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# Yana Miladinova

# Business-To-Business PR in Small-To-Medium **Enterprises**

Despite business-to-business (B2B) marketing being used and researched for many years, B2B Public Relations (PR) studies are rare. The opportunity for research is based on the need for PR and communications activity that support business goals. Therefore, this paper aims to add to B2B PR studies by exploring how small-to-medium enterprises (SMEs) in the creative industry can benefit from implementing PR activities. Benefits, in this case, are considered to be new business leads, talent retention, and a good reputation. The PR services, as conceptualised in this study, include B2B media relations, thought leadership, and social media management. The paper takes an inductive phenomenological approach operationalised through qualitative research methods including open-ended semi-structured interviews. The 12 participants are identified as information rich and are founders or managing directors of creative agencies in the UK. To gain comparative information, half of them implement PR activities and the other half do not. The main findings indicate that social media, media relations and thought leadership practice add value to creative SMEs in regard to brand positioning and awareness. In addition, this study reveals that all participants focus on establishing mutually-beneficial relationships with key stakeholders. Finally, results show that SMEs in the creative sector prefer to implement promotional activities and manage their reputation internally.

Keywords: Reputation management; business-to-business PR; small-tomedium enterprises; media relations; thought leadership; social media

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## INTRODUCTION

The main aim of this paper is to explore if small-to-medium enterprises (SMEs) in the creative industry can benefit from implementing PR. In a world focused on consumers, there has been little research on business-to-business (B2B) activities (Lilien 2016). Even less academic research has been published in the field of B2B Public Relations (PR). Mostly, attention has been placed on large corporations and Consumer PR (Theaker and Yaxley 2013). However, with 5.7 million small-to-medium enterprises (SMEs) in the UK turning over £2bn in 2018 (Rhodes 2018), a greater level of knowledge on B2B PR in this context is much needed. According to the latest Business Statistics report by the House of Commons Library, SMEs are defined as any company with less than 250 employees (Rhodes 2018). A lack of understanding of how B2B PR is practiced within a such big

part of the UK economy might lead to inadequately trained practitioners in a small business environment in the future (Huang-Horowitz 2015).

Furthermore, many scholars have supported the statement that reputation management is one of the core functions of PR (Curtin and Gaither 2006; Doorley and Garcia 2007; Theaker and Yaxley 2013). It is an important aspect of every organisation as it can have an impact on financial performance (Roberts and Dowling 2002), talent retention and generation of new leads (Fombrun and Shanley 1990). It is also an attractive concept to practitioners as it links PR to the ownership of the risk-issues-crisis management cycle and gives them the opportunity to help organisations and senior executives on topics of strategic importance (Coombs and Holladay 2010). This also allows the PR practitioner access to the board room to make important strategic communication contributions (Grunig 2006). In addition to this, promotion is essential to any business to develop their brand, win new clients and cement their reputation, therefore having a PR strategy in place is crucial. Moreover, a strategic communication plan can improve organisations' reputation by sharing expertise with key stakeholders (Grunig 2006). But small companies do not always have the time or resources to manage their PR in a pre-planned, strategic way (Pay 2017). This is where B2B PR agencies and practitioners could support SMEs. These PR consultants could help manage media relations, assist in providing thought leadership practice and give social media advising in order to build the SMEs' reputation and distinguish them from competitors (Holroyd 2018; Theaker and Yaxley 2013). These three elements also form the main concepts under investigation in this study, as they are argued to be of great importance to organisations' reputation in the SME business environment.

There is a large array of SMEs in the UK. This paper will focus on companies in the creative industry. The Department for Digital, Culture, Media & Sport (2017) stated that the creative sector, which includes design, advertising, marketing, TV and museums, made a record contribution of £92bn to the UK economy in 2016. The Department's Secretary of State, Karen Bradley, announced that the creative sector is "one of our fastest growing industries and continues to outperform the wider UK economy" (Department for Digital, Culture, Media & Sport 2017). That number increased to £111.7bn in 2018 (Department for Digital, Culture, Media & Sport 2020). The importance of this industry can be supported by the fact that more than 3 million people in the UK are working within the creative economy (Creative Industries 2018). The creative industry can therefore be argued to be a large enough sector to attract PR's attention. In addition, such a large business area is likely to create competition, which entails the management of the organisation's reputation as means of competitive differentiation.

