



How Executives in Large Companies Perceive PR

A groundbreaking survey of over 300 senior stakeholders *outside* of the Comms function.



Contents

Key Findings	Page 3
Forewords	Page 4
Part 1: What Does 'PR' Stand For?	Page 6
Part 2: Executives' Understanding Of PR	Page 10
Part 3: Executives' Perceived Value Of PR	Page 16
Part 4: The Direct Link Between Understanding And Value	Page 21
Part 5: Conclusion	Page 23
5 Tips For PR Teams Looking To Better Engage Execs	Page 25
Methodology	Page 29

Key Findings

② Two in ten

Execs do not know what 'PR' stands for

💡 37%

of Execs do not have a good understanding of what the PR function does within their business

💰 40%

of Execs do not think PR delivers good value to the business

👍 However...

of those Execs who do have a good understanding of PR, 80% think it delivers good value

Foreword

The Communications industry is rightly obsessed with demonstrating the value of its work - but the conversation has typically centred around measurement and metrics.

This research, the first of its kind, shows that there is another, crucial issue that must be addressed as a priority.

We interviewed 300 Executives in companies with over a thousand employees, and **over a third simply did not have a good understanding of what their Comms function actually did.**

And when asked to name the functions they felt provided the strongest value to the business, **only 13% of Execs put Comms in their top five.**

This lack of understanding has created a gap between Comms teams and their most important stakeholders.

We call this gap the Comms Chasm, and as PR gets more sophisticated, and Execs get busier, this gap is going to widen.

However, there is light at the end of the tunnel.

Of those Execs who *did* have a good understanding of Comms, 80% thought it delivered good value.

In other words, the greater the understanding of Comms, the greater its perceived value.

This presents a huge opportunity for our industry.

In order to truly demonstrate value, we first need to show our most important stakeholders how PR actually works.

Richard Benson CEO, Releasd



Foreword

As this informed report clearly shows, the communications industry continues to struggle to be understood within businesses. There is a job to be done to educate business executives of the value of Public Relations – at every level, in every industry, and in businesses of every shape and size.

In today's accelerating world PR is a vital tool and function for businesses. A business' publics need to be looked after and managed, just like their suppliers and customers. If mismanaged, they have the power to destroy reputation, topple CEOs, reshape corporate and brand strategy, and kill products. Audiences demands truth, transparency and the highest behavioural standards.

For brands and businesses to survive, they need effective communications strategies that deliver measurable impact. Informed business executives understand that effective PR can truly transform corporate reputation into competitive advantage. We must innovate to find new and creative ways to demonstrate the value of PR. Through collaboration across business functions, together we can deliver joined-up thinking that manages a business' publics and drives business growth.

