



# The Rationale For Hiring PR Firms

Over the past few months, we received inquiries - from members and others - relating to the value of hiring a public relations firm at a time when client organizations are cutting back on spending. Those conversations were the inspiration behind this column.

What follows is part one of a two-part column. This is not meant to be the last word on the benefits of working with a public relations firm, but rather a thought starter that can be shared with people who might need support in selling in the services of an outside public relations firm (e.g. clients, procurement, prospects, etc.). At the beginning of the year, Advertising Age (1) predicted that public relations would be among the bright spots in 2009. B2B Magazine similarly claimed the business-to-business marketers were increasingly turning to public relations even as overall budgets are being reduced.

So, why would these two venerable trade publications tout the relative strength of public relations versus the other marketing disciplines they cover? While its star has been ascending for some time, this moment in time has created perhaps public relations' greatest opportunity to shine. "For business, public relations is increasingly vital marketing tool - especially as traditional forms of advertising struggle to catch consumers' attention". The Economist (2).

That observation from The Economist was supported in part by a landmark study conducted by marketing giant Procter & Gamble in 2005. When P&G employed a marketing mix model for six brands over a one to three year period, it found:

- PR drives sales, often on a par with advertising;
- PR delivers stellar ROI (275%), much greater than advertising;
- PR provides a halo effect over other marketing tactics.

P&G is not the only company singing the praises of public relations. In a 2006 survey of marketers conducted by The Association of National Advertisers (ANA), public relations ranked number one in terms of its overall value to the enterprise. In today's communications environment, defined by a shrinking "traditional" media and a proliferation of digital platforms and social media (interchangeable terms these days), characteristics that have always been a part of the DNA of public relations firms- speed, reach, market intelligence, stakeholder engagement and storytelling (meaning a vivid explanation of point of view) - are essential for business that want to succeed.

If you need to convince your company that a public relation firm is in the organization's best interest, this article provides a rationale: "9 Reasons to Hire a Public Relations Firm"

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1. Ever Ready - The reputational stakes have never been higher for businesses the world over. As if battling an historic recession wasn't enough, companies today must perform in a virtual fish-bowl at a time when the actions of corporations are being intensely scrutinized. Monitoring the conversations taking place about one's company, and being prepared to act on negative or potentially damaging news is a daunting responsibility in its own right, even more so when added to the myriad other responsibilities of today's corporate communicator. The Rationale for Hiring PR Firms Public relations firms commonly serve as an extension of their clients' staff and are ever ready to provide services that achieve agreed-upon goals. Firms provide a critical perspective of their clients, keeping them abreast of all manner of news and chatter, advising them on the best ways to respond, in some cases to simply listen. The new tool/platforms, specially the power of search engines, have also upped the ante when it comes to reputation. Consider the public relations implications of this quote, taken from a 2007 Wired magazine article, "Google is not a search engine, but a reputation management system". Others have posited that we are indeed moving from the Information Age to the Reputation Age. A 2007 article in Business Week showed how public relations could effectively measure and protect reputation.

2. Objective Expertise - Public relations firms serve as integral and trusted partners by providing critical outside perspective to businesses around the globe, and around the clock. Today's sophisticated public relations firms offer a wide variety of specialized expertise - market intelligence that can be difficult to bring in house. In fact, on a recent Council of Public Relations Firm/Kelton survey, a firm's specialization or unique expertise was the number one answer given by clients to the question that asked for the most effective argument or selling point for hiring a PR Firm. (see Quick Hit). Objectivity is an important part of providing smart public relations counsel. Businesses profit from having not only the expert advice of its public relations firm to call upon, but also their unvarnished and experienced outsiders' perspective. From marketing communications to crisis managers and corporate reputation experts who know how to mitigate risk, today's public relations firms provide strategic counsel all types of organizations across the full spectrum of communications programs.

