

Communications & Message Development

A New Era in Communications

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CalPERS

Board of Administration and Executive Offsite
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Overview

- Current State: The Changing Communications Environment
 - Digital Transformation
 - The Changing Business Model
- Why A Strong Message Is Important
 - Attributes of Key Messages
 - CalPERS Case Study: External Manager Restructure
- Moving Forward: What's Ahead
 - Expectations
 - How You Can Support Staff

The Changing Communications Environment

CURRENT STATE: DIGITAL TRANSFORMATION

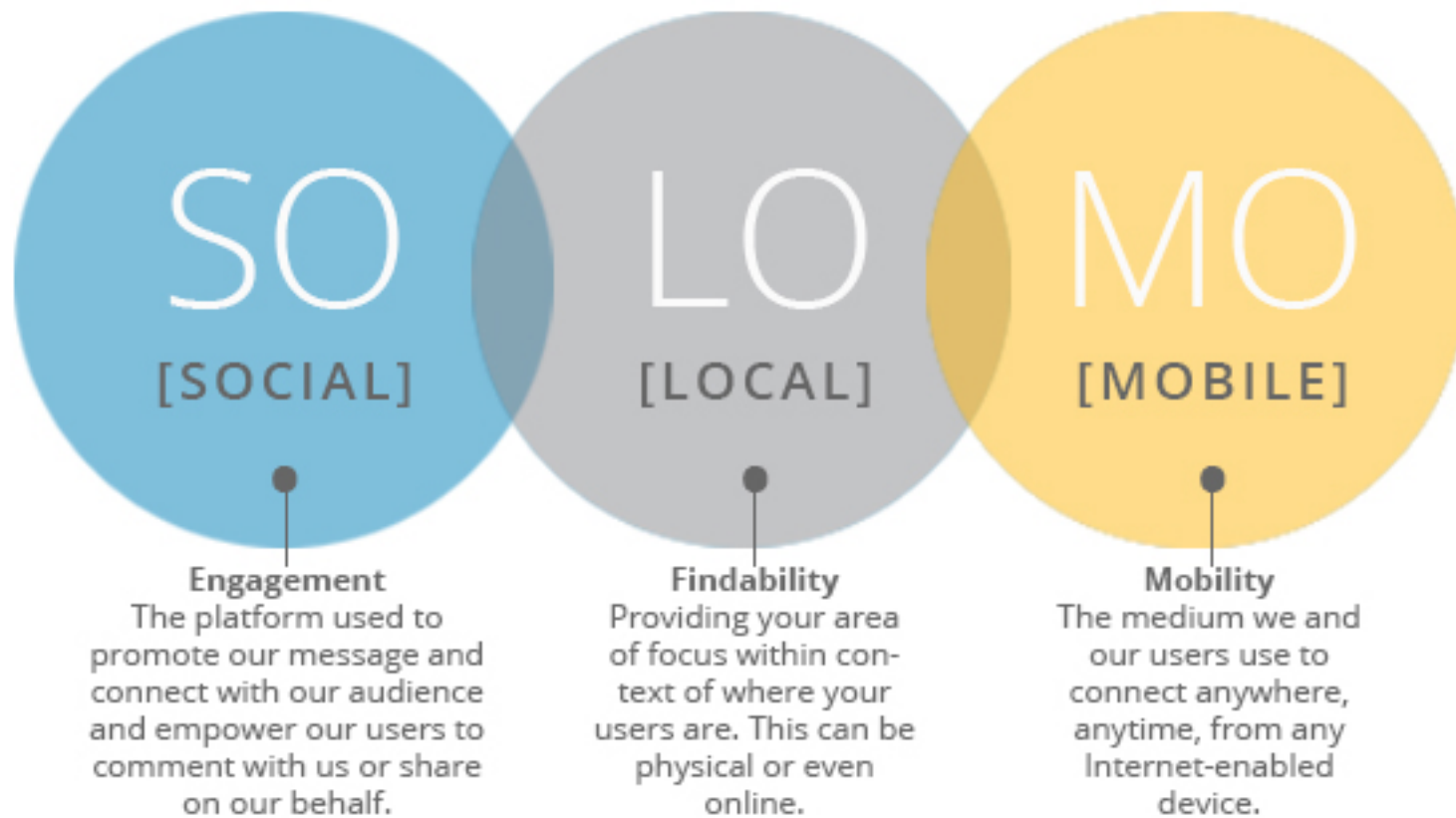
Current Communications Landscape

What we know today



Social, Local, Mobile

Smartphones (Mo) are getting more sophisticated and capable of gathering and displaying social activity (So) that's happening around you (Lo).



Twitter – By the Numbers

100M

Users log in daily

500M

Tweets sent per day

170
minutes

Average time
spent/per user
on Twitter
monthly

30%

Total global
shares online
come from Twitter



All numbers approximate as of March 31, 2015

Facebook – By the Numbers



Daily active users



U.S. online adults
use Facebook