#### CONCEPTUAL FOUNDATIONS

Public Relations (PR) and Business-to-business PR (B2B PR)

With 472 definitions of PR, it is difficult to adopt an overarching concept of PR (Harlow 1976). However, most scholars agree that PR is a strategic communication process that builds a relationship between an organisation and its publics (Morris and Goldsworthy 2016; Theaker 2012). PR does not involve only the promotion of a business, but it also provides an accurate view of the organisation to the public (Theaker 2012). L'Etang

(2008) outlines the discipline as the management function that operates on behalf of a variety of organisations, both large and small businesses. In the B2B sector, the definition of PR becomes more specific. Organisations are the main focus of PR activities in the B2B area (Theaker and Yaxley 2013). The concept has been built on the notion that most businesses sell products or services to other businesses rather than to the consumer (Gill 2017; Morris and Goldsworthy 2016). Usually PR in this sector is perceived as supporting the marketing activities of a company, but sometimes they also encompass reputation building through thought leadership, media relations and social media management (Holroyd 2018; Theaker and Yaxley 2013).

Communication is an effective tool for building relationships and key for positive outcomes in B2B relationships (Mohr and Spekman 1994 cited by Murphy and Sashi 2018). In crafting SMEs' communication, practitioners must remember that B2B audiences are still people, therefore they be more interested in the people behind a business rather than corporate language (Smith 2012). PR professionals working in B2B have in-depth knowledge of marketing, sales promotion and advertising, which shows how PR can be a part of the wider business strategy as they add value through strategic PR initiatives alongside senior management (Gill 2017). In addition, B2B practitioners understand the business goals, specific industry and the buying process. They ensure the distribution of key messages to a target audience through expert commentary and case studies (Tench and Yeomans 2017). From a business perspective, the biggest advantage of PR is building a positive reputation of the SMEs within the minds of key stakeholders. This process is crucial to B2B communications, as reputation is the vital element in the buying process (Gill 2017). In short, people are not likely to engage with organisations that have a poor reputation.

## Reputation Management

Reputation is called "the purest treasure mortal times afford" by Shakespeare and shows that it is crucial to all people (cited by Doorley and Garcia 2007, p.3). Businesses have fallen or succeeded because of their reputations, which demonstrates the importance of building and maintaining a good reputation through the application of a well-planned and integrated process (Doorley and Garcia 2007). According to Surma (2006 cited by L'Etang 2008, p.49) reputation "is defined according to an individual or group's judgement..." of an organisation. Therefore, it is formed outside of the company and as the result of subjective impressions held by the stakeholders of the organisation.

In the latest PRCA Practice Guide on reputation management, Nitin Mantri (cited by Langham 2019, p.5) states the six keys to a good reputation include: "retaining the customer's trust, consistent innovation, happy employees, an able leadership team, social responsibility and continuous engagement". While reputation is a valuable asset, there is still no single agreed and accepted metric to measure it (Aula and Mantere 2009; Coombs and Holladay 2010), even though it is argued to depend on dedication from the senior level of a business and agreed to involve analysis and measurement steps (Langham 2019). After all, reputation management is what companies do, their behaviour and their way of communication. Furthermore, reputation depends on a range of stakeholders such as employees, clients and the media. The Reputation Institute classifies these into eight key audiences namely: "customers, retailers, commentators,

media, staff, Government, regulators, suppliers and business partners" (Langham 2019, p.41). Aula and Mantere (2009) add that maintaining a good relationship with those key stakeholders is invaluable in the process of building a good reputation. Scholars have also agreed on benefits that derive from a good reputation (Fombrun and Van Riel 2004). According to Coombs and Holladay (2010), some of these positive outcomes are generating new business leads, talent retention, positive media coverage, increased profit and job satisfaction.

