

Industry Focus

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At your service

Tim Metcalfe

THE ICONIC *Absolutely Fabulous* television sitcom that parodies public relations through the champagne lifestyles of Eddy and Patsy bears only a passing resemblance to the reality of the industry in Hong Kong.

Commonly known as "PR", the business is dominated by women, with a survey by the Hong Kong Public Relations Professionals' Association finding that women outnumber men by four to one.

Public relations involves a fair level of entertaining, but life is not one long party.

"I wish there was more champagne, but the reality is that business growth does not come from party planning, but very established and serious issues - such as ensuring that firms meet corporate governance standards, report financial results transparently or engage government regulators, customers and various special interest groups on environmental issues," said David Ketchum, chairman of the Council of Public Relations Firms of Hong Kong.

Every sizeable local company has at least one staff member dealing with public relations, with duties ranging from dealing with the media and sending out press releases to organising brochures and websites.

Bigger firms and corporations have entire PR departments. Many others are represented by specialist firms. The principal objective of all is to promote the corporate brand, image and product.

According to *Fortune* magazine, public relations will be one of the world's fastest-growing professions over the next 10 years and, as one of Asia's most sophisticated economies, Hong Kong is not surprisingly brimming with PRs.

Demand is growing especially fast for PR services in booming mainland China, which traditionally regards overseas consultants as more worldly and effective than its domestic talent.

David Croasdale, business director of Newell Public Relations, said: "We are seeing a very strong demand for Hong Kong PR expertise in China both from multinationals and Chinese companies wanting to reach the rest of the region."

"We have doubled our staff in Beijing and Shanghai from 10 to 20 over the past two years, and the number of retainer clients has grown threefold."

Mr Ketchum, who founded his own company, Upstream Asia, six years ago, is also expanding. He has 60 staff in offices in Taiwan, Singapore, Sydney, Beijing, Shanghai and Tokyo. In October the firm was listed on the London Stock Exchange's Alternative Investment Market (AIM) with a view to funding growth. "We want to keep building in Asia," he said.

The industry is not only profiting from multinationals converging on China and setting up headquarters in Hong Kong. Mr Ketchum said: "The retail sector is healthy so we see

a lot of production launches and branding campaigns. More visitors from the mainland are driving the tourism sector. The financial sector is seeing more Chinese firms listing on the local stock market than it has in many years."

As chairman of the PR council, which represents 35 leading consultancies, Mr Ketchum is pushing Hong Kong as a "regional leader" for the industry.

Grebstad Hicks Communications (GHC) is a leading "home-grown" independent Hong Kong PR consultancy specialising in travel, hospitality and lifestyle-related brands. Co-founder Lynn Grebstad said: "The past two years have been great."

Turnover has grown by at least 50 per cent a year and with profitability also up, the company has "reinvested substantially in building up the company".

"We have grown from a team of just 11 two years ago to 20 now and we are still expanding," Ms Grebstad said. "We have also established satellite presences in both Singapore and Shanghai this year.

"After some rather difficult years for Hong Kong, the business is now really beginning to fulfil its potential. In the past year or so we have successfully expanded our initial travel and tourism niche to encompass a much wider consumer and lifestyle area."

The latest boom has seen the company retained by two major new Hong Kong tourism attractions, the Ngong Ping 360 cable car on Lantau and The Peak Tower, as well as launching Hong Kong's first boutique hotel, JIA in Causeway Bay, and several top restaurants including Aqua at One Peking Road.

But, Carole Klein, director of PR and communications at the InterContinental Hong Kong said it was not only during booming economies that the industry came into its own.

"All companies need public relations in some form, both in good times and bad," she said.

"A company should not use PR just to deal with a crisis or launch a product. They should consistently have someone representing their product to the media and public whether business is flourishing or in times of crisis.

"It is important to have a consistent and recurring message to build relationships with the media and sustain coverage needed to create a successful brand. You have to keep getting your message and name out there."

The industry is therefore more resilient to downsizing than most, while in a strong position to enjoy the fruits of economic upturns.

Mr Ketchum said: "It is a very good time for the public relations industry, with a strong demand for staff at all levels, from the experienced to fresh graduates."

The art of getting the message across -- First-hand interview: Carole Klein

The name for PR or communications often varies. Sometimes the industry is known as public relations. Other times it is called corporate communications or marketing communications. But it all comes under the same umbrella.

My role is to help develop and communicate clear messages that promote and position InterContinental Hong Kong in the local and international market as one of the top hotels in the world.

This involves developing the message and communicating it internally and externally. News and promotions are communicated through press releases and media pitches to generate editorial coverage, marketing-like brochures, e-mail flyers and newsletters to our customers and advertising. Our goal is to generate positive word-of-mouth exposure.

At InterContinental Hong Kong, with just three people in our team, we are the smallest department in the hotel, but work closely with all the departments, especially marketing and food and beverage.

In the course of any day, we might have a couple of photo shoots and media interviews in our restaurants with our chefs, a journalist reviewing I-Spa, or a hotel tour and lunch or dinner with international media staying to write a destination feature.

The logistics involve co-ordinating with many members of our hotel team, from reservations and housekeeping to the concierge and restaurant managers.

We have regular meetings with our managing director, who sets clear goals and objectives, and various members of the management team to create the strategy and planning for promotions.

PR in the hotel industry involves considerable relationship building, entertaining and hosting journalists and VIPs for cocktails, lunches and dinners, so you need to be an extrovert, with an outgoing personality to enjoy the social part. It is definitely not a "9-to-5" job, so you really have to love what you do and remember that you are an ambassador.

Businesses are now seeing the value that PR brings but the business is still evolving. It is not always easy to evaluate the return on PR because it is not a revenue-generating area such as rooms or food and beverage. How do you evaluate a public relations campaign? Sometimes you can see an immediate response from reservations based on a promotion or article. But generally the response is not immediate.

But it is crucial to building a brand and positioning a company or product, which helps generate sales and sustain brand loyalty.

Good writing skills are extremely important for PR professionals. When communicating in press releases and marketing, the most important thing is to convey the message in a clear and concise manner, and give accurate and newsworthy information. It does not matter how beautifully written a press release or e-mail promo is if it does not reach the target audience. *Tim Metcalfe*