



# Passnotes

## Best Practice in PR and Marketing



THE HENLEY GROUP INTERNATIONAL

### **Purchasing Power:** How to choose the best PR agency for your needs

In a break from typical subjects addressed by our Passnotes, this edition provides practical guidance for those organisations that seek to undertake PR activity, but are uncertain of how to go about it.

It is prompted by questions that the Henley Group has answered over many years on the merits of hiring a PR agency, and how to find one that meets their needs. It's a big decision to make; getting it wrong can be expensive.

Of course, any overview of what to look for in a PR agency would be incomplete without first addressing the option of undertaking PR in-house, and this is given consideration in the next section. Ultimately, however, many organisations choose not to undertake PR internally, typically because they lack the resources. This passnotes therefore provides advice on the skills, experience and capabilities that a prospective buyer should look for in a PR agency. It also provides practical tips on getting the most out of that agency. We hope it's useful.

## IN-HOUSE, OR OUTSOURCED?

Most businesses typically take one of two approaches to PR: either they undertake activity using internal PR teams, or they hire outside support in the form of an agency. Some also adopt a hybrid approach whereby internal resources are augmented by an agency, typically to provide support or expertise around a specific project. Each of the fundamental approaches has its own merits.

## KEEPING THINGS UNDER ONE ROOF

An in-house PR team tends to be the preserve of larger organisations, which are able to make the long-term investment in people and skills that building an effective PR team demands. There's no doubt that a well-funded, appropriately skilled and highly motivated internal PR team can be a very effective machine indeed. In-house PR teams should benefit from an in-depth understanding of their organisation – gained through close proximity to its inner workings, and informed by privileged access to senior executives, sales and marketing personnel.

And while the best in-house PR teams not only understand their organisation well, they are also often knowledgeable about the wider industry they operate in. As such, in-house PR is a popular choice for many organisations in the public sector and in highly regulated industries such as healthcare or financial services, where an intimate knowledge of the working environment, and how to market within it, is essential. There would also appear to be a practical benefit to having an in-house PR team. As salaried employees, in-house PR teams should be readily available to act, for example, during a crisis or on an urgent project, without delay and the need for extensive background briefing.

## THE CHALLENGE OF DOING EVERYTHING YOURSELF

Yet while undertaking PR in-house may have its benefits, there are a number of downsides to such an approach. Firstly, in-house PR teams chop and change as individuals pursue their careers, so the team's knowledge of the organisation and industry is lost as people change jobs, or move positions.

More seriously, being on the inside of the business means that in-house PR teams are often subject to the same political machinations, corporate restructuring, cost-cutting and red tape that afflicts other departments – and which has an impact on operational effectiveness. Rather than making them more efficient, close proximity to the organisation instead often means that in-house teams are under-resourced, demotivated and unable to provide the proactive and speedy PR support that the business requires.

Often, an external agency is often able to transcend internal politics and can help marketers rise above the 'noise' that often prevents decisive PR action taking place. This needs internal sponsorship from marketers to work, of course, but it's often the case that an agency is provided with more freedom to deliver the PR results that an organisation needs – precisely because it brings paid expertise from the outside.

## THINKING OUTSIDE THE BOX – THE CASE FOR USING AN AGENCY

Many in-house teams lack the type of exposure to the wider PR and marketing industry that agencies gain as a matter of course. Agencies will often know what an organisation's competitors are doing – and what has worked, and not worked, for them. Most agencies will have come upon similar PR challenges across different industries, and will have a broader set of solutions to these problems at their disposal.

Indeed, a main reason for using a PR agency is to gain access to the strategic thinking that it can deliver. Whether this takes the form of fresh creative ideas to support a product launch or the development of a strategic plan to help an organisation migrate from one brand to another, agencies can bring a new outlook and a different perspective. Yet they also bring tactical expertise. They know to select the right tools for the job, and how to get the best from these same tools. They should be able to get messages out to the market just as quickly, and often far more efficiently, than in-house PR teams.

In-house PR professionals may have well-developed media contacts, of course, but agencies can typically call upon a much broader network of media contacts, as their day-to-day work will often take them far outside one specific type of media. These contacts may have been developed over many years working for numerous clients, so are often very strong. Indeed, some titles rely upon the best agencies to provide regular, well-written and newsworthy stories. This is a real benefit to businesses that need to gain more coverage, of a better quality, and in media that they may have found hard to reach.

Finally, an agency provides a flexibility that an in-house PR team simply cannot match. Unlike an in-house PR team, there are no employer commitments associated with an agency. An agency is a resource that can be brought in as needs arise and 'switched off' in the event of restructuring, a company sale or, of course, in the event that the agency doesn't deliver the goods.

# WHAT TO LOOK FOR IN AN AGENCY: A CHECKLIST

## CAPABILITY:

Many agencies will claim to offer PR services, but that may not be their main area of focus. The websites of design agencies and SEO providers may list PR as an additional service, but if it's not at the very core of the agency's business then it may play second fiddle to the rest. And if a PR agency claims to offer social media, but its Twitter feed lacks engaging, original content or, worse, is not regularly used, beware.

## SERVICES:

Draw up a list of the services required. Depending on your needs, media relations, corporate communications, crisis management, social media and content development might all be on the list. Many agencies provide only some of these. Look for examples of their work in these fields.