Simon Whitehead CEO, H+K UK



■ Hill+Knowlton
Strategies



Part 1

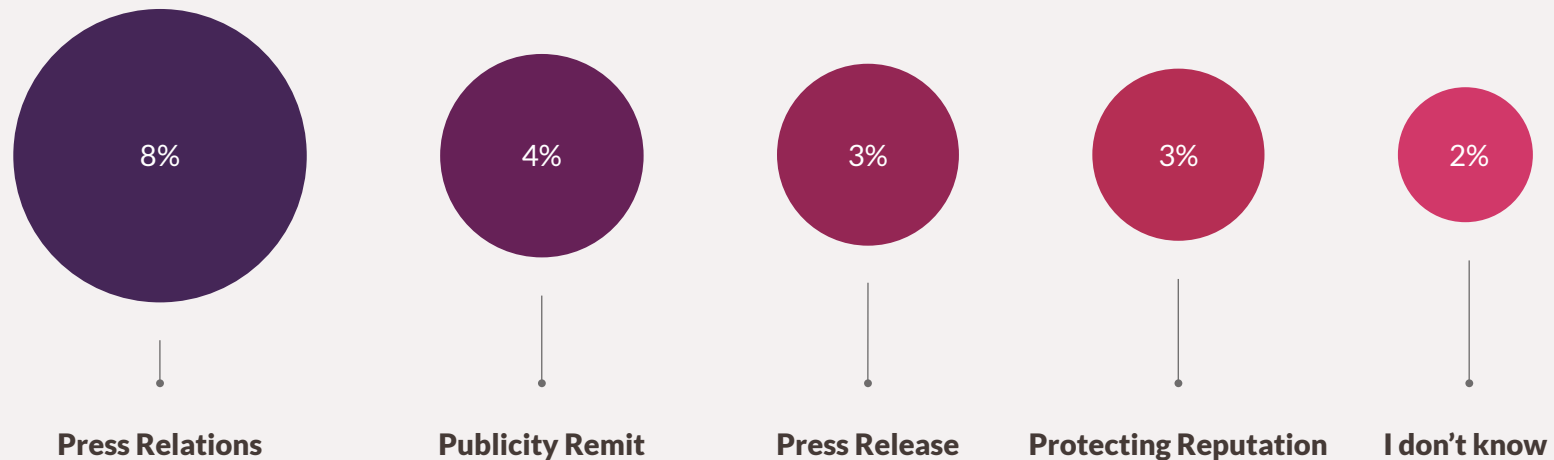
What Does 'PR' Stand For?

Starting with the basics, respondents were asked about their knowledge of this oft-used acronym.

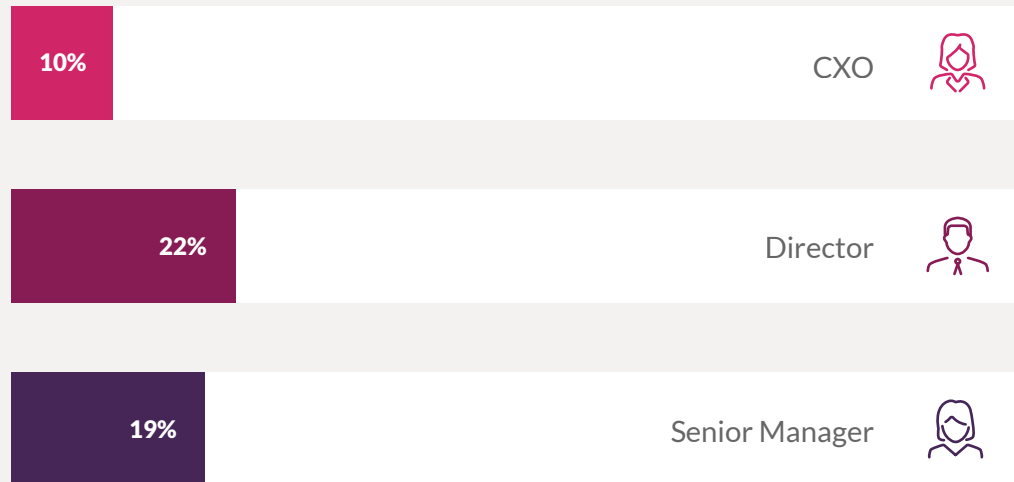


Almost **two in ten** Executives either do *not* know what PR stands for, or think it stands for something incorrect.

What does PR in the context of the PR/Communications function stand for?



Percentage of respondents who did not know
what PR stands for, by seniority level



