Risk Communication Formula: Avoid Half-Truths, Manage the Outrage

“Risk communication” is a term that means many things to many PR professionals. Most, says risk consultant Dr. Peter Sandman, apply the term to “whatever crisis communications they may be doing at the time.” PR pros that might be set in old ways, continues Sandman, may think risk communication is simply telling people that everything is OK—which Sandman refers to as “half-truth PR.”

But risk communication has the potential to be much more than telling half-truths in a crisis, and Sandman has built a successful crisis career on imparting risk strategies and tactics that have resonated with clients, although they have never taken full flight within PR.

The basic risk formula, says Sandman:
Risk = Hazard + Outrage

More specifically, says Sandman, risk communication is grounded by the extremely low correlation between a risk’s “hazard” (how much harm it’s likely to do) and its “outrage” (how upset it’s likely to make people). “It comes out to about .2 correlation,” he says. “So if you know a risk is dangerous, that tells you almost nothing about whether it’s upsetting; if you know it’s upsetting, that tells you almost nothing about whether it’s dangerous.”

Based on this hazard/outrage connection, Sandman sets risk communication into four tasks, with the message needed for each:
• When hazard is high and Page 6 •

Want to Make a Living Record of Your Organization’s Insights? Think Inward

As more and more organizations shift resources toward launching external social media initiatives, it might also be time to look inward—establishing an internal social media system that will serve as not only a real-time tool for critical communications, but as a living, breathing history of an organization.

According to Amber Naslund, VP of social strategy at Radian6, some companies are realizing that internal social platforms are equally—or nearly—as important as the outward-facing brand presence. “Companies like IBM and Deloitte are finding internal communities very useful for chronicling interesting and important happenings on a global scale,” says Naslund. Some systems, she adds, are human resources and/or training related, while others span divisions and continents.

Of course, companies like those behemoths can afford to develop their platforms in-house. But there are, says Naslund, plenty of options for smaller organizations. Some companies simply set up a private group on Facebook, while others opt for platforms like Yammer (free for the basic features) or Socialtext.

Naslund and Jay Baer, social media strategist and president of social media consultancy Convince and Convert, have authored a book The NOW Revolution: 7 Shifts to Make Your Business Faster, Smarter, and More Social (Wiley 2011). In it they broach the subject of internal social media. They cite a Canadian furniture company, Urban Barn, as an example of one organization that has successfully integrated social media into its internal communications, using a blog. "Employees are able to share stories among their retail locations," says Naslund, which in turn improves customer data and customer service.

Other organizations have started internal social media platforms as a prelude to launching external ones. “Some companies do this to kick the tires, look at potential risks and find if their employees are getting ‘social’ media before they..."
PR and advertising have always had a tenuous relationship. But a finding from a recent study has the two agreeing on something: Both PR and ad executives think PR is using social media more effectively.

The joint study by the Worldcom Public Relations Group and the Transworld Advertising Agency Network (TAAN), an organization of ad agencies, finds that 84% of PR respondents are pleased with their profession’s approach to social media campaigns, with 20% saying it was an “innovative marketing communications leader” and another 64% saying it was “keeping pace.”

By contrast, only 52% of the advertising respondents rate their profession either “innovative” (12%) or “keeping pace” (40%). Moreover, another 40% said the advertising industry was “falling behind.”

Asked to rate their sister professions, the results were similar. The advertising respondents gave PR a positive rating of 67%, with 13% calling it “innovative” and 54% “keeping pace”—higher grades than they gave themselves. In fact, the PR respondents gave advertising higher marks than did the ad chiefs, with a positive rating of 68% from 20% “innovative” and 48% “keeping pace.”

THE ARGUMENT

To Steve Cody, cofounder and managing partner of PR agency Peppercom, these findings validate what he’s been saying all along. “Even ad people realize that we are best equipped to lead the social media revolution,” says Cody. “We’re conversation experts, and it’s all about engaging in conversation. Traditional advertising is all about inside-out thinking and talking at people.”

Both parties, says Cody, are fighting tooth and nail for a piece of the social media pie—for some time he has seen ad agencies hiring out-of-work PR people for their social media divisions.

A SOLUTION?

Yet the study finds that the pie is large, and both parties should each have a big slice. Both PR and ad agencies see good returns on social media business (see charts). Which means neither will yield an inch on acquiring clients with social media needs. That, says Elizabeth Sosnow, managing director/director of social media, at BlissPR in New York—Sosnow directed the study on behalf of Worldcom and TANNT—means there’s room for collaboration.

