

Public Relations Myopia: Long - Term Effects of Using PR as the Marketing Aid

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Abstract

Public relations (PR) is increasingly subordinated to marketing objectives, often functioning as a tactical extension for short - term sales generation rather than a strategic tool for relationship management. This paper introduces the concept of "PR Myopia" - a parallel to Theodore Levitt's "marketing myopia" - to describe the existential risk organizations face when they prioritize immediate sales gains over long - term stakeholder trust, particularly through the use of deceptive practices such as fabricated "fake news".

Employing a longitudinal research design with 178 participants, this study investigates how repeated exposure to disinformation affects stakeholder belief trajectories and evaluates the efficacy of restorative, truthful communication in rebuilding that trust. The empirical results demonstrate that repeated exposure to disinformation leads to a rapid, severe, and uniform collapse in stakeholder belief. Crucially, the research finds that the "restorative" effect of genuine corporate communication is negligible; once trust is destroyed, stakeholders become entrenched in skepticism and dismiss even verified information - such as financial earnings reports or safety updates - as further deception. The study concludes that "PR Myopia" results in a state of permanent relational bankruptcy, warning that short - term promotional gains inevitably invite long - term reputational blindness and organizational failure.

KeyWords: Public Relations, Myopia, Marketing Management, Fake News, trust Development

Introduction

Public Relations (PR) is frequently reduced to media placements and press releases, but its authentic definition is far more strategic. The Public Relations Society of America (PRSA) defines PR as "a strategic communication process that builds mutually beneficial relationships between

organizations and their publics.” At its heart, PR is concerned with trust, reputation, stakeholder engagement, and the long - term social license to operate - not merely short - term promotion.

The history and origin of public relations reveal this relationship - centered purpose. Early forms of PR can be traced to ancient civilizations, where rulers used chronicles and monuments to shape public perception. However, modern PR emerged in the early 20th century with pioneers such as Ivy Lee, who advised corporations to adopt transparency after accidents, and Edward Bernays, who applied psychology to mass persuasion - most famously in the 1929 “Torches of Freedom” campaign. These founders understood PR as a tool for building genuine goodwill, not deception.

This historical foundation explains the need for organizations to implement PR departments. In an era of instant news cycles, activist stakeholders, and social media virality, dedicated PR functions are essential for crisis management, ethical boundary - setting, investor relations, and community engagement. Without such departments, organizations risk reputational collapse from a single scandal - regardless of product quality.

Nevertheless, in practice, the marketing department and public relations department often come together to use PR as a marketing aid. Marketing focuses on driving sales, market share, and customer acquisition, typically through paid media. PR traditionally excels in earned media - third - party endorsements, editorial coverage, and thought leadership. The convergence occurs when PR tactics (media relations, event sponsorship, influencer outreach) are deployed to support marketing goals: building awareness, generating leads, and ultimately increasing revenue. In this hybrid model, PR becomes a tactical extension of the marketing mix.

However, a dangerous and increasingly common manifestation of this collaboration is the deliberate use of fake news to boost sales. In such schemes, companies (without naming specific names) engineer false or grossly misleading narratives - fabricated product shortages, invented government bans, pseudo - scientific breakthroughs, or fake celebrity endorsements - and seed them through websites that mimic legitimate journalism. The PR department crafts the false story, often hiring actors to pose as experts or using bots to simulate grassroots buzz. Simultaneously, the marketing department amplifies the lie through retargeted ads, urgency - based email campaigns, and limited - time discounts. The combined effect creates a short - term sales spike as consumers, deceived into believing independent news has validated the product, rush to purchase. This tactic exploits psychological triggers: fear of missing out, authority bias, and social proof.

