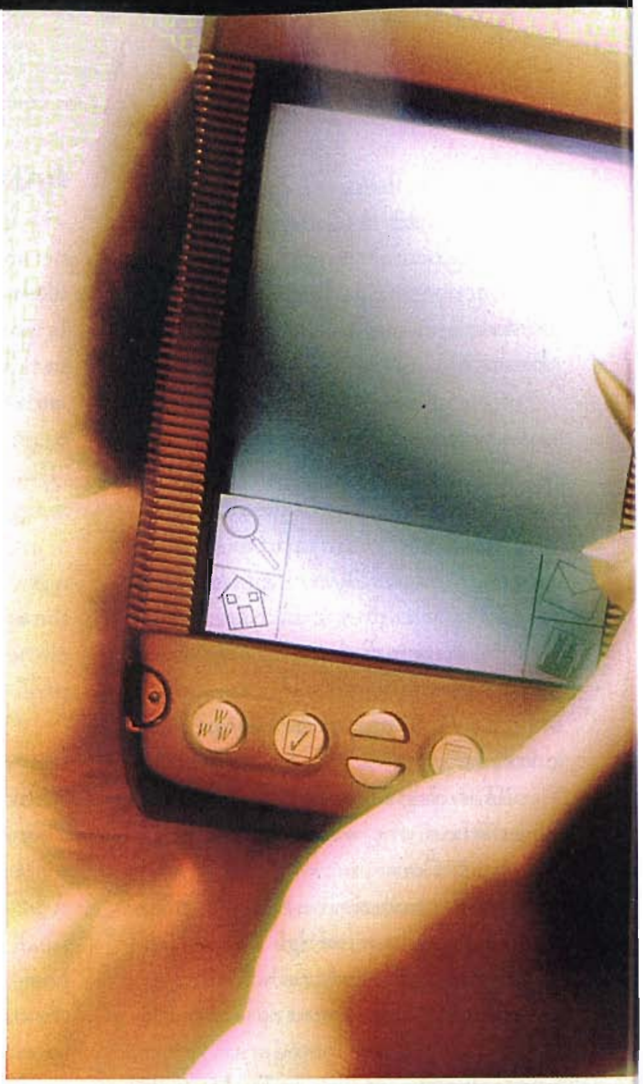
High-Tech Times

Goodbye Hype, Hello Core Values

The Past, Present and Future of Technology Public Relations



Earlier this year, *The Strategist* invited a cross section of high-tech PR executives from across the country to participate in a roundtable discussion about the past, present and future of technology and public relations. The discussion preceded PRSA's Professional Interest Technology Section's 2003 Conference in New York City. Moderated by *Strategist* Contributing Editor Elizabeth Howard, the group addressed technology's impact on the profession, the profession's impact on technology and how PR pros can survive in one of the most volatile economic sectors.

Robert Dowling
Executive Vice President
Director, Technology Practice
Ruder Finn
New York

Burt Wolder
Public Relations Vice President, Executive Communications
AT&T
(Wolder retired on April 1 as planned after 24 years at AT&T. He's now an executive PR consultant.)

Photos: (Top) Corbis Images/Herrmann/Starke: all other photos by Richard Mitche

Lisa Vallee-Smith, APR
CEO
Airfoil Public Relations, Inc.
Detroit

Reid Walker
Director — Global Marketing Communications
GE Global eXchange Services
Gaithersburg, Md.
(On May 5, Walker started as vice president of corporate communications for Honeywell's Specialty Materials division, based in Morristown, N.J.)

Aaron Heinrich
Senior Vice President, Global Technology
Manning Selvage & Lee
San Francisco
(In June, Heinrich went to work for Outcast Communications, a high-tech PR agency in San Francisco.)

Stacey Doherty, APR
Vice President, Public Relations
Thinkbig Media
Aliso Viejo, Calif.

Dan Ginsburg
Senior Vice President
Porter Novelli
Convergence Group
New York

Elizabeth Howard, roundtable moderator

Elizabeth Howard: What impact has technology had on the PR profession?

