Questions posed by the NAC EPO committee

- What are the constraints that govern NASA’s efforts to communicate and promote its programs?
- What is marketing?
- Can and should a government agency engage in marketing?
Marketing by NASA

• Is it legal?
• Is it affordable?
• Is it appropriate?
What is marketing?

Marketing is the process by which companies create customer interest in goods or services.

- Wikipedia
Is it legal for NASA to engage in marketing?
The Space Act of 1958

Mandates that NASA “provide for the widest practicable and appropriate dissemination of information concerning its activities and the results thereof.”
NASA Policy Directive 1000.3

Tasks the Office of Communications to:

• establish and maintain open and credible communications channels to the NASA Team, the news media, and the general public involving all NASA programs and Centers.

• define Agency communications objectives and top-level requirements with the news media and develop and oversee Agency-wide media communications policies, strategies, and processes
Tasks mission directorates to:

• Promote and maintain good public and community relations and provide for the widest practical and appropriate dissemination of information concerning space activities.

• Ensure that data and information from NASA missions are openly available and accessible in a timely and affordable manner.

• Conduct educational and public outreach programs to enhance the Nation's return on its investment in NASA, as coordinated with the Office of Communications at NASA Headquarters prior to the award of a contract or the expenditure of funds to ensure Agency-wide priorities and consistent communications.
Relevant federal law besides the Space Act

• U.S. Code, Title 5, Section 3107 (October 1913) Employment of publicity experts; restrictions – “Appropriated funds may not be used to pay a publicity expert unless specifically appropriated for that purpose.”

• Past appropriations acts for federal agencies (not specifically NASA) frequently have contained this or similar language: “No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not heretofor authorized by Congress.”

• It appears Congress has never defined the terms “publicity expert,” “publicity,” or “propaganda.”
Is it legal? (summary)

- It appears there is nothing in NASA policy or federal law that explicitly forbids the use of marketing.
- It appears there is nothing in NASA policy or federal law that authorizes the use of marketing.
Is marketing affordable for NASA?
Is marketing affordable for NASA?

- NASA communications offices annually spend about $5 million agency-wide on external communications to the public (excluding infrastructure) – about 0.026 percent of the agency’s overall $19 billion budget.

- Private companies typically spend 3-5 percent of their overall budgets annually on marketing and public relations.
While many of NASA's public affairs activities are appropriate, others continue to emphasize marketing the agency …

- OMB passback, 2007

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Is marketing affordable? (summary)

• The amount NASA spends annually on external communications to the public is a tiny fraction of the agency’s overall budget. That doesn’t appear likely to significantly change in the near-future.

• Effective marketing campaigns can range from moderately expensive to very expensive, sometimes costing millions of dollars.

• The top budgetary priorities for NASA’s communications offices currently are focused primarily on keeping the offices’ functioning and maintaining vital capabilities, such as nasa.gov and NASA TV.
Is it appropriate for NASA or other federal agencies to engage in marketing?
Office of Management and Budget guidance

• “While many of NASA’s public affairs activities are appropriate, others continue to emphasize marketing the agency.”
  - OMB passback, 2007
• NASA’s job is to “disseminate, inform, and educate.”
• It is not NASA’s job to make itself or its programs more popular with the American people.
• Public affairs punished for activities deemed to be marketing.
Do the public and news media think it is appropriate for a federal agency to engage in marketing?
Acceptance Slow for Bush's Space Plan
With Some Scientists Skeptical, NASA Turns to Advertising Firm to Generate Appeal

By Marc Kaufman
Saturday, February 2, 2008

Four years after President Bush called for Americans to return to the moon and then voyage on to Mars, NASA is spending hundreds of millions of dollars to design, build and test the spacecraft that would make it possible. But the effort has yet to capture the public's imagination as the Apollo project did in the 1960s, something tacitly acknowledged recently when NASA hired a New York advertising firm to help "brand" the program, now dubbed Constellation.

