PUBLIC AFFAIRS STRATEGIES IN THE INTERNET AGE

Tom Price

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President of the Public Affairs Council
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Living in the Internet Age

The Internet has yet to reach its potential as a tool for commerce. But – like a runaway bull on the streets of Pamplona – it has come crashing through the marketplace of ideas. It has forever changed the way people “sell” their opinions, “buy” into political causes, and build long-term relationships with like-minded individuals.

Internet technology is revolutionizing both politics and public discourse. It is global in its reach, but personal in its touch. It is egalitarian, efficient and extremely fast. More than anything else, the Internet is the most effective tool ever created for organizing people.

At the same time, the Net is not universal – as evidenced by the continuing concern over the digital divide. Nor is it invincible or necessarily reliable. It is no more a panacea for Web activists than it is a panacea for marketers. The Internet also has become a noisy place, with too many people competing to be heard above the electronic din.

Despite its imperfections, the Internet has proven to be enormously valuable to activists, politicians, corporations, the news media, associations and other political players who want to influence public policy or opinion.

Many of the most successful case studies of Net usage have been chronicled in two earlier publications of the Foundation for Public Affairs. The first, Creating a Digital Democracy: The Impact of the Internet on Public Policy-Making, explained how each of these players’ lives had been changed because of information technology. It also discussed the pros and cons of creating a “virtual” government operated by citizens voting up or down with a click of a mouse.

The Foundation’s second publication, Cyber Activism: Advocacy Groups and the Internet, investigated this phenomenon in greater depth. How has Internet technology helped activists to personalize their messages and mobilize people? How have corporate reputations been affected by cyber activism? What are the most innovative tactics being employed? The report answered these questions through a series of detailed interviews with activists who have used the Internet and e-mail to advance their agendas.

It has become evident that the Internet has fundamentally altered the “marketplace of ideas” in four major ways:

1. It favors information networks over traditional information channels.

In the pre-Internet days, much of our daily information was distributed through hierarchal systems of communication. When a company had bad news to report, the CEO could control the content of the message. It was disseminated to senior management, the news media, unions and other groups, who passed the information along to employees, investors and the general public. In the same way, when it came time to pass a federal budget, congressional leaders were able to keep most Americans in the dark about the horse-trading that took place behind the scenes.

In the Internet Age, information spreads horizontally – from PC to PC – across the political landscape. In fact, when this information is originated by individuals at lower levels in private industry or government, the folks in charge are often the last to know what’s really going on. CEOs and politicians can become isolated from the nation’s daily electronic conversation.

The good news is that this characteristic can harness the power of an entire online community to solve societal problems and hold people and institutions accountable. The bad news is that the Internet is full of rumor, gossip and hoaxes that are difficult to counter once they’ve been distributed widely.

2. It increases expectations for transparency.

Hierarchal communications systems can keep secrets; information networks demand openness. Journalists and watchdog groups have always wanted businesses to be more transparent, but technology placed limits on how quickly or thoroughly companies could release requested information. Now those companies have no such barrier.

Pressure for more openness also has increased because government agencies have made great strides in their efforts to become transparent. Citizens expect other large institutions – like corporations – to do the same.

3. It transforms the news media.

Corporate leaders and politicians used to be able to manage the timing of news releases. Bad news distributed to reporters at 5 pm was generally too late to make the evening news, which allowed more time for PR staff to try to get the full story out and minimize negative coverage the next day. Now there is no so-called “news cycle.” The pace of coverage is relentless, with media Web sites updating stories 24-hours-a-day and more sites cropping up every week.

As a result, companies and governments need to move quickly to get their side of the story out in front of the public. Many find themselves constantly playing defense in an effort to counter attacks from opponents. The growth in media outlets means that one also has to worry about the hundreds of new “messengers” out there who vary tremendously in their devotion to high journalistic standards.

4. It facilitates activism.

The Internet is especially effective at helping like-minded people mobilize others to push for changes in public policy or corporate behavior. The customization and linkages possible through the Net provide tremendous tools for advocacy – especially if an individual or group wants to spread the word about social injustice.

Ironically, while business schools churn out more and more MBAs steeped in the latest strategies for “brand management,” the Internet has made corporate brands more fragile than ever. The goal of every marketing executive is to make a company’s brand omnipresent – like
Pepsi, McDonalds or Starbucks. For the anti-corporate activist, these brands look like barn-sized targets that can be damaged with a well-placed rifle shot.

But activist groups aren’t the only ones who have taken advantage of the power of the Internet to further their causes. Corporations, associations and other large business organizations have adopted many of the same tactics in their efforts to influence government policy, forge alliances, protect their reputations or build brand loyalty.

The following chapters highlight the different ways in which corporations and associations utilize Internet technology in crisis communications, issues management, grassroots networks, community-building and ally development. Some of the tactics used are complex, others are quite simple. Some are expensive to implement, others can be launched on a shoe string. All of them demonstrate that the Internet can enhance – not threaten – the ability of public affairs professionals to manage reputations and affect the public policy-making process.

They also point to the need for organizations to move strategically to create a more positive business environment that will help them avoid crises in the first place. This is a long-term process that is best accomplished before a firm is faced with a difficult legislative battle or a public angry about plant closings, CEO compensation or some other controversial issue. (In fact, a well-coordinated approach to public affairs management can prevent some of these controversies from occurring in the first place.)

Based on our interviews with dozens of major companies and associations, here are five steps that an organization can take now as it seeks to find its way in the Internet Age:

- **Coordinate all external activities.**
  Many companies still operate in silos, with public relations and government affairs staff working independently on similar issues. All of an organization’s external functions – including these two functions plus community involvement and investor relations – need to be coordinated through a centralized planning system.

- **Build online and off-line alliances.**
  Organizations need to identify and build relationships with stakeholder groups that may have an impact on them in the future. They need to create “communities” based on industry sector, geographic location, public policy issue, workforce demographics and other factors that connect them to their employees, competitors, suppliers, investors, customers and neighbors.

- **Establish issue priorities and improve information flow.**
  There’s no substitute for an issues management system that can help an organization identify and prioritize both public policy and corporate reputation issues.

- **Learn how to identify credible and influential online individuals and organizations.**
  Just because an opponent is saying bad things about you on the Internet doesn’t mean you need to take action. On the other hand, just because an ally says good things about you on its Web site doesn’t mean others will take its views seriously. Understanding the multiplier effect of Internet communications means knowing who has – and who hasn’t – the ability to influence others.

- **Understand how the Internet fits into an overall public affairs strategy.**
  Personal computers have not replaced paper and the Internet will never replace personal, one-on-one relationships. The use of information technology supplements other public affairs tactics in an effective public affairs department.

This study is sponsored by the Foundation for Public Affairs, the research affiliate of the Public Affairs Council. The Council is the leading professional association for public affairs executives and managers. It provides unique information, training and other resources to its members to support their effective participation in government, community and public relations activities at all levels. Its 600 corporate, association and consultant members work together to enhance the value and professionalism of the public affairs practice and provide thoughtful leadership as corporate citizens.

Douglas G. Pinkham
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about the author

PORTALS IN A STORM
Crisis Communication Online

When terrorist attacks on the World Trade Center and the Pentagon threw much of corporate America into crisis-management mode on Sept. 11, 2001, the Internet proved its power as a tool for crisis communication.

Webmasters quickly revamped their companies’ Internet sites. Businesses directly affected by the attacks replaced graphics-rich, upbeat, sales-oriented home pages with somber, text-dominated pages that focused on providing useful information to customers, employees, the news media and the general public. Businesses of all kinds displayed statements of sympathy and solidarity, and often provided links to the fundraising efforts of relief organizations such as the Red Cross.

As they have for half a century, Americans turned primarily to television for news about the attacks. But 29 percent of U.S. adults also looked for news online on Sept. 11, and an additional 7 percent did so over the following two days, according to a survey by the Pew Internet and American Life Project. Smaller numbers discussed the events through e-mail, instant messaging, list-servs, chat rooms and online bulletin boards. And an estimated 15 to 25 percent of contributions to relief organizations were made online in the five weeks following the attacks, The Washington Post reported.

