

Media Tips

For the Rent-to-own Industry

A Member Service of The Association Of Progressive Rental Organizations 2007

> www.rtohq.org 1/800-204-2776

Media Relations

for the rent-to-own company

Chapter I HOW PUBLICITY AFFECTS YOUR BUSINESS

How necessary is it for you to take the time and effort to prepare for potential media interviews? Just how much can the media affect your business in any case?

The Damage of Negative Coverage

Consider this: it took only one negative news story to provoke a key Congressional chairman to attack the industry and try to regulate it out of business. Suppose that a similar story motivated a state attorney general to investigate your own business?

But also consider this: Imagine that your customers, and those you would like to be your customers, were passing through their grocery-store checkout counter and saw the following headline in large type in a popular newspaper: **Beware: Rent-to-Own Deals Are A Rip-off.** In fact, such a headline appeared in one of the most widely read publications in America in 1993. It is impossible to measure how much loss of business such a headline caused, but the rent-to-own industry is still responding today to those headlines of yesterday.

Unfortunately, studies have shown that when people first hear a negative news story, it makes a lasting impression. It takes a succession of positive stories to overcome the initial negative perceptions. Corrections to original stories, for example, seldom reverse the damage done. This is one reason that an immediate response to negative coverage is critical to preventing long-term damage to your business.

While most negative news coverage focuses on the industry's pricing, unfavorable publicity is also be caused by collections' incidents, litigation, consumer groups, store incidents, or any other circumstance that positions your store unfavorably in the public eye. Once a negative story appears, regardless of its justification, you are placed in a defensive position.

Simply to protect your business, therefore, you must be prepared to respond quickly and professionally to negative media coverage. However, there is an even better reason to work with the media: They can also become your ally.

Telling Your Side of the Story

The role of the media is to be fair and neutral in reporting all stories. Most responsible journalists will accept their responsibility to report both sides of a story if it is presented to them. Therefore, every media story should present an equal opportunity to

cover each side of a story or an issue as long as there is someone to represent each side.

It is very important to present your side when given the opportunity or only the other side will appear in the story. APRO has studied the public perception of the rent-to-own industry for a decade and know that misunderstanding of the RTO transaction and business is the primary reason for negative news coverage and a negative public perception. With that in mind, the following are basic talking points when dealing with the traditional accusations towards the RTO industry:

1. Emphasize the fact that rent-to-own has improved its pricing, payment options, service and products in the past decade. Most persons still have the perception of rent-to-own from the 1980s. Emphasize that RTO is offering many more options that lower the total cost of rent-to-own and the customer is in full control of the RTO price..

2. The rent-to-own industry is lowering pricing and payment options. With 90-days, 180-days same as cash offers, rent-to-own is competitive with retail yet there is never an obligation. Add in the fact of lower payments of 12 months and 18 months the total rent-to-own cost have been reduced. There are also the early purchase options that reduce the total cost 50% of remaining payments that significantly lower the total costs. The last factor of many companies offering lifetime reinstatement rights means the RTO transaction is the most flexible and customer friendly transaction in the market.

3. The rent-to-own industry is in the service business therefore the comparison to retail does not apply or make sense. RTO offers free delivery, pick-up, repair and loaners if repairs are extensive; no credit needed and the right to return the merchandise at any time for any reason. Given those service elements to the RTO transaction makes the rent-to-own industry different and valuable to 3 million customers annually.

4. The rent-to-own industry is governed by 47 state laws. Each of these state laws mandate that the rent-to-own store must explain in writing and verbally to the customer every penny he or she may or may not pay when entering the rent-to-own agreement. An informed consumer is a powerful consumer and the rent-to-own industry reduces the majority consumer complaints when the consumer understands the costs involved in the rent-to-own transaction.

5. The rent-to-own consumer is a satisfied customer. Most rent-to-own business is repeat business therefore it is incumbent on the rent-to-own business to maintain a satisfied customer. There is plenty of competition in the rent-to-own industry to ensure the customer is getting what they want, how they want.

Clearing up basic misunderstandings can change a negative story into an educational opportunity for your business or, as in many instances, convince the reporter that the negative consumer activist story is, in fact, not a story at all.

