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THE PUBLIC RELATIONS FIRM'S PERCEPTION OF THE INTERNET'S EFFECT
ON ITS GROWTH AND PROFITS

by
Tina Blasberg

A Thesis

Submitted in partial fulfillment of the requirements of the
Master of Arts Degree in the Graduate Division
of Rowan University
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Approved by _____
Professor

Date Approved 4/28/98

ABSTRACT

Tina Blasberg

The Public Relations Firm's Perception of the Internet's Effect on its Growth and Profits, 1997-98

Thesis Advisor: Dr. Estelle Resnik, Program: Public Relations

The purpose of the study was to learn if the public relations firm believed that using the Internet had a recognizable effect on its growth and profits. The study attempted to show that if the public relations firm saw that its net profits increased, client base grew, and, as a result, employees' paychecks increased, then it perceived that using the Internet had a positive effect on its growth and profits.

The sample originally selected consisted of 317 United States public relations firms, a sample which consisted of small and large firms ranging from 10 employees up to 100 employees. A survey consisting of 16 multiple-choice questions was mailed to the sample. Follow-up letters and telephone calls were made to the nonrespondents. Percentages were used to summarize the data.

The following major findings of the study were

- 1) All of the respondents used the Internet for improving their communication with clients and media.
- 2) More than half of the respondents believed that using the Internet had a positive effect on their growth and profits.

MINI-ABSTRACT

Tina Blasberg The Public Relations Firm's Perception of the Internet's Effect on
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Thesis Advisor: Dr. Estelle Resnik, Program: Public Relations

The purpose of the study was to learn if the public relations firm believed that using the Internet had a recognizable effect on its growth and profits. Research showed that more than half of the respondents believed that using the Internet had a positive effect on their growth and profits.

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CHAPTER 1

Background

The public relations industry started to understand the usefulness of the Internet only in early 1990 and is now trying to catch up to other fields.¹ Leading public relations firms are coming up with new ideas on how to use cutting-edge technology to keep ties with their clients. Aside from transmitting online messages to their clients, public relations firms can help their clients to write and transmit messages to target audiences. Public relations firms are also looking at the importance of the Internet as they see the advantages of using it to realize their clients' objectives.

Studies have already shown that the Internet is turning out to be an important tool to enhance the public relations firm's communication with clients and media. Because of such developments, many public relations firms have started relationships with high-tech specialists to increase the use of national and international networks. As a result, high-tech specialists have helped the public relations firm to come in contact with a group of clients and media. In addition, an estimated 40 million people have direct access or are connected with networks that are linked up with the Internet.² In this light, independent public relations professionals believe that before 2000, the number of network-linked clients and media may approach 100 million.³

Growing numbers of public relations professionals spend most of their productive hours sitting in front of a computer terminal. Through online services or other links, they can access an array of information, including, but certainly not limited to, press releases

¹ Randy Bobbitt, "An Internet Primer for Public Relations," *Public Relations Quarterly* 40 (Fall 1997): 27.

² Susan Fry Bovet, "Guideposts for Going on Line," *Public Relations Journal* 51 (May 1995): 33.

³ *Ibid.*

and newsletters. Drafts of press releases and newsletters can be transmitted from the public relations professional to a newspaper reporter with revisions discussed and made quickly and inexpensively. This constantly changing global complex of interconnected networks is called the Internet. The features of the Internet that are of most benefit to public relations professionals are electronic mail, World Wide Web, bulletin boards/newsgroups, and discussion groups.⁴

Electronic mail or e-mail is the oldest feature of the Internet. When first developed in early 1970, it allowed computer users on closed networks to send messages and share text files with other users on the same network.⁵ Now, for networks connected to the Internet, public relations professionals can send messages and share text files with clients connected to other networks.

For public relations professionals who sit at computer stations or who use computers for at least part of the day, the online newsletter is an effective way for disseminating fast-breaking or rapidly changing information to clients and media.⁶ It is harder to miss or intentionally avoid than the traditional newsletter sent through the mail. Most online newsletters are text-only, but what they lack in graphics and visuals they make up for in timeliness.⁷ At large public relations firms, the same newsletter that was a

⁴ Robert L. Gustafson and Steven R. Thomsen, "Merging the Teaching of Public Relations and Advertising onto the Information Highway," *Public Relations Quarterly* 41 (Spring 1996): 40.

⁵ Peggy Dorf, "High-Tech Firms Launching Clients into Cyberspace," *Public Relations Journal* 51 (May 1995): 28.

⁶ Jay Conrad Levinson and Charles Rubin, *Guerrilla Marketing Online Weapons*, (New York: Houghton Mifflin Company, 1996) 13.

⁷ Seth Godin, *eMarketing*, (New York: The Berkley Publishing Group, 1995) 86.

struggle to produce weekly in printed form can be produced online daily, if necessary. And if clients and media miss the color photographs and graphics or do not use the Internet, a traditional monthly newsletter or quarterly magazine can supplement the online newsletter.

Furthermore, public relations firms and public relations departments of companies, government agencies, and nonprofit organizations can use e-mail to send news releases and pitch letters to the media. Media professionals prefer the format because information can be easily downloaded from the newspaper's or magazine's electronic mail server into its editorial computing system for revision or storage.⁸ Television or radio reporters can file items directly into a computerized assignment file. Electronic mail is also less intrusive than a telephone call.⁹ If a reporter or editor receives the message at an inconvenient time, then he or she can let it remain in his or her "in box" until a more convenient time.

Unlike electronic mail, the World Wide Web (WWW) is the fastest growing feature of the Internet. While the Internet as a whole doubles in size every year, the number of sites on the Web is estimated to be doubling every 53 days.¹⁰

The World Wide Web is a collection of computerized documents that public relations professionals, nonprofit organizations, and companies, in general, want to make available to Internet users.¹¹ The entry point for each Web site is a home page, which has

⁸ Major, Michael J., "How Tech-Friendly Public Relations Agencies Communicate," *Public Relations Journal* 51 (May 1995): 24.

⁹ Seth Godin, *eMarketing*, (New York: The Berkley Publishing Group, 1995) 232.

¹⁰ Randy Bobbitt, "An Internet Primer for Public Relations," *Public Relations Quarterly* 40 (Fall 1997): 30.

¹¹ Susan Fry Bovet, "Guideposts for Going Online," *Public Relations Journal* 51 (May 1995): 34.

its own address. The home page usually includes background information on the company, organization or individual, and a table of contents for the site.

Public relations firms can use the World Wide Web to enhance their communications with clients and media. They can use the World Wide Web to provide news releases for the media. In addition to creating Web sites for themselves, public relations firms design Web sites for clients for a fee and train the clients' employees on how to use it. Clients, in turn, can use their Web sites and other Internet features in their own sales, marketing, and customer support functions.

Along with the World Wide Web, public relations firms can also use bulletin boards/newsgroups when working with clients and media. Bulletin boards/newsgroups are a collection of forums through which experts and novices discuss and debate topics of interest.¹² For example, public relations firms can use bulletin boards/newsgroups for audience research. The public relations professional seeks opinions, rather than facts, and welcomes input from non-experts. Using bulletin boards/newsgroups for audience research is the equivalent of conducting a focus group online. Many public relations firms create bulletin boards/newsgroups where their clients can get help with products, make suggestions, or voice complaints.

Unlike newsgroups, electronic discussion groups allow three or more parties to communicate at the same time. A public relations firm, its client, and a printer or other contractor working on a project can have a three-way electronic conversation. It is much cheaper than a long distance telephone conference call, especially if one or more parties

¹² John Burke, *Learning the Internet*, (New York: Neal-Schuman Publishers, Inc.: 1996) 71.

are in another country.¹³ It can also make it easier to communicate with clients who are deaf or do not speak English well.

Overall, public relations firms can do a lot with the Internet. They can contact an ever-growing number of people using electronic mail. Public relations professionals can visit the length and breadth of the Internet with World Wide Web browsers. They can also experience and sample a rich collection of information and conversations through bulletin boards/newsgroups. And public relations professionals can take part in discussions by subscribing to electronic discussion groups. The Internet can help public relations firms to move forward.

Much has been said and written about the Internet and how it has changed the public relations industry. But not much has been said or written about specifically if public relations firms believe the Internet has a recognizable effect on their growth and profits. That's partly because no one has researched this specific area of study. The following study will assess whether public relations firms believe the Internet has a recognizable effect on their growth and profits.

Problem Statement

Does the public relations firm believe that using the Internet has a recognizable effect on its growth and profits? If so, have the firm's net profits increased, client base grown, and, as a result, have employees' paychecks increased?

