PUBLIC RELATIONS’ ROLE IN SOCIALLY RESPONSIBLE CORPORATIONS: CASE STUDY OF VIVACELL-MTS

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May 5, 2017
Introduction

- **Aim of this Study**
  - Explore the role of public relations in social investments projects implemented in the frame of Corporate Social Responsibility

- **Definitions of Corporate Social Responsibility**
  - Social Responsibility
  - Social Investments
  - CSR in Armenia

- **Definitions of Public Relations (PR)**
  - Four models of Public Relations

- **Background to VivaCell-MTS**
Research Questions and Hypothesis

- **R.Q.1:** What capacity do social investments have in the company’s news coverage?
- **R.Q.2:** What types of PR models does VivaCell-MTS employ to portray a socially responsible image?
- **R.Q.3:** What kind of role does the general manager of VivaCell-MTS play in communicating social investments projects to the public?

- **H₁:** In socially responsible companies, social investments serve as a part of PR strategy.
- **H₀:** In socially responsible companies, social investments do not serve as a part of PR strategy.
Research Methodology

- Content Analysis
- Semi-structured Interviews
- Survey

One-Way Communication
- Press Agentry/Publicity (15%)
  - Truth is not important
- Public Information (50%)
  - Truth is important

Two-Way Communication
- Two-Way Asymmetric (20%)
  - Imbalanced effects
- Two-Way Symmetric (15%)
  - Balanced effects
History of CSR

- ISO 26000
- Carroll’s Four-part model of CSR (1991)

Seferian (2010) CSR as “an important strategy for the whole business model”
Findings
Content Analysis

Media Monitoring (January 1, 2015 to December 31, 2016)

Number of news articles by Online Newspapers

<table>
<thead>
<tr>
<th>Newspaper</th>
<th>Number of Articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>News.am</td>
<td>162</td>
</tr>
<tr>
<td>1in.am</td>
<td>89</td>
</tr>
<tr>
<td>Tert.am</td>
<td>310</td>
</tr>
<tr>
<td>Noyan Tapan</td>
<td>238</td>
</tr>
<tr>
<td>Panarmenian.net</td>
<td>324</td>
</tr>
<tr>
<td>Total</td>
<td>1,123</td>
</tr>
</tbody>
</table>
Publications of Social Investments-related News & Commercial-related News

Ratio of publications by % (2015 January 1- 2016 December 31)

- Social Investments news: 66%
- Commercial news: 34%
Number of "Social Investments" online news

<table>
<thead>
<tr>
<th>Source</th>
<th>News.am</th>
<th>1in.am</th>
<th>Tert.am</th>
<th>Noyan Tapan</th>
<th>Panarmenian.net</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>News.am</td>
<td>85</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1in.am</td>
<td>59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Tert.am</td>
<td></td>
<td>213</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noyan Tapan</td>
<td></td>
<td></td>
<td>167</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Panarmenian.net</td>
<td></td>
<td></td>
<td></td>
<td>218</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>742</td>
<td></td>
</tr>
</tbody>
</table>
### Frequency Mean of focus areas of Social Investments news on Media

<table>
<thead>
<tr>
<th>Descriptors/Categories</th>
<th>Frequency Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Focus areas of Media in SI news</strong></td>
<td></td>
</tr>
<tr>
<td><em>Ralph Yirikian</em></td>
<td>1.77</td>
</tr>
<tr>
<td><em>Community development</em></td>
<td>1.58</td>
</tr>
<tr>
<td><em>Healthcare</em></td>
<td>1.09</td>
</tr>
<tr>
<td><em>Education</em></td>
<td>0.73</td>
</tr>
<tr>
<td><em>Information and Communication technologies</em></td>
<td>0.58</td>
</tr>
<tr>
<td><em>Environmental Protection</em></td>
<td>0.55</td>
</tr>
<tr>
<td><em>Culture</em></td>
<td><strong>0.36</strong></td>
</tr>
<tr>
<td><em>Sport</em></td>
<td>0.03</td>
</tr>
</tbody>
</table>