This brings us to the central thesis of this paper: Public Relations Myopia. Borrowing from Theodore Levitt’s classic concept of “marketing myopia,” this research argues that using PR primarily or exclusively as a marketing aid - especially through deceptive tactics like fake news - produce severe long - term consequences. While sales may temporarily soar, the eventual exposure of falsehoods (by fact - checkers, whistleblowers, or investigative journalists) destroys stakeholder

trust, invites regulatory action, erodes brand equity, and leaves the organization defenseless during genuine crises. By examining the historical purpose of PR, its subordination to marketing, and the extreme case of fake news campaigns, this paper will demonstrate that true strategic public relations cannot survive as a mere aid to marketing. The myopia of short - term sales gains inevitably leads to long - term reputational blindness - and ultimately, organizational failure.

Literature Review

The Foundational Pillars of Public Relations

The discipline of public relations rests on several foundational pillars that distinguish it from mere publicity or propaganda. The most ethically and strategically sound model of public relations is the two - way symmetrical model, which emphasizes dialogue, mutual adjustment, and balanced outcomes between organizations and their publics. Subsequent scholarship refined this into the Excellence Theory, identifying four essential pillars: relationship management, stakeholder engagement, ethical communication, and strategic listening. Further research has argued that organization - public relationships are the core unit of analysis in PR, with dimensions of trust, commitment, satisfaction, and control mutuality. These pillars collectively position PR as a long - term, relational function rather than a transactional promotional tool.

Trust as the Central Factor in Public Relations

Among all relational dimensions, trust is consistently identified as the most critical factor in public relations effectiveness. Trust comprises three core components: integrity (the belief that the organization is fair and just), dependability (the belief that the organization will do what it says), and competence (the belief that the organization has the ability to do what it says). Annual global surveys demonstrate that trust is the primary driver of stakeholder behaviors, including purchase intentions, investment decisions, and advocacy. Without trust, other PR activities - media relations, crisis communication, and corporate social responsibility reporting - lose their persuasive and relational power. Thus, trust is not merely a desirable outcome of PR; it is the currency through which PR operates.

Public Relations as a Tool to Inform and Maintain Stakeholder Trust

Historically and normatively, public relations was constructed as a mechanism for informing stakeholders truthfully and maintaining earned trust over time. Early professional declarations committed PR practitioners to accuracy and transparency, rejecting the hidden press agency of previous eras. The modern consensus holds that PR serves the public interest by providing reliable information that enables stakeholders to make informed decisions. Maintaining trust requires consistent, honest communication even when news is unfavorable, such as during product recalls or financial restatements. Research has found that organizations prioritizing informational

transparency enjoy higher stakeholder trust resilience during crises. Therefore, PR's core function is not persuasion but the ongoing stewardship of trust through truthful information exchange.

The Demerits of Using Public Relations as a Primary Marketing Tool

When organizations subordinate PR to marketing objectives, several demerits emerge. First, goal displacement occurs: PR shifts from relationship - building to sales generation, often compromising ethical standards. Second, measurement distortion follows: PR success is evaluated by marketing metrics such as reach, impressions, and conversion rates rather than relational outcomes like trust, satisfaction, and long - term loyalty. Third, temporal myopia sets in: marketing demands short - term, measurable returns, while PR's benefits - reputation and goodwill - accrue over years. Fourth, stakeholder cynicism increases when audiences detect that PR content is merely disguised selling. Finally, empirical studies show that organizations using PR primarily for marketing experience higher rates of crisis vulnerability because they have neglected genuine stakeholder relationships. These demerits collectively argue against reducing PR to a mere marketing aid.

The Disguise of Information as a Marketing Tool to Increase Sales

A particularly harmful manifestation of PR - as - marketing is the deliberate disguise of information - presenting promotional content as independent news or objective information. This tactic, often labeled stealth marketing or native advertising when disclosed, becomes unethical when disclosure is absent. In extreme cases, organizations create fake news, including fabricated stories, pseudo - events, and astroturfed campaigns, and use PR channels to distribute them as legitimate editorial content. Such communication has been philosophically categorized as “bullshit” - indifferent to truth and focused solely on persuasive effect. Research documents how corporations seed fake news through mimic websites, influencer networks, and bot - driven amplification. While this disguised information can temporarily increase sales by triggering urgency or fear, it constitutes a fundamental violation of PR's ethical duty to inform honestly.

