



BUSINESS AND MEDIA – PARTNERSHIP, NOT TRADE

Panel discussion organized by DHL and Media Center

(TRANSCRIPT)

How can cooperation between companies and media go beyond paid advertising, is the logic of profit necessarily in conflict with media professionalism, and can the power of capital and the power of media be joined for the benefit of consumers, i.e. the public

DHL and Media Center, as hosts and organizers of the panel discussion "Business and Media – Partnership, Not Trade," have initiated discussions between the business and media sectors and opened a dialogue on possible forms of cooperation which would, based on partnership, surpass simple commercial relations. As in all high-quality discussions, experts from both areas spoke openly about problems in communication and cooperation so far, but also offered constructive proposals for their resolution, taking into account the needs of readers/viewers/listeners, i.e. consumers.

IVAN BELJIC, DHL Commercial Manager

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Why we do not understand each other and how to cooperate

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The idea is to discuss in panels such as this one what is and what is not newsworthy, why we get angry with each other, why we, from the business sector, get angry when journalists do not publish a news item, what we expect from the media, what the media expect from us and how to set the rules of future cooperation for mutual benefit.

The companies have their corporate strategy, business plans, and corporate values that must be observed. At DHL, we have seven corporate values, including social responsibility and entrepreneurship fostering. When we prepare a strategy, from short-term to long-term, we consider how to develop our products and achieve the ultimate goal — profit. However, apart from profit, service quality, and market education for the service itself are also important.

All this is taken into account when preparing an annual plan, which, apart from planned earnings, also includes the communication strategy, i.e. the PR and advertising plans. I am speaking as a representative of the business sector and a man who prepares those plans and who has to justify the funds invested in advertising. That is why I often wonder where advertisement stops and news begins, where news stops and market education begins. All three elements are equally important to us. We have, for example, understood that our role in transport and logistics is not a particularly interesting topic for this market, which is why it is necessary to educate the market and introduce it to this topic, so that, *inter alia*, it can use our services, become familiar with the sales and our field operatives. This not a simple task - we have to use both advertising and PR. For that reason, we have developed several communication channels. We have initiated *DHL Trade Balance Barometer* as an overview of foreign trade parameters we publish in the NIN weekly, we publish *DHL Business Info*, a business magazine aimed at the widest public, and we strategically build relations with the media.

The results of the DHL practice in Ireland and Turkey have demonstrated that continued presence of the people from our profession in the media stimulates people who have SMEs engaged in exports and imports. They get new ideas, and we motivate them to expand and develop their activities. And that is a form of social responsibility. Large companies in particular are expected to be socially responsible, but what does that mean - shall we inform the media and ask for publicity every time we invest a euro in a campaign? In my opinion, there is no need for that. Where is the border then?

SRBOLJUB BOGDANOVIC, Editor of the NIN weekly

Partnership of DHL and NIN to mutual benefit and in the interest of the reader (How to protect the editorial and financial independence of the media)

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NIN, in cooperation with DHL, publishes the *DHL Trade Balance Barometer* once a month. Every month, statistical data on economic trends in Serbia, exports and imports data, are presented in graphic and textual form. Currently the barometer graphically demonstrates that both imports and exports are on the rise, and DHL arrived at the idea to connect that with the increase in DHL deliveries to and from Serbia. Data of the Statistical Office of Serbia is used and compared with the reference period of last year. For example, in the previous issue of NIN, April data were published, showing that Serbia posted a certain increase in exports and imports relative to April 2006. DHL also recorded increased deliveries in that period.

What is our interest to publish such a barometer? The Interest of NIN is clear - it is the interest of a print medium to have a commercial arrangement with a company consisting of the publication of data that are interesting and useful for our readers. Therefore, our benefit is twofold.

I cannot perceive a better institutional protection of editorial independence from undesirable influence of capital than by regular market relations. Each advertiser should recognize a medium that best matches its needs to offer its product to the public. The criteria for the selection of the medium are the following: circulation and readership, ratings for broadcast media, price and assessment of the medium presence in the desired target group. To put it simply - the advertiser appears in a certain place because it expects optimum commercial effects and will not attempt to influence the editorial policy by making conditions for the conclusion or extension of the advertising agreement for the simple reason that it assessed that it is in its best interest to place its advertisements there and not somewhere else.

