TOP TEN PUBLIC RELATIONS AND COMMUNICATIONS RESEARCH INSIGHTS OF 2014

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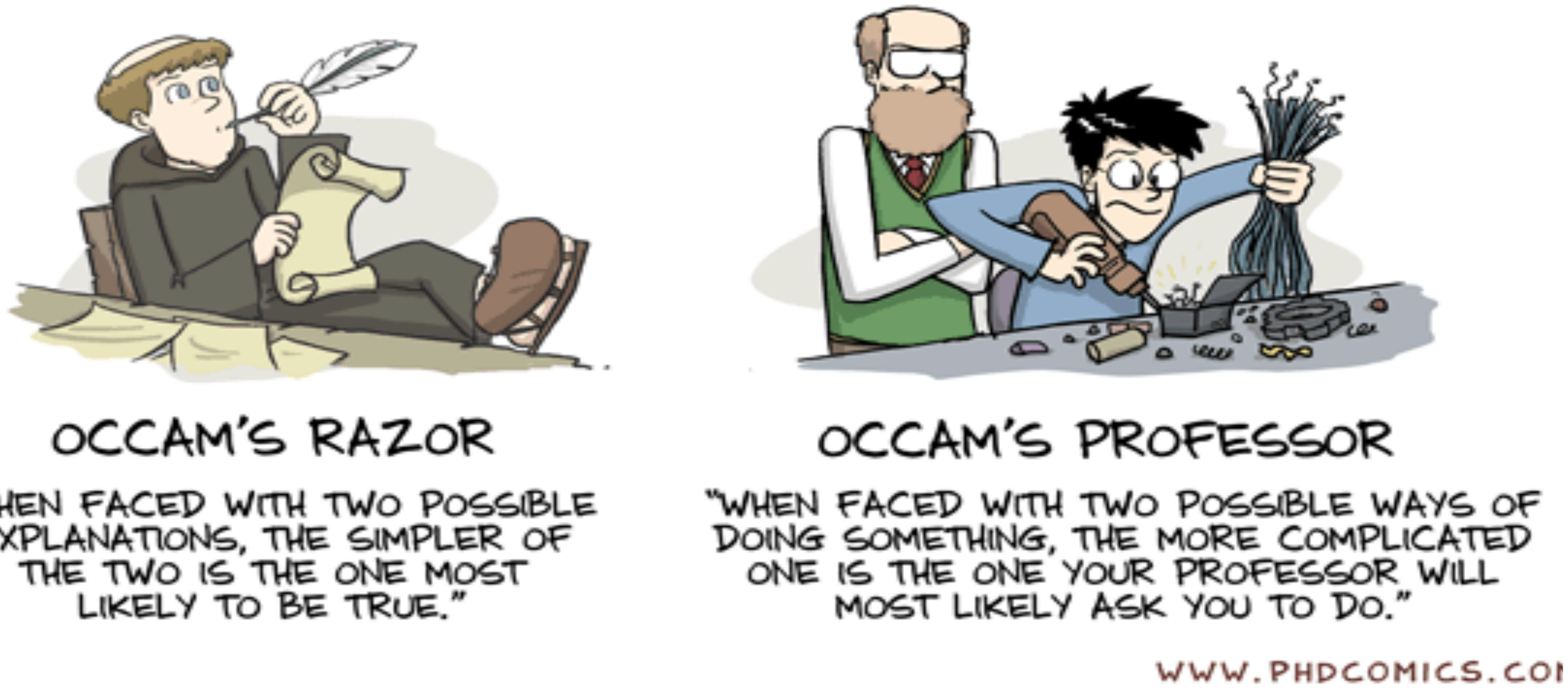
CORE PRINCIPLES IN RESEARCH



TOP TEN 2014

- For the first annual edition of the Top Ten Research Insights for 2014, the IPR Board selected from a range of topics in both academic and trade publications
- Ten studies based on their rigor of methodology, findings, relevance to practice and accessibility
- The first edition encompasses research ranging from building global leadership to testing the security of social media
- Each year the IPR Board will continue to present top research insights that uncover *the science beneath the art of public relations*™

4 SOCIAL MEDIA

SOCIAL MEDIA HAS LIMITED INFLUENCE ON PEOPLE'S ATTITUDES TOWARD BUSINESS AND GOVERNMENT

Only 36 percent of Americans say social networks help shape their view of corporations.

75 percent cite personal experience as a customer is the biggest driver of opinions toward companies.

