

SPRINT



Study of Public Relations Insights,
Nuggets and Trends 2022-23



CONTENTS

About the Study	3
Executive Summary	4
Message from the President	6
Foreword	8
Chapter I	Industry 12
Chapter II	Growth 20
Chapter III	Trends 24
Chapter IV	Client Asks 36
Chapter V	Headwinds 40
Chapter VI	Talent 46
Chapter VII	Role of PRCAI 52

ABOUT THE STUDY



Public Relations Consultants Association of India (PRCAI), commissioned an annual study on the PR industry for the year 2022. The SPRINT 2022-23 result is a combination of primary and secondary data.

The research study provides a thorough understanding of the industry; documents the current state; explores trends; identifies opportunities and examines the challenges faced by the PR industry.

The study was carried out in two stages, covering 60 decision makers in Public Relations. The study

commenced with qualitative in-depth interviews with top leaders in corporate communications and consultancies. This was followed by a larger quantitative study to measure the extent of agreement with the insights and trends gathered in the qualitative stage.

The survey was conducted by Ipsos, a leading research agency and PRCAI, partnered with Astrum, India's first science-based specialist reputation advisory to generate insights from the survey.

Dezma de Melo
Research Lead, PRCAI

EXECUTIVE SUMMARY



Deeptie Sethi

CEO, PRCAI

SPRINT Builds Inspiration & Aspiration

Against the backdrop of a burgeoning Indian economy, the 2022-23 industry research report by PRCAI is reflective of both inspiration and aspiration of the Indian PR industry. This year's report presents an optimistic outlook for the PR industry and showcases how it continues to scale, innovate and make a positive impact on businesses and stakeholders alike. Having achieved double digit growth consistently, the Indian PR industry stood tall at Rs 2100 crore in FY 2022-23 with both established and emerging players continuously shaping business narratives.

What's In a Name?

This year, the ever-evolving trends of the PR industry not only drove us to take a fresh analytical

approach, but also nudged us to give the annual study a more formal name. And so we came up with SPRINT-The Study of Public Relations Insights, Nuggets and Trends, which paints a picture of the changing PR landscape. For the first-time ever, at PRCAI, we are excited to present a well thought out SPRINT handbook, that will put diverse perspectives and data points by experts in the spotlight. But more importantly, it will be a point of reference for communicators, PR professionals, consultancies, academicians and clients to keep abreast of industry trends and key developments.

Growth With Optimism

Indicating that there is room for multi-sized players, the study also reveals how giant, large, mid-sized, emerging and micro consulting firms can successfully co-exist and thrive. Despite the pandemic-induced slowdown, PR firms exuded confidence, having achieved 13% growth in FY22, with mid-sized players clocking a 19.5% growth rate-the highest among all segments. Evidently, even as revenues grow, there is optimism that profit margins will grow as well. The significant cost to business is talent and profit margins that will depend on how this is managed in a dynamic, yet cautious economic sentiment. With the private sector, startup economy and unicorns fueling growth, the C-suite is increasingly recognizing PR as driving function, rather than just an enabler. This shift is evident by the fact that 72% of clients expect consultancies to play a strategic role. CEOs taking corporate reputation seriously is a new record of sorts. Consider this, eight out of ten CEOs

are involved in strategic planning, while six out of ten CEOs/CFOs require measurement metrics to sign off budgets.

The study revealed that in the last 4 years, the PR share of annual marketing budgets of clients grew from 10% to 17%. The role of technology in PR is widening and deepening with the integration of PR and digital, and automation of certain PR processes will bring in more efficiency. Undoubtedly, our salience is powerful and growing.

The Headwinds

Stay optimistic but cautious. SPRINT also indicates that our industry has its own set of challenges that could be barriers to its growth or reputation. We are living through an undisputable era of fake news and disinformation. Nine out of ten clients have had to deal with fake news and as strategic partnerships between consultancies and clients prosper, we have to look inwards to define ways around mitigating risk, rather than firefighting.

As we scale, demand for talent is increasing and more than attracting resources, retaining talent is the number one challenge faced by agency leaders. Likewise, talking of the talent pool, it's nomadic, job hopping in the short term could be a suicidal career choice, but those in the industry for the long haul will benefit greatly.

Interestingly, while our industry is recruiting at scale, the pool is not enough. Investing less than 1.5% of revenues in training is perhaps not adequate. Continuous investment in our people

will be a golden rule to retain and grow our human intellect. Preparing PR professionals for writing and upskilling to embrace new avenues in ESG, digital, crisis communications, internal communications and public policy will be the key.

Furthermore, it is time for the resurgence of new hunting grounds. Data reveals increased hiring of MBAs, journalists and 2 out of 5 sector-specialized recruitments to meet specialized needs in the PR industry, which will bring more diversity and specialization. While the demand for talent is a challenge for communication leaders, availability of jobs gives the industry an extremely positive outlook for PR professionals at different levels.

PRCAI Influencing PRogress

With the growing base of PRCAI members and the scale of our industry, our role at PRCAI has become more crucial than ever before. We are committed to boost best practices and build a holistic culture that will go a long way in unifying our industry as one. At the same time, we will continue to celebrate great work; lead inspiring new age conversations; train to upskill and weave the PR industry together to remain a close-knit community.

As per the SPRINT study, there is plenty to rejoice given the growing value of PR. However, we need to introspect on the challenges and find ways to overcome them. Though the good news is we have a strong story and our industry is under a positive spotlight. And it can only get better from here. ●

MESSAGE FROM THE PRESIDENT



**Atul
Sharma**

President, PRCAI

Do we have a bright future?

The SPRINT 2022 (The Study of Public Relations Trends, Insights and Nuggets) is a study of the State of Public Relations industry that brings together perspectives from varied stakeholders and tries to answer questions. And I am happy to share that as we prepare for phenomenal growth in the coming years, the study aims to serve as a touchpoint for Public Relations consultants, corporate communication teams, brands, corporates, comms

aspirants and even the media fraternity. As the report states, there are three major factors that determine the future of our industry—Trust, Technology and Talent.

Trust

As Public Relations finds its influence beyond earned media into the realm of paid, owned and shared mediums, the onus is on PR practitioners to build narratives for brands with honesty and transparency that will determine whether audiences trust the story as they do when they read stories on earned mediums. Trust has always been our currency and it isn't a coincidence that one of the key findings of the report is the evolution of the PR industry into a strategic function that has earned the CEO's trust. I do agree that the industry revenues haven't grown phenomenally in the past few decades, but I am pretty optimistic about the future as we see a strong surge in both the quality of work and revenues across the spectrum post-pandemic. My guess is that the best is yet to come.

Technology

The other factor that is changing the scope of Public Relations is the ever-expanding role of technology. Web 1.0 gave greater access to information beyond traditional media to digital media. With the advent of Web 2.0 i.e. social media, the ambit

of Public Relations further widened with PR professionals engaging with a larger audience and building relationships with influencers and thought leaders in the digital space. The role of PR today has metamorphosed into strategic consulting that guides clients to make the right decisions when it comes to communicating with their core target group, weeding out fake news and false information. This trend has been reaffirmed in the report with 7 out of 10 respondents stating that the role of technology is widening and deepening with the adoption of AI and big data as PR teams leverage these new-age technologies to devise PR strategies for their organizations.