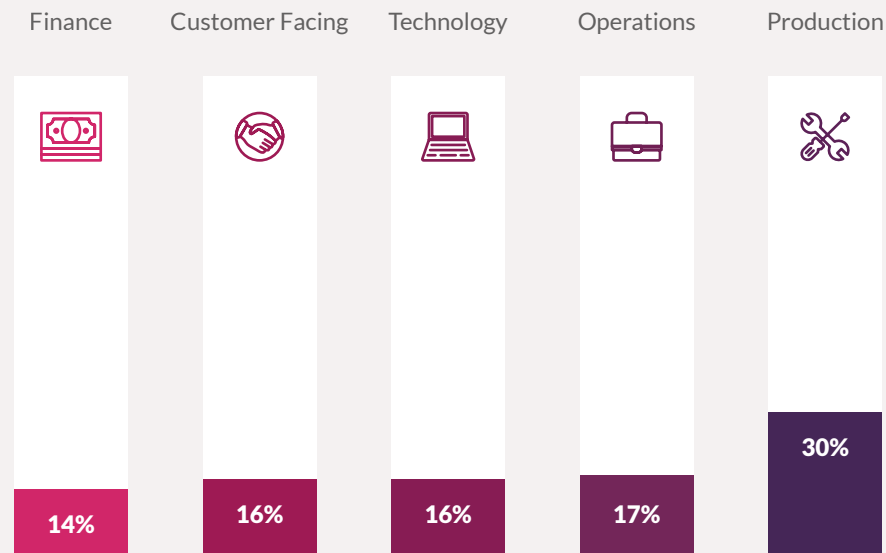
By Seniority

It's slightly better news at the top, although one in ten CXOs still missed the mark.

Key Takeaways

- The stronger performance of CXOs in comparison to more junior Execs may be explained by the fact that discussions around the boardroom table demand a working knowledge of all of the business's functions
- Directors and Senior Managers are more likely to be focused on the day-to-day running of their specific teams and less concerned with the nomenclature of other departments

Percentage of respondents who did not know what PR stands for, by business function



By Division

By division, Finance are top, whilst in Production, an astonishing **three in every ten** Execs do not know what PR stands for

Key Takeaways

- Finance teams, who manage procurement and invoicing, are duty bound to have a basic knowledge of the entire organisation
- The poor performance of Production may be due to their relative lack of day-to-day interaction with the PR team

Part 2

Executives' Understanding Of PR

Here, Execs were asked what they think their Comms team does. It turns out that many simply do not know.



When Execs were asked to name the business functions they had the strongest understanding of, only **15%** put Comms in their top five

To what extent do you understand what the PR/
Communications function does within your business?

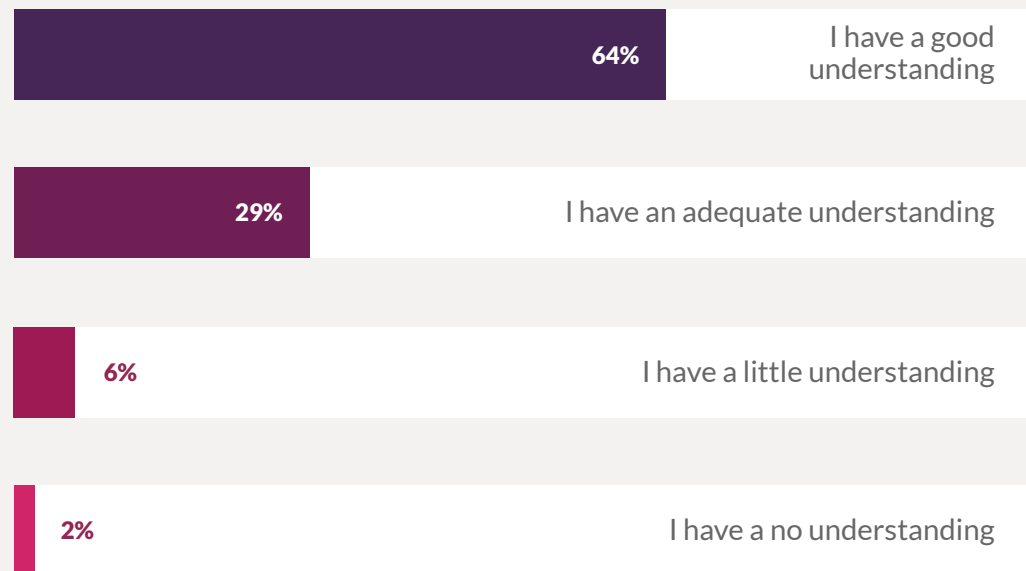


Over a third of Execs do not have a good understanding of what the Comms function does within their business.