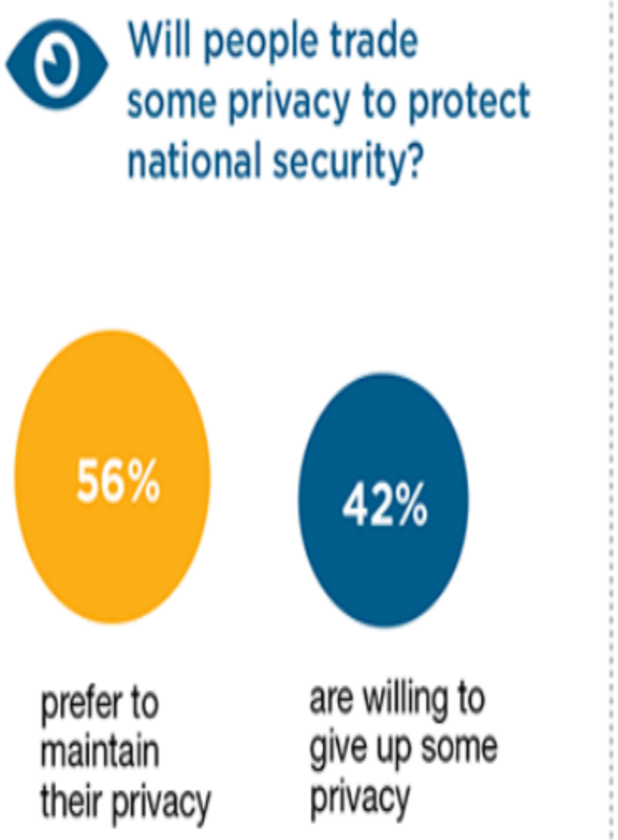
The annual survey of Americans' opinions on business and government, the Public Affairs Pulse, provides insights into the public's attitudes toward issues ranging from government regulation of business to corporate lobbying and political involvement.

- **Method:**

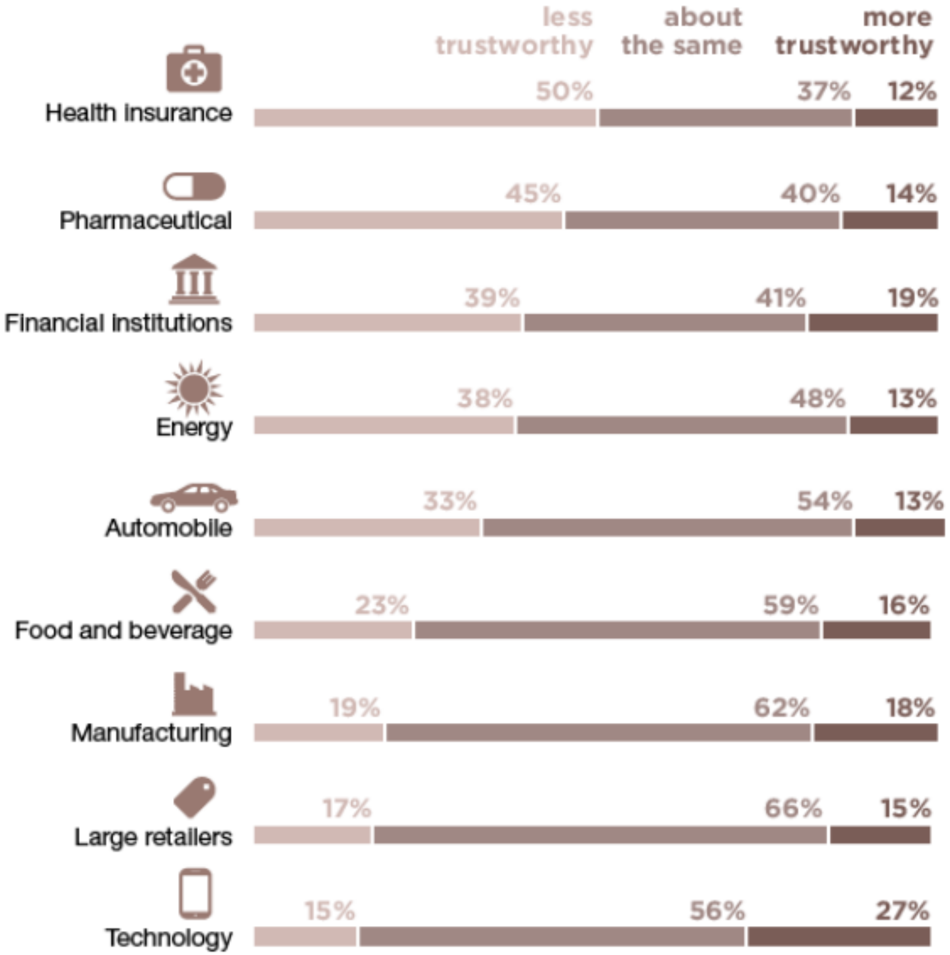
The 2014 Public Affairs Pulse survey, sponsored by the Public Affairs Council, conducted random telephone interviews with 1,609 adults living in the United States.