# Reputation management and PR

The concept of reputation management can be implemented into any kind of company, but researchers have focused mainly on corporate reputation (Coombs and Holladay 2010). Nevertheless, there has been criticism regarding PR's claims to oversee reputation management. According to Hutton et al. (2001), reputation is controlled by factors outside of the company, therefore communicators are disintegrating the process. Their study found that PR and corporate communications were not used for establishing relationships with all key stakeholders. Therefore, scholars argue that there is not an integrated process as management function are shared across a variety of disciplines. In addition, Morris and Goldsworthy (2016) claim that PR managing an organisation's reputation is an exaggeration and not part of the definition. Campbell, Herman and Nobble (2006 cited by L'Etang 2008) add that this responsibility might be used to gain status, thus be a form of 'PR of PR'. However, critics agree that it is dangerous to claim control over reputation because it is formed outside of the organisation and it might lead to unrealistic expectations (L'Etang 2008). Yaxley (2013) disagrees and argues that the B2B sector provides the opportunity for PR to be perceived as a strategic function alongside the senior management team of a company. Moreover, B2B PR activities such as media relations, thought leadership and social media can establish credibility and trust in organisations and build a favourable reputation (Tench and Yeomans 2017). The sections below explore how the aforementioned PR activities can help an organisation to create a good reputation.

#### Media Relations

Many academics state that PR originated from the field of media relations and sometimes the terms are used interchangeably (L'Etang 2008; Tench and Yeomans 2017; Theaker and Yaxley 2013). The power of media relations comes from Lazerfeld and Katz's agenda-setting theory (cited by Wilcox and Cameron 2006) that argues that the media dictates what people think about, by placing selected news on the front page, or in people's minds. Media forms the public opinion as most people receive information from the mass media, despite the increase of social media platforms (Theaker and Yaxley 2013). This is one of the reasons why PR practitioners rely on media relations, not just because of the reach, but also because of its credibility (Young 2012). Furthermore, journalists are perceived as objective and impartial to an organisation. Therefore, this third-party endorsement contributes to the reputation management of a business. For some, media exposure equals reputation and PR practitioners are ideally positioned as stakeholder relationship custodians to influence the media (Theaker 2012).

Nonetheless, there are arguments that reputation just reflects the culture of a company and that a PR professional can impact this opinion only to a certain extent. But this should not belittle a beneficial relationship with an influential journalist, who could impact on

and shape the media reputation of an organisation (Tench and Yeomans 2017). Traditionally, media relations are the focus of B2B PR (Gill 2017; Smith 2012). It is been used to build awareness, reputation and generate new leads through editorials in trade publications for niche audiences. Although trade titles do not have high circulation numbers, they have a specific audience that is interested in the specific subject. Managers and decision-makers tend to read magazines and newspapers related to their industry. This loyalty of trade press readers attributes particular influence to those publications in B2B PR. Even though press releases are the main tool for distributing news, other media relations techniques involve feature articles, comment pieces, case studies and interviews (Gill 2017; Young 2012). The benefits of conventional media are reach and credibility whereas online media provides a direct access to customers and eases the communication with them. Consequently, effective PR activities involve editorials on all platforms (Gill 2017). Modern B2B PR should encompass all PR techniques to manage reputations and build mutually beneficial relationships whilst complementing marketing programmes. The capability to pinpoint at what is newsworthy is essential to effective media relations. Therefore, PR practitioners need to have a vast amount of knowledge to enable them to suggest story ideas and news angles. They should act as an internal reporter for their clients - knowing what is happening inside the company that can be presented as a news story, which reinforces they key messages set out in the communication plan (Young 2012). To ensure the efficiency of media relations activities, they should be measured against clear business objectives. Tomlinson (cited by Smith 2012) suggests that the first step should be output results, for instance the number of news releases distributed. Second, readership figures and space in trade media should be evaluated as the outtakes. Lastly, the outcomes such as hits on the website and new business leads must be measured. These three factors should determine if the PR activity meets the set objectives in media relations.

## Thought Leadership

To gain media coverage is fantastic for organisations, but Bowden-Green (cited by Smith 2012) recommends profiling senior members in the business as thought leaders to the media. By commenting on topical news, their opinion will stand out and differentiate them from competitors. In an increasingly connected world, thought leaders emerged as educated marketers, who engage the audience through non-promotional and industryoriented conversations. They are the go-to sources for insights, trends and valued information (Barry and Gironda 2017; Conner 2014; McCrimmon 2005). As a result, thought leadership is perceived as an effective way of reputation management and brand awareness.

