

ELECTRONIC ASSIGNMENT COVERSHEET



Murdoch
UNIVERSITY

| | |
|-----------------------|-------------------------|
| Student Number | 3188 5882 |
| Surname | de Mello |
| Given name | Lexmilian |
| Email | percarus@rocketmail.com |

| | |
|-------------------|---|
| Unit Code | MCC546 |
| Unit name | Professional Communications |
| Enrolment mode | Internal |
| Date | 30 th April 2012 |
| Assignment number | #2 |
| Assignment name | Current PR practices in Asia and Ogilvy's involvement |
| Tutor | Kate Fitch |

Student's Declaration:

- Except where indicated, the work I am submitting in this assignment is my own work and has not been submitted for assessment in another unit.
- This submission complies with Murdoch University's academic integrity commitments. I am aware that information about plagiarism and associated penalties can be found at <http://www.murdoch.edu.au/teach/plagiarism/>. If I have any doubts or queries about this, I am further aware that I can contact my Unit Coordinator prior to submitting the assignment.
- I acknowledge that the assessor of this assignment may, for the purpose of assessing this assignment:
 - reproduce this assignment and provide a copy to another academic staff member; and/or
 - submit a copy of this assignment to a plagiarism-checking service. This web-based service may retain a copy of this work for the sole purpose of subsequent plagiarism checking, but has a legal agreement with the University that it will not share or reproduce it in any form.
- I have retained a copy of this assignment.
- I will retain a copy of the notification of receipt of this assignment. If you have not received a receipt within three days, please check with your Unit Coordinator.

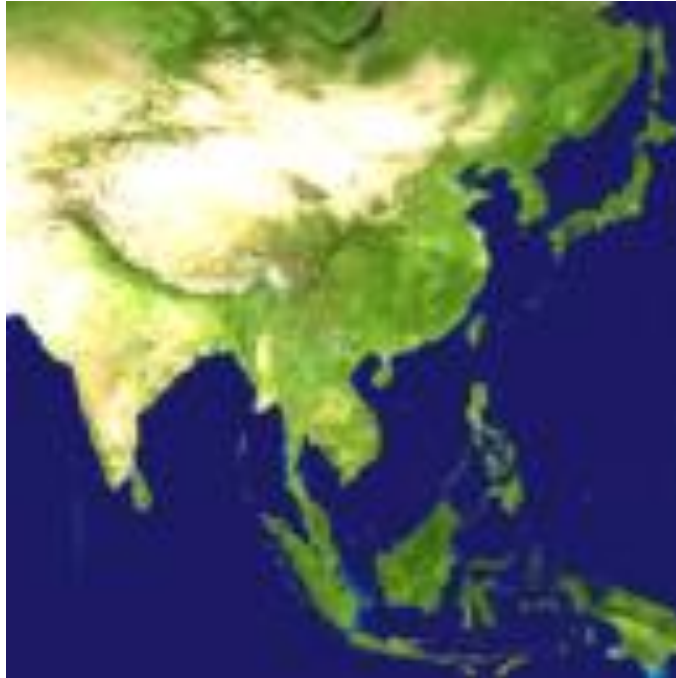
I am aware that I am making this declaration by submitting this document electronically and by using my Murdoch ID and password it is deemed equivalent to executing this declaration with my written signature.

Optional Comments to Tutor:

~168 words in in-text citations deducted.

Essay 2: Current PR practices in Asia and Ogilvy's involvement

- Q.** Explore public relations practice in multi-country settings in the Asian region. Use an industry case study to explain your argument.



Student Name(s): Lexmilian de Mello

Student Number: 3188 5882

Day & Time of Tutorial: Monday, 17:30

Lecturer Name: Kate Fitch

Due Date: 30th April 2012

Word Count: 2172 (2512)

Declaration: "I certify that I can provide a copy of the attached assignment if required" -
"I certify that the attached assignment is my own work and that all material
drawn from other sources has been fully acknowledged"

Signed:

Dated: ...30th April 2012...

