

Fueled by Research and Measurement, Shell Oil Rehabilitates a Tainted Image

Organization: Shell Oil Company
Agency: Burson-Marsteller; Penn, Schoen & Berland
Timeframe: 2006 - 2007

When Shell Oil Company undertook an 18-month face-to-face campaign to build public understanding of energy issues, research and measurement quickly became prime considerations.

“As we started considering the idea of a speaking tour, one of our first questions was, ‘How will we be able to measure the effectiveness of face-to-face outreach?’” explains Chris Bozman, APR, deputy director of U.S. communications for Shell Oil Company, the U.S. corporate arm of Royal Dutch Shell. That question drove development of both quantitative and qualitative measures that ultimately shaped the campaign’s direction and outcomes.

The campaign, “A National Dialogue on Energy Security,” was recognized this month by the Institute for Public Relations with its annual Jack Felton Golden Ruler Award for excellence in public relations

research, measurement and evaluation.

“We really used research strategically to drive the campaign,” Bozman says. “We used it to understand audiences’ perceptions about the energy industry, energy policies and Shell Oil Company and to measure the effectiveness of communications on this issue. Then we used the data we gathered to shape ongoing messages about the need for public policy changes.”

OVERCOMING BARRIERS

In early 2006, it was clear to the leaders of Shell Oil Company that the company faced a reputation crisis in the United States. Increased global energy demand had been pushing prices up since 2003, but the supply crunch and price spikes triggered by the 2005 hurricanes created a new level of anger and ill will toward oil companies. The result: negative press, angry customer letters and three summonses for the U.S. head of Shell, John Hofmeister, to testify with other oil leaders before a hostile Senate audience. Shell leaders recognized that the anger and mistrust toward the industry created

barriers to developing public policies that could improve U.S. energy security.

Bozman points out that the most direct threat to Shell came from legislators and regulators who were proposing measures that would harm the company’s ability to meet U.S. energy needs. Therefore, Shell needed to get its messages in front of two key audiences: policy makers, including both state and federal lawmakers and federal energy regulators; and those influencing them—the business and community leaders who make themselves heard to their members of Congress, regulators and other policy makers.

To reach these stakeholders, Shell chose a grassroots approach, aiming to counter the “big oil” image with a human, face-to-face campaign focused on three key messages: access to domestic supplies, diversity of fuel sources and the need to moderate demand.

Hofmeister was instrumental in developing the concept



John Hofmeister, recently retired president of Shell Oil.

Photo credit: Shell Oil

of “A National Dialogue on Energy Security,” and committed to going out personally to 50 cities across America. The project began as a simple speaking tour, but in questioning how to measure it, the team realized that more than one-way communication was needed. They added a town hall event in each market, led by Hofmeister and two to three other Shell executives. (Hofmeister and other executives also conducted media interviews and frequently met one-on-one or in small groups with government officials, educators, customers, employees or other key stakeholders.)

MASSIVE OUTREACH

Implementing the campaign was a massive effort. Led by a small communications team, the project ultimately involved some 250 Shell employees across the country, along with Burson-Marsteller, Shell’s agency of record, its affiliate Penn, Schoen & Berland and other vendors.

The town halls became a central component of the out-

A ‘NATIONAL DIALOGUE’ MEASURED AND REFINED

Shell measured the “National Dialogue on Energy Security” campaign five ways:

- Formal public opinion surveys measuring attitudes toward energy issues and energy companies correlated with awareness of the tour, conducted at the beginning, midpoint and end of the tour;
- Qualitative feedback on three energy questions gathered from audiences through a formal town hall feedback process and documented on the tour Web site, www.shell/usenergysecurity.com;
- Quantitative data on the same three questions through a formal opinion survey of a sampling of town hall attendees compared to a sampling of the general population;
- Media analysis of national and local coverage; and
- A written report back to the audiences, sent to all town hall participants and other key stakeholders.

This approach brought measurement into the heart of the program, as ongoing audience feedback helped shape the company’s response and messaging, and became part of the outreach effort itself through dissemination of the final report document.

reach. Influencers including community leaders, business leaders and non-governmental organizations were invited to the town halls by Burson-Marsteller, using lists developed as part of the advance research. After brief remarks from Hofmeister, participants were asked to give their input on priorities and solutions to energy supply issues, responding to three questions:

- What should the U.S. be doing to increase domestic oil supply?
- What should the U.S. be doing as a nation to manage energy demand/consumption?
- What is your vision of the U.S. energy portfolio in the coming decade and beyond?