Most published studies display thought leaders as authority figures sharing specific expertise or new ideas (Barker 2011; Keefe 2004). However, there are a few scholars (Bourne 2015; McCrimmon 2005) who have tried to examine the construct of thought leadership. They portray it as the firepower of a company, which can change the way we think. From championing new ideas, through provoking new mindsets to developing actionable strategies, thought leaders are recognised for increasing trust in the organisation (Barry and Gironda 2017; Bourne 2015). According to the Institute of PR, an organisation's reputation is based on several dimensions and leadership is one of them (Schreiber 2011). The model evaluates perceptions of leaders as admirable and

innovative managers. Indeed, the senior members of a business are an important factor when generating credibility and trust with stakeholders as they can gain positive media coverage. In B2B communications, personal relationships founded on trust are becoming crucial to PR and marketing, especially with the development of social media platforms. Studies have shown that customers in the B2B area are more likely to contact businesses directly if they have a question (Gill 2017). This presents a great chance for companies to utilise their expertise and establish a thought leadership practice to engage with stakeholders, both internal and external.

#### Social Media

With around 2.77bn users (Statista 2019), social media has changed the communication industry by giving the opportunity for organisations to share information with their publics directly (Allagui and Breslow 2016; DiStaso et al. 2011). Gregory (2008), Kent (2010) and Smith (2012) believe that PR practitioners should take advantage of the online public sphere when building relationships and working with journalists. In fact, some journalists prefer when PR professionals connect with them via social media (Stareva 2014). Social media is crucial to PR, because it creates a greater awareness and increases the engagement through comments (DiStaso et al. 2011; Yaxley 2012). Moreover, Valentini (2015) argues that social media networks should be at the heart of PR, because they increase stakeholder relations. As a result, companies can benefit from electronic word-of-mouth, when they share traditional media coverage on their social networks and amplify the circulation figures. A study by Brown et al. (2013 cited by Allagui and Breslow 2016) found that 87% of marketers use social media to generate brand awareness, while 61% believe it improves an organisation's reputation. By managing a company's reputation on social networks, professionals transform the role of Digital PR from a tactical to a strategic one. According to Grunig and Grunig (2010 cited by Yaxley 2012), social media platforms are the only way to achieve a two-way symmetric communication with the stakeholders and improve these relationships. Previous literature has focused on the usage of social media apps by large enterprises (Siamagka et al. 2015; Wamba and Carter 2014). However, Wang et al. (2016) investigated the advantages of social media for SMEs in the B2B context. First, small organisations could benefit from established visibility among customers. Through social media apps, they can engage a wider audience and reach potential new clients. In addition, SMEs can notice industry trends online and identify gaps in the marketplace that they can tap into. They have limited resources compared to large organisations, therefore social media gives them the opportunity to identify possible partners and improves collaboration (Mäläskä et al. 2011).

In summary, the literature addressing PR activities and reputation management for SMEs is limited. However, scholars have agreed that PR and good reputation are invaluable for any business, no matter its size. They contribute to financial performance (Deephouse 2000), talent and client retention, and core competencies (Bouchikhi and Kimberly 2008). Evatt et al. (2005) state that SMEs put their efforts in relationship building rather than seeking media publicity. But, Cole (1989 cited by Huang-Horowitz 2015) argues that PR activities can benefit small businesses by improving their reputation, because they lack the large enterprises' resources for brand awareness. Therefore, this paper examines how media relations, thought leadership and social

media can impact creative SMEs' reputation and public image.

#### **METHODS**

An interpretivist strategy was used to address the research objectives. Interpretivism allows for the exploration of a specific context (Saunders et al. 2007) and attempts to understand the world through an examination of the participants' perspectives (Bryman study took qualitative phenomenological a operationalised through semi-structured in-depth interviews. This approach has been used in organisational and consumer studies to gain a deeper level of understanding of complex issues (Goulding 2005). It has been designed to capture people's experiences with a phenomenon (Spiegelberg 1982 cited by Goulding 2005). Phenomenology was selected because it supports theory building based on lived experiences (Paley 2016; Rossman 2006) such as reputation management and PR activities in this research. Semi-structured in-depth interviews were chosen because they encourage the continuity of thoughts (Sarantakos 2005) and decrease the social anxiety and social conformism in the participants' responses (Bell 2010). The semi-structured interviews allow researchers to cover topics of interest, whilst leaving the conversation open for additional information to emerge. This research method helps to build rapport with the participants, so they are willing to answer more openly and freely (Berg 2007). The advantages of this method include the quality of the data collected: participants' perspectives, firsthand experiences with the phenomena and insights gained through the emic approach (Creswell 2013; Sarantakos 2005). An interview guide was used to ensure that certain topics and questions were covered (Bryman 2004). However, the process allowed participants to investigate their own thoughts in-depth (Daymon and Holloway 2002). To avoid post-rationalised and defensive responses, 'why' questions were not used (Creswell 2013). Furthermore, hypothetical questions were asked to capture responses to imaginary situations, relevant to the study (Daymon and Holloway 2002).