The Internet has an impact on the public relations firm. If the public relations firm believes that using the Internet has a positive effect on its growth and profits, then its net profits increased, client base grew, and, as a result, employees' paychecks increased. But

¹³ Randy Bobbitt, "An Internet Primer for Public Relations," *Public Relations Quarterly* 40 (Fall 1997): 29.

if the public relations firm believes that using the Internet has a negative effect on its growth and profits, then its net profits have not increased, client base has not grown, and, as a result, employees' paychecks have not increased.

However, the Internet may not have an impact on the public relations firm. If the firm's net profits increased, client base grew, and, as a result, employees' paychecks increased, then it might be a result of using other communication channels. Some of the possible communication channels are: 1) client referrals, 2) print, radio, and television advertising, 3) outside salespeople, and 4) telemarketing. If the public relations firm's net profits have not increased, client base has not grown, and, as a result, the employees' paychecks have not increased, then it might be from its limitations. Some of the firm's limitations might be: 1) inability to meet the needs of clients and media appropriately, 2) limitations caused by location, 3) insufficient experienced personnel, and 4) unforeseen interference with the marketing strategy.

Importance of the Problem

The problem is important to study because public relations firms need to know if it is worthwhile to invest in the Internet. If investing in the Internet does not have any effect on the public relations firm, then why invest in it? Also, the problem is important to study because no one has looked at it. No one has previously researched the public relations firm's perception of the Internet's effect on its growth and profits. Finally, the problem is important to study because it provides current information for the public relations field. The problem can contribute up-to-date research for the possibility of even further exploration in the future. The public relations firm can compare and contrast the

study's results with future research. This may help the public relations firm to make a wise decision about investing or not investing in the Internet.

Effect of the Problem on the Field

If the public relations firm sees the Internet as having a recognizable effect on its growth and profits, then it might invest in it. The firm may see its net profits increased, client base grew, and, as a result, employees' paychecks increased. This might persuade public relations firms who do not use the Internet to invest in it. Using the Internet might turn out to be a requirement rather than an option in the public relations industry.

However, if the public relations firm does not see the Internet as having a recognizable effect on its growth and profits, then it might stop investing in it. The firm may see its net profits increased, client base grew, and, as a result, employees' paychecks increased by using other communication channels rather than from using the Internet. Some of the possible communication channels are: 1) client referrals, 2) print, radio, and television advertising, 3) outside salespeople, and 4) telemarketing. This might persuade public relations firms who use the Internet to stop investing in it. Using the Internet may turn out to be just a fad in the public relations industry.

Furthermore, the public relations firm may not see any growth in the business. The firm's net profits may not have increased, client base may not have grown, and, as a result, the employees' paychecks may not have increased from using the Internet. This might persuade the public relations firm interested in the Internet to not to take a chance on using it. Using the Internet may turn out to be a mistake in the public relations industry. But the public relations firm may not see any growth because of its limitations rather than from using the Internet. Some of the firm's limitations might be: 1) inability

to meet the needs of clients and media appropriately, 2) limitations caused by location, 3) insufficient experienced personnel, and 4) unforeseen interference with the marketing strategy. This might persuade the public relations firm to take a chance on using the Internet to grow the business. Using the Internet may turn out to be very helpful in the public relations industry.

Narrowing the Problem Statement

The area of study was public relations and then the topic was selected from that area, the Internet. The effect of the Internet on the public relations industry was the narrow topic that developed further into the specific question: Does the public relations firm believe the Internet has a recognizable effect on its growth and profits? The question leads to a follow-up question about the firm's perception of the Internet's effect on the firm's net profits, client base, and employees' paychecks. If the public relations firm believes the Internet has a recognizable effect on its growth and profits, then have the firm's net profits increased, client base grown, and, as a result, have employees' paychecks increased?

Books, handbooks, magazines, and journals were researched to narrow the question. The book written by Jay Conrad Levinson and Charles Rubin, *Guerrilla Marketing Online Weapons*, and the book *eMarketing*, written by Seth Godin, were excellent starting points as these sources provided not only valuable information but other sources that could be researched. Handbooks that provided excellent background material were *Learning the Internet* by John Burke, *How to Use the Internet* by Marietta Tretter, and *The Internet Complete Reference* by Harley Hahn and Rick Stout.

Articles from magazine and journals that were extremely helpful included “An Internet Primer for Public Relations” from *Public Relations Quarterly*, “High-Tech Firms Launching Clients into Cyberspace” from *Public Relations Journal*, “Merging the Teaching of Public Relations and Advertising onto the Information Superhighway” from *Public Relations Quarterly*, and “Guideposts for Going on Line” from *Public Relations Journal*.

Limitations

The study will not evaluate the effect of the Internet on the public relations firm’s actual growth and profits. Instead, it will research the public relations firm’s perception of the Internet’s effect on its growth and profits.

Another limitation is that only public relations firms in the United States are being examined. Also, technology is changing rapidly so that the results of the study can change within a short period of time. A final limitation is that the number of public relations firms in the United States can change from year to year, which can bring about change in the results of the study within a twelve-month period. The study uses an up-to-date list of public relations firms in *The Ward’s Business Directory of United States Private and Public Companies-1997* to keep its results current for as long as possible.

Purpose

Overall, there is a great deal of research available on how the Internet is being used within the public relations industry in general. However, there is very little research available about specifically if the public relations firm believes the Internet has a recognizable effect on its growth and profits. If the public relations firm believes the Internet has a recognizable effect on its growth and profits, then the study should show

that the public relations firm perceives that its net profits increased, client base grew, and, as a result, employees' paychecks increased from using the Internet. If not, the study will show that the public relations firm perceives that its net profits increased, client base grew, and, as a result, employees' paychecks increased from using other communication channels. Some of the communication channels might be: 1) client referrals, 2) print, radio, and television advertising, 3) outside salespeople, and 4) telemarketing.

However, the public relations firm may not see any growth in the business. If so, the study will show that the firm's net profits have not increased, client base has not grown, and, as a result, employees' paychecks have not increased from using the Internet. If the public relations firm believes that using the Internet does not have an effect on its growth, then the study will show that the firm's limitations may have caused it not to grow. Some of the firm's possible limitations are: 1) inability to meet the needs of clients and media appropriately, 2) limitations caused by location, 3) insufficient experienced personnel, and 4) unforeseen interference with the marketing strategy.

Hypothesis

The hypothesis is that the study will show that the public relations firm believes the Internet has a recognizable effect on its growth and profits. The study will show the firm perceives that using the Internet increases the firm's net profits, grows the client base, and, as a result, increases the employees' paychecks.

Assumptions

The following are assumptions of the study:

- Public relations firms are using the Internet in ways that will help them to do more work in less time, therefore causing them to be more profitable. The public relations

firm using electronic mail can send drafts of a news release from a public relations professional to a newspaper editor faster than using paper mail. Also, it is cheaper for the public relations firm to use electronic mail rather than using the telephone or fax machine.

- Public relations firms are using the Internet in ways that will help them to communicate with clients across town or across the country. Public relations firms can expand to others that they normally would not have as clients.

- Public relations firms are using the Internet in ways that will help them to promote their services and recruit clients so that they can grow their client base. They can design Web sites for clients and train their clients' employees on how to use it. Public relations professionals can offer their services to Internet users, which helps to grow the client base.

Terminology

The terms used in this study are defined as follows:

Internet: An international network of computer networks used to access computerized databases, communicate with others, and retrieve document files.

Electronic mail: Message sent through computer networks.

World Wide Web: A collection of computerized documents that individuals, nonprofit organizations, and companies want to make available to Internet users.

Web site: A home page usually includes background information on the company organization or individual, and a table of contents for the site.

Bulletin boards/newsgroups: A collection of forums through which experts and novices discuss and debate topics of interest.

Discussion groups: The public relations firm, its client, and a printer or other contractor working on a project can have a three-way electronic conversation.

Profit: Net income usually for a given period of time.

Client base: The total number of people served by or utilizing the services of the public relations firm.

CHAPTER 2

Most Important Previous Work

The literature reviewed for the study was obtained mostly from periodicals. A lot of current information was found in magazines. Since the Internet is relatively new to the public relations field, it was difficult to obtain material in scholarly journals.

The literature reviewed provides background information about how public relations firms started using the Internet and how they are using the Internet in their businesses. Also, the literature reviewed for the study provides current information about the effect of the Internet on the public relations industry. Finally, the literature reviewed for the study relates to the main problem: Does the public relations firm believe the Internet has a recognizable effect on its growth and profits? If so, have the firm's net profits increased, client base grown, and, as a result, have employees' paychecks increased?

The Internet has an impact on the public relations firm. If the public relations firm's net profits increased, client base grew, and, as a result, employees' paychecks increased, then it believes that using the Internet has a positive effect on its growth and profits. But if the public relations firm's net profits have not increased, client base has not grown, and, as a result, employees' paychecks have not increased, then it believes that using the Internet has a negative effect on its growth and profits.