Talent

However, while the report does give us an optimistic outlook for the sector, it also talks about the challenges that the industry faces. With AI, machine learning, and other such emerging technologies helping brands identify the right trends, the need for specialized PR services such as public advocacy, legal expertise, environmental

and social governance (ESG), has gone up. And this is where the big question comes up—whilst we automate the industry, our dependence on people isn't going away. We need more and better talent with the report concluding that the average attrition rate in the industry is a whopping 20%—way higher than the global standards. There is also a significant under-investment in talent development, a meager 1.5% of revenues of PR firms, despite growing demand for niche services. The industry has been marred with lower remunerations, fewer upskilling opportunities, and a lopsided work-life balance. With the pandemic hitting us hard, each one of us is evaluating our life choices including our careers. So not only do we need to engage our talent better, but also need to make this profession aspirational for the future generation.

The SPRINT 2022 is a stark reminder for all that if we as an industry, play to our strengths focusing on the three 'T's—Trust, technology, and talent, we will take a quantum jump in the value that we offer to the clients and our employees, building a bright future for our industry. ●

FOREWORD



**Arun
Sudhaman**

CEO and
Editor-in-Chief
PRvoke Media

This is a pivotal moment for India's public relations sector and that is made clear by PRCAI's 2022-23 SPRINT study, which paints a compelling portrait of an industry that is on the cusp of a significant, and vital, transformation.

Many of the trends uncovered in the research mirror the global shifts that have made corporate communicators more valuable in the C-suite, and PR firms less dispensable as trusted advisors. Which makes intuitive sense, as India not just becomes increasingly integrated into the global economy, but even begins to play a leading role across sectors, including fintech, aviation, infrastructure and social impact.

For example, eight out of 10 respondents reported that the client leadership teams are involved in public relations planning and strategy, while 80% of corporate communications heads report to the CEOs. Both findings reflect the inexorable upstream trajectory of the PR profession, while other results demonstrate how PR counsel is now sought for a broader range of areas. This includes disinformation, paid media, digital/social, content management—making the industry far less reliant on commoditised media relations than it once was.

At the same time, the 'pandemic dividend' perhaps helps to explain why crisis handling, public affairs/advocacy and internal communication are deemed the top three services, in line with global trends during the Covid-19 era. 72% of respondents state that consultancies are expected to play a more strategic role, with similar proportions reporting an increase in integration of digital and traditional PR, along with more adoption of technology and automation.

But, as you might expect, some of the findings are uniquely Indian and deserve specific attention in that regard. The rise of regional PR spend (from 15% of consultancy PR budgets three years ago to 25% three years hence) is one such trend, revealing how India's tier two and three cities are fuelling growth and requiring far more localised content strategies.

Another finding that bucks global trends is

the share of annual marketing budgets that is attributed to PR, which has long remained static in other major markets around the world. In India, that has expanded from 10% in 2018 to 17% in 2022, an encouraging result that is reinforced not just by a growing private sector, but by a booming tech sector that features a strong wave of startups and unicorns, along with world-leading innovation in ecommerce and fintech.

All of these trends help to explain why three out of four of the country's PR firms expect 10%+ growth in the 2022 fiscal year, but there is no doubt that several pressing challenges must be addressed too.

Thankfully, this year's SPRINT study reveals that one of the sector's longstanding bugbears is finally being tackled in a meaningful manner. 95% of respondents measure their PR efforts, with 80% reporting that measurement metrics are finalized at the beginning of the campaign. Even more importantly, three out of five respondents agree that PR measurement and evaluation is shifting from AVE to other metrics; a long-overdue development that can only support the industry's overall value.

It will surprise few observers to find that talent remains the most pressing challenge facing India's PR industry, particularly when it ranks as the most important factor for clients (86%). The SPRINT findings offer considerable insight into this

quandary, detailing not only a compensation and capability mismatch, but also a shortage of skill sets for emerging areas and specialist needs like public policy and ESG.

An employee attrition rate of more than 20% is higher than the global average, and hampers the ability of PR firms to provide reliable counsel. One large consultancy head reports that employees are leaving the industry in droves, reflecting the manner in which the Covid-19 era has caused people to rethink their career decisions. It is up to PR industry employers to demonstrate that they can balance career aspirations with a better quality of life, perhaps even allowing for the reality that their best talent do not view PR careers as their primary calling in life.

A broader approach to talent would, no doubt, help too, with the SPRINT study finding that most staff are still recruited from masscomm and journalism institutes. As would greater investment in talent development, currently sitting at less than 1.5% of revenue, well below the average spend for high-performing consultancies in other countries.

The SPRINT research also concludes that India's PR market accounts for just 1% of the global industry figure. That is surely too low; tackling the challenges and grasping the opportunities uncovered in this report will help India take its rightful place as one of the world's defining 21st century public relations markets. ●

PERSPECTIVES



Ray Day

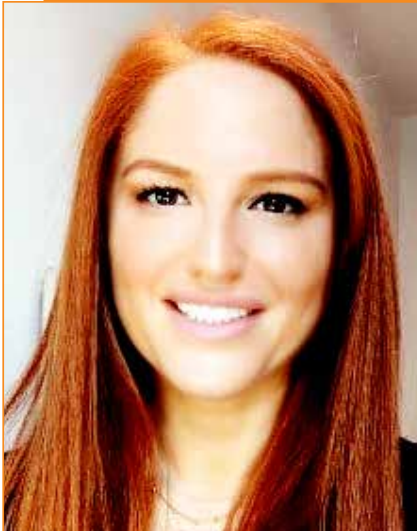
Vice Chair, Stagwell,
and National Board
Member, PRSA

It is so inspiring to see this fresh SPRINT research on the future of our great profession—and its expected growth, especially in India. As these data clearly show, the discussion about communications no longer is about “having a seat at the table.”

In my three decades in this profession, I never have seen higher demand for strong communications internally and externally. With that comes great responsibility and high expectations, however. This research underscores that our collective future as communications professionals will be about continuing to excel in our primary role as master storytellers while excelling at the entire communications ecosystem (paid, earned, social and owned) and constantly reinventing and reskilling ourselves to remain relevant and competitive.

Hats off to PRCAI for its leadership in showing us such a clear path forward!

PERSPECTIVES



Renna Markson

Deputy Director
General, PRCA

This report offers a compelling and uplifting assessment of modern communications practice. It tells a story of a vibrant and economically robust profession that is delivering outstanding value for businesses around the world. The findings of the research—backed up by our own studies—categorically prove that the reputation of PR amongst business leaders is at an all-time high. Every aspect of PR and communication—from employee engagement to crisis communications and consumer relations—is better understood and more highly valued than ever before. Moreover, the research spotlights the evolving nature of PR. We are embracing our role as trusted, strategic advisors and are perfectly placed to help businesses navigate the challenges that lie ahead.