For this research a snowball sampling was used. This is, as described by Bryman (2004, p.100), when a researcher makes "an initial contact with a small group of people who are relevant to the research topic and then uses these to establish contacts with others." Even though scholars have noted problems such as the sample not being the best representation of a population, snowball sampling is recommended as a theoretical strategy in qualitative research (Bryman 2004) and is particularly useful when a specific knowledge set is required.

Initial contact with the participants was made through emails and LinkedIn messages. In total, 12 semi-structured interviews were conducted. The participants were identified as information-rich and included founders or directors of creative agencies in the UK. To gain comparative information, half of them implemented PR activities and the other half didn't carry out promotional activities for reputation management purposes (see table 1). The participants were from Dorset, Berkshire and London counties. Due to the nature of the sample, it was challenging to recruit participants because of their positions and busy schedules. Furthermore, they could not reveal details on some aspects of their work because of non-disclosure agreements with clients.

**Table1: Participants** 

Pseudonyms	Agency	Position	Time at the agency	PR activities
Steve	Boutique design and marketing agency	Art Director	3 years	No
Richard	Website and apps developer	CEO	10 years	No
Alex	Branding and design agency	Director	2 years	No
Oliver	Digital marketing agency	Director	5 years	No
John	Design and branding agency	Founder	11 years	No
Stuart	Software and digital agency	Managing Director	1.5 years	No
Robert	Marketing agency	Marketing Director	1 year	Yes
Harry	Marketing agency	Head of Marketing	2 years	Yes
Mark	Design and innovation agency	Growth and Reputation Director	3 years	Yes
Emma	Creative design agency	Marketing and Communications Executive	1.5 years	Yes
William	Market research and insight consultancy	CEO	9.5 years	Yes
Sophia	Marketing agency	Director of Strategy and Marketing	4 years	Yes

Six of the interviews were done face-to-face and the other six via telephone due to geographic distance and time constraints (Bryman 2004). By conducting the interviews directly with the participants, the researcher was able to encourage them to share more information when it was needed (Daymon and Holloway 2002). Interviews lasted between thirty and forty-five minutes, were conducted in English and were audiorecorded, which allowed a better understanding of participant responses (Bryman 2004). An essential element of phenomenological approach is bias exploration, that identifies presumptions or biases that the interviewer might hold (Tesch 2013). As the researcher has an academic knowledge of the studied phenomena, steps were taken to ensure that only the participants' understanding of the subject area were taken into consideration.

All interviews were transcribed before the interpretation began to avoid miscoding and mislabelling (Huberman and Miles 1994). The transcripts were used as an autonomous body of data based on respondents' views and opinions. Therefore, external verification was not sought. Pseudonyms were used to protect the confidentiality of participants. Interpretative phenomenological analysis (IPA) was undertaken to analyse the data. IPA focuses on the meaning of participants' experience and allows the researcher to understand the perception of one rather than generalised statements (Smith et al. 2012). The process consisted of the following steps: interview transcripts were read numerous times to get familiarised with participants' experiences; descriptive comments were made for each interview; emerging themes were noted across all interviews and then organised to make meaningful statements of the respondents' experiences with the phenomena. The interpretation used participants' own terms rather than the researcher's (Kvale 1983). We now turn to emerging themes.

#### **FINDINGS**

Establishing Good Relationships

As concluded from previous literature on SMEs (Evatt et al. 2005), all participants stated that building and maintaining good relationships is crucial to them. Due to the size of the businesses, they prefer to focus on the quality of the work they produce and building trust with their stakeholders. That reinforces the statement that customers' trust is one of the six factors leading to a good reputation (Nitin Mantri cited by Langham 2019).

"Ours [reputation] is about relationships. We build quite personal relationships." (John, non-PR)

An important factor of reputation management for the creative SMEs was to establish their credibility through meeting expectations and delivering good work. The interviewees indicated that there are a lot of agencies that often overpromise and don't deliver on time. As Alex (non-PR) and Oliver (non-PR) pointed out, "there is a lot of fakeness [sic] in our industry". That was supported by Steve (non-PR) who explained that good reputation is maintained with integrity and respect.

