

TOP 10 PUBLIC RELATIONS RESEARCH INSIGHTS OF 2016

From the Institute for Public
Relations Board of Trustees

Compiled by Sarab Kochhar, Ph.D.
Director of Research, IPR



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For the third annual edition of the Top 10 Research Insights of 2016, the Institute for Public Relations Board carefully selected research studies from a range of public relations research topics. The Board comprises senior-level executives and leading academics who chose these 10 studies based on their methodological rigor and relevance to the profession. The third edition encompasses research ranging from technological innovation and business transformations to the effect of political content on social media users. Each year the IPR Board will continue to present the top research insights that uncover *the science beneath the art of public relations™*.

For full results, please click on the title of each study.



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the science beneath the art of public relations™



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1

DIVERSITY AND INCLUSION INFLUENCE BUSINESS SUCCESS

By: Thomson Reuters

Why this research is important:

This index reveals the top 100 companies that are best implementing diversity and inclusion within its workforce, and links a high focus on diversity and inclusion to business success. Many investors now place value on socially responsible investment decisions, and the index provides investors with a tool to gain further insight into the strengths and risks in their investments.

Method:

To develop the Diversity & Inclusion (D&I) index, Thomson Reuters evaluated more than 5,000 companies using the measurement of 24 metrics across four key categories: Diversity, Inclusion, People Development and News Controversies. Metrics were weighted based on their importance in the market, and only companies who had scores across all four categories were given an overall score. The D&I index ranks the top 100 companies with the best overall score, on a scale of 0 (worst in class) to 100 (best in class). The index is rebalanced on a quarterly basis.

Key Findings:

- Companies that invest in environmental, social, and governance matters show “stronger stock performance” and “better long-term profitability.”
- Investors should look beyond fiscal data and consider other aspects of a company like diversity and level of social responsibility.
- Diversity and inclusion within a company influences long-term business success. Over five years, the top 100 ranked companies showed:
 - Better return on equity
 - Stronger profit margins
 - Better dividend yield
 - Exceptional performance on leading global benchmarks like Thomson Reuters Global Index



Source: *Diversity & Inclusion (D&I) Index*

2

COMPANIES SHOULD INVEST IN CSR PROGRAMS TO KEEP MILLENNIALS HAPPY AND ENGAGED, AS WELL AS IMPROVE THE BOTTOM LINE ROI

By: Cone Communications

Why this research is important:

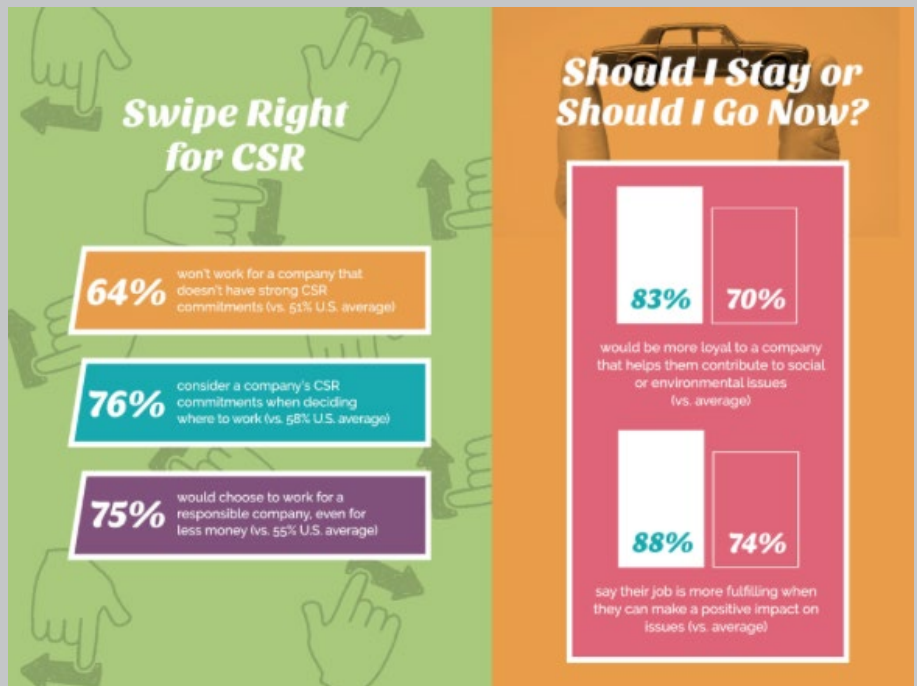
Cone Communications examines the choices and changes companies should make to attract and retain Millennials internally. Research shows the high value Millennials place on being socially conscious and the importance of social responsibility in relation to their workplace satisfaction.