This online community was of enormous importance to the airlines and other affected companies, because they could use Web sites and e-mail to distribute crisis information rapidly and clearly with fewer personnel and at less cost than if they had been limited to communicating by telephone and through traditional mass media.

At American Airlines’ parent AMR Corp., for example, Webmaster Tim Wagner cleared the AMRCorp.com home page and posted a notice that “we would be communicating as much as we could as quickly as we could.” He also minimized graphics on the site and had other tasks moved off the AMRCorp.com server, so the server would not be overwhelmed by the day’s doubling of normal Web site traffic. “My goal was to have information up within five minutes of when I received it,” he said. American’s traveler-oriented AA.com site could not be updated as rapidly, Wagner said. So AA.com posted a link to AMRCorp.com – which normally serves investors and the news media – to enable consumers to get access to the latest crisis information.

For American, the first postings acknowledged the loss of two aircraft, announced that all other aircraft had landed safely and provided contact information for families of the victims. As time passed and the airline moved toward resuming and then increasing flights, the site provided practical information for ticket holders, frequent flyers and reporters who had provided their addresses. Executives sent messages to employees through the Web site, e-mail and the AMR intranet.

AMR’s crisis communications plan calls for “communicating aggressively online,” Wagner said, because it is so much more efficient than other media. “If we can answer on the Web site the questions everyone asks,” he noted, “it frees our people to answer different questions” over the telephone.

Other airlines – and other companies in the travel and hospitality industries – also tapped the Internet’s capabilities to deal with disruptions of their businesses.

Noting cancellations from customers who were to arrive by airplane after Sept. 11, for example, Harrah’s Entertainment Inc. sent e-mail promotions to holders of its loyalty cards who lived within driving distance of its Las Vegas properties. The campaign, which began Sept. 14, generated 4,000 to 5,000 room-nights of business, according to David Norton, Harrah’s vice president of loyalty marketing.

Mendocino Redwood Company
Responding in the Medium of Attack

When the Mendocino Redwood Company became a target of an online petition drive, the forest products firm replied directly.

The petitions, attacking the company’s forestry practices, were distributed at a World Wide Web site and by e-mail, then were printed on paper, signed and sent by postal mail to the company and government agencies.

Because the petitions contained addresses as well as signatures, the company was able to mail a response back to those who signed.

Mendocino Redwood “got tremendous response” from the petitioners, consultant James Lukaszewski recounted. “Basically, almost all the responses said that, if we had been able to see this information before we sent in the petition, we never would have done it.”

The incident demonstrates important principles about crisis communication online, Lukaszewski said: “Don’t make this a broader story. Stay within the medium in which the attack is occurring. Answer the questions as directly and positively as you can.”

Although these petitions originated online, they arrived at the company by postal mail, so that’s how the company responded. “When traffic comes by e-mail,” Mendocino Redwood Chairman Sandy Dean said, “we answer by e-mail.”
There would not have been enough time to do the campaign in any other medium, Norton said, “and the cost perspective is much more favorable. You can do an e-mail for a couple pennies. Direct mail is 50 or 60 cents. A phone call is a couple bucks.”

The Hartford Financial Services Group, a major insurance firm, used its Web site to reassure clients that claims would be paid and to communicate with employees who were displaced from the company’s World Trade Center offices.

Verizon Communications – Manhattan’s primary local telephone company, which lost major facilities and two employees in the Trade Center collapse – used the Internet to keep customers informed about progress in restoring service and to give employees access to data they needed to perform their jobs.

Because of its capabilities for speed, focus, global reach and convenience of use, the Internet has become a key tool for crisis management. It also can be a key cause of crisis. To cope successfully with crises in the 21st Century, therefore, businesses must understand the Internet’s power both to protect and to destroy.

Sept. 11 and its aftermath demonstrated some – but not all – of the Internet’s value to crisis managers and the principles of successful crisis management online.

In an interview conducted before Sept. 11, communications consultant Jay Byrne cited the airlines as a model for how businesses must be prepared for rapid online response to a crisis.

“All airlines are prepared for a crash,” Byrne, former Monsanto public affairs director, said on Sept. 7. “If you’re not prepared for whatever form of crash your company could have, you put yourself at risk.”

Byrne and other experts recommend that companies identify possible crises, then create Web pages that can be put online rapidly if a crisis occurs.

They say the pages should contain statements from top managers, basic information about the company, as much specific information as can be compiled in advance about the potential crisis, and a framework for filling in information that cannot be obtained before the crisis occurs. Including a “contact us” button tells the public that the company cares and creates a means for testing public opinion about the company’s response to the crisis. Companies also should be prepared to use online tools for internal communications.

Rapid response online is particularly important when dealing with the news media during a crisis, said consultant David Fuscus, former communications vice president of the Air Transport Association whose clients now include the ATA and companies that manufacture and fly aircraft.

“In the first couple hours (of a crisis), outside forces that aren’t knowledgeable can define your company and cause all kinds of problems for you.”

David Fuscus
Xenophon Strategies
Because of round-the-clock Internet news sites and cable news networks, “journalists are pressured to file almost instantaneously,” Fuscus said. They regularly check company Internet sites for information — especially when they have difficulty reaching company spokespersons — so an information-rich Web site can get the company’s story out widely and quickly.

In addition to posting news releases, executive statements and background information, corporate Web sites can give the news media access to photographs, graphics and audio and video files, as well as live audio and video feeds from press conferences. And e-mail exchanges can offer a convenient and efficient alternative to telephone tag.

Being the first to put out solid information gives a company the opportunity to “shape coverage and establish the organization as the information authority and as one that cares about those affected by the disaster,” Fuscus said. In the absence of solid information from a company in crisis, however, reporters will turn to other sources who may be misinformed, Fuscus warned. In that case, “in the first couple hours (of a crisis), outside forces that aren’t knowledgeable can define your company and cause all kinds of problems for you,” he said.

In airplane crashes and other major public crises, the Internet can contribute to a company’s effort to communicate to the broadest possible public. At other times, the Internet’s greatest contribution is its ability to narrowcast to a targeted audience. That’s especially true when the Internet is also the source of the crisis.

“The Internet really is a great democratizing communications vehicle,” said Kari Bjorhus, director of interactive public relations for the Coca-Cola Co. “Anybody can create a Web site. Anybody can send an e-mail.”

But that also means anybody can send a virulent rumor flying across the globe at the speed of light. And companies need to respond with caution.

“First, you have to have a common-sense test of whether this is a crisis or not,” communications consultant James Lukaszewski said. “Are people calling or e-mailing you about what they’re seeing? Do shareholders care — or key con-

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James Lukaszewski
Lukaszewski Group
stituents? Are customers coming in the door and asking you about it? Are you noticing that, for a reason you cannot explain, sales have dropped off significantly?"

In nearly every case, Lukaszewski said, “Web attacks have no impact on the business that is measurable in concrete terms. But when they do, it can be significant.”

The bigger crisis often stems from a company response that is disproportionate to the attack – a news conference called in reply to an attack posted on a Web site, for instance, which transforms an allegation seen by just a few Web surfers into fodder for the mass media. That is why experienced online crisis managers recommend that a company, as Byrne put it, “respond in kind in a targeted manner that doesn’t amplify the issue.”

That means responding to e-mail with e-mail, to a list-serv charge with a response on the list-serv, and so forth – if any response is called for at all. A direct, positive, honest response in the medium where the attack occurred often can end the potential crisis right there.

“The Web strategy is to neutralize the vast majority of those who – seeing your common-sense, appropriate response – will go on to another problem and leave you alone,” Lukaszewski said.

FAQs – lists of frequently asked questions – can be effective because they make responses readily available only to those who look for them. Some companies deploy artificial intelligence software to create “virtual agents” that answer questions posed by Web site visitors. The software is not foolproof, said Bjorhus, who uses it at Coca-Cola. But it offers the advantage of “only answering people who ask, so it doesn’t spread the issue.”