Relationship of Study to Other Work

Using the Internet is fairly new to the public relations field. Some experts in the public relations field are in favor of using the Internet.¹⁴ They have experienced that

¹⁴ "Internet Investment," *Public Relations Tactics* 4 (April 1997): 1.

using the Internet has helped their businesses to grow.¹⁵ For example, a study by Steven R. Thomsen, Ph.D., assistant professor of public relations at the Edward R. Murrow School of Communication, Washington State University, Pullman, Washington, explored the impact of the PRForum (Public Relations Forum), electronic discussion groups for public relations professionals, on the field. During September 1 through September 15, 1995, an 11-item questionnaire was posted on the PRForum site with a request that individuals share their opinions.¹⁶ The questionnaire contained six demographic questions and five open-ended questions designed to probe the respondents' feelings about the needs and uses they associated with participation in the PRForum. Respondents were instructed to submit their responses to the author by electronic mail.

During a 15-day period, there were 292 respondents to the questionnaire averaging 11.7 years of professional public relations experience (the range of experience extended from just 4 months to 27 years), but eight respondents indicated they had 20 or more years of professional public relations experience.¹⁷ The general consensus among those who responded was that the forum's greatest value was as a quick and efficient source for information exchange and debate or as an electronic roundtable for discussion and feedback on ideas and issues significant to the public relations professionals and to the field.¹⁸ One respondent described the PRForum as a "really healthy venue for discussion about what the field is and where it is going and for discussion about tackling tough ethical issues as well as practical ones."¹⁹

¹⁵ Ibid.

¹⁶ Steven R. Thomsen, "Work in Cyberspace: Exploring Practitioner Use of the PRForum," *Public Relations Review* 22 (Summer 1996): 115.

¹⁷ Ibid., p. 118.

¹⁸ Ibid., p. 122.

¹⁹ Ibid.

Several additional characteristics or perceptions were frequently mentioned within this context. One was that the PRForum is most beneficial as a resource to public relations professionals who work on their own or in one-person departments.²⁰ Another was that the PRForum is most beneficial as a resource to public relations professionals who have limited contact with, or exposure to, other public relations professionals on any kind of regular basis.²¹

A second characteristic frequently mentioned was the speed at which information and responses to a question could be obtained.²² “It is an efficient and timely method of receiving feedback from a ‘captive’ audience,” one respondent wrote.²³ “It makes having a monthly get-together in your community a daily activity that is easy and not terribly time consuming,” another added.²⁴

In addition to speed and immediacy of response, many respondents cited the breadth of information available and their perceptions that the forum linked them to subject or content experts “on the cutting edge” around the world. As one respondent wrote, “It is wonderful to have at your fingertips a resource of people in the field with a combined total of decades of experience and creativity.”²⁵

Finally, several individuals indicated they felt one of the PRForum’s greatest contributions to the field was the opportunity to test out ideas in a noncompetitive environment.²⁶ “It is an opportunity to hear about other markets and see what has worked

²⁰ Ibid.

²¹ Ibid.

²² Ibid.

²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid., p. 123.

there,” one respondent wrote.²⁷ Another public relations professional, with 11 years experience as a writer, editor, and consultant, added that the PRForum is a “good way to get information on things like fees that I could not get by calling up the competition in town.”²⁸

The study has shown that the PRForum had a positive effect on the public relations field. For the membership in general, the PRForum served three primary functions: 1) to facilitate the exchange of information, practical experiences, and advice, 2) to create a forum to debate issues affecting the profession, and 3) to enhance online interaction among the PRForum’s members, in effect, a social support network, particularly for those who expressed a sense of isolation from other professionals. This might have been far more important to many members than the PRForum’s other features or functions because they are exposed to other public relations professionals that they could not get in contact with in any other way.

Even though studies have shown that the Internet has made a positive impact on the public relations field, other experts are not in favor of using the Internet.²⁹ They have experienced that using the Internet has not helped their businesses to grow.³⁰ For example, Delta Air Lines in Atlanta, Georgia, has a World Wide Web site that currently provides flight schedules and other travel-related information to prospective customers. Delta’s ultimate goal is to allow customers to book flights and perform other interactive tasks such as checking the status of their frequent-flier accounts.³¹ However, Skip

²⁷ Ibid.

²⁸ Ibid.

²⁹ Peter Millard, “Honk if You Think Internet Marketing is Weak,” *Business Journal Serving Greater Milwaukee* 14 (January 1997): 10.

³⁰ Ibid.

³¹ Cathy Taylor, “Package Tour of the Web: Delta’s Site Takes Internet Users on a Ride,” *Adweek* 2 (January 1996): 6.

Barnett, director of marketing technologies and distribution planning at Delta Air Lines in Atlanta, Georgia, has decided to delay the introduction of ticketing because of the public concern over the security of transactions conducted over the Internet.³² In addition, research suggests that many consumers are hesitant about making online purchases worth \$500 or more.³³ For now, Internet users will have to be satisfied with an extensive database of travel information.³⁴

Agreement and Disagreement in the Field

Whether positive or negative, the experts' opinions in the public relations field have caused controversy over the need to invest in the Internet or to not invest in it. For the most part, public relations firms are investing in the Internet.³⁵ The percentage of public relations firms expecting to spend more than \$100,000 on the Internet this year is at 75 percent for corporations, 4 percent for agencies, and 4 percent for nonprofits.³⁶ There are many reasons why some public relations firms invest in the Internet.

One reason is that the Internet offers an easy, cost effective, and flexible way to provide information to the media.³⁷ For example, the public relations firm can save time and money by using electronic mail to send news releases and pitch letters from the public relations professional to the media. As a result, public relations professionals have the opportunity to do more work quickly and inexpensively. The public relations firm that produces more work in less time can eventually grow the business.³⁸

³² Ibid.

³³ Ibid.

³⁴ Ibid.

³⁵ "Internet Investment," *Public Relations Tactics* 4 (April 1997): 1.

³⁶ Ibid.

³⁷ Daniel P. Dern, "Using the Internet as a PR Tool," *Communications News* 34 (June 1997): 28.

³⁸ "What Do You Think?," *Public Relations Tactics* 4 (November 1997): 27.

Also, the Internet can help public relations professionals to establish broader and better media relations.³⁹ The online public affairs campaign provides information to reporters who cannot attend the events. This generates additional press for the public relations firm. Public relations professionals can expand to media that normally would not have reported the event. Additional publicity can help the public relations firm to grow.⁴⁰

Another reason is that the Internet can help public relations professionals to sell their services to network-linked prospective clients and current clients.⁴¹ On the Internet, the public relations professional can respond to a prospective client's or current client's request for service quickly. Communication between the public relations professional and the prospective client or current client on the Internet is more timely and cost effective than using the traditional methods.⁴² Telephone calls, faxes, and overnight deliveries are the traditional methods often being replaced by electronic mail and the World Wide Web.⁴³ As a result, public relations professionals along with their prospective clients and current clients are becoming more interested in using the Internet.⁴⁴ Using the Internet gives the public relations firm an opportunity to reach network-linked audiences that it normally would not reach. Therefore, the firm's client base grows, causing the business to grow.

³⁹ Ephraim Cohen, "Conducting an Online Public Affairs Campaign," *Public Relations Tactics* 14 (November 1997): 13.

⁴⁰ Ibid.

⁴¹ "What Do You Think?," *Public Relations Tactics* 4 (November 1997): 27.

⁴² William Boehlke, "Clock Ticks Faster in Internet Time," *Public Relations Tactics* 3 (November 1996): 18.

⁴³ Daniel P. Dern, "Using the Internet as a PR Tool," *Communications News* 34 (June 1997): 28.

⁴⁴ Ibid.

A final reason is that the Internet can help the public relations professional to spend less time doing research.⁴⁵ The Internet offers a way for public relations professionals to go online to research and learn about topics and issues that pertain to prospective clients and current clients. This information enables the public relations professional to provide more counseling and recommendations to them on how to deal with a crisis.

“We ended up getting an obscure but valuable research paper from a foreign university, where previously we would have worked on research at the Stanford library and spent hours poring through books and articles to find what we needed,” said Susan Benjamin, principal of the Benjamin Group in Campbell, California.⁴⁶ “But researching topics and issues on the Internet saved us valuable time.”⁴⁷

The Internet can help the public relations professional to spend less time trying to find the information and more time being the one with the information. Spending less time on research gives the public relations professional more time to do work.⁴⁸ As a result, the public relations firm can produce more work that causes the business to grow.

Despite all of the excitement created by the Internet, some experts in the public relations field have experienced the Internet’s emerging dark side. A recent study by Straightline International revealed that only 22 percent of public relations firms preferred

⁴⁵ “What Do You Think?,” *Public Relations Tactics* 4 (November 1997): 27.

