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Evaluation of co-sourcing communications amongst international  
company and local public relations agencies  
(case company: company x)

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The subject of the thesis is the evaluation of co-sourcing communications amongst international company and local public relations agencies, taking the company x as a case.

It analyses the environment the co-sourcing PR agencies communicate with international clients, compares with the current communications the case company has, and comes up with practical suggestions for the company to have better cooperation with local agencies to achieve mutual benefits.

The theoretical part consists of following the theories: communication, public relations, business process outsourcing, co-sourcing, business process co-sourcing and best practices.

The writer utilizes mixed methodology in the study, starting with qualitative research which includes case study, survey studies, and interviews with PR supervisor in the company, and following with a quantitative survey carried out in empirical part.

The study demonstrates that the communication flow between the case company and local PR agencies runs relatively smoothly and local PR agencies are generally satisfied with their relationships. Nevertheless, certain communication channels are demanding from time to time, communication platform which creates a united communication system and coordinates communication flow is lacking.

As results of the thesis, the writer builds an extranet for the case company to enhance quality of communication with local PR agencies, along with practical suggestions in communication, global campaigns, localization, information sharing, and communication channels.

Key words: Public relations, best practices, business process co-sourcing, communication

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## 1. Introduction

Today when organizations expand businesses to other countries, they have to delegate some tasks or part of functions to a third-party company in order to concentrate on core business as well as to enhance efficiency and profitability. This business practice is utilized across industries, where organizations subcontract part of their work to an external service provider, service is performed by both staff from inside the organizations and also by external provider. The trend of making use of the business practice makes the communications between the companies and the service providers become essential.

### 1.1 Purpose

The company wants the writer to find out the environment the co-sourcing PR agencies communicate with international clients, compares to the current communications the company has, and comes up with suggestions for the company to have better cooperation with local agencies to achieve mutual benefits.

### 1.2 Aim

The aim of the study is to come up with practical suggestions for better collaboration by evaluating the current PR co-sourcing communication environment amongst the case company and local PR agencies.

### 1.3 Objectives

The main objectives of conducting the study are, to analyze present the communication environment amongst the company and its co-sourcing PR agencies and to evaluate possibilities of sharing the best practices.

### 1.4 Structure

The first chapter of the thesis gives an introduction of objectives, aim, purpose and structure of the study.

The writer starts the second chapter by introducing information of the case company especially public relations, including agencies, operating structure, culture difference and communication channels.

In chapter three, the writer leads readers from the theoretical to the empirical study by first explaining concept of communication. After that the writer will provide the readers with some theories concerning with PR. In addition, business process outsourcing, co-sourcing and business

process co-sourcing are referred in the study. Furthermore, there will be an explanation of best practices particularly in PR.

The entire process of the study is divided to four sections in two chapters. Chapter four tells readers collection and handling of data and research methods, following by the description and interpretation of results in chapter five.

Chapter six makes conclusions of the combined survey results and make preparation for the following suggestions in the last chapter.

Last but not least, in chapter seven development ideas and suggestions will be illustrated by the writer based on the environment of the current communication.



## 2. The case company

The case company is an online entertainment company focused on virtual worlds and social networking. Its main product is one of the world's fastest growing virtual worlds and online communities for teenagers. There are 13 offices worldwide and localized communities in countries with different cultural backgrounds. To date over 150 million characters have been created and in excess of 13 million unique users worldwide visit the virtual world each month.

### 2.1 Company PR in brief

The case company started business internationally when the industry still remained niche market. It soon expanded its operations to several international markets other than its home country. Soon after the company started collaborating with many local PR agencies.

Environments, in the countries where the case company operates are diverse: different national geographical sizes; market maturity, which depends on how long the product of the case company entered into the market; the brand image and reputation in market. To do PR in an effective and professional way, which requires strong knowledge of local markets including having contacts with media as well as sensing different culture in general, in addition to be able to comprehend on what works and what doesn't. Co-sourcing with local PR agencies allows them to be able to provide tactics to support the work.

### 2.2 The structure of PR work in the case

The global PR team represents the PR unit in the case company, which is in charge of the PR activities and reports directly to the company management team. Local co-sourcing PR agencies in different areas have mutual communications with country teams and the global PR team constantly and are responsible to report to both of them. The structure is stated below in Figure 1.

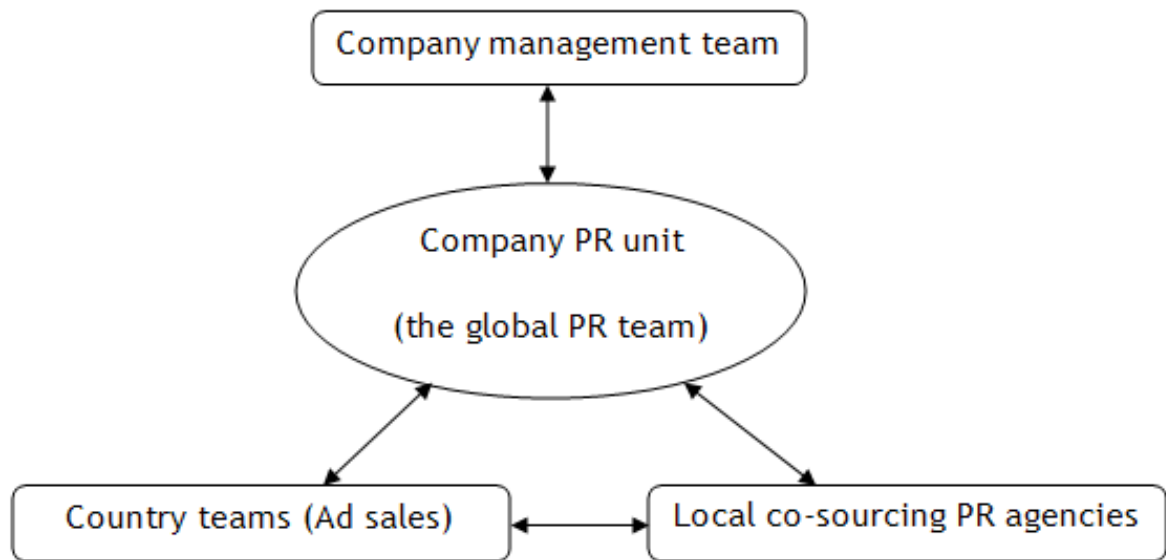


Figure 1 PR structure in the case

Thus, none of the PR agencies that collaborate with the company is in Finland. The channels of communication with the head office are certainly limited. Therefore, most of the agencies are in contact with local offices.

### 2.3 The PR agencies

The case company collaborates with 9 PR agency companies/groups in 11 offices worldwide. Pilot study shows that those offices mostly locate in Europe.

Majority of local PR agencies work with and report mainly to country managers in the local offices; On the other hand, some of them report directly to the leader of the global PR team, acting as part of the team. Team players in the head office are quite satisfied with those local PR agencies, even though they think some of the agencies could be more proactive in their work every now and then.

### 2.4 Culture difference

The importance of communication has increased along with the globalizing business world. The business culture has changed, and personnel are now more active and interested in the perspective of companies. It is no longer enough to simply expect the personnel to complete the task

given to them. They need to be involved in the process and feel that their work is appreciated and important.

In an overview, those PR agencies work universally and obey to the same rules and regulations in the industry; however, operating worldwide makes culture differences unavoidable. For instance, differences between North and South Europe and South American agencies show obviously. In the SESA (South Europe, South America) region PR agencies are used more comprehensively, they are a more integral part in the business as in other markets. They are willing to take more part in forming business partnerships and, for instance, doing ad sales.

## 2.5 Forms of communication

### 2.5.1 Conference call

Conference call is one of the main communication channels the company utilizes, which creates a platform for the company and its local co-sourcing agencies to share ideas and best cases about PR activities and all related issues.

The writer participated in a general monthly conference PR call on June 8<sup>th</sup> 2009. The participants were British, Danish, and German agencies. During the call, the global PR team informed constant update report including new research results, on-going campaigns, new product information, and services information to local agencies. And the global PR team is in charge of writing Questions & Answers and providing material for media in case the local PR agencies will answer questions for media.

After the global PR team had given the report, local agencies gave country reports. The country report contains media coverage, local team work, profile opportunity, hotspot events and events organized by local PR agency, organized interviews and reports, and press releases concerning with related fresh topics.

### 2.5.2 Newsletter

Update newsletter, which is internally branded as 'PR blast' in case company, is another main media for communication, which is sent after conference calls. Newsletter is also shared with a wide range of people within the case company besides local PR agencies, such as management team as well as marketing and advertising teams. The newsletter contains important figures from the past month, information about ongoing activities, research, country highlights and news, updated boilerplates as well.