Telling A Good Story

The rent-to-own industry contributes to society everyday either through customer and employee stories or through goodwill. Solid customer service, community service and a reputable business will earn your rent-to-own business a spot in your local paper through the years. The key, though, is making sure your local media knows what your doing.

Chapter II Creating Media Opportunities for your Business

The Business Section of Your Local Media

Every local media has a business section that is responsible for covering your business. Be sure to find out who your local business reporter is to try to create a relationship with him or her. It is important to create and maintain a relationship with your local business reporter because rent-to-own is afforded coverage as much as any other business. But, reporters are bombarded with information on a daily basis so the responsibility is on the business to promote the rent-to-own business story not the reporters.

The following are established story ideas that have created local press for APRO members.

1. **Store openings**. Almost all publications have a policy for a free listing when a new store opens. A new store needs all the publicity it can get so always use the new store opening as a hook with the local media.

2. **Local Rent-to-own business involved in local charity.** Whether it is hurricane relief, educational scholarships or Habitat For Humanity, one of the most prominent story placements for the industry has been through charitable donations and/or involvement.

3. **Local Rent-to-own business celebrates anniversary.** One-year, five-year, ten-year, etc. anniversaries serving the community are standard business stories that show community commitment, involvement and obvious business success for the number of years in operation. Do your stores hold their own birthday parties/sales events each year?

4. **Rent-to-own and the big game.** The most positive business articles featuring the flexibility and name-brand products RTO offers are from articles featuring rent-to-own's popularity and niche to accommodate the Super Bowl party and the College bowl game. Each of the rent-to-own dealers indicated that the story was not solicited but the reporters contacted each of their companies. As a consequence, dealers may want to consider a more concerted effort during the big games to generate a positive story about their company and rent-to-own.

5. **RTO event/corporate sponsorship.** Many RTO dealers sponsor professional, amateur and little league sports teams and enjoy great marketing and branding success from those corporate sponsorships. If you are considering an event or corporate sponsorship, be sure it fits with your company philosophy and visible to your customers and potential customers. Also, be sure the event you sponsor has a visible and competent media relations campaign or be sure to conduct your own from your company to maximize your sponsorship.

6. **APRO's winning customer and employee of the year.** The industry received several very positive human-interest stories in regards to the annual APRO employee and customer of the year contest. As a consequence, your company should consider holding its own customer and employee contests to generate potential press opportunities in your local papers. Newspapers are continuously looking for positive human-interest stories and the employee and customer of the year contests are excellent hooks for the human-interest story for the rent-to-own industry and your company. The regional coverage of last year's winners is testament to the contest's effectiveness in attraction media coverage for your company.

7. **The Rent-to-own industry is not the same industry as yesteryear.** The rent-to-own industry has grown up in America offering brand names and customer service that will make you change your mind about rent-to-own.

8. **Renting becoming more fashionable and reasonable to the American consumer.** You can change your mind at any time with renting furniture and home décor. The flexibility of payments and merchandise is found nowhere else in the marketplace.

Approaching the media – be judicious, be newsworthy and plan ahead

While you need to establish relationships with your local business reporters, do not overplay your relationships to the annoying level. If you have truly significant events such as the above then contact them. But as a rule of thumb, reporters tend to cover business and industry stories regarding one business once per year or several years. Therefore be judicious and calculate the newsworthy events you plan to ask for media coverage and plan far ahead in building the story and the media's commitment to covering the story. It is not uncommon for savvy business persons to plan years ahead creating a media strategy and approaching media for feature stories such as business stories. The media typically ask at least one month prior notice regarding such a story.

There are usually several different print, radio, web and television media companies in each community. If one of the media has reported a story on your business recently then focus on one of the others that have not covered your business yet or recently. Or try a different section of the paper to generate coverage from a different reporter and different angle. If you stagger the sections and mediums of radio, television, web and print as well as stagger each of their competition you can generate media coverage throughout the year and fully maximize high profile publicity for your business on a consistent basis.