"The reputation is always there, 24/7 and we always say here, in London, we're only as good as the last job we worked on." (Mark, PR)

In Stuart's (non-PR) perspective "good reputation is all about delivering high quality services" which helps you maintain the good relationship with the client. And Sophia (PR) agreed that those relationships are dependent on credibility and good quality work.

"We try to make sure that to some extent that everything that goes out the door has a level of attention to detail, has the quality that we try to maintain. The experience that you are having with us is also a level of quality; it's like going to a nice hotel. You have people greet you, people that interact with you, essentially upholding our reputation every deal we touch point." (John, non-PR)

Establishing good relationships with existing clients and other companies helps them generate new business leads. Most of the respondents said that word-of-mouth and referrals are the two most effective ways to get new clients. As Alex (non-PR) explains, "new business is all about networks. We get new clients purely through word-of-mouth."

This finding supports studies by Fombrun and Van Riel (2004) and Coombs and Holladay (2010), which state that new business leads are a result of a good reputation. This is explained by John (non-PR) as follows:

"We try and create relationships first and then again, it's about loyalty. We have people that we've worked with for nine years from the start of the agency. People, [client's name] have gone through different bits and stayed with us all the way through. We've got clients who are seven-eight years old that we're still working with."

Most of the participants divided the benefits from having established relationships in the industry and a good reputation into internal and external. As mentioned above, winning new clients because of word-of-mouth and referrals falls into the external benefits. In addition, a good reputation helps businesses to distinguish themselves from competitors in the industry. Internally, the creative SMEs benefit from talent retention and recruitment. As Stuart (non-PR) said "you attract the most ambitious employees." Sophia (PR) added that "it increases morale", because people "have pride in the company".

# Brand Positioning and Awareness

Besides relationship building, participants mentioned that they are using communication and promotional activities for brand positioning and awareness. Richard (non-PR) explains this as: "Good reputation is when people understand your brand positioning." However, there was a big difference between the creative agencies that do not implement PR activities and those, which have PR activities in their strategies. An interesting finding was that the non-PR group of SMEs focused its efforts on social media.

"We have a strong social media presence and we show how things are done." (Steve, non-PR)

"The three platforms that we use are LinkedIn, Instagram and Twitter. I have a strategy that we do for all of our marketing or our campaign strategies. It is based upon 'Inspire-Involve-Inform' as a triangle. And essentially maps on to why, how and what." (John, non-PR)

LinkedIn, Twitter and Instagram were the social media platforms mentioned by all participants. The content pushed on those channels varied from product launches through industry events to posts showing the agency's culture (e.g. images from social gatherings, birthday parties at the office). Due to the nature of their businesses, all of them focus on the visual aspects of their work on Instagram. Blog posts and articles are shared through LinkedIn and Twitter, where most of them engage with existing and potential clients. This supports the study by Brown et al. (2013 cited by Allagui and Breslow 2016) which explains that organisations use social media to increase brand awareness and to maintain two-way symmetrical communication with their stakeholders (Grunig and Grunig 2010 cited by Yaxley 2012). However, there were two participants, who hesitated when recounting what they thought were the advantages of social media, even though they have online presence:

"I see a lot less value in social media than I used to see. Anything but authentic on social media is pointless." (Richard, non-PR)

"Pictures of cakes in the office and champagne on social don't do it for me. I rather see a good punchy business case." (Robert, PR)

This can be related back to the issue 'fakeness' in the industry and that authenticity should be at the forefront of the social media strategy. It should be noted that the comments relate primarily to the content pushed on social media, not the actual platforms. If executed properly, social media can benefit the SMEs with greater awareness and increased engagement (DiStaso et al. 2011; Yaxley 2012). It was also interesting to see that some of the participants, who do not do PR activities, cannot distinguish between the disciplines PR, marketing and digital communications.

"PR is quite integrated in the social media industry." (Steve, non-PR)

"PR... sits quite closely to marketing in terms of events..." (John, non-PR)

This might be related to the reputation of the PR industry and the lack of a universal definition for it (Harlow 1976). However, to some extent, this reinforces the idea that within B2B sector, PR works as part of the marketing activities of a company (Holroyd 2018; Theaker and Yaxley 2013). Furthermore, a few of the respondents connect PR only with the public's perception and the consumer area as they are not familiar with the B2B sector. As Oliver (non-PR) explains, "it [PR] is not an area of interest... not B2B, but mainly B2C and how consumers perceive brands."