INDUSTRY



India's **revenue share**
is 15% of Asia-Pacific
and 1% of global



Global PR

INR **160,000 crore**

(US\$ 20 billion)

US firms account
for over 50%
of the market

Asia-Pacific PR

INR **13,600 crore**

(US\$ 1.7 billion)

Share: Asia-Pacific
accounts for 8.5% of
global

Key markets: China,
India, Australia, Japan
and Russia

Emerging markets:
Indonesia, Philippines
and Vietnam

Indian PR

INR **2,100 crore**

(US\$ 260 million)

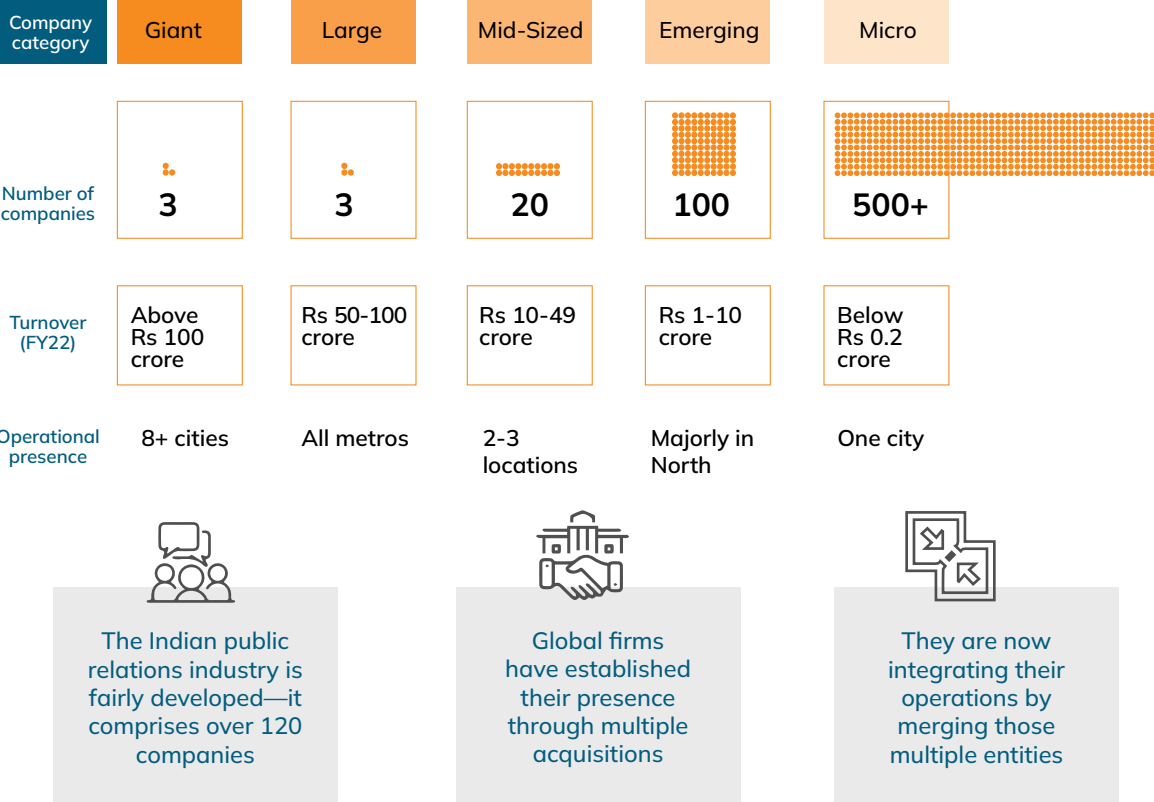
Share: India accounts for
15.4% of Asia-Pacific

Growth: 13% in 2022,
3% in 2021

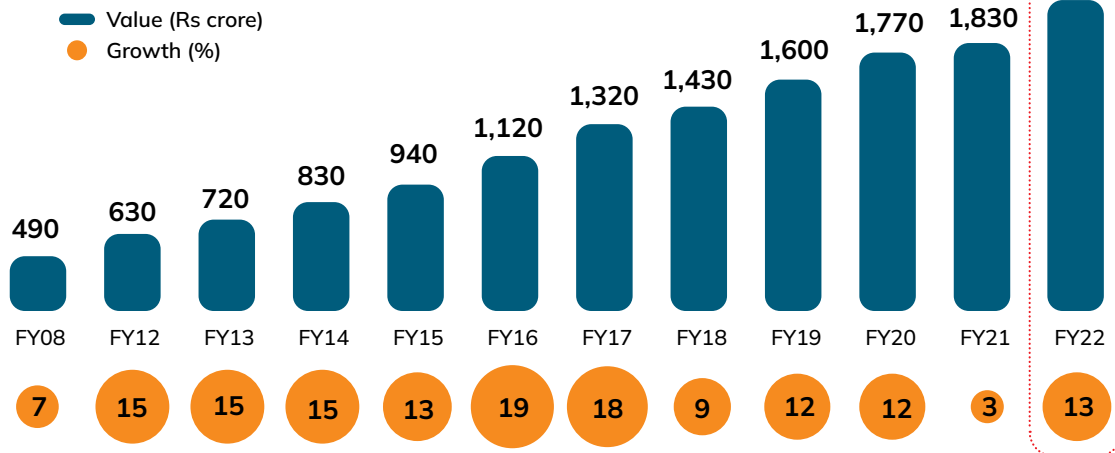
Key markets: North
and West

Emerging market: South

India is now **a developed market,**
with most global players active here



Industry delivering **double-digit growth** consistently



FY = Financial Year (April to March). Eg: FY 22 = April 2021 to March 2022

Insight

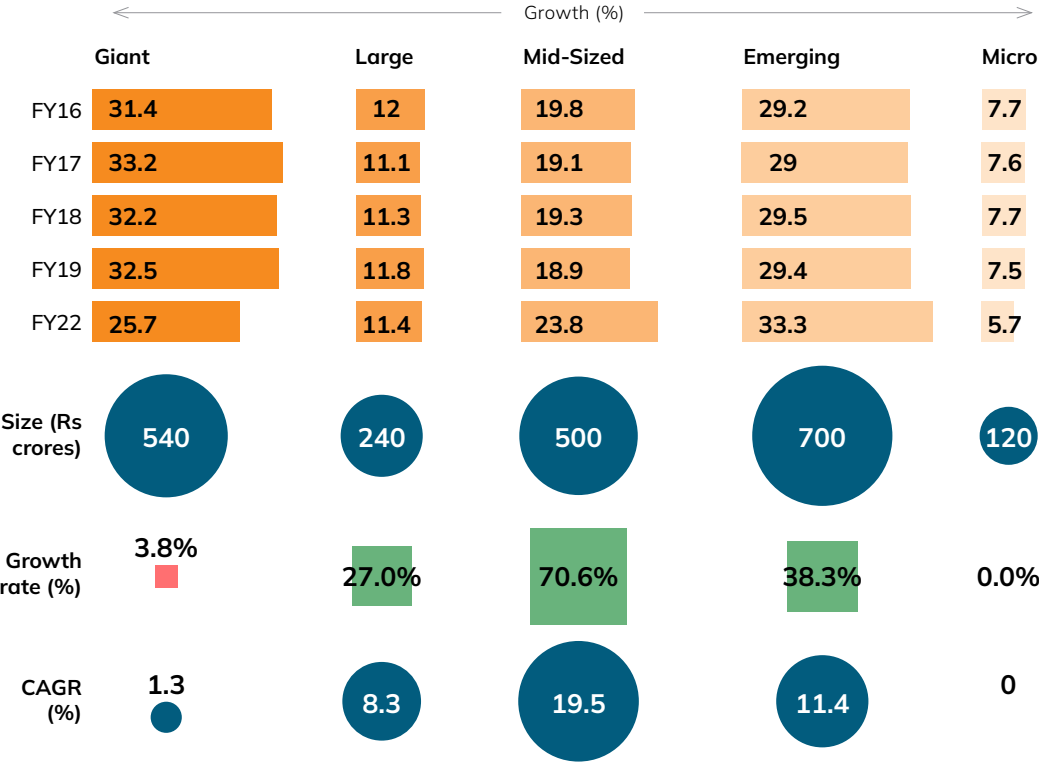


The pandemic-induced slowdown is behind them, and PR firms are on course to **revert to double-digit growth**.