On the other hand, a medium that is sure of its market position finds it easier to terminate relations with an advertiser with a propensity to make the media dependent on it. Still the practice in Serbia is far from this ideal situation. The more powerful the advertiser, the larger its business interests and its influence on the editorial policy. Apart from the business sector, influence is exerted by non-profit organizations. The Ministry of Finance advertised the dinar stability, the Ministry for Minorities tolerance, advertisements were also placed by municipalities, local self-government bodies, Republican Broadcasting Agency, etc. Money is sometimes spent on strange campaigns, which opens up possibilities for public institutions to establish unfair competition by directing money to some media and avoiding others. The motives for selectivity are political. Those are things that make the market development more difficult while, I repeat, the market is the only reliable way of protecting editorial independence from the undesirable influence of capital. Without it, we will have only one mechanism left at our disposal, which is less reliable and seems somewhat outdated: conscience and integrity. The conscience of the advertiser in the sense of not asking for anything more than what is in the contract and integrity of the advertising service provider in the sense of not agreeing to any additional demands. That might not seem like much, but it is the only thing we have at the moment in Serbia. There is nothing else to rely on.

MIJAT LAKICEVIC, Editor of the Ekonomist weekly

It was easier to enter a plant than it is to today to enter a company (Corporate culture of communication with the media in Serbia)

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The importance of the relations between the business sector and the media is truly great because I believe that large companies will affect our life to an increasing extent. Although in Serbia we are currently preoccupied with political problems, as soon as those remaining problems are solved, we shall remain in the area of markets whose power and might are much greater than those of many states. If the GDP is EUR 25-26 billion and there are companies with annual turnovers in the hundreds of billions of euros, their influence is obviously enormous. Those companies bring to our market their business culture, customs, methods of communication, not only their products. Nevertheless, I believe that the inaccessibility of companies for the media today is much greater than 20-30 years ago when I entered journalism. At the time of socialistic self-management, it was easier to get to the manager and

enter even the largest plants. One could to the manager, schedule an interview, and, while talking with him, the photographer could go to the plant and takes as many pictures he wanted. After that, you could also go with the manager to that same plant and look at whatever you wanted. Today, information coming from companies is in general much more centralized, under much greater control. There used to be basic organizations of associated labor as smaller parts of larger systems. In this way, there was no problem to get an interview with a manager of such a small segment of the company. The manager did not have to call his general manager, because he did not have time for such procedures either. It is currently much more difficult to get an interview. It sometimes happens that the general manager must ask his PR for permission or even call the head office in New York or London. By the time the answer arrives, we do not really need that information any longer. Today, the role of a PR officer is to keep boring and impatient journalists at a distance rather than to provide information.

On the other hand, the influence of companies on the media is great through advertising as well. Companies usually attempt to connect advertising to the publication of certain information, most frequently the worst type of PR (which I doubt is of any use to anyone, even those companies themselves). PR personnel are very persistent, aggressive, frequently not paying attention to what they are offering to which medium. The Ekonomist journalists are interested in economic and business news, which we can publish without any problem. However, they often offer us something quite different, something they are paid for. Professionalism in PR agencies is at a very low level, which is why there are many conflicts between the media and PR agencies, and therefore indirectly between the media and companies as well. An additional problem is the amazing number of requests for interview authorizations. The lower on the company ladder the persons you are interviewing are, the greater his need to get the interview back for authorization. I am again referring to my experience - 20 or 30 years ago you were able to talk to any manager. I do not recall being asked for interview authorization. I admit that the justification for such behavior of the companies may lie in the low level of professionalism and responsibility of the media. A solution must be found because such relations do not suit anyone. Apart from being detrimental to the media themselves, servile media do not suit the companies either because they bring down the general level of public discussion, so you get a pile of information rubbish in which companies themselves are drowning. A compromise should be found and attention paid to what is sent to the media, what kind of information is offered. There is a need for some type of media market segmentation. Not all information should be offered to all the media, according to the "send to all from the address book" principle, to everyone's email, so then those poor PR people have to make a million phone calls trying to get that information published.

