

IPRPN Special Report

Ten Things PR People Should Understand About the Internet and their Professional Practice

From the Research Desk of the IPRPN
September, 1999

The Internet: Hype vs. Reality

Confused about what the Internet means for your public relations practice? You're not alone.

On the same day, maybe in the same newspaper or magazine, "experts" are telling us contradictory things about the Internet:

- **The Net will cure cancer.** It's the most revolutionary communications development in this century, and it will change everything you ever knew about your business. It's a treasure-trove, a storehouse of all human knowledge, all easily available at your fingertips; or,
- **The Net causes the common cold.** It's an over-hyped gimmick inhabited mostly by pimply-faced adolescents looking for pictures and talk about sex. It's a disorganized collection of unverified gossip, hype and screeching.

Both of these statements are half-truths.

The Internet is a paradox. If you want an analogy for the Internet, think of the American frontier before 1860 – a place of tremendous freedom, opportunity, excitement and potential, and also of tremendous danger, uncertainty and injustice (depending on whether you were a homesteader, railroad builder, snake-oil salesman or Indian),

If you're one of the many public relations people stumbling through this wilderness, we hope you find this report a helpful "guide for the perplexed." It's based upon our experience in working on the Internet on behalf of a wide variety of clients. We intend this report to be a useful short guide to the complex, rapidly evolving frontier of opportunities **and** pitfalls the Internet represents for the uninitiated PR professional.



IPRPN is the world's first and only website for independent public relations practitioners. An Internet-based "virtual" organization, it consists of consultants who have in common a passionate desire to improve their practices and make their businesses more professionally satisfying and profitable.

The Network rests on a very simple, but powerful, idea: *all of us are smarter than any one of us.* By sharing our best ideas, by reacting to and debating each others' ideas, by partnering with each other, by helping solve each others' problems, each of us becomes smarter and stronger and more competitive.

www.prheadquarters.com

The ideas and energy of each; the strength of many.

1. The Internet isn't a "thing." It's over 100 million independent voices.

Many people think that the Internet is a product or a "thing" (the most common mental picture people have is sort of a big telephone company, with a switchboard somewhere).

In truth, the Internet is just a system for providing communication links between computers via local companies called "Internet Service Providers". These ISP's use high-speed lines (usually provided by telephone companies) to move the information across the continent, or the world.

As the Russians learned during the collapse of communism, nobody controls the content of the millions of conversations that go on between all these computers. Interestingly, the system was originally designed with that goal in mind. Its architecture was meant to **ensure** that not even a nuclear war would prevent at least Defense computers, some places in the world, from talking to some computers in some other places. It's ironic that a system designed to reinforce military "command and control" during wartime evolved into the world's most powerful protection of free speech and free thought.

The lack of central control of information is the crowning glory of the Internet. If you spend your time worrying about the "abuse" of free speech by other people, it probably gives you a lot of sleepless nights. We think it's terrific.

There **is** no central "switchboard" for the Internet, and nobody really controls it. What we call "the Net" is simply a set of electronic connections and language protocols that allow anyone with a computer and a modem to talk, and listen, to between somewhere over 100 million other computers around the world.

Politicians who talk about censoring the Internet (whether to suppress pornography or just someone's opinion they don't like) are dreaming in technicolor. To "censor" the Internet you'd have to censor tens of thousands of ISP's and millions of computer users in virtually every country in the world. While you're at it, you might try sweeping back the tide with a broom, or stopping small boys from saying "doody" over the telephone system.

2. The Internet isn't the 'Information Superhighway.' Not yet.

The "Information Superhighway" the politicians like to talk about – a ten-lane whirlarama in which everybody in the world will be able to communicate instantly, in living sound and color, with everyone else – doesn't yet exist.



www.prheadquarters.com is designed to be the world's premier place to meet and communicate with other communicators in order to:

- **Discuss the challenges** you face in *your* daily practice
- **Download proven information** on how to run your public relations practice successfully
- **Access research links** that will make it easy for you find what you need on the Internet
- **Hear about important news and trends** and capitalize on them first.

www.prheadquarters.com

The ideas and energy of each; the strength of many.