### 2.5.3 Company material

Along with the newsletter, company's key stats and facts, and a general fact sheet are delivered as attachments in the same email as part of PR update.

### 2.5.4 Media coverage

The global PR team requires local PR agencies to report and submit media coverage and the reports will be gathered into one pdf file to be published on company's intranet and sent by emails to share with all the PR agencies.

### 2.5.5 Other forms

Campaign emails, face-to-face meetings, personal phone calls are all done on an ad-hoc basis when needed.

### 3. Theoretical background

#### 3.1 Communication

##### 3.1.1 The definition of communication

Communication is the interaction and the process by which information is transmitted between a sender and a receiver (Bratton and Gold, 1994, 259).

While communication is an interactive two-way process, information is a simple one-way process (Lohtaja & Kaihovirta-Rapo, 2007, 13). Information can therefore be understood as a neutral matter, which is transferred from one place to another through communication (Juholin, 2008, 58).

In order for communication to be successful, simply the transfer of information is not enough as raw information does not always open up to the receiver as it is intended. Communication consequently requires a form of information interpretation and analysis in order for the receiver to understand the meaning behind a message. (Juholin, 2008, 98) Information therefore needs to always be acknowledged: someone must think about its meaning, draw conclusions about it and act upon it. Successful communication requires feedback in order to ensure that a message has reached the target group and that it has been understood. (Juholin, 2008, 90)

##### 3.1.2 Communication channels

A communication channel is a stabilized connection for communication. A communication medium, on the other hand, is a technological tool for information transportation. Although slightly different in terminology, both of these are a part of the communication chain, where information is transferred from a sender to a receiver. This makes them vulnerable and exposed to disturbances. (Åberg, 1999, 28)

Communication channels can be divided into mediated and direct communication according to their distribution method. Mediated communication always uses some form of media for information distribution, while direct communication is based on face-to-face communication. (Lohtaja & Kaihovirta-Rapo, 2007, 16)

Mediated communication can further be divided into printed distribution channels, and electronic distribution channels, including email, internet, phone, TV and radio (Juholin, 1999, 35-36). The benefits of mediated communication are the message's permanency and accuracy. Mediated communication does, however, lack inter-personal interaction and can be relatively slow to distribute. (Lohtaja & Kaihovirta-Rapo, 2007, 16)

Direct communication on the other hand can be divided into personal face-to-face communication, work briefing and shared meals, as well as events such as meetings and conferences, speech and presentation situations, theme events, workshops and seminars (Juholin, 1999, 139-141). The benefit of direct communication is immediate feedback, which can exist verbally or nonverbally. On the other hand, a disadvantage of direct communication is that it may be very expensive and time-consuming. (Lohtaja & Kahovirta, 2007, 17)

### 3.1.3 Media richness

Media richness, shown in Figure 2, is a measure used to describe the value of a single medium in a particular communicational situation. The richness depends on the medium's ability to communicate a message using more than one informational sign: either visual, verbal or vocal. The richness also depends on the medium's ability to smooth the process of giving and receiving feedback, as well as the ability to establish personal focus. (Thill & Bovée, 2001, 80-81)

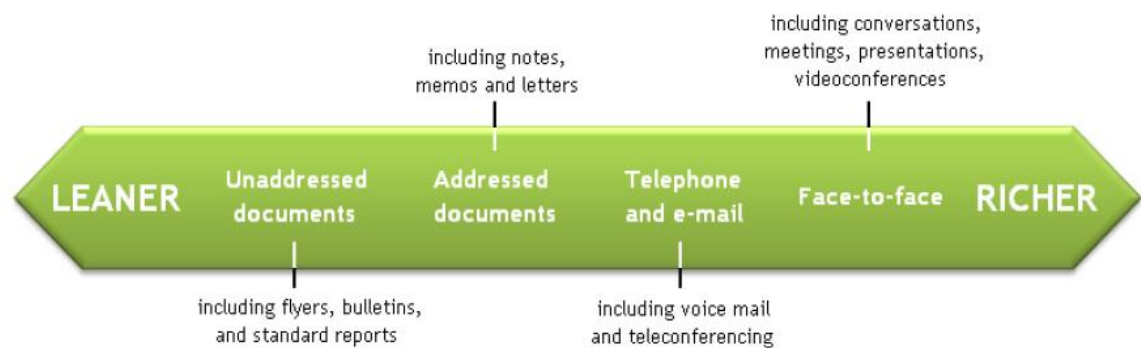


Figure 2 Media richness

### 3.1.4 The competence of communication

In order to be efficient, communication requires some level of competence. This communication-competence can be divided into four segments as shown. Each of these segments is emphasized differently in different communicational situations. However, all of these are needed in order to communicate effectively. (Juholin, 2008, 30-31)



Figure 3 The competence of communication

Figure 3 explains the competence of communication. The first communicational competence is an ability to express thoughts through language, which is required in order for messages to be comprehensive. The second competence is an ability to utilize media in information distribution. It requires knowledge of how the target group searches for information, and what media is best to be used in a particular situation in order to serve the company's operations and goals. The third communicational competence consists of the sender's relationships to other people, organizations and networks. The final competence is strategy, which is required in order to determine how people use the previous segments in different situations with different partners. (Juholin, 2008, 30-31)

### 3.2 Public Relations

#### 3.2.1 The definition of Public relations

PR looks after reputation with the aim of earning understanding and support, and influencing opinions and behavior. It is the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its publics. (Kenneth E. Clow & Donald Baack, 2002, 2)

According to the Public Relations Society of America (PRSA), PR is the practice of managing the flow of information between an organization and its publics. PR aims to gain an organization or individual credible third-party exposure to key stakeholders like customers, partners, or employees through blogs, the media, TV, radio, the internet, and other sources.

### 3.2.2 PR functions

The Public Relations department is a unit in the firm that manages items such as publicity and other communications with all the groups that make contact with the company. Some of the functions performed by PR department are similar to those provided by the marketing department. The two cooperate with and consult each other, yet each has a separate role to perform. (Kenneth E. Clow & Donald Baack, 2002, 485)

### 3.2.3 A media hit in PR

A media hit is the mention of a company's name in a news story. Hits can be positive, negative, or even neutral in terms of their impact on a firm. The concept behind getting hits in the news is that the more a consumer sees the name of a company in a news-related context, the higher the brand awareness will become. It may be a wiser strategy to seek fewer hits and to make sure that those hits project the company in a positive light that also reinforces the firm's international marketing communication theme.

## 3.3 Business process outsourcing

### 3.3.1 The definition of business process outsourcing

Business process outsourcing (BPO) is a form of outsourcing that involves the contracting of the operations and responsibilities of a specific business functions (or processes) to a third-party service provider. (Business process outsourcing, WWW document)

### 3.3.2 Business process outsourcing's benefits and limitations

One of the most important advantages of BPO is the way in which it helps to increase a company's flexibility. Most services provided by BPO vendors are offered on a fee-for-service basis. This helps a company becoming more flexible by transforming fixed into variable costs. A variable cost structure helps a company responding to changes in required capacity and does not require a company to invest in assets, thereby making the company more flexible. Outsourcing may provide a firm with increased flexibility in its resource management and may reduce response times to major environmental changes. (Business process outsourcing benefits and limitations, WWW document)



Another way in which BPO contributes to a company's flexibility is that a company is able to focus on its core competencies, without being burdened by the demands of bureaucratic restraints. Key employees are herewith released from performing non-core or administrative processes and can invest more time and energy in building the firm's core businesses. (Business process outsourcing benefits and limitations, WWW document)

Finally, flexibility is seen as a stage in the organizational life cycle. BPO therefore allows firms to retain their entrepreneurial speed and agility, which they would otherwise sacrifice in order to become efficient as they expanded. It avoids a premature internal transition from its informal entrepreneurial phase to a more bureaucratic mode of operation. (Business process outsourcing benefits and limitations, WWW document)

### 3.4 Co-sourcing

EDS describes co-sourcing as a relationship where the supplier becomes a partner in planning an organizational transformation of the buyer's company, with the specialized knowledge of business function. The supplier goes in on an enterprise-wide level and provides major consultancy work in business process outsourcing. The parties sign an outsourcing agreement for the supplier to run particular processes, at the same time implementing the BPO changes. The BPO in co-sourcing is a joint effort of both parties, as the decision-making process during the relationship. Thus, ownership and control of the process is not turned over to the supplier, as in other outsourcing relationships. Co-sourcing also differs from other outsourcing in that the buyer's core processes are involved, along with its important but non-core processes. (What is co-sourcing, WWW document)

