

A utility worker wearing a white hard hat and an orange safety vest is positioned in a white bucket, working on a power line. The bucket is suspended from a white boom that extends from a wooden utility pole. The background is a clear, bright blue sky. The overall scene is captured from a low angle, looking up at the worker and the power lines.

LEVICK Weekly

MARCH 15, 2013

■ EDITION 31

MIRACLE WORKERS

How Utilities Can Generate More Goodwill

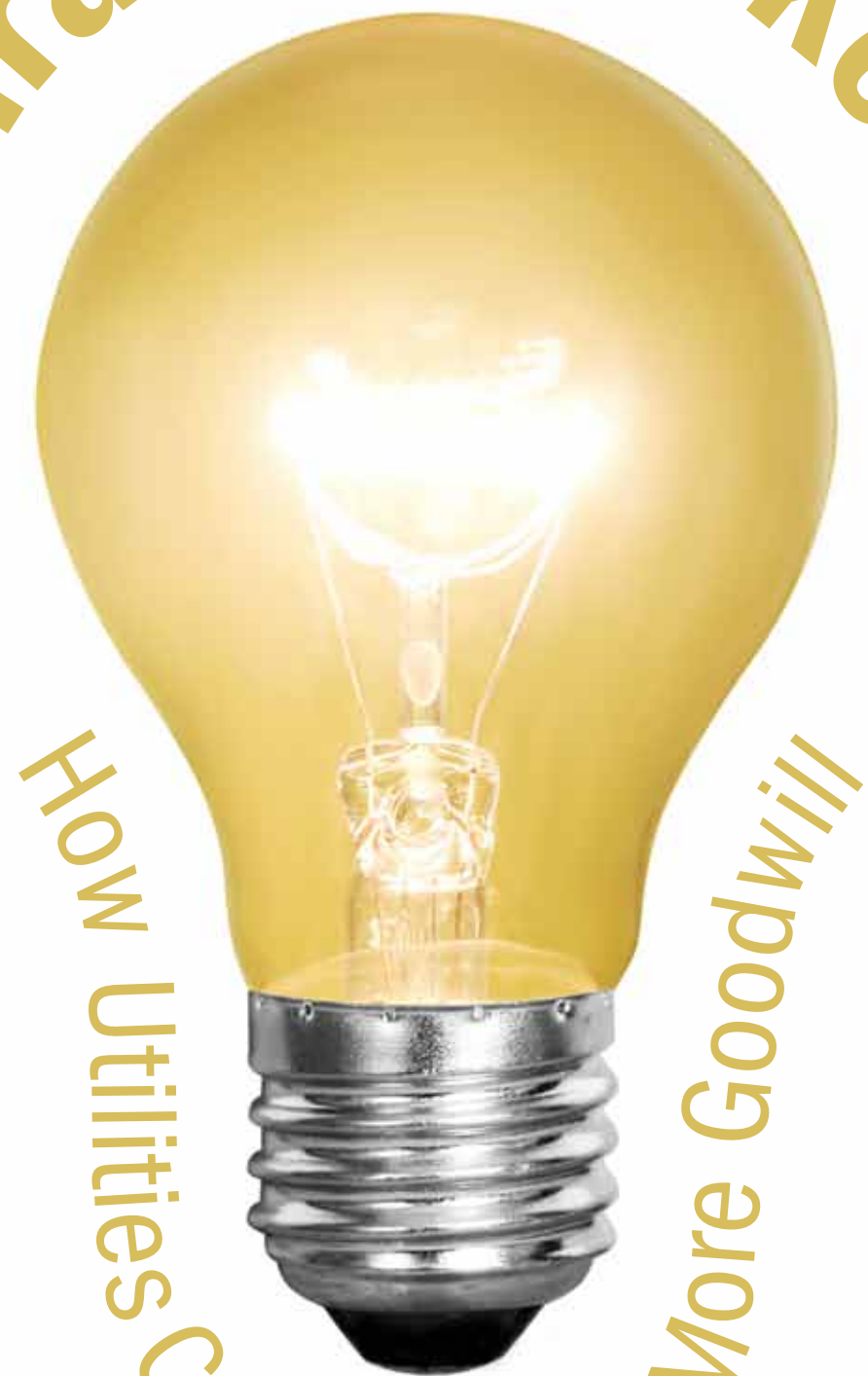


COVER IMAGE: An electric utility is an electric power company (often a public utility) that engages in the generation, transmission, and distribution of electricity for sale generally in a regulated market. The electrical utility industry is a major provider of energy in most countries. It is indispensable to factories, commercial establishments, homes, and even most recreational facilities. Lack of electricity causes not only inconvenience, but also economic loss due to reduced industrial production.

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Miracle Workers



How Utilities Can Generate More Goodwill

Richard S. Levick

Originally Published on Fastcompany.com

When the lights went out on Super Bowl XLVII last month, America's electric utilities were provided a stark reminder of the marquee reputational challenge they face. Despite the fact that Entergy New Orleans restored power to the Super Dome in just 34 minutes, the dominant narrative across social and traditional media was the problem, not the solution. The task was as immense as it was complex, and it was carried out under the most difficult of circumstances. Nonetheless, the restoration effort barely created a ripple in an outage conversation that out-trended Beyonce's half-time show and every other Super Bowl-related topic, including the game itself, on Twitter.

Utilities across the country work similar miracles every day; most are similarly disregarded by consumers who have come to expect perfection from the public and private power industries. Most of us have little to no understanding of what it takes to keep the juice running. It's not something we think about until we're forced to live without it. The miracle is now routine—and when breaks in the routine inevitably occur, we have astoundingly little patience for utilities that perform flawlessly the other 99.9 percent of the time.

Such fickle consumer attitudes are apparent in the numbers. According to J.D. Power's 2012 Electric Utility Residential Customer Satisfaction Survey, utilities score a paltry 625 on a 1,000-point scale. That puts them nearly 100 points behind banks, insurers, and other historically unloved industries. To be lagging so

far behind banks four years into an economic downturn is a particularly telling stat.