*Table 1- Content Analysis of Online news from 5 Online Newspapers listed above*
## Frequency Mean of focus areas of Social Investments in VivaCell-MTS reports

<table>
<thead>
<tr>
<th>Descriptors/Categories</th>
<th>Frequency Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Focus areas of VivaCell-MTS SI in SI reports</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Culture</strong></td>
<td>0.25</td>
</tr>
<tr>
<td><strong>Community development</strong></td>
<td>0.25</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>0.24</td>
</tr>
<tr>
<td><strong>Environmental Protection</strong></td>
<td>0.13</td>
</tr>
<tr>
<td><strong>Information and Communication technologies</strong></td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Healthcare</strong></td>
<td>0.08</td>
</tr>
<tr>
<td><strong>Sport</strong></td>
<td>0.06</td>
</tr>
<tr>
<td><strong>Ralph Yirikian</strong></td>
<td><strong>0.02</strong></td>
</tr>
</tbody>
</table>

*Table 2- Content Analysis of Social Investment Reports 2015 & 2016*
Semi-Structured Interviews

- PR in VivaCell-MTS
  - 1.1 PR Strategy for Telecommunication Company: role and objective
    “It is due to PR, as a tool that today public recognizes VivaCell-MTS”.
  - 1.2 PR Communication models
    *One-way & Two-way communication* with more focus on one-way communication
  - 1.3 PR specialists
- Roles of PR and CSR
  - 2.1 Social Investments and PR
    “It’s not that PR and CSR are just interconnected. But they have become one body. Without the interference of PR, the opportunities of CSR are limited. Of course, CSR can act without PR, however, whatever takes place in terms of social investments, PR has a great role.”
  - 2.2. PR and CSR specialists
- Role of the General Manager
Survey

MOBILE OPERATOR SUBSCRIBERS (SURVEY RESPONDENTS)
N=302

- **Beeline**: 110 (36.4%)
- **Ucom**: 82 (27.2%)
- **Vivacell-MTS**: 216 (71.5%)
Public Awareness about VivaCell-MTS Social Investments programs

N=302

Yes 85%
No 15%
Communication Sources from which Public gets informed about Social Investments

N=302

- Social Media: 54.7%
- News Media Coverage: 64.5%
- Website: 57.4%
- TV Advertisements: 57.4%
- Magazines: 6.4%
- Flyers or Brochures: 4.5%
- Surveys: 2.6%
- Interviews: 9.1%
- Public Lectures: 5.3%
- Workshops: 4.2%
- Open Doors: 1.5%
- Newsletter: 2.6%
- Word of Mouth: 34.7%
- Surveys: 2.6%
- Workshops: 4.2%
- Open Doors: 1.5%
- Newsletter: 2.6%
- Word of Mouth: 34.7%
Public’s perception on reasons for implementing Social Investments programs

N=302

- Solves important problems in Armenia
- VivaCell is concerned with Armenia’s social and economic conditions
- Corporate advantage
- Good PR tool
- Positive Image for the Company
## Correlation

<table>
<thead>
<tr>
<th>What is your age?</th>
<th>Do you agree or disagree that R. Y. makes Good Corporate Image for VivaCell-MTS?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.002</td>
</tr>
<tr>
<td>N</td>
<td>302</td>
</tr>
<tr>
<td></td>
<td><strong>-0.197</strong></td>
</tr>
<tr>
<td></td>
<td>253</td>
</tr>
</tbody>
</table>
Public’s Associations with VivaCell-MTS

- CSR
- Affordable communication
- Ralph Yirikian
- Red Colour
- Social Investments
- 4G
- Wi-fi
Limitations

- Time constraints
- Quantity of content analysis documents
- Small group of interviewees
Recommendations

1. External Reporting
2. “Social Response” Newsletter
3. PR professionals’ executive role
4. Content Distribution
5. PR campaigns
Conclusion

- Ralph Yirikian’s important role in PR & CSR Strategy
- PR models=> one-way public information & two-way symmetric
- A large capacity of Social Investments News

Based on the results of triangulation, the first hypothesis that considered social investments projects to serve as a part of PR strategy is accepted.
Thank you