The Press Release: the Official Media Contact Form

In regards to business or community events, the press rely on the "press release" to aid them when delegating news reporters, airtime and space in regards to that day's news. As a consequence, your business needs to submit a "news release" or "press release" to the media as the official request for media coverage. The following are general rules regarding press/news releases. 1. Be sure your press release contains the basic professional format and contact information. Press releases should be on letterhead and contain e-mail, cell phone and office phone information for direct access to designated media contact. (See appendix for sample news release.)

2. Submit your news release at least three weeks prior to the event.

3. Be sure to call and verify who to send the release to and what format the reporter would like the release submitted. Many reporters prefer an e-mail with an attachment while others still prefer it in paper form through fax or mail.

4. Be sure to call to verify its receipt with the designated reporter.

5. Call and/or e-mail the reporter three to five days prior to the event for a friendly reminder or update.

Photo Opportunities

Sometimes a good photo is worth a thousand words and a news item. Be sure you photograph your promotional, charitable or marketing event to send to your local media. Many times, a photo will prompt the reporter to post the story or will push the story to a higher profile. Take the photos with the highest resolution possible and if the media needs to reduce its quality then they will have the flexibility rather than rejecting a potential photo opportunity because the resolution is not print quality.

Chapter III WHEN THE MEDIA CONTACTS YOU: BE PREPARED

The Interview

Typically reporters will set up a time for an interview. Make sure you respect the reporter's deadline while weighing the necessary preparatory time to best present your company. It is important, therefore, that you and your designated media spokesperson(s) be acquainted with the basic guidelines of working with the media, well in advance of an actual media interview. Moreover, you and your spokesperson(s), should rehearse the answers to the more typically asked questions about the industry. With adequate preparation, even in the span of a few minutes, you can be prepared to make your points in response to nearly any question you are asked.

The Presentation

If it is a television story then you have to understand and be prepared for the visual part of the story. The visual part of a television story can be just as, if not, more powerful than the verbal component. Make sure you address the following elements when preparing for a television interview or story:

1. Look professional and well groomed.

2. Store looks clean with new merchandise and full of customers you handpicked and invited.

3. Identify several of your most respected and articulate customers to represent you and your store during the interview. You may have to entice them with a free dinner or week's rent but the power of television coverage is worth every penny.

The Ambush Interview

It can happen when you least expect it. The front door of your store opens, and suddenly you are being videotaped. In seconds, the mic is in front of you, the lights are blinding you, the camera is rolling, and the question is hostile: It true that you charge your customers 300 percent interest on what they rent? It is called the "ambush interview," and, if you're not prepared, it can be devastating.

Each of these steps should be explained and documented in your company's media policy.

Suggested Corporate Media Policy

It is only good business practice for everyone to become more educated about the media, from the store employee level to the top management position. If you haven't already adopted a media policy, we recommend you do so.

APRO has developed a suggested policy. You should review this sample and feel free to make any changes you see fit to best represent your company. Once adopted, the policy should be communicated loud and clear to all levels within your organization. As luck sometimes happens, the least-informed person in your organization may be the first one contacted by the media.

The APRO suggested corporate media policy is found in the Appendix of this handbook.

Employee Training

As an association, APRO advises all members to train their employees on how they want them to respond if they are contacted by the media. This training could be incorporated into your new employee orientation program.

The first step is to provide this publicity handbook to your employees to read. The second step is to sit down with your employees to discuss this situation with them. Be sure that they understand what they have read in the handbook. Establish the procedures that they are to follow if the media arrive in the store. Be sure they understand that a hidden camera can be used at any time. If you have media materials available, be sure they are aware of where to find them.

Finally, you should realize that even if your employees are not involved with media interviews, they may be asked questions by customers who have seen the news. You should be sure that they are prepared to answer those questions after any story appears.

APRO has prepared "Basic Points All Employees Should Know." A copy is in the Appendix.

<u>Media Materials You Need – A one-page fact sheet about your business and</u> <u>industry</u>

Even though your answers to media questions may be very polished and articulate, you're still relying upon the media to quote you accurately and completely. As time goes by, your words may fade in the memory of the reporter. Consequently, it is advisable to provide some written materials at the time of the interview which reporters can later refer when writing their story.