### 3.5 Business process co-sourcing

Business process co-sourcing is the investment strategy for sourcing best practice process capabilities end-to-end in business value networks. This makes it different from traditional outsourcing of tasks and functions. Outsourcing is a contractual agreement with the "out" being the key part of the term. With business process co-sourcing, the emphasis is on "sourcing." What makes it practical is that that sourcing can increasingly be mediated electronically by connecting the client and provider. The company takes on part of the process and its provider takes on other parts, to leverage the distinctive strengths of each party. Therefore, collaboration is central to co-sourcing. (Peter Keen, 2009)

### 3.6 Best practices

#### 3.6.1 Best practices

A best practice is a technique, method, process, activity, incentive or reward that is believed to be more effective at delivering a particular outcome than any other technique, method, process, etc. Best practices can also be defined as the most efficient (least amount of effort) and effective (best results) way of accomplishing a task, based on repeatable procedures that have proven themselves over time for large numbers of people. Despite the need to improve on processes as times change and things evolve, best-practice is considered by some as a business buzzword used to describe the process of developing and following a standard way of doing things that multiple organizations can use for management, policy, and especially software systems. (Best practices, WWW document)

#### 3.6.2 Best practices in PR

It goes without saying that best practices and PR strategy vary by industry, company, and depending on the company's goals, but there are a few generic one's that are most important: (David King & Erin Collopy, 2009)

First of all, make the journalists' life easy. The one who gives them quick, seamless, and access to high-level spokespeople is offered quotable conversations. (David King & Erin Collopy, 2009)

Secondly, tell a compelling story. It's often a struggle for smaller companies to make big news, but the criteria for achieving media coverage is the same for anyone - tell a story worth reading. Readers are naturally inclined to read articles about their favorites and they have an advantage. Make sure the story is interesting to the audience - not just a product catalog - and latch on to bigger issues or competitors that helps the reporter/producer make an article with a compelling headline. (David King & Erin Collopy, 2009)

Thirdly, align PR with your goals. The reasons for doing PR can vary from creating brand awareness, exposing the company culture, promoting executives as thought leaders, or just getting potential customers aware of the new product you're selling. The strategy for achieving those goals will vary, but be sure to keep goals in mind every step of the way. (David King & Erin Collopy, 2009)

#### 4. Research process

The research process is divided into four sections in order: collection & handling of data, presentation of method, description of results, and interpretation of results. In this chapter, the writer is going to illustrate the first two sections, and the other sections are mentioned in next chapter.

##### 4.1 Collection and handling of data

The process of the section has basically four stages: desk research, pilot study, case study, and polling. After the topic has been decided and the case company has been chosen, the writer started searching all related information about the case company from Internet, which was the desk research process. The first month of the internship was spent on surfing Intra pages of the company, which provided basic first-hand information about the company and allowed the writer to complete a pilot study; studying previous cases was the next task the writer achieved, which took about half a month to search from the Intranet and picked up from past polls. At the beginning of the second month in the company, the writer specified the topic and put efforts in customizing the survey for target group – the local co-sourcing PR agencies that corporate with the case company. The survey was conducted and assisted by the PR satisfaction survey done in 2008. The result of the survey was polled out at the first week of July, which provided the writer valuable statistics to complete the study and enhanced the validity and reliability of the thesis.

##### 4.2 Research methods

The writer utilizes mixed methodology in the study, starting with qualitative research which includes case study, survey studies, and interviews with PR supervisor in the company, and following by quantitative survey.

The writer chooses to carry out the empirical part by creating a survey; the satisfaction survey published by the PR unit in the company is analyzed along with it, a practical plan will be created, following with suggestions.

The research subjects have already been discussed with PR unit and local PR agencies. And the writer has been introduced to the whole PR united team at conference calls. Research information has been informed to the others, and everyone was willing for the research to be taken place.

The writer utilizes different research methods to map to accomplish the study step by step gradually. The methods are exploratory research, descriptive studies, and causal studies.

The first stage of study is exploratory research, which carries two purposes by utilizing small scale research: one is to define the exact nature of the problem and the other is to gain a better understanding of the environment within which the situation in question has occurred. The writer achieved this stage by studying existed studies within industry and the company and case studies, conducting small-scale survey and interviews, along with personal observation. The goals are to find sub-questions, to determine job responsibilities, and to decide target group of the survey and research.

The second stage of study is descriptive studies, which brings the answers of who, what, where, and how: who involves into the study and who is the target group, what are going to be done, where it is taken place, and how it is going to be taken place.

Survey is conducted by the writer, accompanying with surveys conducted by PR unit of the company; interviews are held with key personnel, and writer's personal observation research as well. The main question which is asked at first place is going to be answered.

The third stage of study is casual studies, which tells the readers how one variable affects another and their relations in between. When the study moves forward till this stage, all the necessary statistics and information have been collected. The writer is going to assemble those fragments to one piece. The writer aims to examine whether one variable causes another and to determine the value of another value.

#### 4.3 Research ethics

This study is based on theories, which consist of published sources. They are named in this report properly, using the source references. The sources are also construed and used in the way the writer in the original source has considered the question. The knowledge concerning the company is based on to the information on the homepages and its local PR co-sourcing agencies, the case company intranet, interviews, previous survey, survey created based on the research objectives, and the satisfaction survey of the case company.

The writer had access to intranet of the company, and had been empowered to most of the data and information. The case company gave fully trust and cooperation on the writer and the work.

The writer was introduced to several local PR agencies when participated in a conference call. The local agencies showed positive attitudes and were willing to give full cooperation on that. Later, on the other PR conference calls, the introduction of the writer and the work were part of the content of the PR monthly call.

The participants answered with the names of agencies they work in but not asked to reveal names of participants. The results of the survey as well as the interviews are only used for this study. The results were analyzed as wholeness and no answers of the questionnaire can be identified in this research. The survey answers are going to be presented anonymously and with confidence in writer's final thesis for Laurea University of Applied Sciences. And the case company will get a copy of the thesis when it is done.

## 5. Description and interpretation of surveys results

### 5.1 Background of the surveys

To identify the present environment on PR co-sourcing communication in relation to the case company and local co-sourcing PR agencies, to specify the types and channels utilized by the PR agencies in communicating with general international clients and the case company in particular, and to explore possibilities in sharing the best practices of PR co-sourcing, two surveys were conducted; the communication survey was done by the writer, accompanying with the satisfaction survey carried out by the global PR team in July.

The communication situation survey was conducted by the writer released on the Internet, 14 people were invited to answer the survey, and 12 of 14 receivers filled in the questionnaire. All the replies came from local co-sourcing PR agencies. Those two people who were absent in participating on the survey because they were on vacation when the survey was released. A High percentage of answering showed that local PR agencies considered that quality of communication issues affecting their quality of services. The other survey was conducted by the global PR team, which was released online to 30 people. 24 out of 30 people, half were from local co-sourcing PR agencies and half were from the company's country teams, responded the survey. This made the answering percentage reached at 80%.

### 5.2 Background variables

It was beneficial for the company and the writer to know which of those local PR agencies had answered the questionnaire or it was only some agencies who were interested in the communication matters. The result indicated that at least one respondent from each agency had answered the questionnaire, which made the validity and reliability of the survey high.

The comparisons the writer did were based on the same sample of statistics and they were comparable.

### 5.3 The survey

The communication survey was the key approach conducted in the study, which consisted of 14 questions. Q1 to Q6 firstly looked through general information related to the agency that the respondent belonged to. Q7 and Q8 asked their experience and expectations on extranet. After that Q9 to Q11 asked satisfaction among local PR agencies, including the functionality of the communication, the quality of monthly PR update and possible improvement. And Q12 revealed that the case company wanted to figure out if there was possibility to share various best practices with local PR agencies and their clients. Then, Q13 gave two optional questions based their

answers. Last but not least, Q14 asked respondents to give comments on the case company's co-resourcing communication.

The satisfaction survey contained 18 questions, concerning evaluation of the global PR team, global campaign, monthly PR update, and PR calls.

#### 5.4 Evaluation of the results

##### 5.4.1 PR agencies

According to the data in the study, the company had less than 3-year relationships with most of the local PR agencies. Only 3 respondents declared that their agencies had a business relationship with the company for 4-5 years.

The local co-sourcing agencies stated that the company was not the only international client they had and their clients located in different countries and continents, running business in various industries.

