

THE PR COST FACTORS WITHIN YOUR CONTROL

Your PR Budget Should Match Your Business Goals

The cost to hire a PR agency should align with the impact you expect your PR firm to have on your business goals. If you're hiring a PR firm to grow sales, then the expense of your PR firm should reflect the importance of that on your brand. If you're pre-IPO, then your PR budget should reflect the importance of that milestone. If you're looking for the average cost of hiring a PR firm, you should look at PR firms that meet average expectations.

For example, if you're in maintenance mode and need a responsive rather than a proactive PR agency, the cost should be less than that of a proactive media relations and media placement campaign, which can reach billions of people.

While PR is an important tool for growing your business, don't expect to increase your sales 100% by investing an additional 5% in PR. Indeed, there are ways to track revenue from PR.

What Industry Are You In?

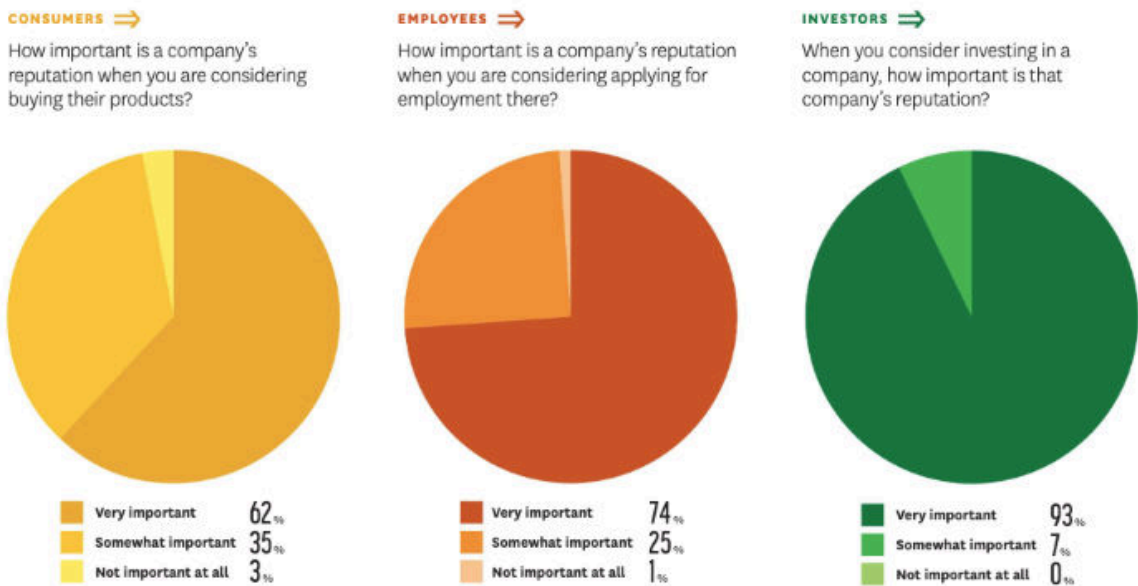
Businesses in fast-growing or emerging industries like CleanTech, HealthTech, or Cannabis can also affect PR pricing. If your industry is regulated or could be regulated, a PR agency will need to take additional steps to consider your company's future needs.

□ What is Your Timeline?

The timeline can affect the budget—if you’re asking an agency to scramble, it will cost more. Effective public relations is a long game. Unlike advertising, PR isn’t a turn-on-and-turnoff situation. It’s more like a train: It takes a bit to get moving, but once it’s moving, it gains speed quickly.

□ Experience Matters

What are you actually buying when you hire a PR firm? Talent, judgment, and experience, these factors are the number one reason why experience matters for successful businesses are so important. Since almost 60% of PR agency fees are allocated to staff, that’s one reason why PR is so expensive – talent matters.



Established PR firms with track records of success tend to charge more for their services. Hiring experienced PR professionals adds innumerable value; a firm's reputation is often established through its employees' skill and experience level.

Some agencies have very young teams, while others have more executive-level teams. Each has pros and cons. Some top PR firms employ former journalists and experienced PR professionals, while others hire very junior team members.

One advantage of a seasoned, expert-level PR team, besides experience, is their understanding of the media landscape – who is likely to write about your company and why. Maybe, more importantly, seasoned PR teams can guide you in creating more opportunities in various ways.

They also understand what media companies are looking for regarding story ideas. They can craft attention-getting press releases that stand a better chance of being seen and picked up instead of being tossed in the trash heap of yesterday's news. Seasoned PR experts know the best people to follow up with after issuing a press release or event notice. Those with experience in the industry understand the intricacies of the business, and their experience will likely add to the cost of hiring a PR agency. They are masters of communication who know how to get a message across and which avenues offer their clients the best chance at positive exposure in the media.

Understanding the nuances of marketing and portraying a positive image are honed skills needed for your business's PR firm.

At the end of the day, hiring a PR firm is an investment, but only if you find an agency whose goals align with yours. When deciding if a PR firm's prices coincide with your company's budget and needs, consider your goals, specific industry challenges, and the expertise of a firm's staff.

Do not be afraid to ask tough questions because the reputation of your business may depend on how your PR agency responds. The right PR agency can be an excellent investment in your business.