

Delivering Value in the New PR Landscape

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Public Relations Opportunities

Survey of Fortune 500 Marketing,
Advertising and PR Executives says:

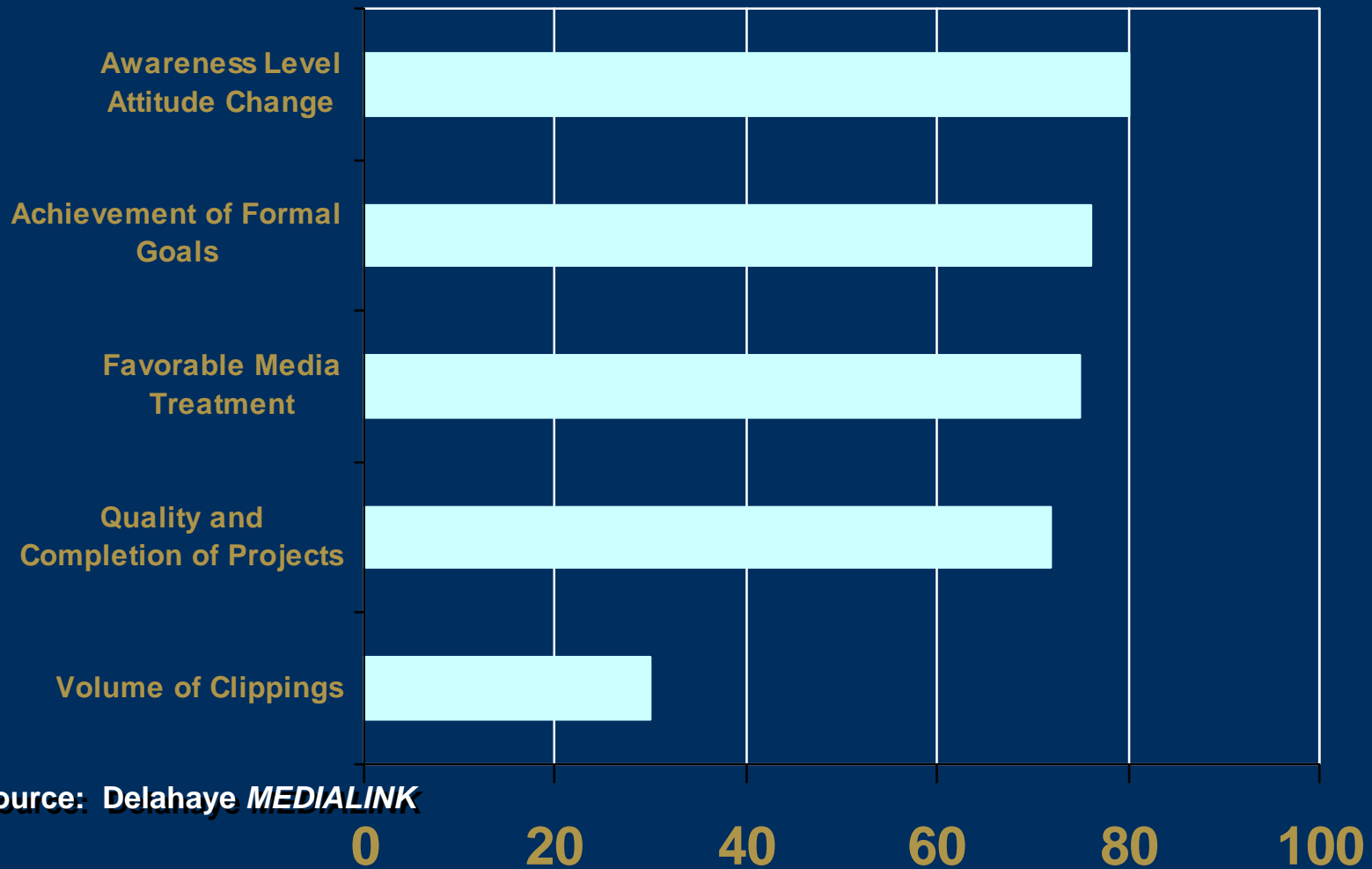
- Mass market advertising and promotions are in decline
- Public relations has the most to gain if they can show return on investment
- Public relations more visible
- Visibility results in more to define, protect and defend