##### 5.4.2 Communication channels

Afterward the result of the survey discussed the communication channels that the agencies utilized when communicated with their international clients. Conference calls were referred by all the replies. Individual phone calls and regular emails were mentioned by over 90% of the respondents. Majority of the agencies used face to face meetings to communicate with their international clients; however, it was not used in communicating with the case company's global PR team. Video conferencing, instant online communications, and update letters were utilized by some agencies when they worked with their international clients. The chart is stated below as Figure 4.

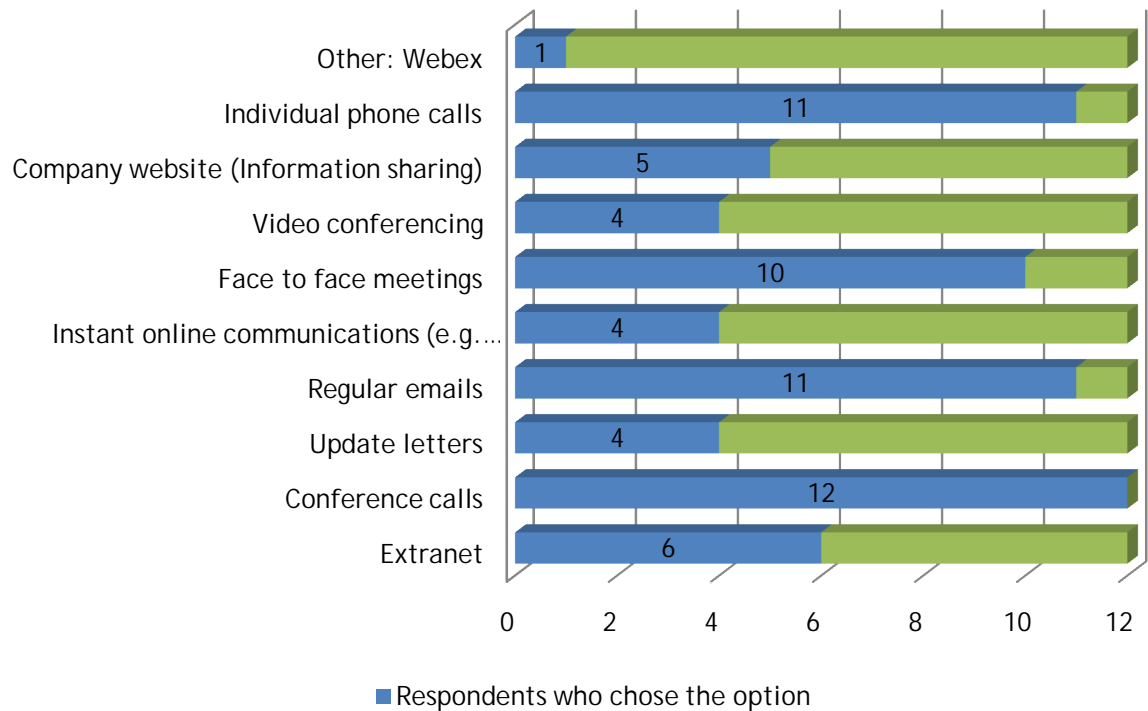


Figure 4 Communication channels between agencies and international clients

Comparing with the mentioned satisfaction survey, 67% of respondents considered the PR (conference) calls as helpful in their work while the rest of them thought it was reasonable but not necessary sometimes. 71% of all stated that the present pace, once a month, was totally fine; 25% respondents thought the pace was too frequent for now; and 4% of people required more calls when possible.

When respondents were asked if they read monthly PR update, half of them said that they read the update every time partially, one third of total respondents read from start to end every time, and 17% of them read every now and then.

Approximately four-fifths of the respondents found the update letter was 'very useful' in their work and the current monthly pace of publication was appropriate.

#### 5.4.3 Extranet

When asked about the content of extranet that international clients built for the agencies, press image bank, country specific pages, press coverage bank, updated figures and data, and case



studies were chosen by 6, 5, 4, 3, and 3 people respectively, which are stated in Figure 5. Discussion forum was mentioned by one person; nevertheless, regardless to the survey done by the global PR team in 2008, an extranet was expected by more than half of the respondents who worked with the global PR team. There was one agency which had extranet for their clients, which was referred in the survey.

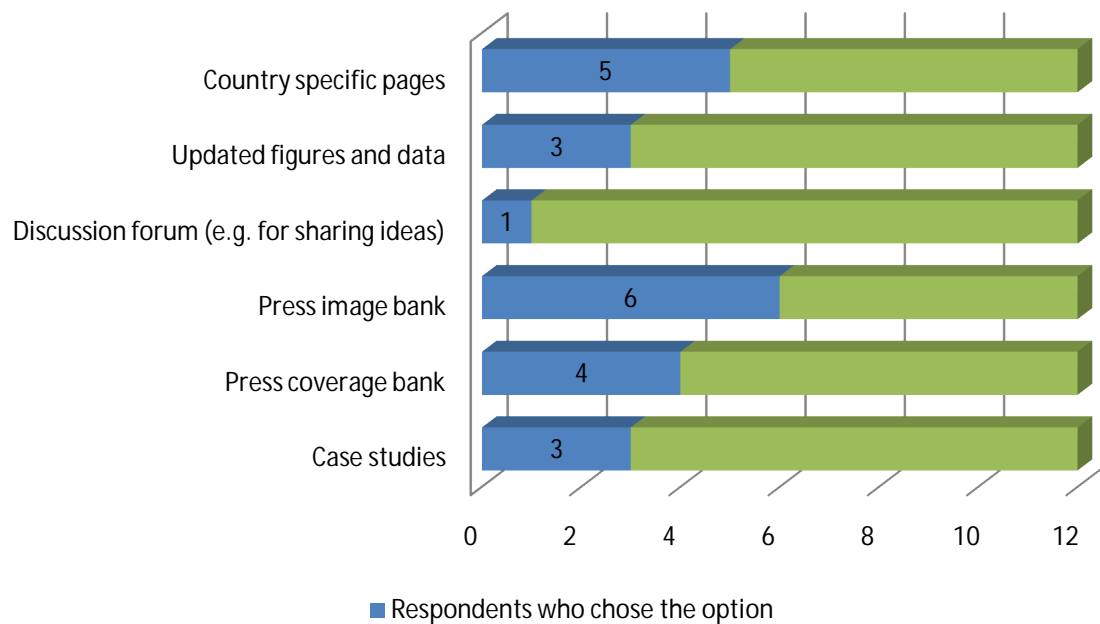


Figure 5 Content of extranet that clients build for PR agencies

Those local PR agencies required an extranet for communication use due to the fact that they had long-distant communications by using telecommunications most of the time. Therefore, they were eager to have a platform to have further communications with the company. Regardless to the needs, the writer asked expectations for the case company's extranet, and the survey data is demonstrated in Figure 6.

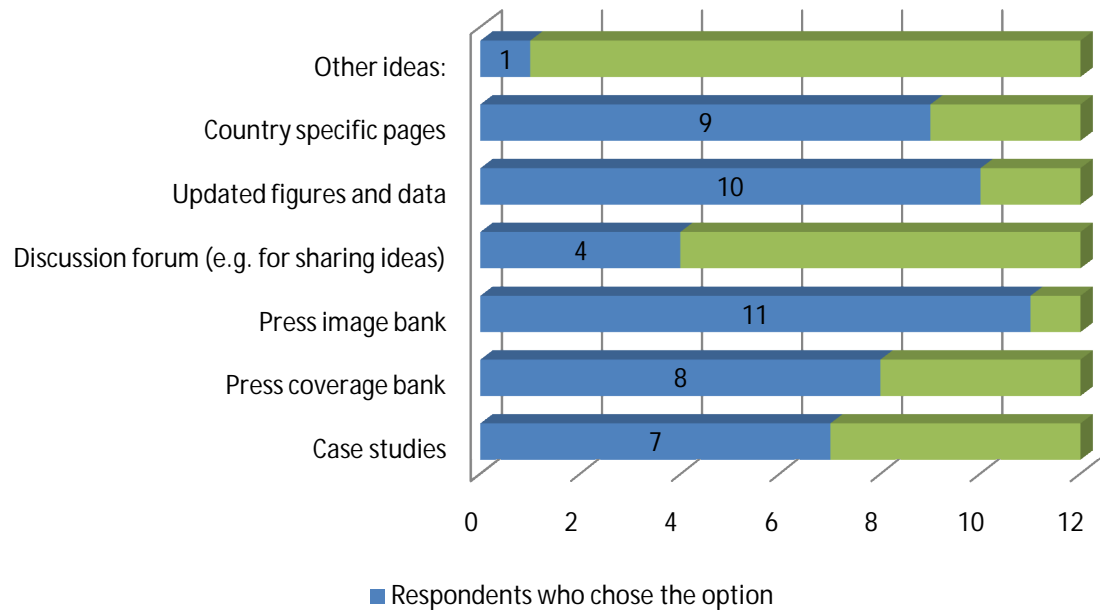


Figure 6 Expected content of the company's extranet

#### 5.4.4 PR update letter

The overall grade the local teams and co-sourcing PR agencies gave to the monthly update is stated. 25% of the respondents graded the update as excellent, following by 58% of the respondents gave 3 as the second best, and rest of them gave 2. On the other hand, over 91% of the respondents indicated that the current pace of publication was suitable, while around 8% of respondents needed more frequency of publication.

