

Trends in the integration of marketing and public relations

Stephen Waddington

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Investigating the integration of marketing and public relations

Vuelio has investigated trends in the integration of marketing and public relations. It's a debate that's been ongoing for more than 50 years.

A paper in *The Journal of Marketing* in 1978 suggested that alignment of the two functions drove better business outcomes. It's a discussion that will undoubtedly continue for the next 50 years.

We spoke to the leaders of marketing and public relations functions working in agencies and in-house to understand the opportunity for the integration of marketing and public relations.

COVID-19 has been a significant driver, but media change, a reappraisal of brands, and business performance are also factors. Throughout this paper we readily interchange communication and public relations.

Communication can imply one-way conversation with an audience or public, whereas public relations implies dialogue. We make no such distinction and always mean the latter.

Marketing and public relations functions are situational

Discussions about the integration of marketing and public relations are typically abstract and of limited value in practice. Without a defined organisational structure and business objectives we can't begin to understand the best way for these functions to work together.

Such discussions also ignore the role of other business functions within the organisation, such as the integration of sales and marketing, or the way that internal communications and human resources collaborate. That doesn't make sense.

In large organisations the integration of different public relations functions can itself be difficult to define. Each has its own set of stakeholders and objectives. There are different priorities for corporate and financial public relations relative to consumer and trade public relations.

A recent case study highlights the issue. Unilever has been lambasted by an investor about Hellmann's Mayonnaise having a purpose. This impacts corporate and consumer public relations. It also impacts the corporate and consumer brand.

These teams will need to work together, along with investor relations, brand, marketing, legal, compliance, and office of the CEO. It illustrates the absurdity of trying to apply a general structure to how two functions should integrate.

The role of marketing and public relations within an organisation is highly situational. It depends on numerous factors including market, size, type of organisation, and scale.

1. Customers, CEOs and celebrities really don't care

Any discussion about the relationship and integration of marketing and communications quickly becomes polarised and breaks down. Conversations should start with customer needs and business objectives.

An organisation should put its stakeholders first and build an operation model around their needs. Where stakeholders and requirements overlap, it makes sense to integrate functions.

Tony Langham, Executive Chair and Co-founder, Lansons, is quick to shut down debate about the integration of marketing and communications, because he believes integration is the only realistic option. CEOs and celebrities don't care about definitions. They care about being successful, he says.

"Senior professionals in traditionally structured companies love to create silos. In commercial life, caring about definitions or silos is

usually in inverse proportion to the importance of the task," said Langham.

In Reputation Management: The Future of Corporate Communications and Public Relations Langham asserts that all marketing services including communications practice have naturally been divided into two parts. The first deals with the reputation of an organisation, investors, crisis and risk; the second is aligned to sales and marketing.

This segmentation of stakeholders is a useful operating principle for organisational design but it requires leadership and a mature organisational culture.

Communications sits within marketing at Costa Coffee. Objectives are set by management. Insight drives marketing and communications. Leadership drives a culture of collaboration.

1. Customers, CEOs and celebrities really don't care

“You just need to be comfortable in asking for support from other operational functions, where they have expertise, as good ideas can come from anywhere. Openness and respect are also the key to having a collaborative working environment.” said Lexie Jenkins, Senior Press Officer & Publicist, Costa Coffee.

“You can spot the brands where marketing and PR are tightly integrated and work well together side by side. Especially when there is a crisis situation or a brand needs to respond quickly, but with strategy and approach that isn't reckless or risks reputation.” she added.

Mastercard also follows this model. Communications and marketing are integrated and report to the Chief Marketing and Communications Officer.

“Ideas can come from anywhere within Mastercard. That's a

tremendous opportunity for the communication team. It unlocks resources that it might not otherwise have been able to access,” said Suman Hughes, Director of Communications, UK, Mastercard.

It also provides practitioners with opportunities for accelerated learning and development as they gain exposure to areas of the business and the contribution to sales.

“As a communications professional I was attracted to the role at Mastercard to broaden my skills and get a more commercial viewpoint of the effectiveness of communication and marketing,” said Hughes.