Contents

| | |
|---|----|
| 1.0 INTRODUCTION..... | 4 |
| 2.0 COMPARISON OF PUBLIC RELATION POLICIES IN ASIA..... | 5 |
| 2.1 CHINA..... | 7 |
| 2.1.1 HONG KONG – (Martin, 2009)..... | 9 |
| 2.2 INDIA – (Sharma, 2008)..... | 10 |
| 2.3 INDONESIA – (Simorangki, 2011)..... | 11 |
| 2.6 THAILAND – (Chaidaroon, 2009)..... | 11 |
| 2.7 VIETNAM – (Mak, 2009)..... | 13 |
| 3.0 OGILVY AS A CASE EXAMPLE..... | 14 |
| 3.1 CASE STUDY..... | 15 |
| 4.0 OGILVY PUBLIC RELATIONS..... | 17 |
| 5.0 ACTIVITIES FOR EFFECTIVE PR COMMUNICATIONS..... | 19 |
| 4.0 CONCLUSION..... | 21 |
| 5.0 BLIBLIOGRAPHY..... | 22 |
| 6.0 REFERENCES..... | 22 |
| APPENDIX:..... | 26 |

1.0 INTRODUCTION

This paper takes an in depth examination into key facets underlining public relation (PR) practice in Asia. Ethical issues surrounding PR in Asia are brought into light and a key focus on the PR industry in China is brought into focus. Key PR facets in Hong Kong, India, Indonesia, Thailand and Vietnam are contrasted in order to get a better overall picture of the development of PR practice in Asia.

The operations of Ogilvy in China (an international PR agency) are highlighted in a case study in order to understand the impacts of modern PR practice in the Asian economic region.

2.0 COMPARISON OF PUBLIC RELATION POLICIES IN ASIA

PR practitioners in Asia can take comfort at the rapid development the continent has been experiencing over the last few decades. Lee, 1994 (as cited in Sriramesh, 2004) examined the development of mass media in China since 1949 and concluded that the growth spurt experienced in 1980s resulted in an increase in television ownership. It is concluded that there is a direct symbiotic relation between economic growth and television ownership in China (Sriramesh, 2004).

When local conditions limit the use of Western-style media such as television, radio, newspapers and magazines, public relations practitioners operating in Asia do have alternative ways of reaching a wider audience. In India, for example, many public information campaigns have used folk media, such as docudramas, dances, skits, and plays in rural areas. (Sriramesh, 2004, p.21)

Anti-dumping protectionist pressures generated in USA have prevented a significant growth of Asian exports and hindered public relation potential for growth (Dibb, Hale & Prince, 1999). Even then it is estimated that in 2004 alone there were upwards of 100,000 PR professionals working in China (Epley, 2004).

Public relations silence in pedagogy throughout Asia can be attributed to a small number of graduate PR programs in Asian

universities and small amount of scholars on the field (Sriramesh, n.d.). There is also relatively little research surrounding the status of the PR profession in all of Asia.

A lack of democracy correlates to a lack of value in regards to public opinion, thus public relations in Asia tends to be one way propagandistic in nature (Sriramesh, n.d.). The lack of activist movements operating within Asia can be seen as a hindrance to PR development as challenges and opportunities are blocked off (Sriramesh, n.d.).

The level of economic development and the legal system pose PR professionals with many challenges – instead of explicit, like the West, in Asia they happen to be more nebulous (Sriramesh, n.d.). Although, one must not discount the significance of cultural differences, such as the concept of *wa* and *amae* in Japanese culture (Sriramesh, n.d.). The mass media has a powerful impact on public relations and hence has the power to shape a public's opinion (Sriramesh, n.d.). Editorial freedom correlates directly with a country's level of economic development and hence, it is no surprise, that poor infrastructure and a lack of resources limit editorial freedom in developing nations within Asia.

Asian countries generally lack a way for activists to publically express their viewpoints thus hindering publicity-oriented PR activities.

Ethical issues surrounding PR in Asia include the following (Hickson, 2004):

1. Personal
2. Professional
3. Political
4. Cultural
5. Religious and racial
6. Trade and business
7. Social
8. Legal
9. Financial
10. Environmental.

China's economic growth may alarm many nations and thus the drive to ensure stability between US/China relations rely on crucial issues such as trade partnerships – these issues require highly skilled PR practices to promote global understanding (Epley, 2004). Challenges are not just based on international issues and vital communication with internal publics is also important (Epley, 2004).

2.1 CHINA

The public-relations industry arrived in China in 1993 which was the year when commercial advertising in print media was liberalized and memories of the 'Tiananmen square massacre' had begun to fade (Puffing away; Public Relations in China, 2002). The most important public relations services in China are PR services to the information technology sector (Meng, 2007). The news press and promotional

media campaigns are still the main influential tools that all the public relation staff provides in China (Meng, 2007). Furthermore, network marketing and integrated marketing communications are the most commonly known aspects in relations to PR in China.

