

## BEC HIGHER PRACTICE TEST READING

### PART THREE

#### Questions 15 – 20

- Read the following article about public relations, and the questions on the opposite page.
- For each question **15 – 20**, mark one letter (**A, B, C** or **D**) on your Answer Sheet for the answer you choose.

For business, public relations (PR) is an increasingly vital marketing tool – especially as traditional forms of advertising struggle to catch consumers' attention. The goal of PR is usually to secure positive coverage in the media, often to reduce the effects of bad publicity. The well-worn tactics include calling a press conference, pitching stories directly to journalists, arranging eye-catching events, setting up interviews and handing out free samples. But as PR profits from advertising's difficulties, it is taking up a host of new stratagems – and seeking to move up the corporate pecking order.

Some journalists regard PR people as a nuisance, or worse. Even so, PR is surprisingly effective, at least according to a recent study by Procter & Gamble (P&G), the world's biggest consumer-products group. P&G is a firm that marketers pay a lot of attention to, not least because of its advertising budget of some \$4 billion. It has always been at the cutting-edge of marketing – P&G is credited with inventing the television soap opera as a new way to sell goods. But with fewer people watching television and the circulation of many papers and magazines declining, the firm has become pickier about where it spends its advertising budget. Increasingly, it wants a measurable return on investment from its campaigns.

In a recent internal study, P&G concluded that the return was often better from a PR campaign than from traditional forms of advertising, according to Hans Bender, the firm's manager of external relations. One reason is that in comparison with many other types of marketing, PR is cheap. In P&G's case, it can represent as little as 1% of a brand's marketing budget. That proportion could now rise, says Mr Bender, although he hastens to add that other forms of advertising and marketing would

remain important for the company. If P&G starts to spend more on PR campaigns it will confirm a trend. Of course, not all PR people are selling products or services. Indeed, marketing PR – or “brand communications” as it is sometimes called – is still considered by some in the industry as something of a ‘Cinderella’ business. A recent study in Britain by the Centre for Economics and Business Research (CEBR) found the PR industry there employs 48,000 people. More than 80% were working “in-house”, for companies or other organisations. Just over half of Britain's in-house PRs work for the public sector, health organisations and charities. These organisations are also the biggest users of PR consultancies.

Many of the big PR firms have been consolidated into three giant groups that now dominate the advertising industry, two American and one British. Then there are the independent PR firms, the largest being Edelman. Richard Edelman says that their own studies show the most credible form of communication now comes from “a person like yourself”, which suggests that PR firms have new opportunities to influence peer groups. For instance, it worked for a group of former executives who last year succeeded in ousting Philip Purcell as chief executive of Morgan Stanley. One of the things they did was to set up a website where employees of the Wall Street investment bank could have their say in the controversy. Such work is very different from classic public relations.

The fragmentation of media has seen an explosion in the number of ways people seek news and entertainment, with many turning to websites, cable TV, satellite radio and podcasts. Yet a consequence of the proliferation of media is that original content becomes even more sought after. Hence, crisply written or well-produced PR material can more easily get an airing. Media commentators have noted how PR material is now being published by some local newspapers virtually unedited and unchecked. Some branches of journalism have come to depend on a drip-feed of information and products from the PR industry.

# Intelligent Business

## BEC HIGHER PRACTICE TEST READING PART THREE (continued ...)

- 15 What does the writer say about PR in the first paragraph?
- A It used to be used as damage limitation.
  - B Its role has changed as consumers are not responding to advertising.
  - C It is the most important part of a marketing campaign.
  - D It used to be the best way of dealing with the media.
- 16 In the second paragraph, what does the writer say about P&G?
- A It advertises mainly during TV soap operas.
  - B It has a good relationship with the press.
  - C It plans to reduce the amount of TV advertising it has.
  - D It is respected by people in the marketing industry.
- 17 P&G's internal study showed that they believe
- A traditional advertising is no longer important.
  - B PR campaigns are often more effective than advertising.
  - C most companies spend less than 1% on PR.
  - D advertising budgets are likely to rise in the future.
- 18 In Britain recently, the CEBR found that
- A most PR people work for a non PR organization.
  - B the public sector only uses PR consultants.
  - C 'brand communications' is highly respected.
  - D 80% of PR people work in the public sector.
- 19 What does the writer say about the Edelman firm?
- A It has a good relationship with its clients.
  - B It has produced some unconventional campaigns.
  - C It prefers to use internet advertising.
  - D It likes personal contact with consumers.
- 20 What does the writer say about the media in the last paragraph?
- A Currently communication channels are overloaded with information.
  - B A lot of PR articles are altered before being printed in publications.
  - C Journalists prefer to source information from individual companies.
  - D People are more interested than ever in clear and original messages.