⁴⁶ Susan Ditz, “E-mail Opens Floodgates on Tenuous PR-Media Relations,” *Business Journal Serving San Jose & Silicon Valley* (June 1997): 12.

⁴⁷ Ibid.

⁴⁸ David Kaupp, “Using the Powers of the ‘Net’ to Market Properties,” *Boston Business Journal* 17 (November 1997): 8.

using the Internet for time-sensitive company information.⁴⁹ Instead, 90 percent of the respondents preferred using printed annual reports, 79 percent of the respondents preferred using faxes, 53 percent of the respondents preferred using conference calls, and 38 percent of the respondents preferred using regular mail.⁵⁰ Electronic mail was used by only 39 percent of the public relations firms.⁵¹ There are many reasons why some public relations firms do not invest in the Internet.

One reason is that journalists are not going online to read press releases.⁵² Instead, they are now turning to corporate World Wide Web sites to find answers to complex questions and issues.⁵³ Journalists research complex topics and issues on the World Wide Web to help them to write complex news stories. The Internet enables journalists to meet deadlines for complex news stories quickly and easily.⁵⁴ Public relations professionals may be wasting their time and money placing routine press releases on the World Wide Web if journalists do not read them. As a result, public relations firms may not use the Internet to help their businesses to grow.

Another reason is that public relations firms are now finding that once they have created their World Wide Web pages, the target audiences will not necessarily come.⁵⁵ Good design and solid content of a Web site are still key to attracting target audiences,

⁴⁹ Allison Stateman, "Working the Old Fashioned Way," *Public Relations Tactics* 4 (April 1997): 8.

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² Adam Shell, "Telling Complex Stories on the World Wide Web," *Public Relations Tactics* 4 (January 1997): 25.

⁵³ Ibid.

⁵⁴ William Boehlke, "Clock Ticks Faster in 'Internet Time'," *Public Relations Tactics* 3 (November 1996): 18.

⁵⁵ Leland Harden, "Web Site Marketing-PR for a PR Tool," *Public Relations Tactics* 3 (December 1996): 12.

but public relations professionals using the World Wide Web must actively seek to attract those with whom they wish to communicate.⁵⁶ This is because some target audiences may not use the Internet. Also, some target audiences may not find the public relations professional's site attractive or interesting.

"Right now [Web sites] are not having enough of an impact in communications to be considered a substitute for some other medium," said Roger Rathke, a University of Wisconsin-Madison professor of mass communication who specializes in advertising and integrated marketing.⁵⁷

Furthermore, public relations professionals may still need to rely on personal relationships and conversations with target audiences to promote their services. Public relations professionals may also need to spend more time and money on print, radio, and television advertising to reach target audiences. Therefore, using the Internet may not help the public relations firm to grow.

A final reason is that there is a possibility for almost anyone to single-handedly create controversy and damage the public relations firm's image on the Internet. For example, the firm's client may not be satisfied with its services. As a way to retaliate, the client may decide to use the Internet to exchange rumors and misinformation about the firm to prospective clients and current clients.⁵⁸ This may deflate stock prices and cause sales revenues to plummet, which may cause the public relations firm not to grow.⁵⁹

⁵⁶ Steven L. Lubetkin, "Becoming an 'Attractive' Job Candidate," *Public Relations Tactics* 4 (April 1997): 13.

⁵⁷ Pete Millard, "Honk if You Think Internet Marketing is Weak," *Business Journal Serving Greater Milwaukee* 14 (January 1997): 10.

⁵⁸ Andy Marken, "Awareness of Goings-On in Cyberspace Could Prevent a PR Disaster," *Business Journal Serving San Jose & Silicon Valley* 15 (August 1997): 59.

⁵⁹ Amy Jackson, "Internet Vigilance: Monitoring Public Opinion Online," *Public Relations Tactics* 4 (November 1997): 12.

Evaluation of Existing Research

Experts in the public relations field have many different opinions about using the Internet in their businesses. However, experts in the public relations field tend to be more in favor of using the Internet to help their businesses grow rather than not.⁶⁰ For example, public relations firms might use the Internet in ways that help them to do more work in less time, therefore causing them to be more profitable. The public relations firm using electronic mail can send drafts of a news release from the public relations professional to a newspaper editor faster than using paper mail. Also, it is less expensive for the public relations firm to use electronic mail rather than using the telephone or fax machine. Public relations professionals' understanding and using the Internet regularly are more likely to recommend it to their target audiences to help their businesses grow.⁶¹

But there is another side to the Internet. Clients who are not satisfied with the public relations firm's services can spread false and misleading information to millions of people around the globe. What is being said about the public relations firm on the Internet can have a severe impact on it. This may cause damage to the firm's image as well as deflate stock prices and may cause sales revenues to plummet.⁶² As a result, the public relations firm may not invest in the Internet to help the business to grow. However, there are ways to avoid a crisis on the Internet. The public relations firm can: 1) monitor Internet Traffic and World Wide Web activity, 2) develop communications strategies,

⁶⁰ Daniel J. Holden, "PR Agencies with Internet Expertise Lead the Way," *Business Journal Serving San Jose & Silicon Valley* (June 1997): 84.

⁶¹ Allison Stateman, "Corporations Leading the Internet Pack," *Public Relations Tactics* 4 (April 1997): 9.

⁶² Amy Jackson, "Internet Vigilance: Monitoring Public Opinion Online," *Public Relations Tactics* 4 (November 1997): 12.

and 3) design crisis plans.⁶³ By preparing for a crisis on the Internet, public relations firms can still use the Internet to help their businesses grow.

There is a bright light shining through the Internet's emerging dark side. The public relations professional who knows how to use the Internet can reach prospective clients, current clients, and media quickly and easily through electronic mail and the World Wide Web rather than using telephones, faxes, and overnight deliveries.⁶⁴ With Internet training, the public relations professional gains knowledge about how the Internet might help the business to grow. Staying away from the Internet might cause the business to miss out on many opportunities.

⁶³ Don Middleberg, "How to Avoid a Cybercrisis," *Public Relations Tactics* 3 (November 1996): 1.

⁶⁴ Allison Stateman, "The Internet: It's Electric," *Public Relations Tactics* 4 (September 1997): 3.

CHAPTER 3

Summary of the Study

Because of the importance of the Internet, the study attempted to show the public relations firm's perception of its effect on the firm's growth and profits. The study did not evaluate the Internet's effect on the firm's actual growth and profits. Instead, the study attempted to show the public relations firm's perception of the effect of the Internet and other sources on the firm's growth and profits.

Data Needed

The data needed for the study was obtained by mailing surveys to 317 public relations firms in the United States chosen by chance. The data needed for the study answered questions about the public relations firm's perception of the Internet's effect on its growth and profits. Also, the data needed for the study answered questions about the public relations firm's perception of the effect of other sources on its growth and profits.

For example, one type of data needed for the study answered the questions: Have the firm's net profits increased since you started using the Internet? How much have the firm's net profits increased since you started using the Internet? Another type of data needed for the study answered the questions: If your firm's net profits have increased, then what do you attribute that to? If your firm's net profits have not increased, then what do you attribute that to? These questions along with others can be found in the questionnaire located in the appendix.

The survey consisted of 16 multiple-choice questions. Each question offered choices to select from. The public relations firm was asked to select only one choice for each question. "Other" responses were offered so that the firm could provide the best

answer for the question. “Other” responses were handwritten on the survey by the public relations firm.

Data Sources

The data came from the United States public relations firms that responded to the questionnaire. The United States public relations firms are listed in *The Ward’s Business Directory of United States Private and Public Companies-1997*.

Independent and Dependent Variables

The hypothesis is that the public relations firm believed the Internet had a recognizable effect on its growth and profits. The public relations firm’s use of the Internet was the independent variable. The public relations firm’s perception of the Internet’s effect on its growth and profits was the dependent variable. The public relations firm’s perception depended upon its use of the Internet. Did the firm believe that using the Internet had made an impact on the public relations firm through its net profits, client base, and employees’ paychecks?

Sample Selection and Size

The study used probability sampling to acquire data. Probability sampling allows one to generalize from the sample being observed to the entire population from which that sample was chosen.

In systematic probability sampling, one uses lists and then draws every “nth” number on the list to put into the sample. *The Ward’s Business Directory of United States Private and Public Companies-1997* listed 634 nationwide public relations firms. For the study, the sample size was 317 nationwide public relations firms. To obtain the desired sample size, the first nationwide public relations firm on the list was chosen. This was the

starting point. Thereafter, every second nationwide public relations firm on the list was chosen to get the completed sample size.

