

Case Study and Public Relations Plan Examples

→ Case Study: Blue Ridge Water Company

Blue Ridge Opening New Plant, Needs Rate Increase

Situation

You are the Public Relations Director for a mid-sized water and wastewater utility in Northern Virginia called the Blue Ridge Water Company (Blue, for short). The company has been supplying Blue's 200,000 residents with water and wastewater service for more than 45 years without issue. Prior to your joining the organization five years ago, Blue had no formal PR strategy—or strategist like you—in place. In terms of communication, the company was reactive, and issued information only when a particular situation necessitated it.

Your company, while public in nature, tries to operate more like a business. It has a strategic plan, a pay for performance appraisal system, and an "AA" financial rating. It is well managed and has strong record of fiscal and environmental stewardship. However, like many water utilities, you have operated under the radar for 45 years. You have done very little communicating about the company's internal business structure and plan, however positive, and focused your very limited communications on customers, and only for issues related to water and sewer services.

Your customer demographic is a highly educated, affluent group. Median household income is one of the highest in the country at nearly \$96,000. Most customers have lived in your service area for less than five years, and because of growth in the Blue Ridge Region, your total number of customers doubles every ten years.

In one year, Blue will start operating an advanced wastewater treatment plant in the heart of your service area. It will be virtually odor-free and employ the best technology available to treat wastewater before returning it to the environment. In fact, the cleaned water will be available for sale for irrigation purposes. While Blue has financed the construction of the plant over the next 20 years, its day-to-day operations will be costly and will require a six percent increase in the user rates each year for at least the next three years, and possibly beyond. You have not issued a rate increase in the last 12 years. You have featured the new plant prominently on the website and frequently in the newsletter. The local weeklies also have covered it over the last year. Still, you do not believe that very many customers are aware of its arrival next year or the impending rate increase it will require.

Residents in your area are reeling from several years of increasing property-tax assessments. Housing affordability and rising public service costs are extremely hot topics. In addition, local elected officials have recently come under investigation for unethical dealings. Two local elected officials serve on your Board of Directors, as does a prominent local developer.

Use the following research findings to answer the questions that follow.

- A survey you conducted indicated that 90 percent of your customers think your services are tax supported (they are not—Blue is funded solely by water and sewer fees collected from customers). The survey also revealed that 51 percent of your customers cannot recall your company name unaided, let alone, anything about your company. The survey also revealed that 25 percent of your customers think trash service is among the services Blue provides. (It isn't.)
- Your board of directors does not understand public relations in its truest form. They see it merely as a way to promote good things or cover up or spin the bad things.
- After ten years of unprecedented growth, construction has slowed down and the number of connections (hookups) is lower than projected, so cost control measures are in place for all internal departments until further notice.

- Blue is building a new headquarters next to the new plant. It will cost \$11 million and you will be moving in the same time next year that the plant starts operating. The building will employ many environmental and good neighbor features, such as geothermal energy, energy efficient lighting, motion sensors, low-water landscape and it will feature an outdoor park and trail where the public can come for fitness activities, walks and picnic lunches. The building will feature an indoor education center for community and school groups to book to learn about water science, treatment and conservation.

Questions

- **Step 1:** Describe what, if any, research is needed. Identify the source of the information and a rationale for each research activity that you recommend.
- **Step 2:** In one general sentence, state the problem(s) to be addressed.
- **Step 3:** Identify three key publics to be included in your plan and a rationale for including them.
- **Step 4:** Provide one short-term and one long-term objective for each public.
- **Step 5:** Provide one strategy for each objective, citing a theory or model as rationale for its use.

Courtesy of Samantha Villegas, APR, National Capital Chapter Accreditation Committee.

↑Plan: Blue Ridge Water Company (First Steps)

Step 1: Describe what, if any, research is needed. Identify the source of the information and a rationale for each research activity that you recommend.

Topic of Research	Type or Source	Rationale
Rate Increase	Content analysis, and/or interviews with other utilities	See how rate increases by utilities have been reported by media to understand and anticipate what angles are typically used and/or what information proves to be confusing. Ask other utilities about lessons learned.
	Focus group, intercept interviews, or complaint reviews	Find out early reaction from customers/attitudes about rate increases, to know how to shape message
Wastewater Treatment Plant Site	Focus Group or Intercept Interviews	Find out early reaction from customers/attitudes about water and wastewater treatment plants to know how to shape message and find out what most worries them.

Step 2: In one general sentence, state the problem(s) to be addressed.

Blue suffers from poor or weak branding that will soon be magnified by the rate increase, typical negative perceptions and fears associated with operation of a wastewater treatment plant near residential areas, a beautiful new headquarters and the combination of the rate increase with the two new facilities.

Step 3: Identify three key publics to be included in your plan and a rationale for including them.

Publics	Rationale
Rate-paying customers	They will be affected by the rate increase.
Public school system (teachers and students)	Children are one of the most effective strategies for reaching parents with messages. Targeting them through the schools and teachers, with the indoor education center and the outdoor interpretive area will get messages out into the community about the WWTP technology and good neighbor provisions of the plant.
Blue Ridge neighbors (people who live near the new wastewater treatment plant)	It is imperative that those who are Blue's immediate neighbors get to know the company. If they understand and believe the brand that Blue has built and is living, then Blue will have a better shot at building understanding and support for the WWTP and its operation, as well as for the new headquarters building and rate increase

Step 4: Provide one short-term and one long-term objective for each public.

Public	Short-term objective (Less than 1 year)	Long-term objective (More than 1 year)
Rate-paying customers	Within one year, the percentage of rate paying customers who think Blue is tax-supported will be reduced from 90 percent to 65 percent.	In two years, more than half those surveyed will characterize the rate increase as necessary, warranted or adequately justified.
Teachers /students	At least 50 percent of the teachers and/or students in the local public school system will visit the new education center during the first month it's open.	In two years, more than half the students or parents of students surveyed will be able to name two of the good neighbor policies employed at the WWTP.
Neighbors	Within one year, 60 percent of the neighbors will support the WWTP (up from 51 percent), and be able to identify benefits of its operation.	In two years, the number of neighbors who will support the WWTP will be 85 percent (up from 60 percent), and those able to identify benefits of its operation will be 75 percent (up from 50 percent).

Step 5: Provide one strategy for each objective, citing a theory or model as rationale for its use.

Objective	Strategy	Rationale/theory
Rate-paying customers / Short-term Objective	Statement stuffer, advertising	You can cost-effectively reach customers with statement stuffers, and access reserve funds for targeted local advertising on cable and in homeowner association newsletters.
Rate-paying customers / Long-term Objective	Customers/face-to-face interaction via town hall meetings, participation in community events, etc.	A deeper more complex understanding of the organization will require a more intimate relationship based on getting to know the company and recognizing it as an important part of the community.
Teachers/students / Short-term Objective	Field trips and special events at new education center	We can reach thousands of students and their teachers by making full use of this facility. And we can send teachers away with a colorful packet of information about water and WWTPs.
Teachers/students / Long-term Objective	Return field trips and repeat special events at new education center, providing opportunities for staff to establish one-on-one relationships with teachers and possibly, some students.	Again, we can reach thousands of students and their teachers during visits to this facility. Return visits will show that they like it and give staff the opportunity to build on relationships established during the first visits.
Neighbors / Short-term Objective	Community meetings, advertising, media relations	This will require a layered effort, creating opportunities for community meetings, participating in neighborhood events, working with local media and spending some money on cable or local newsprint ads.

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