Each company needs to develop a one-page fact sheet about your business available for the public and the media. Whether it is a web page and/or a hand-delivered page, each company needs to develop a nice, promotional fact sheet to help explain rent-to-own especially with the documented fact that most people know very little about the rent-to-own business and transaction. Also, more and more reporters are relying on web sites to get their background information. If you do not have a web site yet, you need to consider creating one as a part of your business' future and always refer reporters to APRO's website for industry information. (Please see "The Internet" in Advertising Section III for more information regarding web promotion.)

Your promotional one-page fact sheet should be straight-forward, factual and avoid over-embellishment. It should describe the nature of your business, the uniqueness of the rent-to-own transaction, a profile of your customers, your local history and community involvement. Be sure that it contains the name and telephone number of the person the media should contact for additional information.

If you want to be certain that your position on an issue or incident is correctly reported, you can prepare a written statement to give to the media. In most cases, you should still answer questions from the media, but the written statement can avoid misunderstandings or the need for clarification after a story appears.

Most reporters and stories are going to ask questions regarding the rent-to-own industry that APRO can provide. Please refer reporters to APRO's web site <u>www.rtohq.org</u> and APRO's toll-free number 1/800-204-2776 for industry information, questions or requests.

Media Interview Training

For the bigger companies or more intense negative stories, many people find that taking professional media training can be very helpful in preparation for media interviews, especially when the interviews are by the electronic media. Media training, or coaching, can not only make you feel more confident about dealing with the media, it can help you make more effective presentations before employees, industry groups, and customers. In addition, by forcing you to think in terms of key messages, media training helps you to determine and clarify your company's positions on key issues.

Media training is offered by firms and consultants around the country. Be certain that your trainer has worked in the media or has public relations expertise. For assistance in identifying media training programs, contact APRO.

Chapter IV WORKING WITH THE NEWS MEDIA

In this section, we will give you a brief primer on how the news media works. It is important in your dealings with the media to keep the relationship professional, and based upon mutual respect. If you understand their needs, then your media experience can be much easier and successful.

Overview of The Media

All media organizations must allocate three scarce resources: Staff, air time or print space, and production time. It is a life based upon deadlines. No matter what the problems, the program must go on the air, or the newspaper to press, at a definite time. The best way to deal with the media, therefore, is to help them deal with these pressures. It's providing them with the information they need on a timely basis. It's giving them succinct sound bites so as to reduce their production time. It's building trust so that they regard you as a reliable and trustworthy source.

Because of these pressures, reporters do not develop their own stories as often as you may think. They rely on other people, or "sources," to bring the story to them. Those who are eager to provide information are the ones they turn to most commonly.

The source must convince the reporter that the story is newsworthy. The reporter, in turn, must convince the editor. At any point, the story may become altered. For example, a business story about the retail industry, could turn into a consumer protection story. Until the story is printed or aired, it is possible to change the angle and to turn a negative story into a positive one.

Once a journalist decides to do a story, time demands may prevent them from being as thorough in investigating sources as you might want. Again, they will turn to people they know, or to whom they have access. It is a mistake to believe that most stories are based only upon facts or other empirical evidence. Most stories, in fact, are based upon interviews and the perceptions within those interviews. Journalists do not deal in facts, one observer noted, but in attributed opinions.

Moreover, once a fact or opinion is attributed, reporters generally feel that their job is done. They leave the credibility of the statement in the hands of the audience. However, if the story is controversial, or an issue of credibility exists, reporters are expected to confirm the matter with at least two separate and independent sources. That is one reason it is a good idea for you to have people in mind to suggest to the reporter as additional sources they may want to interview to confirm your opinion.

Attributes of The Best Media Sources

What qualities should you and/or your media spokesperson(s) possess to be an effective source for the media? In general, the media looks for five factors:

• **<u>RELIABILITY</u>** - Someone whose information requires the least amount of checking.

• **TRUSTWORTHINESS** - A person who is accurate, honest, not self-serving, and never deceptive.

• <u>AUTHORITATIVENESS</u> - Reporters prefer people in positions of authority and responsibility, and will regard their information as more persuasive, because it is considered "official." This helps reporters defend or sell their story to editors.

 <u>ARTICULATENESS</u> — Interviewees must be able to make their points as concisely and in an articulate manner. Many reporters enjoy a colorful approach as the news especially television news is, in fact, part entertainment.