Advertising and PR Impacts

News coverage has a substantial impact on consumer behavior, on par with advertising

- *“Normal” times they reinforce each other*
- *Times of extremely positive and widespread news coverage, advertising doesn’t impact significant differences*
- *Times of extremely negative and widespread news coverage, advertising doesn’t help and may hurt*

How CEOs Measure PR Success



Source: Delahaye *MEDIALINK*



Over 428 titles were closed; 275 new magazines *
525 folded in 2008; 335 launched; 591 folded in 2007

* MediaFinder.com – largest database of U.S./Canadian publications



Newspapers Faired Worse

- 105 newspapers shuttered by July 2008
- 10,000+ newspaper jobs lost
- Print ad sales fell 30 percent in Q1 '09 alone
- 23 of the top 25 newspapers had circulation decline between 7% and 20% by mid-year

* Business Insider.com



Communications/Media Growth

- 2007 and 2008 total amount of time spent with media unchanged, platforms are changing slowly
- Growth anticipated through 2013 for media and communications industry
- Projected 10.2 percent in Internet, mobile devices
- e-books, e-readers may resurrect newspapers

* Annual Veronis Suhler Stevenson study

The Three E's Bringing Change

Economy

- Budgets are down
- Value propositions are up
- Harder to succeed in marketplace

Environment

- Trust and Credibility are down
- Number of messages are down
- Audiences now expect to give input

The Three E's Bringing Change

Effects Strengthened Through PR/Partnerships

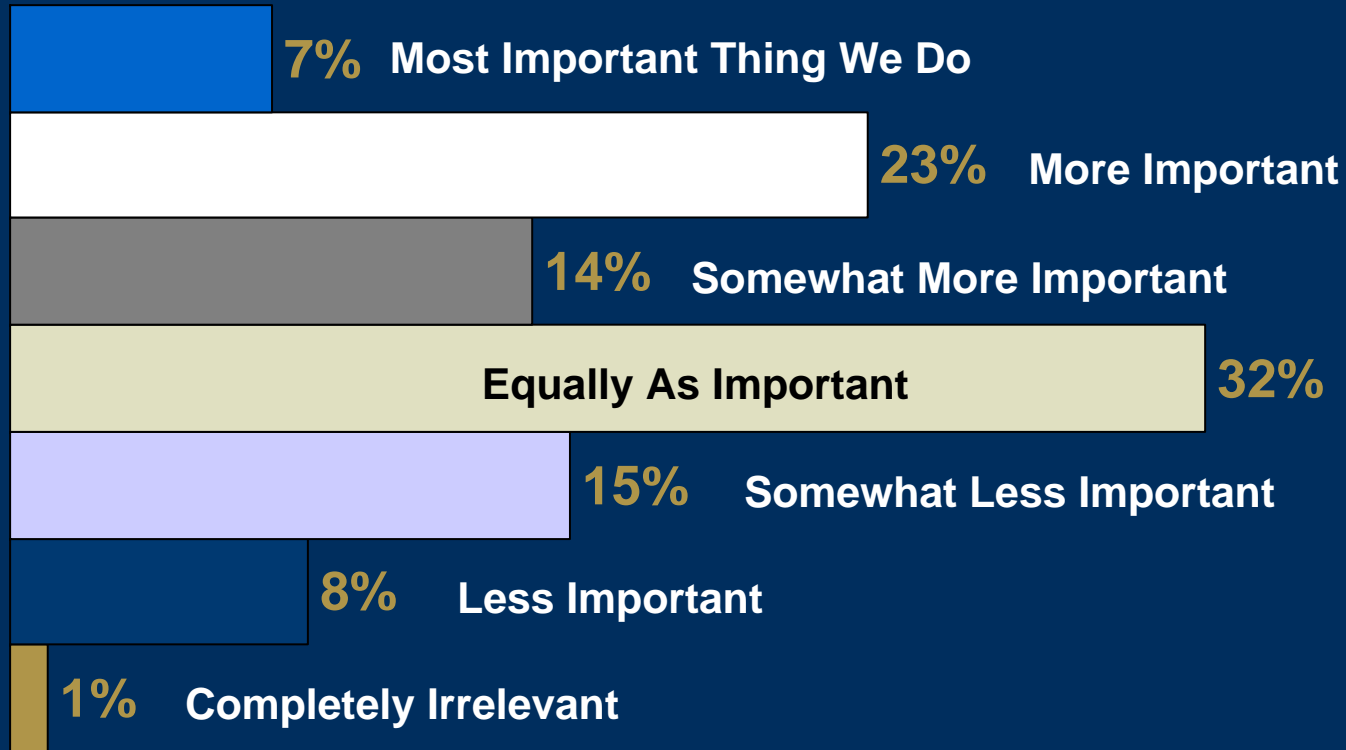
- Public relations understands how to build and sustain beneficial relationships
- Transference of credibility moves the message faster
- Multiplying factor of combining distribution
- Lower cost of finding new audiences
- Feedback is more immediate, facilitates needed change to improve efficiencies