While it’s important not to overreact, companies do need to monitor the Internet so they know when they come under attack. Companies can hire Internet-monitoring firms, although there is controversy over how thoroughly they – or anyone – can track activity in the vast reaches of cyberspace. A business can establish a key early-warning system by making it easy for visitors to send it messages at its Web site. It then can respond to individuals’ concerns about the company in a one-on-one communication.

Businesses need to pay particular attention to the Internet sites of established news media, which enjoy credibility but which may permit the posting of unsubstantiated allegations in discussion groups and may provide links to sites where unconfirmed charges are displayed.

Byrne says a company also should check what turns up when its name is plugged into search engines. Typing “Monsanto” into the Netscape search engine in late 2001, for example, turned up a slew of anti-Monsanto Web sites.

The biggest online competitor for a biotechnology company like Monsanto might not be another biotech firm, Byrne said, but organizations that promote organic food and disparage biotechnology. A company that doesn’t figure that out can be savaged in cyberspace without even realizing it needs to respond.

By being prepared, however, a company can repel online attacks before they grow into crises and can respond more effectively than ever before to real crises both online and off.

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**Xenophon Strategies**

**Dark Web Sites**

The Xenophon Strategies communications consulting firm is creating “dark” Web sites for 48 airline-owned fueling facilities around the country. Each Web site will contain downloadable photographs and information about the facility, jet fuel, how a fuel farm operates, how a fuel spill is contained and other relevant topics. The sites are aimed at the news media but also will be accessible to the general public. They will go online only in the event of a crisis.

“You have to have the ability to go out and communicate very quickly after a disaster,” Xenophon President David Fuscus said. “If there’s a disaster at a fuel farm, the press rolls in, and nobody knows anything about fuel farms. In five minutes, we’ve got a Web site up and journalists now know a lot about fuel farms.”
As safety and security in the chemical industry came under intensified government scrutiny in the wake of the Sept. 11, 2001, terrorist attacks, Margaret Rogers sat down at her computer in The Dow Chemical Company’s Washington offices and began filling in a template for the corporation’s online issues management system.

After about 10 minutes, she clicked on the “submit” button, instantly notifying public affairs director John Musser at Dow headquarters in Midland, Michigan, that she had identified a public policy issue of potential significance to the company.

After perusing her brief report on his computer, Musser opened an online list of corporate executives to identify who would be best qualified to determine if potential changes in safety and security regulations merited attention. That decision was affirmative, and soon a team was in place to look after Dow’s interests as governments around the world considered the need to revise laws and regulations in response to 21st Century terrorism.

Led by David Gustafson of Dow’s environment, health and safety shop in Midland, the team included representatives from various Dow businesses and functions around the United States and in Europe. Using Dow’s intranet, the far-flung team members could communicate with e-mail, share documents and create an online record that would update others who would join the effort later.

Dow’s online issues management system is particularly useful in this safety and security matter because “there are a lot of arms and legs to the thing,” Musser said. “There’s impact on various products and businesses. There’s a public reputation element. It affects our stakeholders in our communities.”

The system also is valuable to Dow on a routine basis, because it is imbedded into the corporation’s day-to-day operations around the world.

Throughout the company, 600 “scanners” like Rogers have among their duties the assignment to watch for public affairs issues. Potential issues are evaluated by executives whose business or function would be most affected, and they remain involved with the teams that address the issues deemed worth pursuing. The methodology makes it likely that priorities are set according to issues’ real importance to the company, Musser said, and that resources are made available for public affairs efforts when they’re really needed. Use of the intranet enables team members to stay informed and helps company representatives speak with one voice across the globe.

“All it wouldn’t be unusual for us in the past to have discovered that somebody in Europe was advocating Dow’s position one day and then pivot and say, ‘no, we’re not going to do that,’” Musser said.

“The more eyes and thought processes you have on a matter, the better you’re going to be,” he said. “A team effort will always produce a better result.”
way (on an issue) and folks in the United States were advocating it another way and the folks in Japan were advocating it yet another way,” Musser said. “So there’s big value here in global cooperation across businesses and across geography, which gives us a much better focus.”

Issues managers are finding online communication to be an essential tool, whether they’re directing a global workforce, supervising roving representatives who work the 50 state governments, coordinating lobbyists in Washington, or focusing on a single state or community.

“Any company that’s not using the Internet or an intranet to maximum capacity is not being productive,” is the way Ray Byers, director of state government relations for the Ford Motor Company, put it.

The speed, reach and information-management capabilities of the Internet and intranets enable executives to exercise a centralized cradle-to-grave oversight of issues while fostering rapid, locally appropriate action. Public affairs officers are utilizing online communication from the moment an issue initially emerges to the time lawmakers apply their final touches on legislation.

One of the strengths of Dow’s system is that it alerts corporate headquarters to emerging issues around the world by empowering the “scanners” to take initiative where they work. Ford’s state lobbyists and policy analysts become more effective through their ability to do research whenever they need to and wherever they are, because of the wide variety of government documents that can be found on the Internet. IBM’s Washington office uses online “whip sheets” to track contacts with key members of Congress. Online issues-management

**IBM**

**Online Whip Sheets**

When an exceptionally important issue puts IBM’s Washington staff on high alert, an electronic “whip-sheet” system is deployed to track lobbyists’ contacts with members of Congress and their aides.

“It’s not used on a day-to-day basis,” said Frank Swerda, technology specialist for IBM’s governmental programs. “But, with an issue that’s extremely hot for us, we will use it in almost a war-room situation, so we know exactly where we are at any given time.”

On IBM’s intranet, lobbyists use fill-in-the-blank forms to record information about each contact. The report includes such information as a description of the contact, the lawmaker’s position on the issue and need for follow-up. Any lobbyist can access the information before he goes into a Capitol Hill meeting. The information can be sorted by member, issue, date, state and other criteria.

Swerda wants to broaden the system’s impact by making it accessible from handheld and wireless devices, by enhancing its Internet applicability, and by creating customized versions for use in other countries and by IBM lobbyists working with state governments.

Full Internet functionality – which Swerda expected to achieve during 2002 – is intended to improve IBM’s ability to collaborate with other organizations in coalitions, he said. Handheld and wireless access – which did not have an implementation timetable in late 2001 – would enable IBM personnel to post and retrieve information at any time and place.

“To get an instant snapshot of where a member is on a given issue is just invaluable,” Swerda said. “In the ideal situation, a lobbyist on the Hill could enter information from a Palm and a wireless modem, and a lobbyist getting ready to go to the Hill could see an instant report from the Hill.”

In adapting the system for use beyond Washington, Swerda said, “we want to make it so (information about) calls on the trade ministry in Japan can be entered and managed in a way that makes sense there, given the way they do business that’s different from the way we do it here.”

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systems typically include issue-specific bulletin boards and searchable data bases, so public affairs personnel can contribute and find information easily. Some companies post summaries of top-priority issues where all employees can see them, so workers can explain company positions in discussions with friends and relatives.

A major challenge for online issues managers is assuring that the staff actually utilizes the system. This requires finding the balance point where employees feel obligated to enter sufficient data into the system but do not feel overburdened to the extent they neglect other duties or rebel against using the system at all.

A key is making the system easy to use; several executives said participation increased after they reduced the amount of information employees were required to enter. Vocal support from top management can be an effective motivator. And employees tend to become enthusiastic users once they overcome their initial inertia and personally experience the benefits of a system in operation, executives said. Then, peer pressure helps to increase participation.

After initial resistance, “we’ve now got enthusiasm for the system” at Dow, Musser said. “People look at it as a tool for improving their productivity, a tool for prioritizing their work.”

As for himself, Musser said, “it gives me confidence that we aren’t missing much, that we’re doing the best possible job identifying these threats and opportunities as early as possible, which translates into the best return on our investment.”

During his 15 years in Dow’s public affairs operation, he said, “we’ve tried a whole bunch of different things. And this is the first time I’ve really felt that we’re doing all we can do to effectively manage public policy activity as it relates to Dow.”

“With an issue that’s extremely hot for us, we will use it in almost a war-room situation, so we know exactly where we are at any given time.”