NASA officials understand the sometimes tepid public response to Constellation, and acknowledge that it will never have as high a profile as did Apollo, which became part of the high-stakes space race between the United States and the former Soviet Union. Still, the agency is hoping to recapture some of that magic, a desire that sent NASA last year to the New York advertising firm Interbrand. The agency will pay it $160,000 to better "brand" Constellation and other projects. People around the world know the Apollo history, said NASA's Gilbrech, and "if we can be make it anything like that for Constellation, that's what we want."
Ground the Medicare blimp

October 25, 2003

If you watch closely on Saturday, you may see a blimp gliding over the Tennessee-Alabama college football game. No big deal, you're probably thinking. But this is no ordinary blimp. This is the Medicare blimp. That is not a misprint. Medicare, the federal government's health insurance program for seniors and the disabled, is floating a blimp over the game, as well as assorted state fairs and auto races. The government is spending $600,000 to remind a stadium full of football fans and other crowds that--what?--Medicare exists?

Wait, it gets worse. That 600 grand is merely part of a $30 million advertising campaign in 2003 to make the program better known to its participants, according to a recent Associated Press article. The ad campaign is necessary because "the average senior has no clue what the benefits are," said Tom Scully, the Medicare administrator, at a health-care conference in Washington. So Medicare is running television and newspaper ads to publicize its help line and Web site.

For the past year, at least, the front pages and nightly news have been filled with news of the continuing wrangle in Congress over a Medicare prescription drug benefit. And this is a program that requires a PR campaign?

The whole thing would be laughable if the government wasn't already running a gazillion-dollar deficit and planning to add a $400 billion Medicare prescription drug benefit. That's on top of dire warnings of a fiscal crisis around the corner for Medicare when the Baby Boomers begin to retire around the end of the decade. A blimp? Save your money, Medicare. You're going to need it.
USPS to Drop Lance Armstrong Sponsorship
Watchdogs call the move a victory for consumers

By Robert Longley, About.com

The US Postal Service (USPS) is reported by Advertising Age to be "poised to abandon its lead sponsorship of Lance Armstrong and the U.S. Pro Cycling Team" when their contract expires in December. The Postal Service began the estimated $10 million-a-year marketing initiative in 1996 and Armstrong has since led the international cycling team to five consecutive Tour de France victories.

According to a February 2003 USPS Inspector General (OIG) report, the objective of the sponsorship was to "increase revenue and sales of Postal Service's products on a global basis and to increase sales in key international markets" with a specific monetary goal of increasing [annual international] revenue by $20 million. However, despite the cycling team's outstanding performance and extremely high profile, revenues from USPS international operations in 2003 were actually $12.8 million less than four years earlier in 1999.

Calling USPS’s decision a "major victory for consumers," PostalWatch executive director Rick Merritt stated in a press release, "Talk about a government boondoggle, the pro-cycling sponsorship exemplifies just how delusional postal leadership can be. They raised domestic monopoly rates three times while forcing captive ratepayers to pay more than $50 million to sponsor a European sporting event and then, adding insult to injury, they achieved a negative result."

"This is just one more stunning example of the Postal Service indulging its misguided obsession with pretending to be a commercial enterprise, instead of what it really is; an accountability-challenged governmental bureaucracy with a statutory monopoly over domestic mail delivery," said Merritt.
Is marketing appropriate? (summary)

- Recent guidance from the Office of Management and Budget suggests it does not consider marketing appropriate.
- Reaction from the public and news media to marketing/advertising by federal agencies typically has been negative.
- The question of whether it is appropriate for NASA to engage in marketing ultimately is a political/philosophical one.
Overall Summary

• While there are no NASA rules or federal laws that explicitly forbid marketing, there are no rules or laws that authorize it either.

• Marketing can be very expensive. For it to be affordable, there would need to be additional resources and major changes in how NASA funds communication.

• The question of whether it is appropriate for NASA and other federal agencies to engage in marketing is a philosophical and political one. Traditionally, marketing has not been considered a role of the government. Public sentiment and media coverage appear to have a largely negative view of the practice.
Questions?