The most useful information in agencies' opinions was 'Figures and data for communication', which contained the current figures used in communication including monthly unique browsers, total registered characters, etc. Head office update contains information about campaigns, lately research, and products and services, was treated as the second useful information. Updated boilerplates was considered as the least useful information compared with other options in this question, nevertheless, it still scored over 9 out of 10. Data is stated in Figure 7.

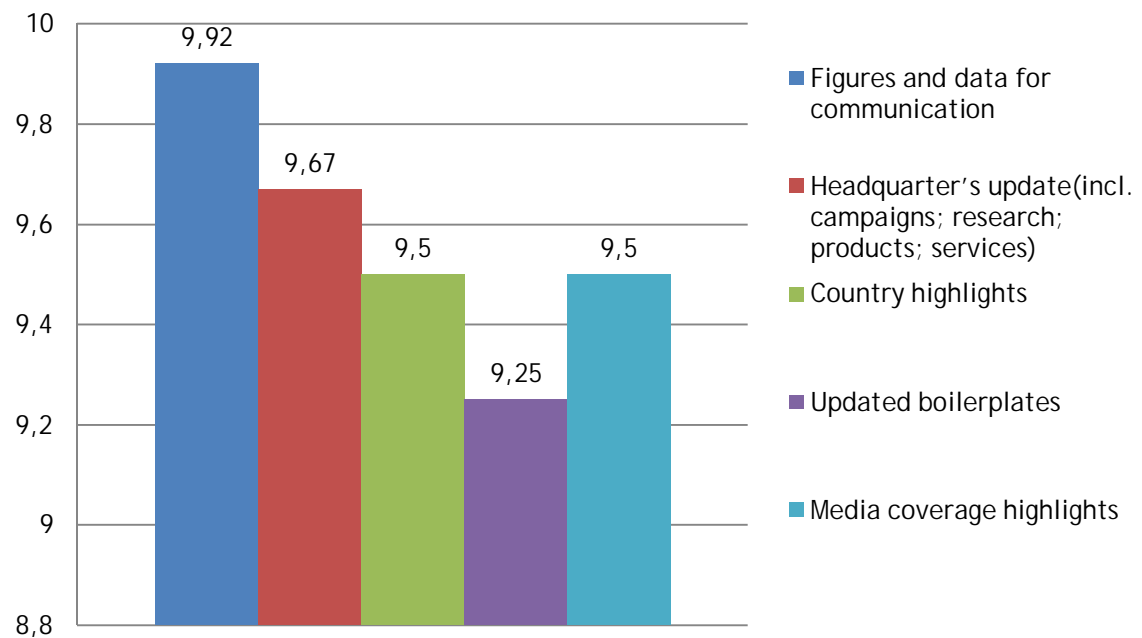


Figure 7 Evaluation of information of PR update letter

#### 5.4.5 Functionality

Figure 8 is about the functionality of communication among the company, its local teams and co-sourcing PR agencies. The respondents gave the general grade to each aspect of communication. Mutual communications between the global PR team and the local PR agencies received relatively high grade, the average given grade was 9,92 out of 10. The local PR agencies gave 9,83, which showed that they were satisfied with the current situations of working with the local teams. The functionality between (among) local PR agencies did not get as high grade as other functionalities in the questionnaire.

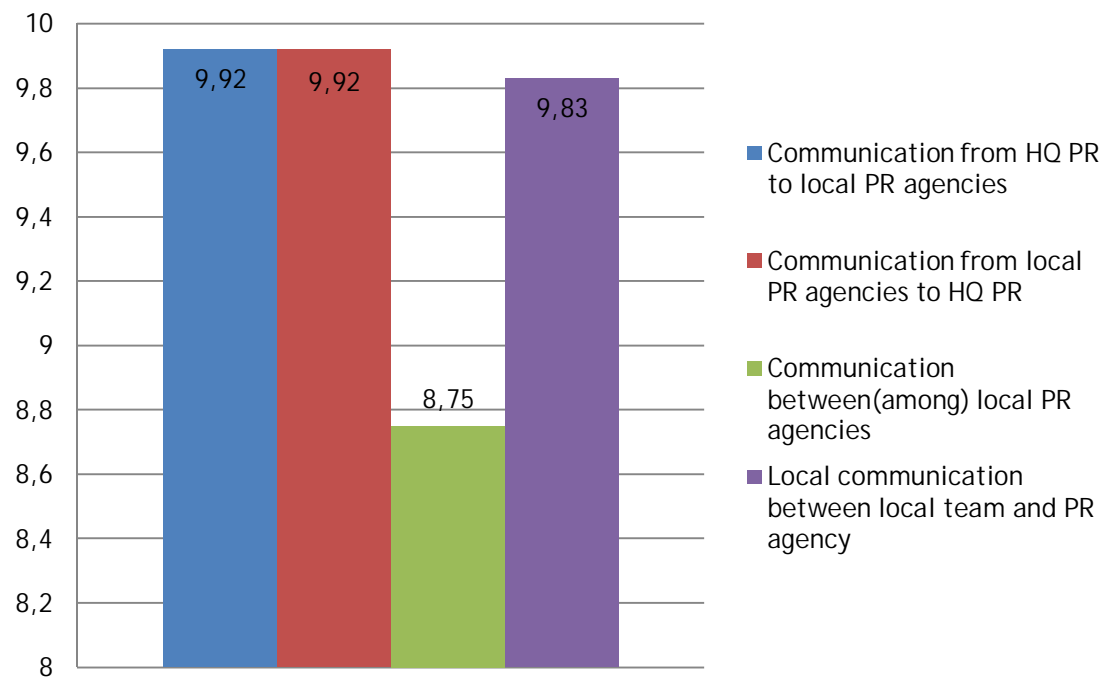


Figure 8 Functioning of communication

#### 5.4.6 Cooperation initiatives

When asked the agencies if they had initiated cooperation between the case company and their other clients, slightly over 50% of the respondents gave positive answers. The result is stated as pie chart in Figure 9.

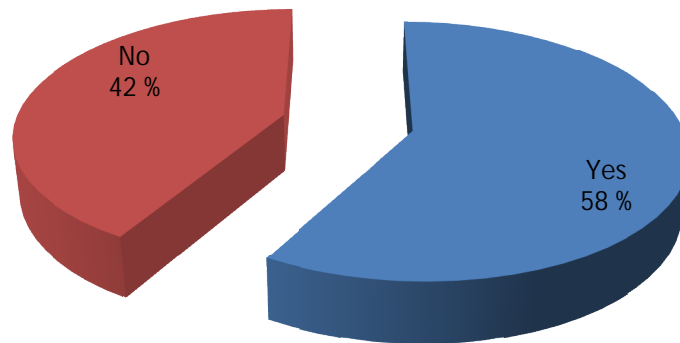


Figure 9 Cooperation initiatives

Consequently, respondents were led to different questions based on the answer of the last one. If the answer was yes, they were asked the type of cooperation they had initiated for the case company. If the answer was no, they were asked the reasons why their choices were negative.