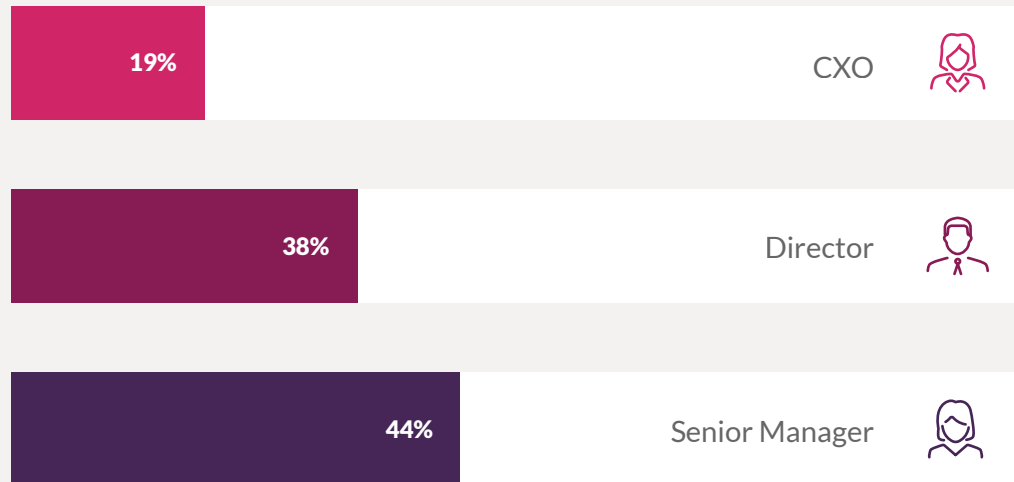
Key Takeaways

- Most Execs have an adequate or greater understanding of PR
- However the fact that 37% do not have a good understanding of what their Comms team can offer is concerning

To what extent do you understand what the PR/ Communications function does within your business?



Percentage of respondents who do not have a 'Good understanding' of what their PR/Comms function does, by seniority level



By Seniority

Understanding increases with seniority.

Key Takeaways

- These results mirror the trend seen when Execs were asked what PR stands for, with C-Level Execs performing better than their more junior counterparts
- The fact that so many Execs below the C Suite have such a poor understanding of Comms may imply that the decisions regarding Comms from the very top are informed, but execution of those ideas by subordinates is suboptimal

Percentage of respondents who do not have a 'Good understanding' of what their PR/Comms function does, by company size



Company size by number of employees

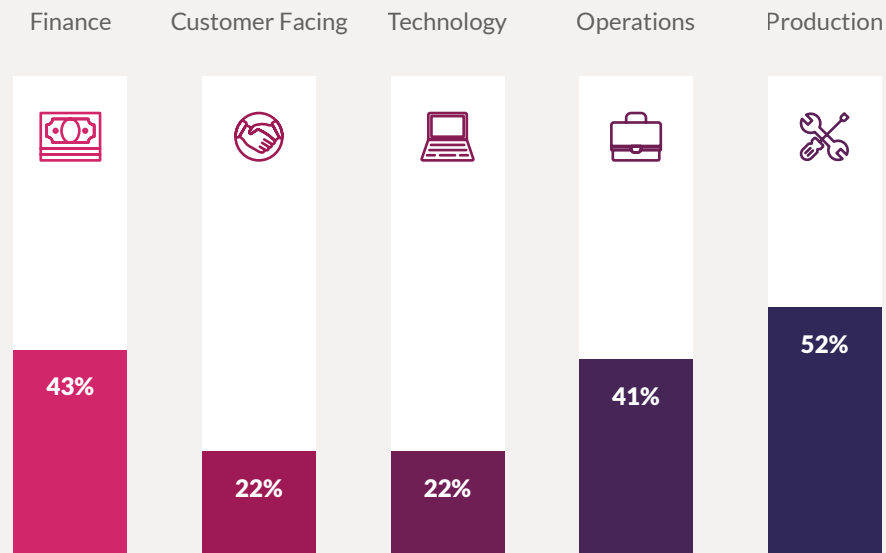
By company size

The larger the company, the lower the understanding.