DJORDJE VLAJIC, Deputy Chairman of NUNS

Business and media - marriage of convenience (What the media need)

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I admit that I approach the debate on the relations between the media and the business sector with a fair amount of reluctance because I have not witnessed many examples of real and honest partnership between the business sector and the media. This is, in my opinion, more like a marriage of convenience, which means that each side has its interest. Interest is, in fact, the best basis for the establishment of a firm relationship, but only if the rules are well regulated. Without regulation, the basis for faint hope is, as already mentioned, conscience and integrity. However, if we rely on these emotional and moral categories, this means that protection mechanisms, in particular in the case of agreements, are not working very well. In the relations between the media and the business sector, we often rely on that type of emotion and do not have a firmer base because, for now, the business sector is (and quite dramatically so) the stronger side in this marriage of convenience. This is seen quite clearly from the influence of advertisers on the media. The measure and models of that pressure can be different, more or less subtle, moving up to the drastic, when income is withdrawn and advertisements cancelled for a media company because of some company's dissatisfaction - simply because there are no clear mechanisms which can regulate the interaction of interests of the business sector and the media. This does not happen only in this country, but since the climate of legal security is insufficiently efficient here, the consequences in this country are more drastic and those mechanisms act faster. In a regulated society, it is more difficult to opt for stronger pressure because it presents a breach of contract, for which there are sanctions.

Another particularly large problem when it comes to the media sphere is the unclear ownership structure of the media. We do not know precisely who and whose interests are behind a media company. It is unclear who is using a medium, whether a medium is independent, whether it has a clear editorial policy and how it behaves in the value framework. This framework is expanding and contracting relative to the interest of the group of hidden owners. The initiative for the drafting of the

law on media concentration seems encouraging, but it is necessary to wait for the results. This will, to a certain extent, facilitate finding one's way in the media sphere. We shall at least recognize more simply who is doing what and who owns whom because the behavior of media owners can present a serious problem. Chasing after profit, because private media act as business companies, they often forget the public interest. The public interest should be a measure of media existence because they should, apart from providing information, also work on the education and entertainment of the public. A solution of the relation between the business sector and media should be sought precisely by taking into account the public interest, through socially responsible business operations. There is need for goodwill from both sides - the business sector should not abuse the media and the media should not make a circus of business only for the purpose of circulation and ratings.

ANDREA BRBAKLIC, PR Society of Serbia

How journalists perceive the PR profession

The PR Society of Serbia was founded in 2004 as a successor of a public relations society that existed in the former Yugoslavia, which means that this profession is not so new. The members of the society are PR experts, whose task, as I see it, is to lead the company towards reputation building and strengthening, which is a long-term process, while a reputation is not something that is traded. Therefore, it is clear why this profession is so important. In order to find out how journalists perceive the PR profession and its importance, we did a survey* covering 48 journalists from social, economic, and cultural columns and arrived at the following results:

Contacts between PR experts and journalists are very frequent - 46 out of 48 journalists communicate on a daily basis with PR experts. This means that both sides have interest in and need for the establishment of quality communication.

Assessment of the degree of PR activity development in Serbia: journalists in fact do not have such a low opinion of this profession. 58.3% of the respondent journalists believe the profession is actually fairly developed and admit that PR is very useful. Although it seems that everyone has PR services, it is not so. I would say that public relations came with foreign companies, with domestic companies increasingly adopting that practice, so the profession has become fairly popular. That way the expansion of the profession and quantity did create some quality, so there is an increasing number of excellent experts that are of use to the media as well. Nevertheless, journalists believe that PR experts are insufficiently and inadequately educated, aggressive, obtrusive, slow, provide inadequate and incomplete information and are, in fact, just hot air.

The recommended direction of development of PR functions - journalists propose that a selection of relevant information be made, rather than expecting journalists to do that. I would agree with this only partially because I believe that a journalist's job is to make a selection and, among the received information, pick and publish only that which he considers relevant.

Journalists recommend to PR experts to get training, learn from world examples and get to know the journalistic practice better. It is worth reminding that it was precisely a large number of journalists that took up PR, because it paid better and we all know that the status of our journalists is not really at a particularly high level. Security and better status of journalists would lead to a more critical attitude. Examples of real investigative journalism are still rare. The media are somehow trying to please companies with their announcements and the selection of information they receive is relatively limited.