KEY FINDINGS

- Social media has limited influence on people's attitudes towards business and government.
- Americans generally have a favorable opinion of major companies but prefer small businesses.
- Americans give business good grades on the basics, but corporations earn demerits on jobs, environmental protection and pay.
- Tech, retail and manufacturing are the most trusted sectors, while health insurance, pharma, banks and energy firms are the least trusted.


Will people trade some privacy to protect national security?
56%
prefer to maintain their privacy
42%
are willing to give up some privacy


Will people trade some privacy to obtain lower-cost products and services?
72%
prefer to maintain their privacy
25%
choose access to lower prices

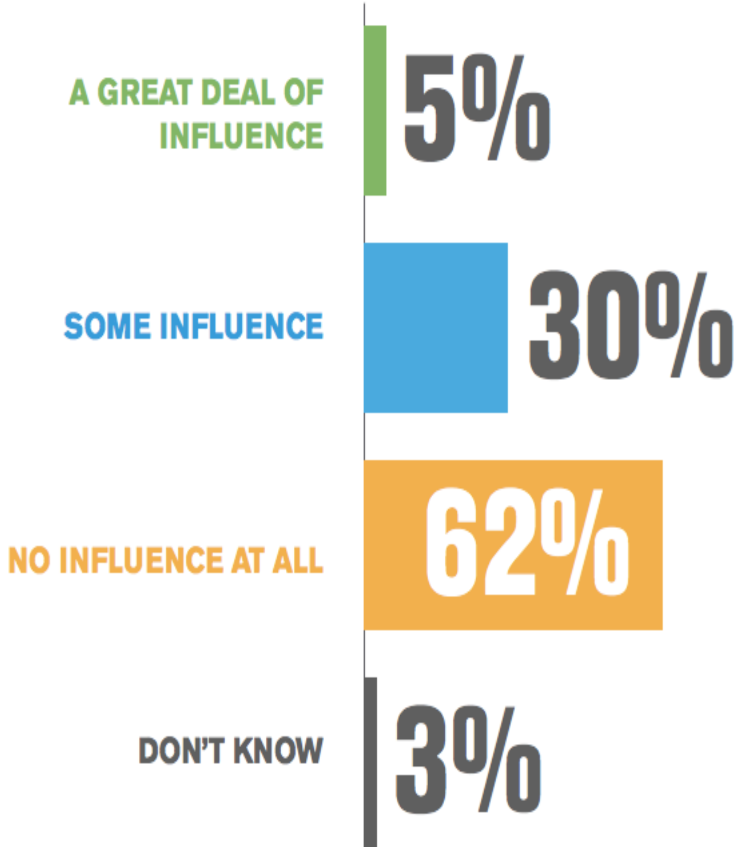

less trustworthy
about the same
more trustworthy
Health insurance 50% 37% 12%
Pharmaceutical 45% 40% 14%
Financial institutions 39% 41% 19%
Energy 38% 48% 13%
Automobile 33% 54% 13%
Food and beverage 23% 59% 16%
Manufacturing 19% 62% 18%
Large retailers 17% 66% 15%
Technology 15% 56% 27%

SOME OTHER RESEARCH REPORTS

- Social media sites are seen as the least secure channel to communicate private information
- Respondent perceptions of privacy and sensitivities about different kinds of personal information varied, but their lack of confidence in the security of digital communications channels is universal.
- There is not a high level of confidence in the security of everyday communications channels—particularly when it comes to use of online tools.

By: Pew Research Internet Project

INFLUENCE OF SOCIAL MEDIA ON PURCHASING DECISIONS



Influence of Social Media on Purchasing Decisions, by Generation

How much do social media typically influence your purchasing decisions?