Method:

An online survey was conducted April 11-20, 2016 with 1,020 adults (510 men and 510 women, ages 20+) employed at companies with more than 1,000 employees.

Key Findings:

- Corporate social responsibility (CSR) within the organization is very important to Millennials. Sixty-four percent would turn down a job if there was not a strong CSR program.
- Three-quarters of Millennials would take a pay cut to work for a socially responsible company.
- Millennials want companies to share employee engagement information on social media so they can share on their personal network—preferably on Facebook, Instagram, or Twitter, respectively.
- 89 percent want to improve CSR efforts within the company.



Source: 2016 Cone Communications Millennial Employee Engagement Study

3

MOST COMPANIES FIND IT DIFFICULT TO EFFICIENTLY UTILIZE AVAILABLE DATA AND ANALYTICS

By: McKinsey Global Institute

Why this research is important:

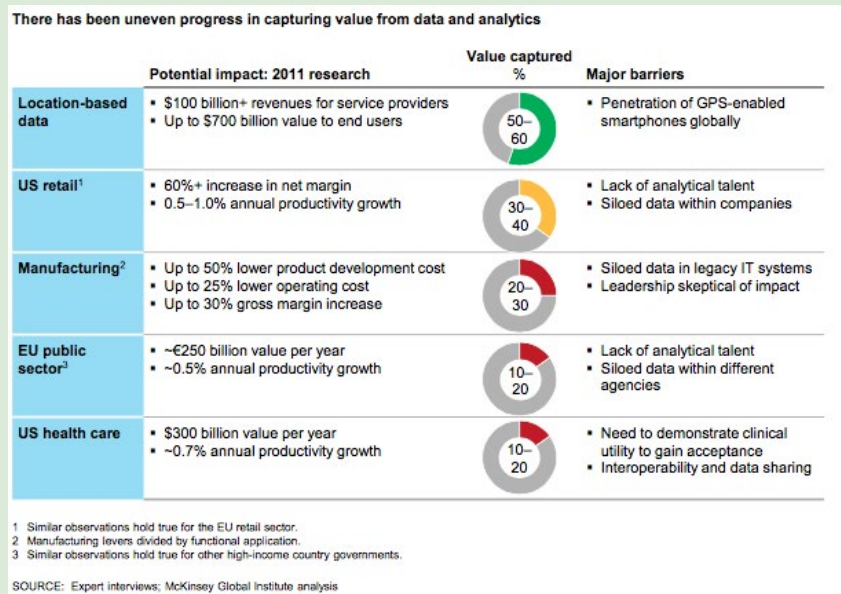
Many businesses are severely missing the mark in capturing the potential value from data and analytics. As the availability of big data continues to grow, businesses must learn how to make use of analytics and incorporate findings into strategy. This study aims to explore how companies are competing to maximize the value of data.

Method:

Using McKinsey Global Institute's research on digital technology, this data builds on five years of research and data analytics. Similar to the 2011 report, the study analyzed location-based services, U.S. retail, U.S. health care, the EU public sector, and manufacturing. Research was also influenced by dozens of McKinsey Analytics leaders.

Key Findings:

- Only a fraction of potential value from data and analytics is being captured by most organizations. Location-based services (GPS) and U.S retail are best maximizing potential value.
- Leading companies use data-driven insights in day-to-day business processes, and launch entirely new business models.
- One major barrier for organizations is acquiring the needed talent to make sense of the data. This includes data scientists and business translators who help communicate the value of the data.
- Machine-learning advancements can be used to complete many common work activities. As these features continue to develop, particularly within deep learning where machines can think and understand language, there will be more major changes to the current analytics environment.



Source: *The Age of Analytics: Competing in a Data-Driven World*

4

CONSUMERS ACKNOWLEDGE AI, BUT LACK KNOWLEDGE ABOUT ITS APPLICATIONS—EXECUTIVES AND COMMUNICATORS MUST BEGIN TO BROADEN UNDERSTANDING

By: Weber Shandwick and KRC Research

Why this research is important:

