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# Navigating the age of new populism

Have you complained about the cost of education, home prices or feeling like your salary is not going as far as it used to? If so, you might belong to a growing segment of new populists.

By Meg Alexander

On first reflection, the word populist may conjure vague recollections from sophomore year American history class and images of Huey Long from cobweb-covered corners of the memory. But, it would be a mistake to conflate the “populist party” of the nineteenth and twentieth centuries with today’s “era of new populism.” New populism is an emerging phenomenon that is agnostic of political party and race, and it raises serious implications for the way companies must communicate.

What is the era of new populism? We posit new populism is a bundle of attitudes held by generations of citizens who are reaching their maturity and buying power, but who feel the pathway to traditional markers of “success” are no longer readily achievable. Expressions of new populism — no matter your registered political affiliation — tend to be rooted in the belief that few organizations control the persuasive power and monetary resources that sway judgment. New populists aim to regain that influence.

The trends fueling new populism are readily observable. The global and domestic economy is limping its way back to an era of growth, and its vibrations continue to contribute to pockets of uncertainty for consumers. Economists say wages in nations like the United States are stagnant for most people relative to the increasing costs of goods. And while higher education is a prerequisite to access many professions, the cost of that education has increased significantly over the last decade. Therefore, it is no surprise that a recent Harvard Institute of Politics study conducted in November 2015 found that half of millennials surveyed believe the American dream is dead.

Technology has fueled the populist evolution. Remember the photos of Occupy Wall Street protesters in Zuccotti Park with their iPads? Many scoffed at the seeming incongruity of using Apple products while protesting “corporate greed.” Yet, it is by virtue of digital and social media that such populist movements can better communicate and organize — from promoting marches to sharing calls-to-action as the new form of digital picketing.

So what exactly does the era of new populism mean for how companies and brands behave and communicate relative to their customers? We’ll answer that question through the lens of one industry: healthcare.

In the healthcare industry, large pharmaceutical companies have traditionally researched, funded and developed new medicines under the supervision of federal safety requirements. As a result, many people are living longer lives and are cured of previously terminal diseases. Yet, we are witnessing acts of new populism in the form of patients, advocates, and physicians who are challenging the decisions made by medical developers. For example, national polls by the Kaiser Foundation indicate that 72% of Americans find the price of medicines to be “unreasonable;” most respondents blame the lack of affordability on the manufacturer. Similarly, earlier this year, leading physicians in oncology sounded a populist alarm when they published an editorial in a Mayo Clinic journal and initiated an e-petition on Change.org to raise concern about the affordability of cancer medicines relative to household incomes.

To navigate this new populist movement, health companies must quickly recognize that the direct engagement with patients is the “new norm.” Social media is allowing patients and advocacy groups to circumvent the doctor outreach to pharma companies directly and voice their opinions online. As a result, it is now incumbent on pharmaceutical companies to communicate their intentions in terms that address these populist ideals, all while navigating a heavily-regulated environment. This often involves speaking in a humanizing language that differs from the language of investment to which CEOs are accustomed.

Context is also important in the era of new populism. Providing the facts, figures and rationale for why business decisions are made is unlikely to win popularity points, but it can help explain the hard decisions often made by company leaders. For example, many emerging pharmaceutical and biotech companies who seek to commercialize major medical advances are in debt in the early years of their work. We need to help the public understand that it is not greed, but a need to continue operating, save jobs and research life-saving medicines that influence how a medicine is priced.

Providing a vision is imperative. In an environment where big business is often looked on with cynicism, C-suite leaders and employees must have a vision that reflects the company’s values and demonstrates consistency. A good example was an announce-

ment by Novartis Pharmaceutical’s global CEO Joseph Jimenez who committed the company to providing access to many chronic disease medicines for about one dollar in emerging markets.

Finally, it is important for companies to communicate in forums where new populists are going for information. Most pharmaceuticals have legitimate explanations for why a medicine is priced as it is in addition to programs to make them affordable to patients. Yet, the arguments are buried three clicks deep on a corporate website. It is essential that large companies put information in a venue where their stakeholders are going — not where we’d like them to go — for information.



Meg Alexander

We live in a time where there is increasing tension about who in society holds wealth, power and influence. And technology and social media will enable new populists to voice their feedback about companies instantaneously — either through praise or shame.

Companies must adapt their systems of engagement and outreach to better address this new world. Failure to do so could result in backlash that could be crippling to a company and its reputation.

Meg Alexander leads the Issues Management practice at inVentiv Health Public Relations Group. ○

## Media brief

### APCO talks to new investors

APCO Worldwide, No. 2-ranked PR operation in *O’Dwyer’s* rankings with documented fees of \$118 million in 2014, said it is in talks with investors who would replace American merchant bank WindRiver as the main investor.

The firm, which had 635 employees at the end of 2014, is majority owned by the employees. Net fees declined 1.9% in 2014 to \$118,112,600.

Margery Kraus, Founder, was succeeded as CEO on Jan. 5, 2015 by Brad Staples, international president. Kraus is Executive Chairman. Staples, a veteran of 19 years with APCO who will be based in London, is the firm’s first non-American CEO.

Talks reportedly have been held with Teneo, New York-based consulting firm, but APCO would not confirm this.

Teneo was founded in 2011 by Declan Kelly, former U.S. Special Envoy to Northern Ireland, U.S. CEO of Financial Dynamics, and EVP, FTI Consulting; Doug Bank, counselor to President Clinton; and Paul Keary, former Senior Managing Director, FTI Consulting.

The firm also has offices in Washington D.C., Brussels, São Paulo, London, Dublin, Dubai, Hong Kong, Beijing, and Melbourne. It has 200+ employees.

# 37%

of people's decisions are swayed by negative comments online.

Source: A survey of 1000 adult social media users from 2014.

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To learn more about our inVentiv thinking, contact our social media activism & crisis expert at [meg.alexander@inventivhealth.com](mailto:meg.alexander@inventivhealth.com)

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