A shift to a more generalist practitioner able to work across paid and earned domains is an inevitable outcome of this new integrated marketing and communications environment but specialist skills in areas such as crisis communications remain important.

2. A reappraisal for brands

Contemporary issues including COVID-19, climate change, and environmental, societal and governance (ESG) factors have led to the scrutiny of an organisation's values. The result is a reappraisal of consumer and business-to-business brands and their role within their markets and wider society.

Marketing and communications are at the forefront in helping organisations reappraise and define their brand within this new operating environment. It's impossible to separate the role or contribution of the two functions.

“Brand and product messaging are fundamental to both marketing and communications. They lie at the heart of how an organisation differentiates itself and engages with its markets,” said Ruth Jones, founder and managing director, 3THINKRS.

Brand is a customer's view of an organisation or product. Brand strategy is developed by the combined planning effort of marketing and communication. It seeks to align business objectives with customer expectations. The result is brand positioning and messaging.

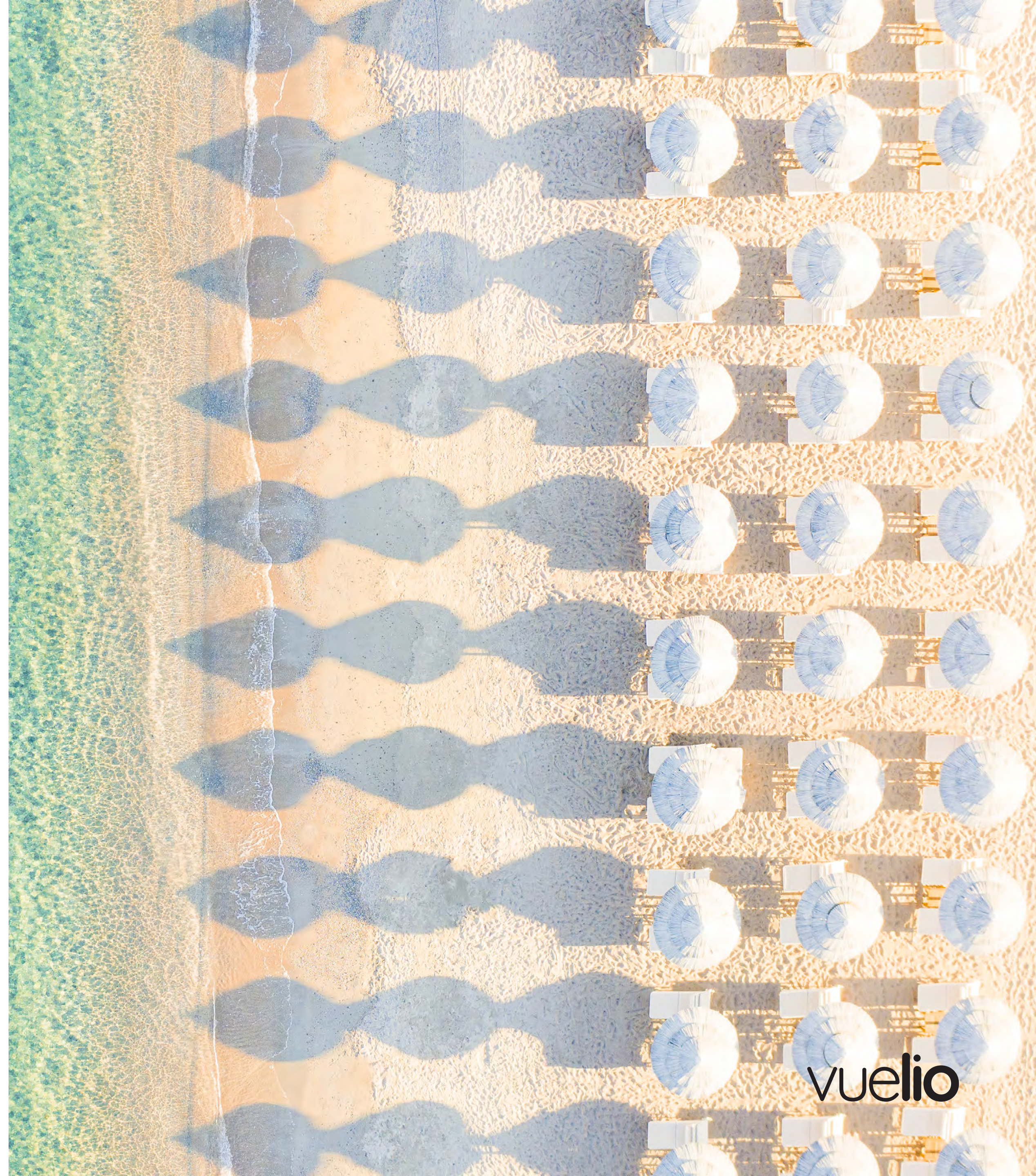
Brand strategy sets the tone for communication and content across all media and channels from websites to Twitter, and from sales collateral to internal communication. The combined effort of marketing and communications amplifies customer engagement. Content marketing is a current vogue in marketing communication. Here an organisation uses a drumbeat of hero or campaign content to engage with customers around their issues and challenges.