PR staff in China must understand, accept, navigate, and continually evaluate government imposed complexities to identify opportunity and threats. "Government affairs and PR are intertwined in China, and effective PR strategies must acknowledge this fact" (Gilligan, 2011). Chinese PR practitioners generally agree that the 'press agency' model and the 'two-way symmetrical' model are practiced most in China. However, it is stated that a gradual transition to two-way models is on the way (Meng, 2007).

In summary, Gilligan (2011) states:

- In order to achieve PR effectiveness it is required that companies clearly demonstrate a contribution to Chinese society.
- Companies should treat PR practices as they would government relations.
- PR strategies in China ought to be strategized so as to include trends in government, the social media, industry consolidation whilst still focusing on the 'marketization' of the media.

“Multinationals investing in China still account for most of the demand for PR services, and China's entry into the World Trade Organisation helps” (Puffing away; Public Relations in China, 2002).

It is difficult to determine how many PR departments have been setups within organizations in China (Jun, 1991). Generally speaking almost all Sino-foreign ventures have such departments to:

- “further the objectives of the enterprise;
- organize large-scale propaganda activity;
- subsidize social public good causes;
- assist in marketing the business” (Jun, 1991).

The PR industry in China is developing fast with a growing number of practitioners working in Chinese multinational agencies and hence also on the side of the client (Ovaitt, 2011). It is true that some ethical practices in China disturb the West, however it is also known that the reverse is true (Ovaitt, 2011).

2.1.1 HONG KONG – (Martin, 2009)

Hong Kong (HK) media is among most vibrant in Asia, ie:

- 52 Newspapers (intense competition)
- 709 Periodicals
- 3x TV companies
- 1x Subscription TV
- 1x Satellite TV

- 2x Radio stations

The internet is inexpensive in HK at US\$3.86 a month. HK companies demonstrate a superior corporate social responsibility disclosure when compared to all other countries in the Asia-Pacific regions.

“It’s about helping your brand to enter the public conversation, get your point across articulately, and manage your relationships with many different stakeholders”; Council of Public Relations Firms of Hong Kong, 2009 (as cited in Martin, 2009, p.76).

2.2 INDIA – (Sharma, 2008)

It has been only in the last few years that specializations in government relations and investor relations have emerged in India. Previously PR in India had been a clear bent towards media relations. Today India has a fairly established presence of large international networks and local PR agencies. For instance, several companies have commune access to operations outside India and thus have utilized the services of PR professionals to aide in their public images to target publics. PR in India is prioritized to tourism although globalization has opened PR needs.

“Indian corporations that wanted to gain global visibility as well as compete locally on reputation and brand marketing took the lead in bringing formal PR practices to the country” (Sharma, 2008, p.28).

2.3 INDONESIA – (Simorangki, 2011)

Indonesia’s history is marked by heroic battles and achievements of women in PR. It is no surprise that feminization is a crucial impact in PR in Indonesia.

Simorangki (2011) concluded the following as the impacts of the feminization of the PR industry in Indonesia:

- 1) Degradation of PR practice
- 2) Gender and appearance as a job pre-requisite
- 3) Male PR officers are perceived as gay
- 4) Encroachment
- 5) Low budget assignment for PR
- 6) Low salaries for PR staff
- 7) Sexual harassment prevalent

2.6 THAILAND – (Chaidaroon, 2009)

PR in Thailand first started in the government sector as a way to disseminate controlled information to the public – it evolved from a

press agency model towards a two-way approach. Hence public participation was very limited.

Shell Co Ltd, a renowned oil company, was the first corporation to set up a PR department in Thailand. Today there are several full-service PR agencies (most with Bangkok branches) and in addition most corporate organizations such as hotels, hospitals, department stores have their own PR department under different names (ie: HR, advertising & etc...).

| | <i>Hindering factors</i> | <i>Supporting factors</i> |
|-------------------|--|---|
| <i>Tangible</i> | <ul style="list-style-type: none"> • Shortages of personnel • Inadequate budget and equipment (Thammasat University, 1987) | <ul style="list-style-type: none"> • Adequate budget (Poobuapuan, 1989) |
| <i>Intangible</i> | <ul style="list-style-type: none"> • Limited freedom of operation • Lack of understanding of PR (Thammasat University, 1987) • Limited scope of PR activities • Ignorance and indifference within-department relating to PR (Tantivetchakul, 1988) • Lack of training • Public indifference to significance of government projects • Lack of systematic planning (Srichanachaichok, 1989) | <ul style="list-style-type: none"> • Managerial support • Cooperation by all parties concerned (Poobuapuan, 1989) |