“While PR and ad agencies want to protect their territories, a lot of money is at play here, and it behooves both parties to be collaborative,” says Sosnow. Ilya Vedarshko, VP of research and development at ad agency Hill Holliday in Boston, agrees with Sosnow’s assessment. “PR and ad agencies are in the same ball of string, but historically they have developed relationships with different kinds of partners to support their own work, says Vedarshko. “These types of professional networks are the main distinction between the two industries, and they are what each side brings to the table when they sit down to work together.”

But to Cody, sitting down with an ad agency would be akin to the reconciliation after the Civil War. “PR ends up like the South—the junior partner,” he says.

Peppercom does collaborate with ad agencies on social media initiatives, says Cody. He’s found that the ad agencies jealously guard the market research, “meting out research in dribs and drabs,” he says. Cody adds that conducting market research is something that PR could improve upon.

And yet, PR pros should be proud of what they’ve accomplished with social media—now that there are some findings to prove it.
Hoop Fans Add Social to Madness: Smaller Boards Equal Better Biz; Bad News Travels Fast; Mobile Keeps Growing

► March Madness Turns Social: Nearly one in four online American adults (23%) revealed that they will be using some form of social media to follow this year’s men’s NCAA Tournament, says new research from IMRE Sports, and conducted on their behalf by Harris Interactive. Additional findings include:

- 50% will use social networking sites; 31% will specifically use YouTube; and 27% will use a mobile application.
- Men will be more likely than women to use social media to follow March Madness, by a margin of 3 to 1 (32% men vs. 14% women).
- As to how fans will use social media platforms, 62% will use social media channels specifically to check the scores; 44% will use them to watch the games; 44% will use them to follow their favorite team/college; 40% will use them to follow their own bracket/other gaming purposes; and 19% will utilize social media channels to follow their favorite player/coach.

Source: IMRE Sports

► Smaller Boards—Better Business Success: PR pros looking to get a seat at the table might want to count the number of chairs first. Smaller boards, more female directors and a higher proportion of independent directors are the key boardroom components for company success, with U.S. boards closely matching the global success trends, according to a global study of 250 top companies between October 2009 and December 2009 by international law firm Eversheds. Other findings include:

- The optimum size for a successful U.S. board is considered to be directors, in line with the global optimum size of 11.
- Companies that have more female directors performed better during the financial crisis. This is the case in the U.S., which has the highest proportion of female directors (17.6% in 2007 and 17.0% in 2009).
- However, when interviewed, only 55% of directors feel that diversity for its own sake was beneficial for board and company performance, and only half that number are directly in favor of taking positive action to appoint more women onto boards.

Source: Eversheds

► Beware the Bad News: Consumers have sounded a clear warning to brands in loyalty marketing services firm Colloquy’s research into the word-of-mouth sharing practices of U.S. households: Bad news travels fast. Of 3,295 U.S. consumers surveyed, slightly more than one out of every four (26%) said they are far more likely to spread the word to family, friends and coworkers about a bad experience with a product or service than a good one.

Source: Colloquy

► Public Not Just Talking on Mobile Phones: According to the comScore 2010 Mobile Year in Review report, mobile media adoption has continued to grow throughout the past year as consumers are increasingly turning to their mobile phones for many other uses beyond just talking or texting. Since December 2009 the number of mobile media users has grown significantly in the U.S., as 109 million U.S. mobile subscribers accessed mobile media in December 2010, up 7.6 percentage points versus a year ago. Specific findings include:

- Social networking is the fastest-growing mobile content category in the U.S.: Nearly 58 million mobile subscribers accessed a social networking site at least monthly via mobile device as of December 2010, up 56% from the previous year.
- Specifically, Facebook usage is up 121% over the previous year. YouTube and Twitter held the second and third position in the U.S., growing 74% and 71%, respectively, whereas the number of users accessing MySpace via mobile fell 20% in the U.S.
- Classifieds was the second-strongest mobile content growth category, reaching nearly 17 million mobile subscribers as of December, up 55% over the previous year, followed by online retail sites, up 53%.

Source: comScore

Cyber Watch: So Far, Rising Gas Prices Fuel Little Concern Among Netizens

With the price of gas rising steadily, data compiled by WiseWindow—and exclusive to PR News—finds U.S. chatter (vertical axis represents thousands of people) on the topic from January to March to be surprisingly low key. WiseWindow tracked conversations on Facebook, microblogs (Twitter), blogs, message boards, video and reviews. Source: WiseWindow

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When communicators achieve viral success, it’s often thought of in terms of being serendipitous, or even lucky. In the case of Panini America and its agency of record Conover Tuttle Pace (CTP), the old saying just might apply: “You make your own luck.”