The anecdotal evidence is just as compelling. In July 2011, a public utility, PEPCO (Potomac Electric Power Company), rose to the top of the American Consumer Satisfaction Index's (ACSI) list of the "Most Hated Companies in America." That's not a list of just power companies mind you; but of all companies doing business in the U.S. At the same time, consumer advocate offices—such as Illinois' Citizens Utility Board and California's Utility Reform Network—are popping up across the country. Earlier this year, New York Governor Andrew Cuomo voiced his desire to disband the Long Island Power Authority (LIPA) due to delays in repairing infrastructure ravaged by Hurricane Sandy.

Now, consider that all of this is happening despite the remarkable acumen that most utilities demonstrate in their customer engagement strategies. They are out in front of most other industries in terms of Search Engine Optimization (SEO), as utility messaging on pricing, emissions, storm preparedness, and other significant issues often claims top billing on Google. Many of them leverage social media during outages to provide consumers with timely, detailed, and highly localized information about restoration efforts. Their websites are content-rich and focused on consumer needs.

Clearly, many utility companies put a great deal of thought into consumer outreach and reputation management. So why is the industry still so reviled? Why don't we cut utilities



more slack for outages that are often caused by forces outside their control and resolved as quickly as possible?

There is the fact that media attention often falls on the worst of public utilities, the ones that increase rates and don't invest in infrastructure for years upon years. But there is a larger factor at play. For the most part, the public doesn't appreciate the hard work, fast action, and professionalism that ultimately saved the Super Bowl. We don't see the utility worker toiling atop a cherry picker in high winds and driving rain to restore power to a blacked-out community. We aren't exposed to the stories of expertise, courage, and sense of service that makes the miracle of light happen; so those factors aren't there to diminish our anxiety and frustration when it doesn't.

Utilities have a powerful story that simply isn't being told. They are the engine that makes every aspect of modern life possible. They are the first responders on the front lines when Mother Nature wreaks her havoc. They are the men and women who take considerable risks to protect our comfort and convenience. These are the narratives that will establish tangible consumer connections and put a human face on that flick of the switch. And that level of familiarity is precisely what's needed to earn and maintain higher levels of public trust.