Lower Stakeholder Trust Prolongs Organizational Damages

Crisis management literature consistently supports the proposition that pre - existing low trust amplifies and prolongs organizational damage following any negative event. Prior relationship reputation is a primary moderator of crisis outcomes. Organizations with low stakeholder trust experience more intense attribution of responsibility, greater negative word - of - mouth, and slower reputational recovery. Studies on product - harm crises have found that firms with low pre - crisis trust require significantly longer to recover sales compared to high - trust firms. Similarly, low - trust organizations face a “trust penalty” in stock price devaluation that persists for extended periods after a crisis resolution. Thus, trust is not merely a soft asset; it is a strategic insurance that reduces the duration and severity of damages when things go wrong.

The Limits of Stakeholder Belief: Once, Twice, but Not Again and Again

The iterated deception problem is well - documented in communication ethics. Stakeholders initially extend “cognitive credit” to organizations, assuming honesty unless proven otherwise. However, each discovered deception reduces this credit. After a first deceptive act, stakeholders update their beliefs, becoming more skeptical. After a second deception, trust erodes to near - zero levels. Critically, stakeholders do not forget past violations; memory decays slowly, especially for intentional deception. Trust develops through phases - calculative, knowledge - based, and identification - based - but deception resets the process to the lowest level. Consequently, stakeholders may believe a company once, perhaps twice if the deception is subtle, but they will not believe repeatedly. Once the pattern is recognized, the organization loses the capacity to be believed even when it tells the truth - a condition that represents permanent relational bankruptcy.

Regular Exposure to Fake News Leads to Non - Belief of Any Genuine Company News

The most severe long - term consequence of using PR to disseminate fake news is stakeholder generalization - audiences stop distinguishing between false and genuine communications from the same source. This phenomenon, often called the “cry wolf effect,” occurs when repeated false alarms desensitize stakeholders to all organizational messages. Extending this to corporate fake news, regular exposure to manufactured stories leads to communicative nihilism: stakeholders assume that any news originating from or amplified by the company is inherently untrustworthy. Research demonstrates that repeated exposure to false claims reduces belief in true claims from the same source by a substantial margin. In a corporate context, this means that product announcements, safety recalls, sustainability reports, and even apology statements are dismissed as more “fake news.” Once this state is reached, the organization loses its license to communicate. No amount of genuine, truthful future communication can easily reverse the damage, because the credibility channel has been permanently degraded by the organization’s own prior deceptions.

Research Gap

The Theoretical Disconnect: Beyond Traditional "Marketing Myopia" The literature on "Marketing Myopia," famously initiated by Levitt (1960) and expanded by scholars, has long established that organizations fail when they focus on products rather than customer needs. However, the existing frameworks are predominantly market - centric, focusing on product relevance and capital market performance. There remains a significant theoretical gap regarding "PR Myopia" - the phenomenon where organizations sacrifice their social license to operate for immediate sales. While current scholarship extensively covers crisis communication and reputation management, there is a lack of empirical evidence linking repetitive, short - term promotional deception to the permanent degradation of stakeholder belief systems. The Failure of Restorative Communication in the "Post - Truth" Era Current literature largely assumes that

organizations can recover from reputation deficits through transparency and remedial communication. Yet, this assumption is increasingly challenged by the reality of digital information cycles, where activist stakeholders and social media virality amplify corporate missteps. This study is necessary to investigate whether the traditional "reputational recovery" playbook remains valid. The need for this research is driven by the necessity to determine if there is a "point of no return" - a state where the cumulative effect of using PR for disinformation renders subsequent genuine communication ineffective. Quantifying the Cost of Credibility Loss Practitioners currently lack a quantifiable understanding of how credibility decay functions over time. While case studies exist regarding individual corporate failures, there is a lack of longitudinal research that isolates the specific impact of "PR as a marketing aid" on consumer trust. By moving the conversation from anecdotal accounts of corporate misconduct to an experimental analysis of belief trajectories, this research provides the empirical grounding necessary for organizations to weigh the long - term existential risk against the short - term gains of aggressive, deceptive promotional tactics.