The Internet is the Information Highway's precursor, and it suffers from (1) user unfriendliness and (2) a severe restriction of what the propeller-heads called "bandwidth" (i.e. a pipeline big enough to quickly move all that computerized information). If you're new to the Internet, be prepared to find it hard to find information and hard to download it quickly. The more you learn about what the Internet **could** be, the more frustrating you will find what it currently is.

3. Can you be a competent PR practitioner and not be on the Internet?

Theoretically, maybe. But then, theoretically, you could also be a competent PR practitioner and still use a typewriter, correcting fluid, and a hand-cranked telephone.

Why would anyone want to?

The Internet is a superb resource for researching human knowledge, news and information. It is also, increasingly, the medium in which a growing percentage of business communication is taking place. Think of how email has invaded the practice of business. (Does anyone use "snail mail" anymore?)

Ignore the Internet, and you're marginalizing yourself. A competent public relations practitioner can hardly afford to ignore the "buzz" in the thousands of audiences that use the Internet to talk with one another every day.

Of course this doesn't mean that the Internet has changed the basic principles of public relations. Effective communication and persuasion is guided by the same canons whether it happens face to face, on television, in print...or over the Internet.

4. The Internet audience is huge and growing fast.

Because the 'Net isn't centrally regulated, we only have an approximate estimate of the number of computers connected to it. The best late-1999 estimate was just over 100 million, and growing very rapidly (about 20% a year by some estimates). To quote Butch Cassidy, "who *are* these people?"

5. The Net isn't just (or even mainly) adolescent boys. In fact, Net users are, increasingly, well-off, well-educated baby boomers of both sexes.

The Internet may once have been the province of academics, computer nerds and adolescent boys looking for sexy pictures. No longer. Today's Internet population is graying, well-educated, above-average in income,



www.prheadquarters.com

The ideas and energy of each; the strength of many.

and rapidly moving toward gender balance. A Louis Harris poll done with *Business Week* in spring, 1997 reported that:

- 41 percent of Net users are women, up from 21 percent a year and a half earlier.
- 67 percent were over 30 and 19 percent were over 50 (including significant numbers of seniors)
- More than 42 percent had household incomes over \$50,000
- 73 percent had college educations.

Most important finding: 57 percent of users visit the same sites regularly, rather than “surf”, and a growing number visit sites where they can interact with people who share their interests.

Studies done in 1998 and 1999 have pretty well built on these findings.

While many corporations are complaining that their investment in Websites is proving costly to sustain (ie., the labour content of editing and updating a Website with high-quality topical material is roughly equivalent to publishing a major monthly newsletter or even full-color magazine), a growing number of firms are learning how to profitably tap the Web's reach and interactivity.

At one time the only thing people were buying on The Web was Web software. Today it's a profitable medium for selling consumers:

- Books (www.amazon.com) and music
- Computer hardware and software
- Used cars
- Wines
- Travel and Entertainment.

E-commerce is exploding. Business-to-business sales on the Internet is becoming a huge force. A study by Forrester Research Inc. predicts a huge increase in Internet commerce, from roughly \$22 million in 1996 to \$3.1 billion in 2,000, much of it business-to-business transactions (everything from “routers and car parts to securities”).

Not long ago, purchasing goods and services ranked as a very low priority of 'Net users. In a study of U.S. adults by Chilton Research



**IS MANAGING YOUR
BUSINESS FOR
INCREASED
SATISFACTION &
PROFIT an
important issue
to you?**

Join the
Independent Public
Relations
Practitioners'
Network for more
information and
participate in the
Discussion Forum
at
www.prheadquarters.com

www.prheadquarters.com

*The ideas and energy of
each; the strength of many.*

Services, people reported that their most important uses of the Internet were:

- 75 percent information retrieval and research
- 57 percent email
- 43 percent news
- 36 percent for researching products for purchase
- 10 percent have actually made online buys. (Interesting statistic: 95% of visitors to ecommerce sites don't buy anything, either because they're only kicking the tires or comparison shopping, or because they find the buying experience too frustrating and clunky).

6. If you want to utilize the Internet to the fullest, start by realizing that different people use the Net for different reasons. Some people go on the Internet to listen, some to talk, some to drill for information, some to window-shop, some to goof around.