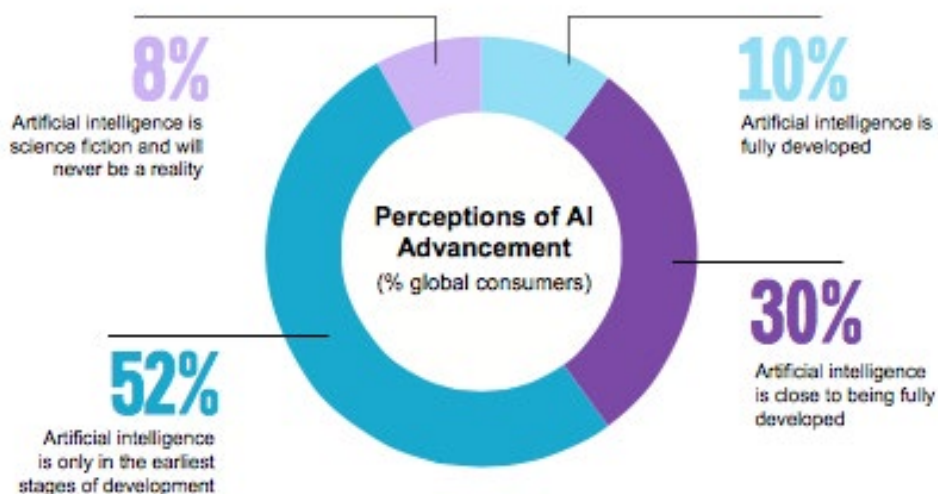
This research provides insight into consumer knowledge and perspectives on Artificial Intelligence (AI), and how well communicators understand those perspectives.

Method:

In June 2016, 2,100 consumers and 150 executives from the U.S., U.K., Canada, China and Brazil were surveyed online in partnership with KRC Research. All executives surveyed were employed by companies with annual revenues of at least \$500 million dollars.

Key Findings:

- 68 percent of CMOs report their company is selling, using or planning for AI in their business.
- Only 18 percent of consumer respondents say they know “a lot” about AI.
- The most common, unaided association with AI is “robots” (22%).
- Only one in five respondents (22%) believe they own or use an AI product even though most had a smartphone (77%), GPS (47%), or smart TV (41%). More than half of consumer respondents believe AI is only in the early stages of development.
- 82 percent of consumer respondents believe AI will lead to job loss within the workforce. Millennials, Gen Xers, and consumers with kids under 18 view their jobs as most vulnerable.



5

TECHNOLOGICAL INNOVATION PROMPTS CEOS TO PREPARE FOR SIGNIFICANT BUSINESS TRANSFORMATION

By: KPMG

Why this research is important:

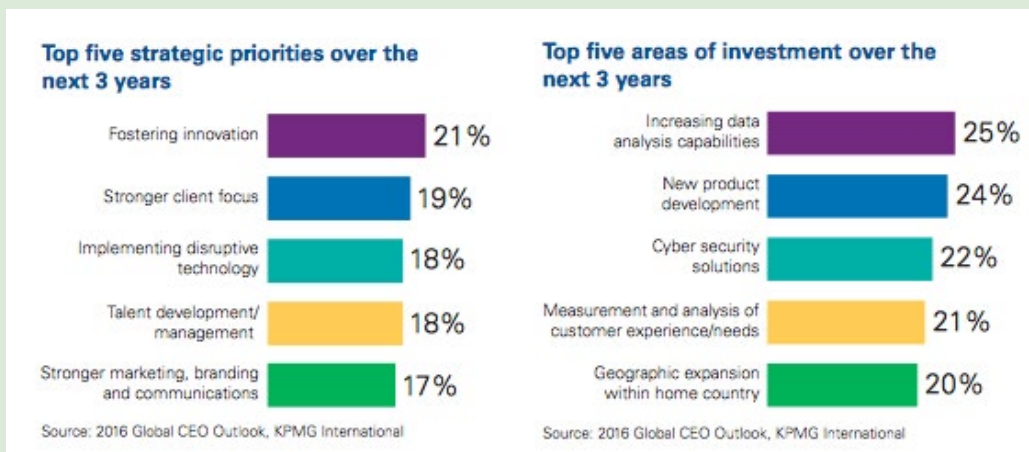
In “The 2016 Global CEO Outlook,” CEOs are recognizing how technological innovations are increasing, and are preparing their organizations to adapt and respond to these new opportunities. This study examines how, and if, CEOs are making these provisions and preparing their workforce for change.

Method:

KPMG surveyed 1,268 CEOs from 10 of the world’s largest economies and 18 additional regions and countries between March 15 and April 29, 2016. Respondents represented 11 industries including: automotive, banking, infrastructure, insurance, investment management, life sciences, manufacturing, retail/consumer markets, technology, energy/utilities, and telecom.

Key Findings:

- 82 percent of CEOs surveyed show concern about their company’s current products and services being relevant in three years.
- 41 percent of CEOs expect significant change within their company over the next three years.
- Some CEOs (30%) name cybersecurity as the upcoming top risk, and only 25 percent feel prepared for a cyber event.
- More than three-quarters of CEOs surveyed specifically identify innovation as important to include within business strategy.
- Almost all CEOs (99%) surveyed reported to be taking action to develop existing and future talent.
- Loyalty of customers is a top concern for 88 percent of CEOs, and 45 percent feel they could better use digital platforms to connect with its consumers.