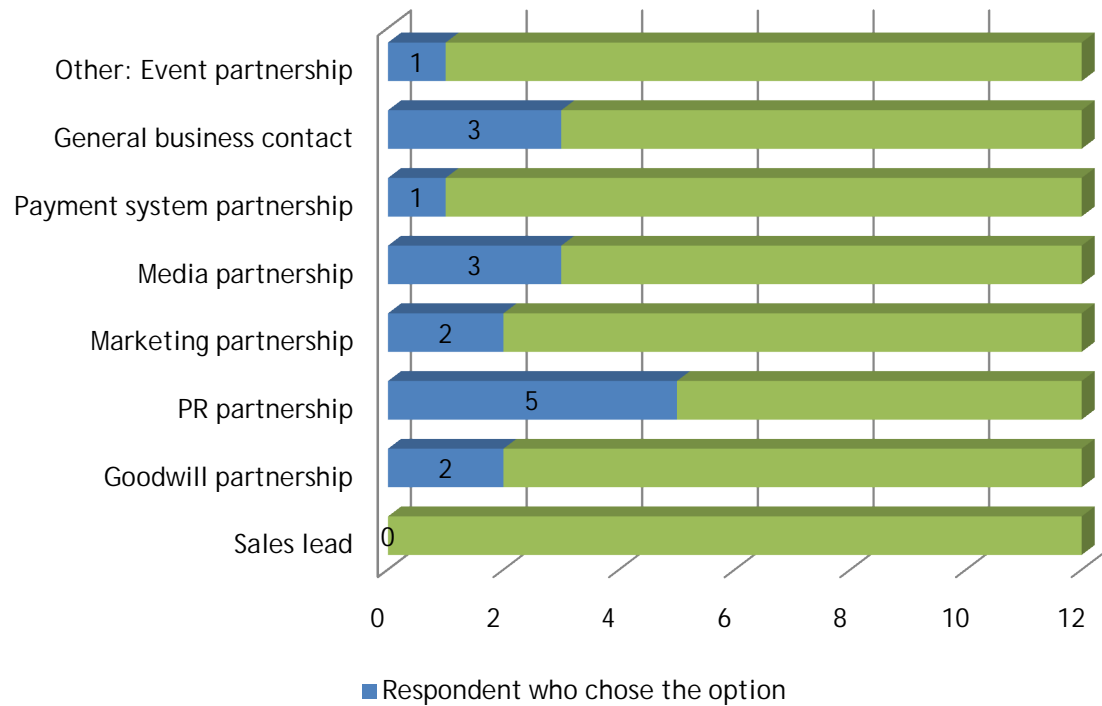


Figure 10 If the answer is yes, then the type of cooperation

Five people declared that they had initiated PR partnership for the case company with other clients and the data is shown above in Figure 10; sales leads were not initiated at all yet; general business contact, media partnership, marketing and goodwill partnership, and event partnership were mentioned by the local PR agencies in the questionnaire.

In open-ended questions, the respondents were asked if there were any specific reasons why they hadn't initiated cooperation and if they had clients that could benefit from cooperating with the case company. One respondent said that consider its collaboration relationship with the company was not long enough, they would like to dedicate their work on PR activities basically at first place. But they were willing to initiate if the business objectives were the same. Another respondent gave positive answer as well, saying that there was possibility to have interesting cooperation in the near future. On the other hand, some respondent said that they were not allowed to initiate contact between clients under contract; however, they could invite them to networking events, and introduced them to each other.

#### 5.4.7 About the global PR team

When asked to give an overall grade to the global PR team, over 80% of respondents gave either excellent or grade 3, as it is shown in Figure 11.

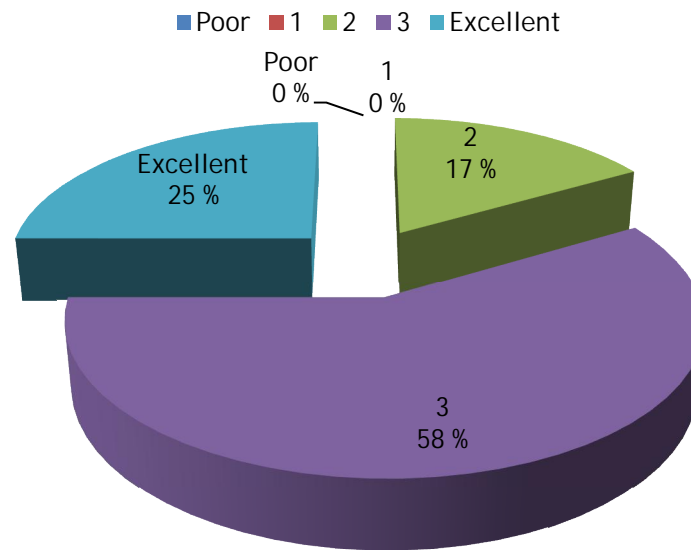


Figure 11 Overall grades to the global PR team

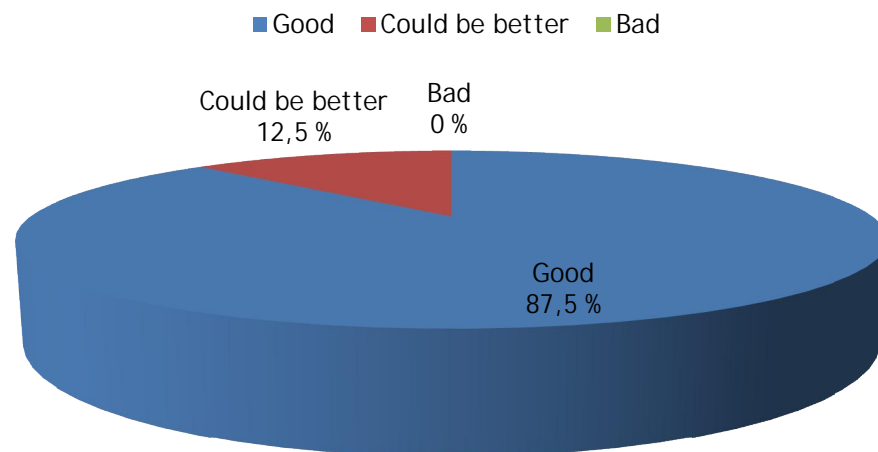


Figure 12 Service provided by the global PR team

Figure 12 shows that the service provided by the global PR team was satisfied by 87,5% of all, while 12,5% of the respondents thought it could be better. When looking into the detail in Figure 13, it is found that the agencies gave 9 to attitude and responsibility of the service and advice provided by the global PR team, which means they considered these two aspects satisfied. Day-to-day support, PR know-how and strategic consultation obtained less than 8 out of 10, meaning that improvement should be made. These were the aspects that made 12,5% of people gave the option.



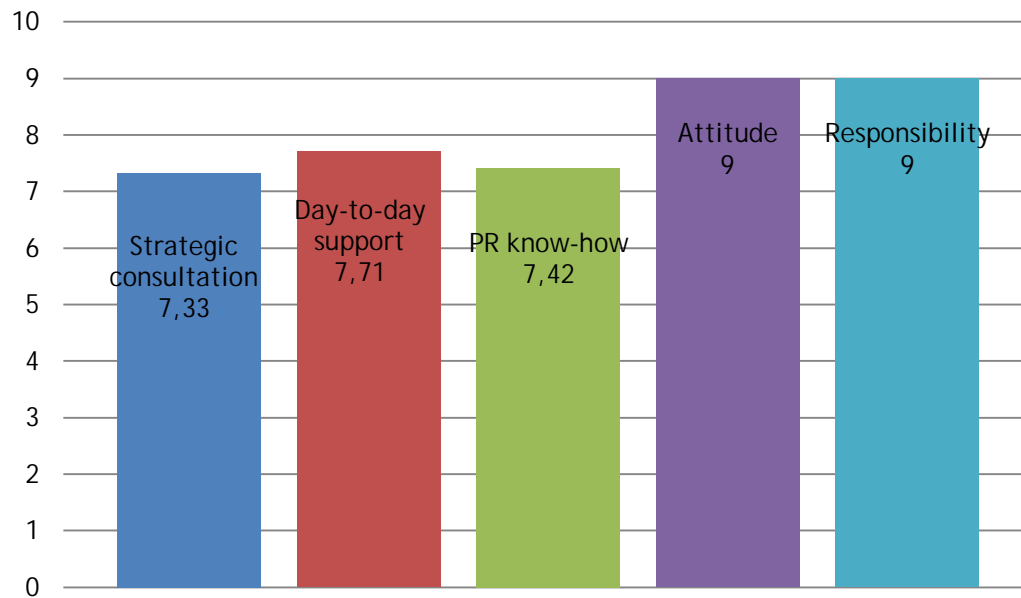


Figure 13 The quality of the service and advice provided by global PR team

#### 5.4.8 Global campaign

Questionnaire about global campaigns was included in the satisfaction survey this year. It asked the quantity and quality of the campaigns, and improvements that could be done.

As part of work, the global PR team and its local co-sourcing PR agencies participated in the whole process of the campaign, including idea generating and publishing. Therefore, it was crucial to acquire opinions from local teams and PR agencies.

