



INSIGHT MARKETING

PUBLIC RELATIONS FOR INDUSTRY, TOOLS & TECHNOLOGY

FIGHTING THE RECESSION: A BRIEF GUIDE TO PR TACTICS AND THEIR COST-BENEFIT ADVANTAGES

*Public relations efforts can provide a smart return on investment
by creating more impressions at a lower cost.*

By Chuck Schroeder, CEO, [Insight Marketing, LLC](#)

When the economy declines and customers reign in buying, the very marketing methods used to increase buying behavior paradoxically become the first targets in budget cuts. Significant reductions in marketing communication programs, such as print advertising and direct marketing budgets, also reduce the program's overall effectiveness.

Some marketing communications activities, however, are built around tools that reach customers and prospects with minimal expense. Take a new product news release, for example. Apart from writing and needs for photography, videography and/or graphics, typical costs involve a few hours of an Account Executive's time to e-mail the news release to targeted media and upload the news release to the "newsroom" of a client's Web site.

This media relations activity—generally considered the heart and soul of traditional public relations—offers more bang for the buck, reaching customers and prospects at a lower cost per impression. While integrated marketing communications campaigns are ideal, lean economic times mean focusing on more fundamental, cost-effective tools.

PR and Advertising Equivalency

One significant cost-benefit of public relations is what is known as the "advertising equivalency" of a press release, feature article

or other PR vehicle in a commercial or trade media publication or Web site. Ad equivalency is simply a way to assign a monetary value to a press release or feature article based on how many column inches of coverage it receives in relation to the publication's or site's ad rate.

To determine how much PR value you might receive from a feature article, identify a few publications in your target market and look up their advertising rates (this is published in their media kits, which is typically available on the magazines' Web sites).

Nationally distributed industrial publications often charge \$5,000 to \$10,000 for a full-page, four-color advertisement. Business-to-consumer publications, such as those reaching the farm/ranch and motorsports audiences, often charge \$15,000 to \$40,000 for a full-page ad. Nationally distributed consumer publications, such as Popular Mechanics, have a published full-page rate of \$125,000.

Typical Media Relations and PR Costs

Compare the costs for developing a print advertising campaign to those for developing PR materials. While these costs also vary widely, the range is much more limited for typical business-to-business or business-to-consumer PR. Typical cost ranges for development and distribution/placement are:

News release: \$750 to \$2,000.

Customer success story: \$4,000 to \$7,500 ([view sample success story](#)).

Technical article: \$3,000 to \$6,500 ([view sample technical article](#)).

Feature stories generally run between two and five magazine pages in length (anywhere from 750 to 3,000 words, plus photos). Thus, while they may cost up to \$7,500 to produce, feature stories often deliver an advertising equivalency of \$20,000 to \$100,000. The same holds true for a single news release, which might be placed in a dozen or more publications.

Moreover, the format of some PR pieces—feature articles in particular—is intended to tell a story from the *customer's viewpoint* (how they benefitted from a product or service), giving these articles third-party credibility. Readers are more suspect of an advertisement's "in your face" subjective pitch.

Further, having an article published gives it additional credibility. Hundreds of companies are competing for magazine space, and, by running a select few articles in each issue, the editor deems those the most newsworthy ones. This is known as the "third-party credibility of the media." Readers believe articles more than they believe advertising claims. In addition, consider a magazine's "pass along rate," which is the number people to whom a magazine is handed (e.g., "Hey Joe, check out this story"). For this reason, the PR industry often assigns a 3X or 6X multiplier to the "base" advertising equivalency value. Thus, many PR experts believe a \$20,000 feature story has a "true" advertising equivalency of \$60,000 or \$120,000.

Lastly, PR articles can be repurposed several ways. First, they create fodder for in-house eNewsletters, print publications and Web sites. PR materials increase the customer-relevancy of the tactics by providing material that users find valuable (e.g., "How are other people like me solving this problem?"). Also, PR material can

significantly boost a Web site's search engine (Google) ranking. This is called Search Engine Optimization (SEO) PR, which will be addressed in another article.

Is there a Spin Doctor in the House?

While Insight Marketing admits its bias, we highly recommend using a professional PR practitioner to assess a company's "PR health," recommend tactics and execute PR activities.

Hard-hitting public relations writing makes it past editors ("media gatekeepers") whose job it is to weed out fluff. Avoid the temptation to save money by delegating these important tasks to personnel not trained in the field. While there are those who think all one needs to produce effective PR tools is a textbook and a warm body, the "you get what you pay for" rule holds true with PR, too.

As a real world example, one manager of an industrial product wanted to include the following statement in a news release, "This product rocks!" Fortunately, with the full support of our client's PR manager, we killed this self-aggrandizing statement and communicated the same idea with newsworthy facts.

Companies can further leverage their PR investment by turning technical articles and customer success stories into self-published flyers for use by sales and distribution personnel, customer mailings or handouts at trade shows. For example, the first three pages

of a flyer can contain the PR material, while the fourth page contains detailed product or services specifications (which are often considered too promotional and self-serving to be included in press materials).