U.S. senior citizens
use Facebook



Time spent on Facebook
per user per day

Capture & Send

- Today, everyone is a reporter.

Smartphones and social media can make anyone a live, on-the-spot source.

Expert journalism is now embracing “citizen journalism” to find – even break the news as it unfolds.

Outcome: Crowdsourced news



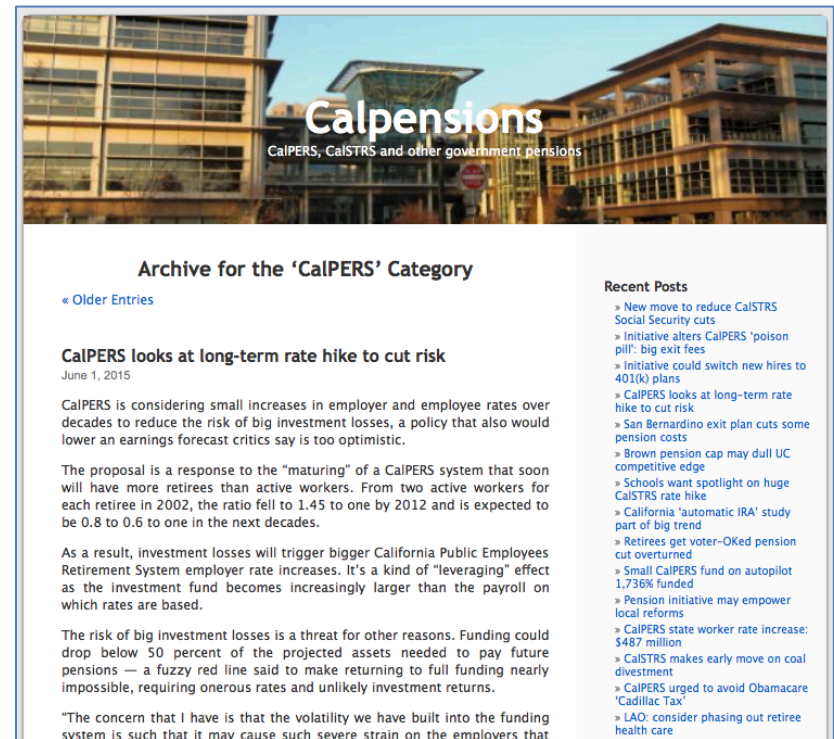
Independent Influencer

- Report, collect and share

Not only can people be one-time reporters, but they can also create their own status as “thought-leaders” and serve as independent subject-matter experts on a topic or a story.

Outcomes:

- New media source
- News influencer



Mobile Notifications - The Rush to Notify

“The gold coast real estate of today’s news—
the notifications screen of its readers’ phones.

If you can make someone’s phone rattle in their pocket, and do it first (you only come in first or last in breaking news), you can get a story in front of a reader before they have a chance to learn about it from another source. And doing that can have huge rewards. “Anytime we push our news directly to a user’s mobile, we see clicks and swipes skyrocket,”

explains Tyson Evans, The New York Times’ editor for newsroom strategy.