3. Digital Know-How - One of the reasons that public relations has been validated so emphatically by the business community is the rapidly evolving nature of communications itself. In a word: Digital. The "What" (information) may essentially be the same, but the "How" keeps changing. Companies today need a combination of communications counselor, navigator and interpreter to do it right. Today's public relations firms have the expertise and experience to help clients maximize social media platforms such as blogs, Twitter, YouTube, Facebook and many more social media networks.

4. Stakeholder Engagements and Influence - Who you know is important, but so too is the diplomacy of interaction. Public relations firms excel in researching, identifying and communicating with the online and offline 'influencers' who are important to a business's success. Hiring an outside public firm can dramatically improve a company's ability to engage its key stakeholders, such as: employees, media, online influencers, community leaders, shareholders and public officials. In the same Council survey referenced on #2, having access to public relations firm's network of influencers was the second most common answer being a firm's specialty/expertise.

5. Storytellers - Trained to be advocates, the ability to persuade through clear explanation is at the top of the hierarchy of skills public relations firms offer their clients. Further, public relations firms have a legacy of integrating the voice of the customer into communications

initiatives. Voice of the customer (VOC) is an important concept today and PR practitioners are highly suited for gathering customer input and reflecting their stories in their true voices. Agency personnel are expert content creators who author Web sites, speeches, bylines, position papers, opeds, brochures, Q&As and, of course, press materials. Public relations firms help their clients' garner third party credibility from "earned" media - the classic strength of public relations vs. other marketing functions. The credibility that public relations and editorial content provide has only become more valued as marketing noise increases and companies search for ways to cut through the clutter. "In all this clutter and fragmentation, it falls to public relations professionals to lead companies into this conversation between consumers, mainstream media, employees, analysts, investors, bloggers and competitors around brands" .- Sir Martin Sorrell CEO, WPP (speech: "Public Relations: The Story Behind a Remarkable Renaissance," IPR dinner November , 2008).

6. Creative Platforms: Whether it's figuring out the most appropriate message to present to the media, or developing a comprehensive communications strategy, clients want the best idea, period. Creativity often inspires and informs the communications strategies proposed by public relations firms. This flows naturally to the tactics implemented in various public relations campaigns, including, but not exclusive to events, web design, experiential marketing, collateral material, and the always-important media relations. The "earned" media aspect of public relations - unlike the "paid for" placement of other marketing disciplines - has to meet a very high, built-in standard. It must pass through the skeptical filter producer, reporters, bloggers and citizen journalists before it can reach the public. Each of these media and online conduits evaluate each public relations tactics and pitch, then decide whether it's important, interesting and - ultimately - newsworthy to their audience. That's a very high bar. But it forces the public relations firm practitioner to continually fine-tune the relevance of every marketing effort, public relations campaign, public affairs initiative and/or crisis response.

7. Speed to Market - Public relations firms are built for speed and are conditioned to work in the 24/7 Information Age. Just as they were configured to work with traditional media's deadlines and requirements back in the day, today's firms have incorporated the ethos - and the dialect - of the digital age into their workplace culture.

8. It makes financial sense - Relative to the cost of doing business, hiring a public relations firm can be extremely cost effective. For organizations to develop in-house public relations and communications specialization, the cost can be prohibitively expensive. Additionally, public relations firms typically work across multiple industries, geographies and cultures, enabling them to cross-pollinate ideas, providing their clients with more robust offerings that can be tapped as needed. Public relations firms are also able to provide peak-load capacity, which can scale up or down as programs ebb and flow.

9. The risk of inaction - Information has never moved so fast or reached so many people. And people consume their (preferred) information form and test their perceptions quicker than ever. Even during tough times, when it comes to communications in general, and implementing a public relations strategy specifically, doing nothing is often not an option for any serious business or organization. Today's public relations firms work at the highest level of strategic consultation down to the critical 'tactical' work being done in the trenches, always making sure the client is prepared and competitive.