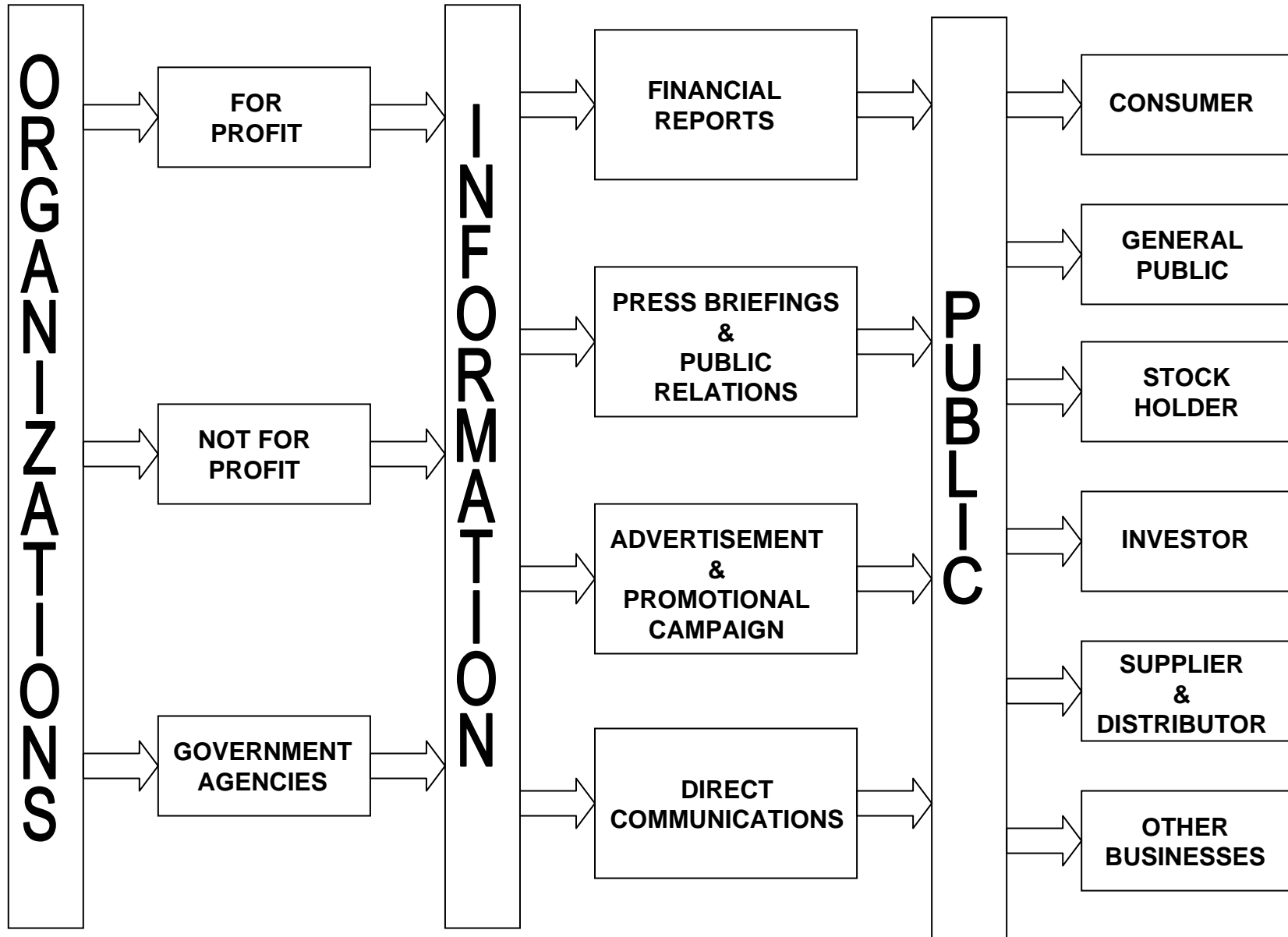


Corporate Governance and Quality of Information in Marketing Communications:
Reality versus Perception

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Information Framework



Roles in Information framework

- Message sender → Individuals and Organizations
- Messenger → Spokesperson (s)
- Vehicle → Media, telecommunications, web, internet
- Message
- Message recipient → Consumers, public

Purpose of Information

- Inform the public about issues
- Modify/change opinions and views
- Persuade and or convince
- As a sales pitch
- For image building
- To report on performance
- To report on news worthy items
- For damage control

Problems in Information

- Partial truths
- Puffery
- Use of confusing phrases
- Misinformation/misrepresentation
- Omission
- Deception [Exists when information is introduced into the perceptual process of some audience and the output of that perceptual process differs from the reality of the situation and affects behavior to the detriment of the audience]

Consequences of misinformation, omission, and deception

- No harm done
- Selection of a second best alternative
- Aggravation, stress, anxiety, dissonance
- Small financial loss
- Major financial loss (e.g., loss of pension)
- Minor physical harm
- Major physical harm
- Death

Underlying reasons for accepting false or deceptive information

Organizations

- Competitive pressures
- Greed
- Misguided objectives
- Dishonesty

Public

- Most people are trusting
- Some are naïve
- Some people hope for better things and situations/circumstances
- Some people are cynical
- Some people are greedy

Whose responsibility is it?

- ❖ Organizations
- ❖ Public
- ❖ Industry
- ❖ Government
- ❖ Watchdog agencies/consumer advocates