• **PAST SUITABILITY** - Someone they may have interviewed before with good results.

• **<u>PRODUCTIVITY</u>** - The ability to supply a lot of information without undue expenditure of their staff time or expenses.

Like all of us, reporters place greater trust in people with whom they are familiar, who are honest and believable and who are cooperative.

Media Objectivity

Reporters view their role in society as observers. A good reporter will not care who a story will help or hurt, only that it is fair if there are implications that will result from the story. Nevertheless, many business people believe that reporters have a bias against business.

It is true that journalists have a professional obligation to be objective. However, like all of us, they make judgments every day — what's important, who to interview, how to present the story, etc. These judgments are never altogether divorced from values.

Many reporters value what they might call "responsible capitalism." They find abhorrent the practices leading to excessive profits or exploitation of customers. If reporters have a pervasive mistrust of business sources, it is because they believe most businesses are only motivated by profit, not genuine concern for the customer.

Reporters with this attitude can be greatly influenced by so-called consumer groups which target our industry. If the issue is how fairly customers are treated by a business, the media may be immediately suspect of the business executive's credibility. The existence of this credibility gap, however, does not mean you're fighting a losing battle. It just means you have to work harder to keep the story in balance.

Since journalists cannot overtly insert an anti-business bias into the news, they depend on others to do it for them. Thus, whenever a customer or consumer group makes a charge against a store or an industry, their story usually falls on receptive ears. You must be sure they talk to other sources.

What, then, can you do in response to these ingrained values possessed by many reporters? The answer is to appeal to other values that are also important to these reporters. Here are some examples:

• <u>Focus on the nature of your business</u> - for most reporters, big business is no virtue. If appropriate, emphasize that your business is a small, local, family-owned, entrepreneurial company.

• <u>Emphasize good corporate citizenship</u> - if you can show that your business makes contributions to the community, it will be viewed in a more positive light.

• <u>Be candid and accessible to the reporter</u>, as this is an indication of honesty and sound business efficiency, which reporters respect.

<u>Remember that reporters are more impressed by actions than by words</u>
demonstrate to them that you care about your customers by the way in which you operate.

• <u>Force the reporter to focus on the implications of the story</u>, not just the story itself, by detailing what it will mean if their story causes misunderstanding about your business.

• <u>Introduce the reporter to your best customers.</u> Always have a list of your ten best customers who present your company well and that are articulate ready for an opportunity such as this. If the customer's well-being is in question by the media, the best method has been to introduce the reporter to your customer.

In the rare cases dealing with hostile reporters, your final trump card will always be the issue of fairness. When a reporter refuses to cooperate with you, is deliberately slanting the stories through the selection of the sources, or is totally ignoring the implications of the story, you have grounds for a complaint. Take your case to the reporter first, but don't hesitate to go over the reporter's head to an editor or producer if the reporter is not cooperative. But, remember, you ultimately have no power over the story so it is vitally important to educate the reporter and be as accessible as possible to potentially remove the prior biased as possible. And, the rent-to-own industry has had enormous success in the past decade in turning negative stories into a story that didn't happen due to the education and openness rent-to-own members have provided.

Tips on Working With The Media

Reporters work on deadlines and you should respond quickly. If a reporter calls you unexpectedly find a reason to call them back in order to better prepare. Ask for their name, e-mail, the news section they represent and, if possible, learn fully the reason for the interview, what story the reporter expects or is trying to get, and how you fit into it. If time permits, research their news, program and company on the Internet so that you can better understand the reporter's approach and audience.

Be straightforward and friendly, even with hostile reporters. You don't have to answer the reporter's questions with the answer the reporter may be expecting. People who go through media training are first taught to know what story they want told, then to find a way to get that message through, no matter what questions the reporter asks.

The fear of being misquoted or having what you say taken out of context often inhibits people from talking with reporters. However, "no comment" can be more damaging in some cases than a misquote. Follow-up the conversation and interview with an e-mail so you have in writing your statements to reduce the risk of misquotation. You may ask the reporter for permission to record the conversation and you may want to know if the reporter is using a recorder. You should not ask the reporter to check the quotes with you, except when a misquotation could have serious implications.

