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HOW INVESTMENT PROMOTION AGENCIES CAN USE THE MEDIA

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The opportunities for investment promotion agencies to reach their target audiences through the media have never been better. But the problems in trying to do so are also many. For every upside of the international media there is an equivalent downside that is all too easy to slip into. That's because all the clichés about the international media are – for the most part – true:

* We live in the internet age, where news circulates at the press of a button, but often in an uncontrolled and distorted way

*Public opinion is highly influenced by the CNN effect: wars and famines beam into people's living rooms and offices and create a big reaction; but they can, just as quickly, disappear off our screens and out of our minds.

* Media savviness and spin provide a fast response to recent events and get the word out on a situation. But a lack of substance and poor execution can just as easily cause message failure. It's easy to find yourself further back than from where you started.

* Images of countries are unduly influenced by what appears about them in the media, and much of what appears, is based on simplistic impressions rather than any deeper understanding.

The challenge for an investment promotion agency is to present their region to the media in a way that transcends the populist version that journalists and commentators will rely on if they have nothing else to go on.

Countries and regions have to learn how to present themselves in the media better. And they have to present themselves in a full and detailed way. They have to know what works and what doesn't work in press campaigns. They have to learn how to answer the tough questions in the right way.

There are two sides to the problem. First making sure the package you are trying to sell is right; second, putting together a strategy that can get the message out to journalists and news organisations

across the world. And in particular to the key decision makers in the corporate world that hold crucial sway over FDI decisions.

As far as the first part of the equation goes much is going to be said elsewhere at this conference about FDI incentives. What is the right tax policy, financial incentives and skills set to attract a particular type of investor? These are questions for policy experts and I don't intend to try and add to this debate. It is worth me saying however that a successful FDI policy requires a very broad policy approach.

Corporate planners who go on fact finding trips; senior executives who may have to relocate; journalists looking for a story need much more than a package of incentives to excite them. They need to see cultural initiatives, tourism being pushed, nightclubs and restaurants opening.

Trivial as these things may seem in the great scheme of a country's overall development, I guarantee that getting them right will pay huge dividends in terms of a positive image for FDI.

Witness for example how a city such as Glasgow has transformed itself by paying attention to these aspects. It used to be associated with slums and house fires. Now it is a green, cultured and cosmopolitan place. In between times there has been a lot of tourist promotions, cultural and environmental initiatives. FDI followed these.

This is the kind of story any location wants to tell potential investors, expatriates and journalists.

The mega deal with Toyota or Microsoft maybe years in coming. Between now and that happy day an investment promotion agency needs a story to tell.

But presuming that you do have a message to put out what is the right way to get it across.

The first thing is to understand how journalists work. Journalists are bombarded with information. PR companies are always trying to tell them things and sending them press releases. Most of this information goes straight in the bin unless you are lucky enough to hit their desks on a bad news day.

To really be sure your message gets across you have to offer a journalist something more: a meeting with the agency's CEO, or with a government minister, a press conference, a trip to the destination. That way you have the journalist's undivided attention for a certain period of time and even if these efforts don't end up as copy on this occasion, you have broken through the cliché barrier for that one person. Some time in the future when the time is right your story will get written. You have to think long term with media relations.

Don't make the mistake of assuming that journalists have a deep knowledge of your country. Journalists have a little knowledge of a lot of things. When making presentations it's safer to assume a limited knowledge and work at increasing it than assume a deep knowledge and overwhelm a journalist with unnecessary complexity.

How many of us after all can remember that the Korean economy is dominated by large conglomerates called chaebol? And how many non-Mexicans can recall that the production sharing factories along the US border are called maquiladora?

Most journalists were probably these things at some time but for sure they have forgotten by now.

The other thing an investment promotion agency has to do

is get everybody they can involved in the promotion. Ambassadors, diplomats, heads of institutions and think tanks can all play a part in spreading the word. They will be meeting decision makers and journalists anyway. Properly primed they can sell the location for you.

But remember most locations like most people are not perfect. It's silly and counterproductive to try and hide your defects from journalists. It irritates them and makes them more inclined to become preoccupied with the negative aspects.

The way to treat negative aspects is to confront them head on. Don't be shy of discussing the major issues of your country such as political crises and social problems. Journalists have heard about these anyway so you are not telling them something they don't know. But by answering questions fully and properly you can present the difficult issues in a more rational and objective way than would otherwise be the case. Journalists then have the facts to write or broadcast in an informed way and reach sophisticated conclusions.

It goes almost without saying that the press department of an investment promotion agency needs to be a one-stop shop staffed with English-speaking, highly educated officers whom journalists can get hold of easily to discuss issues. As with investors, if the first call a journalist ever makes to an organisation results in him or her getting passed around three times, or if messages are left that are not returned, the initial impression is bad. You then have to recover from this.

Remember that the chief executive of your agency is your trump card. While there are huge demands on the CEO's time it's important that facing the media is high on his or her agenda. No one can present the case better and respond to all questions: difficult or trivial.

A successful PR campaign needs to be backed up by a successful advertising campaign. Journalists will always claim that they are not influenced by advertising. In the sense that they don't feel obliged to write articles about the advertisers in their publications, they are right. But advertising, in the sense of creating awareness and convincing people of what is important to take notice of, that's another matter. In this sense journalists are as influenced by advertising as everybody else.

Advertising creates benefits in many ways: it creates general awareness, it provides specific information to the small group of decision makers you want to reach, it motivates your marketing staff and it tells journalists, subtly, that they should go on this press trip or attend that briefing.

All this costs money of course. Lots of money. Millions of dollars. PR and advertising in the FDI area are the most difficult to target correctly because of the range of industries and businesses that need to be covered. Textiles, autos, electronics, financial services, IT: you may have preferences but do you want to ignore the others?

With this in mind the Financial Times has recently launched a new product called, appropriately enough, FDI. I have a copy of the first issue here.

FDI is a magazine aimed at CFOs, corporate planners and strategists working with multinationals. 15,000 of them. Your target audience.

The aim is to provide them with a compact source of information about FDI issues and prospects. There will be in-depth studies of particular regions, countries and industries. Legal issues, tax, the environment, politics, infrastructure, skills, how deals were won... and lost...all these are the meat and drink of FDI magazine.

From an editorial point of view it will be a quick and effective way for investment promotion agencies to get their message out to the decision makers. From an advertising point of view it will be a vastly cheaper and more efficient way of reaching the decision makers than by using daily newspapers and general business magazines.

As the editor of FDI I invite you all to pick up a copy and take a look. Feel free to talk to me or call me with any comments or suggestions that you have. Our aim is to help you solve your media, PR and advertising problems cheaply and effectively. Thank you very much for your time and attention.