The industry growth projection for FY22 is **13%, led by mid-sized players**, who expect to grow 19.5%.

Growth predominantly fueled by mid-sized players

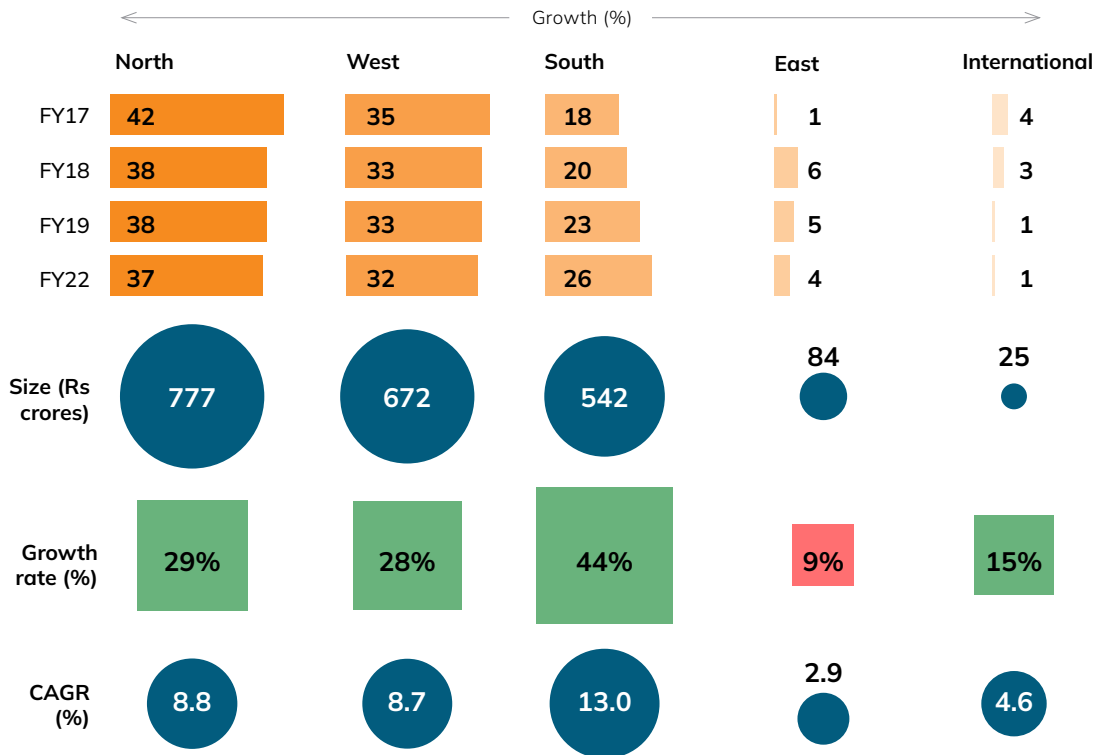


■ Growth lower than industry average

■ Growth higher than industry average

Three year **Growth rate** and **CAGR** (2019-2022)

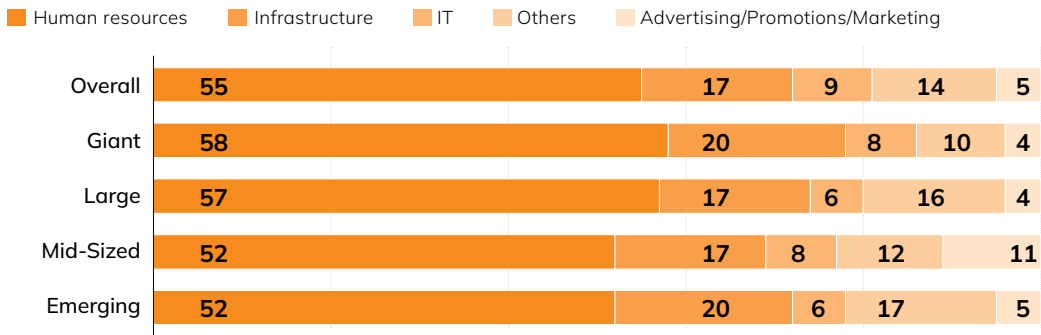
South is fastest-growing, **North** and **West** remain significant



Three year **Growth rate** and **CAGR** (2019-2022)

People continue to be the most-significant cost in business

COST BREAKUP FOR 2020-21 (%)



“ Talent is nomadic. Moves very fast and salary demands of younger PR professionals are in excess of their experience and ability. Sometimes people lack perspective and the right attitude.











Head, Large Consultancy













Most pockets of the industry are seeing **margins expand**

EBITDA MARGIN (%)

 Yes
  No
  Same

	FY19	FY20	FY21	Margin expansion	
				FY20	FY21
Overall	18.5	18.7	19.7		
Giant	31.0	30.1	32.4		
Large	16.4	12.7	10.0		
Mid-Sized	3.9	7.0	8.5		
Emerging	11.5	8.5	13.3		

NET MARGIN (%)

	FY19	FY20	FY21		
Overall	13	13	14		
Giant	21	21	24		
Large	12	9	7		
Mid-Sized	2	5	6		
Emerging	9	5	8		



II

A graphic design featuring the word "GROWTH" in large, bold, white capital letters. To the left of the text is a blue square containing two white vertical bars. Below the text is a thick orange horizontal line. In the bottom left corner, there is a black and white photograph of four hands pointing their index fingers towards the right. The background is a solid light gray.

GROWTH

Industry continues to be on a growth path

REVENUES AND MARGINS SET TO GROW



5/10

Report **higher operating margins** over last FY



7.5/10

Expect **revenue growth of over 10%** in FY22



2/10

Hope to **exceed 20% growth**



6/10

See **intense competition in retainership**, resulting in undercutting/price wars



Post COVID, in 2021-22, the top 25 agencies must have seen 25-50% growth. The top five were not growing at that pace.

Head,
Small Consultancy

The C-suite is seeking PR's counsel

PR HAS THE ATTENTION OF CEOs



8/10

Client leadership team is involved in PR plan and strategy meetings



8/10

Corp Comm reports to the CEO



6/10

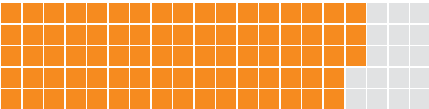
CFO's or CEO's require measurement objectives in signing off PR budgets

“

CEOs themselves brief the PR team. Unless the briefing team understands the story, they won't be able to deliver.

MNC Client

PRIVATE SECTOR CONTINUES TO DRIVE GROWTH



83%

Private sector's contribution to consultancy revenue

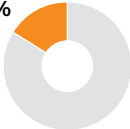
PR share of annual marketing budgets of clients sees an increase of 7 percentage points in 4 years

10%



2019

16%



2021

17%



2022

“

PR is no longer just an enabling function. I think it's a driving function. You expect the communicators to know what to drive, to discuss, to present and share best practices as well.