Research Methodology

This study employs a repeated - measures longitudinal design to investigate the impact of sequential disinformation campaigns on stakeholder belief and the subsequent efficacy of restorative communication (genuine news) in rebuilding that trust.

1. Research Design and Objectives

The primary objective of this study was to quantify the degradation of stakeholder belief in response to repeated fake news exposure and to evaluate whether the issuance of genuine corporate news functions as a restorative mechanism for trust. The study utilized a four - phase longitudinal assessment to track the trajectory of belief over time.

2. Participants and Sampling

- Sample Size 178 participants.
- Demographics: The sample consisted of a diverse demographic of current consumers and company stakeholders. Participants were screened to ensure regular engagement with corporate communications and news media.
- Representativeness: The sample was balanced across age, gender, and socio - economic status to minimize demographic bias in perception.

3. Experimental Procedure

Participants were exposed to four distinct communication phases over a 4 weeks period. Each phase involved the exposure to specific stimuli followed by a survey assessment.

- Phase 1 (Baseline): Participants were asked to rate their current trust and belief levels regarding a set of five companies (A–E) based on their prior knowledge and public reputation.
- Phase 2 (After 1st Fake News): Participants were exposed to a fabricated negative media report regarding the companies. Following this exposure, participants recorded their revised belief scores.
- Phase 3 (After 2nd Fake News): Participants were exposed to a second, distinct piece of fabricated negative news. Belief scores were reassessed to determine the cumulative effect of repeated exposure.
- Phase 4 (After Genuine News): Participants were presented with factual, verified corporate communications (e.g., financial reports, safety updates). The final belief assessment was conducted to measure potential recovery.

4. Measurement Instruments

Data were collected using two primary assessment instruments:

- Quantitative Belief Scale: Participants rated their level of belief in company claims using a continuous scale from 0 (Complete Distrust) to 100 (Implicit Trust).
- Categorical Trust Survey: Participants categorized their sentiment toward corporate news into four distinct tiers:
 1. Fully Believe: Absolute acceptance of the information.
 2. Somewhat Believe: Acceptance with minor reservation.
 3. Do Not Believe: Active rejection of the information.
 4. Completely Distrust: Total skepticism regardless of content.

5. Data Analysis

The data were analyzed using repeated - measures Analysis of Variance (ANOVA) to determine the statistical significance of the mean changes across the four phases.