In March 2009, Italian collectible maker Panini Group acquired Donruss/Playoff, the second-oldest trading card company in the U.S. With the purchase, Panini America became an official trading card partner of the NFL (and was already the official partner of the NBA).

In April 2010, Jason Howarth, Panini’s VP of marketing, and Alexandra Paparsenos, account executive at CTP, traveled to Los Angeles for the 2010 NFL Rookie Premiere event, where select rookies from all 32 NFL teams meet for a weekend of photo shoots to pose in their team uniforms for their first trading cards; sign autographs, participate in community events; and attend informational meetings held by NFL officials.

Howarth and Paparsenos arrived in L.A. with three main objectives:

- To promote awareness among mainstream sports fans that Panini was now an official trading card partner of the NFL;
- Capitalize on the event by creating a VNR and generating viral video footage of the rookies; and
- Raise mainstream visibility of Panini and Panini’s products among sports fans.

In addition, says Howarth, it was a chance to market the Panini brand to the players themselves. “We could spend an entire weekend getting to know the crop of NFL Rookies, talk to them about Panini Trading Cards and unlock that feeling we all can recall of being kids collecting cards, and what it’s like to finally be that guy that kids are going to collect.”

Panini’s card collector audience is comprised of three audience segments, says Brian Heffron, senior VP at Conover Tuttle Pace: serious collectors in their thirties and forties, the youth market and their dads who might look to get back into trading cards. Panini was focused on the youth market, and had begun reaching out to them via the NBA Adrenalyn tour (see sidebar) and reaching out to kids involved in Pop Warner football.

LEVERAGING ROOKIES
With the rookie weekend, CTP and Panini recognized a good opportunity: The event would feature a high-profile, much discussed crop of rookies, including Tim Tebow [Note: see 08/09/2010 issue of PR News on Tebow’s spokesperson deal with Jockey], Gerald McCoy, Sam Bradford and Colt McCoy.

Leveraging the players to build awareness of Panini’s deal with the NFL, CTP decided to conduct one-on-one interviews with them that would be of interest to major sports outlets such as ESPN and NFL.com, as well as national TV stations across the country. The questions for those interviews would not be off the cuff.

Two weeks prior, Paparsenos and Howarth began researching the rookie crop to come up with interesting and often quirky questions that could just possibly generate viral video opportunities.

Then, the week before the event, CTP conducted phone outreach to each of the major TV stations across the nation’s key NFL markets. “We informed them of the upcoming Rookie Premiere and
asked if they had any specific questions for their area’s player
to ensure media coverage,” says Paparsenos.

The interviews would be a crapshoot—with CTP
and Panini not sure what or if—they would get compel-
lng material. But if they got zilch, it wouldn’t be for lack
of preparation. “We put a lot of
effort into the questions for
the rookies,” says Paparsenos,
who says dealing with their
different personalities was
the biggest challenge. “With young
athletes, you never know what
you’re going to get. Some are
shy, some are outgoing.”

CUSTOMIZED QUESTIONS
It was “outgoing” that they were
looking for. So they combined
custom, tailored questions for
each rookie created via research
with interesting requests during
the interview, like showing
how they performed at the end
was awkward, yet strangely enter-
taining.

While the hours of total
footage taken was edited into a
30-minute VNR featuring clips
from all 35 rookies that was
broadcast via satellite feed on
Sunday and Monday for best
press pickup, Tate’s 33-second
performance was loaded on
both Panini’s YouTube channel
and Facebook page, and suc-
cessfully pitched to USA Today.
com, the influential sports
blog Deadspin.com and

Results were almost
immediate: Within 24 hours,
YouTube views jumped from
537 to nearly 14,000 views.
From there, CTP began to
target and place links to the
YouTube video on dedicated
Taylor Swift, Notre Dame
(where Tate played college
football) and Seahawks fan
sites, and Facebook pages. Then
came the explosion: more than
72,000 views of the video on
YouTube, which generated hun-
dreds of tweets—some from
Tate himself.

Meanwhile, the B-roll
was being picked up by local
affiliates of major news stations
like ABC, NBC and Fox. This
resulted in more than 300 news
segments on the rookie inter-
views across the nation.

And therein lies the beauty
of the campaign, says Heffron.
“You’re using YouTube and
Twitter to drive the content
virally, and the broadcast
outreach to get local players
profiled on the 11 p.m. sports-
casts,” he says. “It was a great
marriage of social and tradi-
tional media.”