2. A reappraisal for brands

The combination of this activity along with always-on responsive marketing or newsjacking is a common approach that combines the best of both marketing and communications.

“Integrated campaigns give customers a single unified voice across all touchpoints whether that be a tweet, e-newsletter, poster site or sports sponsorship. That’s incredibly powerful,” said Suman Hughes, Director of Communications, UK, Mastercard.

“It enables us to run holistic and universal campaigns across marketing and communications, improving cut through and effectiveness,” she added.



3. Account based marketing integrates sales, marketing, and public relations

COVID-19 left business-to-business organisations scrambling to find ways to engage with customers during lockdowns. Account based marketing, one of the oldest forms of marketing and sales engagement, enabled brands to engage directly with prospects.

People are fed up with being engaged in a lousy sales process. Automated sales are scrooge of business-to-business.

“You’ve almost certainly been a target of an industrialised sales approach. A series of automated direct messages or automated emails is pushed to a prospect. It feels a lot like a denial-of-service attack and is almost equally as bad,” said Darryl Sparey, Managing Director, Hard Numbers.

Sales and marketing organisations piled into platforms such as LinkedIn during COVID-19. This was a trend that started with

marketing automation platforms and was unfortunately accelerated by the pandemic.

Agencies such as Hard Numbers and Hotwire provided an alternative approach.

“During the COVID-19 pandemic we saw client budgets shift to demand generation activities including account based marketing (ABM), channel marketing, and alliance marketing as a large proportion of clients sought to make up revenue shortfalls,” said Tara O'Donnell, Managing Director, Hotwire.