# Media Exposure

When asked about promotional activities, the creative SMEs discussed media relations and thought leadership practice. The ones that haven't implemented those activities from the non-PR group were asked to answer a hypothetical question. Statements by Theaker and Yaxley (2013) and Tench and Yeomans (2017) that media relations and PR are interchangeable terms were supported by some of the participants. Even though respondents have been implementing PR activities for brand awareness, they associate PR purely with media relations. In addition, there were some mixed opinions regarding the activities' advantages. For William (PR), PR is "that layer of magic on top of all the great work our people are doing", whereas Harry (PR) thought that there is "a big shift away from traditional PR and now it's much more SEO focused content activity." Nonetheless, all participants agreed that having media coverage in relevant trade publications is of huge value to brand positioning and boosts the credibility of the agency. Richard (non-PR) said that "being on TV is like winning an award", even though they have not invested in PR activities until now. Emma (PR) added that they "use PR to position ourselves as thought leaders in specific areas", which links back to thought leadership practice as an effective way for brand awareness (Barry and Gironda 2017; Conner 2014). This follows the recommendation by Bowden-Green (cited by Smith 2012) to profile senior members as thought leaders to the media. Robert (PR) agreed that companies would benefit if they have a thought leader but raised the question of who decides what is good, because "everything in creativity is subjective".

Most of the participants confirmed that they are writing blog posts or articles to present their expertise, therefore they are implementing thought leadership practice to some degree.

"I think every agency, especially agency's owner, is currently being quite aggressive on doing thought leadership. I think... We are in a world where everyone wants more information, and everyone wants to talk about something. It's a very quick and effective way of capturing an audience." (John, non-PR)

"So, it's not only the case studies and the launches that we do PR, because I think the clients wants to buy [agency's name] ... they want to know what we're thinking, not just the projects that we've worked on." (Mark, PR)

Agencies are focusing on sharing ideas and tips through thought leadership pieces (Bourne 2015; McCrimmon 2005), which is another method of building good relationships with key stakeholders. They are driving conversations to distinguish themselves from competitors in the creative industry. However, there were two directors, who felt like this is an outdated concept that agencies are using to churn out content:

"It's a marketing term that has been done too much; such as innovation – used too many times it has lost credibility." (Oliver, non-PR)

"The last thought leader... Howard Luck Gossage, look at what he did in terms of launching 'Friends of the Earth' and you look at that campaign. That's thought leadership and it really changed how advertising and PR is done." (Robert, PR)

According to the participants, it is also hard to prove the value of media relations, thought leadership and social media, because you cannot measure them against business leads. They do not have a way of tracking if a piece of media coverage turned into a new client.

"I am not going to say that we tweeted something and then a client replied to it. I think it's more of a long-term reputation building for the agency. I think it's important that we show we are active on these channels." (Mark, PR)

"Marketing... so hard to quantify its success. For example, billboards - you can't know how many sales were made because of that billboard." (Stuart, non-PR)

As discussed, they use those promotional activities for brand positioning and awareness and long-term reputation management. These findings suggest that B2B media relations are useful for awareness building through editorial work (Gill 2017; Smith 2012).

In-House Mindset

Most promotional activities were handled internally. Mark (PR) explained:

"We do it in-house. We have a team with four people in the marketing and business development team here in London, which is relatively big new business team... for a creative agency." (Mark, PR)

Three of the participants said that they are using an external PR agency for content writing and media relations. The main reason was the PR knowledge and expertise within the industry. This reinforces Tench and Yeomans' statement (2017) that practitioners ensure the distribution of key messages to the target audience on relevant media channels.

"I lead the management of our reputation and I use a PR agency to put out interesting press releases with our thought leadership in it which helps control the main message we want pushed out. They also help us build relationships with key media stakeholders." (William, PR)

"We work with our PR agency to ensure that we are represented correctly within the media and we are represented in the right types of media." (Sophia, PR)

When asked hypothetically if they would prefer an in-house PR consultant or an external agency, most of the representatives from the non-PR group answered they would hire someone internally. "I prefer in-house [PR], because they really get your brand." (Richard, non-PR). This was supported by one of the creative agencies that used to work with an external PR agency, but decided to bring it in-house as a function:

"The business was significantly changing, and the PR agency couldn't keep up; when they were selling stories to journalists, they couldn't replicate the same kind of feelings and thoughts about our business as we have internally." (Harry, PR)

As Young (2012) claims that PR practitioners must act as an internal reporter who knows what is happening inside the company, it is understandable why some agencies prefer to do PR internally. Moreover, some of the participants elaborated that the main reason to choose in-house is budget constrain.

