

SA PR needs to lose cottage industry perception



14 Jan 2011

The public relations sector in South Africa is going to be an exciting environment in 2011.

1. The "techies", geeks and online players will have almost completed their **takeover** and domination of the local PR sector when it comes to social media client management and, despite a few outliers, the trend will continue.



 The growth in online reputation management (ORM) specialists will continue until traditional PR agencies get to grips with the various social media platforms and how to position their clients in that space.

TRENDS³. There will be **consolidation** in the traditional PR space as those agencies - struggling to justify their huge monthly fees - get forced to meet their equally huge overhead structures by reducing staff and cutting other costs.

- 4. Clients will continue to apply pressure to provide a full-service offering for reduced monthly fees. Clients will also start pushing to interact with the pitch team that originally won the business. The 'juniorisation' of the interaction between client and agency will be reversed.
- 5. Long-term contracts that were signed at the height of the latest recession, in a defensive move by agencies to hold onto business, are coming to an end and there will be numerous **large account moves**.
- 6. Clients will continue to look for real value-added services from PR agencies.
- 7. **Measurement of actual value** provided in PR terms will move away from the traditional AVE approach, to a tripleand quadruple-bottom-line approach, much like what their clients are being forced to measure themselves against, in terms of the various King Codes.
- 8. **BEE will continue to be a non-starter** in the PR space as skilled black PR professionals will be poached by clients and brought in-house to bolster their senior management BEE profiles.
- Automatic annual fee increases remain a thing of the past. Clients will be more inclined to introduce a hybrid fee structure, partially based on a base retainer and topped-up with an incentive programme, measurable by coverage or non-coverage received.
- 10. The **SME portion of the market will continue to grow** and will be bolstered by new entrants as the economy begins to show signs of growth again.
- 11. Students in PR will continue to **struggle to find internships** as SMEs still don't understand the dti guidelines and access to internship grants.

For more:



Biz Trends 2011: <u>Marketing & Media South Africa</u>

• Biz Trends 2011: Marketing & Media Africa

• Biz Trends 2011: Retail

• Twitter Search: #biztrends2011

ABOUT ANGELO COPPOLA: @ANGELO2711

Angelo Coppola runs his own PR shop (Channel Managed PR), when not looking for something worthwhile to champion. He specialises in tactical content, media liaison & strategic and tactical PR. He's an ex-financial journalist. Email himat angelo@channelmpr.co.za, follow himon Twitter at @angelo2711 and read his musings at www.posterous.com/angelo2711.

702/Outsurance pointspeople matzah pudding - 31 Oct 2011

B2B magazines need to up their game - 17 Oct 2011

Whitewashing the news? - 30 Aug 2011

Whinstream media platforms are communities, too... - 30 Jun 2011

What does Google Authorship mean for SA PR industry, clients? - 28 Jun 2011

View my profile and articles...

For more, visit: https://www.bizcommunity.com