Burt Wolder: Some people expected the Internet to change everything, and it didn't. But, [just] because it did not change everything, it would be a mistake to assume that it didn't change anything. There have been some fundamental changes. Internet technology is a great leveler — it wipes out the middle man, allows people to establish new business relationships, enables PR people to move faster and requires the development of different skills.

In terms of what's next, it used to be that a product life cycle was 30 or 40 years long in the United States. Then it moved to about 30 or 40 weeks. Now it's moving even faster. Sales don't just drop off, they disappear. The pace of change is only going to accelerate. The productivity revolution that we've seen so much of in the last six years has only begun.

Robert Dowling: This real-time world that we live in has added great new opportunities for the PR function. However, it has also added an equal number of challenges: We get out information now in real time, so it's much more difficult to control the messages.

Lisa Vallee-Smith: The greatest impact the technology bubble had was making public relations relevant as an above-the-line marketing discipline for the first time in decades. And what was so exciting about it was just being at the table and being able to talk product strategy and market strategy.

Howard: How is the PR profession going to help grow dot-com companies that still exist?

Stacey Doherty: The key for many of these companies is diversification. The ones that have survived seem to be the ones that understand that.

If you look at this last holiday season, Internet retailing outdid brick-and-mortar by a long shot. But it's not a popular topic anymore. So it's a challenge to communicate that [Internet retailing] is still a big piece of the puzzle.

One of the ways that we can help the dot-com companies is to look at what else they do. There's a lot of pessimism within the press, and it takes a lot to get a story that has anything to do with dot-coms. And that's why looking at how those companies are diversifying is important, because that's where the story is.

The biggest challenge is to find what else is still affecting the general consumer.

Dowling: Needs have not changed, and in some ways they've become greater. But agencies have become hungry for business, certainly desperate to maintain the business that they currently have. A number of clients have reduced their budgets dramatically. And we've taken the attitude of sticking with them through thick and thin. Often, that has been the wrong decision to make.

Ironically, we take a much greater investment approach today than we did when there were a lot of companies out there that needed investment. We pay more attention to quality control, budgeting and management than we did just three or four years ago. And clients certainly demand a higher level of service, more senior-level attention.

Particularly in the technology sector, there's a sense that agencies mistreated their clients during the dot-com boom. Now the opposite is true. Clients who had bad experiences are perhaps tightening the reins too much and fighting back against agencies, oftentimes unfairly.

Dan Ginsburg: What we've tried to do — and what we tried to do somewhat early on in the dot-com age — was to diversify and focus on things like investor relations, and also focus on the core business competencies that we try to bring to the table. The audience for those things is a lot more receptive now than it was a few years ago, when you had 28-year-old CEOs coming in with $60,000 a month to spend who thought that they knew how to set the world on fire.

We've seen — at least in the good cases — a shift in budgets, as opposed to just a loss. While some of the straight technology, media relations and product level has fallen away, especially with larger clients as opposed to the dot-coms, there is still that need for senior-level executive counsel.

Aaron Heinrich: It's incumbent upon us as PR professionals to find other ways to make ourselves valuable to the clients we work with. It can't just be the product and service — the launch public relations that we all get stuck doing — we have to elevate our role as counselors too.

Ginsburg: That's the key problem. But then you get back to that old budget issue. You feel good about providing that senior-level counsel, but there's only so much of it to go around when you have the $20,000 budget if you're lucky, as opposed to the old $40,000 and $50,000 budget.

Reid Walker: I once worked for a company called PSI Net, which was a 10- to 12-year-old multibillion-dollar business. I went to a large agency. And I didn't want a whole lot of senior-level counsel. I wanted a combination. I had a team that provided senior-level counsel. I needed arms and legs and things that the bigger agencies weren't doing for me. They were trying to come up with strategies and other things that we'd already done as a business.

So, I went back to a technology-focused PR firm out of Boston, which offered a strategy, but was also very tactical. And it was an amazing difference.

Vallee-Smith: It's a buyer's market for PR and marketing services. For small, independent PR firms, it has leveled the playing field.