Information Is Everywhere



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Importance of Social Media

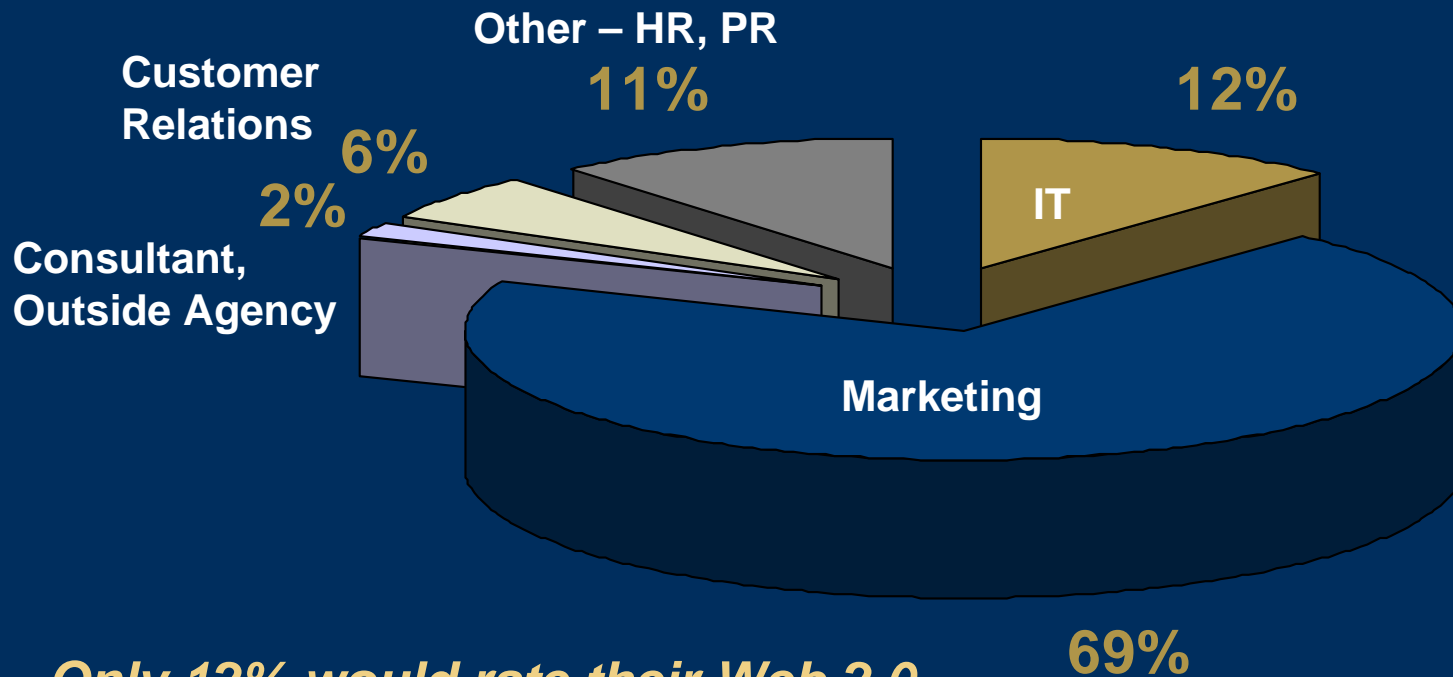


2009 Study – VIGNETTE / Corporate Executive Board

What's Driving the Change

- Clients/companies want “it” (>75%)
- Changing media landscape
- Transparency, trust, credibility
- Connectivity, media habits
- Technology readily available
- Relationship-driven marketing
- Faster reaction/speed to public