It is a good idea to keep a media log of interviews, complete with reporters' names and telephone numbers in case you want to contact a reporter later. You may want to write down notes about the conversation, as well. And, again, well thought out e-mail follow ups will help ensure proper representation of your point of view.

The best advice is always to treat reporters with respect. Understand that they have a job to do, and so do you. APRO has developed "The Ten Commandments of Media Relations," which we suggest you review. It is in the Appendix of this handbook.

Tips On Conducting Media Interviews

The following are some general rules to keep in mind when your are actually conducting media interviews:

• Do your best to answer reporters' questions, but do not go beyond the question unless it is to your advantage to do so.

• Make sure that your key points are communicated to the reporter even if the questions do not pertain to your key points. It is still incumbent on you to control the message.

• Watch your body language. 90% of communication comes from body language not from the words. Try not to fold your arms or have your hands on your hips that present a defensive posture. Try not to flail your arms or be over dramatic in your body language. Do not cover your face with your hands as it portrays you're potentially hiding something. Look reporters in the eye to show honesty. Do not blink a lot. Look calm and professional. Try to be warm and smile when appropriate. When standing hold your arms down at your side and feet flat on the ground. If sitting at a table have your hands open on the table and sit up. If sitting in the open, feet flat on the ground and sit straight up.

• If the focus of the interview is on a single customer or an isolated incident, stress the bigger picture, as in the larger number of satisfied customers you serve or emphasize that the incident was an exception to your traditional policy and experience.

- Let facts speak for themselves and stick to what you know don't speak for others.
- Refer reporters to appropriate experts/materials for additional information.

• If the interview is about a consumer complaint or other problem, emphasize the solution, that is, what your company is going to do about it.

• Don't make "off-hand" remarks as reporters remember every word — even after the tape or microphone is turned off.

• Be prepared to offer examples/anecdotes to illustrate your points, but remember, they may be edited or taken out of context.

• Avoid the use of "jargon" such as legal terms that might describe the rental-purchase transaction - use language people understand.

• Never say "that was off-the-record" or request anonymity after the fact.

• If you do not know the answer, be honest with the reporter and tell them you will get the answer for them in a timely manner and make sure you get the answer in a timely manner.

If an interview is to be held on company premises, pick a suitable location and prepare the site. This is important not only for television, but for interviews with print media as well, even if a photographer will not be present. First impressions count and can be very influential. Pay attention to what is posted on the company walls or will otherwise be seen by the reporter. Expect that a reporter might ask to interview employees or customers that are present. As a consequence, be prepared to plant your most professional and articulate customers during the interview to ensure the best representation.

In addition, you should dress as you would normally in a work environment. Avoid distracting accessories. Pay attention to body language, eye contact and posture. Again, this is true whether you are standing in front of a TV camera or a newspaper or magazine reporter.

Try to maintain a conversational quality with conviction in your voice when talking with the reporter. Remember, your voice must convey the power of your message. Answer each question in short, concise statements. When you have completed your response, wait silently for the interviewer's next question.

If you don't know the answer to a question you are asked, tell the reporter you will get back to them with the information as soon as possible. If you flub a line or deliver an unclear answer, don't hesitate to restate your answer. Although the reporter is the one asking the questions, remember as you answer, you are talking to the general public. Make your answers concise and candid, as the public, too, will be judging your credibility.

When you conclude an interview, thank the reporter for their interest and inquire as to when they will be submitting their story. Make sure they know how to reach you in case of a last-minute need for information. Let them know you will be looking forward to reading or seeing the story.

Chapter V RESPONDING TO NEGATIVE MEDIA COVERAGE

The most difficult challenge in working with the media is to stop the media from sensationalizing a story. People like to read and see stories on scandals. Stories about business people who charge "excessive prices" or demonstrate "greed" help to sell papers and raise ratings. Such stories help ambitious reporters get recognition. Historically, most of the rent-to-own stories are based on a fundamental misunderstanding about the nature of a rental-purchase business and transaction therefore the burden is on you to set the record straight.