Key Takeaways

- It makes intuitive sense that Comms teams working in smaller organisations would gain more access to Execs which in turn would breed greater understanding
- In larger companies, challenges regarding scale (e.g. siloes) and geography (e.g. physically separated offices) may inhibit exposure

Percentage of respondents who do not have a 'Good understanding' of what their PR/Comms function does, by business function



By Division

Understanding differs across divisions.

Key Takeaways

- Customer facing teams may have a better understanding of what the Comms function does because they are on the front lines, where the impact of media coverage can be most keenly felt
- The Finance division scored top when asked what PR stands for (86%). But do they feel the need to understand *how* the Comms team does its job? These results suggest not
- The Production division is again trailing, with less than half (48%) of Execs having a good understanding of what Comms does within their business

Part 3

Executives' Perceived Value Of PR

Next, respondents were probed as to their perceived value of Comms; a crucial issue because this is likely to influence budgets, resource, opportunities to collaborate and more.



When asked to name the functions they felt provided the strongest value to the business, only **13% of Execs** put Comms in their top five

Which business functions do you feel provide the strongest value to the business?

87% did not put PR/Comms in their top five



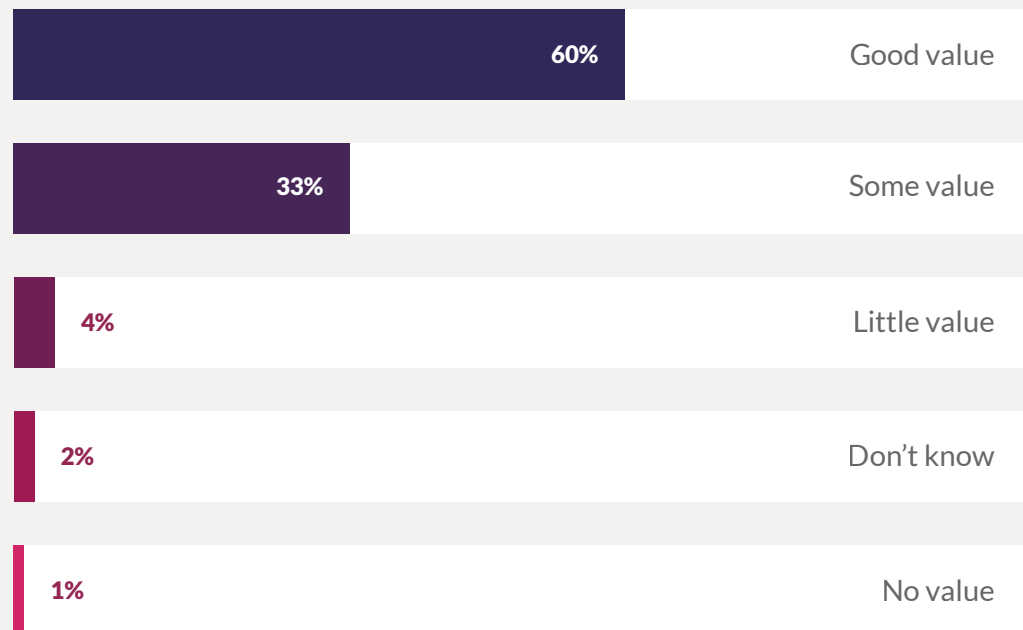
Only 13% put PR/Comms in their top five

Shockingly, **40% of Execs** do not think that their Comms function delivers good value to the business.