Who Leads the Web 2.0 Efforts



Only 12% would rate their Web 2.0 initiatives as Effective

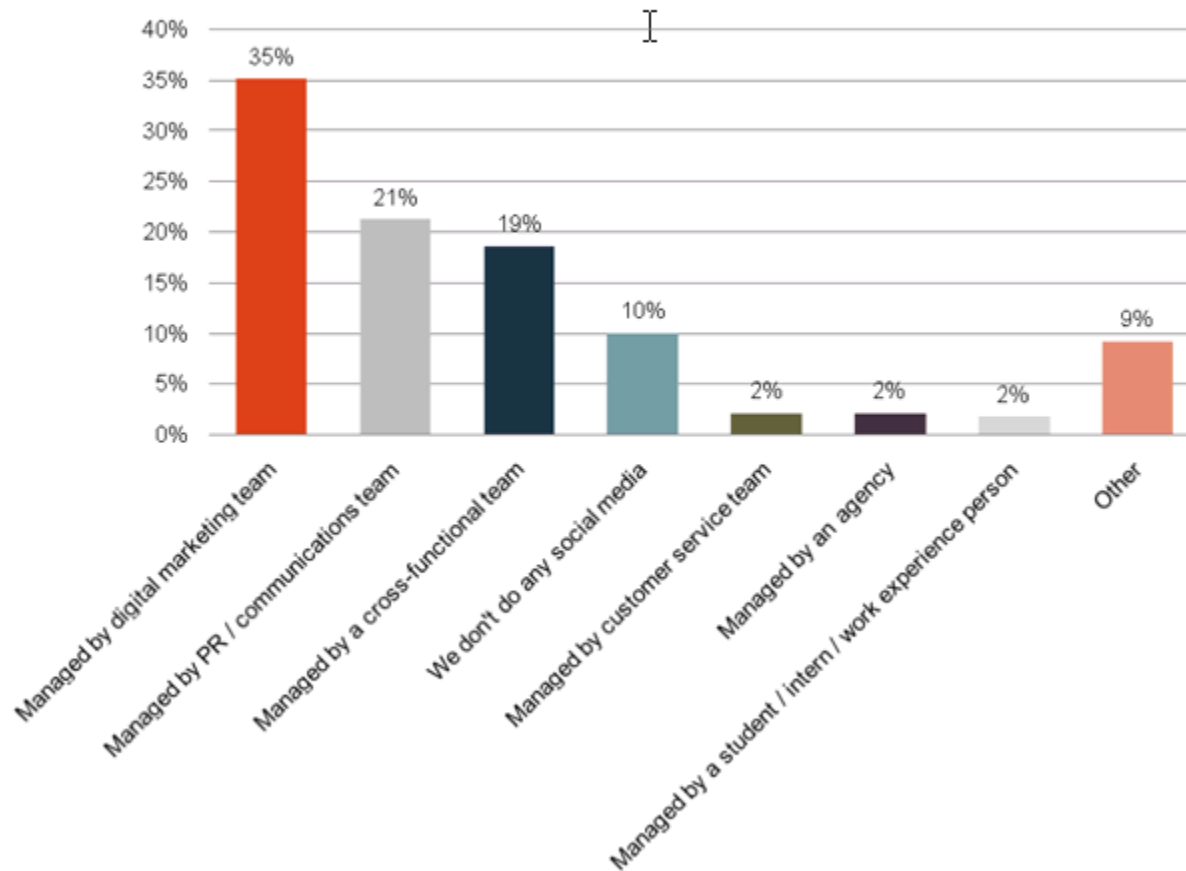
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Social Media and Online PR Report

By Econsultancy, November 2009

Figure 11: Do you have resources dedicated to your social media activity?