If you're going to remain a technology PR firm, specialization is an asset and technology is going to get more specialized, not less so. You need technology people who are going to be able to articulate that.

Howard: What advantages did PR firms that handled tech companies have over larger, more established firms? And if you're a tech department within a larger firm, what did that department add to the firm? Let's look at it in terms of what might eventually get us in a position to contribute to corporate strategy.

Dowling: [Newsletter editor] Paul Holmes said something interesting during a presentation he gave to Ruder Finn [earlier this year]. And that was that much of the fallout and the crises — around corporate governance in particular

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— spoke to an opportunity for PR counselors to come in and take a larger role and a larger seat at that table.

Ironically, that didn't happen, and it certainly hasn't happened in our experience. In fact, PR professionals are often blamed for some of the hype and root causes of some of those corporate governance issues. It's something that Ruder Finn spends a lot of time thinking about — how to position ourselves as an old-line conservative, longtime, independent agency, with something that's new and exciting and that speaks a new language to a new generation.

Heinrich: During the dot-com run, having youth on your side was a positive. Because it was evident that if there were young people in your agency they were, at least on the surface, living and breathing the Internet. They were some of the early adopters.

But now we've all seen a switch: Clients don't want a lot of young people on their account. From a cultural standpoint, people want experience back on the account again.

Wolder: One of the advantages of having the practice inside the agency from the client standpoint is the ability to connect to a new generation of [technology] media.

On the other side, kids count. They're the next generation of consumers. The dynamics of brand loyalty today are dramatically different than they were even five or 10 years ago. So being connected to the next generation of consumers is a fundamental priority for any business that intends to be around six years from now.

Doherty: There is a need for a combination: younger people who can handle the tactical stuff, and who can bring new ideas to the table, and older people who understand the business.

The match between the agency and the client is almost more complicated than a marriage. It's harder to make that match. You're talking about matching five or 10 people on a team with 20 or 30 executives within a company, and it's a constant communication. It's a relationship that needs to be nurtured. That's the most important part — where the client needs to feel that they know what's going on within the agency. They need to trust the people. The people need to understand what it is they're trying to do for a living. And that's maybe where youth was not on our side in understanding business practices. That was hard for many younger people in public relations. They just figured as long as they were getting clients press they were successful — but is it going anywhere and does it fit a bigger strategy?

Ginsburg: About three or four years ago, Porter Novelli acquired Copithorne & Bellows, which is a straight technology firm. And we don't call it the technology practice within Porter Novelli, we call it the Convergence Group. You can't just call it technology today because it touches on so many different aspects.

One of the things that the merger at Porter Novelli brought together was a move from just a focus on straight technology, which has benefited our clients. However, it does muddy the mix when you try to define what it is you do, and try to help a client. It's different from client to client. Depending on the size of the client, you have to approach them differently. For a smaller client, you've got a huge range of needs. Often with a larger client you have a specific defined role, and you have to be able to adapt to either situation with the right individuals, at the right time, at the right level, which is challenging.

Walker: I always say it's about the team and the people you have on your team, whether it's a big agency or a small agency. We've developed such a close rapport with the agency we have now — we have an extranet where we put all the information together — my team and their team, what we're working on every minute of the day. We talk to them on a regular basis. I've got a mix of older and younger people on those accounts, and they have been so responsive and understanding about the different phases of the relationship you go through with a client.

Vallee-Smith: There is room for both generalists and technology specialists even in a technology PR firm or a technology practice within a PR firm that has many different practice areas. Generalists have knowledge in many PR practice areas, which ultimately the clients — regardless of the business or the type of technology they're in — are going to need.

However, when promoting a technology company's products and services, you're going to have to talk to the chief technology officer or a network engineer to understand that technology in order to pitch it to the buyer.

One of the great things about the whole tech bubble and the effect that it had on PR firms is that it made us faster at what we do. But the ability to move fast, anticipate changes and issues, and interpret those for your clients is important.

Young people have great stamina. And they just understand and are more adept at technology than I am at my age.