The Changing Communications Environment

CURRENT STATE:
THE CHANGING BUSINESS MODEL

Media Titans Reinvented

- Big media is going beyond the scope of traditional news:
 - Splitting broadcast and print operations
 - Changing their operations
 - Restructuring to become more nimble and adapting to consumer demands
 - Producing new offerings, products

Newsroom Redefined

- Integration of social platforms has impacted newsroom operations
 - **Newspapers** are redefining roles with a new emphasis on:
 - Digital distribution
 - Audience engagement
 - Roles to support social: Community Content Editor, Audience Analyst, Engagement Editor and Content Coach
 - **TV newsrooms** are adapting their programming structure integrating direct consumer feedback and usage patterns.

Journalists' Perspective on Change

TOP TRENDS

36% of journalists recognize mobile as the most important media trend of the year. Integration of social media in newsrooms (**18%**) and reliance on videos and images (**17%**) ranked 2nd and 3rd among trends.



36%



18%



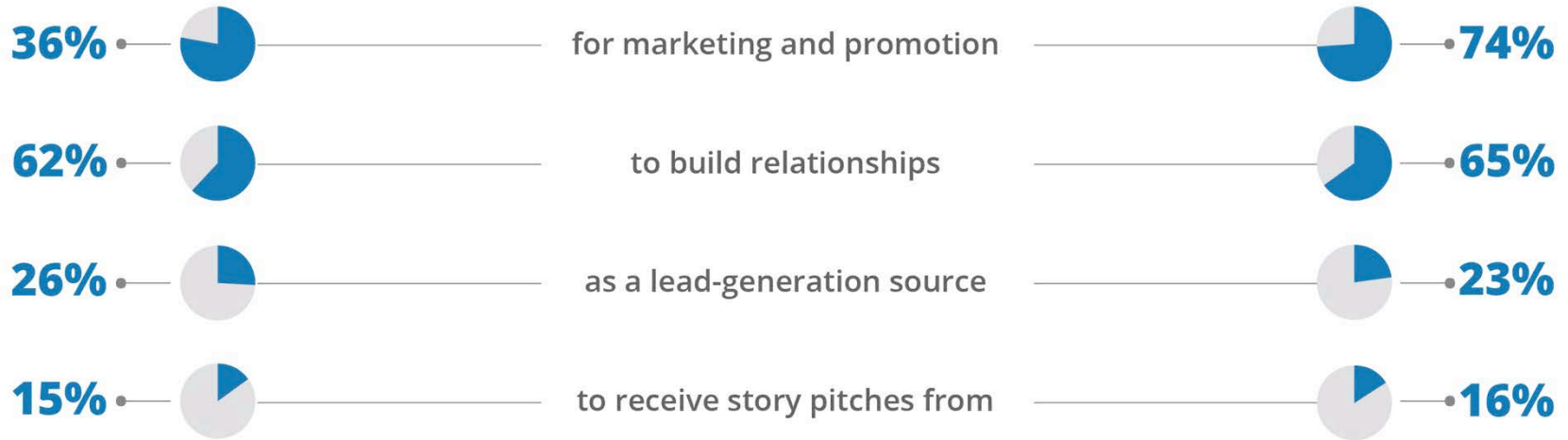
17%

Cision State of the Media Report
2015 survey of journalists, bloggers and influencers

How Reporters Use Social Media



HOW REPORTERS USE



Cision State of the Media Report
2015 survey of journalists, bloggers and influencers