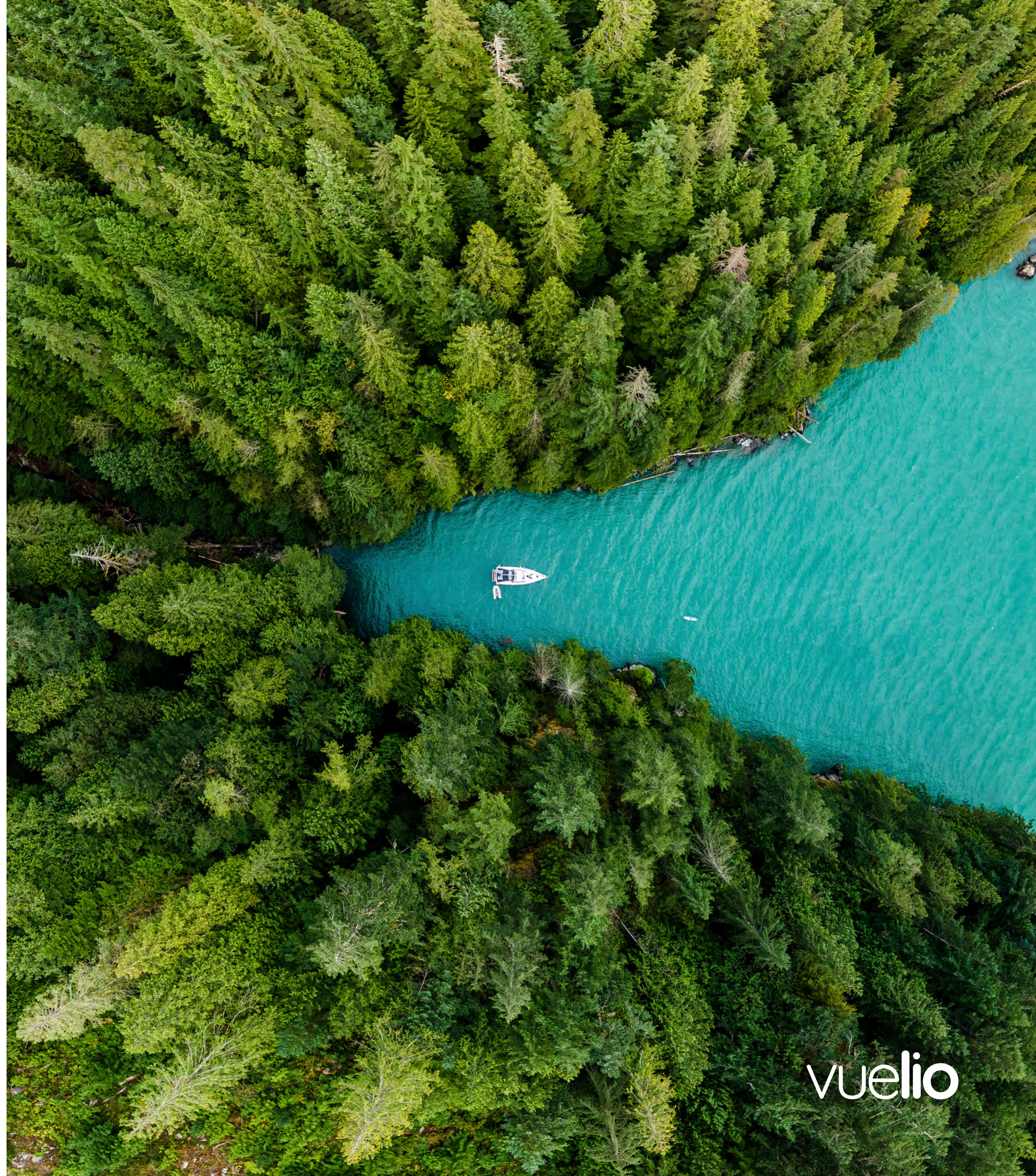
ABM is a sales and marketing technique that uses personalised campaigns designed to engage each account with a tailored marketing message and approach. Hotwire added ABM to earned media activity. It proved to be a natural fit.

3. Account based marketing integrates sales, marketing, and public relations

The combination of strategic planning, data and creativity are a powerful proposition.

“We identify accounts in a vertical market and develop a communication plan based on pertinent issues and trends. Press coverage is repurposed through paid channels to target clients,” said O'Donnell.

An alternative approach uses intent data from search to understand which companies are looking for products and services. It enables us to be much more specific about communication activity focused on vertical markets.



4. COVID-19 as an accelerant for media change

The inability to hold in-person activities and the limitations of out of home advertising and print media during the COVID pandemic led to innovation in how marketing and communications engage with audiences and the wider public. Many of these changes are here to stay.

Marketing and communications campaigns dramatically changed in Spring 2020. It began with the cancellation of conferences and events as unease about COVID-19 in China and Asia spread to Europe and the US, and in quick order impacted any in-person activity.

The announcement of lockdowns in European countries and the US brought further change. Print media was immediately hit followed by out of home advertising. The digital disruption of newsprint has been an ongoing narrative for the past two decades however COVID-19 acted as an accelerant.

The print circulation of the UK's Metro newspaper has only just climbed back above a million copies per day last year as commuters returned to offices. It's the only good news in print circulation data from November 2021. All other newsprint publications continue to decline.