Figure 1: Synthesis of factors supporting and hindering successful public relations in Thailand (Chaidaroon, 2009)

2.7 VIETNAM – (Mak, 2009)

In Vietnam many companies practice some aspects of PR, although they may not call it by that name. Ogilvy PR expanded in Vietnam in 2005 and to date there are 9 international agencies in Ho-Chi-Minh city and 2 in the capital – most PR activity tends to be outsourced to non-Vietnamese individuals.

There is no free placement of news in the media – if an organization wants news released published in the newspaper they have to pay for it.

3.0 OGILVY AS A CASE EXAMPLE

Ogilvy Public Relations Worldwide has been operating in the Asia-Pacific Region for more than 20 years. Currently, it is the largest public relations network in APAC by any and all measures. It is also the fastest-growing major network. Despite its size, it understands the need to balance scale, which offers global best practices and seamless cross-border work for major clients, with a hunger, speed, and nimbleness that comes with small, entrepreneurial agencies. (Ogilvy public relations; Asia pacific, 2011)

Ogilvy PR has established its own company offices in nearly every country in the Asia pacific region in order to serve the local, regional and global clients. They include: Adidas, BMW, Disney, Ford, IBM, Intel, Motorola, Nokia, Rolls-Royce, UPS and hundreds of others (Ogilvy public relations; Asia pacific, 2011).

On a historical tone, by 1950 the agency had accrued only 41 staff members and began to draw some US clients (Johnson, 2011). The most important campaign was established with a budget of only \$30,000 in which a male sporting an eye patch caused such controversy by appearing in magazines accompanying a fact sheet on a shirt's design (the eye patch induced story appeal). Eventually a Lever Brothers account was established in 1957 with the launch of a new Dove cleansing bar. The bar itself, after being briefed by a

chemist, was discovered to have 'one quarter moisturizing lotion', and thus Ogilvy launched Dove to the top of the market (Johnson, 2011).

3.1 CASE STUDY

A joint effort was launched between a parenting website in China (babytree.com) and Ogilvy (China), 'the China Mom Index'. The consolidative efforts of both organizations sought to present a happiness index of Chinese mothers alongside career challenges faced by them. This was accomplished through the use of surveys – a report on Chinese camera brand present in the average household was also made.

The China Mom Index was launched officially on May 4th with the purpose of measuring and keeping track of the happiness of Chinese mothers, and providing a view of the latest developments and trends in the mother- and baby-care market. By uncovering and publicizing the true state of the Chinese mother and baby, it aims to raise the level of awareness, attention, and assistance that society brings to mothers, thereby improving their state of existence.

(babytree.com and Ogilvy Release 1st Series of China Mom Index Reports, 2011)

The survey encompassed an array of other questions, whose dual sided purpose was presumably to identify potential target markets for PR practice as well as aide the community at large. It becomes clear that mother's happiness rating is higher the older the bearing age is, but this reaches an unpredictable factor after the age of 30. Ogilvy was also able to ascertain that China became first in the happiness ratings in contrast to developing countries.

Ogilvy utilizes the data gained from this comprehensive study in order to also attain useful recommendations to brand-name enterprises and employers to allow them to put survey results into their operations (babytree.com and Ogilvy Release 1st Series of China Mom Index Reports, 2011). However, the key to effective public relation is about giving something back to society and in fact working with the public at large. Ogilvy accomplished this by suggesting some moms could have special web cameras installed at home to monitor their children from the confines of their workplace in real-time. Ogilvy even suggested that some employers may provide infant formula foods, diapers, clothes towards mothers – this all in a bid to alleviate the stress of mothers returning to the workplace.

4.0 OGILVY PUBLIC RELATIONS

Ogilvy Common Health Worldwide (OCHWW) boasts experience in every marketing discipline, and even in every therapeutic category.