Although we frequently hear that PR experts are only trying to use journalists for free promotion, the survey shows that *some journalists believe that PR services do their work responsibly.* PR services should make the journalists' job easier. Our task is to gather and relay information. I am certain that more information is available to the journalists who cooperate with us because company managers are very busy and often do not know what is happening in the company.

How journalists perceive problems the PR profession faces — due to intensified competition between the media and increasingly pronounced sensationalist and tabloid reporting, *journalists are frequently not familiar enough with the topics, so there are frequent errors in reporting.* This in fact confirms the need for text authorization.

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^{*} Survey was conducted by the GfK agency.

The task of PR experts is to find an answer to each question. Avoiding journalists' calls and questions is something a professional cannot permit himself. That is why the PR Society adopted a code of ethics in order to establish professional standards and preserve the values of the profession.

To conclude - the media prefer to communicate directly with companies, meaning that PR agencies serve them more than the media. Journalists recognize the PR profession as developed, but they recommend more adequate education, better understanding of the media, information selection and creativity.

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MIRJANA STEFANOVIC, AmCham Communications Manager,
Editor of the AmCham Perspective magazine

Silence of the companies

(Company's right not to disclose information)

The nature of business and the operation of companies, what a company is and the manner in which it operates, what it is and is not obligated to make public – these things have changed significantly in the past 15-20 years, not only in our country, which is still in the transition period. We live in a world of global communication where companies fear industrial espionage, sale of business secrets, and in such a world the media represent only one of the target groups the PR team must bear in mind when drafting a communication strategy. Therefore, when companies are silent, this is not because they are hiding something; instead, it is sometimes simply part of a business strategy, taking into account the fact that published information also becomes accessible to competition, employees, partners and clients – in brief, everyone with whom the company is in close contact. Each company is a single organization, i.e. an organized group of people with the aim of generating profit. As such, it simply has a right to design the communication strategy and decide which information it can or cannot provide to the public at one moment. This obviously does not release it from the duty to the public.

It is also worth remembering that the information large companies in Serbia give to the public today is no longer just aimed at the local media and market. In a situation when information becomes accessible to the entire world in 15 seconds, there is greater caution. In the case when a journalist from a Serbian medium talks with the manager of a company operating in 40 or 60 countries, which has plants in the entire region — you must bear in mind that this man from the company might also be talking to some other media that are not directly present at that moment.

MIRJANA MILOŠEVIC, manager of the Media Center Credibility and professionalism as key to cooperation

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In Serbia today the media scene is in transition and, unlike in developed democracies, we have not entered the 1990s with a media that had a tradition of responsibility to society and the citizens. On the contrary, the industry in Serbia is only just developing its responsibility towards news consumers. I believe that the maturing of the media and the industry in Serbia will lead to both sides to an understanding that the interest of citizens and the media's responsibility towards consumers are, in fact, the same interest. This will help us distinguish the media as fostering standards of professionalism and the media trusted by the citizens and consumers among the numerous media on the Serbian scene.

In my opinion, credibility is the key for cooperation between the business sector and the media – credibility that advertisers will recognize as a good channel of communication with their consumers, and they will not communicate only through those media that enable them easy access without confrontation and that they will be able to use.

AUTHORIZATION – SECURITY FOR COMPANIES, INCONVENIENCE FOR MEDIA

MIRJANA STEFANOVIC, AmCham Communications Manager, Editor of the AmCham Perspective magazine

For any partner relations, trust is of the essence. Sometimes journalists would ask us for an interview with the president of the AmCham Board of Governors, without knowing anything about the organization they were visiting. In such situations, we are in fact forced to ask for authorization, because we have real concerns about what will, in the end, appear in the media. There are no such concerns with those journalists with whom we have developed relations based on trust and who we know are familiar with our organization and our work, so there is no need for authorization.

SRBOLJUB BOGDANOVIC, Editor of the NIN weekly

A request for authorization is quite legitimate, albeit inconvenient for the journalist. The key issue is ultimately the reader's interest and not the journalist's interest. I know journalists (and I myself have been in such a situation) who insisted on authorization themselves. It is in the interest of the paper and the reader, regardless of possible complications with deadlines and the fact that the journalist must also prepare a version for authorization. Thus, I do not see any legitimate objections against authorization, in particular with regard to interviews about technical issues that cannot be handled easily by all journalists. Authorization has had a bad reputation since the period when high positions were mostly occupied by completely incompetent people. In that situation, you would make an interview in which an official would say all sorts of things, you put it into a text that would actually be interesting, but when you sent it to be authorized the text went through a "technical service;" they would fix it, put in various phrases, take out everything interesting and you would end up with something quite different. In my experience, this no longer happens.