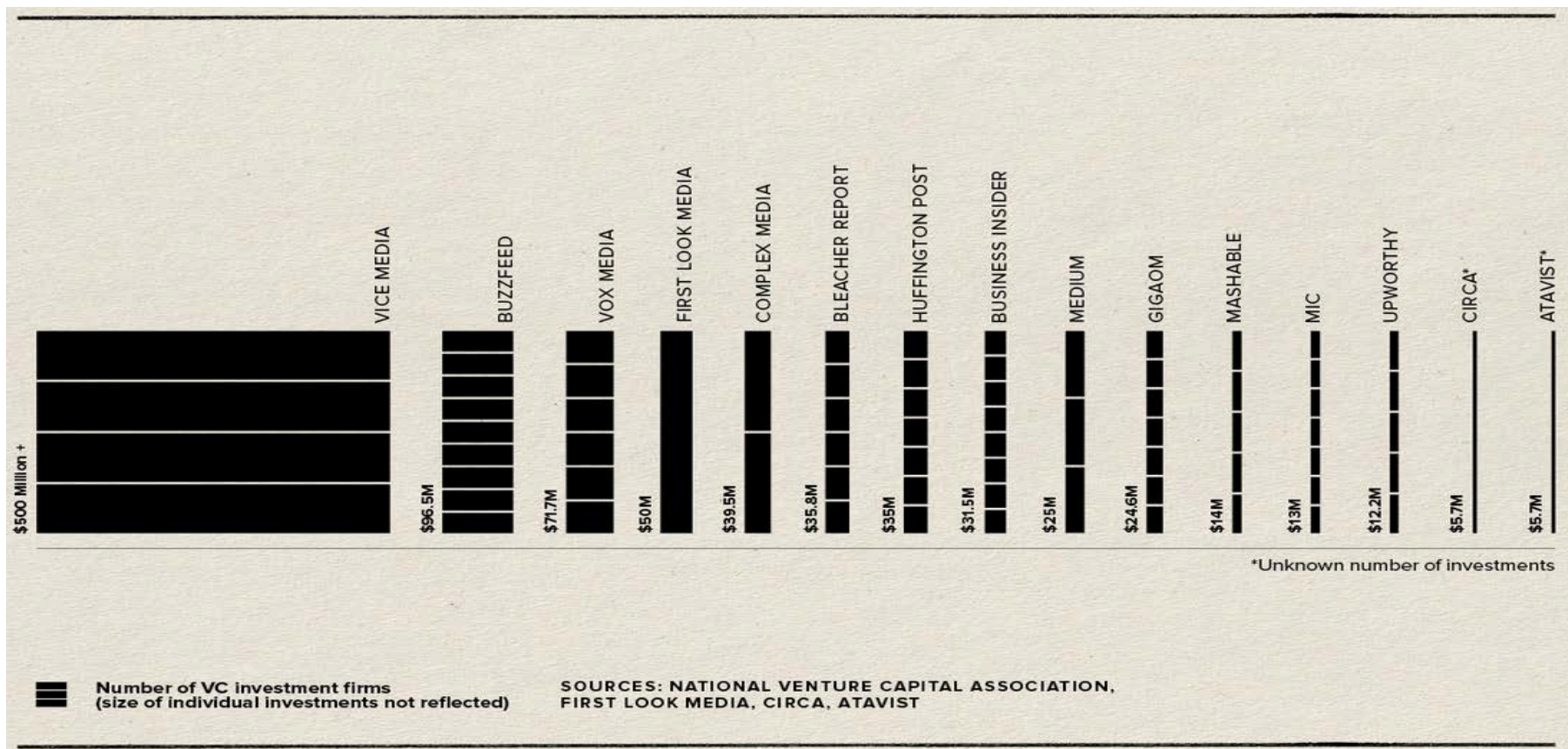
Broadcast News Evolves

- Broadcast media is going through a digital transformation:
 - Offering streaming services
 - Becoming a multi-platform, multi-device accommodating network
 - Using social platforms for distribution, engagement, and immediate reach.

ABC News launches “Facecast: The One Thing” on Facebook to serve as a one-minute round up of the day’s top stories and trending topics – making it the first social media daily newscast hosted by an evening news anchor.