Frank Swenda
IBM Corp.
MOBILIZING THE BASE
Grassroots Action Online

It was 5:25 p.m. in Hartford, Connecticut, when Eric Rennie pushed the button on an e-mailed grassroots-action alert to 250 California employees of The Hartford Financial Services Group.

It was 5:27 p.m. when Rennie received the first notice that an employee had e-mailed a state legislator in response.

“When you send an e-mail alert out, 85 to 90 percent of all responses will be done in 24 hours,” Rennie, The Hartford’s assistant vice president for public policy, said. “It’s very quick, and that’s wonderful. With grassroots alerts, that’s what you want.”

Corporate public affairs officers routinely cite such speed — unimaginable less than a decade ago — as a prime benefit of taking their grassroots programs online. But it’s just one of many advantages that they acquire as they learn to use the new information technology to its fullest.

As Rennie’s California experience demonstrates, e-mail demolishes the challenge of distance as well as time; he sent his message from Connecticut to California as easily and rapidly as he could have sent it across the street. Because e-mail is so easy to use, the recipients of his alert were more likely to act and to report back the action they took; so the e-mail alert generated more activity than a postal mail alert would have, and Rennie was able to track that activity more accurately than he could have in the past.

By creating a World Wide Web site, or an intranet-based equivalent, a company can give employees numerous additional ways to become informed and take action at whatever level of involvement each employee prefers. And online activism is far less expensive than grassroots programs that rely on postal mail, telephone calls or face-to-face contact.

Among features commonly found on corporate Internet and intranet pages:

- Information on issues — including the company’s position and often opposition views as well — displayed in segments, so an employee is not overwhelmed at first glance but can click on a link to more detail if he wants it.
- Tools for identifying an employee’s legislators from the employee’s zip code and for contacting the lawmakers — by e-mail, fax, letter, telegram, mailgram or even telephone — directly from the online site.
- Messages that can be forwarded to public officials or modified by the employee before being sent, along with talking points the employee can refer to when writing his own message.
- Links to Internet sites that offer further information.
- Basic educational materials about how the legislative and rulemaking processes work and how employee activism can play an influential role.
- Information about when, where and how the employee can register and vote.

MERCK
Dramatically Increasing Participation

Since Merck & Co. put its grassroots program online in 2000, employee response to action alerts has nearly doubled. Valerie Carter, Merck’s manager of government relations programs and communications, attributes the success to speed, ease of use, and the options the intranet-based system offers to participants.

Carter e-mails action alerts to employees who have access to company computers. The e-mail contains a link to what Carter calls a “fast action site” on the company intranet. There, the employee can read about the issue, identify his or her legislators, use talking points to compose a message, and then fax it, e-mail it, or print it for mailing as a letter.

“This provides a quick and easy way for people to get information and then turn around a response right there on the spot,” Carter said. “With the intranet, our employees have access to as much information or as little information as they want. And it’s archived, so they can always get to it. They don’t lose a piece of paper that’s been mailed to them.”

14 FOUNDATION FOR PUBLIC AFFAIRS
Focus on Retirees

Although most of its online political activity can be conducted only from company computers, BASF Corp. encourages its retirees to become active through the Internet.

“Retirees as a group are generally politically active, astute people,” BASF grassroots program manager Anne DeSeta explained. “We want to make sure we create opportunities to bring them into the fold, so they can be involved in this effort, too.”

The company has two online sites for its government affairs operations. The Government Relations site focuses on communication within the corporation and can be accessed only from company computers. Employees can access the Capital Club grassroots site only from company computers as well, but retirees are given passwords that enable them to enter the site from the Internet.

The Capital Club site includes an area labeled “Special Interest to Retirees,” which contains information about such topics as health care, Medicare and Social Security.

“These are not necessarily public policy issues that we will get involved in” by attempting to influence government decisions, said Tom Coleman, BASF’s vice president of government relations and a former Member of Congress. “But these are of interest to retirees, so we want to have them on our site.”

The site also is used to encourage retirees to become involved with the club’s local chapters, which sponsor activities to encourage members to become politically informed and active.

“I’ve gotten a lot of e-mails from retirees who say they love the site,” DeSeta said.

About 4,300 of BASF’s 12,000 U.S. employees have joined the club, as have some 2,000 of more than 9,000 retirees.

While some businesses rely on their in-house information technology staffs, others retain consultants to create their Web and intranet sites and to set up grassroots e-mail systems. A growing number of consulting firms specialize in online activism or have established offices to work in the field. Vendors also sell grassroots software programs that vary in sophistication. Some can be used for the relatively simple tasks of identifying lawmakers, assisting in the writing of e-mail and tracking actions. More sophisticated programs enable companies to customize e-mail alerts to individual employees based on their stated interests and previous political actions.

A key challenge is attracting employees to the site in the first place, and then making them want to return. As an executive with the Juno online service once put it: “It’s not ‘Field of Dreams.’ If you build it, they don’t necessarily come.”

E-mailed alerts often contain a clickable link to the company’s online site, where the communication tools reside. Site traffic also is generated through publicity in other media – notices in the company’s publications, inserts in pay envelopes, announcements printed on pay stubs or paychecks themselves, for example. When BASF Corp. launched a new online site for its grassroots Capital Club in 2001, it sent announcements to its U.S. employees’ company e-mail boxes and mailed postcards to retirees.

To keep visitors coming back, said Anne DeSeta, BASF’s grassroots program manager, the site must be made attractive and kept up-to-date. When BASF’s new site was being created, she made sure that content could be changed by non-technical public affairs personnel like herself. She also can count the number of visitors to each page and measure the average time
Guidelines for Electronic Lobbying

Because of the rising volume of Congressional e-mail, the Congress Online Project has proposed a “code of conduct” for grassroots activists. In this group’s view, those who engage in electronic lobbying should:

- Target individuals’ own members of Congress – and only their own members of Congress
- Send meaningful messages, not “electronic postcards”
- Avoid sending duplicate messages from the same person
- Encourage people to speak in their own words
- Not foster the expectation that citizens should correspond with – and expect a response from – any member of Congress with whom they choose to communicate
- Provide complete identification information, including name, address, zip code, and e-mail address.
action, such as when executives warn employees that their jobs may be endangered by a particular public policy. But using fear to motivate stockholders could lead them to dump their stock.

Companies that confine their online grassroots activities to intranets can’t communicate electronically with retirees or with employees who don’t have intranet access, however. And they leave their opponents’ arguments unanswered in the broader public forum on the Internet.

“I understand their concerns, and I think they’re legitimate,” online consultant Jonah Seiger said of executives who fear taking their public affairs campaigns onto the Internet. “But there are ways of communicating with shareholders without causing them to sell their stock.

“It’s Politics 101,” added Seiger, co-founder and chief strategist of mindshare Internet Campaigns. “If you have stakeholders, you should engage them. If you have a compelling argument, they will respond.”

THE HARTFORD
Automating Personalized Letters

Generating e-mail to public officials is about the easiest form of grassroots activism. But it is widely viewed as less effective than other forms of communication, which is why companies also ask employees to write letters, make telephone calls and pay personal visits.

“When you’re going for quantity rather than quality, I’ll take it because it’s fast and it’s cheap,” Eric Rennie, The Hartford’s assistant vice president for public policy, said of e-mail.

But he considers the most effective communication to be a letter or phone call from the highest-ranking Hartford manager in a lawmaker’s district or state.

Because Hartford’s computerized database includes information about the company’s importance to each state – number of employees and dollar-value of annual business, for example – a letter can be written on an issue and then automatically customized for individual managers around the country.

Each letter, addressed to the targeted legislator, is sent as an e-mail attachment to the appropriate manager, who can customize it, print it on his own stationary, sign it, then fax it or pop it in the mail.

E-MAIL
Overwhelms Congress

Capitol Hill has been “overwhelmed” by a rapidly rising e-mail tide, the Congress Online Project reported.

The House alone received 48 million e-mails in 2000, up from 20 million in 1998, and the volume was growing by a million a month in 2001, according to the joint research endeavor of George Washington University’s Graduate School of Political Management, the Congressional Management Foundation and the Pew Charitable Trusts.