SLAVICA VUJČIC, journalist of the Evropa magazine

For many years I have been dealing only with economic issues and a few times authorization was requested. It happened that the conversation with the interviewee and the text that was returned to me after authorization were two completely different things. Therefore, if authorization is a part of the heritage from communism and practice of high party and political officials, I think that is still true for some people and companies, regardless of the fact that they belong to the economic sphere.

ANDREA BRBAKLIC, PR Society of Serbia, Communications Manager in Erste Bank

We in Erste Bank ask for authorization of interviews if they were conducted with the company manager. Many interviews contain information that is interpreted completely incorrectly. That is why I believe that we from the communications department are also responsible when incorrect information is published, and that is why I believe that we have a right to authorization. This does not mean that we can change the context or position of the journalist and the medium, but we have a right to amend incorrectly relayed information. Thus, the key is to find the right measure of appropriate authorization.

SOCIALLY RESPONSIBLE BUSINESS OPERATION AS FREE ADVERTISING

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DJORDJE VLAJIC, Deputy Chairman of NUNS

Socially responsible business operations is a field of joint interest of the business sector and the media, but it should be borne in mind that some socially responsible actions of the business sector, e.g. donations to healthcare and educational institutions, are not newsworthy from the point of view of the media. If, for example, a bank equips a primary school with computers, the media interest for that event has a limit that defies precise definition, but is easily passed. If a journalist mentions a donor, outside commercial broadcast time, this could jeopardize the donor's motivation for that move. The motive for donation is then free advertisement that cannot be paid in services, nor obtained in non-commercial broadcast time (in news programs there are periods in which advertising is prohibited). Advertising can only be slipped in through reports on an event. Those are priceless advertising slots.

The impact on the market is much greater because the viewers know that it is not paid advertising space. The question is then how to strike a balance and show that the motive for donation and socially responsible business operation is not just to sneak advertising into non-commercial broadcast time. There is a fine line there and a fragile border that can easily be passed.

ANDREA BRBAKLIC, PR Society of Serbia

In the European framework and practice of socially responsible business, there is also a dilemma in the corporate sector: whether publicity should be sought for a donation and whether it is decent at all to inform the media. The prevailing opinion is that it is *not*. Therefore, you are donating funds because you truly believe that the society's development should be assisted. The profit-making corporate sector plays a serious role in the society. On the other hand, it is up to the journalists to decide whether they will give publicity to a company that did something exceptional and whether they will point that action out as a good example that might inspire others to follow suit.

JOURNALISTS' TRAINING - IN THE INTEREST OF BOTH SIDES

DJORDJE VLAJIC, Deputy Chairman of NUNS

An area in which the business sector can be a partner to the media and where it can invest part of its profit intended for socially responsible activities is the training of journalists, in particular in the economic area. There are very few media professionals dealing with the economy in depth. There are scarcely any that understand the stock exchange, finances, or some finer points of financial operations. By investing into training for journalists, companies can hardly be accused of attempting to get to cheap advertising in an indirect manner. NUNS provides this type of training, mostly through projects financed by international organizations. Both NUNS and Media Center have experience in that and there is interest in the media, not only in Belgrade but also in the central Serbia, where the media are also interested in being able to monitor properly everything happening in the environment, including the economy.

MIRJANA STEFANOVIC, AmCham Communications Manager, Editor of the AmCham Perspective magazine

I am sure that from the nineties to today, thousands of trainings have been organized for journalists in Serbia. The results are obviously lacking. Therefore, the following question should be raised — what is happening with all those trainings and why are they not giving results? Have the right people been trained, are they still in the same profession? If there is a need for training, then professional unions and associations should act as a channel and take over coordination so that investment in education would yield results.

A few years ago, we [AmCham] attempted to organize training on reporting on the stock exchange but there was not much interest. Now the situation is quite different. We now have a daily with very high circulation that would be ready to invest in the education of their journalists following the stock exchange, because the information level of the public is now higher. Citizens who were until recently completely unfamiliar with stock exchange trading are today feeling ready enough to give it a try. The role of the media *is* to explain to the citizens how private pensions work, because it is clear that state pensions are not a sufficiently safe source of income, to explain the operation of investment funds and inform them whether it is better to save, trade on the stock exchange or invest in an investment fund.