These messages need to be front and center, and disseminated in ways that maximize their impact.

First and foremost, that means integrating the use of web video to show, rather than merely

tell, consumers what it really takes to keep electricity flowing on sunny and stormy days alike. I've spent time on dozens of utility websites around the country and am amazed by the overwhelming number that use clip art. Nice pictures of smiling people, and hardly any of them of real. Pictures are how we communicate. So the goal should be to use this extraordinary opportunity that technology has provided to relay a message in an emotional way that gets customers saying, "That's my utility company."

It also means optimizing these emotional narratives for online search just as aggressively as those related to rates and other issues. And it means personalizing these stories with the same targeted social media outreach strategies that utilities deploy to provide personalized updates during outages. The single factor that significantly moves the needle of customer satisfaction for utilities is localized messaging (e.g. "your power in your neighborhood will be returned within four hours"). Technology now allows utilities to do this adroitly. Why not do it during peacetime, instead of just during the storm?

Familiarity breeds understanding, and understanding, in turn, breeds trust. When consumers begin to better understand all that utilities and the people behind them do, the more they will appreciate the millions of tiny miracles utilities enable every day. More important, they will be all the more willing to provide utilities with the benefit of the doubt when they fall short of the perfect performance they demand.

Utilities have a powerful story that simply isn't being told. They are the engine that makes every aspect of modern life possible.

After all, most Americans love and trust Apple and thus give it time to fix its mistakes. Aren't the companies that provide the power that lets Apple be Apple entitled to the same?

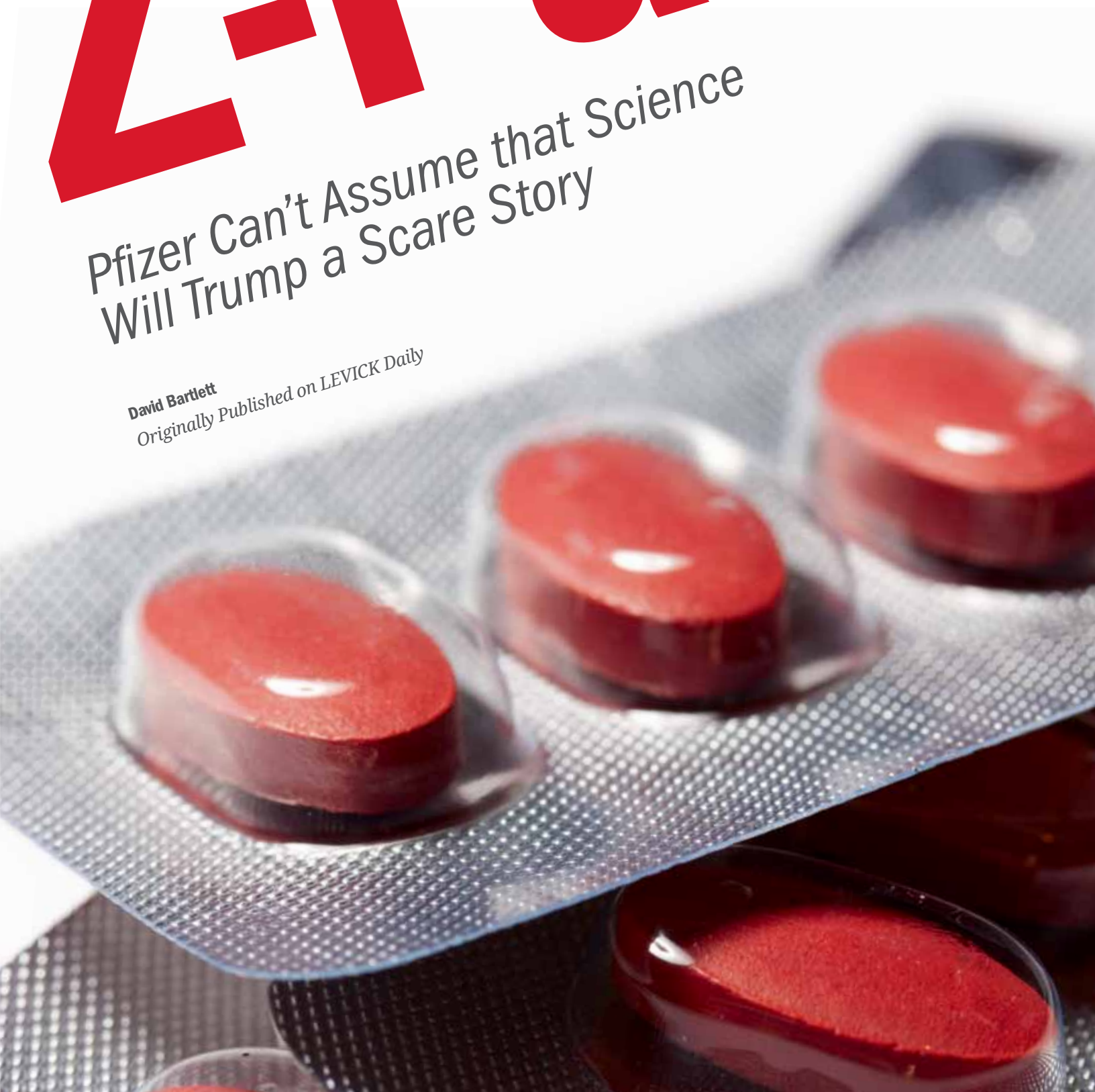
They are, but only if they understand that like a light bulb, television, or computer turning on, brand loyalty doesn't just happen on its own. **L**