Life-science Client

Consultancies to play a more strategic role



Share of respondents (%)



72%

Clients expect consultancies to play a problem-solving role



69%

Budgets have increased but clients have become more value-conscious



Now clients come with a problem statement or a challenge and they want solutions.

Head, Large Consultancy



Why can't PR be like Deloitte? Once we get the right people, and a consulting mindset the money will flow in.

Automobile Client



We need to put the right talent in front of the client for them to pay us more.

Head, Medium Consultancy



TRENDS

1

Media Relations

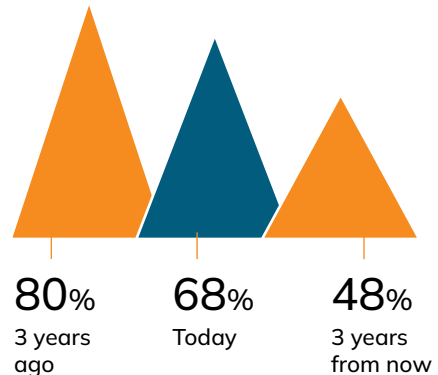
is losing revenue share,
but will remain significant



Today, the focus on digital is high. But print media is still very important for B2B businesses and for the government. They still read newspapers, for example, The Economic Times. If not the paper, then at least online at et.com.

MNC Client

Share of revenue
of PR Consultancies



Over 8/10 Clients

continue to outsource Media
Relations to PR Consultancies

2

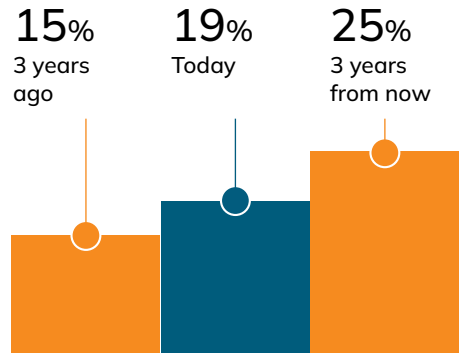
Regional markets will continue their upward march



National PR professionals are joining regional PR firms now because people have started realizing that this is going to be the game changer in the next decade. As budget starts shifting from national to regional, it will make everybody turn their heads towards regional, and eventually, we will see this gap narrowing down.

Mukesh Kharbanda
Managing Director, Fuzion PR Pvt. Ltd

Share in PR budgets of Consultancies



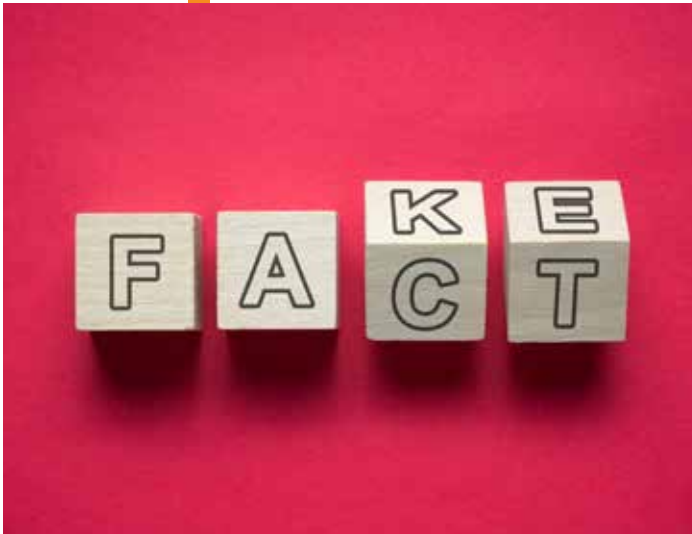
70
Clients'
National

— vs —

30
Regional
PR spends

3

Fake news is an uncomfortable truth to be dealt with



Today there is a deficit of trust.
The industry is not ready to deal
with fake news.

Automobile Client



9/10

Clients had to deal with **fake news** in last 12 months



8/10

Clients feel their own media handles will remain **important as a source of credible information**

4

Paid media is increasing in share



7.5/10

See newspaper space **shrinking**



6/10

Say earned media space has **shrunk**



There is a resurgence or surge of paid, owned, and shared media spaces.

Head, Medium Consultancy



Pages have shrunk. Journalists have been sacked or have resigned. Most of the media groups have still not restored their pandemic salaries. There is constraint of the publication.

Head, Large Consultancy



6/10

See increasing share of **paid news across digital media**

5

Organic media continues to be important to clients



You need a strategic, seamless framework today that is super focussed on authentic storytelling and one that mirrors the fast-evolving consumption pattern of our stakeholders. Strategic so that you are laser focussed on your stakeholders, no matter what and seamless—to enable message resonance across channels, platforms, and languages.

Amit Misra

CEO, MSL South Asia I CEO, MSL South East Asia



6/10

Clients want PR firms to **prioritize organic/earned media**



5/10

Say **Page 1 coverage is still a priority** for corporate communicators

6

Expansion of portfolios will add revenue streams



Earlier PR was about writing press releases. Now it is a lot more. How do you manage stakeholders? How do you mitigate a crisis even before it occurs? How do you look at data and analyze it to be able to predict what's coming up?

Life-science Client



6/10

Clients outsourced digital and social media briefs to PR consultancies



4/10

Clients hired a PR Consultancy for crisis and risk management

7

Digital & Public Affairs is where the growth is



Using digital platforms that are not mainstream media is becoming equally important. B2B brand that run an integrated communications campaign, have to give equal weightage to earned media as well as find ways in which they can show up on digital. I believe, tapping into the full potential of digital requires a combination of organic and paid.



Gayatri Rath

Executive Director of Communications,
GE South Asia



6/10

Clients **outsourced digital and social media** briefs to PR Consultancies



5/10

Clients **hired a PR Consultancy** for content management

● 3 years ago ● Current year
● 3 years from now

ORM (Digital & Social Media)



Public Affairs & Advocacy



Content



Employee Engagement



Research and Analytics



8

Top 3 services that will remain important

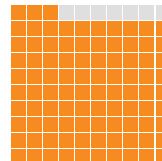


While media relations is still the largest contributor to our revenues, there is a big uptake on other services including advocacy, influencer, social and digital media. There is a massive adoption of employee comms, a mix of both internal and external, because good talent is getting scarce for every industry.

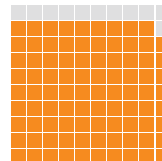
Atul Sharma

CEO, Ruder Finn India and Head, Middle East

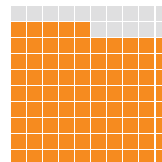
Crisis Handling and Public Affairs remain important



93%
Crisis handling



89%
Public Affairs & Advocacy



85%
Internal Communication

9

IT and startup sectors are driving growth for public relations industry

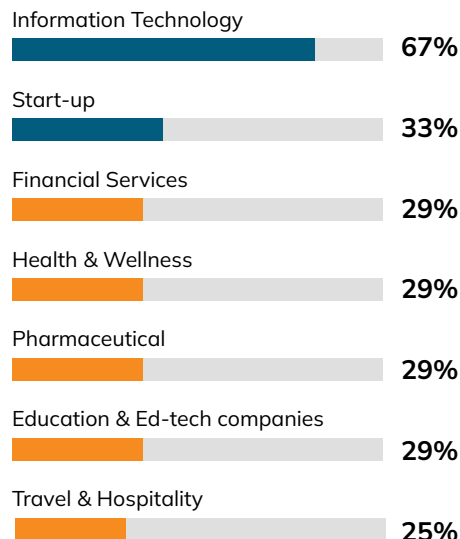


There is a big start up and unicorn wave in India and they are pushing up the growth of the PR industry.