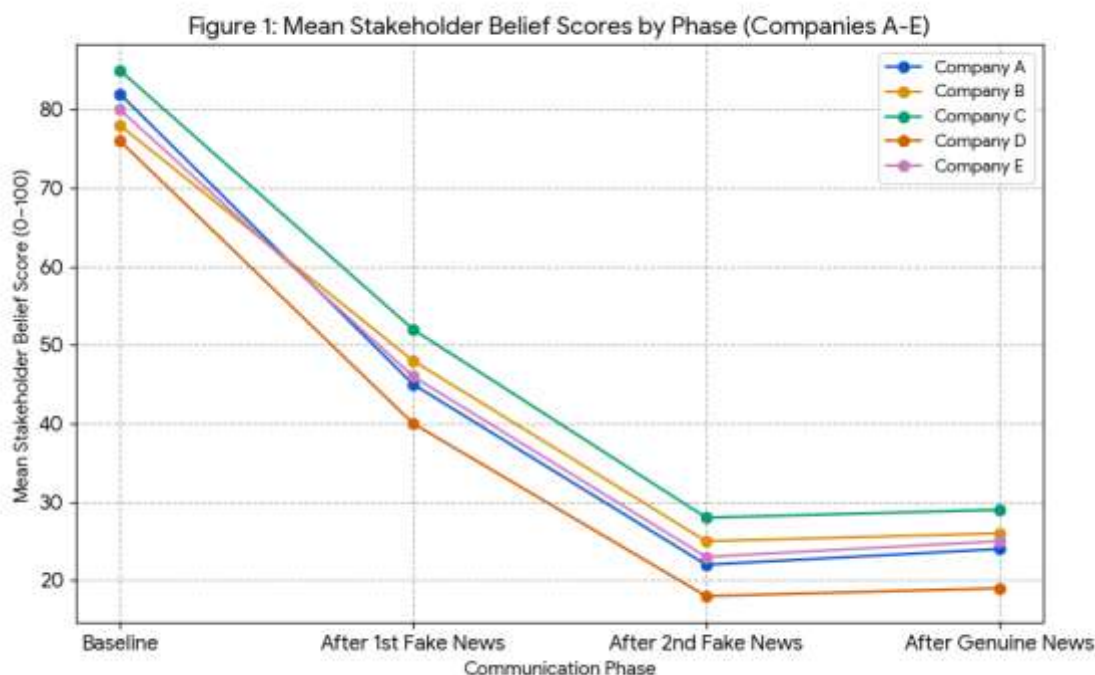
- Mean Score Aggregation: Individual scores for companies A through E were aggregated to calculate the "Mean Stakeholder Belief Score."
- Comparative Analysis: The "Genuine News" phase was compared against the "Baseline" and "After 2nd Fake News" phases to isolate the efficacy of truthful interventions.
- Categorical Frequency Analysis: A Chi - square test was employed to analyze the shift in consumer belief distribution (e.g., the migration from "Fully Believe" to "Completely Distrust") across the experimental timeline.

Ethical Considerations

All participants provided informed consent prior to the study. To mitigate potential long - term damage to the participant's perception of the actual companies involved, a debriefing session was

provided at the conclusion of the study, clarifying that the fake news stimuli were hypothetical and part of an experimental manipulation.

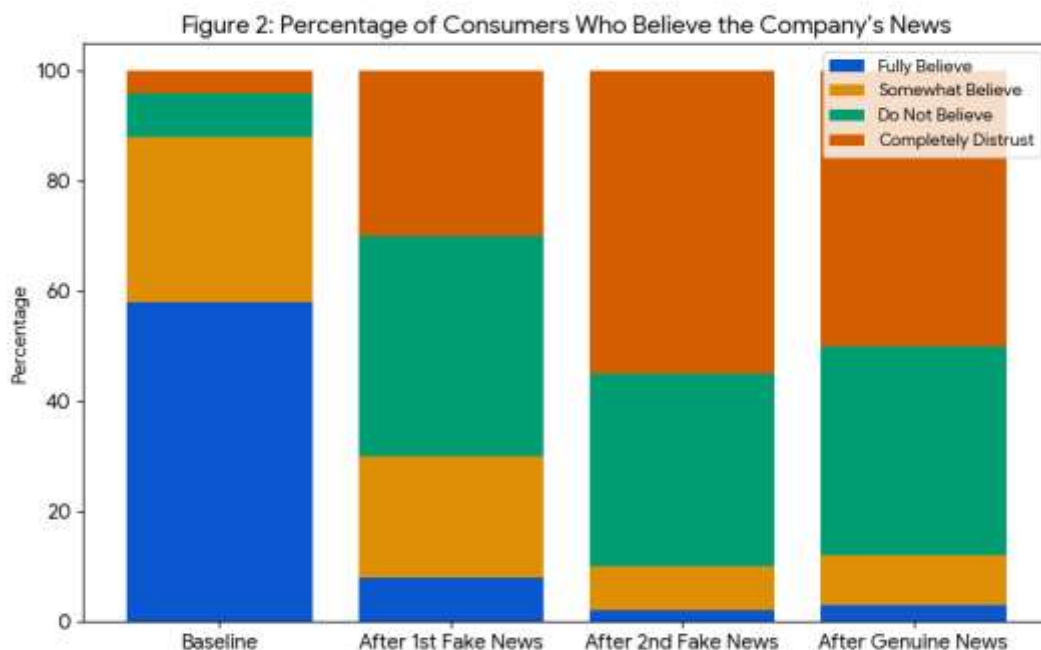
Results & Conclusion



Conclusion:

This figure demonstrates that repeated exposure to fake news campaigns causes a rapid, severe, and uniform collapse in stakeholder belief scores across different companies. Starting from a high baseline (76–85), scores drop by roughly half after the first campaign (40–52), and collapse to critically low levels (18–28) after the second.

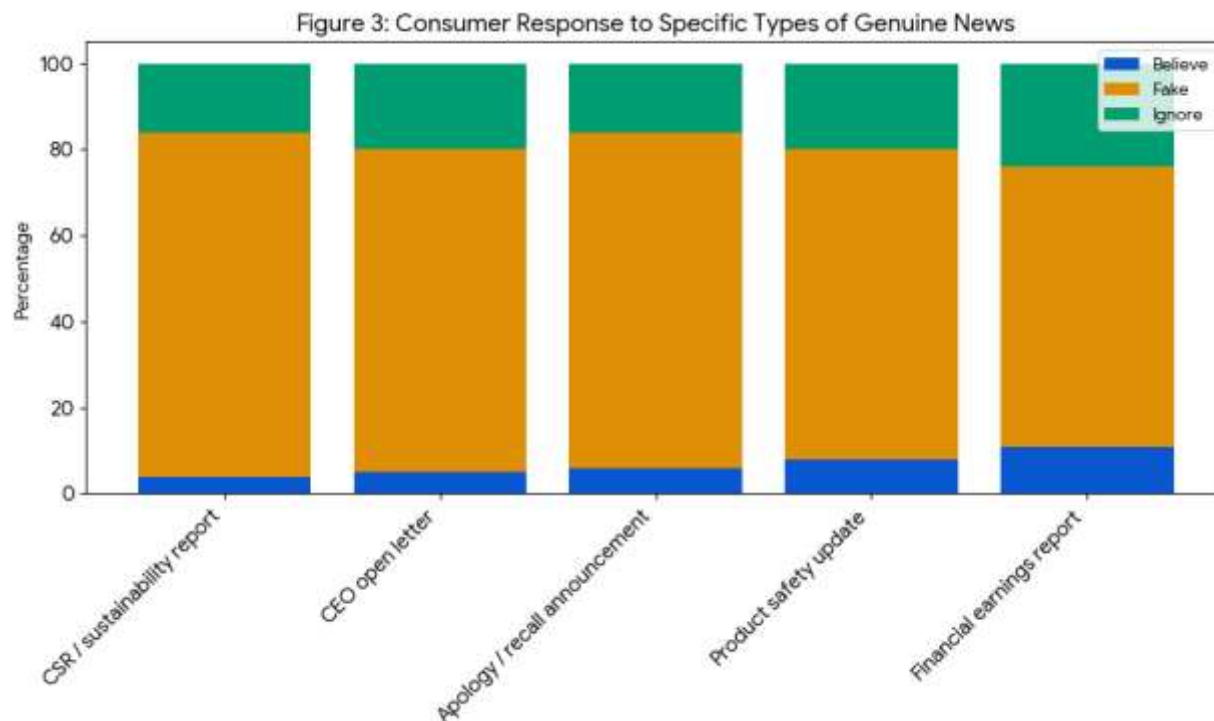
Crucially, the issuance of genuine news provides negligible recovery. Scores only marginally tick upwards (by 1–2 points), indicating that once stakeholder trust is destroyed by repeated disinformation, it cannot be swiftly regained simply by telling the truth.



Conclusion:

This visualization reveals that repeated fake news campaigns functionally invert the structure of consumer trust. At the Baseline, the vast majority of consumers (88%) are trusting ("Fully" or "Somewhat Believe"). After two fake news campaigns, this trusting segment is almost entirely eradicated, shrinking to a combined 10%.