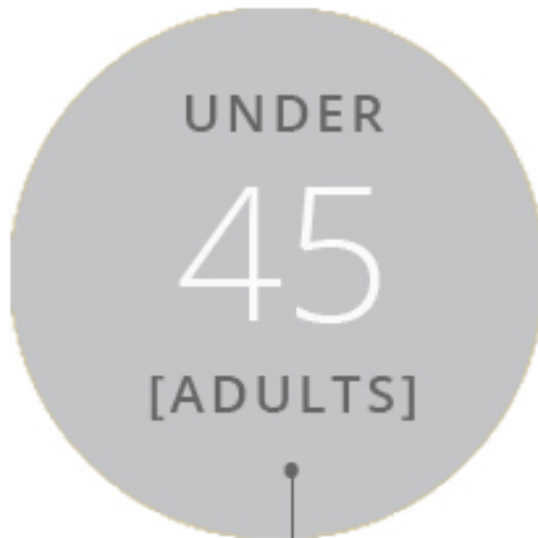


Rise of new media sources



News Consumption

Most adults still get their news from a combination of TV, radio, print, and online.



Younger Audiences

who've grown up with digital are exhibiting very different behaviours and increasingly expect the news to come to them through online channels and in new formats.



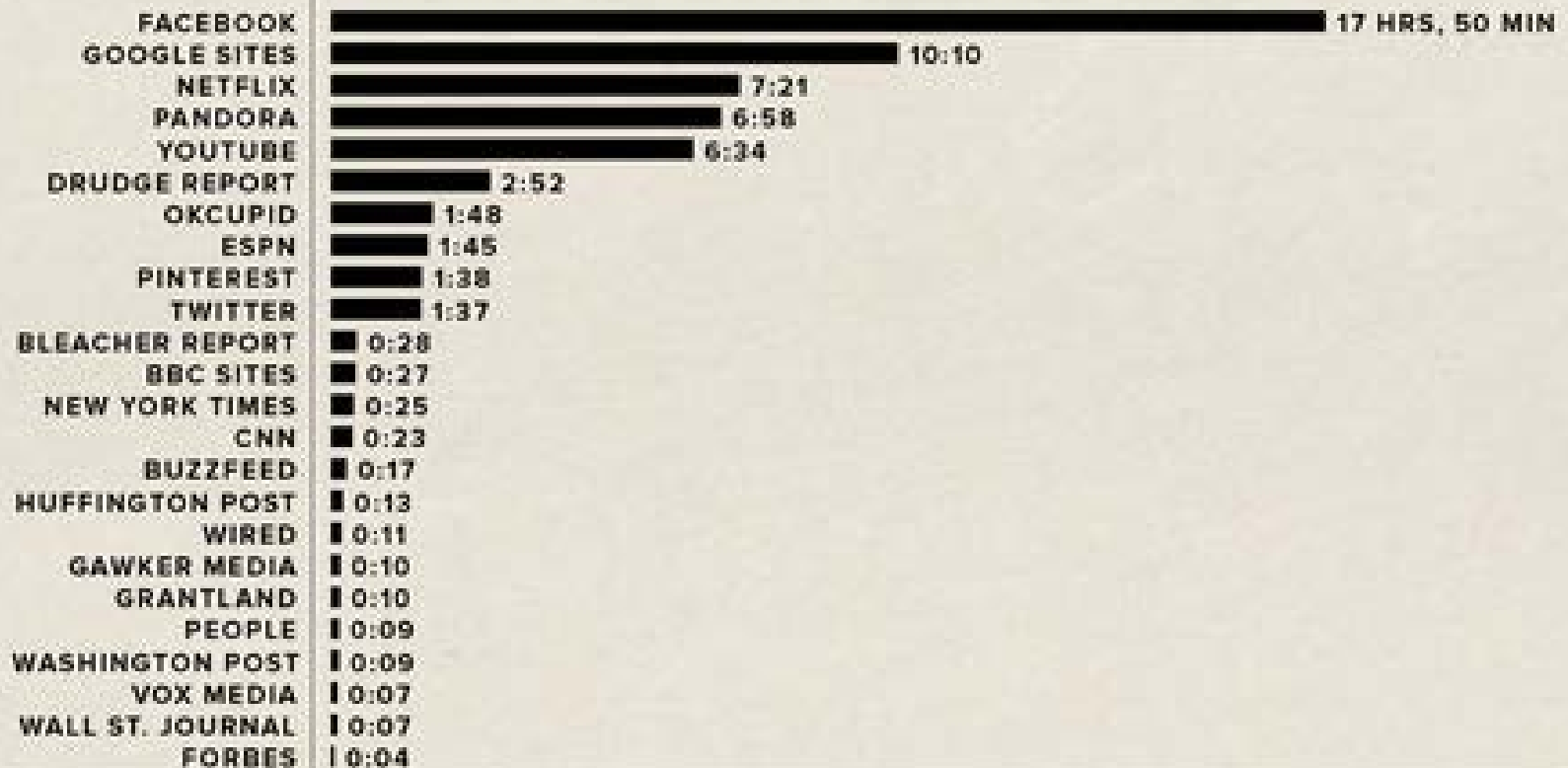
Adults over 45

are using digital news as an additional layer of choice and convenience without abandoning their core habits around television, radio, and print.

- Reuters Institute for the Study of Journalism - Digital News Report 2015

Online Usage

AVERAGE TIME SPENT PER ONLINE VISITOR (SEPTEMBER 2014)



SOURCE: COMSCORE

Why A Strong Message Is Important

COMMUNICATION STRATEGY IN A DYNAMIC, REAL-TIME ENVIRONMENT

Diversified Development & Delivery

- We recognized early on and have developed a strong foundation to support the complex demands of a changing news model.



