

Internal / External Communications

A Primer



from MarketingStrategiesAndSolutions.com



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As an Owner or a Senior Manager of a business, there may be times when you are called upon to either make a public statement or are interviewed by a member of the press. As intimidating as this may be, it is very important to be perceived as an authority of the topic at hand. For this, you need to be both confident and informed. Being “informed” doesn’t just mean that you are an expert on the topic or that you are close to the situation, it also means that you know what you can and cannot say.

It is difficult to know how to balance the obligation of protecting your company’s brand and internal corporate information while at the same time, properly and transparently informing your employees, your community, your suppliers and ultimately, your customers. What you say and how you say it, is really the crux of the matter.

The following document helps to unravel the balance between being open and transparent and the importance of keeping certain information privileged and private and how to ensure that all internal and external communications are thus appropriate, regardless of the intended audience.

But first, a word about publicly traded companies

First and foremost, there is a legal obligation to disclose certain events and occurrences – especially those that may impact a company’s share price. In these situations, it is always advisable to have a corporate communications policy in place which specifies who can and who cannot speak on behalf of the company. It should also provide guidance when to seek legal counsel advice on what is required to be disclosed and when it should be communicated.

OVERVIEW

As a general rule of thumb, any communication that is put in writing, whether to employees or intended for external distribution, should be tested against two simple questions:

- Would our competitors like to know this information; Or said another way, would we like to know this about our competitors?
- Could the information be harmful to sales? Realizing that beyond the immediate company, the impact to dealers and their salesmen’s salaries needs to be considered.

Far too often, confidential internal memos intended for employees can easily become widely known – we can thank the internet and the various social sites for that.

If the answer is **Yes** to either question, then the copy should be revised until it passes these two questions with a firm **NO**.

As stated earlier, far too often a company’s business and private affairs are discussed externally with members of the press, whether intentionally or otherwise, but regardless, the results are the same. In the spirit of transparency, it is important for Senior Management to share information with employees but those Managers must always **keep in mind that internal information often reaches the eyes of external stakeholders**, e.g. internal newsletters and postings are in many cases, distributed to external stakeholders.

The underlined statement above is an important point to consider. There have been many documented instances where internal communications intended only for employees have been sent anonymously to the local press. The local press may, albeit innocently, post that information concerning your facility in the form of a story to the web via their own website. Additionally, if the reporter believes it to be a ‘scoop’, they might send the same story to the press wire services. In either case and thanks to the search engines like Google and Yahoo, it will ultimately end up in your competitors’ and customers’ hands.

Topics to watch for:

Build rate, production volume, pulls, market share and serial number ranges.

Any of the above, gives an indication of market size. You probably want to know this type of information about your competitors. This information when compared to your own numbers, gives an indication how a competitor's business is performing and over time, it produces a trend. When a company must produce serial numbers (for service/parts support or warranty purposes), it is always a good idea to disguise the numbering system, if possible.

Financial information (total sales, cost of goods sold, selling price of a model or order, etc.)

See note about publically traded companies.

Knowing the selling price of a similar competitive product is valuable especially if the total sales volume is also known. Companies will make estimates on how

another company is performing and include this information in their SWOT analysis, etc.

When a significant or large sale is made, companies often will want to use this as a PR opportunity. Be careful if you state the number of units involved and

the total contract price in the press release. If the selling price per unit is close to the normal price, then there is little concern. If however, the selling price has been deeply discounted to win the deal, then this information can hurt future sales and current client relationships. A simple math calculation will establish a new lower market price for your product. Former customers may feel that they paid too much and prospective customers know your bottom dollar!

When sensitive information must be shared with others, it is always better to present it, than to print it.

In printed form, it becomes an uncontrolled document.



Remember...

Often the writer of a Press Release or even a newsletter article is the subject matter expert and may inadvertently take for granted that the reader has a certain level of understanding on the subject. Writing an article from a layman's perspective helps to ensure that the message is not taken out of context. Try to avoid industry terms and acronyms and stick to simple key facts.

Lastly

Test the article, release or the spoken statement text against the two simple questions:

- Would our competitors like to know this information; Or said another way, would we like to know this about our competitors?
- Could the information be harmful to sales?

If the answer is **Yes** to either question, then the copy should be revised until it passes these two questions with a firm **NO**.

Tips For Speaking To The Press ...

Regardless if it is a good or a bad news story, having to speak at a press conference or one-on-one with a reporter can be a bit intimidating but part of being prepared includes learning to 'think' like a reporter. Done well, even a bad news scenario can be a positive news PR opportunity.

Following are a few suggestions to keep in mind when you are presented with this opportunity:

1. Reports are looking for 'sound-bites'

- Realize a reporter is looking for quotes to include in the article as it provides credibility to the reader and they are also 'facts' that he does not need to spend time on to get confirmed; this makes it easy for the reporter to complete his story. Therefore, try to keep your answers concise and to the point – frame your answers in quotes that would be useable in print. If you have a one-on-one interview with a reporter, listen fully to the question before answering – don't anticipate what the reporter is going to ask and only answer the question being asked.
- Reporters are trained to listen and they will often use silence to 'encourage' you to speak or continue to add to the statement you just gave. It is human nature to feel uncomfortable with silence, so when you have finished speaking, you have finished speaking. Don't ramble on.
- Treat it as if you were a witness giving testimony and the defense attorney says, "just answer the question asked".

2. Avoid industry terms, acronyms and overly technical jargon

- It is still best to speak in basic layman terms. Although many of the readers may have a strong technical background, simple terms are important to get your message across.

3. Be prepared

- Never try to 'speak from the top of your head' at a press conference or an interview. Choose a couple of key points you want to stress during your presentation/interview and do it clearly. Visual aids (pictures, graphs, charts, PowerPoint presentations, etc.) should support your message. Do not get too involved or complex.

4. Don't accept a reporter's information or figures as facts

- You don't necessarily know the source where the reporter is getting their information.

5. Think and speak in three's

- This is especially important when developing an official press release or a statement of facts as it defines the event and outcome:
 - a. **Time:** past, present, future
 - b. **Geography:** your city, Ontario, Canada
 - c. **Incidence:** issue, impact, next steps

6. Confidence

- Knowledge about your product and the facts concerning the issue are translated in your tone of voice and body language. Being prepared for the presentation will have a positive confidence inspiring effect.

7. If you don't want it in print, don't say it ...

- Try not to make any off-hand remarks or speak 'off the record', particularly if you don't already have a personal relationship with the reporter. Always remember reporters have a job to do and they're always looking for a good news 'scoop'.

Marketing Strategies & Solutions

We are experienced in handling the image management duties for manufacturing companies and industrial clients, both in the dissemination of good news events and during times of crisis. Our public relations experience spans the development of a communication strategy (both pro-actively and in time of crisis), the writing of required releases and the distribution of the same and utilizing our extensive network of media contacts to acting as corporate spokesman on behalf of our clients. We can help you keep your brand well protected during difficult times as well as being front and centre during good times.