6

MANY SOCIAL MEDIA USERS ARE STRESSED AND FRUSTRATED BY POLITICAL CONTENT OBSERVED ON SOCIAL MEDIA

By: Pew Research Center

Why this research is important:

New research from the Pew Research Center finds the majority of social media users who are exposed to political discussion are frustrated with the tone and content within viewed political interactions.

Method:

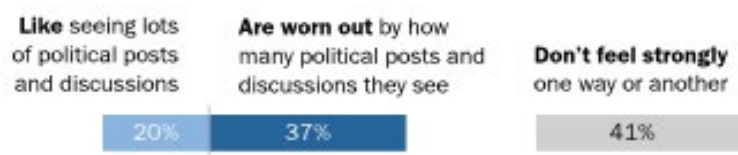
In July and August 2016, 4,579 respondents of the Pew Research Center American Trends Panel (randomly-selected internet users who participate in monthly online surveys) participated in the survey.

Key Findings:

- More than one-third of social media users are “worn out” by the number of political posts and discussions they encounter on social media platforms.
- More than half describe interactions with those they disagree with as “stressful” and “frustrating.”
- 20 percent enjoy seeing political information on social media.
- 40 percent of users strongly agree that people say things while discussing politics on social media they would never say in person.
- Almost one-third of social media users have used technological tools offered by platforms because of politics (like changing settings to limit posts from someone in their feed).
- Similarly, 38 percent of Democrats and 37 percent of Republicans feel worn out by the amount of political posts encountered on social media.

More than one-third of social media users are worn out by the amount of political content they encounter

% of social media users who say they ... about politics on social media



7

SECTOR AND GEOGRAPHIC REGION INFLUENCE HOW TO BEST COMMUNICATE STRATEGY WITH YOUR EMPLOYEES AND INCREASE ORGANIZATIONAL CLARITY

By: Institute for Public Relations

Why this research is important:

Results from this study reveal Organizational Clarity as a significant factor in workforce alignment, business relevance and performance. It addresses Organizational Clarity’s importance to organizational success, how leaders are currently attempting to address it, and what works and does not work in terms of organizational success.

Method:

Respondents included 1,509 employees from five countries—Brazil, China, India, U.S., & U.K.—across six economic sectors. Based on the responses, each country and sector were given a grade on performance in the three dimensions of organizational clarity: job, strategy and market.

Key Findings:

- India was a clear leader in terms of organizational clarity, scoring at the top in all three dimensions. Employees in India reported their jobs were aligned with the organization’s strategy, and employees were more likely to find meaning in their job.
- Organizational Clarity is increased when employees understand the marketplace as seen through the lens of the company, and it is decreased when employees understand the marketplace with little to no reference to their company’s strategy.
- Organizational Clarity is strongly related to performance and can act as an indicator of future performance.
- Leaders’ communications tactics surrounding communicating organizational strategy vary depending on sector and location.
- Leaders should communicate differently with employees depending on sector and location. For example, strategy should be communicated by senior leadership in the U.S. and India, but by managers in the U.K., Brazil, and China.
- Internal communications should be diverse to accommodate all employees, ensuring they understand company strategy and mission.



	Job	Strategy	Market
Brazil	C+	C	F
China	C+	C+	F
India	B	B	D
United Kingdom	C	C	F
United States	B-	C+	F

9

IOT'S GROWTH LEADS BUSINESSES TO INTRODUCE SECURITY ENHANCEMENTS FOR BOTH INTERNAL SECURITY AND CONSUMER PRIVACY

By: IDG Enterprise

Why this research is important:

With unprecedented, vast amounts of data now available to businesses, the need for digital security continues to grow. The "2017 Global State of Information Security" study explores how organizations are adapting to this need, and how they are choosing to manage threats and information sharing both internally and externally.

Method:

In this annual study, 10,000 respondents were surveyed online across North America (34%), Europe (31%), Asia Pacific (20%), South America (13%), and the Middle East and Africa (collectively 3%). The respondents comprised CIO and CSO's audiences, as well as clients of PwC. The average company size was 22,130 employees with \$4.6 billion dollars in revenue.

Key Findings:

- 40 percent of organizations are using data to understand threats and provide security warnings within their business.
- As a result of the IoT industry's development and growth, 46 percent of businesses are working to update cybersecurity and privacy mechanisms.
- Many organizations (62%) are using managed security services to help oversee highly technical security needs like "authentication, data loss prevention and identity management."