Many companies rushed out to spend large sums of money on Internet Websites without a clear business objective and without any real understanding of how people use the Internet. They've since learned the hard way (by seeing little return on their investment) that:

- The wrong kind of Website is a waste of money; and a big, wrong kind of website is a *big* waste of money. A Website has to be attractive, current, and offer quality information you can't get (or get easily) anywhere else. Otherwise it's a glorified corporate brochure or a very small billboard on the information superhighway (a billboard where the cars pass at 600 m.p.h.)
- New media guru Paul Sullivan likes to say that people visit a website for three reasons: to learn something they can't learn somewhere else (at least as quickly or cheaply); to buy something, or prepare themselves for buying; or to have fun. If your website doesn't meet at least one of these three needs, don't expect many repeat visitors!
- A growing volume of Internet traffic is people conversing. Most of this conversation takes place in "virtual communities" such as geocities.com, or newsgroups organized by topic. There are now over 80,000 newsgroups dealing with almost every interest, hobby or issue.



www.prheadquarters.com

The ideas and energy of each; the strength of many.

These online communities range in size but generally represent **intense interest**. How important are newsgroups? Well, debates on only a few of them were enough to trigger the mainstream media interest that led to Intel's multi-billion dollar recall of the Pentium chip, and to one of the biggest stock scandals of the decade -- the collapse of Bre-X Mining Corporation.

7. Finding what you want on the Internet is challenging. But the practical research tools are getting steadily better.

The Internet provides access to a staggering amount of information. However, the quality of the information is extremely uneven, and accessing the "good stuff" takes some hard work. There's no central "catalogue" of Internet-accessible information, and worse yet, there's no mechanism for verifying what you do find. Anyone can say anything about any subject, and post it to the Net.

Finding the information you want is getting steadily easier. A wide variety of free "search engines" – eg. www.excite.com, www.altavista.digital.com, and www.lycos.com, just to name three -- regularly search the Internet to develop catalogues of what's out there. Because the amount of new information coming onto the Net every day is so huge, the search catalogues are incomplete and may be weeks or months behind. Still, they can search out and deliver an astonishing amount of information from all over the world. Just remember that, according to 1999 estimates, the best search engine catalogues 35-40% of what's on the World Wide Web. So using a search engine doesn't guarantee you'll find everything that's on the Web, let along all human knowledge.

Tip: read their instructions carefully regarding "search terms" and follow the rules.

Verifying the information you receive is another problem. Analyze what you read carefully and always consider the source. The World Wide Web and Newsgroups are like the Wild West: good information is mixed with hype, gossip and propaganda. It's user beware. (Of course, the PR practitioner is interested in perceptions as much as facts, so the hype, gossip and propaganda of organized interest-groups and businesses is the raw material of what we work with).

As always, the key is: understand who's talking. For example, www.dejanews.com is a search engine that will scan newsgroups and tell you who's saying what about which topic. If you double-click on the username of the person who posted the information, you'll get a profile of his or her other postings, and a list of where they appeared.

And in some online discussion groups – eg. www.thewell.com – discussions are mediated by discussion leaders, and participants must



www.prheadquarters.com

The ideas and energy of each; the strength of many.

identify themselves. But in most Internet newsgroups, anonymous postings are permitted.

8. Opinion trends on the Internet shift rapidly, and topics come and go quickly. Monitor your audiences continually.

As you would expect with any “community” involving over 100 million people, the Internet is like a huge tidal estuary in which new currents and new life sweep in and out every day.

Newsgroup postings change hourly. In the alt. and rec. newsgroup areas, postings usually last only a few days, although the “threads” or discussion topics themselves often go on for months. So if you want to do any quantitative analysis of what people are saying on a particular newsgroup, you have to plug into it frequently.

Also bear in mind that that newsgroup information is stored on the computers of local ISP's (Internet Service Providers – the company you contract with to get access to the Net), and some ISP's either don't carry all Newsgroups, or regularly dump their contents in order to conserve hard drive storage. If you want to see an unlisted Newsgroup, talk to your ISP representative.

9. Internet audiences CAN be tremendously important indicators and influencers of public opinion, but beware of confusing them with the general public. The demographics of Net users don't yet mirror the real world.

Most people are familiar with how a small group of mathematicians and computer experts used Newsgroups to uncover a technical glitch in the original Intel Pentium chip, eventually forcing the huge chip manufacturer to launch a multi-billion dollar recall. Intel was the first company to discover the Net's potential to disseminate information worldwide.