Advocacy groups are generating so much e-mail that it has created “unmanageable” demands on congressional offices, the researchers said in a report published in March 2001. Most e-mails come from outside representatives’ districts or senators’ states and are routinely ignored, the report said.

The researchers – who are studying congressional-citizen interaction through the Internet – said e-mail can become an effective way for lawmakers and constituents to communicate. For that to happen, however, lobbying organizations must stop “spamming” the Hill with “indiscriminate” generation of e-mail, the researchers said, and congressional offices must learn how to handle e-mail more effectively.

The Capitol Hill anthrax scare – which began Oct. 15, 2001, when an envelope containing anthrax was discovered in Senate Majority Leader Tom Daschle’s office – gave a boost to e-mail, the researchers said in a report released in November.

“The anthrax contamination did more than threaten employees’ safety and disrupt the legislative process,” the November report said. “It also demonstrated that the most reliable, safe, and effective means to communicate during this crisis was via Web-based systems.”

“Anecdotally I can tell you from the conversations we have had with congressional offices, there is clearly an acknowledgment that e-mail is going to be more important for them as a means of communicating with constituents,” said Brad Fitch, deputy director of the Congressional Management Foundation.
When the Justice Department began to prosecute Microsoft Corp. for alleged antitrust violations, company executives observed a remarkable phenomenon.

Users of Microsoft products were e-mailing, mailing and telephoning the corporation to express outrage at the federal government’s action and to ask how they could help the company fight back.

In response, Microsoft established the Freedom to Innovate Network, an Internet-based effort to channel that unsolicited support into grassroots lobbying of federal and state officials – and to mobilize more.

“People aren’t afraid to tell us how much they love Microsoft – and vice versa,” Microsoft external affairs manager Kim Sanchez said of the unsolicited communications that arrive with regularity. “It’s amazing, actually. People will write to Bill Gates and say: ‘We think you’re great; let me know how I can help. You made my life so much easier.’”

Not-so-friendly messages arrive as well, Sanchez acknowledged. But the supporters are the ones she focuses on and invites to join the network.

The network’s home page – located on Microsoft’s Internet site – displays news of issues of importance to the company.

### The Hartford

Agents for Influence

The Hartford Financial Services Group’s independent agents are “pound for pound, probably the most effective” of the company’s grassroots activists, according to Hartford executive Eric Rennie.

“I found that, if we asked them to contact members of Congress and then send us a copy of the letter, the letter would be addressed ‘Dear Bill’ or ‘Dear Susan,’ because they were on a first-name basis,” Rennie, assistant vice president for public policy, explained. “They really are plugged into the community.”

The Hartford deals with about 6,500 independent agencies, some of which employ a substantial workforce. So the agents can become a significant force for influencing public officials.

To mobilize them online, The Hartford created an extranet site that the agents can access. It displays much of the content that the company makes available to employees on The Hartford’s intranet. The company also sends the agents e-mail alerts that contain links to the extranet, where they can use online tools to compose and send messages to the officials with whom they have relationships.

The Hartford doesn’t have e-mail addresses of most customers and suppliers, who also would be potential participants in online grassroots campaigns. But, Rennie added, “I envision a day, not too far out – a couple of years – when we’ll be able to send e-mail to every audience we’ve got.”
and links to a registration page. Registered network members receive an e-mailed newsletter twice a month and periodic e-mailed requests that they contact public officials about an issue. Because state governments are important players in Microsoft’s legal battles, the company’s list of officials to contact is broader than most – containing state attorneys general, for instance.

Customers comprise just one piece of Microsoft’s broadened grassroots base. Unlike the many corporations that limit their online grassroots organizations to employees they can contact on company intranets, Microsoft reaches out to shareholders, business partners, and friends and families of employees as well.

The Freedom to Innovate Network recruited shareholders by mail and set up booths at trade shows. Employees were pitched at company meetings and in e-mail from CEO Steve Ballmer. Deploying viral marketing techniques, the company asked business partners to promote the network on their e-mail lists and asked employees to recruit their families and friends.

Companies that want to broaden their grassroots base need to identify – and then understand – their different stakeholders as well as other potential lobbying partners with whom they share public policy interests.

Building credibility is particularly important when reaching beyond a corporation’s traditional base, which is why some companies place independent analysis and even opponents’ arguments on their Web sites. Companies that attract the most new Web visitors do so by promoting their sites in all media – print and online advertising, e-mail alerts, postal mail promotions and online discussion groups – and by displaying the Web site address on all company literature, asking visitors to tell their friends about the site, and generating news coverage.

The BlueCross BlueShield Association is so intent on expanding its grassroots ranks that it identifies likely allies on an issue-by-issue basis.

“On prescription drugs for seniors, we probably have more in common with consumer groups than anybody else,” said Tony Calandro, congressional communications director for the association, which favors making prescription coverage a standard Medicare benefit. “On the patients bill of rights, we probably have more in common with the business community. On any given issue, it’s how do you build a base and pick off your opponent’s base.”

Because most U.S. health insurance is provided through employers, Calandro said, “they would be our primary audience when we want to use the Internet.” But the association also wants to tap the nearly 80 million individuals who are covered...
“On any given issue, it’s how do you build a base and pick off your opponent’s base.”

Tony Calandro
BlueCross BlueShield Association

by BlueCross BlueShield policies. That’s a highly diverse group of individuals and organizations, Calandro noted, and the Internet offers effective tools for targeting different messages to those who are most likely to be receptive to them.

The association is working with local Blue insurers to test techniques.

In Harrisburg, Pennsylvania, for example, the association is asking employers to distribute issue information to their employees. In Missouri, the association is testing a variety of outreach tactics to policy holders in one congressional district. The organization has developed an e-mailed newsletter for small businesses and is working on other content directed to small employers.

In late 2001, the association’s grassroots Web sites were attracting about 80,000 unique visitors a month, 31,000 of whom had become registered users, 22,000 taken a grassroots action, 7,000 signed up for a newsletter and more than 3,000 taken multiple actions. Calandro’s ambitious goal is to have 10,000 registered users in each congressional district by 2008. That’s an enormous number – 4,350,000 – but just about 5 percent of those covered by Blue policies.

“In the 2000 election, there were 20 House districts where the winner won by less than 5,000 votes,” Calandro said. “That’s the difference between the Democrats taking control of the House and the Republicans maintaining control.”

In late 2001, the association’s grassroots Web sites were attracting about 80,000 unique visitors a month, 31,000 of whom had become registered users, 22,000 taken a grassroots action, 7,000 signed up for a newsletter and more than 3,000 taken multiple actions.
Forge Alliances
Business Coalitions Online

Like the advocacy groups that pioneered political activism in cyberspace, businesses are discovering that online alliances can be powerful weapons in the battle to influence public policy.

Business-led coalitions are becoming more prominent online and are learning how to take best advantage of the unique attributes of the Internet. Some are ad-hoc alliances founded to address a single issue. Others are business associations of long standing that are adding Internet capabilities to their arsenal of political tools.

Online alliances can combine two very different political strengths – aggregating a large population of potential activists drawn from many organizations while being able to identify and mobilize distinct subgroups with targeted messages.

By working through an Internet-capable coalition, a business can overcome a reluctance to act outside its intranet or to mix its brand with politics. Each company can work at its own comfort level, lending its name to the coalition’s efforts or letting the alliance and other businesses take the public lead.

Coalitions are able to deploy the political expertise of coalition staff while tapping the special ability of companies to influence their employees, retirees, suppliers, customers and the communities around their facilities. Coalitions can contribute online tools and services to members that many individual businesses might not have in house. Because companies already have infrastructure for communicating with employees, political messages can be delivered to workers inexpensively.

Web sites – which can be launched quickly and at little cost – are excellent vehicles for recruiting supporters from the general public and showcasing endorsements from respected third parties. Because Web sites can store vast amounts of information that visitors can access at their leisure, a well-designed Internet presence can boost a coalition’s stature and credibility.

**USA Engage**, a coalition formed to oppose unilateral trade sanctions, found, for example, that most reporters initially had only a cursory interest in the topic, William Lane, the organization’s founding chairman, said.

