The PR industry has changed enormously over the past 30 years. At one time it was enough to be a skilled ‘generalist’ communicator; however, the rapid growth of consumerism means products and brands each need a particular voice. In addition, the way government and politics have evolved means that the way they communicate with the public has also evolved. The rapid adoption of communications media and the growing role of PR means that PR professionals now tend to be specialised in certain segments of the market.
1 The size of the PR industry

In the UK the PR industry employs 61,600 people and turnover in 2011 was estimated to stand at £7.5 billion (source: PRWeek and the PRCA’s PR Census 2011). There are not directly comparative figures for the USA but the PRSA reports that according to the US Bureau of Labor Statistics, there are more than 7,000 PR firms in the USA and this does not take into consideration any internal or in-house communications. The value of the PR industry in the USA in 2012 is estimated to be $10.5 billion.

Each year the Holmes Report compiles a report on the top 250 PR agencies in the world, and from this data they have produced a map of where these agencies are located. The map shows that the largest concentration of PR agencies globally can be found in seven cities: London, New York, San Francisco, Washington DC, Paris, Hong Kong and Singapore.

2 The structure of the PR industry

The function of PR is carried out either by a PR department within a business, or by an external agency. Businesses that have in-house PR departments are often very large and able to commit substantial resources to long-term PR. Many smaller businesses and organisations use agencies, paying for their expertise and creativity. Figure 2.2.1 show the industry structure of PR.
Internal communications (in-house PR)

This can also be known as in-house PR and it can range in size, depending on the organisation, from a single person or a small team to a large corporate communications division.

Occasionally an internal communications team may bring in an outside agency to work on a specific project, as with Frank PR in the Innocent case study in Topic guide 2.1, page 7.

If an organisation is large, with a large team, it is likely that as strategic communicators they will be involved with reputation management and with the preparation of issues and crisis management plans. PR plays such a key aspect in these areas that often senior managers become board directors as they become more involved with the company’s main decisions.

Take it further
Visit the following sites to find out more about internal communications:

- Exploring Internal Communication, Kevin Ruck, The PR Academy: [www.exploringinternalcommunication.com](http://www.exploringinternalcommunication.com)
- Journal of Internal Communications: [www.joic.eu](http://www.joic.eu)
- IoIC – Institute of Internal Communication: [www.ioic.org.uk](http://www.ioic.org.uk)

Public sector

The public sector covers governmental agencies, councils, police forces and the NHS. PR in these areas may focus on helping to explain policies and actions as well as informing the public about their rights.

There are two main types of public relation campaign used within the public sector.

- ‘Information campaigns’ provide information to the general public and involve one-way communication.
- ‘Communications campaigns’ involve discussion with the public about policies and actions; their intention is to influence the knowledge and opinions of the public and stakeholders, but they involve two-way communication.

Possibly the most famous public sector PRs of recent time are Alastair Campbell, press secretary for Tony Blair, and Andy Coulson, communications director for David Cameron.
External communications

External communications consists of PR consultancies and these vary hugely in size and experience; some consultancies operate as part of a large international group while others may only have a small team of staff working for them. However, most consultancies will operate a similar hierarchy of staffing, with the main job titles shown below. Consultancies work on a fee basis with a budget for costs and time being set at the beginning of a project. They will report to their clients via face-to-face and telephone meetings as well as through the use of written reports.

When a business commissions agency work, they will generally seek an agency either for a specific project (for example, the launch of a specific product) or for an ongoing contract (for example, providing a full PR service over a long period of time). The organisation will normally approach a number of agencies, which will produce pitches based on the brief supplied by the client. A number of members of the team will contribute to the creative treatment and the final pitch.

Job roles in external PR consultancies

Job roles will naturally vary from organisation to organisation, and the hierarchy outlined here may not always be in place. The following is a general overview of the roles you will find in PR consultancies.

**Company director** – owner of the company, will control strategic direction of company.

**Associate director** – will undertake all aspects of strategic account direction, relationship management and business development for the company.