Research Method

Once 317 nationwide public relations firms were chosen, a persuasive cover letter and survey were mailed to them. The letter explained the purpose of the study. The survey asked precise questions about the study. The survey consisted of 16 multiple-choice questions, and it is included in the appendix. To track the number of responses, each public relations firm's survey corresponded with a number located on the front, right-hand corner of it. For nonrespondents, follow-up letters were mailed and telephone calls were made to the public relations firms asking them to respond to the survey.

Probability sampling might have incurred sampling, response, and nonresponse errors. They might have resulted from public relations firms overstating and others understating, the respondent misunderstanding the survey question, or a noncontact or refusal.

Nonresponse errors occurred as a result of noncontact or refusal. The selected public relations firm had not responded to the survey. The study could not afford to neglect the nonrespondents because any results based on the respondents alone would not apply to the entire population. Neglecting the nonrespondents would have introduced a bias in the results. Follow-up letters were mailed and telephone calls were made to the nonrespondents to help complete coverage of the sample. This reduced the bias in the survey results.

Data Collection Method

The completed surveys were reviewed. The public relations firms were asked to select only one response for each question. To begin collecting the data, a spreadsheet with only the questions and responses on it was used to tabulate the results. The responses chosen by the firms were recorded on the spreadsheet by placing check marks next to them. The check marks were counted and the totals were recorded on the spreadsheet in a computer. "Other" responses that asked for an explanation were typed manually onto the spreadsheet. They were recorded individually by placing check marks next to them. The check marks for the "other" responses were counted and the totals were recorded on the spreadsheet. This process was carried throughout all of the surveys until the responses were recorded and then the results were tabulated.

Data Analysis Method

Percentages were used to summarize the data. The total number of responses selected by the public relations firms for each question was divided by the total number of completed surveys.

CHAPTER 4

Findings

The sample originally selected was 317 United States public relations firms, a sample which consisted of small and large public relations firms ranging from 10 employees up to 100 employees. The firms were both public and private, more than half being private.

A survey consisting of 16 multiple-choice questions was mailed to the sample. Each question offered choices to select from. An “other” response was offered so that the public relations firm could provide its best answer for the question. The “other” response was handwritten on the survey by the public relations firm representative.

During the first week in February 1998, surveys were mailed to the sample. To track the number of responses, each public relations firm’s survey corresponded with a number located on the front, right-hand corner of it. Within two weeks, 8 percent completed the survey. For nonrespondents, follow-up letters were mailed and telephone calls were made to the public relations firms asking them to respond to the survey. Within the next two weeks, an additional 3 percent completed the survey. By the first week in March 1998, 11 percent completed the survey. The total response rate of the survey was 11 percent (35 respondents).

The completed surveys were reviewed. The public relations firms were asked to select only one response for each question. To record the data, each response chosen by the firm was marked by placing a check next to it. The total number of check marks for each response was counted and recorded on a spreadsheet in a computer. An “other” response that asked for an explanation was typed manually onto the spreadsheet. It was

recorded by placing a check mark next to it. The total number of check marks for an “other” response was counted and recorded individually on the spreadsheet. This process was carried throughout all of the surveys until the responses were recorded and the results were tabulated.

Percentages were used to summarize the data. The total number number of responses selected by the sample for each question was divided by the total number of completed surveys.

Fourteen percent of the public relations firms responding did not complete the survey. Instead, they sent letters stating the reasons why they did not complete it. One respondent said, “It is our policy to keep confidential all information relating to our income and profitability, employee compensation and all other financial matters.” Another respondent said, “Our use of the Internet for business development purposes has been somewhat limited to date and we have not compiled the detailed data that you are seeking.”

Generally, the survey results showed that the public relations firms believed that using the Internet had a positive effect on their growth and profits. Fifty-seven percent said that their net profits increased from using the Internet. Fifty-four percent said that the client base grew from using the Internet. Fifty-one percent said that the employees’ paychecks increased from using the Internet.

However, some of the public relations firms said that using the Internet did not have a recognizable effect on their growth and profits. Six percent said that their net profits increased from client referrals. Six percent said that the client list grew from

telemarketing. Three percent said that the employees' paychecks increased from print, radio, and television advertising.

But other public relations firms saw that their net profits did not increase, client base did not grow, and, as a result, employees' paychecks did not increase. Three percent said that their net profits did not increase and six percent said that the client base did not grow because of the limitations caused by location. Three percent said that the employees' paychecks did not increase because of insufficient experienced personnel. Six percent said that the employees' paychecks did not increase because of the unforeseen interference with marketing strategy.

Moreover, a few public relations firms offered "other" responses that were not given on the survey. One respondent said that its net profits increased from "highly experienced personnel." Another respondent said that the client base grew from its "reputation." But not all public relations firms felt this way. One respondent said that the client base did not grow because of "money not allocated properly," while another respondent said that the client base did not grow because of "not enough work for growth." In addition, one public relations firm said that the employees' paychecks did not increase because of its "not reaching the right target markets," while another public relations firm said that the employees' paychecks did not increase because of "resources not allocated properly."

The survey results are as follows:

1. When did you begin to use the Internet for improving your communication with clients and media?

0 – 3 months ago	9%
4 – 7 months ago	6%
8 – 11 months ago	11%
12 – 15 months ago	17%
15 – 18 months ago	23%
18 – 21 months ago	11%
More than 21 months ago	9%
Not at all	0%

If you choose this response, then do not go any further. Please return the questionnaire.

No response	14%
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2. Have the firm's net profits increased since you started using the Internet?

Yes	57%
No	29%
No response	14%

3. Has the client base grown since you started using the Internet?

Yes	54%
No	31%
No response	14%

4. Have the employees' paychecks increased since you started using the Internet?

Yes	51%
No	34%
No response	14%

5. How much have the firm's net profits increased since you started using the Internet?

0% - 10%	6%
11% - 20%	14%
21% - 30%	20%
31% - 40%	9%
41% - 50%	6%
More than 50%	3%
Not at all	29%
No response	14%

6. How much has the client list grown since you started using the Internet?

0% - 10%	9%
11% - 20%	23%
21% - 30%	14%
31% - 40%	3%
41% - 50%	3%
More than 50%	3%
Not at all	31%
No response	14%

7. How much have employees' paychecks increased since you started using the Internet?

0% - 10%	17%
11% - 20%	11%
21% - 30%	9%
31% - 40%	6%
41% - 50%	6%
More than 50%	3%
Not at all	34%
No response	14%

8. If your firm's net profits have increased, then what do you attribute that to?

Internet	57%
Client referrals	6%
Print, radio, and television advertising	3%
Outside salespeople	3%
Telemarketing	3%
Other (Specify)	15%
- Reputation	3%
- Highly experienced personnel	3%
- Lucrative market	3%
- Profits have not increased	6%
No response	14%

9. How much have the firm's net profits increased since you started using the communication channels mentioned in question 8?

0% - 10%	9%
11% - 20%	26%
21% - 30%	29%
31% - 40%	11%
41% - 50%	3%
More than 50%	3%
Not at all	6%
No response	14%

10. If your client list has grown, then what do you attribute that to?

Internet	54%
Client referrals	3%
Print, radio, and television advertising	3%
Outside salespeople	3%
Telemarketing	6%
Other (Specify)	17%
- Reputation	3%
- Well-managed client database	3%
- Client base has not grown	11%
No response	14%

11. How much has the client list grown since you started using the communication channels mentioned in question 10?

0% - 10%	6%
11% - 20%	26%
21% - 30%	20%
31% - 40%	6%
41% - 50%	3%
More than 50%	3%
Not at all	11%
No response	14%

12. If your employees' paychecks have increased, then what do you attribute that to?

Internet	51%
Client referrals	3%
Print, radio, and television advertising	3%
Outside salespeople	3%
Telemarketing	3%
Other (Specify)	23%
- Profit increases/performance	3%
- Employees' paychecks have not increased	20%
No response	14%

13. How much have employees' paychecks increased since you started using the communication channels mentioned in question 12?