Tate video impressions
numbered in the thousands,
including the following hits:

- Views of the Tate video on
Panini’s YouTube page stands
at nearly 83,000.
- The B-roll, which was place
on the page as well, has been
viewed more than 5,000
times.
- Views on Deadspin.com
totaled more than 10,000.
- A highlight video from the
Rookie Premiere, with all
footage courtesy of Panini’s
VNR, received over 43,000
views on NFL.com.
- The video was then picked
up by such high profile out-
lets as Sports Illustrated.com
and ESPN.com.

But they might have had
even more viral opportuni-
ties, says Paparsenos. The one
change she would make was
to have more than one camera
rolling during the weekend.
“We had one dedicated for
interviews, but there were other
things going on out on the field
that we could have captured,”
she says.

TRADING CARD ROI
Still, the views were impres-
sive. But what was the real
return? According to Howarth,
impressions counted the most.
“This was the first intro-
duction of the Panini brand
with the players and fans,” he says.
“It was really about setting
the stage.”

The ultimate return for
Howarth was from a tweet from
Golden Tate—as the Seahawks
held their first players meeting
of the year. Tate just wanted to
mention that head coach Pete
Carroll opened the meeting
with a video of—you guessed
it—“Golden Tate Sings Taylor
Swift.” “For the coach to do
something like that, I knew
the video was priceless,” says
Howarth.

Proving that if you prepare
well, a viral video is definitely
in the cards. PRN

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com.
outage is low, the task is “precaution advocacy”—alerting insufficiently upset people to serious risks. “Watch out!”

- When hazard is low and outrage is high, the task is “outrage management”—reassuring excessively upset people about small risks. “Calm down.”
- When hazard is high and outrage is also high, the task is “crisis communication”—helping appropriately upset people cope with serious risks. “We’ll get through this together.”
- When hazard and outrage are both intermediate, you’re in the “sweet spot”—dialoguing with interested people about a significant but not urgent risk. “And what do you think?”

**RISK STRATEGIES KEY**

David Kalson, executive managing director at RF Binder Partners, sometimes floats these four risk strategies up with clients. “I tell them that they come from a body of well-researched, well-referenced work from name academic institutions,” says Kalson. “But then clients are hesitant to take them to the next step.” Kalson contends certain sectors are more aware of the concepts—like nuclear power and energy companies, for example.

Risk strategies are important in crisis situations because risk communication addresses real vs. perceived risk. “Often crises occur because of perceptions of high risk that are out of proportion to the actual danger,” says Kalson. “These, too, can lead to crises.”

Sandman’s concepts takes the real the perceived into consideration. “The risks that kill people and the risks that scare people are two entirely different things,” says Sandman.

“Cars kill 40,000 people a year in this country; nuclear plants have never killed anyone in this country, yet people fear nuclear power more than they do cars,” he says.

### SEE THE HUMAN SIDE

It’s that kind of human emotion that often trips up crisis communicators, says Sarah Tyree, senior VP and group manager of issues and crisis management at Ketchum.

“We often advise clients to be careful not to underestimate the role emotions like fear play into an audience’s perception of risk—there’s no quicker way to lose the battle,” says Tyree. And companies’ communications strategies need to take that into consideration. "A coldly rational, fact-laden analysis does little to quell the fears of a mother trying to determine whether or not to give a product to her child," says Tyree. “Obviously, risk communication need to be based on fact, but tone and messenger play a significant role.”

Sandman agrees with Tyree’s emphasis on emotion. It’s often senior management of companies that fail to understand the emotion—and outrage—involved in a crisis.

Some executives still view that they have enough problems with government regulators—and that neighbors and activists should have no standing, says Sandman. So they have two objectives: A) Make people understand; or B) Make them go away.

### TELL WHOLE TRUTHS

In today’s world, where massive amounts of outrage can be arranged in minutes around the globe, those are not realistic objectives, says Sandman. “You used to talk to apathetic publics—telling half-truths,” he says. Transparency is now what’s critical. Thus, Sandman recommends making a list of the ways in which your critics are right, and integrating them into your communications. It’s time to face the outrage head on and deal with it (see Sandman’s “outrage management” strategies in the sidebar).

Tyree believes communicators should take the time to explore risk concepts, simply because risk and crisis are so intertwined. Here are some truisms from Tyree when considering risk:

- It may take only one major story or event to crystallize perceptions of risk and forever tag your company or product with that risk.
- Risk can’t be managed as a one-time event—it’s an ongoing process, and if a company waits until the public or media start asking about it, it’s often too late.
- No company is immune from risk. All major businesses involve risks that could affect stakeholder perceptions.