The agency provides its clients with global marketing and PR services including:

- “advertising and promotion,
- brand identity and development,
- global integration,
- direct-to-consumer,
- direct-to-patient,
- relationship marketing,
- digital/interactive services,
- payer marketing,
- medical education,
- media planning and buying,
- scientific communications and publications,
- clinical trial recruitment,
- market research and analytics,
- strategic consulting, and
- public affairs and relations” (WPP Annual Report & Accounts, 2010, p.69).

When approaching different Asian communities and groups it is normal for Ogilvy PR to prepare a presentation targeted to the prospect. Ogilvy does a market audit and puts things into perspective in a way that is interesting to them within a nicely contained book (Ogilvy public relations, 2003). The book packages

are usually presented to clients in person because the ultimate goal within Ogilvy is to establish a long term dialogue with the client (Ogilvy public relations, 2003).

OCHWW has a strong PR culture that focuses on anticipating client's desires and thus putting greater focus on emerging markets remains one of the key points. OCHWW PR is committed to a culture of diversification whilst focusing in health aspects.

Essentially what we observe in Ogilvy is the arrival of the new agency model with a move towards a producer of content instead of a generator of messages. Ogilvy's clients usually demand digitally-enabled content which does position the company in the heart of logistics. Ogilvy excels in lead generation and a good image building track record. Branded entertainment remains as one of the key facets that are managed by the Ogilvy group; thus requiring markets that are able to supply a programming workforce. However, the biggest structural initiative for Ogilvy has been with health care. Ogilvy & Mather's healthcare group merged with American organization, 'CommonHealth', thus doubling the size and reach of each organization.

“Ogilvy CommonHealth Worldwide, is now a true world leader in healthcare communications.”

(WPP Annual Report & Accounts, 2010, p.32)

5.0 ACTIVITIES FOR EFFECTIVE PR COMMUNICATIONS

As globalization brings the world together, there is a greater need for PR practitioners to help adapt policies to navigate the cultural domain. The following key issues highlight step procedures for effective PR communication, as adapted and cited in Kent & Taylor (2007):

- 1) *Identify features of the situation* - The examiner must take a broad approach to understanding the rhetorical situation before him/her. It is important to try to put yourself into the public's perspective. Cultures of influence ought to be also highlighted.
- 2) *Identify the intended audience effects* - We need to understand the goal of the organization's actual communication. Obstacles, such as ethnocentrism, need to be overcome.
- 3) *Clarify the motivational intent of the organization and publics* - Here the main purpose is to find where the interests of both the public and organization intersect.
- 4) *Examine how meaning is created* - It is then important to ensure the organization's message is understood within the culture. It is important to understand how people see themselves.

- 5) *Examine strategic considerations* - The understanding of culture lays ground for strategic considerations. Symbols, icons, slogans can then be devised that more-so captivates the public.
- 6) *Use communication principles and theory to understand how culture influence organizations and communication* – Modernist, post modernist, critical, and critical modernist approaches may be used.

4.0 CONCLUSION

As greater internet consumer sophistication, empowerment, stakeholder influence and social pluralism grow relentlessly in all mentioned Asian societies, Ogilvy helps set a standard in PR practice that communicates effectively across a diverse set of audiences worldwide. Ogilvy's involvement in the Asia Pacific warrants a PR trend that expands outside aspects mandated solely by tourism or government mandates and instead seeks to captivate publics in a broader range of scope. The utilization of surveys as a means to help promote better products to the consumers remains a key strategy in Ogilvy. Surveys do not act as an impediment to cultural values within a country and are conducted by volunteering participants who in turn show genuine interest in the services provided thus overcoming intercultural barriers.

Asian countries generally lack the capabilities to properly recognize PR practices as a means to publically express the views of the greater public. However, the establishment of renowned organizations such as 'Ogilvy' has paved a new ethical benchmark when it comes to PR practice operating in Asia. The limitations of Ogilvy's operations lies that its major clientele includes major globalized companies. However, Ogilvy recognizes that key to effective public relation is about giving something back to society and in fact working with the public at large.

5.0 BIBLIOGRAPHY

Morris, T., Goldsworthy, S. (2008). Public relations for Asia.

Basingstoke: Palgrave Macmillan

6.0 REFERENCES

Anonymous (2002). Puffing away; Public relations in China

[Electronic version]. *The Economist – ProQuest*. 51, p.1

Anonymous (2011). Babytree.com and Ogilvy Release 1st Series of

China Mom Index Reports [Electronic version]. *Business and economics*. p.1

Chaidaroon, S. S. (2009). Public relations in Thailand – getting

through turbulent times in the twenty-first century [Electronic version]. *Media Asia – ProQuest asian business & reference*.