Budgets immediately shifted to digital media and digital experiential activities such as video, webinar and other forms of online events as communicators sought to create conversations using digital means. It created the opportunity for marketing and communications to work in a much more integrated way.

"COVID-19 led to a huge uplift in using video and launching campaigns with video storytelling, shared through digital channels to reach audiences," said Sophie Drake, Director, Story Comms.

4. COVID-19 as an accelerant for media change

“We created virtual conferences for technology clients and virtual tours for housebuilders so people can review potential homes without getting to site,” she added.

Organisations used email, social media, and websites as a primary means of communication in the initial stages of the crisis. Organisations that have invested in their own media were able to operate like media outlets, publishing content across multiple owned social channels.

“When COVID-19 hit, we were able to use our Growth Hub as a platform to share content and toolkits with local businesses. Traffic rose three-fold in the initial phase of the crisis,” said Jen Robson, Head of Communications, North East Local Enterprise Partnership.

As lockdowns ease human nature is to seek out human connection and return to in person events. However, these newly discovered means of virtual engagement will almost certainly continue to be used as part of the communication mix because of their effectiveness.

5. Community management as the sharp end of a brand reputation and sales

Social media provides an early warning system to organisations. The fragmentation of media has given everyone the opportunity to engage directly with a brand. It's also one of the most common touch points between a brand and its customers.

Online communities are a form of media that deserve special attention as part of the marketing and communications mix. They provide a social media team with a two-way relationship with customers that has a direct impact on customer satisfaction and reputation.

“A modern crisis typically starts with an issue on social media. Monitoring provides an early warning signal. The social media team often acts as a first responder on customer services issues and matters that might otherwise escalate into a crisis to internal operational teams,” said Tamara Littleton, founder and CEO, The Social Element.

Teams are typically highly integrated within an organisation and across agency ecosystems. When an issue arises in an online community there is no time to navigate bureaucracy or silos.

Online communities don't just act as an early warning signal for a brand in the event of a crisis. They provide invaluable insight to organisations that can be used to identify marketing insight and reward active community members.