0% - 10%	23%
11% - 20%	17%
21% - 30%	9%
31% - 40%	9%
41% - 50%	6%
More than 50%	3%
Not at all	20%
No response	14%

14. If your firm's net profits have not increased, then what do you attribute that to?

Internet	0%
Inability to meet the needs of clients and media appropriately	0%
Limitations caused by location	3%
Insufficient experienced personnel	0%
Unforeseen interference with marketing strategy	3%
Other (Specify)	80%
- Profits have increased	80%
No response	14%

15. If your client base has not grown, then what do you attribute that to?

Internet	0%
Inability to meet the needs of clients and media appropriately	0%
Limitations caused by location	6%
Insufficient experienced personnel	0%
Unforeseen interference with marketing strategy	0%
Other (Specify)	80%
- Money not allocated properly	3%
- Not enough work for growth	3%
- Client base has grown	74%
No response	14%

16. If your employees' paychecks have not increased, then what do you attribute that to?

Internet	0%
Inability to meet the needs of clients and media appropriately	0%
Limitations caused by location	6%
Insufficient experienced personnel	3%
Unforeseen interference with marketing strategy	6%
Other (Specify)	72%
- Did not reach the right target markets	3%
- Resources not allocated properly	3%
- Employees' paychecks have increased	66%
No response	14%

Charts and Graphs

Figure 1

The Perceived Effect of the Internet on the
Public Relations Firm's Growth and Profits

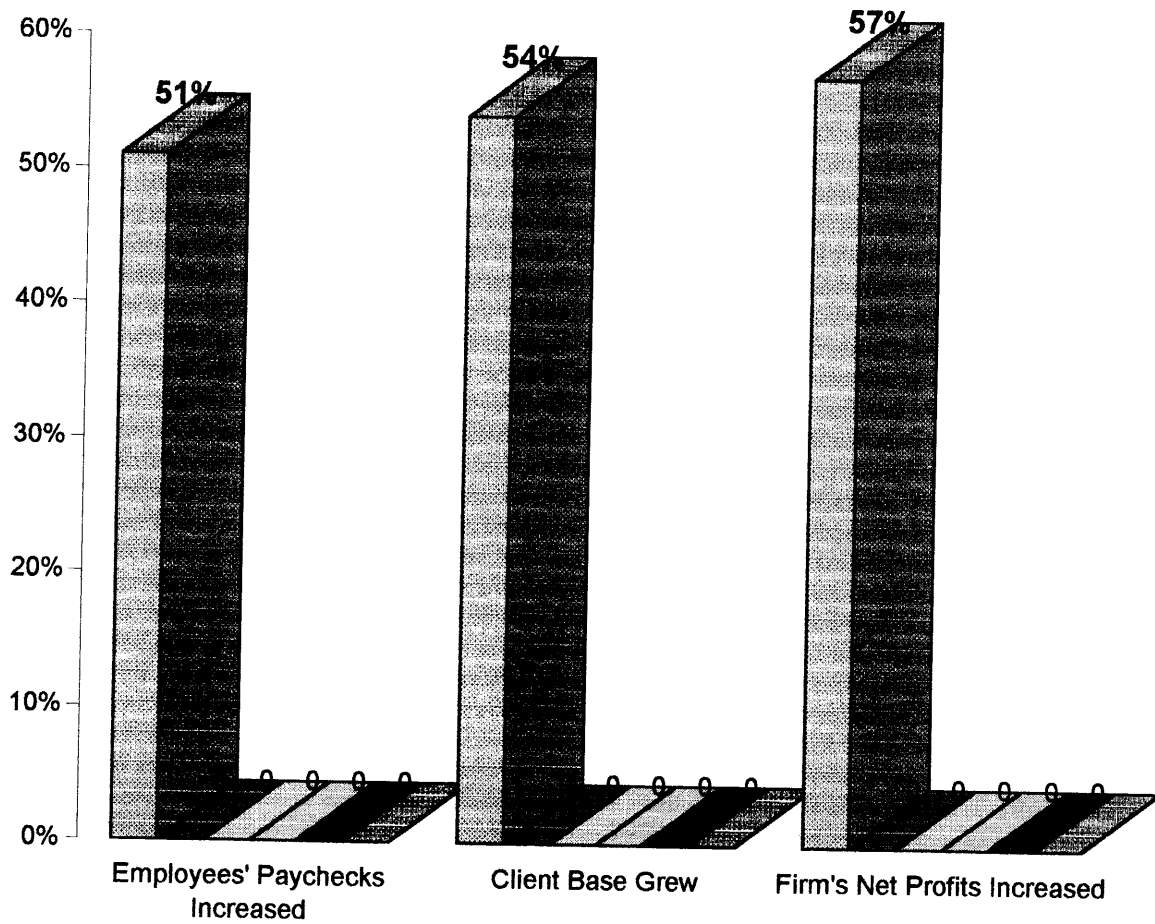


Figure 2

The Perceived Increase in the Public Relations Firm's Net Profits
Attributed to Using the Internet and other Possible
Communication Channels

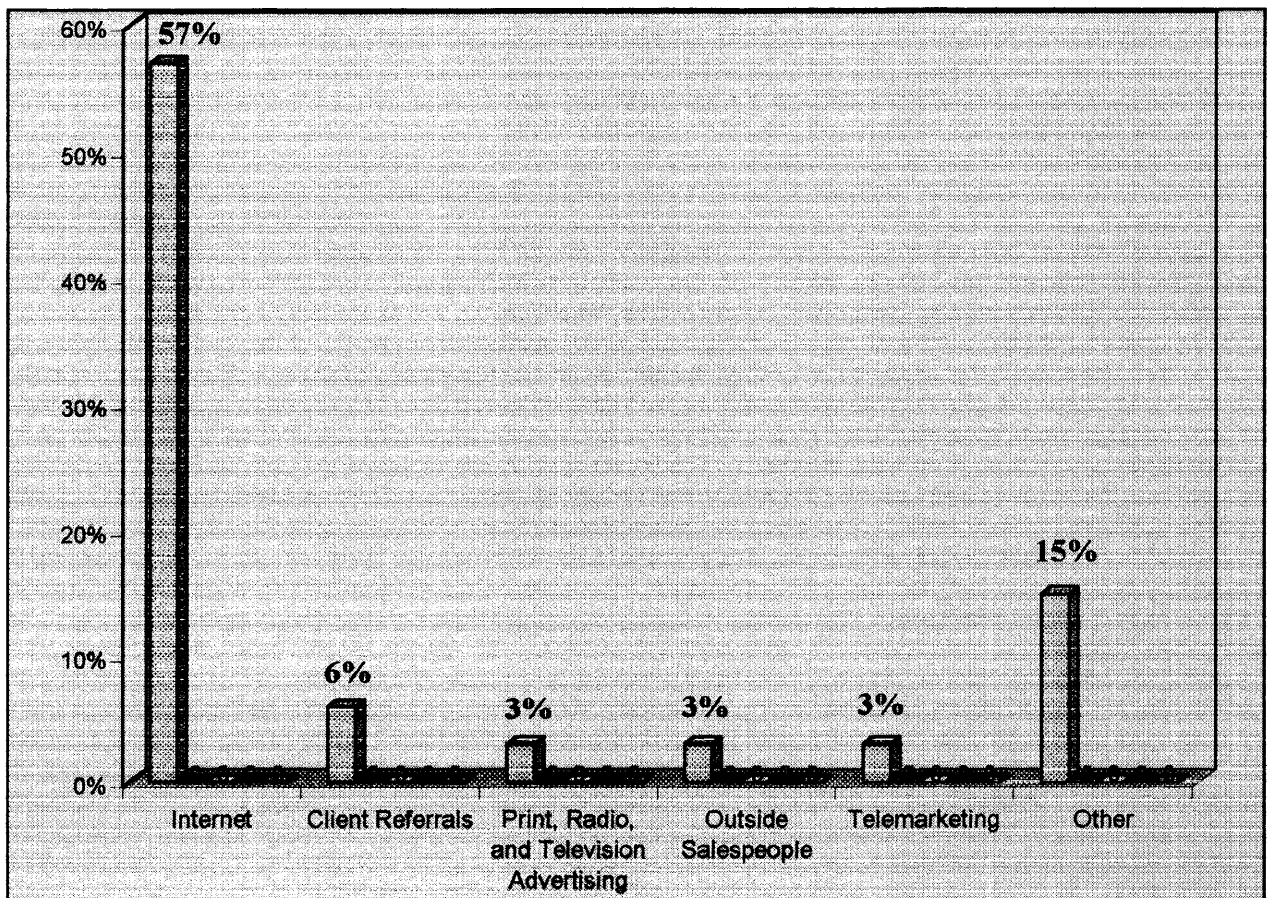


Figure 3

The Effect of the Internet and other Possible Communication Channels
on the Perceived Growth in the Public Relations Firm's
Client Base