**Account director** – plans, organises and directs day-to-day operations of a department. Will develop strategic client proposals and finalise client budgets. They are accountable for the whole team and ensuring client satisfaction and retention. One of the principal roles of an account director is to secure new business from existing and potential clients.

**Account manager** – will run an account with a team of account executives. Their job is to be the principal point of contact for the client and to develop client proposals and ensure the implementation of plans. They will manage the client budget. They are also expected to manage and mentor other members of staff.

**Junior/Senior account executive** – an account executive works within a wider team of people on client accounts; it is possible that they will work on several client accounts at any one time.

Tasks can typically involve:

- liaising on a daily basis with clients and the media
- media relations
- monitoring the media, including newspapers, magazines, journals, broadcasts, newswires and blogs, for opportunities for clients
- preparing regular client reports and attending client meetings
- collating, analysing and evaluating media coverage
• event management, including press conferences and promotional events
• attending and promoting client events to the media
• commissioning market research.

**Account assistant** – this is an entry-level position and the role is to support the teams. Tasks can typically involve:
• research
• maintenance and creation of media lists and editorial calendars
• database management
• PowerPoint® presentations
• maintenance of photo files
• press kit assembly and distribution
• general administrative duties.

Figure 2.2.2 shows the consultancy structure for PR.

**Areas of focus for PR consultancies**

**Consumer PR** – put most simply, this area of PR is concerned with building relationships between a company and its existing and potential customers. Consumer PR has the most to do with commercial transactions between consumer and company, and so (as discussed in Topic guide 2.1, page 3) it can also be known as marketing public relations (MPR).

**Fashion PR** – has the same focus as consumer PR in that it aims to build relationships between a company and its existing and potential customers. However, it specialises in promoting fashion brands, whether they are designer or retail.

**Food PR** – as above, this is another consumer sector where you will often find companies specialising.

**Sport PR** – this is a very varied field as it covers the PR of major international athletes, sports teams and tournaments as well as smaller minority sports. As large sports teams become big businesses – for example, the Premiership football teams – sport PR also incorporates internal communications into the mix. Additionally, should the organisation be a large association such as for the Olympics, the PR professional will also need lobbying skills.

**Financial PR** – the two main areas of financial PR are standard media relations (with an obvious slant to financial and business media) and investor relations, which involves communicating with the professional investors of the business to raise funds for growth. It is the job of the financial PR professional to communicate a company’s financial activities and business strategy, making it appear attractive to both institutional and potential investors. This enables a company to raise funds by releasing shares on the stock exchange or by issuing an initial project offering.
(IPO) as well as at other key times in a company’s lifetime. This area of PR practice is regulated by the FSA.

**Healthcare/pharmaceutical PR** – this area involves working with pharmaceutical companies to promote their products. Sometimes this may be to the public if it is an OTC (over the counter) medicine that you can buy at pharmacies and sometimes it will be in a business-to-business type manner when promoting drugs or medical devices for hospital use. There are also crossovers with not-for-profit PR, as you may be working with organisations to help raise awareness of a medical condition and its treatment. This area is heavily regulated by ABPI.

Healthcare has an important and immediate impact on human welfare. You must be conscious that the PR work you undertake in this area must be ethical and be perceived as ethical.

**Not-for-profit PR** – this includes third sector organisations such as charities and voluntary organisations, and they can range in size from local community groups to large national organisations. Communications strategies for charities are vital as they must connect with both public and stakeholders as a means of survival, be it for a volunteer drive for staff or as a means of raising money to continue their work. Third sector organisations also often have to be effective at lobbying. With charities, PR professionals have to draw up particularly creative campaigns that the public can identify with, as there is so much competition for their donations and ‘compassion fatigue’ can become an issue. Charity work is strongly associated with ethical and moral behaviour. It is important that any PR work you carry out is, and is perceived as, ethical and moral.

**Business-to-business (B2B) PR** – effective internal communication can work alongside B2B PR since it can help to make their staff ‘brand ambassadors’ as they deal with suppliers and customers. B2B PR deals with industry and trade titles; although there are a smaller number of titles and readers, overall they are more targeted publications and so have greater influence than readership figures might indicate.