Richard S. Levick, Esq., President and CEO of LEVICK, represents countries and companies in the highest-stakes global communications matters—from the Wall Street crisis and the Gulf oil spill to Guantanamo Bay and the Catholic Church.

Z-Pack

Pfizer Can't Assume that Science Will Trump a Scare Story

David Bartlett
Originally Published on LEVICK Daily



This week, the U.S. Food and Drug Administration (FDA) issued a warning that Pfizer's popular Z-pack antibiotic (also known as Zithromax or Zmax) may cause sudden death in some patients with preexisting heart conditions.

Z-packs are prescribed nearly 60 million times a year and are often requested by name by patients who understand just how powerful and effective they are in treating bacterial infections. Any suggestion that such a popular and effective medication might have adverse side effects is therefore newsworthy—and high-profile media from the Today Show to World News Tonight ran wild with the story.

It is important to note, however, that newsworthy items are not necessarily true. The possibility that Z-packs might cause irregular heartbeats in a small number of patients makes for a great scare story. But it does not mean that the vast majority of people who take the pills have anything at all to worry about.

As is often the case, the context is buried deep under the sensationalism. The FDA warning shows correlation—that a statistically significant, although apparently still rather small, number of patients who took the drug suffered the potentially serious side effect. But that is not the same as demonstrating actual causation through the rigorous and replicated scientific testing that would prove how the drug might actually cause the side effect.

Moreover, the side effect referred to in this latest round of scare stories turns out to be not all

that new. It may, in fact, be something doctors have known about and taken into consideration all along. Even before the FDA issued its warning physicians probably did not prescribe Z-Packs to patients with heart problems

All that said, Pfizer needs to be careful not to assume that the scientific facts alone—no matter how well they are presented—will effectively address the brand risk. Winning the scientific battle is a necessary defensive move. But the war will be decided emotionally.

When the public hears the words “sudden death” leading the nightly newscasts, no amount of scientific evidence will entirely eliminate their anxiety. Instead, the public needs to be reminded of why Z-Packs are so popular in the first place. Why taking them is worth whatever slight risk might be involved.

Pfizer needs to aggressively communicate the benefits of its antibiotic in order to ensure that they outweigh the apparently very slight risk to a very small percentage of the patient population. This is especially true in the online and social media space, where wild rumors and exaggerations about the latest medical scare are the rule rather than the exception.

