the supermarket check-out line, over drinks and dinners) and in digital and social media.

On the one hand it is possible to argue that digital and social media have merely turned up the volume and made it easier for companies to listen in on what is being said. I would argue that the change is more profound than that.



Corporations—and other institutions—are now facing a level of radical transparency that would have been unthinkable even a few years ago, with the internet providing consumers, communities, employees, investors and other stakeholders with a virtual meeting place at which they can share and compare experiences and mobilise large numbers of friends and allies in a common cause.

In the relatively recent past, a customer with a complaint about a particular product or service might have shared his or her experience with a dozen or so friends. Today, that same individual can find (or create) an online community and tell thousands, even millions of people about their experience—not only in his or her immediate circle, but nationally and even internationally, because digital and social media know no geographic boundaries.

If only a small percentage have a similar experience, they can create a formidable internet presence (sometimes ranking higher on prominent search engines than the official company website) that turns others away from the product. They can be joined by employees who explain how inefficient internal processes (or worse) help to create the problem in question. And they can catch the eye of traditional media reporters, print and broadcast, ensuring that the complaints about the company reach an even wider audience.

The upside of this radical transparency is that companies have the opportunity to hear about all of these complaints. The downside is that they have an obligation to respond. There is no excuse for ignoring customer (and other stakeholder) concerns about a business, product or service, and doing so will have a cost—not only in alienating the complainant but in raising questions even among unaffected parties about the company's attitude and responsiveness, its willingness to correct its mistakes or address issues of concern.

In such an environment, consumers (and employees, investors, regulators, and the public at large) are constantly evaluating corporate behaviour and judging it.

Companies that seek to avoid turning problems into crisis, or to turn them into opportunities for competitive advantage, will need to emphasise several increasingly important values: Transparency; Humility; Authenticity; Dialogue, and Engagement.

For companies seeking to capitalise on the opportunities presented by the emergence of digital social



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media, a range of options present themselves, some of them involving relatively little adjustment to the current marketing approach, some requiring a major cultural shift.

What This Means for Public Relations

I am tempted to suggest that for public relations professionals (good ones, at least), the emergence of social media changes nothing.

By that I mean that the fundamental principles upon which public relations was founded need little or no adjustment to accommodate the new media. Good public relations has always embraced transparency, valued authenticity, and been about engagement.

Moreover, the process of engaging with stakeholders in the digital and social media environment is essentially similar to the process public relations people have traditionally employed.

Historically, public relations people have demonstrated their value

within corporations by telling the company or brand story to some third-party who then went on to tell the same story to his or her readers, reaching a wider audience and adding credibility (because of his or her independence from the company) often absent from other communications channels.

Typically, the person to whom public relations people told the

company's story was usually (though not always) a journalist. In the digital and social media realm, that person could be a citizen journalist (or blogger), or it could be an online opinion leader, a mother with thousands of Twitter followers, a teenager with a high-profile in the gaming community, almost anyone with an audience and a degree of credibility.

But the process remains essentially the same. The skills required—the ability to tell a story that is authentic, interesting, engaging—are broadly similar. (The biggest difference is the need for a greater degree of intimacy with the consumer audience. Influential journalists in a particular market segment are easy to identify; often their names are listed in directories. Digital and social influencers are not always so obvious, and require PR people to immerse themselves in the online world).

So in some respects, the emergence of social media requires very little adjustment on the part of those who have been practicing good public relations. But that begs the question: how many organisations have been managing their public relations this way?

The answer, sadly, is not many.

For that reason, social media guru Jeff Jarvis, in his book "What Would Google Do?" is able to draw the conclusion that public relations is one of a handful of industries "immune from rehabilitation" in the Google Age. He offers a devastating critique of public relations that verges on a caricature of the industry but nevertheless will resonate with some clients.

According to Jarvis: "The problem for public relations people... is that they have clients. They must represent a position, right or wrong. As they are paid to do that, the motives behind anything they say are necessarily suspect. They cannot be consistent, because they may represent a client with one stance today and the opposite tomorrow, and we'll never know what they truly think.

"In a medium that treasures facts and data, they cannot always let the facts win; they must spin facts to craft victory. They must negotiate to the death, which makes them bad at collaboration. It's not their job to help anybody but their clients. They are middlemen. They won't admit to making mistakes well; clients don't pay for mistakes."

That will have to change, because social media has changed the rules of the game in one critical way: any violation of the principles of public

relations—transparency, authenticity, engagement—will be discovered much more swiftly than in the past and punished much more severely.

But change it will, if only for evolutionary reasons: those who are unwilling or unable to change will become extinct.

The bottom line is that to accept Jarvis's argument that the Google era spells trouble for public relations, one would have to believe two hypotheses: first, that all public



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relations people are incredibly bad at their jobs; and second, that all of their clients are idiots. I have to say—based on close to 25 years of writing about this business—that I don't think either of those hypotheses is true.

Turf Battles Inside Corporations

The philosophical case that social media is quite naturally an extension of the traditional role of public relations may be strong, but that does not mean that public relations practitioners will necessarily be handed oversight for their companies' social media strategy. In fact, the early indications are that in-house public relations professionals are losing out to their marketing colleagues.