36:2, p.104-111

Dibb, P., Hale, D. D. & Prince, P. (1999). Asia's insecurity [Electronic

version]. *The international institute for strategic studies*. 41:3, p.5-20

Epley, J. (2004). PRSSA members learn about public relations in

Asia [Electronic version]. *Public relations tactics*. p.36-37

Gilligan, G. P. (2011). Effective public relations in China [Electronic version]. *Focus: advertising, media & public relations – Chinabusinessreview.com*. p.32-35

Hickson, K. (2004). Ethical issues in practicing public relations in Asia [Electronic version]. *Journal of communication management*. 8:4, p.345-353

Johnson, E. (2011). The original mad man: David Ogilvy's commitment to professionalism changed advertising forever [Electronic version]. *Success*. p.66

Jun, Y. [1991]. "Public relations in China – a decade of rapid growth". Retrieved February 2012, from the 'Business Library' Web site:
http://findarticles.com/p/articles/mi_m4422/is_n10_v8/ai_11415986/

Kent, M., & Taylor, M. (2007). How intercultural communication theory informs public relations practice in global settings [ECMS] [Electronic version]. *Intercultural communication theory in global settings*. p.50-76

- Mak, A. (2009). Public relations in Vietnam [Electronic version].
Media Asia – ProQuest asian business & reference. 36:2,
p.112-119
- Martin, E. F. (2009). Hong Kong public relations [Electronic version].
Media Asia – ProQuest asian business & reference. 36:2,
p.72-79
- Meng, F. (2007). Current public relations status in China [Electronic
version]. *Thesis: East Tennessee State University – master of
art in professional communication*. p.1-62
- Ogilvy Public Relations (2011). Ogilvy public relations; Asia pacific
Retrieved February 2012, from the 'Ogilvy Public Relations'
Web site: <http://www.ogilvypr.com/en/country/asia-pacific>
- Ovatt, F. [2011]. "China and public relations research". Retrieved
February 2012, from the 'Science beneath the art of public
relations' Web site:
[http://www.instituteforpr.org/2011/12/china-and-public-
relations-research/](http://www.instituteforpr.org/2011/12/china-and-public-relations-research/)
- Sharma, S. (2008). PR finds its path [Electronic version].
Communication world – ProQuest. 25:6, p.38-39

Simorangkir, D. (2011). The impact of the feminization of the public relations industry in Indonesia on communications practice [Electronic version]. *International journal of strategic communications*. 5, p.26-48

Sriramesh, K. (2004). Public relations in Asia [Electronic version]. *Public relations practice and research in Asia*. p.17-23

Sriramesh, K. (n.d.). Public relations practice and research in Asia – a conceptual framework [ECMS] [Electronic version]. p.1-28

Van-der-pool, L. (2003). Ogilvy public relations [Electronic version]. *Adweek*. p.17

www.wpp.com (2010). WPP Annual Report & Accounts [Electronic version]. *Healthcare communications*. p.32-69

APPENDIX:

The Quotable 'Ogilvy'

- It takes a big idea to attract the attention of consumers and get them to buy your product. Unless your advertising contains a big idea, it will pass like a ship in the night.
- Advertising reflects the mores of society, but it does not influence them.
- Advertising people who ignore research are as dangerous as generals who ignore decodes of enemy signals.
- Don't bunt. Aim out of the ball park. Aim for the company of immortals.
- Every advertisement should be thought of as a contribution to the complex symbol which is the brand image.
- Good copy cant be written with tongue in cheek, written just for a living. You've got to believe in the product.
- I avoid clients for whom advertising is only a marginal factor in their marketing mix. They have an awkward tendency to raid their advertising appropriations whenever they need cash for other purposes.
- I don't know the rules of grammar ... If you're trying to persuade people to do something, or buy something, it seems to me you should use their language, the language they use every day, the language in which they think. We try to write in the vernacular.
- If it doesn't sell, it isn't creative.
- I notice increasing reluctance on the part of marketing executives to use judgment; they are coming to rely too much on research, and they use it as a drunkard uses a lamp post for support, rather than for illumination.
- Advertising should be true, credible and pleasant. People do not buy from bad-mannered liars.
- Never stop testing, and your advertising will never stop improving.

(Johnson, 2011)