



Harold Burson: Consumers are increasingly making choices based on image. Picture: DOMINIC O'BRIEN

Burson puts the burden on CEOs

By JANE SCHULZE

Harold Burson's name is synonymous with public relations around the world. He is the founding chairman of the international public relations company Burson-Marsteller, and believes company image now depends to a greater extent on the behavior and strategies of its chief executive.

Mr Burson, who began his public relations company in 1946 and merged it with an advertising agency owned by Bill Marsteller in 1953, has worked as a public relations adviser to the former US President Ronald Reagan, on the Tylenol tablet-tampering crisis in the US that led to five deaths, and on the introduction of new Coke and the reintroduction of Classic Coke.

Mr Burson said Burson-Marsteller recently completed a study that found up to 40 per cent of a corporation's perception rested with the chief executive.

"People running big institutions are really on notice," he said.

"Just about every day people read about a CEO getting derailed, and it gets very precipitous — I think that's a result of the competition for the news and everybody wanting a new angle on this person's downfall."

Mr Burson said poor profit growth was the basis of most problems for CEOs, but ensuring sound profits was becoming harder as competition increased.

"So today a company must differentiate itself from its competi-

tors, and as product quality, design and price all move closer and closer, the only thing people can make a judgment on is the label or its brand image," he said.

"So it's how you differentiate yourself from the masses, and that's part of what we try to do."

After more than 50 years in the industry, he said the theory behind public relations remained the same but more thought now went into building the reputation of companies.

"I think it's a much more thoughtful exercise in associating the company's name with activities you believe are going to be influential to the people you want to buy or use the product," he said.

Mr Burson, at 77, said he still worked every day as life was like a spinning top, "so I'm afraid to stop spinning".

Mr Burson, who has been visiting the Australian offices for two weeks, said Australia had a good reputation overseas but should do more to promote itself as a tourist destination.

"I think Australia is one of the greatest undermarketed resources anywhere in terms of travel," he said.

He has also witnessed the proliferation of new media, and said although it was positive in that it provided more choice, it had also led to poor news stories gaining prominence.

"It's debasing the important events by making the trivial events seem as important," he said.