It is a rock solid principle of risk communication that most people perceive a risk as less serious if it is associated with a clear benefit. As such, this is truly a situation in which the best defense is a good offense. **■**

David Bartlett is a Senior Vice President at LEVICK and a contributing author to LEVICK Daily.

THE NYC SODA BAN

Another Solution in Search of a Problem

Gene Grabowski

Originally Published on LEVICK Daily



When a New York City judge halted Mayor Michael Bloomberg’s attempt to ban the sale of soda beverages over 16 ounces at corner stores, bars, restaurants and theaters, the ruling represented a victory for consumer choice.

The proposed law was aimed at sodas and other sweetened soft drinks that are presumably contributing to America’s obesity epidemic. Like Mayor Bloomberg’s other salvos against trans-fats, cigarettes, salt, and even loud music, it was essentially an attempt to force healthier lifestyles on NYC residents by regulating consumer behavior. That’s why the judge rightly struck it down as “arbitrary,” “capricious,” and a prime example of government overreach.

But despite its obvious constriction of consumer choice, the ban’s most significant flaw was that it simply isn’t needed. There is ample evidence that consumers who are well-informed make healthier decisions. When presented with a wide array of nutritious options, they make even healthier ones. Right now, the

food and beverage industry is already making progress on both fronts—and in ways that don’t deprive New Yorkers of a Big Gulp once in a while.

Food and beverage labels are among the most informative and transparent you can find on any shelf.

As consumers have learned more about nutrition and demanded healthier choices, the food and beverage industry has obliged—without limiting choice for those who may prefer larger servings. That fact notwithstanding, the industry is currently working with regulators to craft even stronger standards that balance the need to inform with the desire to market.

In fact, when it comes to choice, soda brands provide the perfect context for how the industry is slanting toward healthier options. Right now, for example, they’re offering a flood of new drinks that cater directly to the health-conscious—and consumers are rewarding them for it. Meanwhile, you can hardly find a high-fructose soft drink any more in high school vending machines that today are stocked with water, juices and vitamin drinks.

Like so many other attempts to limit consumer freedom, New York City’s proposed soda ban was a solution in search of a problem that is best addressed with consumer education and the free market.

New York’s soda ban defeat won’t deter activists, plaintiffs, regulators and lawmakers from launching similar attacks in the future. But, as long as the food and beverage industry stays ahead of the curve on issues of health, nutrition, and choice, it will be well-positioned to contain the mischief of politicians. **L**

Gene Grabowski is an Executive Vice President at LEVICK and a contributing author to LEVICK Daily.

LIVESTRONG

Life After Lance is Possible—Telling the Small Stories Will Yield Big Results

Ryan Stanton

Originally Published on Commpro.biz

With every miscast step Lance Armstrong takes in his continued doping scandal, Livestrong finds itself in a unique and perilous position. The charitable foundation, with its benevolence in regard to cancer research and fundraising, cannot yet escape the specter of its disgraced founder, former CEO and spokesman. In order to do so, Livestrong must continue to distance itself from Armstrong's now tattered legacy. The organization took its first major step last week by revealing a new logo which severs Armstrong's name from the Livestrong brand.

However, a full transformation will be an uphill climb and require much more than a tweak to a logo. A simple search engine query for "Livestrong" yields nothing but connections to the fallen cycling hero, proof that these efforts will need to be carried out for a prolonged period of time. As potential litigation looms, it is likely that Armstrong will continue to generate headlines that distract from Livestrong's message.

Just weeks after Armstrong's public confession on Oprah, he further damaged his reputation by refusing to cooperate with the USDA's investigation, forcing Livestrong's leadership to pursue an aggressive strategy to distance itself from the former icon. Key to this effort will be CEO Doug Ulman, and his ability to convince stakeholders that the page has been turned on the Armstrong era. If Livestrong is to escape Armstrong's shadow, its leadership must continue to emphasize their cancer support services





BLOGS *worth following*



THOUGHT LEADERS

Amber Naslund

brasstackthinking.com

Amber Naslund is a coauthor of *The Now Revolution*. The book discusses the impact of the social web and how businesses need to “adapt to the new era of instantaneous business.”