Howard: Do you think the PR profession has

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caught up with technology? If not, how much further do we have to go before we do so?

Vallee-Smith: The PR industry is so small that there's not much technology being developed to solve our business problems.

That being said, we're making tremendous use of technology in servicing clients and communicating with the press. One of the benefits of a large established agency is that it has the resources to invest in technologies that will help us keep pace.

Heinrich: There are so many different levels of practitioners. You have small, independent shops to large, international agencies. So the adoption rate depends partially on that individual decision-maker. In some cases, if it's one person, he or she can do whatever he or she wants. Whereas with a big agency there's lots of bureaucracy that has to be worked through to get some of this adopted. And I've seen this from one shop to another — it just depends on the key decision-maker at the top, what his or her own affinity is for technology.

Doherty: It also depends on the press that you're working with, because there are a lot of people in the press who are still so archaic — if you're so advanced in your technology, it's almost irritating and difficult to work with them. Some don't want e-mail; they still want paper news releases.

Howard: The same can be said for some CEOs.

Doherty: Yes, and the CEOs who print out their e-mails and then write the answers on the bottom and give it to their assistants, who then answer the e-mail. You have to consider your audience. Many of the technology reporters are savvy, but when you get into other spaces like entertainment, the reporters want the press release faxed, which just floors me. Many of the databases now tell you how the reporter prefers to be contacted, and that's important. Sending out a mass press release via e-mail is sometimes to your detriment.

Dowling: It has been a long time since we've done a blast fax of a press release. We have paid a lot of attention to the way media want to get their information. But we've tried to go further and examine how we structure the messages within those e-mails.

But technology for most PR agencies has driven us to almost around-the-clock connectivity on behalf of our clients. I get e-mails, phone calls, messages, whenever. And our responsiveness has increased dramatically. I also think that we still use technology innovation as a major selling point, as a technology division, or a technology boutique, or what have you, to set ourselves apart from the other agencies that may want to pitch that technology business. Instead of having paper press kits that we hand out at trade shows, we now have wireless press kits that we can beam from Palm to Palm or from Blackberry to Blackberry. That's happening across the board in how we approach accounts, handle them, manage them, benchmark them and report on them. Perhaps the CEO doesn't want to be connected at the same level, and that's a challenge that we have to overcome.

Ginsburg: The ability to use technology to aggregate data in a quick, clear way so that executives, clients, as well

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as their internal audiences, are able to see the results in such a clear way has been a benefit. Companies that aren't focused on that today are going to fall behind.

Technology is not 100 percent there yet, but we're getting close to where we can not just examine where you received media placement, but what the quality of it is over time. You can target it in different ways, which wasn't doable even a couple of years ago.

Howard: How has media relations changed? How has your relationship with the press changed?

Doherty: In the beginning of my career, a press conference was not that unusual. Now it's absolutely unheard of. The sense of urgency, the fact that these people used to have two beats and now they have 10 — they're under tremendous stress.

You have to have an incredible story. You have to think it through. And you have to consider the fact that they want things immediately. They'll send you an e-mail saying, "Answer these three questions and get back to me." You have to be incredibly responsive.

Being a smaller agency or being focused on a particular client is to your advantage. Reporters don't know nearly as much as they did about your particular client's product, because maybe they've just been pulled from the travel section.

Walker: I've seen a huge change in reporters' focus. Now they are so stretched that we can almost package the story for them and pull together three or four of our customers in, say, retail, or manufacturing or auto that are doing something innovative and new. And then get our CEO, put a roundtable together, get the *Computer World* editor on the phone, let him moderate it. They will use the story almost completely. It gives them all the data they need.

But the one-on-one contact is so important. We still do regular media tours. We still go to San Francisco, London and New York on a regular basis, and sit down with those guys for 20-30 minutes for coffee. And we've gotten great coverage from every one of those media tours. So I would never give up going to see them, going to talk to them. You never know what kind of story is going to happen from that. That will continue.

The online newsrooms and all those other things just give them instant access to the tactical details. They're still going to want to talk to somebody at the business.