	% No influence at all	% Some influence	% Great deal of influence
Millennials	48	43	7
Generation X	57	34	7
Baby Boomers	68	26	4
Traditionalists	75	16	3

Gallup Research

A SURVEY OF 602 CEOS AND BOARD MEMBERS IN GERMANY REVEALS THAT….

1. Top executives are still geared towards traditional mass media and are less convinced of social media
2. 96.2% of the respondents believe that mass media coverage influences corporate reputation, only 71.9% agree that social media has an impact

IMPLICATIONS

- Customer engagement drives social engagement — the degree to which consumers will work for or against an organization within their social networks- not the other way around.
- Social Media and the Bottom Line
- Social media does not exist in a vacuum, and consumers rarely interact with companies through these channels alone.
- Social media initiatives need to be authentic, responsive, and compelling.

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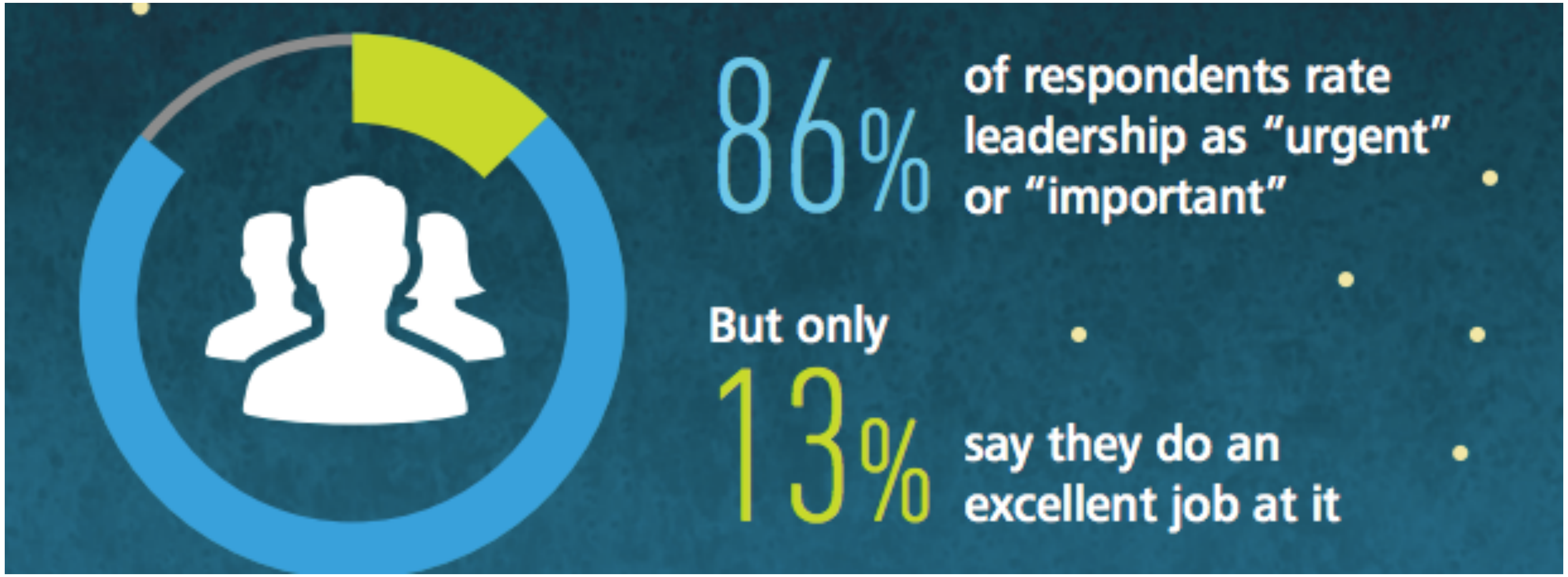
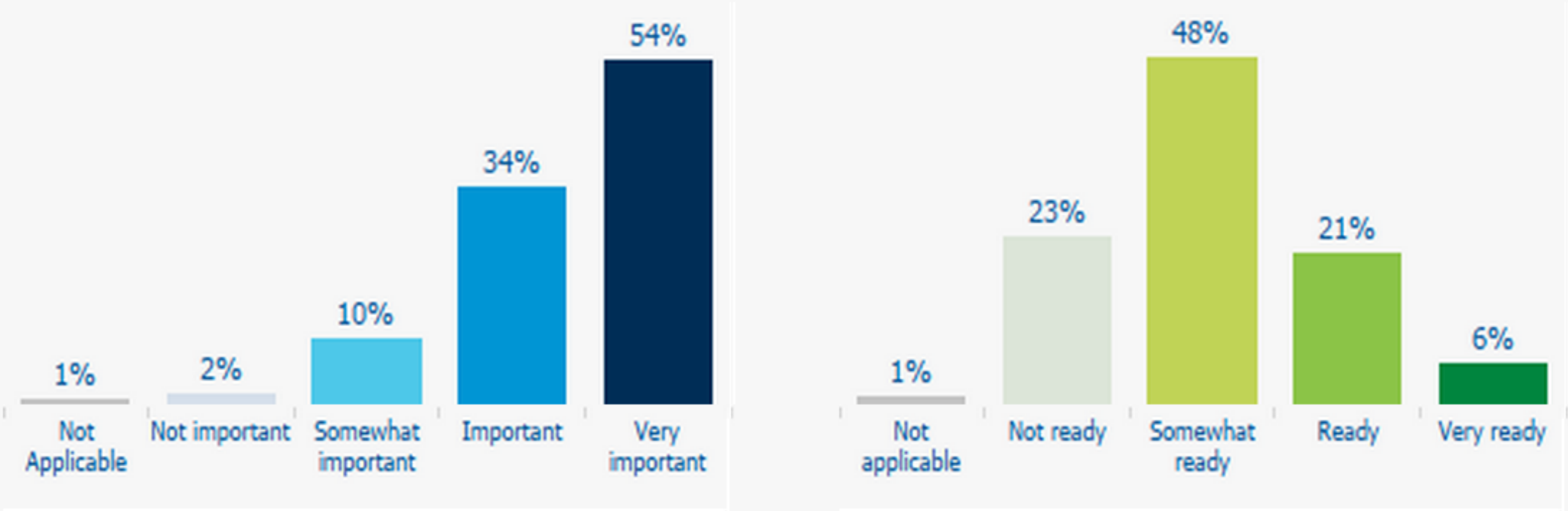
GLOBAL LEADERSHIP