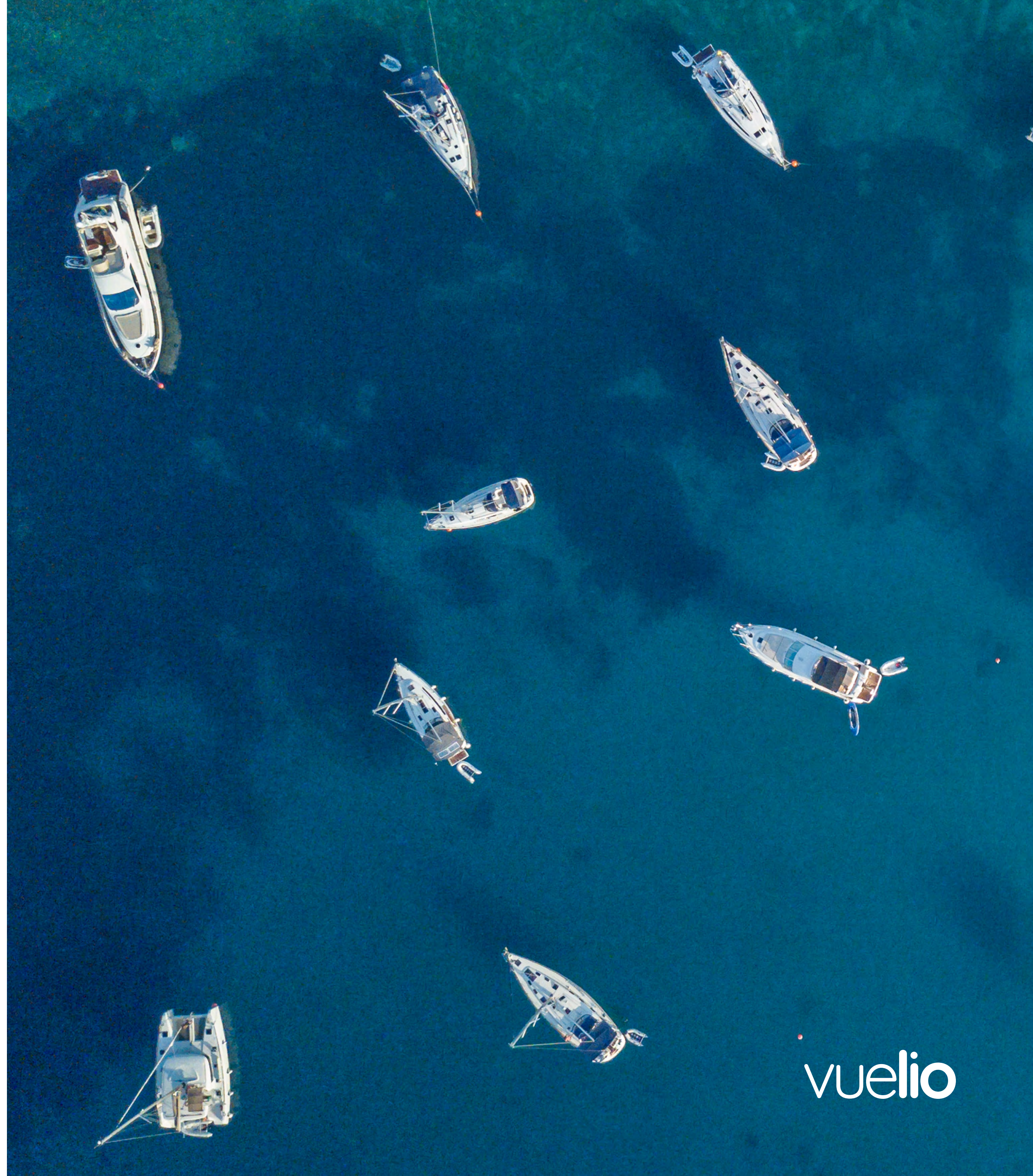
Responsive marketing is another area where the skills of the communication professional provide an assertive role in the market mix. Social listening, enabled by tools such as Pulsar, combined with news and editorial savvy enables a brand to respond to cultural moments across its channels.

5. Community management as the sharp end of a brand reputation and sales

“The direct relationship enabled by social media also enables social media teams to spot opportunities to reward customers. Building advocacy with micro influencers has a huge impact on advocacy and brand loyalty,” said Littleton.

Organisations used community building approaches during successive lockdowns as means of business development.

A common community building approach is to identify a series of prospects and invite them to become part of a conversation about an issue related to their market. The resulting conversation is typically developed into an asset that then forms the basis of sales and marketing activity.



6. Influencers as relationships not media

The fragmentation of media has led to anyone that creates content and develops a community on social media to become an influencer. It sits at the intersection of earned and owned media but critically must be managed as a relationship and not a media buy.

Media change has enabled anyone with access to the internet to create their own media and build a community around their content. That platform can then be used on both an earned and paid basis to work with brands to create and publish content.

“We used to have a stakeholder group of 20 to 30 editors that we worked with around the world. Now social media has meant that everyone is now an editor,” said James Andrew, Executive Director - Communications & PR, Group Lotus.

“Influencers such as Shmee and Supercars of London are hugely influential. Traditional media has become much more fluid but that isn’t to say that it is any less influential,” he added.

According to influencer marketing agency Takumi one-in-four people are more likely to source news updates and opinions from influencers than from journalists and established news outlets dropping to one-in-three people under 45 years old.

Blurred lines extend to the relationship between a brand and media. Influencers will accept a pitch on the same basis as a journalist but then typically expect remuneration to create content.

6. Influencers as relationships not media

However Scott Guthrie, founder, Influencer Marketing Trade Body, cautions against managing influencers as part of a paid media campaign.

“We shouldn’t treat influencers as a pure media buy. We shouldn’t think of them as solely a distribution mechanism either. Social media influencers are often writers, directors of photography, producers, creative directors, and community managers all rolled into one as well as being publishers.”