Brian Halligan

hubsport.com/company/management/brian-halligan
HubSpot CEO and Founder.

Chris Brogan

chrisbrogan.com

Chris Brogan is an American author, journalist, marketing consultant, and frequent speaker about social media marketing.

David Meerman Scott

davidmeermanscott.com

David Meerman Scott is an American online marketing strategist, and author of several books on marketing, most notably *The New Rules of Marketing and PR* with over 250,000 copies in print in more than 25 languages.

Guy Kawasaki

guykawasaki.com

Guy Kawasaki is a Silicon Valley venture capitalist, bestselling author, and Apple Fellow. He was one of the Apple employees originally responsible for marketing the Macintosh in 1984.

Jay Baer

jaybaer.com

Jay Baer is coauthor of, “*The Now Revolution: 7 Shifts to Make Your Business Faster, Smarter and More Social.*”

Rachel Botsman

rachelbotsman.com

Rachel Botsman is a social innovator who writes, consults and speaks on the power of collaboration and sharing through network technologies.

Seth Godin

sethgodin.typepad.com

Seth Godin is an American entrepreneur, author and public speaker. Godin popularized the topic of permission marketing.

INDUSTRY BLOGS

Holmes Report

holmesreport.com

A source of news, knowledge, and career information for public relations professionals.

NACD Blog

blog.nacdonline.org

The National Association of Corporate Directors (NACD) blog provides insight on corporate governance and leading board practices.

PR Week

prweekus.com

PRWeek is a vital part of the PR and communications industries in the US, providing timely news, reviews, profiles, techniques, and ground-breaking research.

PR Daily News

prdaily.com

PR Daily provides public relations professionals, social media specialists and marketing communicators with a daily news feed.

BUSINESS RELATED

FastCompany

fastcompany.com

Fast Company is the world's leading progressive business media brand, with a unique editorial focus on business, design, and technology.

Forbes

forbes.com

Forbes is a leading source for reliable business news and financial information for the World's business leaders.

Mashable

mashable.com

Social Media news blog covering cool new websites and social networks.

and effectively highlight all the good work they do in local communities. Telling these small stories will remind individuals, licensing partners, and corporate donors that Livestrong is an effective organization built for the long-term.

Livestrong should look to the Susan G. Komen foundation for guidance. The non-profit with a similar mission rebounded strongly after a controversy surrounding the exemption of grants given to Planned Parenthood. Komen's strategy is one Livestrong should strive to emulate. Emphasis must be placed on the fact that it has raised over 500 million dollars to fight cancer, and again, put a face or faces to the life-saving support this money has generated.

To accomplish this, Livestrong must continue taking advantage of the current spotlight in order to communicate their transformation. By treating the current crisis as an opportunity, they can insulate and strengthen the Livestrong brand from unavoidable bumps down the road. Livestrong is a non-profit, and benefactors should be treated as a for-profit

corporation would its investors; reclamation of their trust is paramount to the survival of the organization.

The next step of Ulman's campaign should be to explore the hiring of a new spokesperson. This individual should be highly-recognizable and affiliated with cancer survival. Over time, a new spokesperson, along with a modified logo and name, will come to represent a viable, trustworthy and transcendent brand that is more than a mere extension of one individual.

Often, it is not the crisis that defines a brand. Last long enough and any company is bound to experience one. It is how a company responds to a crisis that distinguishes the trustworthy from the non-trustworthy, the successes from the failures.

The bottom line is that Livestrong is a force for good and has raised millions of dollars for cancer services. With a few proactive steps, there is reason to believe they can survive and move on. **L**

Ryan Stanton is a Director at LEVICK. He is also a contributing author to LEVICK Daily.

LEVICK IN THE NEWS

■ ARTICLES

Medill News Service | MARCH 15, 2013

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International Business Times | MARCH 13, 2013

With NYC Mayor Bloomberg's Large Soda Ban Out, Exploring Other Ways Government Can Fight Obesity

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The Price Of Right

New York Post | MARCH 12, 2013

Carl's Peek at Dell Books Boosts Shares

Fox News | MARCH 12, 2013

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