“When they would call, we’d always urge them to go to the Web site,” Lane, Caterpillar’s Washington manager, explained. “When they saw the sophistication of the Web site and all the information they had access to there, they’d take the issue very seriously. They’d come back saying: ‘We need to do a more thoughtful piece.’”

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**BIPAC Tools for Employers**

The Business Industry Political Action Committee supplies online tools that its members can use to activate employees. Companies can pick and choose among the tools to create customized Internet and intranet pages that encourage workers to vote and help them identify candidates who support the companies’ public policy positions.

The pages can feature information about legislators’ voting records, candidates’ and the companies’ issue positions, how to register to vote, how to obtain an absentee ballot and how to make a campaign contribution. The pages can enable employees to identify their lawmakers by ZIP code or by clicking on a map. The company can create e-mail alerts to employees and enable the employees to forward the e-mail to families and friends.

BIPAC advises companies to use offline media to drive traffic to their online sites. Some companies promote their sites in corporate publications. Others even print promotional messages on paychecks or stuff notes into pay envelopes.

Surveys show that the employer is the most trusted source for political information for most people, according to Darrell Shull, BIPAC’s political operations vice president. Employees react favorably to receiving such information, he added, citing ExxonMobil’s experience for an example.

In the 1999-2000 election cycle, according to Walter F. Buchholtz of the company’s public affairs staff, ExxonMobil sent 4 million election-related messages to employees and received almost no complaints.
The Internet also facilitates the internal management of coalitions, Lane and others said, by enhancing behind-the-scenes communication, planning and information-sharing among alliance members.

“Geography becomes less of a factor,” said Jonah Seiger, co-founder and chief strategist of mindshare Internet Campaigns, a leading online consulting firm. “You don’t have to have meetings every week. And efficient information sharing creates opportunities for groups to move quickly, react to circumstances and take advantage of opportunities as they arise.”

At the American Association of Health Plans, senior vice president Mark Merritt described online coalition activity as “moving our lobbying capabilities into the 21st Century.”

The association – an alliance of more than 1,000 managed-care organizations with more than 100 million subscribers – has compiled a database of more than 30 million potential activists from its members’ rolls of customers and employees. On its own Web site, the association has created what it calls the “Online Activist Grassroots Tool,” which visitors can use to send letters, faxes or e-mail to Congress. It developed a separate Web site – the ECHO Chamber (for “Electronic Campaign Headquarters Operation”) – where supporters can read the association’s analyses of issues and contact Congress. It has joined coalitions – such as the Coalition for Affordable Quality Health Care, which was formed to combat the poor image of managed care. And – recruiting with e-mail, direct mail and a Web site – it has created an ad-hoc grassroots alliance, the Coalition for Medicare Choices, to promote funding for the Medicare Plus Choice program.

The association’s database can be sorted to identify the best individuals to engage in a particular action: residents of particular legislative districts, for example, small-business owners or residents of long-term care facilities. The initial contacts – in recruiting members for the Medicare choices coalition, for instance – are made by each health plan itself.

Once individuals agree to participate, they communicate directly with the coalition.

About 150,000 Medicare beneficiaries in 39 states had been recruited into the Coalition for Medicare Choices by late 2001. From 1999 through 2001, they made a half million congressional contacts, including 36,000 letters and 45,000 telephone calls.

By applying Internet technology within the coalitions, Merritt said, “we can very efficiently, in a targeted way, directly educate and mobilize the millions of people who are actually engaged in our issue, and without spending hundreds of millions of dollars on advertising.”

Such online coalition-building is essential, according to Citizens for Better Medicare executive director Tim Ryan, because “the days of lobbying alone are gone.”

The advent of the Internet and the explosion of television channels have simultaneously fragmented and increased access to public policy information, Ryan explained. Companies have to take public opinion into account when they lobby. And they can’t rely solely on the mass media when they attempt to influence the public.

“There’s not just one way to communicate with people,” Ryan said. “There are multiple ways to communicate, educate, recruit and activate them in a timely manner. Successful issues advocacy campaigns probably use all of the different mechanisms, but home in on the strengths of each.”

Like the health plans association, Citizens for Better Medicare uses the Internet to recruit grassroots supporters into a business-led coalition – in this case, one funded largely by the pharmaceutical industry to oppose price controls on drugs in Medicare reform legislation.
The Pharmaceutical Research and Manufacturers of America is a prominent coalition member. But the coalition also enlists and activates organizations and individuals who are open to arguments that price controls could dampen medical research.

Also like the health plans association, Citizens for Better Medicare makes use of multiple Web sites to communicate with distinct segments of its membership.

At PatientsSpeakOut.org, doctors, patients and patients’ loved ones are asked to tell their personal medical stories. The stories – usually about the value of drugs and research or the danger of government-controlled health care systems – are displayed on the site. The coalition has shared the stories with the news media and featured the storytellers in press conferences.

To illustrate shortcomings that can occur in government-run health systems, the BusFromCanada.org Web site told stories about Canadians traveling to the United States to obtain medical treatments they couldn’t get in Canada and to buy generic drugs that sometimes are cheaper south of the border.

The Citizens Commission on Medicare site – medicarecommission.org – was established to inform visitors about the coalition’s positions and to generate messages to Congress.

Citizens for Better Medicare had recruited 375,000 supporters by late 2001, about 80,000 of them online. They sent more than 500,000 telegrams to Congress, 100,000 of which were generated online.

While senior citizens are less likely to use the Internet than younger Americans, Ryan said, those who do are “very active” and thus highly desirable supporters. The Net also facilitated recruitment of younger people, who wouldn’t respond as positively to a postal mailing about health care for the elderly. One coalition member is Third Millennium, an advocacy organization of young adults.
At Kimberly-Clark’s Kotex.com Internet site, visitors are invited to “learn about everything” and “talk about anything,” including “your first bra, your first period, your first love, your first baby, your first hot flash.”

At the corporation’s Huggies World Web site – and competitor Procter & Gamble’s similar Pampers.com – parents can request advice from experts and offer tips to each other.

These sites – and others constructed around various products – are designed to encourage repeat visits and to build good will. They create online communities that promote purchases and that may, indirectly, help advance a company’s public affairs agenda by enhancing the company’s image among community members.

Mark Merritt, senior vice president of the American Association of Health Plans, views the process as the online version of an age-old business strategy: “encouraging and cultivating current customers so they continue to come back for more.” He and other Web-savvy executives now are incorporating it directly into company and association public affairs campaigns.

The goal, Merritt explained, is to cultivate long-term relationships with grassroots supporters who in turn will cultivate long-term relationships with public officials. The association contacts activists several times a year and encourages them to communicate with their legislators regularly, even when no targeted vote is imminent.

“It’s more impressive to educate a cadre of people in a district who are mobilized and actively contacting members, not just when there is a vote, but when the pressure’s off, too,” Merritt said. “It gets the member of Congress to know over the long haul that a lot of people are interested.”

It’s what another association executive described as heeding a Chinese proverb: “You dig your well before your house is on fire.”

For the public affairs officer, that means you build a community of supporters before you ask them to take political action on your behalf. You sustain the community so the activists are available at the various times you need them over the long term. And you even welcome your opponents into the community, so you have the opportunity to explain your positions to them.

“We believe that, if we build a relationship with you over time, you’ll view our public policy analysis more credibly,” said Tony Calandro, congressional communications director for the BlueCross BlueShield Association. “If we build a relationship with people, when we ask them to take action, a great majority of them will.”

Executives who heed that proverb online are employing tactics that encourage Web site visitors to keep coming back, that foster interaction between the company and individuals, and that enable individuals to interact with each other.

Those tactics include:

- Inviting Web site visitors to send e-mail to the company and establishing a system for responding to the messages quickly.
- Hosting online discussion groups and participating in the discussions.
- Publishing e-mailed newsletters.
- Creating an information-rich Web site and updating it frequently, to give visitors reasons to spend time at the site and to return.
- Deploying Web site features that encourage interaction, such as polls and contests.
- Identifying distinct groups within the online community, and utilizing the Internet’s narrowcasting capabilities to establish distinct dialogues with each group.
- Recording and evaluating the feedback generated by online interaction.