Throughout COVID we’ve seen influencers legitimised as a communications channel. Influencers and influencer agencies worked with the United Nations and World Health Organisation for example on messaging around social distancing, wearing face coverings and effective hand washing.

The nature of the relationship should always be disclosed. The blurring of paid and earned activity has led to ethical issues and intervention from industry watchdogs.

7. Searching for answers

The SEO industry diverged in 2012 after Google's Penguin update. It created an opportunity for agencies and brands that understood how to plan and authentically earn links through content and creative ideas.

The Penguin update penalised manipulative link building practices and link spam. It drove a fundamental change in the market.

The intersection of search engine optimisation, marketing, and communication, remains a hot topic. Integration helps drive effectiveness, but it can also cause a reputational headache for brands.

Link building has become an earned activity typically driven by creative campaigns that target digital media. It is commonplace in sectors where e-commerce and online lead generation is a key sales function such as retail, financial services, insurance, and legal

services," said James Crawford, Founder and Managing Director, PR Agency One.

Paid keywords have become highly competitive and overpriced. As a result, organic traffic is increasingly valuable. This has led to the SEO industry pitching for public relations budgets and focusing on the domain authority of a link.

"This approach overlooks the reputational impact of earned media and can often result in negative attention for a brand. It's often a race to the bottom where junior staff spam journalists to generate results," added Crawford.

An integrated approach will deliver both reputational impact, organic traffic, and search authority. Data led insight and creativity are fundamental to success.

7. Searching for answers

“Search intent data is combined with cultural insight and a brand’s own messaging and value proposition to inform campaign planning.

The most successful campaigns are often responsive and react to a cultural moment or event,” said Stephen Kenwright, Founder and Chief Commercial Officer, Rise at Seven.

Guidelines are agreed in advance so that approvals don’t hold up activity however Rise At Seven acknowledges this doesn’t work for every organisation. The agency is unapologetic about the type of client with whom it will work, says Kenwright.



8. Measurement matures and that's a good thing

Evaluation of the return on investment in marketing is more mature than in public relations but that's changing. Tools and robust measurement frameworks are enabling public relations to demonstrate its value and command larger budgets.

The measurement of the contribution of communications to organisations has traditionally been poor. Arbitrary indicators such as mentions and reach were used as a proxy for business value.

That changed in early 2000 when market mixed modelling emerged as an approach to measure the relationship between marketing output, brand performance and business results. However public relations activity was rarely included within evaluation models.

Twenty years later everything we do online leaves a digital footprint that can be reviewed and can be attributed to outcomes.

The digitisation of media has been a boom for the measurement of public relations.

“Clicks, comments and downloads can all be analysed as part of a customer journey. We can connect digital earned media with actions such as behaviour change and sales,” said Shayoni Lynn, Founder and CEO, Lynn PR.

The digitisation of media has been accompanied by a corresponding shift in the frameworks and tools to support measurement and evaluation.

The AMEC Integrated Evaluation Framework is a model to link organisational objectives to communication objectives, to outputs, outtakes, outcomes, and organisational impact. The Framework measures across all PESO channels.

8. Measurement matures and that's a good thing

All forms of marketing and communication have been put under greater scrutiny during COVID-19 according to Lynn as organisations have sought the most effective means to drive behaviour change. It's a point that has been echoed by other practitioners.

"COVID-19 has also forced public relations up the value chain as we've reported on meaningful business metrics such as marketing qualified leads and sales qualified leads. That's a good thing," said Sophie Drake, Director, Story Comms.



Summary

The role of marketing and public relations within an organisation is highly situational. It depends on numerous factors including market, size, type of organisation, and scale.

An organisation should integrate functions in a way that removes duplication of effort, fosters collaboration and, crucially, helps it achieve its objectives.

Culture is critical. Managers at all levels within an organisation who effectively build relationships across functions, who encourage collaboration and who aren't territorial are critical. They set the tone. Team objectives should be a subset of organisational objectives. This ensures the objectives of different teams align. It makes integration and collaboration easier.

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