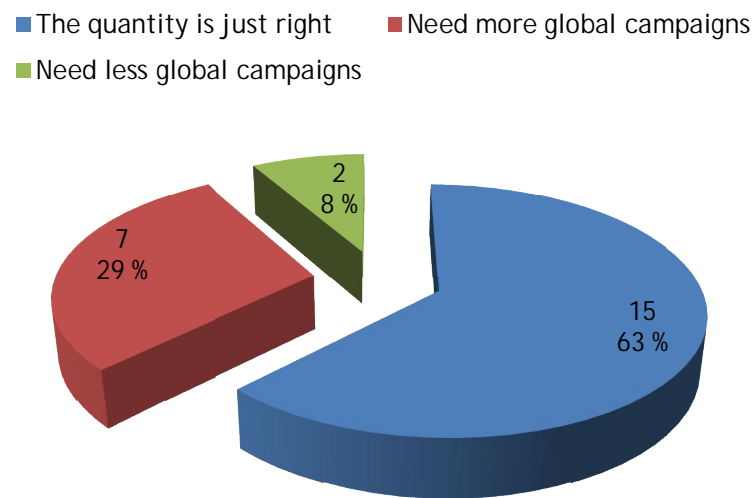


Figure 14 Quantity of global campaigns

According to the survey data stated in Figure 14, over half of respondents thought that the quantity of global campaign was adequate, while around 30% of respondents considering more global campaigns were needed; only 2 out of 24 respondents thought there were too many campaigns for now.

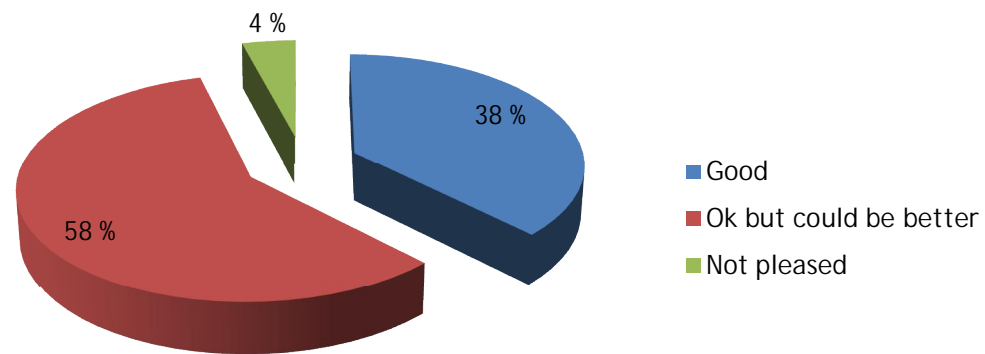


Figure 15 Quality of the global campaigns

However, when the questionnaire asked the quality of the global campaigns, the result is concluded in Figure 15 that 14 respondents felt it was satisfied but could be done better and 9 respondents chose 'good'.

## 6. Conclusions

The study demonstrates that the communication flow between the case company and local PR agencies runs relatively smoothly as the communication system has been created for couple of years and local PR agencies are generally satisfied with their relationships. With the development of business, certain communication channels are demanding from time to time, messages of mutual communication is not balanced, and communication platform, which creates a united communication system and coordinates communication flow is lacking.

### 6.1 Communication channels

Communications between the case company and its local PR agencies taken place via telecommunication mostly, such as regular emails, update letters, and conference calls. Conference calls are considered as helpful and the pace of calling is suitable; monthly PR update via emails is useful and pace of publication is appropriate. The writer suggests the case company should have other communication channels differentiated from current ones when needed.

The choice of communication channel greatly affects whether a message will reach the desired target group. It is important to understand what communication media the target group is mostly likely to use. The choice of channel also concerns how quickly and efficiently a message will reach the target group.

#### 6.1.1 Extranet

From Figure 5 and Figure 6, the writer observes, despite the option of 'other ideas', the two structures of stacked bar charts are similar, which means that the needs and offers are approximately match. However, it is seen that there are slightly differentiations between some same options in two questions. The agencies want more updated figures and data than their clients expect. Discussion forum is chosen by the least people. Therefore, we get the results overall that the PR agencies want update information and material more than sharing ideas on extranet. And then if readers look through the open-ended questions, readers will see that agencies prefer to generate and share ideas via conference calls.

#### 6.1.2 PR update letter

The writer analyzes general evaluation of PR update letter from the satisfaction survey and goes further in the communication survey. Updated boilerplates get the lowest grade among total options from the communication survey. The writer checked the open-ended questions in order to find answers, and it comes out that the agencies always read through the update and find out that there is no change about the boilerplates. They hope the situation can be improved. Howev-

er, 'updated boilerplates' still gets 9,25 out of 10. It is seen that locals think it is essential as well, only less important than update information and materials.

## 6.2 Functionality

The survey result tells that the communication between (among) local PR agencies get relatively low grade, which shows potentials to be improved. It reminds the writer that there is one comment from the respondent that they would like to know what other countries are doing from time to time. Therefore, the writer thinks that an extranet could be a way to improve the functioning.

## 6.3 About the global PR team

Generally speaking, the locals include the local co-sourcing PR agencies and the company's country teams. Based on the grades they give, it shows their satisfaction on the global PR team; however, when divide services into several aspects, some aspects are given relatively lower grade, which is unexpected. There is need to find out the reason why and to figure out solutions for that, which will be illustrated later.

## 6.4 Global campaigns

Global campaigns play an essential role in this case, which is treated as not only marketing but also PR activities. The local co-sourcing PR agencies are required for more qualified media coverage, which makes them start asking for more materials for PR and want to involve into whole process of activities to achieve PR goals.

All the other details of improvements based on the research and conclusions will be illustrated in the next chapter precisely.

## 7. Development ideas and suggestions

All the material the writer gets from the case company strengthens the impression that there is a lot of information available but barriers exist within the communication flow. With the introduction of the new communication suggestions, certain gaps can be overcome, and efficiency will be improved.

Generally speaking, the writer suggests that there should be someone who helps to run the system, acting as a coordinator to operate matters. As a result, all the messages and information will be up to date, easy to find and be consistent.

### 7.1 Global campaigns

#### 7.1.1 Make the brand a subject to media and boost brand identity

Global campaigns are among the best opportunities to make the product a subject to media. More campaigns bring more results to compare, and more attentions and highlights will be made. Furthermore, productive campaign earns media coverage.

#### 7.1.2 Target group

The limitation that concerns with the target group of global campaigns is that it focuses on teens mostly. The case company should consider if there is need to expand other target group when preparing for new campaigns. Previous marketing research shows that teenagers are able to affect consumer behaviors of parents, and the most visitors and users of the website and services are under parents' guidance, which generate opportunities for the case company.

On the other hand, try to have more information or availability to arrange interviews with business magazines. This will build image of professionalism, and spread messages to other possible target groups. Nevertheless, the news or campaigns shall be carefully selected.

#### 7.1.3 Campaign themes

Campaigns can be teens-concentrated, along with various impacts. Topics like social responsibility and poverty and so forth can be applied. The writer also suggests that campaigns could be more linked with trendy actuality than with the product campaign. From the research, it is seen that the themes of campaign make local agencies bring up quite many topics and opinions. Thus, it's better to invite local PR agencies to join campaign brain storming sessions. The more local experts join in, the better the results will be.

## 7.2 Localization

It is unavoidable that sometimes campaigns are not attractive and fit in all markets. Agencies should not be forced to conduct every campaign to their markets if it is not related, because agencies shall make emphasis on the most valuable leads.

The writer suggests that agencies do not need to valorize messages in local market every time when new campaigns come out. In another word, they do not need to be united in action all the time. According to the study the writer did, agencies have their own PR leads sometimes; hence it is reasonable to follow them in preference to follow up coming campaigns. They just need to inform the Global PR team, and the results are brought in front eventually.

## 7.3 Information sharing

Share information as much as possible before finalizing global campaigns. The first step of improving communication is to update essential information of global campaigns to these agencies as early as possible. It is done, in a way, to buy time for agencies to pitch to local markets, for example, long-lead media; in addition, to make agencies to bring various opinions.

## 7.4 Communication channel

In order to determine what kind of communication channels to use, the channels' media richness shall be considered. Media richness depends on the medium's ability to communicate a message, and using more than one informational sign as well as its ability to smooth the feedback process. The richest media (face to face communication) should be used when communicating important and urgent matters, while leaner media (unaddressed documents) should be used in routine communication.

On the other hand, individual factors of the target groups affect the efficiency of communication. Information is communicated for groups, however, it should be remembered that groups consist of individuals with personal understandings, needs and expectations. Understanding the uniting factors between the individuals in target groups makes it easier to determine what type of information should be distributed and how.