Head Medium Consultancy

Top 5 sectors by revenue contribution

Share of respondents (%)



10

The **role of technology** is widening and deepening



Technology has leapfrogged in terms of consumption & adoption in every function and more so in ours. Even the most traditional companies have adopted new ways of engaging with their stakeholders and this will continue to evolve drastically in the times to come.



Rachana Panda

VP & Country Group Head Comms, PA,
Sustainability & CSE (South Asia), Bayer

Share of respondents (%)



77%

Integration of digital and traditional PR is increasing



75%

Adoption of technology/automation by PR will bring more efficiency



40%

Big data and AI adoption will result in the growth of the PR industry

PERSPECTIVES

“



**Prasad
Sangameshwaran**

Editor
ETBrandEquity.com

Is PR playing the zero-sum game?

I don't intend to be an alarmist. No, I am not exaggerating the situation to create a good headline. I am just blurting out aloud, what I see as the writing on the wall.

The intense competition in retainership is resulting in undercutting or price wars, as the SPRINT research states. On the other hand, attrition is also a source of worry for the business. Salary demands from younger PR professionals are in excess of experience and ability. The talent retention at entry and mid-levels is becoming increasingly difficult, the study notes.

If agencies are busy snatching business at a lower cost, and grabbing talent at a higher cost, isn't it obvious that they are playing a

zero-sum game? Or that PR agencies have not learnt their lessons from a scenario that has already played out in the adjacent business of advertising. The result is there for all to see. Ad agencies are crumbling under the weight of rising manpower costs and crumbling margins. PR agencies will get there soon. Unless some early birds are already perched in that troubled spot.

The study also identifies writing skills as a big challenge with emerging and mid-level professionals. Almost 85 per cent of the respondents agreed with that assessment.

The study highlighted that the Indian PR business is estimated to be at INR 2,100 crore and is estimated to be growing at a rate of 10-20 per cent, depending on whom you speak to. In stark contrast, the advertising industry is expected to reach INR 1,46,450 crore in 2023 and leading agency network GroupM estimates a 15.5 per cent increase in ad spend in India, this year.

While PR agencies might take pride in having a seat at the CEO's table, in the absence of a significantly larger budget, it's unlikely that the business will get the serious attention that it truly deserves.

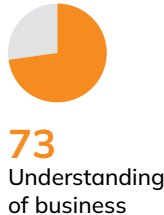
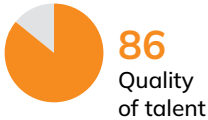


IV

CLIENT ASKS

What is important to clients?

SHARE OF RESPONDENTS (%)



Clients are investing in building new skillsets of in-house talent



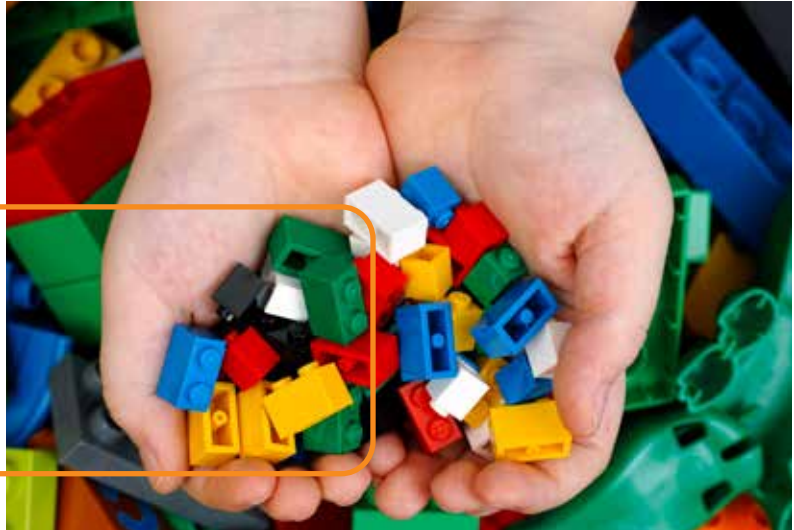
6/10

Team members in client organisations have formal digital and social media training



My agencies are an extension of my team.

MNC client





Impact measurement is **critical**



9.5/10

Clients measure
their PR efforts



8/10

Measurement
metrics finalised at
the beginning of the
campaign



6/10

PR measurement
and evaluation is
shifting from AVE to
other metrics



2.5/10

The right tools are
available to measure
efficacy of different
PR domains



PR must connect measurements with corporate objectives and should (independently) own a portion of the purchase funnel or key business metric that matters most.

Kapil Sharma

Product Communications Director, Ford Motor Company,
Asia Pacific

PERSPECTIVES



Ben Smith

Founder, PRmoment

CEOs are demanding more from their PR departments than ever before. CEOs have realized the priority they need to give to the reputation of their organizations and the survey reveals the shift in their thinking.

This CEO realization of the importance of comms has been caused by many factors, including the role of PR teams during the crisis communications of COVID period, the importance of reputation on sales and business valuation and the importance of a businesses approach to sustainability and ESG. These factors have combined to create a vastly increased breadth of work for PR and communications departments.

And what makes these trends an even bigger opportunity for Indian PR and communications professionals than their international peers is the fact that the Indian economy is still growing at around 6%, while the rest of the large economies of world are either flatlining or in recession.

A black and white photograph of two hands reaching out against a textured wall. The hands are positioned one above the other, with fingers spread. The wall has a rough, mottled texture. The lighting creates soft shadows on the wall.

V

HEADWINDS

How do we come through on what is expected of us?

Compensation & capability mismatch

Writing skills is a big challenge with emerging and mid-level professionals

Salary demands from younger PR professionals are in excess of experience & ability

Talent retention at entry and mid-levels is becoming increasingly difficult

Shortage of skill sets for emerging areas

Lack sector specialized agencies/specialists for new roles like public policy, ESG

The available pool of talent is inadequate for current needs

Requirement of a separate strategic team in PR Consultancies to identify trends and opportunities

Resource and Institutional limitations

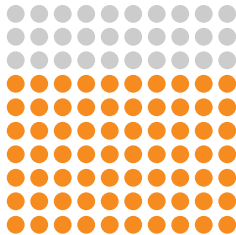
Client budgets not increasing at the same pace as consulting expenses

Standardization of processes in the industry yet to be implemented

Need to institutionalize industry studies like trust, ethics & reputation barometers

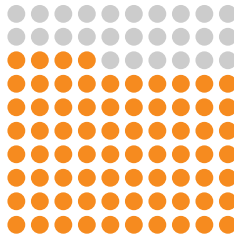
There is a **shortage of skill sets** for emerging areas

Share of respondents (%)



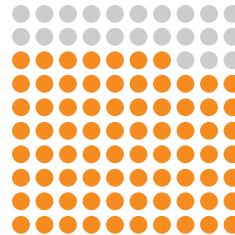
70

Lack sector specialized agencies/specialists for new roles like public policy, ESG



74

The available pool of talent is inadequate for current needs



76

Requirement of a separate strategic team in PR Consultancies to identify trends and opportunities



PR today is more holistic than even before and digital cannot be an afterthought anymore. Today, 30% of our business in India is digital and 25% of our talent base is from non-traditional specialities. There are production teams, strategic planners, creative artists, digital experts, sector specific content writers and data and insights folks.

