

Who pays for PR?

Who pays for PR? PR does not just happen spontaneously; a PR campaign costs good money. So, in which company departmental "silo" does the budget get generated? Or with which manager, does the responsibility lie?

By [Janet Watermeyer](#), 28 Jul 2003

Should the generation of PR funds come out of the marketing budget and be reviewed as just another weapon that can be used to fight a specific communications battle? Or should the responsibility lie further the ladder, controlled by someone who wears a company corporate or social responsibility hat?

This may seem like an easy question to answer, or indeed a seemingly petty question that is not worth asking at all; but unfortunately the answer has great bearing on the effective use of this communications to

Unfortunately PR is often an afterthought, or small change; often scraps thrown down from the marketing table. Unless, of course, a crisis hits, and suddenly PR is brought out into the spotlight for damage control like we have just witnessed in the retail industry with Pick 'n Pay!

Generally at the start of each fiscal, the marketing director will allocate budget by task: cost of store listings; merchandising, point-of-sale, above and below-the-line advertising, staff incentives, etc. PR tends to not crack this essential "A-list", and yet it can be a very cost effective way of standing out in the media!

More traditional mediums are still the priority as they involve substantial investments. So perhaps it is no surprise that marketers do not give much time to PR issues. Also marketers are sometimes not willing to try the unfamiliar or experiment. PR is considered 'unfamiliar', and is difficult to ascribe value to, other than by calculating column centimetres.

As a result, PR is not considered for its own merits and allocated a budget accordingly. This is what I call the 'vertical chimneys' scenario. PR is given the monetary leftovers of a budget that was generated elsewhere and is then often set aside, isolated, walled-in and placed on the periphery, until such time as it can be dealt with or is needed for last minute crisis control or to launch a product.

Company and brand strategies are rolled out and operationalised long before PR is brought on board. Perhaps the PR division or PR company should be called in more upstream in the process, so that it can start functioning concurrently and delivering benefits in synergy with other communication mediums.

It is easy to forget that PR can build brands; the George Foreman range of Lean Mean Fat Grilling Machines, where a sports celebrity was used to endorse a healthy kitchen appliance; and Pick 'n Pay, whose founder, Raymond Ackerman, has given the retailer a friendly, trusted identity.

This marketing device has proved invaluable for Pick 'n Pay as they remain at the mercy of a faceless extortionist. The retailer is inadvertently becoming a text book case for the strength, efficacy and impact of PR when it is a functioning division. Look at the speedy way in which Pick 'n Pay's well-oiled, full-spectrum communications machine sprang into action to deflect mass panic. Consumers continue to receive regular updates of the situation and customer loyalty remains intact.

PR can also be effectively used to create new markets. In the USA, prior to bottled water being launched by Perrier, an 'all-out marketing assault' was conducted with sales representatives, armed with the product, descending on restaurants and presenting them with a profit motive. At the same time, the benefits of bottled water were highlighted and 'unhealthy' tap water was slammed in the media via a concerted PR campaign. The rest is history: bottled water continues to grow its multi-billion dollar franchise in North America. (Source: Professor Emeritus of Hospitality and Tourism Management, Hrayr Berberoglu, www.foodreference.com)

Back home in South Africa, local tea manufacturer, Freshpak, created an entirely new tea category with the launch of their Honeybush tea and their organic range of teas for infants. This move was in line with the global trend to return to healthy living and was strongly communicated via PR; highlighting the many benefits of the antioxidants in teas. Interest was piqued and a demand for the product created.

To conclude, the power of PR should never be underestimated. The industry deserves fair budgets and the buy-in from marketing directors and clients alike. Perceptions of PR are indeed changing, albeit very slowly and only a change in mindset can expedite the transformation process.

ABOUT JANET WATERMEYER

Janet Watermeyer began her career as a media buyer and then media director with J. Walter Thompson. She continued in this position at SBBW, an agency she helped start in 1989. In 1997, she became co-director of the agency's strategy unit, whilst retaining her media responsibilities. She has been actively involved with media education and lectured in the media course at the AAA school of advertising, as well as serving on the executive committee of AMASA and as Chairman of the Media Directors Circle. In 2002, Janet joined Johan Bolt and Associates, responsible for consumer and competitor insight. Janet's passion lies in the interpretation of market insight and the construction of consumer segmentation. [View my profile and articles...](#)

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