The business sector can educate the media not only through training, but also by providing professional information. That is what we are attempting to do through the *AmCham Perspective* magazine. We engage experts from member companies who disseminate their knowledge and expertise through the magazine.

ANDREA BRBAKLIC, PR Society of Serbia

I am not certain that there is interest in serious training on economic topics. Erste Bank has been regularly organizing press trainings in Vienna for the past seven years. Twice or three times a year, journalists meet at panel discussions in which numerous experts from different areas participate. At one point, journalists in Croatia were offended because we offered them to participate in that program. They believe they know their job and wonder what right a bank has to invite them to something like that. I talked to a dozen economic journalists in Serbia and got positive reactions from only two journalists. That is why we decided that it is better to send the interested journalists to Vienna then to start a new program here.

IVAN RADAK, Danas daily

I agree that journalists should be trained, but not by sending them to Vienna or to some exotic location. I shall explain why with one example – I attended a course organized by *Reuters* in Kotor, where out of ten people only three or four were interested in the course. The rest went swimming.

MIRJANA MILOŠEVIC, Media Center

There have been many trainings for journalists. Nevertheless, a study by the Institute for Social Sciences has shown that training was received mostly by the youngest groups of journalists, those subject to greatest fluctuation, so many of them did not stay in the profession. On the other hand, young journalists at the beginning of their career do not really know which reporting segments they will be dealing with, so in 90% of cases someone trained for economic issues ends up at an editorial desk that has nothing to do with economy. The study has shown that another large problem is the training of editorial personnel, specifically mid-level editorial personnel that have not gone through professional training in most media companies. They are unable to transfer knowledge to younger colleagues, just like they cannot choose a topic, i.e. avoid the ones they are insufficiently familiar with. We should not disregard the problem of educating a completely new sector that is just being established now in our media, that is marketing or sales departments of the media that are in direct contact with companies. The training of those people is equally important for the operation of a media company, because they are the link between the business sector and the media.

OBJECTIONS FROM THE JOURNALISTS' POINT OF VIEW

IVAN RADAK, Danas daily

As a journalist who is in daily communication with companies and PR agencies I cannot help but notice that the relations between PR personnel and managers should be much better. For example, when I read the texts of the *Associated Press* agency, I can see that they mostly quote the statements of company spokespersons, rather than managers. In Serbia, the situation is different and spokespersons frequently do not have the information we are seeking, so they simply write down the questions and relay them to the manager.

I also believe that PR services and agencies should teach the directors and management how to communicate with journalists. During an interview with the manager of a company, I frequently observe that he actually has an aversion to the media, thinking that I am there to dig up something negative and publish it in my newspaper as soon as possible. On the other hand, I must admit, there are journalists who do not know how to do their job. The economy is a sensitive issue, and in the media there is a lack of professionalism. That is why I agree that texts should be authorized.

It is unacceptable that journalists hobnob with company managers, ministers etc. If you are a journalist, this can create a big problem for you. You will simply not get the right information, although you have the right source. He will try to sell you his story and will not give you what you are interested in. You will not be able to ask him to do that either, because he will understand it as a betrayal of friendship.

MIJAT LAKICEVIC, Editor of the Ekonomist weekly

I can see that it is very difficult to get a comment on current economic laws from "big business." If a new tax law or budget is under preparation, journalists need to get a comment from someone from that area and not be the only ones "being smart" and commenting. That is very hard to get, practically impossible. They frequently call me or other colleagues to write comments because none of the experts or authorities for the area wishes to talk about that publicly. They would obviously rather have a meeting with the minister, to give their comment in private, while being silent before the media. This does present a big problem because the media and journalists following the economy do not have an ally among companies in fighting in the public arena for something that is in public interest, in the citizens' interest.

DJORDJE VLAJIC, Deputy Chairman of NUNS

Large companies usually avoid assessing economic policy, unless a new measure is about to hurt their budget and earnings significantly. They raise hell — which is understandable, but it is still unfair, in particular from the aspect of social responsibility. Sometimes they need to disregard the rule and assist in analyzing a new set of measures that will affect not only their operation, but also the entire economic environment. To say nothing of how the tobacco industry cried out when the previous government threatened to increase excise tax. They immediately started referring to privatization agreements. Before that they were uninterested in what was happening with the excise policy in general.