Responses were gathered on index-card-size Post-Its. Input on each topic was summarized and presented to the audience at the end. The Post-It Notes were transcribed and posted on www.shell/usenergysecurity.com, where site visitors could also add their own responses.

INCORPORATING QUALITATIVE AND QUANTITATIVE INSIGHTS

“This qualitative data gave us valuable insights into Americans’ attitudes about energy and where they want to see U.S. policy develop on this issue,” Bozman says. However, there was a need to balance that qualitative information with a quantitative and statistically reliable view. At the end of the tour, PS&B surveyed a sampling of town hall attendees and a sampling of the general public and asked the same questions that had been asked at the tour, as well as questions evaluating attitudes toward Shell.

In that survey, 62% of those who had attended the town halls were favorable toward Shell, compared to 33% of the general public. Other oil

companies also received more favorable ratings from attendees, but Shell was rated highest.

In addition, to gauge attitude and awareness changes, three full-scale tracking studies were conducted by PS&B during the tour. Key audiences targeted for the studies included the general public, community leaders, business leaders, influential elites in Washington, D.C., people who work for non-governmental organizations and the media. The studies tracked perceptions of the overall energy industry, perceptions of Shell versus other oil companies and perceptions of energy supply and demand and environmental issues.

The first tracking study was

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- Chris Bozman, deputy director of U.S. Communications for Shell Oil

conducted in October 2006, after only a few presentations had been given. Not surprisingly, awareness of the tour was low and perceptions of the industry were negative. This became the baseline for future research.

A second survey was conducted in February 2007, after a heavy tour schedule in October, November, January and February. This study showed a significant improvement in perceptions of Shell among those aware of the tour. It also provided valuable feedback that Shell used to adjust its messaging (for example, spending less time describing the issues and more time talking about what Shell was doing to address them). An additional flash poll was conducted in May 2007 immediately following a round of national media appearances by Hofmeister.

The final survey was conducted in late November 2007. Tracking research showed that among those aware of the tour, Shell had a 61% favorability rating at the end of the tour, compared to a 48% rating at the beginning of the tour. Comparatively, only 17% of those unaware of the tour were favorable toward Shell. In an analysis of attributes, Shell received the highest rankings of all major energy companies among business leaders as an “industry leader” (25% in November 2007 versus 16% in October 2006). First-place rankings on this attribute also rose among other audiences: from 15% to 20% among community leaders and from 5% to 25% among media.

In addition, Shell received top marks in the industry across nearly all audiences for being “credible,” “trustworthy” and “caring about Americans.” In the final tracking survey there was a significant increase among NGOs associating Shell with the attributes “environmentally sound” and “cares about Americans.”

Interestingly, Shell cites declines in some areas between February 2007 and November 2007. PS&B mined the data and determined that this came from those who had heard about the tour early on and were now expecting the next step: actions or solutions proposed or provided by Shell. That feedback became integral to the final step of the campaign.

COMPLETING THE LOOP

At the end of the tour, Shell completed the feedback loop by

compiling all the research data, including survey data and verbatim remarks, and used it to create a summary final report that was published as a 20-page booklet. The report was e-mailed to all town hall participants, presented at a wrap-up event at the U.S. Chamber of Commerce in February 2008 and distributed to key policy makers.

The verbatim town hall comments were used to tell the story of Shell’s tour experience and bring the research to life in the final summary report. An initial run of 3,500 copies was almost immediately exhausted due to requests for copies. The report was also posted on the Shell U.S. Energy Security Web site, generating a 253% increase in traffic to the Web site. The site continued to see an increase in traffic throughout March 2008. It was estimated that the report was downloaded more than 17,000 times within the first month.

Most important, Bozman notes, is that the key messages, including access to domestic supplies, diversity of fuel sources and the need to moderate demand, have been increasingly picked up in key discussions among elected officials and other influencers.

As one of the Golden Ruler judges said, “This project was an outstanding example of using research to inform, monitor and manage a public relations campaign.” PRN

CONTACT:

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