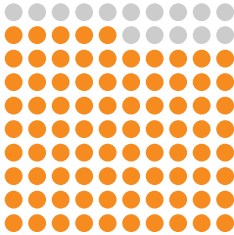
Rakesh Thukral

COO, Edelman APAC & Managing Director, Edelman India.



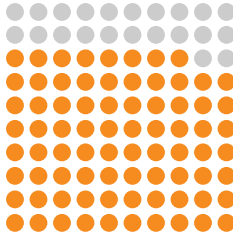
There is a compensation and capability **mismatch**

Share of respondents (%)



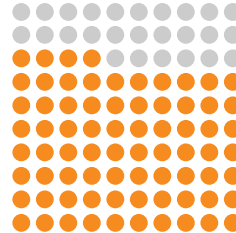
85

Writing skills is a big challenge with emerging and mid-level professionals



78

Salary demands from younger PR professionals are in excess of experience & ability



74

Talent retention at entry and mid-levels is becoming increasingly difficult

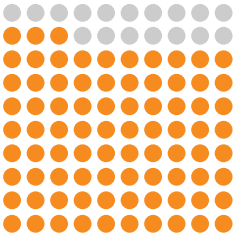


This industry needs a lot of people with sustainability experience, with legal experience. It needs a lot of people with public policy experience, capital market experience, equity research experience, market research experience, digital experience.

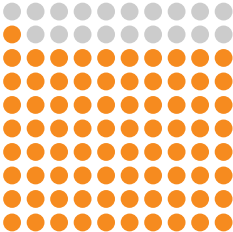
Head, Large Consultancy

There are **resource and institutional limitations**

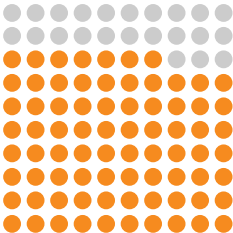
Share of respondents (%)



83
Client budgets not increasing at the same pace as consulting expenses



81
Standardization of processes in the industry yet to be implemented



77
Need to institutionalize industry studies like trust, ethics & reputation barometers



PERSPECTIVES



Retainership increases have not kept pace with salary demands

PR consultancies still get paid lesser than other disciplines, though our fees has seen some rationalization of late. Our average monthly retainers, which used to be sub Rs 3 lakhs, have moved up, as remits have become more integrated, but fees are still low for the value we provide...Compounding this is the talent issue. Freshers want to double their salaries in 8 months; quality of talent has dipped but hike expectations are ridiculous, thus putting huge pressure on the business.



Sunayna Malik

Managing Director
& Senior Vice President,
Archetype;
Secretary, PRCAI

From standard campaign to a strategic problem-solving role

The positive that we see in the PR industry today, is that now clients come with the problem or challenge and want holistic solutions. Earlier, we worked to a typical SOW model for a standard campaign, but now RFPs seek a broader, creative and measurable response.

A black and white photograph of three hands stacked together, with the top hand resting on the middle one, and the middle one on the bottom one. The hands are of different skin tones, suggesting diversity. The background is a plain, light color.

VI

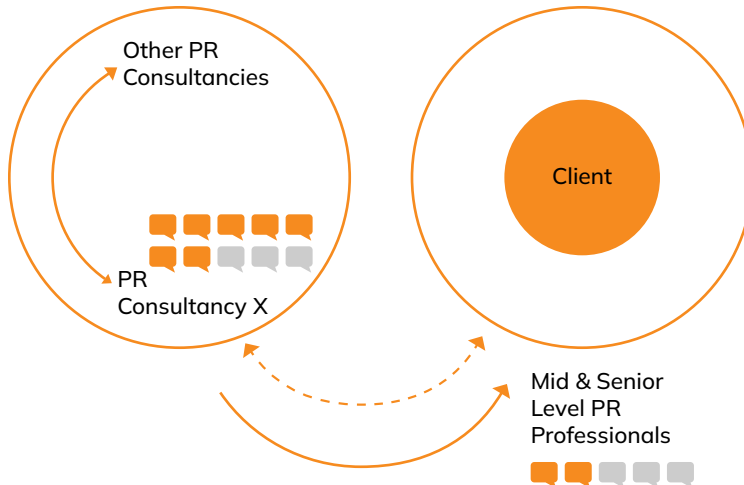
TALENT

Declining loyalty among staff is a challenge



Attrition rate

20%



7/10

People leaving PR consultancies join another PR consultancy



4/10

PR professionals crossing over to the client side do so at the mid and senior levels

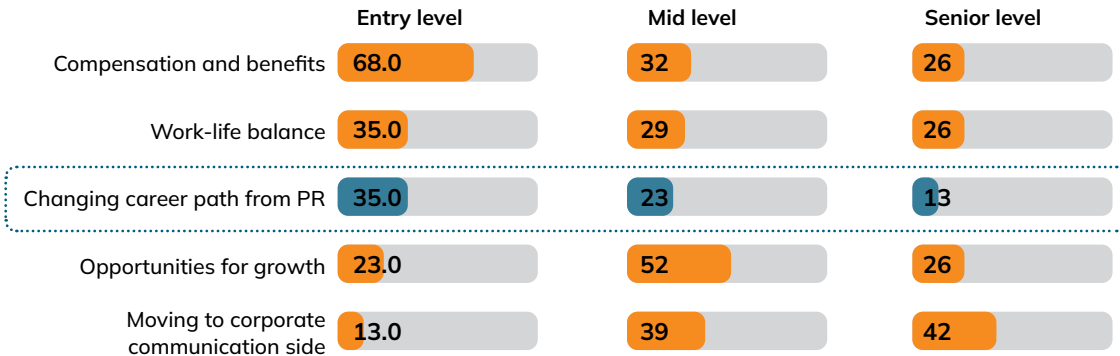


Every six months staff want to learn something new, but they need to also apply what they have learnt. They need to work. But after they learn something new, they leave and join another place.”

Head, Large Consultancy

‘Career aspirations’ and ‘better quality of life’ no longer an either/ or choice

SHARE OF RESPONDENTS (%)



There is huge attrition. Employees have been leaving for a variety of reasons—to study, to teach, do yoga. Pandemic has led everyone to introspect. Introspection has compounded.”

Head, Large Consultancy

What are consultancies doing to attract and retain talent?