Handling Negative Stories Before They Are Published

The most success the rent-to-own industry has had in regards to responding to potentially negative news stories has been the "non-story." That once the reporter has been fully educated about the rent-to-own industry, they realize that the story may not be as "hot" as thought before and conclude that it is a "non-story" and abandon it. APRO has turned hot stories into "non-stories" with national media outlets such as CBS News, Larry King and hundreds of local reporters.

The best method in creating the non-story is getting to the basics of the rent-toown transaction, customer and business. That the industry is regulated in 47 states and the no-obligation transaction and the many services that accompany rent-to-own have significant value that the customer gladly pays for. Citing excellent customer service and referring reporters to your good customers has worked very successfully in the past.

If a reporter is interviewing you based upon unfavorable information or opinions attributed to other sources, you should ask the reporter to identify the source. It may be possible for you to bring question to the source by providing other factual information. However, you should not question the veracity of the source without evidence.

It may be to your advantage to attempt to delay publication of the story until you have information contradicting the original source, or can find another source to suggest that will result in more balanced coverage. But don't stall without a reason. Suggest the reporter should check other sources or obtain additional information in order for the story to be fair. Because of the nature of news coverage, delaying the story may result in it never appearing. But, be careful in trying to delay a story that is then printed or aired without your side.

One question that usually comes up is whether you should respond to a reporter's call if you know the interview is likely to lead to a negative story. The best advice is to always return the call. To say that you are not available implies that you are hiding. Failure to comment can also be interpreted as an admission of guilt. Talk to the reporter, even if you have to say that you are not prepared, or able, to respond to the questions.

Keep four objectives in mind when you know the interview will be about your consumer practices:

• Re-establish the integrity of your store's operations and its commitment to customer service, fair pricing and customer satisfaction.

 Demonstrate, not simply assert, that the company is responsive and responsible tell the reporter exactly what you will be doing to correct the problem.

• Diffuse potential problems by bringing them out in the open before the reporter learns about them from other sources.

• Build a reputation as a responsive and progressive business executive, sensitive to customers, open to reasonable points of view by consumer groups, sincere and conscientious in seeking to eliminate points of friction, and in forthrightly and completely discussing issues.

In responding to consumer complaints, it is advisable not to attack consumer groups. The public overwhelmingly supports such groups. In one survey, nine out of ten people believed that such groups save them money. At best, you can suggest that they are misinformed.

Another issue is whether to use your contacts at the advertising department to possibly kill adverse stories. Advising your advertising representative of your concern may be appropriate, but asking them to kill the story is not. You can request changes in the placement of your advertising, however. In all likelihood, your concerns will be communicated within the media organization.

It is also a good idea to become friends with station owners, publishers, and investors of media outlets. However, influence at that level should only be used in extreme cases. In rare cases, controversial stories from networks may be screened in advance by local affiliates. In these cases, some influence over the final story may be possible.

When complaining about a story, never question the basic right of "freedom of the press." Always couch your objections in terms of fairness and accuracy. Remember, the media can always report pressures to influence the news as a news story itself.

Journalists, of course, resent any interference in their work. In fact, if it happens too frequently, good reporters will leave an outlet and you may encounter more bad reporting in the future. However, pressure on journalists will make them check their notes' accuracy and evaluate whether their facts are convincing. When a complaint is made, they know that they may be called upon to defend their story in the future.

Before going over the head of a reporter, express your concern directly to the reporter and ask for their cooperation. Reporters will be eager to provide it as a way to avoid pressure from their superiors if you go around them.

Responding to Negative Coverage After Publication

If the negative story is inaccurate, the first thing you should do is immediately express your dissatisfaction with a published story directly to the reporter and the editor or producer. This should be done verbally and in writing. Request that an immediate correction appear. If appropriate, ask for a follow-up story that provides more balance. Be aware, however, that corrections and follow-up stories may end up repeating more damaging information and doing more harm than good.

You may also request a by-lined article by you to respond to the story. Additionally, you can write a letter to the editor. Public embarrassment of a reporter who has been guilty of sloppy journalism is a powerful weapon and may give you a strong edge next time you are dealing with that reporter.

Other actions to consider are:

• <u>Withdrawing your advertising</u> - although this is designed to have a chilling effect on the editorial staff, it seldom has long-term consequences. It may end up doing more harm to your business than it is worth.