## SPECIALISATION:

Ask the agency about the industries and sectors that it has worked in, and any that it considers an area of specialisation. Sectors aside, what are the broader business and regulatory issues that its clients have faced, and how has it helped clients develop a stance on them? Experience gained handling these issues may be of direct relevance to your organisation.

## EXPERIENCE (AGENCY):

Look for names of businesses in your core market, or in vertical sectors where you are active, or intend to be active. Find out if any are current clients of the agency and how long they have been working with them. A long-term working relationship with a client suggests that the agency works hard to understand a client business and delivers consistent results.

## EXAMPLES OF WORK:

Agency activity for clients should be supported by case studies that clearly show how an agency met client objectives. Campaign results should be clearly demonstrable and backed up with metrics. Many can provide an indication of return on investment, although be aware that some will employ Advertising Value Equivalent analysis to establish this ROI, a subject addressed in a previous Passnotes.

## EXPERIENCE (INDIVIDUAL):

Find out about the team that will be working on the account if they win the business. Did they work on the case studies that the agency provided to establish its experience? How long has the team been together? What other work have they done at the agency, and outside? Is there a broad mix of experience, talent and skills? Are the roles clearly defined?

## WRITING

The stock in trade for PR agencies is the written word, and this remains as true for social media as it does for traditional print media relations. A prospective agency should be able to provide copies of case studies, blog posts, articles and news releases to show that its writing is engaging, persuasive and of a high standard.

## MEASUREMENT

Find out how a prospective agency will capture, measure and report campaign achievements. It should be willing and able to incorporate metrics that align PR activity with a client's broader business objectives. Insist on metrics that capture the agency resources that are being put into account activity, and a system that highlights any activities that are starting to drag behind.

## CHARGING

Agencies employ different charging models, so it's important to understand how these work. Broadly, these break down into two areas.

Some agencies charge for their time - by the hour, half-day or day - and dedicate a specific amount of time to a client account each month. It's important, therefore, to determine from the outset what will be achieved with that time. And it will be important to control additional requests for agency time to handle unforeseen requirements each month unless an allowance has been made for the extra hours involved.

Others charge a retainer, or management fee, typically paid monthly or quarterly. For the client, this provides certainty when it comes to budgeting and usually allows for a closer and more flexible relationship, as the agency should be able to price in a level of support to meet unforeseen client requirements. However, the agency should agree to a specific number and type of activities in return for a retainer, while any disbursements associated with the account should be subject to a cap unless separately agreed on a case-by-case basis.

## THE FEEL-GOOD FACTOR

Finally, PR and marketing is very much a 'people business', and the wider team needs to get on well. How personable, open and helpful is the agency team? How willing is the agency to make regular meetings and visit the client to discuss story leads and new opportunities? It's also important to ensure regular access to senior agency executives - ideally, they will be involved in day-to-day client activity.

# FINAL THOUGHTS ON CHOOSING AN AGENCY

If an organisation chooses to use an agency to undertake PR, what should it look for in a prospective partner?

## 1. SIZE ISN'T EVERYTHING

If ample budget is available, then why not start with one of the big agency names? Typically, these form part of an extended national network of agencies and are often owned by global marketing groups. The work is often excellent, although this comes at a high price. But a common complaint levelled at larger agencies is that they simply don't provide consistent, client-focused service. In effect, the size, scope and business models of these large agencies prevent them from delivering excellent service.

## 2. SPECIALISTS ARE BEST

Smaller agencies are usually better placed and more inclined to provide a higher level of customer service. Because smaller agencies have to place clients at the very heart of their business, their senior management are more likely to work on client accounts. Their account teams can be more responsive to client needs because they don't have layers of management or elaborate systems and procedures to get in the way. They will usually go the 'extra mile' for their clients without hesitation – something that larger agencies find very difficult to achieve.

Equally, by definition, smaller agencies cannot be 'jacks of all trades' – their size prevents it. This invites them to specialise in the needs of a specific sector or industry. Finding an agency that understands the needs of your sector and the challenges you face, and which places an emphasis on customer service and has the necessary skills, is the first step on the path to long-term PR success.

## 3. ASK AROUND

When it comes to identifying an agency, ask for recommendations from journalists at titles representing your core trade media. They will often know the agencies that specialise in the sector and, more importantly, they will usually be able to name the ones that can be relied upon to deliver well-written stories on time and in the format they require.

## IN CONCLUSION

PR and marketing agencies have the skills, experience and capabilities that organisations often struggle to develop internally. They also bring expertise and creativity where it is needed. For those that are looking to hire an agency the considerations outlined above should be useful. Indeed, the perfect partner for your PR and marketing needs should be only a few questions away.

Copies of other **Pasnotes**, the **Henley Group's** guides to best practice in PR and marketing, can be downloaded at [www.henley.co.uk](http://www.henley.co.uk)



**The Henley Group** is a specialist PR agency with over thirty years' experience helping mainly B2B organisations realise their PR and marketing goals. Client experience includes work for some of the best known technology and industrial brands, as well as high-tech start-ups, not-for-profits and businesses seeking to secure a foothold in the UK.

### For further information:

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