

# As the economy bites - keep your PR at all costs

 By [Peter Mann](#)

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The collapsing rand, interest-rate hikes, petrol-price increases, food-price inflation, balance-of-payments deficits - all spell a disastrously tough year for marketers...

Inevitably, all of us who exist to serve the marketing and allied industries are going to feel the crunch. Budgets are going to be cut - so let me get in early with my sales pitch.

It is this: if you cut your public relations budget in these tough economic times, you are doing the wrong thing. Rather cut everything else and keep your PR.

Obviously, we would say that - but there is a reason other than simple commercial self-interest. Quite simply your public relations activities, with all they encompass, are **the** most cost effective and efficient tools in your marketing armoury.

Why? Well let's start with media relations including social media.

It is well known that the media are way more believable than advertising - and yes, even all the wild rumour-mongering on twitter is founded on news, supposed citizen journalism. The media don't only provide us with information, they tell us what to think about that information and our world.

We use them to process, to order and make sense of our world, to form our opinions - whether it be about e-tolling, Nkandla, the on-off courtship between the DA and Agang and even which kind of car to buy or which brand to use.

## PR predominates

In 2010, a study by academic Dr Robert W. McChesney, and journalist John Nichols found that there were four PR people for every journalist in the US. The ratio of public relations professionals to journalists jumped from 1.2-to-1 in 1980 to 4-to-1 in 2010.

Some 86% of all news stories that were printed or aired by Baltimore media in 2008 originated from what Nichols, the associate editor of Capital Times, the daily newspaper in Madison, Wisconsin, called "higher authorities," such as public relations firms or corporate press releases.

He said (rudely if you are a PR professional or even a journalist) that the study, which was conducted by the Pew Research Centre for the People and the Press, showed that traditional journalism had been reduced to "stenography", and

saw it as a threat to democracy.

The situation is hardly different in South Africa. Massive retrenchments and rationalisations in media groups are decimating journalism.

All the media rely more and more on people like us to provide them with content and more and more we are producing our own content and distributing it ourselves.

## **'Ad? What ad?'**

When we media train our clients, we play a little game. We give them a newspaper and ask them to read the front page for a period of time - saying we are going to question them about it. We ask a number of questions and then ask them to identify the three ads on the front page.

According to the newspaper's rate card those three ads cost R50,000 per day - yet virtually none of our very many trainees even notice them.

We then discuss with them the sources of the stories in that edition of that day. Most of them come not from journalistic excellence - but from announcements made by people like us.

It's fashionable to talk about the decline in journalism as though it is something new, but that is just nonsense. I was a journalist for 15 years before I crossed to the PR dark side 25 years ago - and trust me it's not new. I well remember a former chairman of the now defunct Argus company saying one "can find a journalist in any gutter", such was his love of his employees - and we relied, reluctantly, on the PR industry for just as many stories as journalists of today rely, reluctantly, on us.

## **What has changed is...**

What has changed is social media and the massive, non-advertising-based effect it is having on communication. The skills needed to deal with social media are PR, not advertising skills.

It's the same in all forms of paid-for media. The age of interruption advertising is over. We are in the age of conversations with individuals who judge us and our products and our actions...We call it the age of reference, not deference:

- What do you do with your PVR? You fast-forward through the ads.
- What do you do with those billboards? You just tune them out.
- You never open the sponsored links after a Google search; and you go to movies late, buying your popcorn so you don't have to endure the same old dreary ads!

So why would you collectively want to keep on spending R36bn on advertising in a declining economy, when cost-effective alternate "free" or earned media can provide equivalent reach and frequency with 10 times the credibility?

- It makes no sense to cut your PR. Cut your advertising instead.
- Remind yourself that ad agencies don't advertise - they do PR!

And I haven't even got into all the other things that PR delivers that advertising doesn't - like effective social media conversations, proper stakeholder mapping and management with crafted messages and tools for each audience; crisis and issues management, and about a thousand other things.

So give yourself a surprise in this looming downturn:

- Get yourself a decent PR agency. Challenge them to create a strategy for you and put it at the centre of your marketing and communication effort.

- Only buy advertising when you absolutely have to.

You'll be astounded at the results.

## ABOUT PETER MANN

Peter Mann is a founder of Meropa Communications ([www.meropa.co.za](http://www.meropa.co.za)) and has been CEO since 1989. He worked for most of South Africa's major newspapers as journalist for 15 years before that. He is a member of the South African Press Council appeals panel; and a trustee of literacy NGO READ. Tel +27 (0)11 506 7300, email [petermann@meropa.co.za](mailto:petermann@meropa.co.za), follow @petermann, and connect on LinkedIn.

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