Some companies with global operations create Web sites targeted to individual countries and written in various languages. The sites may share much content, but the portals are tailored for the local audiences.

While company Web sites sometimes contain public forums, the firms often find that private e-mail exchanges are more effective. Public discussions frequently degenerate into rants from individuals who are angry with the company or who are aggressively pushing a political agenda that’s in conflict with the company’s.

Former Monsanto public affairs director Jay Byrne believes public forums are worthwhile despite their shortcomings. All
SHELL

Multi-faceted Global Community

Because it is comprised of multiple businesses that operate around the world, the Royal Dutch/Shell Group of Companies addresses a community that has wide-ranging interests. Shell not only serves many different customers, but many of its individual customers have multi-faceted relationships with the group. And, because of its size and global span, Shell’s extended community contains members of the general public as well as customers, employees and shareholders.

To build community in this extremely diverse environment, Shell has adopted an Internet strategy that addresses a wide range of individuals and takes into account each individual’s range of interests.

The Shell Worldwide Web page links to portals for more than 50 countries, from Argentina to Uruguay, and displays contents in languages from Chinese to Thai. It also displays links to various businesses, from Shell Aviation to Shell’s Wonderful World of Golf.

The Shell Report section of the site offers extensive information about Shell’s business principles and how it addresses public policy issues. A summary appears in 13 languages, and visitors can browse an index of topics that range from “biodiversity” to “wind farms.” Information for consumers includes a tool for locating the nearest Shell gas station and another tool for obtaining driving directions throughout the world.

The Tell Shell section contains online forums, a link for sending e-mail to the company, and an archive of reports on public issues by Shell personnel and independent sources.

“Contact Us” buttons appear throughout the site, and visitors use them for a wide variety of comments and queries.

“The first and most important” function of the Web site is “improving our relationships with our customers,” Tricia Morley, manager of executive and Web communications for Shell U.S., said. That’s a complex challenge, she explained, because “the customer can be many things at the same time – a shareholder, a driver buying our gas, someone buying natural gas from us in his work. So each customer has to be seen in totality, and not just as an electricity customer or a gasoline customer.” Additionally, Shell uses the Web to “represent ourselves with all of these external communities.”

This broad mission defines the content that Shell places on the Web site and the questions and comments it receives from the site’s visitors.

Morley and her colleagues find themselves responding to comments about global warming and questions about whether the gas station down the street is selling cigarettes to minors.

“We have networked people in the different countries and different parts of the company so we can get an inquiry to the person who can best answer it,” she explained.

Shell’s Internet activities are part of “a management approach that’s based on genuine stakeholder dialogue,” she said. “We consider it to be a very valuable source of input” about customer concerns and public opinion.

“We don’t need a survey to establish the critical mass around an issue,” she said. “It’s pretty easy to sense that, if we’ve got 10 messages today about the problem of getting gasoline in the Midwest, we need to move to address it.”

The Internet, she said, “provides an opportunity to engage with individuals who might not have had access to Shell otherwise.”
Citizens for Better Medicare created an online education program designed to engage its Internet visitors, attract them back and promote the organization’s vision of Medicare reform.

Visitors to the organization’s home page are invited to join a “Citizens Commission on Medicare” by studying a three-part course on Medicare and passing a series of tests. The “students” work through the materials at their own pace, and they can study in as much or as little depth as they choose. Each part of the course consists of one brief article, which contains links to more-detailed articles, many of which contain links to more information themselves. They can stop when they want, then return later to pick up where they left off.

The course’s Web site – http://www.medicarecommission.org – also enables visitors to enter discussion areas, send questions to the organization’s staff, contact Congress, and send e-mail suggesting that friends visit the Citizens for Better Medicare site.

Tim Ryan, the organization’s executive director, said the “commission” was “designed around the strengths of the best the Internet has to offer” – online discussions and “the ability to deliver an incredible amount of information to folks if they want it.”

sizable companies are discussed online somewhere, he noted, “so why not have the discussion in your space?”

“Dialogue is the most important element” of a company’s online presence, Byrne, now a consultant, emphasized. Discussion sites are excellent tools for monitoring what’s being said about the company online, he added.

That’s one reason Shell hosts forums as well as provides opportunities for e-mail exchanges, said Tricia Morley, manager of executive and Web communications for Shell U.S.

“Our intent is to air issues and find out what these external publics are concerned about,” she said. “We make sure to take these opinions into account and, more important, do something about them.”

Companies also can encourage return visits and build community by making their Web sites essential sources of regularly updated information. Monsanto’s “Biotech Knowledge Center,” for instance, has become an important resource for online researchers, Byrne said.

All together, Monsanto’s global Web pages counted more than 3 million user sessions in 2000, up from 2 million in 1999 and 700,000 in 1998, Byrne said. The sites were generating about 4,000 visitor e-mails a month.

“This is the new medium through which people interact,” Byrne said. “If you’re not there, you’re not anywhere.”

The Internet is an especially important venue in this “age of fragmented media,” during which “the world becomes more atomized,” Merritt said.

“You can’t just hope that people will see your ad on TV,” he explained. “You have to find an easy way to get directly to them, and to hear from them directly.”

“This is the new medium through which people interact. If you’re not there, you’re not anywhere.”

Jay Byrne
v-Fluence Interactive Public Relations
Corporate public affairs officers are finding that online partnerships with nonprofit organizations can polish their companies’ images and enhance their lobbying effectiveness.

Support from a nonprofit organization can bolster a company in a public policy debate by providing evidence that the company’s position enjoys broad support. Defense from a nonprofit can lend credibility to a company that comes under attack. An enduring partnership with a nonprofit can win a hearing for the company’s stands from the partner’s members, even if the organizations usually disagree. Links with partners’ Web sites can put a company’s arguments before audiences that normally wouldn’t see them.

Partnerships take various forms – from traditional corporate philanthropy to cooperative lobbying efforts. Some begin life with the Internet as a central component; others are offline partnerships that gradually move some activities online. Some manifest themselves in what one corporate executive termed “strange-bedfellows coalitions,” of companies and nonprofits that find themselves in rare agreement on a particular issue.

Allstate, CNA, Fireman’s Fund, The Hartford, Liberty Mutual, Nationwide, Prudential and State Farm are among the prominent insurance companies that joined with the Consumer Federation of America, the National Urban League and other advocacy groups in the Coalition Against Insurance Fraud, for instance. The coalition – which operates the Insurance Fraud.org Web site as part of its advocacy and educational activities – attracts insurers that want to cut the business costs of fraud and advocacy groups that are interested in holding down premiums for consumers.

The American Library Association and Ralph Nader’s Center for Study of Responsive Law are among the members of Americans for Fair Electronic Commerce Transactions, which was formed to oppose software-licensing legislation that the members fear will disadvantage software purchasers. Their partners form a lengthy list of major corporations, including Anheuser-Busch, Boeing, Caterpillar, Georgia Pacific, International Paper, Sun Microsystems and Walgreen. The coalition’s affect.ucita.com Web site contains tools for identifying and writing to legislators.

Such a partnership “pays dividends in a number of ways” during a corporate lobbying campaign, online political consultant Pam Fielding said. “It tells members of Congress that this is not just a company with a profit motive looking to boost its own bottom line – there is a public interest in this. Second is that the relationships that the corporate entity builds with the nonprofit group pay dividends in new relationships, not just with the executives of the association, but with the members.”

Nonprofit health and scientific organizations can be particularly helpful to companies accused of selling harmful products. Monsanto’s online Biotech Knowledge Center publishes articles from and displays links to universities and professional scientific associations.

On a Web page about the safety of Aspartame, the Coca-Cola Co. provides links to the American Heart Association, the Mayo Clinic and the U.S. Food and Drug Administration, as well as to several food industry trade associations.

Health and scientific nonprofits often will take action on their own if they are informed about unfounded criticism of products, former Monsanto executive Jay Byrne said. The American Diabetes Association’s web site testifies to the safety of artificial sweeteners, for instance. The American Cancer Society’s site contains a page about “unproven risks,” which addresses unfounded fears about pesticides, radio waves, microwaves and electric currents.