When the Net began, the original Newsgroups were small groups of scientists who used the Net to talk with one another across the world. These groups were unbelievably esoteric and expert. As USENET (the part of the Internet where Newsgroups reside) has expanded, the number of Newsgroups has mushroomed and the topics they deal with have proliferated.

This means that Newsgroup populations are starting to mirror the general population, but the approximation is **very** rough. One of our researchers said it well: “if you did your public opinion polling on the Internet, you would predict that libertarians would win every election.”



**Is learning HOW TO
PROVIDE PR COUNSEL TO
CONTREVERSIAL
ENTREPRENEURS
important to you?**

Join the
Independent Public
Relations
Practitioners'
Network for more
information and
participate in the
Discussion Forum
at
www.prheadquarters.com

www.prheadquarters.com

*The ideas and energy of
each; the strength of many.*

The people who participate in Newsgroup discussions, for example, tend to be unusually passionate about particular subjects. There are over 80,000 Newsgroup forums, and most of them were created by, and for, people who have a deep need to talk with others about particular subjects, whether they be the collecting of stamps, the *best* way to breed Dobermans or the existence of life on Mars.

If you want to know what Joe Lunchbucket thinks about something, the Net may be the wrong place to look. (Even that generalization is only partly true, however: if Joe Lunchbucket loves to argue about the Knicks, it's just possible he's using his son's Internet connection to do it). On the other hand, if you want to know what Atlanta-based Doberman lovers think about the local dog show, the right Newsgroup might provide a *very* accurate picture!).

One warning: keep an eye peeled for the growing incidence of "guerilla tactics" on the Net, particularly in Newsgroups. The SEC is now starting to monitor investment Newsgroups because there is evidence that short sellers, brokers, and investors themselves have used anonymous Newsgroup postings to plant misinformation about the financial prospects of certain companies. This promises to be a growth industry and rich soil for the seeds of mischief.

10. The Net's a great place to learn through listening. It's also a great place to influence others, but you'll have to respect the rules and the limitations of the medium.

If you want to be heard, start by listening. Use search engines, or just surf and hang out, but sample the incredible variety and depth of information to which the Net gives you access. (Yes, it **is** a little like trying to get a drink from a fire hose, but beyond getting a little wet, what's the worst that can happen?)

Always consider and evaluate what you're hearing. Who is the speaker? Who is listening? Can the information be verified?

If you find your company or clients under attack, avoid the temptation to "reach for the lawyers" as your first move. There's much to be said for regarding criticism as a form of free market research. At least one major bank, and one of the world's best-known computer hardware companies, monitor newsgroups and the Web in order to learn what their customers and potential customers like and don't like about their products. Maybe you'll learn something.

If you want to monitor Net traffic yourself, learn how to access the Net's various free search engines and practice using them. If you'd like somebody else to do it, check out one of the Internet's business intelligence service. Examples can be found at www.ewatch.com and www.invigilator.com).



www.prheadquarters.com

The ideas and energy of each; the strength of many.

What about libel? Consider the downsides of the famous McDonald's lawsuit against two environmental activists in Britain: the so-called "McLibel" trial cost the company millions in legal bills and probably much more in public goodwill.

McDonalds "won" the trial but probably lost that particular public opinion battle. Thanks to the trial and the publicity about the trial, there is now a special website, www.mcspotlight.org, which has given a global focus to anyone interested in the debate around McDonalds – and a huge platform for the company's critics. (It receives over a million hits per month).

As frustrating as it may seem, the reality is that "guerilla tactics" are far more acceptable on the Net than in the mainstream media, and you may not want to, or be able to, sue everybody who libels your company or client online. Indeed, suing them may simply make them into martyrs and draw the attention of the mainstream media.

In our opinion, a better idea than calling the lawyers might be calling your friends. If you're slagged on the Net, you and your employees, and their families, have every right to speak your piece and influence others. In fact, we think it's high time companies started urging their people to do just that.

If employees of forest companies had been half as active on the Net as environmentalists, maybe the enviros wouldn't have dominated the debate over forest practices half as long as they did!

There's nothing to stop you or your employees from joining a newsgroup and participating. If you have an affiliation or a vested interest in the issue, it's good manners to say so. But by all means, engage in the debate!

-30-



www.prheadquarters.com

The ideas and energy of each; the strength of many.