

Benchmarking fees

By  Brian Berkman

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Answering how long a piece of string is seems simpler than knowing the average hourly rate for public relations by a consultancy.

Many PR professionals bill a time-based fee which reflects how long a job should take to complete. Rightly, in my opinion, the more skilled and connected the professional, the faster it should take in practice. The difference between the actual time and the billed time is the reward.

Some bill based on achieved coverage, either as a percentage of the dreaded Advertising Value Equivalent or per piece of coverage based on top, second- or third-tier media placement. Others follow a menu of outputs combined with inputs billing more if the CEO makes the call that generates the coverage than if a junior staffer does.



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Most will ask for a retainer - a set monthly or yearly fee that will cover a shopping list of agreed-upon services. Not only does the method allow for fairly accurate budgeting but it also means that the PR professional can plan a calendar of events not available to those working on an ad hoc basis.

Although I have recently been asked to quote on a tender-style job where I'm sure the contract will go to the lowest price, more than 20 years industry experience tells me that PR professionals are rarely appointed without first being short-listed,

recommended by one's peer group or, in most cases, I suspect, being a friend of a friend. Relationship is the currency.

In these cases I think fees matter far less than the PR industry thinks. If you're at a braai and hear the host being jostled about not being able to open a magazine without his ugly mug appearing in it, then you'll want the same publicist, irrespective of cost.

Like all purchases, deciding with whom to partner on the PR front is an emotional decision and not a financial one. It is essential to find someone you can trust. After all, deciding who you will let manage your reputation and steer you away from dangerous controversy must be based on more than a tip from someone you meet at a kid's school outing.

So, now that we agree that PR support is not as price-sensitive as once imagined it raises the question how someone smart selects their communications professional?

Selecting from award winners is a good place to start as long as you know there are many, myself included, who have never entered awards and others who, with the financial backing of international agency groups, enter many awards in many different categories. So with the number of awards not the indication of excellence previously thought, what happens next?

Although anyone with a brain knows public relations is much more than media liaison, only the brainless will suggest that media liaison is not an essential part of the communications mix. If I were to appoint a PR professional I would ask media for a recommendation. It is they, after all, who receive the PR output firsthand. Ask media in your target market who they recommend as a professional who sends print-ready and accurate information. Ask who submits suitable images that are correctly captioned and ask, most knowingly, who responds to queries quickly and understands the nature of deadlines?

I was recently asked to benchmark my fees by a client and found the exercise challenging as reference points are not widely available. To change this I've decided to dedicate a PR-Net, a peer network for the communications industry that I run, meeting to this very topic. Details about the Cape Town meeting on Thursday, 26 May, at 11am are at www.pr-net.co.za.

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