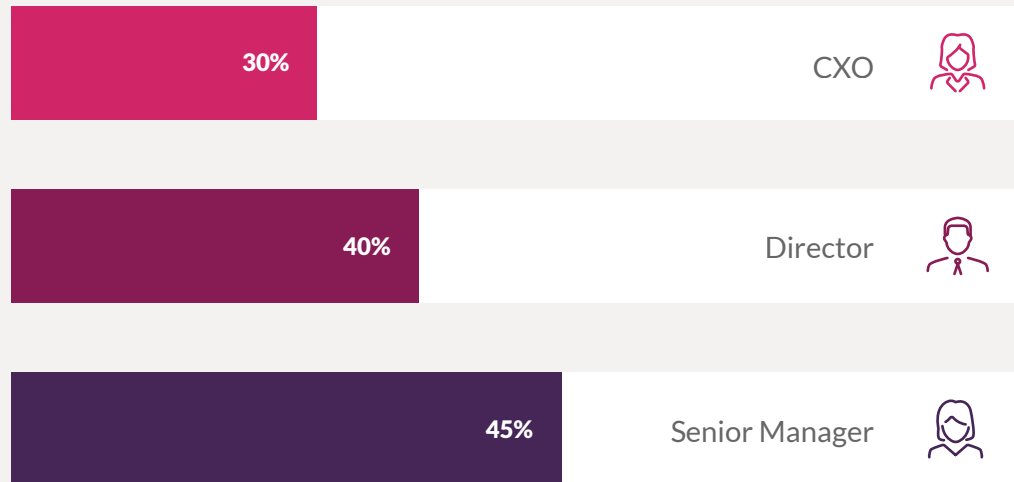
Key Takeaways

- Four in every ten Execs in large companies are under the impression that Comms falls short of delivering good value to the business
- It matters because many of these Execs will be setting or influencing budgets that impact every in-house team, agency and vendor in the Comms ecosystem

How much value do you think PR/Comms delivers to the business?



Percentage of respondents who did not think that their PR/Comms function delivers 'Good value', by seniority level



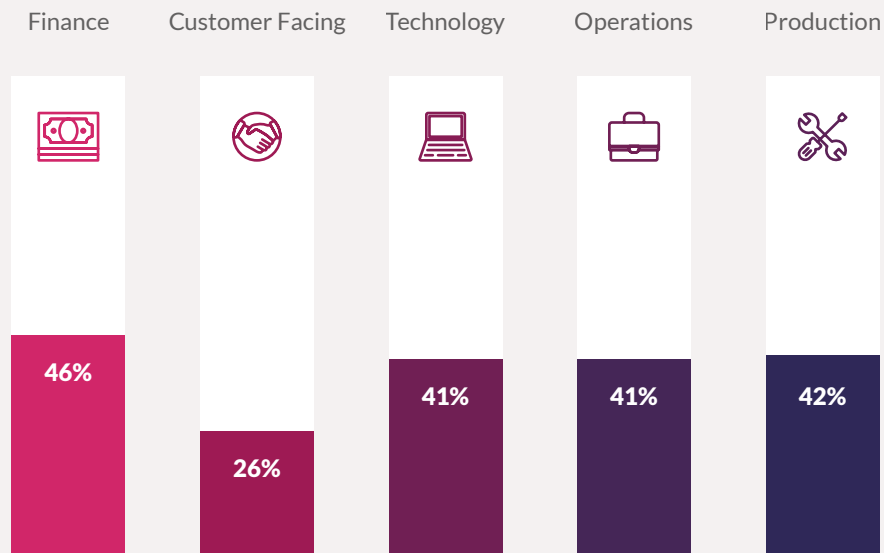
By Seniority

Perceived value also increases by seniority.

Key Takeaways

- We've seen that greater seniority equals better *understanding* of Comms
- Now we can see that greater seniority also increases perceived *value*

Percentage of respondents who did not think that their PR/Comms function delivers 'Good value', by business function



By Division

Customer Facing teams appreciate the value of Comms more than other divisions.