Conference call is considered as one of the best ways to get inspiration from. PR communication survey result shows that agencies prefer to share and discuss ideas in conference calls.

One of the means of improving communication amongst the case company and its local PR agencies is to organize a global kick-off with country managers and PR agencies in headquarters to know the product in its global structure to strengthen partnership and develop creative PR ideas.

Messages compete with other important postings. In order to avoid information overflow, emails shall be used to distribute collective information possibly, with links to extranet for those who want to find more about the news. These links could be gathered on regular basis such as once a month, and shall be clearly distinguished from other emails by its subject line.

Texts should be concise and start with the most important matters so that the core message can be understood in a few seconds. Visual elements shall be utilized with care, and used only when they create added value to readers. Those visual elements must be generated in such a way that they are comprehensible on their own.

### 7.5 Extranet

An extranet for the case company and local PR agencies is required for the following reasons.

Firstly of all, the case company is asked by local agencies to provide more newsworthy elements and more catchy concepts. Ideas get limited under certain conditions but if locals bring their own ideas to the company, the possibilities will be raised. By building an extranet between the case company and local PR agencies, it helps both parties to get what they need.

Secondly, it's better to look ahead and attach a PR timeline for update letter on extranet. Before doing PR, a PR timeline shall be attached in advance, informing agencies to get ready for upcoming event, and to avoid misunderstandings and mistakes.

Next, time is tight. Therefore, it does not provide enough time for those local PR agencies to follow up and send the information to weekly or monthly media. Agencies are eager for further information about campaign continuously but its arrival is considered to be too late. If agencies involve in generating and planning campaigns, they may acquire first hand information and keep them updated.

Last but not least, the agencies want more information about what other countries do. Extranet will be an excellent tool for them to share best practices. It helps to inform each country, and maybe have a breakdown of how the locals get the best results. More detailed information is needed by local journalists sometimes when concern to current activities. Extranet is utilized in this case. It goes that agencies send inquiry message to the Global PR team and the team reply the messages, and then upload it to extranet if that is helpful and required by some parties.

### 7.6 PR update

In this case, overall copywriting of PR update is more than usually long and not focused enough. Survey result shows agencies' opinions that overall quality of good PR stories sometimes is lack-



ing. Press releases often focus on too general stories and do not point to the real news. Thus, it is better to ask agencies on PR extranet what kind of PR stories and update that they are happy to see.

The writer was informed from local agencies that PR materials the agencies get from the case company consist of contradiction, which makes difficulties of doing their jobs. The writer suggests that any update should be renewed based on original documents, and renewed information shall be double checked before sending.

#### 7.7 Communication agreement

According to writer's own opinion, there are always different opinions amongst different parties. For instance, some people say there are always local angles for the stories while some others say that it is lacking local angles. Being confirmed by majority is enough.

#### 7.8 Communication planning

Communications always require good planning. A message needs to be logical and comprehensive, yet not too extensive. It is important to define the core idea of the message and build the message around that core. The idea shall be incorporated and produced a concise and a comprehensive message. In every situation, a well planned message is readable and usable.

#### 7.9 Team work

There is essential for all of related PR teams to organize their work and to improve strategies and guidelines, and also essential to promote a good team work and knowledge between everybody involved in products.

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## 10. Appendices

## Survey questions

**Communications between PR agencies & clients - survey**

Dear receiver,

This survey is being sent to the local PR agencies that [redacted] cooperates with. The questions handle the sharing of best practices within the [redacted] PR network. Answers are going to be presented anonymously and with confidence in my final thesis for Laurea University of Applied Sciences.

This study has been agreed on with Juhani L [redacted], and the company will get a copy of the thesis when it is done. The goal for the thesis is to chart the present communication channels/methods between international clients and its local PR agencies and the personnel's opinions on those, and thereafter to form a plan of action on how the communications between [redacted] and its local PR agencies could be improved. Please answer the questions before 30 June. If you have any questions or comments please email me at [ying.yin@\[redacted\].com](mailto:ying.yin@[redacted].com).

Thank you for your cooperation!

Best regards,

Ying Yin, Trainee in [redacted] HQ PR & Communications Team

**Next >**

8 %

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**Communications between PR agencies & clients - survey**

**PR agency you work for**

☐ A  
☐ E  
☐ E  
☐ i8  
☐ L  
☐ L  
☐ L  
☐ M  
☐ S  
☐ T  
☐ T

**How long has your agency worked with the [redacted] Global PR team?**

☐ Less than 1 year  
☐ 1-3 years  
☐ 4-5 years  
☐ Over 5 years

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17 %

## Communications between PR agencies & clients - survey

How many international clients (including ) do you have? If you are a multinational PR agency, please count your local office's clients only.

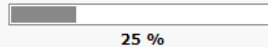
- ☐ 1-3  
☐ 4-7  
☐ >7  
☐ Only

In which countries do your international clients operate?

- ☐ UK  
☐ Asia Pacific  
☐ France  
☐ Italy  
☐ Germany  
☐ Spain  
☐ EMEA(European countries except those mentioned in the options, Middle East and Africa)  
☐ Benelux(Belgium, Netherlands; Luxembourg)  
☐ US  
☐ Canada  
☐ Latin America  
☐ Other, please specify:

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In which industries do your international clients operate?

- ☐ Enterprise computing  
☐ Telecommunications  
☐ Consumer technology  
☐ Digital media  
☐ Marketing technology  
☐ Clean technology  
☐ Healthcare technology  
☐ Social entrepreneurs and cause marketing  
☐ Consumer brands  
☐ Financial services  
☐ Wellness & Beauty  
☐ Gastronomy  
☐ Industrial  
☐ Advisory services  
☐ Consumer goods and services  
☐ Industry services  
☐ Healthcare & Biotechnologies  
☐ Public sector  
☐ Sports & Fitness  
☐ Media, Entertainment & Technology  
☐ Health & Lifestyle  
☐ Telecoms and networks  
☐ Food  
☐ Other, please specify:

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**Communications between PR agencies & clients - survey****Communication channels which are used between your agency and your international clients include:**

- ☐ Extranet
- ☐ Conference calls
- ☐ Update letters
- ☐ Regular emails
- ☐ Instant online communications (e.g. messenger, etc.)
- ☐ Face to face meetings
- ☐ Video conferencing
- ☐ Company website (Information sharing)
- ☐ Individual phone calls
- ☐ Other, please specify:

**If your client has an extranet built for you, what's included?**

- ☐ Case studies
- ☐ Press coverage bank
- ☐ Press image bank
- ☐ Discussion forum (e.g. for sharing ideas)
- ☐ Updated figures and data
- ☐ Country specific pages
- ☐ Other, please specify:

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42 %

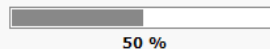
## Communications between PR agencies & clients - survey

If [redacted] would build an extranet for the local PR agencies, what would you expect from it?

- ☐ Case studies
- ☐ Press coverage bank
- ☐ Press image bank
- ☐ Discussion forum (e.g. for sharing ideas)
- ☐ Updated figures and data
- ☐ Country specific pages
- ☐ Other ideas:

How well are the following functioning currently?

	Very well				Not well at all
Communication from HQ PR to local PR agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communication from local PR agencies to HQ PR	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Communication between(among) [redacted] local PR agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local communication between [redacted] team and PR agency	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

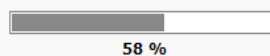
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## Communications between PR agencies & clients - survey

In the monthly PR update ([redacted] PR Blast), how useful are the following in your work?

	Very useful				Not useful at all
Figures and data for communication	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Headquarter's update(incl. campaigns; research; products; services)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Country highlights	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Updated boilerplates	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Media coverage highlights	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Is there something else you feel should be added to the monthly PR update?

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### Communications between PR agencies & clients - survey

Have you initiated cooperation between [redacted] and your other clients?

- ☐ Yes  
☐ No

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75 %

### Communications between PR agencies & clients - survey

What type of cooperation?

- ☐ Sales lead  
☐ Goodwill partnership  
☐ PR partnership  
☐ Marketing partnership  
☐ Media partnership  
☐ Payment system partnership  
☐ General business contact  
☐ Other, please specify:

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83 %

### Communications between PR agencies & clients - survey

Are there any specific reasons for this? Do you have clients that could benefit from cooperating with [redacted]?

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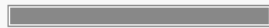
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92 %



## Communications between PR agencies & clients - survey

What do you think are the strengths and weaknesses in best practices sharing within the  PR network?

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99 %