Tips for Social Media Success

- Get the right people; get your people right
- Align your strategy; integrate goals – First the message, then the medium
- Address value / measurement first
- Plan your resources and approach
- Make your presence known; know how you'll promote

Focus on Business Outcomes

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Ask Four Questions

- Whom are you seeking to affect?
- What about them are you seeking to affect?
- How much must they be affected to be successful?
- By when does this effect need to occur?

Note that public relations goals should be relevant, realistic, specific, measureable and timely.

Business Case for PR

PRSA Public Relations Society of America
Your Public Relations and Communications Community

About PRSA | Media Room

Learning Intelligence Network

INTELLIGENCE
Advocacy
Business Case

- Communicating PR's Value
- Case Studies
- Measurement Standardization
- Measurement Resources
- Help Us Make the Case
- Learning Opportunities
- Industry Thought Leaders

Communicating Public Relations' Value

Business Value and Public Good are Essence of PR Today

When someone asks, "What do you do for a living?" can you explain it clearly and concisely? Are you frustrated by references that equate public relations to publicity? Do you correct those who refer to our craft as spin, our professionals as flacks, and our currency as misrepresentation and disinformation?

Here are some message points that will help begin the process of changing some entrenched attitudes and perceptions:

- Public relations is more than managing the flow of information between an organization and its publics. It is a communications discipline that engages and informs key audiences, builds important relationships and brings vital information back into an organization for analysis and action. It has real, measurable impact on

Business Case for PR

To advance public relations advocacy and measurement by recommending metrics and approaches for evaluating public relations' influence on key business outcomes:

- Financial
- Reputation/Brand equity
- Employees / Internal publics
- Public Policy



Business Case for PR

- Focus on outcomes, not output
- Consistent terms, approach, metrics
- Access case studies
- Communicate ROI
- Integrate organization
- Develop strategies



Impact on Financial Performance

- Generates Revenue, Sales, Profit
 - Marketing public relations drives sales.
 - Investor public relations drives investment, valuation.
 - Public relations drives donations and membership for relevant organizations.
 - Effective counsel helps mitigate impact of crises.

Impact on Financial Performance

- Enhances Efficiency
 - Better audience targeting.
 - Delivering a credible message to more people for less money.
- Avoids Catastrophic Cost
 - Effective counsel helps mitigate impact of crises.

Impact on Reputation/Brand Equity

- Increases likelihood to purchase / consider your brand(s).
- Minimizes the effects of a crisis and rebuilds trust.
- Reinforces communication of organizational values.
- Establishes credibility of new products / companies; eases market entry.

Impact on Reputation/Brand Equity

- Commands higher prices, lowers costs, generates premium on stock price.
- Enhances recommendations / word-of-mouth, accelerating adoption.
- Increases customer loyalty / renewals / satisfaction.
- Improves talent acquisition and retention.
- Lowers legal costs.

Impact on Employees

- Increases employee satisfaction and engagement, leading to greater efficiency, increased retention, reduced turnover, lower recruiting costs and higher productivity.
- Lowers legal costs.
- Changes employee behavior, such as increasing focus on key areas such as safety, quality, call response times.

Impact on Employees

- Provides greater transparency.
- Increases commitment to and from employees.
- Creates a platform to communicate bad news, if necessary.

Impact on Public Policy

- Creates public awareness, understanding & support of legislation, regulation, candidates.
- Affects voter behavior.
- Helps pass legislation, regulation initiatives.
- Affects specific companies and industries through appropriations, taxes and regulatory changes that can affect a business.
- Instigates and perpetuates grassroots or grass-tops campaigns.



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What's Next?

- Leadership Roundtables – key markets bringing industry leaders and CEOs together to discuss the Business Case for Public Relations®
- PRSA will participate in the 2nd European Summit on Measurement – June 2010 in Barcelona
- Additional research and case studies added to the existing resource

Why The Future is Bright

Landscape benefits public relations

- Advances in technology
- Changing role of traditional media
- Reduced trust in business
- 24/7 news cycle, immediate, global
- Segmentation of messages, authentication of sources

Why The Future is Bright

Landscape benefits public relations

- Ongoing focus on integrating social media; defining value
- Organizations will no longer own messages/messaging, actions will define reputation
- Focus on outcomes and ROI, integration into business model