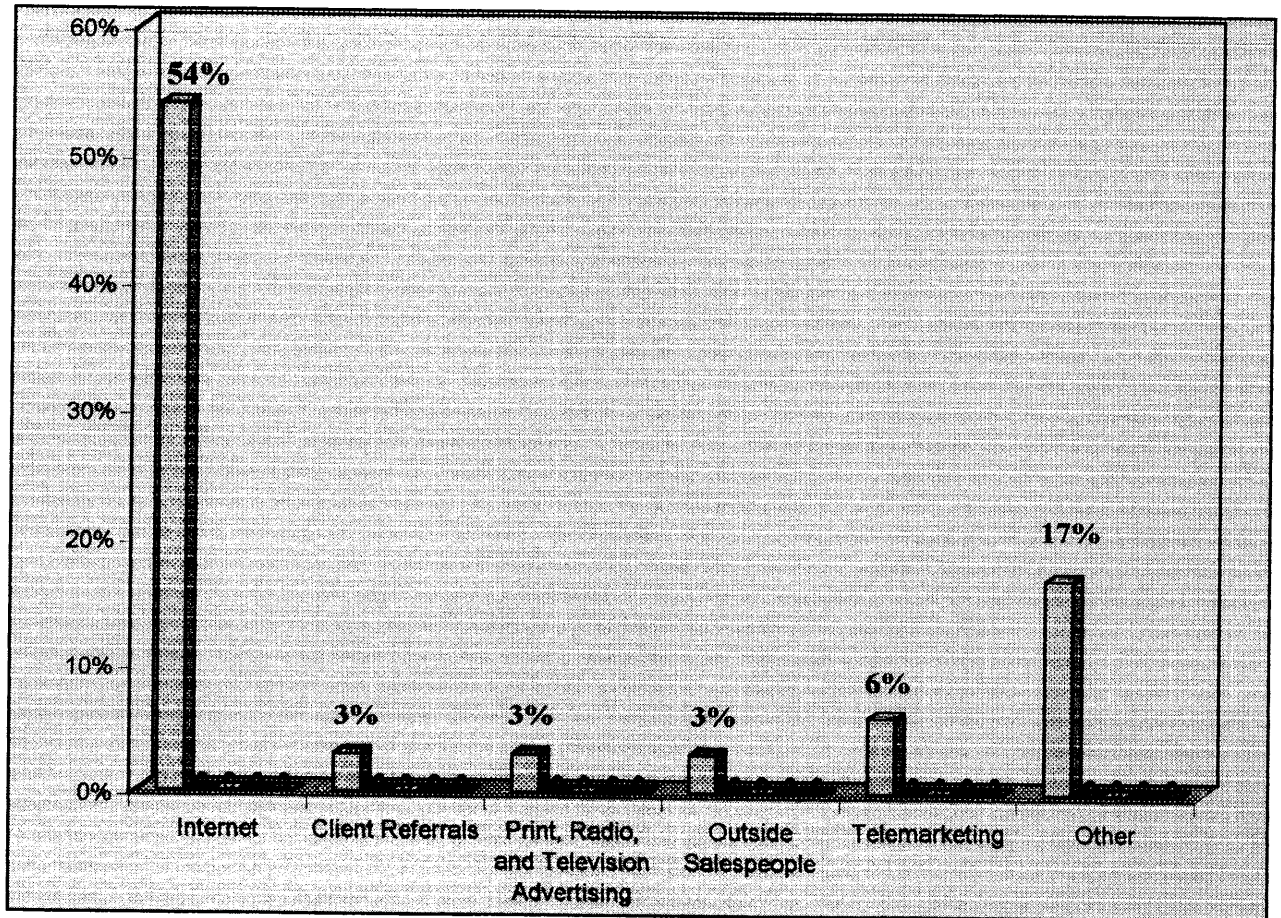
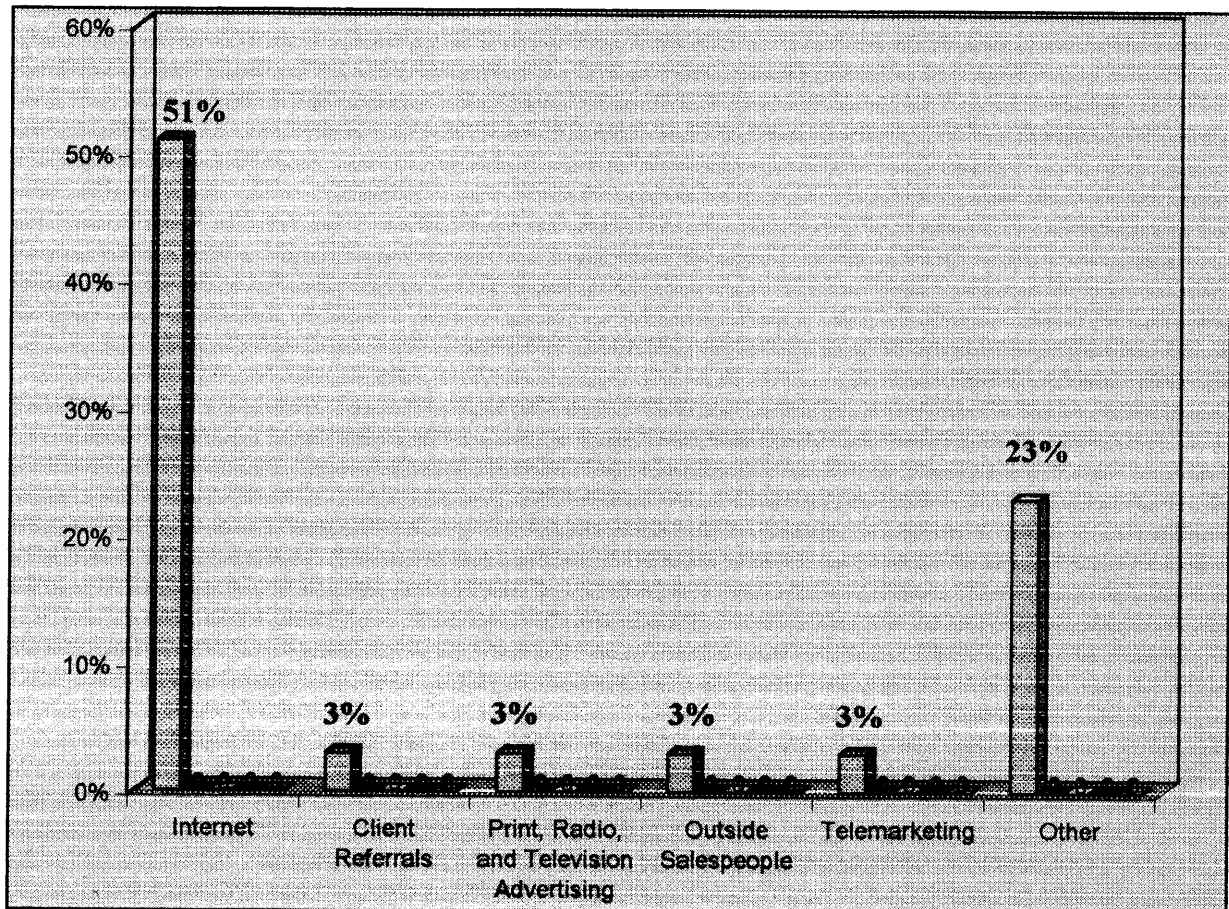


Figure 4

The Perceived Increase in the Employees' Paychecks Attributed to the Public Relations Firm Using the Internet and other Possible Communication Channels



CHAPTER 5

Evaluation

The actual sample was 35 United States public relations firms. A survey consisting of 16 multiple-choice questions was mailed to the total sample; 35 were returned and comprised the actual sample. Percentages were used to summarize the data.

The survey results indicated that using the Internet had a recognizable effect on the public relations firm shown through its net profits, client base, and employees' paychecks. More than half of public relations firms said that their net profits increased, client base grew, and, as a result, employees' paychecks increased since they started using the Internet. However, the total response rate, which was 35 United States public relations firms, was small. Typically, a response this small can not yield generalizable results for the entire population. The survey results provided some indications that the public relations firm believed that using the Internet had a recognizable effect on its growth and profits, but no generalizable patterns were shown.

Also, some public relations firms might have selected certain individuals that could provide positive responses for the survey. Simply, the survey results may be biased because the firm might have possibly felt that certain individuals could provide positive responses. Some self-selection may be evident. The survey results seem to indicate a need for additional research.

Fourteen percent of the public relations firms responding did not complete the survey. Instead, they sent letters stating the reasons why they did not complete it. One respondent said, "It is our policy to keep confidential all information relating to our income and profitability, employee compensation and all other financial matters." One

reason why some public relations firms responded to the survey this way is that they might have misinterpreted what the survey was asking of them. The study was designed to research the public relations firm's perception of the Internet's effect on its growth and profits. The study was not designed to evaluate the effect of the Internet on the firm's actual growth and profits. It is possible that some of the respondents thought this and decided not to complete the survey but to respond with a letter. Most of the letters gave specific reasons why the public relations firm did not complete the survey, but the most popular reason among the group was that "all information regarding income, profitability, employee compensation, and all other financial matters is confidential."

