



# Enter the engagement world

The days of standalone corporate PR departments may be numbered, but their distinct function will remain essential even within companies' merged communications and marketing operations

In the next year, many of the remaining standalone big-brand PR and corporate communications functions will be absorbed into marketing departments, while those that remain separate will be much smaller than before. Some of this is driven by recession, but more is driven by a wider restructure of the marketing services industry that is gathering pace.

In the past couple of months, *Marketing* has covered restructures at a diverse range of brands and companies, including *USA Today*, TUI Travel, Kraft, Dyson, HMV Group, Simple and The Co-operative. In future, marketing departments themselves may well transform or disappear, as organisations move to a completely integrated approach to stakeholder communication and engagement.

The drivers of this shift are clear. As Justin Basini, marketing guru and former Procter & Gamble marketer, says: 'In an increasingly transparent world, all externally focused functions need to be working lock-step together, as the consumer can see through the cracks.'

He argues that this can be achieved by forcing closer collaboration between brand, marketing, corporate communications, investor relations and CSR.

Chris van der Kuyl, chief executive of Brightsolid, which recently acquired Friends Reunited, adds: 'Services like Twitter have completely blurred the lines between PR, customer service and marketing. There is no room, even in the biggest businesses, for these communications teams not to have an integrated approach.'

At NS&I, where media relations has been integrated in marcomms for nearly 10 years, head of marketing and communications Tim Mack notes that the priority is now maximising 'owned' and 'earned' communications over 'paid-for'.

In this environment, BGL Group director of acquisitions David Lundholm argues that strong leadership is vital, asking:



Andrew Ferraro/LAT

**'There is reason to believe that marketing services and customer communications silos will disappear'**

In the longer term, there is good reason to believe that marketing services and customer communication silos will disappear to be replaced by cross-discipline functions like customer engagement.

Some question whether this is a step too far. Skipton Building Society head of marketing Rachel Ramsden says: 'Whether you're called "Customer Engagement" or "Marketing", you're likely to be doing the same things.' She warns against the dangers of confusion and blurred responsibility in bigger functions.

Williams is more philosophical, observing that the trend to integrate may be cyclical. 'It's fashionable to merge the teams now, as we start to understand communication in the content/SEO world and as marketing people learn to deal with earned and influenced media,' he says. However, he sees no reason why the teams won't move apart again in the future.

My bet is on a more radical longer-term change, with smaller corporate communications functions remaining at quoted companies and cross-discipline ones (customer engagement, government relations, brand management, distribution) replacing PR – and marketing – elsewhere.

The question is which traditional background – marketing or PR – has the requisite mix of skills to head the new functions. ■

*Tony Langham, chief executive, Lansons Communications*

'Why wouldn't brands centralise all their marcomms?'

Across Lansons' 100 clients, the unification of PR and natural SEO has been the biggest driver of integration so far. As Ian Williams, Moneysupermarket's recently departed communications director, says: 'We started working with the SEO team on a weekly, then daily basis, then moved next to them. The next step was to merge the teams.'

Many PR big-hitters believe the complete merging of PR into marketing leaves gaps. Former Aon Communications head and consultant Paul Atkinson argues that integrated internal and external communications to support change management require specialist skills. Another communications director is more direct,

claiming that 'many marketing directors still don't get PR' and often find media relations challenging as they can't control it. Another adds that marketing directors are rarely as experienced in handling reputational issues.

Lundholm also raises the problems of confidentiality within a single function, recognising the need to balance social media know-how with skill in handling sensitive issues.

Within FTSE-250 and FTSE-100 companies, we see less of a drive to complete integration as chairmen, chief executives and boards still value focused, discreet high-level counsel. The question is how big will these specialist, standalone corporate communications functions be?