**Digital/technological PR** – this encompasses the need to explain technological innovations either to other organisations or the general public, and the promotion of online businesses. It may include specialisms in search engine optimisation (SEO) and social outreach programmes.

**Activity**

1. Research online and find a different company that operates for each of the sectors described above.

2. Find a company that focuses on a couple of different sectors. Is there any unifying link between these departments, and if so, what?
Shane is account director of ethical healthcare at an independent consultancy specialising in healthcare and beauty communication.

Shane started his career in communications working in the not-for-profit sector, working on charity publications that were targeted at both internal and external audiences such as fundraisers and volunteers. After this he moved roles and industries and worked in the legal industry on B2B publications. Following this he worked for 10 years as a journalist on a variety of consumer magazines. This range of experience across different industries has given him an in-depth knowledge of the different needs of journalists in different situations.

After a move into PR, Shane built his way up to being communications manager in the public sector for a local NHS Trust, before obtaining his current role. In this he has responsibility for strategic campaign planning as well as monitoring media relations within his team. He works hard to mentor and inspire his team, which includes an account manager and a junior account executive.

Shane believes that verbal communications skills are equally if not more important than writing skills in a PR practitioner. He also believes that innovation and creativity are as important in the public sector and when communicating with internal stakeholders as they are when communicating with consumers.

3 PR industry trends

One of the most obvious industry trends has been the change and dramatic growth in digital communications. With the rapid rise of web 2.0 technologies, where and how PR professionals communicate with their stakeholders and the media has changed. In the near future, it is likely pitching to bloggers will be as important as pitching to journalists. In turn the way journalists look for and research stories is changing. As a result the PR professional must ensure that their information is covered across a variety of media platforms. It is expected that there will be an increase in corporate blogging and that brands will start to own and distribute more of their content through web 2.0 and web 3.0 platforms. As print media decreases and content becomes available everywhere, there will be a greater demand for exclusive news stories as media outlets try to differentiate themselves from their competitors.

As technology becomes widely ingrained into consumers’ lives and they use it more routinely, it is expected that technology PR will shift to consumer PR.

Both the Holmes Report of 2012 and PRWeek and the PRCA’s PR Census 2011 noted growth in areas of online reputation management and internal communications and organisational change.
On the negative side, there are external threats to the PR industry; as the economic recession tightens, many areas will be cut back. This can be seen in the public sector cuts where communications agencies are being merged and centralised, and external agencies expect public sector work to dry up. PRWeek and the PRCA’s PR Census 2011 also noted that a decline was expected in work from charities and the property sectors.

Another major trend is the integration of marketing and PR where brand management functions merge with their reputation management functions. There has been a spate of high-profile appointments of marketing and communications officers who have come from a PR rather than a marketing background – for example, Jolie Hunt at AOL and Martin Moll at Honda.

PRWeek and the PRCA’s PR Census 2011 notes working in PR has recently shifted. A pattern is emerging of PR professionals starting their career working for agencies, then moving into freelance roles once they have 5–10 years’ experience – in fact 47 per cent of all freelancers have over 20 years’ experience.

There are approximately 61,600 people employed in the PR industry across 16 main sectors (source: PRWeek and the PRCA’s PR Census 2011). With that number expected to grow in the next two years, experienced PR professionals are able to choose whether they want to work for an agency or in-house department, or be self-employed as a freelance.

### Portfolio activity

In order to complete the assessment for this unit, you will need to demonstrate that you understand the purpose of PR, the nature of the current industry and the importance of ethics in the industry. To prepare for the next part of the assessment, address the questions below.

1. Analyse the importance of the PR industry to the global and national economy.
2. Discuss how the PR industry is currently structured. What factors have influenced this structure?
3. Describe the job roles available for PR professionals in particular organisational structures, for example, within an agency or in-house department.
4. Assess current trends in the PR industry and what future opportunities may be available.