BUILDING GLOBAL LEADERSHIP IS THE MOST URGENT ISSUE FOR BUSINESS LEADERS



The readiness and importance of leadership



The changes in the workforce and workplace are significant and disruptive. There also is a significant gap between the urgency of the talent and leadership issues leaders face today and their organizations' readiness to respond.

- **Method:**

Deloitte surveyed 2,532 business and HR leaders across industries in 94 countries, including all the world's continents.

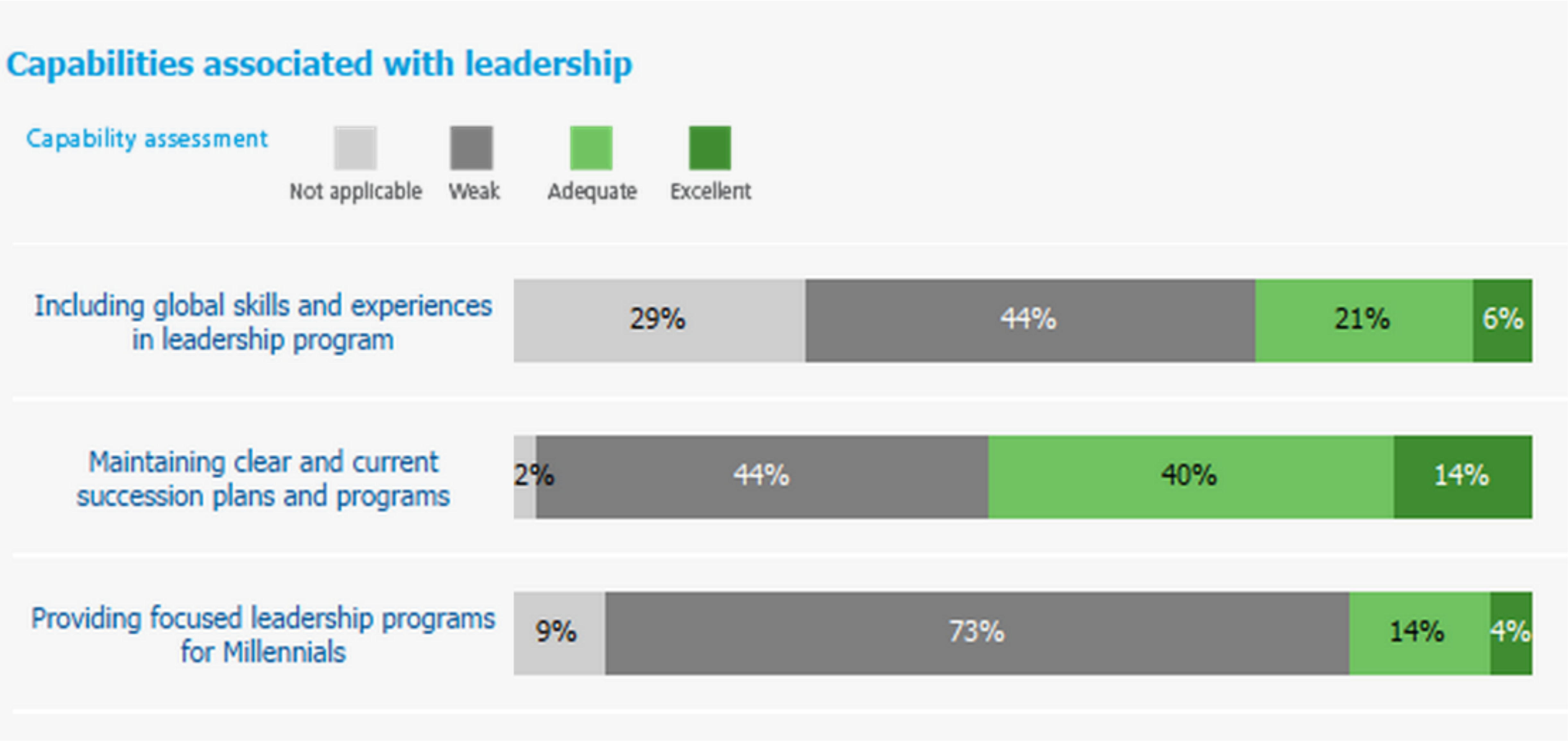
KEY FINDINGS

- Leadership, retention, and talent acquisition are the top global trends in perceived urgency.
- Leadership is the top priority in developed and growing economies.
- Human capital priorities vary by industry, with one exception: Leadership.
- Companies report generally low levels of readiness to respond to the trends.

Figure 10. Areas of priority for different industries (by rank and percentage)

Global	Trend	Consumer business	Energy and resources	Financial services	Life sciences and health care	Manu-facturing	Professional services	Public sector	Technology, media & telecom
1 (86%)	Leadership	1 (85%)	1 (86%)	1 (89%)	1 (90%)	1 (84%)	1 (84%)	1 (84%)	1 (89%)
2 (79%)	Retention and engagement	2 (81%)	2 (79%)	2 (83%)	4 (78%)	2 (78%)	2 (79%)	5 (75%)	2 (80%)

KLCM GLOBAL DISILLUSIONMENT INDEX


Capabilities associated with leadership
Capability assessment
Not applicable
Weak
Adequate
Excellent
Including global skills and experiences in leadership program
29%
44%
21%
6%
Maintaining clear and current succession plans and programs
2%
44%
40%
14%
Providing focused leadership programs for Millennials
9%
73%
14%
4%

IMPLICATIONS

- Today's market environment places a premium on speed, flexibility, and the ability to lead in uncertain situations.
- Develop leaders at all levels—from bringing younger leaders online faster to developing leaders globally to keeping senior leaders relevant and engaged longer.
- Changing expectations of the workforce and the evolving business challenges (speed and extent of technological change and innovation).
- Good Leader Formula: Credible Leadership = Open Communication + Decisive Action + Personal Presence

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MEDIA CONSUMPTION

CONSUMERS NO LONGER CONSUME MEDIA IN A LINEAR AND PREDICTABLE WAY

CONSUMERS ARE SHAPING THEIR OWN CONTENT-DISCOVERY EXPERIENCE

The study explores how to engage with people to build a meaningfully different brand in a multiscreen world.