There are several reasons for this.

The first, and perhaps the most important, is a simple matter of economics: marketers have bigger budgets. It is an easy matter for a marketing executive to take a small part of his or her advertising budget and redirect it into social media. A small fraction of a company's ad budget can buy a significant presence in the digital realm. Public relations budgets are much more limited.

But there is also a question of attitude. At the risk of over-generalising, marketers and

corporate public relations professionals have responded to the emergence of social media in diametrically opposed ways. Marketers typically look at social media and see only opportunity; their first instinct is to use the new media the same way they use other media—to shout their messages at the "target" audience. Public relations people look at social media and see only risk; their first instinct is to lurk and listen, to monitor for potential threats to corporate reputation.

I don't believe the marketing approach is the appropriate response to the emergence of this new medium. Social media is not simply another channel through which companies deliver

messages to a targeted audience. That kind of one-way communication is inappropriate, and will almost certainly prove counter-productive.

But I believe the public relations approach—listening and lurking rather than engaging—is even less likely to deliver the kind of learnings that are key to leadership in digital and social media. The experience of companies to date suggests that it is better to jump in and mess up—and then learn from your mistakes—than it is to sit on the sidelines.

In this regard, I worry that the reticence of public relations people has as much to do with a lack of courage as it does with a lack of cash. I am haunted by a conversation I had 12 months ago with the very senior, very well-respected chief communications office at a major company operating in what might kindly be called “an issues-rich environment.” I had heard that his PR agency wanted to create an online community for the company’s stakeholders to discuss a range of issues, but particularly the environmental and human rights implications of its business.

I asked whether he planned to go ahead with the creation of such a community, and was told that he didn’t. There were several reasons. The first was the fear that the community would create a magnet for all of the company’s many critics, providing them with a forum to discuss all the reasons they hated it.

I pointed out that this first objection was misguided. The company’s critics were already holding these conversations, but in disparate locations. Bringing them

together in one place would give the company an opportunity to monitor any criticisms, correct any misunderstandings, and respond quickly and publicly to any genuine concerns.

That brought us to his second reason, which was that his CEO and other senior executives would quickly become obsessed with the conversations taking place in the community, and expect the chief communications officer to do something about them.



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Again, I felt that this was a potential benefit, rather than a flaw. If the CEO started to monitor this online community, he might develop a better understanding of the reputational issues facing the company. Which led to the third and final problem: the CEO would expect the CCO to change the tone of the conversation, but would not provide him with the additional budget or the additional authority required to do so. The CCO and his team would be expected to address these concerns without additional resources, and without the ability to influence the policies and practices that led to them.

This was a very senior professional, respected within the profession and within the company. Yet he felt it would be difficult to persuade his CEO to make available the kind of resources necessary to take full advantage of digital and social

media for corporate reputation management, and almost impossible to convince the CEO that the new threat to the company’s reputation posed by digital and social media might require new approaches and even new behaviours.

Marketers, on the other hand, have little difficulty allocating a significant part of their existing budget to new media channels, and are prepared to take risks in order to seize an advantage.

It is increasingly easy to envision a scenario in which the marketing and corporate communications functions converge, in part as a response to the rise of digital and social media. Increasingly, corporate behaviour and corporate reputation will influence brand preference, while product marketing will have implications for corporate reputation. If that happens, the experience of marketers in the social media realm may provide them with an insurmountable advantage over their colleagues in corporate public relations.

Conclusion

It should be clear from the above that the emergence of digital and social media present a golden opportunity for public relations people to move into a more central position, both within the organisation generally and the communications mix in particular.

First, the radical transparency that has resulted from digital and social media mean that corporate reputations are at risk as never before; and so the function responsible for protecting those reputations is more important than ever.

Second, brand and reputational concerns are becoming almost indistinguishable, as a vast range of external issues have the potential to interfere in the relationship between a product and its customers. Only public relations

the constant barrage of “messages” to which they have been subjected in the past.

Fourth, it is becoming increasingly apparent that credibility is the most valuable currency in communication, and that the relationship between control and credibility is an inverse one: which is to say that the more a company seeks to control a message (through advertising, for example) the less credible that message will be; the more a company is willing to surrender control (by relying on the third-party endorsement delivered by PR), the more credible the message becomes.

All of these factors create an opportunity for public relations. But it is far from clear that public relations people will grasp that opportunity.

engagement—that underpin good public relations and best practice in the digital and social media world.

And they will need to demonstrate greater courage, in terms of their willingness to embrace some of the risks involved in greater transparency and more meaningful dialogue and their determination to turn those risks into opportunities.



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people have experience in dealing with this wide range of issues, and the wide range of publics with a stake in them.

Third, traditional one-way communication, however creative and compelling, is becoming less effective as marketers come to recognise that (to quote The Cluetrain Manifesto) “markets are conversations” and consumers come to value dialogue and reject

To do so, they will need to demonstrate greater competence, particularly in the realm of content creation and in their ability to tell authentic and compelling stories about the brands.

They will need to demonstrate greater conviction, in terms of the values—transparency, humility, authenticity, integrity,