1. Traditional talent pool continues to be important

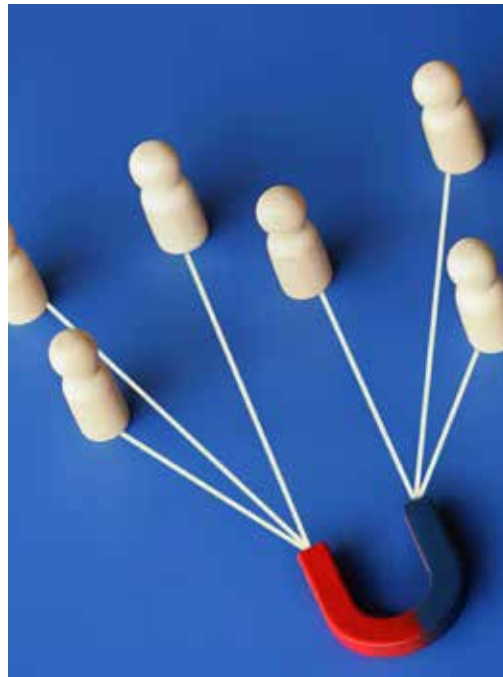
7/10 Consultancies continue to hire from mass communication and journalism institutes

2. They are tapping emerging talent pools

5/10 Consultancies are hiring from graduate colleges

5/10 Clients are hiring from MBA schools

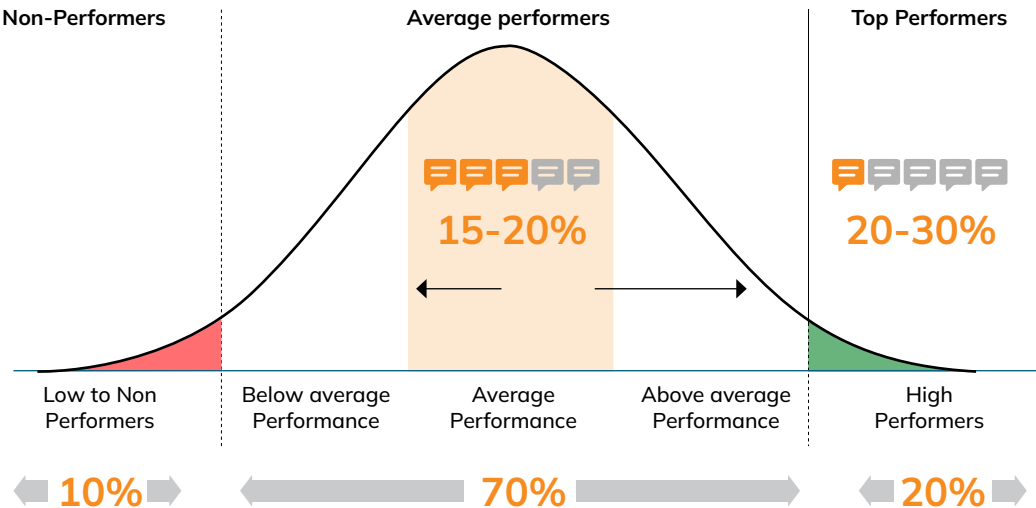
4/10 Consultancies and clients are hiring from journalism



3. More sector-specific hiring to meet specialized needs

4/10 Consultancies are hiring from specific sectors

What are consultancies doing to attract and retain talent?

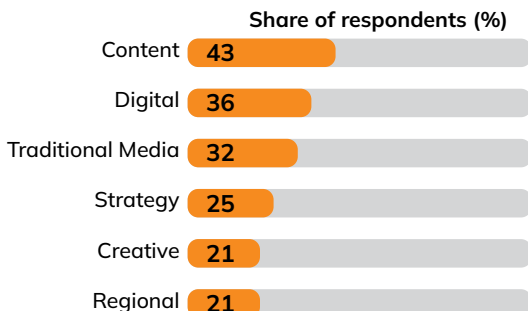


We need to attract good talent, for which we need to pay more. Also, we need to put the right talent in front of the client for them to pay us more.”

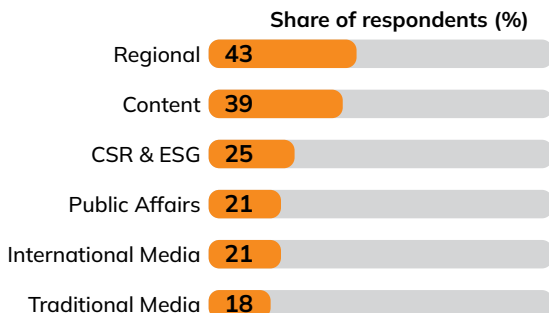
Head, Medium Consultancy

Consultancies are bridging talent shortage by collaborating with freelancers

TALENT SHORTAGE



COLLABORATION WITH FREELANCERS





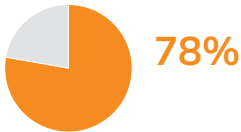
VII

ROLE OF PRCAI

Drive
standardisation
and raise
industry
standards



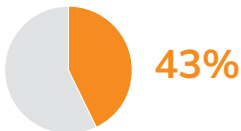
PR CONSULTANCIES



Standardisation of industry services like measurement and evaluation techniques, service agreements/ pitch contracts

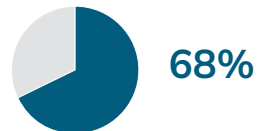
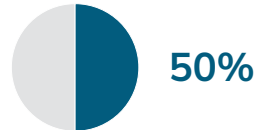
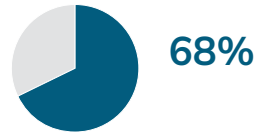


Influence and boost best practices in code of ethics/conduct with respect to different issues like hiring, competition, etc.



Bring the various players in the PR Industry closer together to regard themselves as part of a larger whole

CLIENT



Drive respect for the PR profession



Unify and standardise

We need to ensure a certain minimum fee for the industry. During covid we had agreed that we wouldn't hire anyone for more than a 20-30% increase. And everyone kept to that but today we are back to a 50-60% increase in offers.

Head, Large Consultancy

Processes need to be automated so that people can do more cerebral work rather than grunge work

Head, Medium Consultancy



Rebrand PR

PR is not taken in a positive way. We should make that effort with corporates, government to project this profession as aspirational and beyond media relations.

Head, Medium Consultancy



R & R

PRCAI can do wonders with recognitions, awards, and lists. Hopefully, eventually we'll be able to figure out a couple of those awards which are genuinely authentic, which have decent jury members, who understand the industry.

Head, Small Consultancy



Connection. Mutual Respect.

The warmth of an organization or an industry is missing. At least mutual respect should be there. It is ultimately about talent and money. Money, people can still make do without, but there will always be a tug of war regarding the talent. Can PRCAI play a role in addressing this?"

Head, Small Consultancy



PRCAI AcademiaConnect 2022 at Xavier Institute of Communications



PRCAI-PRSA 2022 First-ever Global Exchange in Delhi



PRCAI MANCOM at South Asia SABRE Awards 2022



PRCAI Prologue 2022: #influencingPROgress

The Public Relations Consultants Association of India is the most influential communications body in India. It was formed more than 2 decades ago with the aim to progress the Indian PR industry to be one of the most sought-after industries to work for.

We represent a diverse and strong gamut of PR professionals in the country and advocate excellence and merit in Public Relations. We empower our members to succeed at every stage of their business and career goals in the industry. We believe in collaborative prosperity to further the cause of the industry.



CONTACT

Atul Sharma, President PRCAI | president@prcai.org | +91 9811062855

Deeptie Sethi, CEO PRCAI | ceo@prcai.org | +91 9811101383

Dezma de Melo, Research Academia and Training Lead | dezma.demelo@prcai.org | +91 9821231549

