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Revisiting the Value of PR in Today's Economy

"Unfortunately, we are still in the midst of multiple crises," UN Secretary-General, Ban Kai-moon announced recently. "Food. Fuel. Flu. Economy. We are still struggling to overcome the worst ever global financial and economic crisis since the founding of the United Nations more than 60 years ago. It has touched every part of the world." Such a haunting comment is sure to impact many pharmaceutical companies' plans for the future — especially on their discretionary use of marketing dollars.

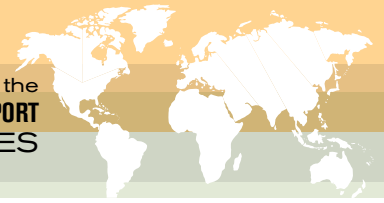
When it comes to looking for the best use of marketing budgets, the research is clear and even intuitive — public relations is a more cost-effective and credible vehicle than direct-to-consumer marketing. In fact, independent research conducted at Procter & Gamble reportedly found that public relations delivers top-notch ROIs (275 percent) — much greater than advertising.

Nevertheless, many global pharmaceutical companies are holding back on their public relations efforts. They still tend to cling to advertising campaigns over other outreach methods.

However, global pharmaceutical companies would be well advised to invest more in public relations strategies, not less, argues John Seng, president of [Spectrum](#) and chair of [GLOBALHealthPR](#), the world's largest organization of independent communications firms focused on health and science.

"It just makes fiscal sense," says Seng. "In this global recession, pharmaceutical companies must be precise and reduce waste in all aspects of their business."

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Traditionally, DTC marketing and advertising is a one-way road. The advertiser does what it takes to attract the audience's attention and then reiterates a carefully developed message.

"But this new era of media requires more," notes Seng. "Engaging audiences, developing relationships and encouraging dialogue are essential to success." When implementing such outreach plans globally, nothing can beat the local knowledge of vetted independent public relations firms who easily maneuver within cultural sensitivities, new legislation and language barriers.

For example, Martin Slater of Noesis, the Italian partner in GLOBALHealthPR, has strong connections in the health care industry throughout the country. This reach enables him to help his clients anticipate and prepare for job cuts, public reactions and upcoming legislation. Slater, as with all of the partners in the GLOBALHealthPR consortium, has first-hand knowledge of the obstacles facing health care organizations who want to expand into his country and, most importantly, he knows how to help them overcome those obstacles.

But whichever country is being targeted, a well-executed, local, public relations campaign can bring a number of benefits — even in today's economy. "PR offers the values that people are holding more dear in tough times: cost-effectiveness, credibility and a personal touch," says Claire Eldridge of Aurora, the UK partner of GLOBALHealthPR.

In addition to the commonly discussed strategy of investing in public relations during a recession to help stand out among the competition, other benefits include campaign agility and brand management. "This is particularly true for online campaigns which can be cheaper, more adaptable and more targeted than traditional media," says Eldridge. "By checking stats as the campaign progresses, you can see what is working best and shift your efforts accordingly. This makes the campaign live rather than static."

Now more than ever, brands are not just logos. Brands must convey solid reputations of excellent customer experience and impeccable corporate integrity. "The broad range of stakeholders involved in reputation management, starting with staff but reaching far and wide, cannot be

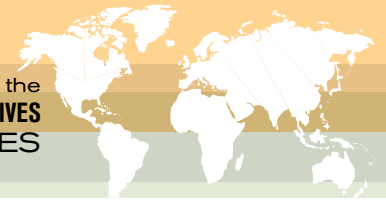
PR – Measuring the Impact

With countries around the world suffering from the recession, there is more focus on value than ever. Spending marketing and advertising budgets with little concern for return is firmly a thing of the past. Global pharmaceutical marketing teams need reassurance that their budgets are being used to promote their brands and messages in the most effective way.

Of course, before most marketers can choose between dynamic public relations and traditional advertising, they want to confirm for themselves which will deliver a better return on their investment. "The best way to make this comparison is by using appropriate measures and evaluation techniques," says Claire Eldridge of Aurora, the UK based partner of GLOBALHealthPR.

"A disease awareness campaign, for example, might send people to a website as a measure of success," explains Eldridge. "Having separate landing pages for PR and advertising efforts is one easy way to track where they are hearing about the campaign and what is motivating them to act."

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addressed solely through advertising. It needs to be demonstrated through good internal communication and corporate social responsibility programs,” notes Eldridge. “The key to good reputation management is showing — not telling — people what you are doing. This is where PR can help.”

In this light, MHC Communication, the GLOBALHealthPR partner agency in France, took on the task of increasing visibility of European Prostate Day across the nation on behalf of the French Association of Urologists (FAU). The FAU’s goals were to promote awareness of prostate and prostate disease while furthering the FAU’s reputation.

MHC not only conducted classical media outreach with press releases and press kits, they also produced a quirky and funny video exploring what men know about their prostates.

The results were clear. The video had more than 25,000 views on [YouTube](#) and Kewego, an online video sharing platform based in France. In addition, the FAU received large amounts of media coverage, including *Le Monde*, France’s most prestigious daily newspaper, as the first organization of its kind to use a video-sharing website for a disease awareness campaign. This independent, third-party coverage positioned the FAU as one of the most innovative medical organizations in France and suddenly increased the national awareness of prostate disease and prevention.

In the new economy, as budgets shrink and expectations rise, health and science marketers must look closely at how they allocate their investments, and maximize ROI. With the rise of digital media, public relations professionals now have new and incredibly cost effective tools to reach audiences through methods that optimally maximize the impact of marketing dollars for health organizations.

“It just makes fiscal sense,” says Seng. “In this global recession, pharmaceutical companies must be precise and reduce waste in all aspects of their business.”