NEW
PLATFORMS



NEW
DEVICES

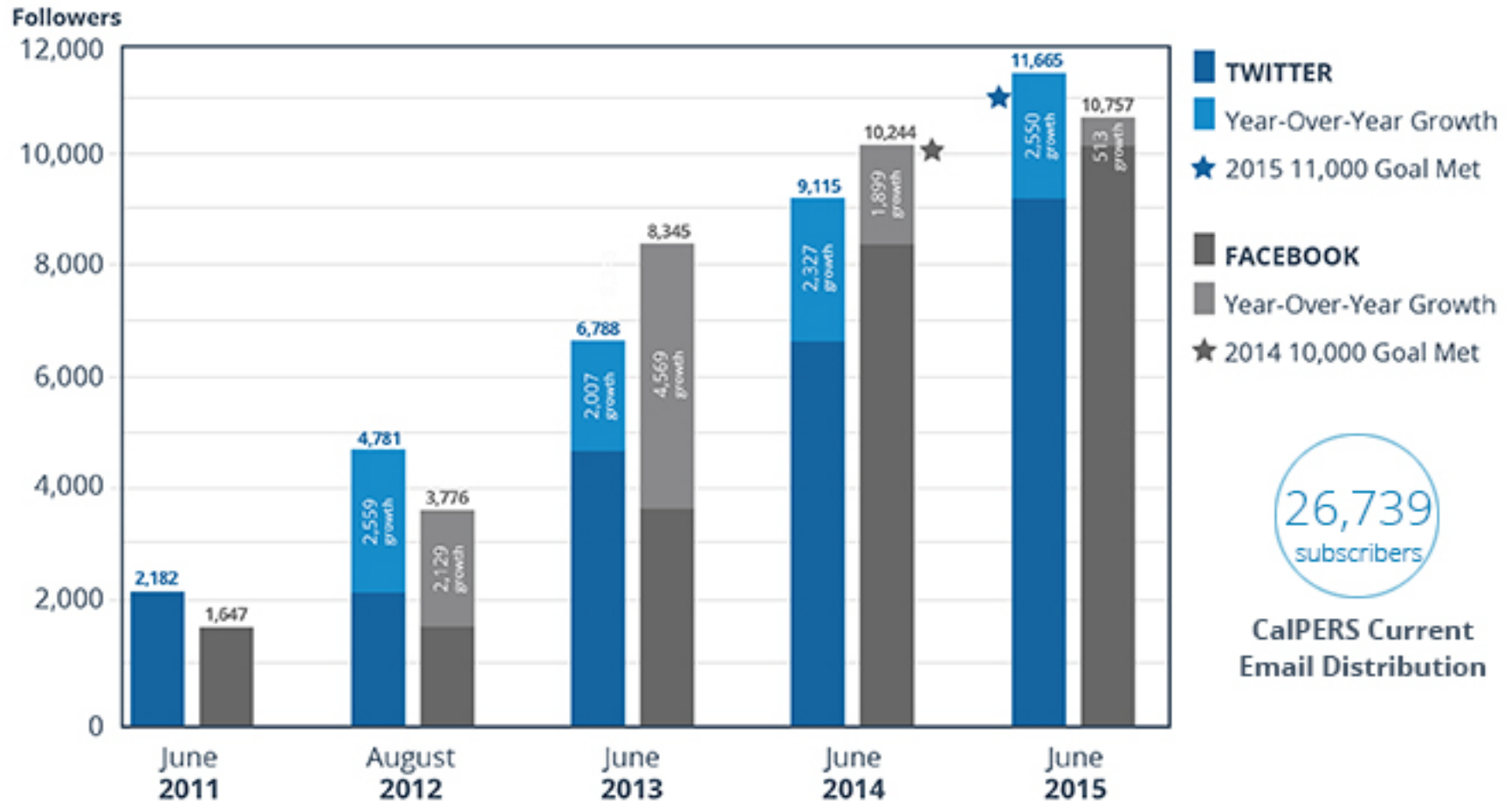


NEW
DIGITAL FORMATS

CalPERS Communications Channels



CalPERS Social Reach & Impact Potential



Why A Strong Message Is Important

- Ensures consistency, continuity and accuracy
- Prioritizes information – avoids scattershot approach
- Keeps the focus when speaking to the media and stakeholders
- Provides measures to track impact and success