TATJANA OSTOJIC, Editor of CorD

How many of you journalists or editors can admit that you receive a lot in information from managers, marketing or PR people, and publish the news only because you know them personally? In this country, a large portion of work is still done based on personal acquaintance — I scratch your back and you scratch mine. However, if I do a favor for a PR agency, I expect adequate research for my newspaper. It still happens that PR agencies absolutely do not recognize journalistic interest in certain news. They have no idea what that newspaper is after. They shower dailies with vague information and disregard a weekly or monthly that is dying to have that information. That is why I wonder if people in PR agencies are trained enough. Knowing that they mostly came from journalism, I wonder if they had been any good as journalists or they just managed to draw the attention of a PR agency....

CONCLUSION

KEY POINTS OF MISUNDERSTANDING BETWEEN THE BUSINESS SECTOR AND THE MEDIA

(Nebojša Spaic)

Summarizing the debate, the following arise as the key points of misunderstanding between these two sectors.

The media sector seems to be too blinded by advertising and sales and does not see other possibilities for cooperation with the business sector. However, not all companies sell chewing gum, shampoo, and cosmetics. There is an entire range of activities and topics that can be covered by the media without being advertisements. The business sector itself can be covered by the media as a topic for itself – by a text about the news in the area of auditing, without advertising an auditing company, the public can be informed about the trends in that business sector. Even the product itself can be a topic, if it is assessed to be in the public interest to inform the public about it. There is no need to shy away from that.

On the other hand, it seems that there is a very high degree of mistrust of the business sector towards the media, and that this mistrust could be the key cause of misperception and a negative approach to the media. Apart from certain exceptions that seem to draw the most attention, not all media are intent on destroying each interviewee and each company. It is just necessary to be more open and understanding with regard to the media needs.

FRIENDLY CHAT BETWEEN THE BUSINESS SECTOR AND THE MEDIA ALEKSANDAR DJUKIC, Marketing Manager of Pricewaterhouse Coopers

In our company, there are strict rules on communication with the media. In that respect, we are conservative, we do not want large publicity, nor do we deal with daily events and politics, in particular in countries such as Serbia where those can be fairly volatile and risky affairs.

I shall give you an example that, although funny, could have been detrimental for the company's credibility. My colleague chatted privately with a friend who is a journalist with a daily. They were discussing the introduction of VAT in Serbia and his friend from the media asked him: What do you think, should priests have fiscal cash registers? My colleague answered to his childhood friend jokingly: Well, of course! The next day that newspaper published a headline — "Pricewaterhouse Coopers believes that priests should carry fiscal cash registers." Although it is a funny anecdote, it is classic abuse of a friendly chat that could have caused problems for the company.

Appendix 2

PR, MARKETING AND NEW MEDIA MIRJANA MILOŠEVIC, Media Center

The "new media" is a very attractive topic and a large challenge for the business sector, because, from the PR and marketing point of view, there are very interesting developments in the world. For example, the video clip for the *For Real Beauty* campaign of [Unilever's] *Dove'* brand was seen on the *YouTube* site by around five million people, which clearly demonstrates how efficient this new medium is as a promotion instrument. This is also confirmed by the fact that the largest US PR companies purchased around 500 most popular blogs. Thus, blogs as a medium created by the users themselves are becoming a very popular channel for PR messages. It is also worth remembering one of the most popular social Internet games - *Second Life*. Real advertisements are put up in this online game and real money is in circulation. A few months ago one of the participants became the first millionaire in this game, but in real dollars.

The development of the new media and earnings to be made from them is something that is still ahead of us. Unfortunately, the number of Internet users is still very low in this country. We would first have to solve that problem, together with the business sector and only then use new media for marketing and PR purposes.

^{*} The video clip for the *For Real Beauty* campaign was shown during a panel discussion as an example of a socially responsible action with which *Dove* promoted a different treatment of women and female beauty in the media, with the aim to break the stereotype about women, contrary to the practice of the cosmetics industry which mostly perpetuates and reinforces those stereotypes through the media.