Pick your PR Tactic Carefully

Selecting the proper vehicle for your message is as important as the audience to which it's sent. Five mainstays of public relations are press releases, case studies, technical articles, position papers and white papers. Each tactic has its own particular advantages and purpose and is best implemented by a PR pro (see box).

News Releases: News releases inform readers and editors of new products and services relevant to their industry. They summarize benefits, include core facts and inform readers about your solution or company. Typically, news releases and accompanying photo(s) are published in a magazine's new product section (among the most widely read part of a magazine or Web site). Ideally, news releases offer a compelling reason visit to your Web site or contact your distribution/sales channel for more information. In addition, the news release conveys key message points and branding information, although these tend to be subtler.

Case studies: Case studies (also customer testimonials or success stories) are useful because they show your product or service in action, transforming it from an object with features into a solution to an customer's problem. As the customer discusses how your product or service addresses his "pain," the reader will identify with the customer and appreciate a credible story about the resolution of his problem. Customer testimonials offer precious third-party credibility that stimulates buying behavior in prospects.

A word of caution: avoid overloading a case study with gushing customer statements that aren't rooted in concrete, quantifiable results. Remember the old editor's adage: numbers are

news. "Significantly improved productivity" is a general, almost meaningless statement. "Improved productivity by 15 percent" is a factual, newsworthy statement. Quantifying results increases credibility for the reader and for editors vetting stories for their next issue.

Technical articles: Technical articles position a company and its representatives as industry experts while also fulfilling editors' obligations to provide their readers with problem-solving information. The content of such an article offers solutions to industry issues or explains a technology category. The tone is non-promotional and educational. In fact, product mentions are often incidental and may appear only in a photo. The PR pay-off comes with the by-line (an expert from your company) and when the name of the technology and its developer (you) are referenced.

White papers: A white paper can be an authoritative tool to help decision makers and other key officials justify using your company's solutions. Generally, a white paper argues a certain stance or solution to a problem and starts out by rapidly identifying the issues and concerns that readers face in their day-to-day operations. It then leads them methodically to a solution that your service or product addresses. In simpler terms, think of a white paper as an expanded technical article.

Writing a white paper is an opportunity to reconnect with your customers' pain points and the problems these pains cause, thereby fostering credibility with the reader while at the same time deselecting unqualified customers. Many effective white papers include a retrospective that explains the history of the customer's problem that evolved into the modern dilemma that the provider's solution will solve. A great window of opportunity for a white paper might be the introduction of a new class of products, allowing you to not only name the class, but also delineate the characteristics of the class.

Similarly, a pitch that defines the problem in a way that favors your solutions is a clever way to boast without appearing to do so; the readers evaluate providers of your solution class and conclude that only your solution will meet their requirements. White papers can be sent out as part of a direct marketing campaign to customers (ad fulfillment or unsolicited), posted on your Web site (to which readers of your latest press release will be directed) handed out as collateral at trade shows, provided to editors as a “thought leader” piece, or mailed on request with brochures or other product communications.

Position papers: A position paper gives an opinion about an issue or topic. This communication tactic designates a source or opinion leader at the company or client to either author or serve as author of a ghostwritten paper. Position papers can vary widely in size and scope—from a simple communiqué, such as a letter to the editor—to advanced and scholarly academic or technical expositions. Many companies use position papers, which are intended for publication in trade or commercial media that their customers and shareholders might access, to broadcast the official beliefs and recommendations (i.e., the position) of the company. Position papers are most useful when detailed understanding of another’s views is critical. For example, a position paper might be used by a company that wants to establish their organizational branding among the competition.

Consistency Counts

Successful PR campaigns focus on fundamentals, such as issuing news releases on a consistent basis. Another PR fundamental involves establishing an ongoing “media relations” campaign that reaches out to the publications and Web sites most important to your success. Media relations involves monitoring editorial calendars (a list of topics the magazine plans to cover each month) and developing and maintaining a relationship with

editors to accomplish the following objectives:

- Help ensure that your news releases stand out from the hundreds of others editors receive every week.
- Seek out secondary opportunities for news releases and/or re-pitch older news releases as necessary.
- Uncover additional feature story opportunities by working with editors on a one-on-one basis.

In summary, a monthly media relations effort maximizes your initial PR investment. The cost for such an effort varies depending on the number of publications/markets you need to reach, the number of news releases and feature stories distributed and the importance of increasing coverage. A small- to medium-size company might invest \$1,500 to \$2,500 per month, where larger (500+ employees), world-class companies often invest \$10,000 or more each month.

If you’ve ever wondered why some companies always seem to be in the news, we hope this article guides you to the answer: Good PR. Fortunately, companies of all sizes can create world-class PR campaigns and easily scale PR efforts to match their budgets—even in a down economy.

For additional information about public relations for your company, please feel free to contact Chuck Schroeder (chucks@imipr.com) or one of the other PR professionals at Insight Marketing, LLC (www.imipr.com or 262-240-9790).

About the Author

Chuck Schroeder, CEO of Insight Marketing, has provided PR counsel and services to business-to-business and business-to-consumer companies since 1988. He believes that successful PR isn’t rocket science. It involves establishing good PR protocols, insightful writing and a commitment to become a clients’ most trusted content partner.