Eliot Hoff, senior VP at APCO Worldwide, says clients are thinking more about risk communication and are taking more thoughtful tactics around crises. He also says while APCO doesn’t take Sandman’s exact risk formula to heart, “the overall premise is important.”

Bottom line: Many organizations think of risk in terms of a statistical, probabilistic hazard. They usually ignore the outrage. As a communicator, ignoring it would be, well, outrageous.
Internal Social Media Systems

The moniker is rather self-explanatory: SAS had social networking tools—blogs, wikis and SharePoint and the like—operating in several different silos within the company. “The Hub is a place for discussions and getting questions answered via a company-wide channel,” says Graebe. There were challenges in setting up such a system. Discussions with all SAS divisions led to about 150 requests regarding Hub tools and functionality, says Graebe. Those requests then had to be prioritized according to importance.

Then there was the question of employee guidelines for using The Hub. That answer was simple—SAS used its external social media guidelines. That’s a good place to start, says Naslund, because external guidelines will be more restrictive than internal ones. “They can then be adjusted as you go,” she says.

Setting parameters

Guidelines do bring up an important point about organizational hierarchy and the dissemination of information. Despite the goal of openness, “there might be discussions at the executive level that shouldn’t be accessed by lower levels,” says Naslund. And, employees can still make the mistake of putting a proprietary report out externally.

But with the correct controls in place, accidents will be few and far between. At SAS, The Hub’s functions are very similar to Facebook’s. Employees can enter status updates, upload pictures and link videos, says Graebe.

Since its launch on Valentine’s Day 2011, Hub members have grown to more than 5,052 (use of the platform is optional) out of an employee base of about 11,000, says Graebe. It’s safe to say employees are lovin’ it. The Hub’s most useful attribute? “It gives us the ability to find answers quickly within a crowd of experts,” says Graebe.

With the platform’s launch fresh in her mind, here is some advice from Graebe on undertaking such a project:

• Start with knowing your audience. “Ours is a tech savvy,” says Graebe. “The majority of employees work at a computer, and have access to a mobile device—that may not be true for other organizations.”

• Talk with every department. Learn what each person will be using the platform for, and ask about the tools they’ll need.

• Get executive leadership on board. Do the homework and show how the platform will impact productivity and save time, equating it to dollars. “Otherwise it becomes just the next neat thing,” says Graebe.

• Test the system early to a wide group. SAS was able to make key changes and fix bugs in the system before the launch.

Graebe has worked closely with platform provider Socialcast to make tweaks along the way. On tap is improving functionality for mobile devices.

Endless capabilities

And having the platform available on mobile devices reinforces the idea of making content available everywhere, and from every department.

Updates, says Baer, can and should be created from all corners of the organization: minutes from social media team meetings; new account wins (and losses) from the sales team; new initiatives from marketing; new hires, promotions, and departures from HR; competitor updates; finance and legal updates; new product or service offerings; and, especially, customer stories and questions (from the customer service department). “You’ll be amazed at the great information that is sitting untapped in people’s heads,” says Baer.

And one more advantage to starting such a platform: It’s a great way to identify the real social media enthusiasts, says Naslund. “They may not be part of the marketing team, but they will be just as valuable to your company,” she says.

For organizations large and small, and with minimal guidelines, adding a central communications hub could make internal communications on par socially with your external efforts.

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Making your internal content public with a message of the day

If you’ve set up an internal social media platform to eventually move to an external system, once you’re up for outside consumption, Jay Baer, president of social media consultancy Convince and Convert, recommends deploying a “Message of the Day” strategy. Here’s how it works:

1. A small cross-functional team within your organization should meet every day at 4:55 p.m. for five minutes to sift through the content collected via your internal social media system, and determine what might be interesting to your customers.

2. Out of that meeting should stem the Message of the Day for tomorrow. The Message of the Day isn’t necessarily about the company. Maybe it’s about your industry—maybe it’s a customer story.

3. Disseminate the Message of the Day to all social media–active employees first thing every morning. You can do this via the messaging option within your internal social media system or via a daily, dedicated e-mail or text message. The Message of the Day should be 125 characters or less to accommodate retweets on Twitter, including, if applicable, a shortened URL, preferably set up to be tracked via bit.ly or a similar service.

4. Once receiving the Message of the Day, employees should be free to modify it to fit their own style and social participation (you may want to provide Message of the Day visuals when appropriate for employees active in Flickr and Facebook).

Editor’s Note: Don’t miss the PR News Webinar “SEO Tactics & Strategies,” set for March 23—register at prnewsonline.com/webinars; and be a part of our first-ever Facebook Conference on May 24 in NYC—go to prnewsonline.com/conferences.
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