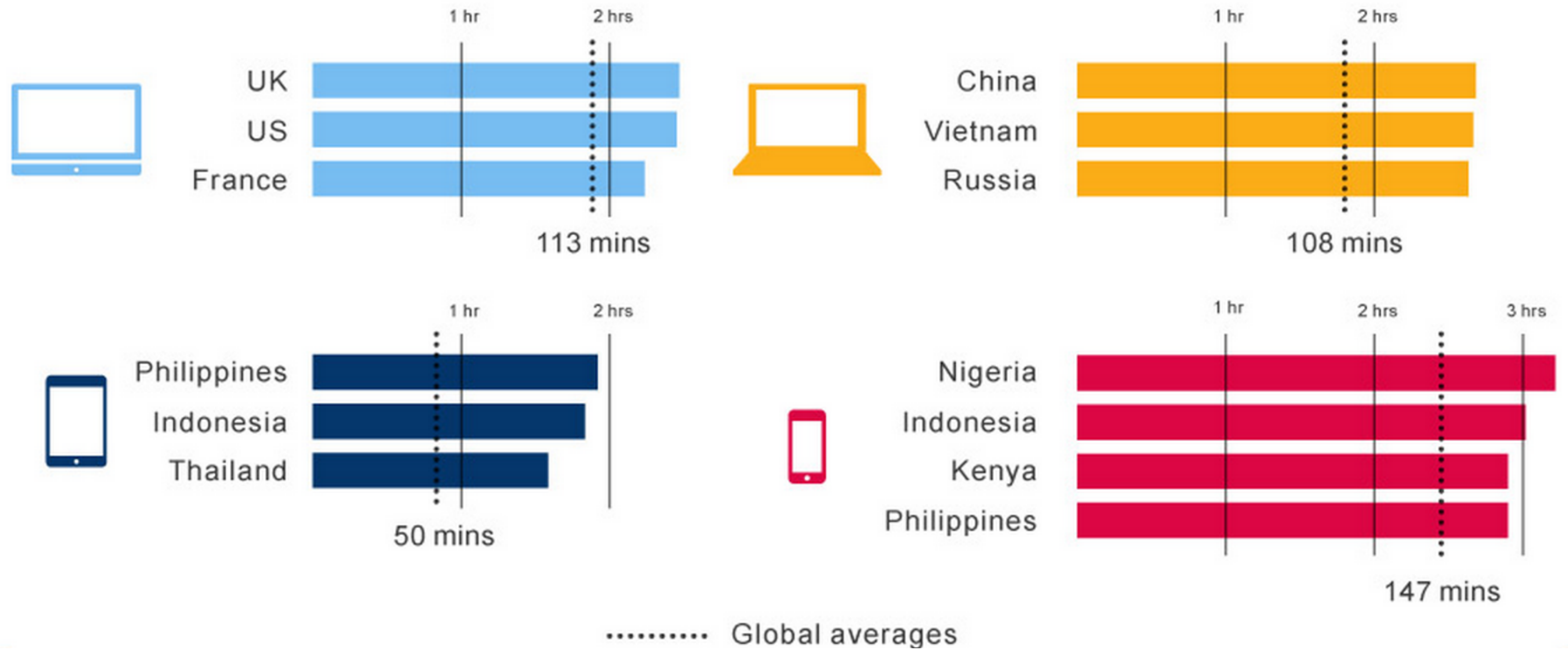
Method:

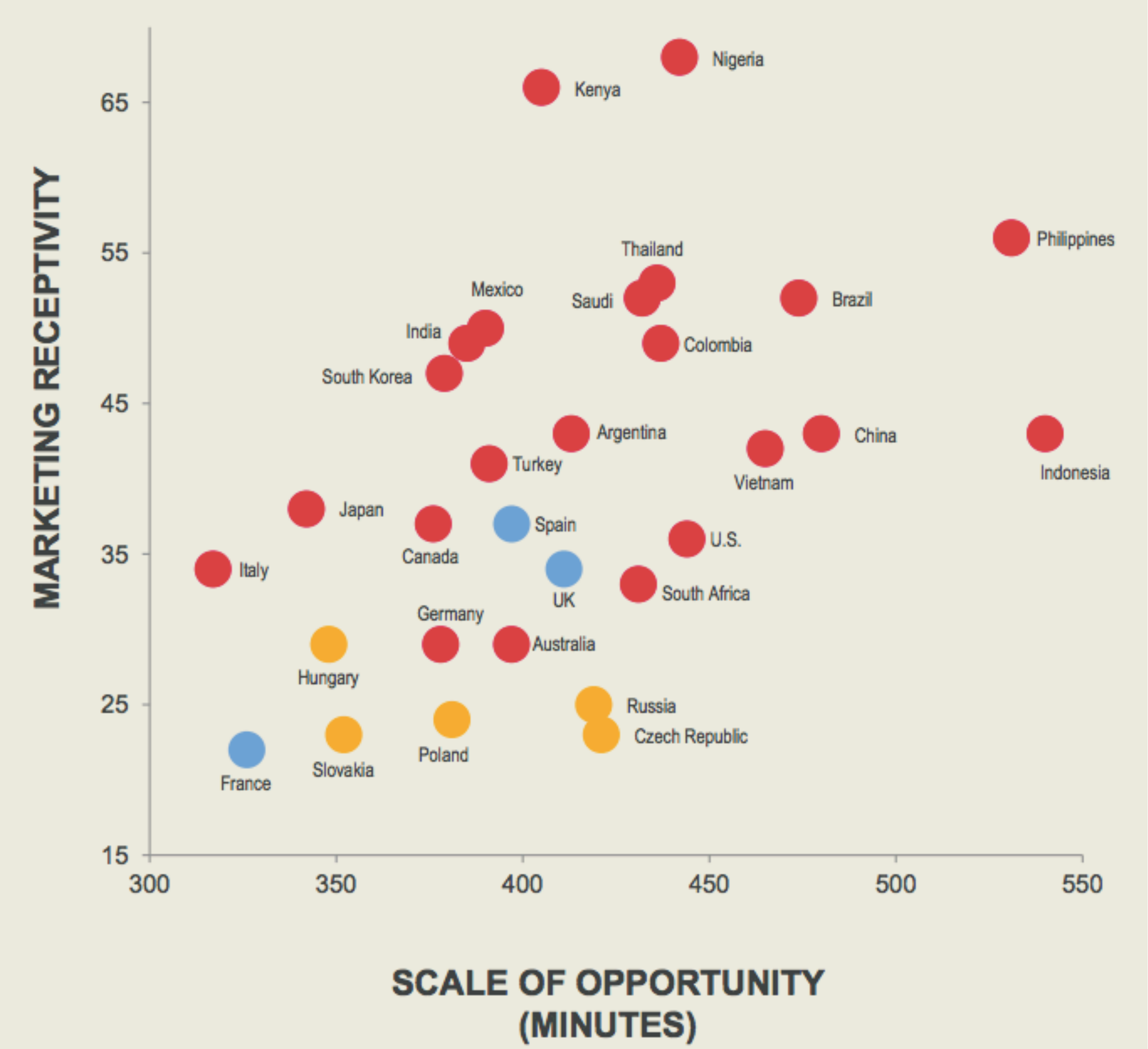
The study surveyed more than 17,000 consumers across 37 countries. In all countries, a 15-question survey was conducted via interviews on smartphone or tablet devices with16- to 45-year-old multiscreen users, or those who own or have access to both a TV and either a smartphone or tablet.

KEY FINDINGS

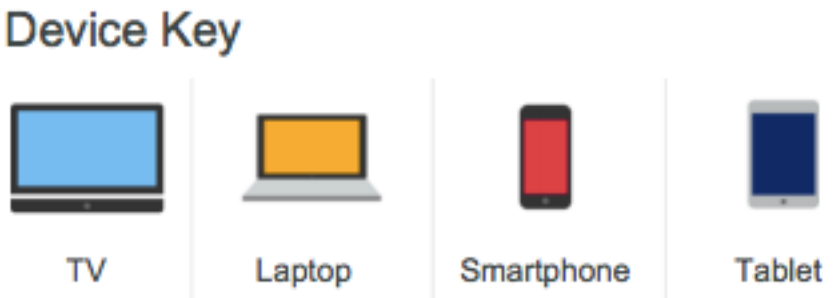
- A shift in consumer behavior and consumption on digital platforms. Content is king, but viewing habits vary by demographics.
- TV is generally more of a starting point and digital devices are generally used more to continue/complete tasks.
- A typical multiscreen user consumes 7 hours of screen media per day during a 5 hour period.

BIGGEST USERS OF EACH SCREEN





Among multiscreen consumers, overall marketing potential is highest in Asia, Africa and Latin America.



IMPLICATIONS

- Brands should evaluate the multiscreen landscape by considering the scale of screens (reach/opportunity to contact) and receptivity of people to various marketing approaches.
- Campaigns must mirror the way people live now, interacting with multiple screens over the course of the day.
- The 4 C's : consistent, connected, considered, concise
- Make each part of the experience stand on its own. Each of the parts has to tell the whole story.

I notice increasing reluctance on the part of communication executives to use research; they are coming to rely too much on judgment, and they use it a drunkard uses a lamp post for support, rather than for illumination.