"An external PR agency tends to charge about £3000 a month, so, you know, if you add that up that could be the salary of a somebody that could work in your team full time." (Mark, PR)

As stated by Cole (1989 cited by Huang-Horowitz 2015), SMEs do not have the same resources as large enterprises; hence not all of them can afford to pay external agencies' fees. Nevertheless, this does not undermine the perceived value of promotional activities carried out by PR practitioners in regard to brand awareness and reputation management.

## **DISCUSSION AND CONCLUSIONS**

The purpose of this research was to explore SMEs in the creative industry and their implementation of B2B PR activities. It was found that the focus of participants' communication strategies is building and maintaining good relationships with key stakeholders such as clients, employees and partners. Furthermore, they concentrate on high-quality services and credibility, because this means having a good reputation for them. As a result, they generate new business leads through word-of-mouth and referrals. The findings also show that social media is central to all participants' communication tactics, because it helps increase a company's awareness and improve stakeholder engagement. From the creative SMEs that implement media relations and thought leadership practice, it is visible that they use the activities to disseminate key messages to their target audiences and position themselves as experts. Even though direct business leads from these techniques cannot be measured, it appears that they have a huge value in reputation management and recruitment. Furthermore, it was found that the majority carry out these activities internally or would prefer to hire an in-house PR consultant. The creative SMEs that work with an external PR agency revealed that they pay only for media relations and content writing services as the rest is handled internally.

#### Theoretical Implications

This research makes two core contributions to the emerging area of B2B PR. To begin with, the findings show that B2B PR activities add value value to SMEs in the creative industry for awareness building, brand positioning and competitive differentiation. They also contribute to the recruitment process and reputation management. Moreover, the study also gives evidence that SMEs pay attention to stakeholder management, and more specifically establishing mutually beneficial relationships with clients. This suggests that PR educators should prepare students to be able to execute campaigns for the business-to-business sector as well as for SMEs, and not only large corporations. This will prepare them to work with limited resources and show the advantages of PR activities. As mentioned in the introduction, SMEs in general and companies in the creative industry are huge contributors to the UK economy. Therefore, these businesses deserve the attention of the PR practitioners. It is also reasonable to say that graduates are more likely to find jobs in smaller companies than larger enterprises, whether it will be in an in-house communications team or as part of a PR agency.

Additionally, this research shows that PR activities can be implemented for SMEs in the creative industry and be beneficial to reputation management. If agencies do not have the resources to work with an external PR agency, they can hire a PR practitioner inhouse or a freelance consultant. By distributing content to trade publications, they put key messages in front of the decision makers in the buying process. Furthermore, as covered in the literature review, media coverage improves credibility because of the third-party endorsements by journalists (Young 2012). Thought leadership practice helps SMEs in the creative sector communicate their ideas and expertise, whilst distinguishing themselves from competitors. By sharing the coverage on social media, agencies can reach more people, increase engagement and start conversations with potential clients. All of this links back to participants' focus on relationship building with stakeholders and getting new clients through word-of-mouth and referrals. Lastly, being presented as an expert in the media can benefit the agency in the long-term when it comes to generating new business clients, even though a direct win cannot be tracked from coverage.

# Limitations and Directions for Future Research

This study has several limitations. Due to the qualitative research method and the snowball sampling covering only three counties in the UK, these findings cannot be generalised. In addition, it only explores SMEs within the creative industry, therefore the participants are not a representation of all SMEs in the UK. Future research should take three directions. First and foremost, a quantitative study should be undertaken with a larger sample in order to measure reputation management and B2B PR activities within SMEs in the creative industry. Secondly, future research should focus on investigating SMEs in other industries such as finance, property, law etc. That will provide us with a

clearer understanding of how PR is implemented by SMEs in the UK. Lastly, research should be conducted to map out differences of doing PR activities internally and through an external agency. Together, these recommendations for further research could generate much needed research on B2B PR.

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