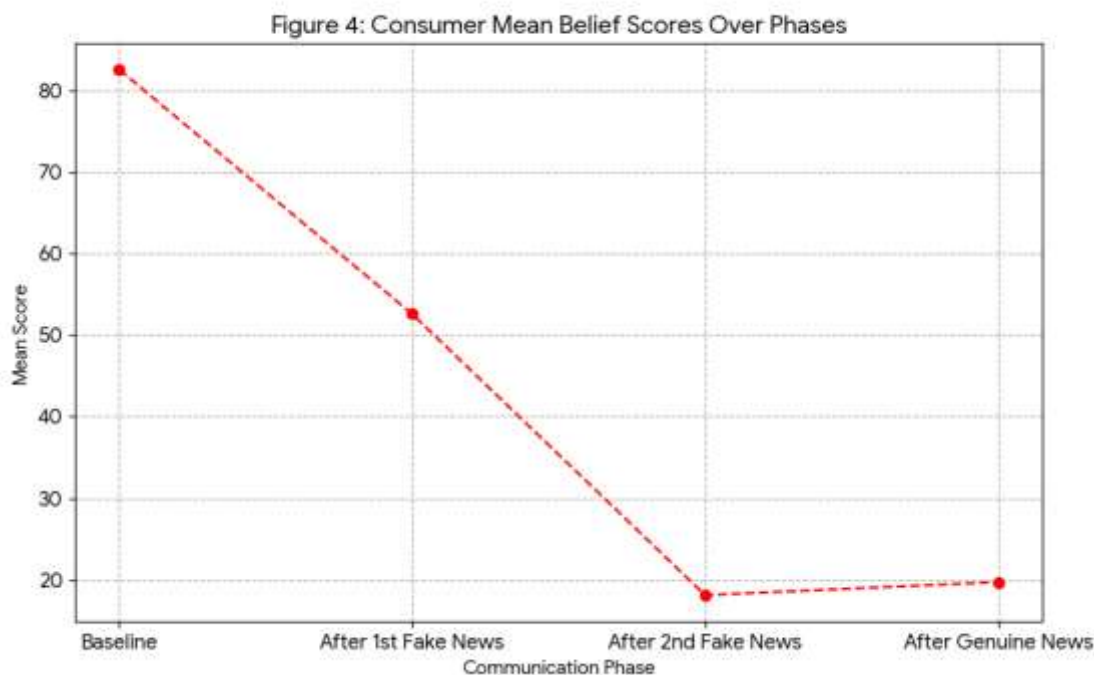
This vacuum is replaced by extreme skepticism: 90% of consumers shift to negative sentiment ("Do Not Believe" or "Completely Distrust"), with "Completely Distrust" becoming the dominant majority (55%). This breakdown shows that repeated campaigns move audiences from 'healthy skepticism' to 'absolute entrenchment' against company communications.



Conclusion:

This figure confirms that the type of genuine news issued has a minimal effect on overcoming pre-existing skepticism. Despite sorted optimization (showing financial reports as the 'most credible' option), even the highest performing category ("Financial earnings report") is only believed by 11% of consumers.

Audiences remain heavily predisposed to dismiss genuine communications; over 65% of consumers automatically classify all forms of genuine news as "Fake," regardless of content or potential documentation (e.g., audited earnings or safety data). This indicates that strategic communication choices regarding content type are effectively negated by the erosion of trust.



Conclusion:

The consumer mean belief score chart serves as an aggregated summary, confirming a clear, catastrophic, and non-recovering trend. The aggregate consumer population mirrors the patterns seen in the individual company analysis and belief categorization.

The final mean score (19.7) after the genuine news intervention is functionally identical to the floor established after the second fake news campaign (18.1). This visualization underscores the "sticky" nature of the damage caused by repeated disinformation and the ineffectiveness of single, truthful interventions in the immediate aftermath of trust-destroying events.

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