• <u>Place an advertisement with your side of the story</u> -- this is a technique that, although expensive, can help correct public perceptions created by misleading editorial coverage.

• <u>Contact an ombudsman</u> -- larger newspapers empower an executive to investigate and critique stories, suggesting remedies.

<u>Contact other interested parties</u> and urge them to write letters to the editor.

• <u>Consider legal action</u> based upon state libel laws or violations of your right to privacy, but realize that it is difficult to win such cases.

If the negative story is accurate, then apologize publicly and sincerely and express the action items your business intends to do to correct the problem and ensure that it does not happen again in the future. The public is overwhelmingly forgiving to persons admitting and apologizing to wrongdoing.

Mitigating Bad Publicity

When bad publicity has occurred, your quick response is the most important. If you are at fault, correct the problem immediately. Apologize sincerely and publicly through a written statement for public distribution. If the negative story is erroneous or did not reflect your side properly, then make sure you address your side through a written statement for public distribution. Make sure you distribute your written statement to your employees and customers first to get the word-of-mouth helping immediately. Be sure to post your written statement on your web site and directly on the web so web searches that will happen immediately following the story are countered with your side or response. You can post your response on the web free through services such as Google. or you can be more aggressive through business press wires. Business press wires can cost \$80 - \$600 depending on how extensive your wire distribution needs to be and the length of your story.

The manner in which a company responds to a negative public relations or media story is as crucial as the story itself. Look at the Tylenol poison scare in the mid-90s and how they responded by telling the media and the public that the safety and welfare is their first priority and they showed it by recalling every bottle of Tylenol and replacing them with safety caps. Their quick response improved their image and ultimately their sales and customer retention. On the other hand, the callous and lackadaisical approach Exxon executed in the Valdez crisis still haunts Exxon today. The ability, manner and approach a company responds to a negative media or public relations incident is a reflection of the company's character so pay very close attention to your response because your customers, potential customers and employees will.

Perhaps the most important defense, however, is an effective offense. Make external communications a higher priority in your company. Don't let a negative perception of your business become a lasting one. Consider every opportunity to raise your visibility with positive publicity. Get more involved with your community and sponsor a public service activity. Use testimonials from satisfied customers in your advertising. Be sure community leaders are aware of the economic and civic contributions your business is making to the community. After a reasonable amount of time, invite the media to do a retail feature story on your business.

Working With Opinion Media

One unfortunate consequence of negative publicity is that it stimulates interest by other news sources. In the case of opinion media, for instance, the story may resurface days or weeks later. The topic may be raised in editorials, columns, letters to the editor, or in guest op-ed articles (an "op-ed" refers to "opposite the editorial page," where such articles are usually placed).

Again, the best strategy is to act before others do. Consider writing an op-ed article of 500-750 words. Guest editorials are not used by all newspapers and magazines, so check to determine interest from the paper before you begin writing. Stay clear of repeating negative information and do not insult any individual or organization. Avoid sarcasm or humor. The best articles present a clear point of view backed up with facts. If the article is published, distribute a reprint to your customers.

Here is a format that will allow you to write an op-ed article that is simple, forceful and effective:

- State the conclusion up front.
- Say why it's right.
- Support it with one or two concrete examples.

• Cite the opposition, saying why they are wrong and give an example of what would happen if they had their way.

• Restate conclusion in a positive way.

If a newspaper is interested in writing its own editorial on the industry, request the opportunity to meet with the editorial writer. Be prepared to answer all questions factually and candidly. Leave behind sufficient background information to answer questions about the industry.

Chapter VI CONCLUSION

Americans get their information about our industry from a variety of sources. But none are more important than the media. We know that running a business places great demands upon your time. Since working with the media is so important but timeconsuming, we produced this publicity handbook to give you a quick reference and basic context on how to develop effective media relations. We hope it serves to stimulate your interest in making this rewarding and worthwhile activity a permanent fixture of your business. For too long, we let the media shape our future. Now, we are taking control back into our own hands.

If you are ever in doubt, contact APRO at 1/800-204-2776 or refer to APRO's web site, www.rtohq.org.