Attributes of Key Messages

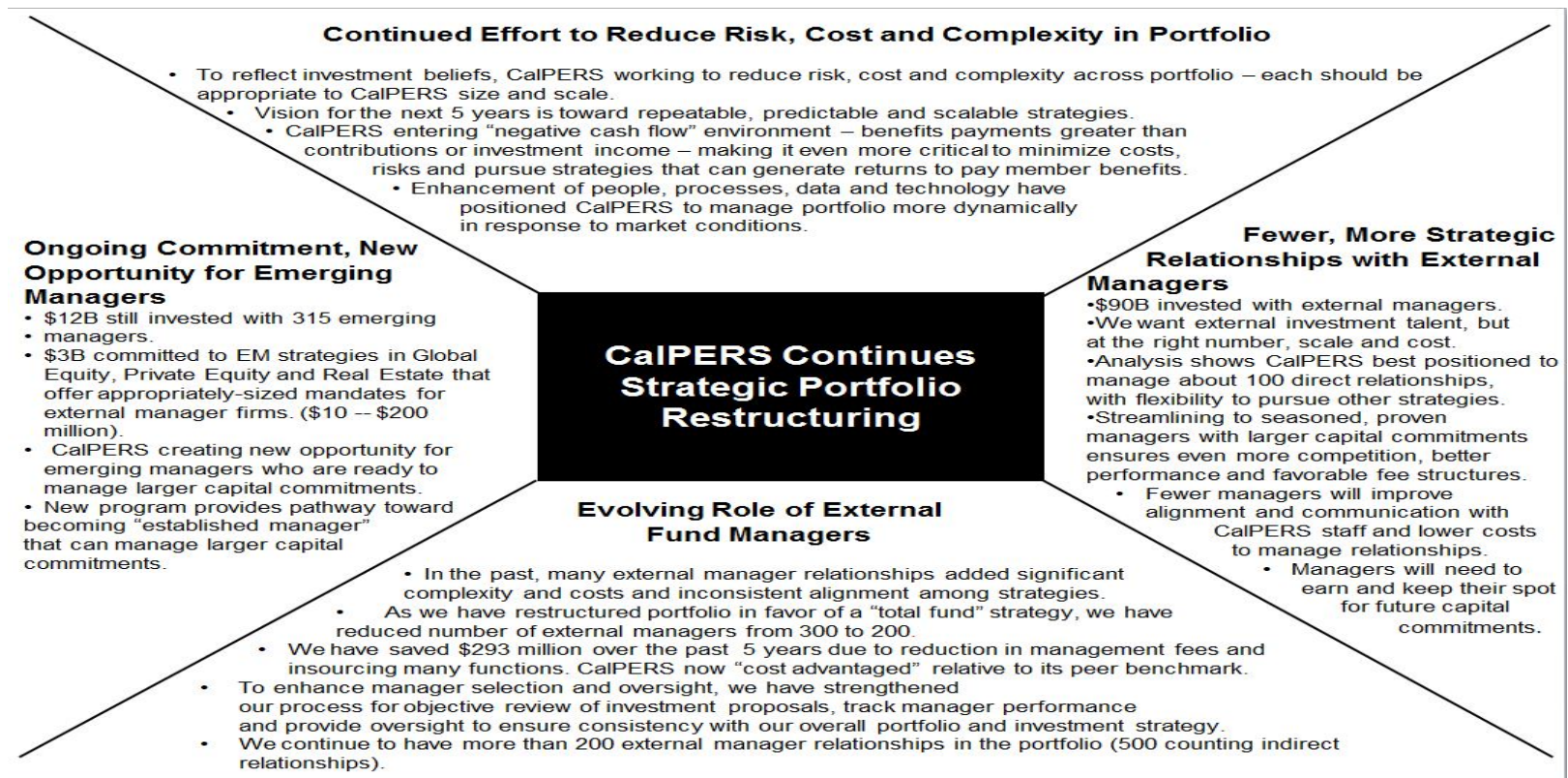
- Concise
- Strategic
- Relevance
- Compelling
- Simple
- Real
- Tailored

Case Study: External Manager Restructure

[video clips]

CalPERS Message Box

External Manager Restructure



Moving Forward

WHAT'S AHEAD

Our Challenges Ahead

- Questions we are asking ourselves:
 - How do we keep people informed?
 - How do we meet the needs of our engaged audience and respond / support these new trends in social, mobile, video, etc.
 - How do we ensure CalPERS reputation is protected and the facts are accurate?

Our Approach

- Multi-Channel Messaging Strategy
- Proactive planning and preparation
- Evolving, responsive, live storytelling
- Monitored in real-time for response and reinforcement

Media's Challenges Ahead

- The media is asking and search for answers to:
 - How are people choosing their news? News source?
Media type?
 - Which developing stories are people interacting with and monitoring?
 - Who is our audience following?
 - What medium creates the greatest engagement?
 - How and when do they begin engaging with the content published?

Media's Challenges Ahead



Dwindling
attention
spans



Being the first to
break news—
with accuracy and
maintaining credibility



Creating and
retaining loyalty

Expectations for the Future

- News industry business model continues to change/adapt.
- Newsrooms reimagined.
- New media competition – new sources challenging big media.
- Increased emphasis on mobile and video
- Continued rise in video consumption, including real-time, live moments.
- Advance digital engagement models

How You Can Support Us

- Work with us
- Direct media contacts to our office, you have hired professional communication staff for a purpose
- If you need to respond, leverage our prepared messaging, stay on message
- Use social media to share and amplify our message.