Generally, the survey results showed that the public relations firms believed that using the Internet had a positive effect on their growth and profits. Fifty-seven percent said that their net profits increased from using the Internet. Fifty-four percent said that the client base grew from using the Internet. Fifty-one percent said that the employees' paychecks increased from using the Internet.

Interpretation

The hypothesis was that the study would show that the public relations firm believed the Internet had a recognizable effect on its growth and profits. The study would show the firm perceived that using the Internet increased the firm's net profits, grew the client base, and, as a result, increased the employees' paychecks.

The study showed that using the Internet had a recognizable effect on the public relations firm's growth and profits. The study showed the firm perceived that using the Internet increased the firm's net profits, grew the client base, and, as a result, increased the employees' paychecks.

There are possible reasons why the study turned out the way it did. One possible reason is that the public relations firms are using the Internet in ways that will help them to do more work in less time, therefore causing them to be more profitable.⁶⁵ The public relations firm using electronic mail can send drafts of a news release from a public relations professional to a newspaper editor faster than using paper mail. Also, it is less expensive for the public relations firm to use electronic mail rather than using the telephone or fax machine.

Another possible reason is that the public relations firms are using the Internet in ways that will help them to communicate with clients across town or across the country.⁶⁶ Public relations firms can expand to others that they normally would not have as clients.

A final possible reason is the public relations firms are using the Internet in ways that will help them to promote their services and recruit clients so that they can grow their client base.⁶⁷ They can design Web sites for clients and train their clients' employees on how to use it. Public relations firms can offer their services to Internet users, which helps to grow the client base.

Conclusions

The following conclusions were drawn from the survey results:

- Of the 35 respondents, more than half of the public relations firms believed that using the Internet had a positive effect on their growth and profits. If the public relations

⁶⁵ "What Do You Think?," *Public Relations Tactics* 4 (November 1997): 27.

⁶⁶ Ephraim Cohen, "Conducting an Online Public Affairs Campaign," *Public Relations Tactics* 14 (November 1997): 13.

⁶⁷ Daniel P. Dern, "Using the Internet as a PR Tool," *Communications News* 34 (June 1997): 28.

firm saw that its net profits increased, client base grew, and, as a result, employees' paychecks increased, then it perceived that using the Internet had a recognizable effect on its growth and profits.

- If the public relations firm believed that using the Internet did not have a recognizable effect on its growth and profits, then it believed that other communication channels did have a recognizable effect on the firm's growth and profits. Some of the possible communication channels that had a recognizable effect on the public relations firm were: 1) client referrals, 2) print, radio, and television advertising, 3) outside salespeople, and 4) telemarketing.

- If the public relations firm believed that using the Internet did not have a recognizable effect on its growth and profits, then it believed that the firm's limitations did have a recognizable effect on its growth and profits. Some of the possible limitations that had a recognizable effect on the public relations firm were: 1) inability to meet the needs of clients and media appropriately, 2) limitations caused by location, 3) insufficient experienced personnel, and 4) unforeseen interference in the marketplace (e.g., drop in stock prices).

Contribution to the Field

Overall, there is a great deal of research available on how the Internet is being used within the public relations industry. However, there is very little research available about the public relations firm's perception of the Internet's effect on its growth and profits. The study fills a gap in the existing research and provides current information about the public relations firm's perception of the effect of the Internet on its net profits,

client base, and employees' paychecks. As a result, the study provides insight as to whether the public relations firm should invest or not invest in the Internet.

Practical Influence on the Field

The survey results showed that more than half of the respondents believed that using the Internet had a positive effect on their growth and profits. The public relations firms' net profits increased, client base grew, and, as a result, employees' paychecks increased since they started using the Internet. This might persuade public relations firms who do not use the Internet to invest in it.

Further Research

The study seems to show a need for additional research because the total response rate, which was 35 United States public relations firms, was small and typically can not yield generalizable results for the entire population. Doing a telephone survey to acquire additional data might raise the total response rate for the study. With a higher response rate, the study would yield generalizable results, and trends would be more clearly evident.

Moreover, the study did not evaluate the effect of the Internet on the public relations firm's actual growth and profits. To fill a gap in the existing research, further research might show the Internet's effect on the public relations firm's actual growth and profits rather than the public relations firm's perception of the Internet's effect on its growth and profits. Also, further research might show a worldwide scope of the public relations firm's perception of the effect of the Internet on its growth and profits rather than limiting research to the United States.

APPENDIX A

Please respond to the following survey questions. This survey is an important part of the thesis for my Master of Arts degree in public relations at Rowan University in Glassboro, NJ. Your participation is greatly appreciated. Even though your response is voluntary, it would help me to receive as many completed questionnaires as possible for generalizable results. Please check only one response for each question.

1. When did you begin to use the Internet for improving your communication with clients and media?

- ☐ 0 – 3 months ago
- ☐ 4 – 7 months ago
- ☐ 8 – 11 months ago
- ☐ 12 – 15 months ago
- ☐ 15 – 18 months ago
- ☐ 18 – 21 months ago
- ☐ More than 21 months ago
- ☐ Not at all If you choose this response, then do not go any further. Please return the questionnaire.

2. Have the firm's net profits increased since you started using the Internet?

- ☐ Yes
- ☐ No

3. Has the client base grown since you started using the Internet?

- ☐ Yes
- ☐ No

4. Have the employees' paychecks increased since you started using the Internet?

- ☐ Yes
- ☐ No

5. How much have the firm's net profits increased since you started using the Internet?

- ☐ 0% - 10%
- ☐ 11% - 20%
- ☐ 21% - 30%
- ☐ 31% - 40%
- ☐ 41% - 50%
- ☐ More than 50%
- ☐ Not at all

6. How much has the client list grown since you started using the Internet?

- ☐ 0% - 10%
- ☐ 11% - 20%
- ☐ 21% - 30%
- ☐ 31% - 40%
- ☐ 41% - 50%
- ☐ More than 50%
- ☐ Not at all

7. How much have employees' paychecks increased since you started using the Internet?

- ☐ 0% - 10%
- ☐ 11% - 20%
- ☐ 21% - 30%
- ☐ 31% - 40%
- ☐ 41% - 50%
- ☐ More than 50%
- ☐ Not at all

8. If your firm's net profits have increased, then what do you attribute that to?

- ☐ Internet
- ☐ Client referrals
- ☐ Print, radio, and television advertising
- ☐ Outside salespeople
- ☐ Telemarketing
- ☐ Other (Specify) _____

9. How much have the firm's net profits increased since you started using the communication channels mentioned in question 8?

- ☐ 0% - 10%
- ☐ 11% - 20%
- ☐ 21% - 30%
- ☐ 31% - 40%
- ☐ 41% - 50%
- ☐ More than 50%
- ☐ Not at all

10. If your client list has grown, then what do you attribute that to?

- ☐ Internet
- ☐ Client referrals
- ☐ Print, radio, and television advertising
- ☐ Outside salespeople
- ☐ Telemarketing
- ☐ Other (Specify)_____

11. How much has the client list grown since you started using the communication channels mentioned in question 10?

- ☐ 0% - 10%
- ☐ 11% - 20%
- ☐ 21% - 30%
- ☐ 31% - 40%
- ☐ 41% - 50%
- ☐ More than 50%
- ☐ Not at all

12. If your employees' paychecks have increased, then what do you attribute that to?

- ☐ Internet
- ☐ Client referrals
- ☐ Print, radio, and television advertising
- ☐ Outside salespeople
- ☐ Telemarketing
- ☐ Other (Specify)_____

13. How much have employees' paychecks increased since you started using the communication channels mentioned in question 12?

- ☐ 0% - 10%
- ☐ 11% - 20%
- ☐ 21% - 30%
- ☐ 31% - 40%
- ☐ 41% - 50%
- ☐ More than 50%
- ☐ Not at all

14. If your firm's net profits have not increased, then what do you attribute that to?

- ☐ Internet
- ☐ Inability to meet the needs of clients and media appropriately
- ☐ Limitations caused by location
- ☐ Insufficient experienced personnel
- ☐ Unforeseen interference with marketing strategy
- ☐ Other (Specify)_____

15. If your client base has not grown, then what do you attribute that to?

- ☐ Internet
- ☐ Inability to meet the needs of clients and media appropriately
- ☐ Limitations caused by location
- ☐ Insufficient experienced personnel
- ☐ Unforeseen interference with marketing strategy
- ☐ Other (Specify)_____

16. If your employees' paychecks have not increased, then what do you attribute that to?

- ☐ Internet
- ☐ Inability to meet the needs of clients and media appropriately
- ☐ Limitations caused by location
- ☐ Insufficient experienced personnel
- ☐ Unforeseen interference with marketing strategy
- ☐ Other (Specify)_____

I would like a copy of the survey results.

Name: _____

Address: _____

Thank you for your time and cooperation.

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