

# E-PR ON THE HORIZON

Public relations via the Internet could be worth \$60m within three years.

**BRETT ROLFE**  
E-Pr



ONE of the fundamental paradigm shifts that has to occur for the communications industry to make the most of the Internet is to stop seeing it as 'a place where people consume content' and start seeing it as 'a place where people communicate and do stuff'.

It is the beginning of that shift that has driven the popularity of online consumer relationship management (e-CRM), and it is the next phase of that shift that will drive the growth of online public relations (e-PR).

The second hurdle e-PR needs to overcome is the entrenched stigma of public relations as marketing-driven media relations. Within the restrictive bounds of 'getting the client positive column inches', there is precious little role for the Internet—particularly in Australia where so much of our online content is regularly re-purposed from offline media sources anyway.

However, taking a more holistic view, public relations encompasses the management of relationships between an organisation and its 'publics', where a public can be any group that affects, or is affected by, the organisation. These publics can be investors, employees, local residents, the government, industry bodies, and a host of other groups. When PR is defined in this way, the potential for e-PR starts to become clear.

Taking this much broader perspective, you begin to notice activity already occurring that hints at the potential of the

medium as part of a comprehensive public relations approach.

## Crisis management

In Hong Kong, a government department used SMS messages (an interesting breach of opt-in etiquette) to quell rumours about the spread of SARS. Anti-viral companies are another example of firms that rely on the rapid information-sharing ability of the Internet to allow them to respond to crises. Other companies have even developed websites to communicate product recalls (such as [www.ballistic-forkrecall.com](http://www.ballistic-forkrecall.com)).

## Environmental scanning

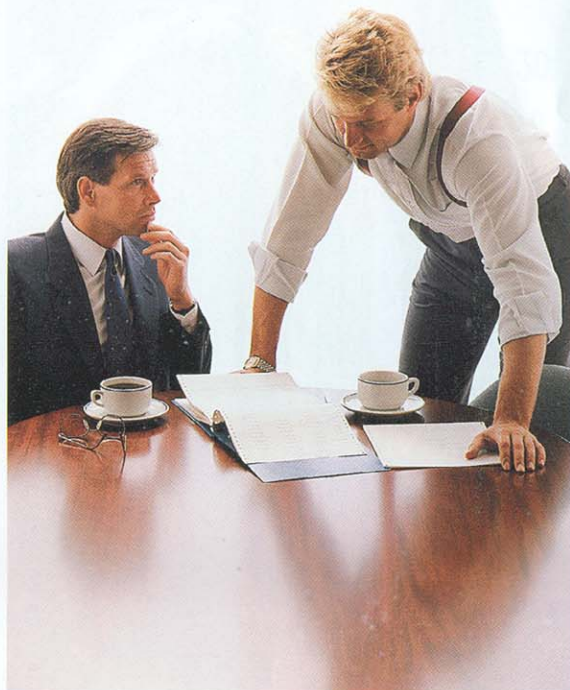
A number of corporations—particularly IT firms—use the Internet as an early warning system for emerging issues. By monitoring discussion forums and community websites, these firms can use the Internet to anticipate and defuse situations before they become crises.

## Investor relations

Many large firms are now beginning to deliver shareholder information online. This needs to cater to two audiences—the direct investor and the institutional investor. For a good comprehensive approach, check out Microsoft US ([www.microsoft.com/msft](http://www.microsoft.com/msft)).

Once it has been accepted that there is a place for this type of communications activity, the question then becomes who is in the best position to deploy it. e-PR is within reach of a range of interactive agencies, who by throwing a PR specialist into the mix, could offer this type of service.

Alternatively, PR companies are even better positioned as they can place e-PR within the context of a broader public



Public Relations: going down the Internet route.

relations strategy—their challenge is to find interactive partners capable of executing the online tactics successfully.

It still remains to be seen which of these approaches proves most successful, and how quickly companies will integrate the Internet into their public relations activities.

There already exists the beginnings of an online public relations industry in the US, a market generally acknowledged to be a year or two ahead of Australia in terms of Internet maturity.

A report from Jupiter Communications anticipates that this e-PR market in the US will grow to US\$2bn within three years. This projection would suggest an Australian ePR market of A\$60m by that time.

This is by no means enough to support the sudden emergence of a herd of specialist

e-PR companies. However, I suggest it will be enough to make the area a key consideration for the expansion of existing interactive and public relations agencies.

Whether a market of this size becomes a reality within that short space of time is open to debate.

One certainty remains however—as more and more Australian Internet users make the digital medium an integral part of their lifestyle it's becoming a key channel for organisations to manage their relationships—not just with their customers, but with every one of their stakeholders.

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