In a more traditional philanthropic partnership, the Weyerhaeuser Co. has joined with CARE to teach sustainable forestry and agriculture in Asia. Weyerhaeuser chose the project because it meshes with the company’s business expertise.
Both organizations display information about the partnership on their Web sites. The Weyerhaeuser and CARE personnel who work on the project use e-mail to communicate among their stations in Nepal, China and the United States. Liz Crossman—who is the company’s corporate contributions director and the president of the Weyerhaeuser Foundation—anticipates a substantial increase in Internet use in partnerships in the future.

“Where it might have been necessary for our technical people to go to a site and work with the field reps on the ground,” she said, “we now think that most or all of that will be able to be handled over the Internet.”

She envisions enriching the company’s educational programs by establishing online links between U.S. schools near Weyerhaeuser’s forests and the CARE projects.

“Here’s a community in the South that’s dependent on the natural resources base, and here’s a community in Nepal that’s dependent on the natural resources base,” she said. “What can they learn from one another? How can we interface the students to be learning about the differences from country to country, and the similarities?”

In 2000, nonprofits could read information and download grant application forms at Weyerhaeuser’s Web site. Organizations should be able to file applications directly online before the end of 2001, Crossman said.

Partnerships are most effective in long-term relationships, said Lincoln Hoewing, assistant vice president for issues management and technology policy at Verizon Communications, which cultivates online partnerships by helping nonprofits develop Web sites, training nonprofit workers in use of the Internet, and making grants.

“To really get their support (on an issue), you’ve got to convince them that it’s good for their membership,” Hoewing said. “And that only happens when you build a long-term relationship with them, which means you go to their meetings, attend their conferences, get on the boards they want you to be a member of, and basically indicate that you are interested in them.”

Relationship with a nonprofit is most valuable when the company and the organization disagree on at least some public policies, Hoewing said.

“It’s why you want them on your side in the first place,” he said. “If they all seem to be clones of you, that doesn’t help a great deal in the long run.”

Fielding, principal in the e-advocates consulting firm, foresees an upswing in nonprofit-corporate partnerships online.

“Corporate America, particularly in the aftermath of the Sept. 11 terrorist attacks, is looking for ways to be relevant in the civic lives of citizens,” Fielding said. “We’re talking to (potential clients) who might not have been talking about campaigns like this before.

“I think that’s going to create lasting relationships that will count now, and will count in the long term, when they try to move their corporate agendas.”
The following individuals were interviewed for this report:

Kari Bjorhus, director, interactive public relations, the Coca-Cola Co., Atlanta, Georgia.

Bill Black, vice president, Fleishman Hillard, Washington, D.C.

Walter F. Buchholtz, government relations issue advisor, ExxonMobil, Irving, Texas.

Ray Byers, director, state government relations, Ford Motor Co., Dearborn, Michigan.

Jay Byrne, president, v-Fluence Interactive Public Relations, St. Louis, Missouri.

Tony Calandro, director, congressional communications, BlueCross BlueShield Association, Wildwood, Missouri.

Valerie Carter, manager, government relations programs and communications, Merck & Co., Washington, D.C.

E. Thomas Coleman, vice president, government relations, BASF Corp., Washington, D.C.


Sandy Dean, chairman, Mendocino Redwood Co., Calpella, California.

Anne DeSeta, manager, grassroots programs, BASF Corp., Washington, D.C.

Ken Deutsch, senior vice president, Issue Dynamics Inc., Washington, D.C.

Laura Dove, director, integrated media, National Republican Senatorial Committee; former deputy director, Citizens for Better Medicare, Washington, D.C.

Pam Fielding, principal, e-advocates, Washington, D.C.

Brad Fitch, deputy director, Congressional Management Foundation, Washington, D.C.

David Fuscus, president, Xenophon Strategies, Washington, D.C.

Susan Goodman, director, Legislative Awareness Department, Southwest Airlines, Dallas, Texas.

Lincoln Hoewing, assistant vice president for issues management and technology policy, Verizon Communications, Washington, D.C.

Agnes Huff, president and chief executive officer, Agnes Huff Communications Group, Los Angeles, California.

Todd Irons, account supervisor, Porter Novelli, Washington D.C.

Jan Jones, senior vice president, communications, Harrah’s Entertainment, Las Vegas, Nevada.

William Lane, Washington manager, Caterpillar Inc., Washington, D.C.


Mark Merritt, senior vice president, American Association of Health Plans, Washington, D.C.


John Musser, director, Public Policy Expertise Center, The Dow Chemical Co., Midland, Michigan.

David Norton, vice president of loyalty marketing, Harrah’s Entertainment, Las Vegas, Nevada.

Eric Rabe, vice president, media relations, Verizon Communications, Philadelphia, Pennsylvania.


Tim Ryan, executive director, Citizens for Better Medicare, Washington, D.C.

Kim Sanchez, external affairs manager, Microsoft Corp., Redmond, Washington.

Jonah Seiger, cofounder and chief strategist, mindshare Internet Campaigns, Washington, D.C.

Darrell Shull, vice president, political operations, Business Industry Political Action Committee, Washington, D.C.

Frank Swerda, technology specialist, IBM Governmental Programs, Washington, D.C.

Paul Turk, public affairs officer, Federal Aviation Administration, Washington, D.C.

Tim Wagner, Webmaster, Corporate Communications, AMR Corp., Fort Worth, Texas.

Michael Wascom, vice president of communications, Air Transport Association of America, Washington, D.C.
APPENDIX 2
Internet Sites

Portals In A Storm: Crisis Communication Online
http://september11.archive.org
Archive of Web sites related to the Sept. 11, 2001, terrorist attacks.

http://www2.coca-cola.com/contactus
Meet “Hank,” Coke’s “virtual agent,” who answers questions posed by visitors to the site.

http://www.mrc.com
Mendocino Redwood Co.

Early Warning Systems: Using Intranets for Issue Management
http://www.ibm.com/ibm/publicaffairs/gp
IBM Governmental Programs.

http://dow.com/environment/ehs.html
Dow Chemical Co. environmental, health and safety information.

http://www.ford.com
Click on “Newsroom,” then “Worldwide Public Policy,” for Ford’s public policy Internet site.

Forging Alliances: Business Coalitions Online
http://www.usaengage.org
USA Engage coalition to oppose unilateral trade sanctions.

http://www.aahp.org
American Association of Health Plans.

http://www.aahpechochamber.tv
American Association of Health Plans’ Electronic Campaign Headquarters Operation.

http://www.medicarechoices.org
Coalition for Medicare Choices.

http://www.bipac.org
Business Industry Political Action Committee.

Community Building: Feedback, Interaction and Sustained Support
http://www.shell.com
Click on “Shell Worldwide” to find portals to Shell’s country and business Web pages.

http://www.biotechknowledge.monsanto.com
Monsanto’s Biotech Knowledge Center.

http://www.medicarecommission.org
Citizens For Better Medicare’s interactive online classroom.

Mobilizing the Base: Grassroots Action Online
http://www.congressonlineproject.org
Research into congressional use of the Internet.

http://www.gwu.edu/~gspm
George Washington University’s Graduate School of Political Management.

http://www.cmfweb.org
Congressional Management Foundation.

http://www.insurancefraud.org
Coalition Against Insurance Fraud.

http://www.affect.ucita.com
Americans for Fair Electronic Commerce Transactions.

http://www.weyerhaeuser.com
Click on “Partnership with Care” for information about the Weyerhaeuser-CARE project to teach sustainable forestry and agriculture in Asia.

http://foundation.verizon.com
One way Verizon Communications enters partnerships with nonprofit organizations.

Broadening the Base: Mobilizing New Grassroots Supporters
http://www.microsoft.com/freedomtoinnovate
Microsoft’s Freedom to Innovate Network.

http://bcbs.com
BlueCross BlueShield Association home page.

http://bcbshealthissues.com
BlueCross BlueShield Health Issues Web site.

http://DigitalRoots.org
BlueCross BlueShield Grassroots Action Web site.