Ginsburg: I agree. Technology is helpful, it has sped things up incredibly. However, face-to-face meetings are still our most important interactions with media by far. Sitting down with them, sitting down with a chief strategy officer, a technology officer, or even a CEO, allows them to get a depth of understanding in a quick way that they can't get from looking at a Web site. You can get an interesting story out of the interview, but in many cases, more importantly, you've developed a relationship with that reporter so that there's a long-term understanding of what your business is about, so they can fit you into stories and come to you as a future resource.

Dowling: If you provide the types of case studies, the

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Dowling: If you provide the types of case studies, the research, the spokespeople, and you manage to provide that at the right time — following an issue that's breaking; something that is relevant to the media — then you've got the magic combination. But it's difficult to do when your client is saying, "Where's my ink?"

Howard: What are the threats and opportunities for high-tech public relations?

Vallee-Smith: For probably the third consecutive year, information technology spending is going to remain flat or decline. That means intense competition, probably more consolidations and shakeouts on both the agency and the corporate side.

As for opportunity, there are still billions of dollars in uninvested venture capital out there. There are so many fascinating technologies that are going to change people's lives and make us do our jobs better. The opportunity is just to stay excited about technology, because it's a sector where public relations can be a real strategic business advantage.

Walker: There's a lot of change in the media industry. Everybody's a publisher with the Internet. But the challenge of trying to reach all those audiences and be effective hasn't become the huge issue I thought it would be — it's an opportunity.

The Internet media is here to stay, and it will grow because the cost [of producing it] is so low. As more broadband hits offices, we will see more video and interactive media opportunities than we ever did before.

Ginsburg: It's easy for us to give in to our clients when they want to do things that we might not necessarily agree with. In this environment, you second guess yourself when you've got smaller budgets.

That also provides us with a great opportunity to continue to show strong value and create better PR practitioners because we have to be in this competitive environment. We need to do a good job of educating our younger employees so that they are in a position to be able to provide that type of strategic counsel that our clients are looking for.

Doherty: From the perspective of a smaller agency, one of the key elements is managing the budget that you do have and being effective for your client, but not stretching yourself so thin. I see that happening a lot, where we're doing twice as much work as the retainer allows for. There's always that threat that you're going to run yourself right out of business by continuing to do so.

The huge opportunity is still in how technology affects people's daily lives. Those stories will never go out of fashion, and those are all stories that reporters are interested in.

Wolder: The digital productivity revolution that we've just seen the tip of has surprises in store that will keep technology PR practitioners busy, productive and thriving.

We're in an economic situation that does not correct in a matter of months, but years. So it's going to be a difficult time, particularly coming to grips with the pressures that are on the United States; the deficit that seems to grow, the realities of the consumer's impact on the economy and so on.

But in terms of opportunities, technology is the great leveler. From a business standpoint, it enables the small guys to take on the big guys and win. We're going to see a lot of that plus a lot more interesting technology.

The greatest threat is for technology PR practitioners to believe that their practice is about technology. At the end of the day people are interested in the same fundamental things they've always been interested in. They're interested in living an abundant life. They're interested in the safety of their kids. They're interested in their own personal happiness, and their family's personal happiness. And the connection of technology to that set of core audience interests by talented PR practitioners is what technology public relations is all about. It's about storytelling.

Heinrich: One of the biggest threats is that when the next big technology thing happens, we will not have learned anything from the dot-com era. If we haven't learned anything from overhyping some of the previous technologies, then that's going to be to our detriment. At the same time, that's an opportunity now to show that we've learned something.

Dowling: As an industry, particularly on the agency side, we have a responsibility to continue to approach the market with a degree of responsibility, and with a code of conduct, ethics and professionalism that is fair to ourselves, our peers and our clients. Desperate times bring out the worst in the way that we compete with one another. And that is a threat to the industry.

There are so many tremendous opportunities, not only for bringing great technologies to people, but also to realize that promise that information is the new currency. And public relations is positioned to take a critical role in how information is created, perceived, disseminated and controlled. That's an exciting place to be. ■