- Often, PR's primary role is to 'soften the ground' by promoting the products or services that are being sold, so it's no surprise to see that the Customer Facing division is ahead
- What's concerning, however, is how far behind the rest of the organisation is; clearly, there is plenty of work to do if we're to turn a majority of Execs into true advocates.

Part 4

The Direct Link Between *Understanding* And *Value*

The findings of this survey demonstrate a relationship between an Exec's level of understanding of Comms, and the amount of value they feel it provides.

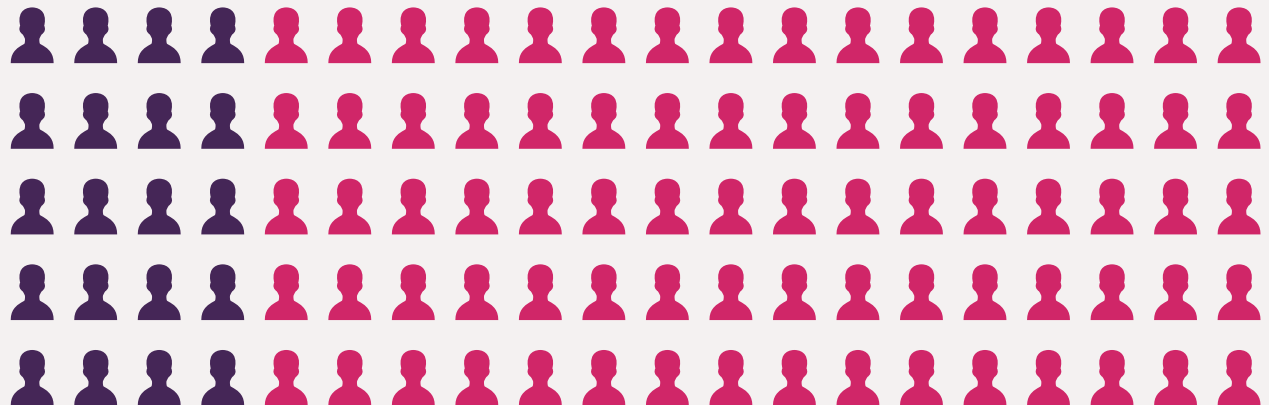


Perceived value increases with better understanding

Key Takeaways

- Of the Execs who responded that they had a good understanding of Comms, a vast majority (**80%**) also thought it delivered good value to the business
- Conversely, only **8%** of respondents who did not have a good understanding of Comms said that they thought it provided good value

80% of Execs who had a good understanding of PR also thought it delivered good value to the business



Conclusion

For any Comms team looking to demonstrate value, helping Execs **understand** Comms is the crucial first step.