Respondents are embracing managed security services to extend and enhance their cybersecurity capabilities.

Organizations say they rely on managed security services for highly technical initiatives such as authentication, data loss prevention and identity management.



Q. Does your organization use managed security services in its cybersecurity and privacy programs? AND Which of the following managed security services does your organization use?

CSO 2017 Global State of Information Security Survey conducted by PwC, CSO and CIO. Confidential.

10

OMNICHANNEL SHOPPERS SPEND MORE, AND ARE MORE LOYAL, THAN SINGLE-CHANNEL CUSTOMERS

By: Harvard Business Review

Why this research is important:

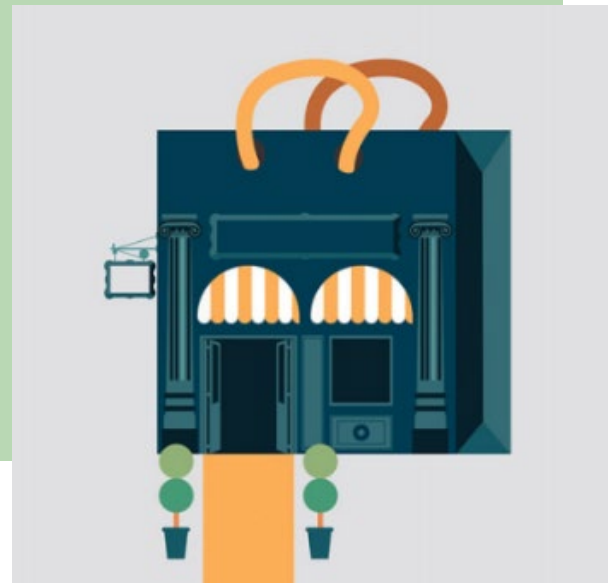
As traditional retailers continue to see a decline in traffic, online retail is booming. In 2015, digital retail sales increased by 23 percent. This study examines and reviews the benefits of the omnichannel strategy to combat this change in the retail environment.

Method:

This study examines the shopping behavior of more than 46,000 customers who made a purchase between June 2015 to August 2016. Seven percent of study participants were online-only shoppers, 20 percent were store-only shoppers, and the remaining 73 percent used both channels to shop, the latter defined as omnichannel customers.

Key Findings:

- Traditional retailers are investing in omnichannel retailing to create a seamless shopping experience for customers, providing multiple digital channels to use while shopping.
- Omnichannel shoppers spent an average of 4 percent more in-store and 10 percent more online, than single-channel customers.
- Omnichannel shoppers who use four or more channels spent 9 percent more on average than those who use only one channel (i.e. digital tools like smartphone apps, price-checkers, interactive catalog, tablet, etc.).
- Within six months of an omnichannel shopping experience, customers are more likely to recommend the brand and had 23 percent more repeat shopping trips to the retailer than those who use a single-channel.



Source: *A Study of 46,000 Shoppers Shows That Omnichannel Retailing Works*



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About the Institute:

The Institute for Public Relations is a 501(c)(3) nonprofit foundation dedicated to fostering greater use of research and research-based knowledge in public relations and corporate communication practice.

Key Research Areas and Commissions:

Behavioral Insights Research Center

The mission of the IPR Behavioral Insights Research Center is to conduct research on the factors that influence attitude and behavioral change to enable effective communication. BIRC can help professionals understand how and why people think and behave the way they do in this ever-changing business environment. One research area is to understand how the emerging fields of cognitive neuroscience, behavioral economics, social psychology and narrative theory can impact and influence the study and practice of public relations.

Measurement Commission

The mission of the IPR Measurement Commission is to develop and promote standards and best practices for research, measurement, and analytics that contribute to ethical, strategic, and effective public relations. The Measurement Commission comprises researcher-practitioners and thought-leaders in public relations research, measurement, and evaluation who represent four segments of the global public relations industry: (i) corporations, government, and non-profits; (ii) public relations agencies; (iii) research firms; and (iv) academia.

Digital Media Research Center

The IPR Digital Media Research Center (DMRC) is a comprehensive resource for information about digital media, best practices, measures and benchmarking. In addition to conducting signature research, the DMRC has a continuously growing database of overviews for published academic and professional research that provide insight into how digital media are impacting public relations.

Commission on Organizational Communication

The IPR Commission on Organizational Communication is developing an agenda as a knowledge aggregator, model innovator and thought leader in the area of employee communication and engagement. Within the Commission, the IPR Organizational Communication Research Center is a go-to source for game-changing employee communication research, best practices and measures for engaging employees and building trust.

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