Help Executives at all levels to understand and value PR & Communications

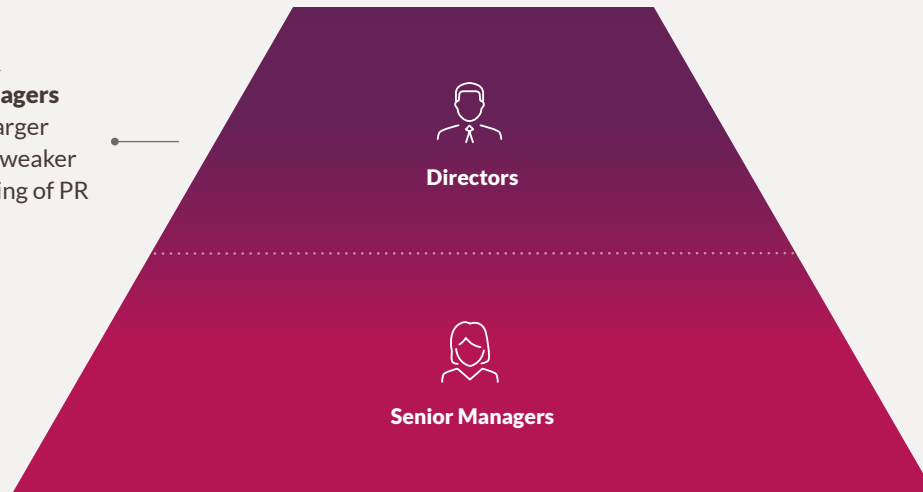
CXOs

This much smaller group has a stronger understanding of PR



Directors & Senior Managers

This much larger group has a weaker understanding of PR



Conclusion

- C Level Execs are arguably the most influential and powerful players in any organisation. Despite being relatively small in number, they set the strategic objectives of the business. Our research shows that Comms is slightly better understood and valued at this level than further down the chain.
- However, Execs outside of the C-Suite really matter in terms of execution, and within this much larger and more diverse group, Comms is faring poorly. Only 60% of Directors and 55% of Senior Managers believe that it adds good value.
- Therefore, Comms teams looking to better demonstrate the value of their work must work hard to help Executives *at all levels* understand what they are capable of

5 Tips For PR Teams Looking To Better Engage Execs

The findings of this survey demonstrate a relationship between an Exec's level of understanding of Comms, and the amount of value they feel it provides.





1. Help others

Collaboration breeds understanding.

Customer Facing teams would better appreciate PR if they could quickly gain access to fresh, relevant coverage. Our research showed that the Production division was particularly unengaged; but what if team members could easily see how the media reacted to the the products they had shed blood, sweat and tears to create? If senior stakeholders in Finance better understood how budgets are used, would the relationship between the two functions improve?

Comms can win advocates across the organisation by showing how their work benefits *everyone*.



2. Curate coverage

Traditionally, Comms teams have demonstrated their worth by pointing a firehose of links, scans and screenshots at busy stakeholders.

This simply serves to drown the genuinely valuable work.

Instead, we recommend showcasing only the most relevant and impactful pieces, leaving the rest on the cutting room floor.

This will ensure that the best work shines, saving time for all parties in the process.



3. Add context

Coverage alone is not enough.

What is it *about* the coverage that matters to the business?

Has the CEO been quoted in a top tier publication?

Is there evidence that perceptions of the business are changing?

Has a crisis been averted?

Teasing out the *relevant* aspects of coverage can play a crucial role in helping uneducated audiences to understand why it matters.



4. Simplify metrics

If stakeholders can't easily understand the metrics used by Comms to measure the success of their work, it's difficult for them to value it.

With such a plethora of stats to choose from, the urge is to 'wow' stakeholders by including as many as possible.

Much has been written of AVE for example, but the problem in this context is that Execs are unlikely to understand what it means. Even metrics like Sentiment and Share of Voice must be explained when shared with uneducated audiences.

Our advice is to pick a handful of simple metrics, and explain what they are and why they're being used.





5. Focus on format

Fantastic coverage, carefully curated and supported by clear explanations and metrics will fall on deaf ears if delivered in a cluttered email, bulky PDF of uninspiring PowerPoint.

To learn about a much more visual and digestible way of showcasing the work of modern Comms teams to busy stakeholders, speak to a member of the team at Releasd.

Methodology

This survey was conducted in partnership with **Cencuswide**.

300 Executives from UK companies with 1,000 employees or more were surveyed. Each respondent worked at either Senior Management, Director or C-Suite level.

In order to ensure that the opinions of those outside of the Comms function were gauged, Executives from the Marketing function were excluded.

Where possible, the data were broken down by business function, seniority and company size. In order to ensure that each data set held at least 50 recipients, some business units were merged into larger business Divisions.

The term 'Comms' is used throughout to mean either PR or Communications, as these terms tend to be interchangeable in larger companies.

Divisional groupings

Divisions mentioned in this survey are constituted of the following individual business units:

Data & Technology

IT

Customer Facing

Commercial / Sales
Consulting
Customer Support

Finance

Accounting & Finance
Purchasing

Operations

Administration
Clinical Team Management
Human Resources
Legal
Operations

Production

Construction
Engineering
Production/Manufacturing



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