



The State of Public Affairs 2009

Results of a survey of public affairs practitioners

ECPA Conference 4th March

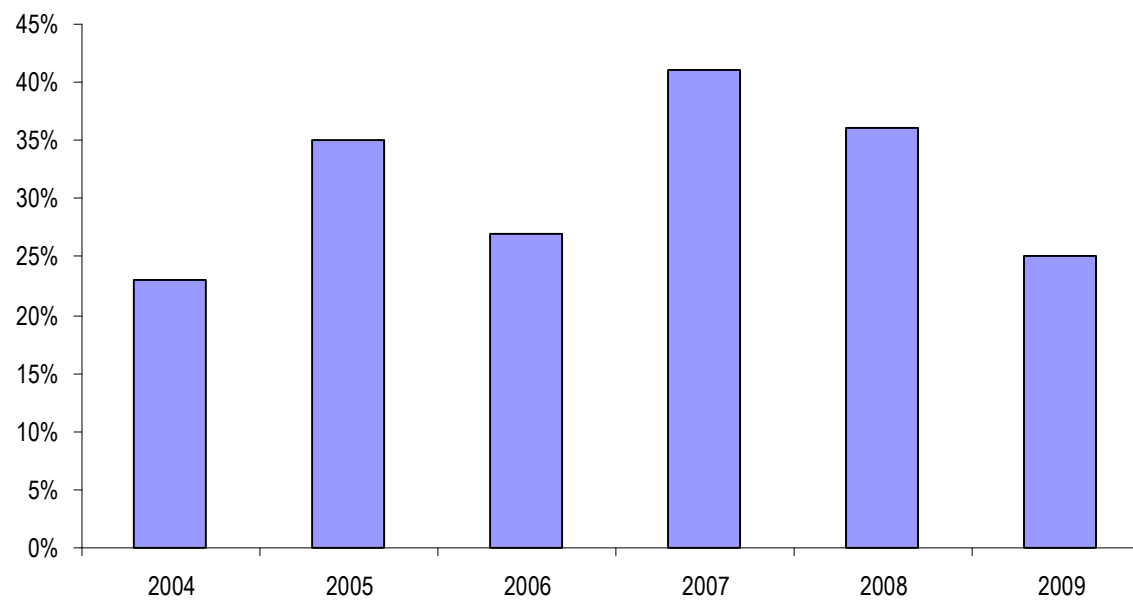
Andrew Hawkins, CEO ComRes

www.comres.eu.com



PA spend is down...but not out

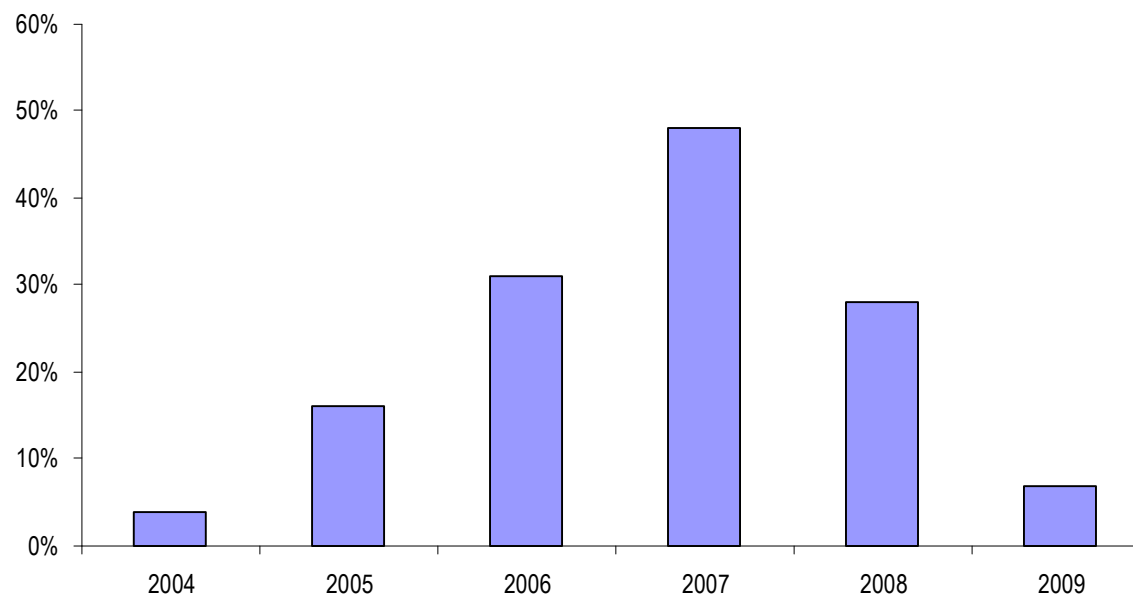
Net balance increase past 12 months





2009-10 is looking tougher

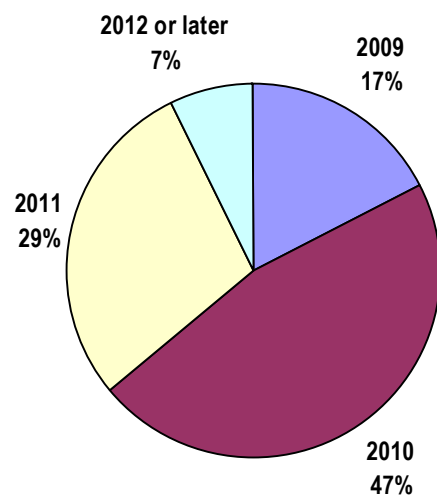
Net balance expecting increase





Recovery requires patience

When do you anticipate economic recovery being felt by your organisation?





How is public affairs responding to the crisis?

1. Innovation

- 95% say new activities started
“more online” “smaller events” “more public speeches”

2. Cutting

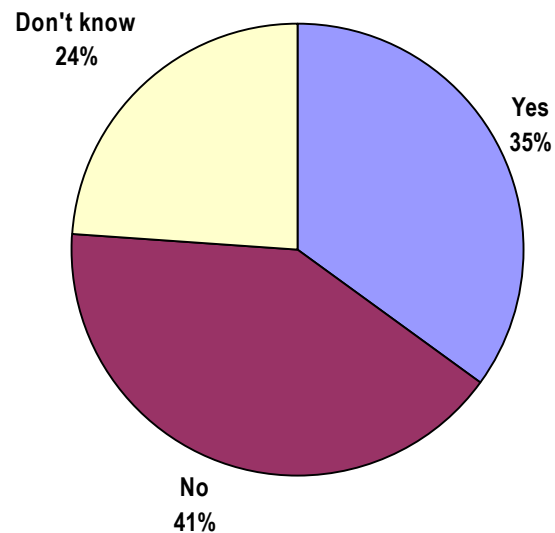
- 78% have stopped doing things
“cut TA subs if not delivering” “project-based not retained PR advice”

3. VALUE FOR MONEY

- “have to demonstrate added value” “looking for cheaper ways of doing the same things”



One-third believes the downturn will leave a lasting mark on PA practice





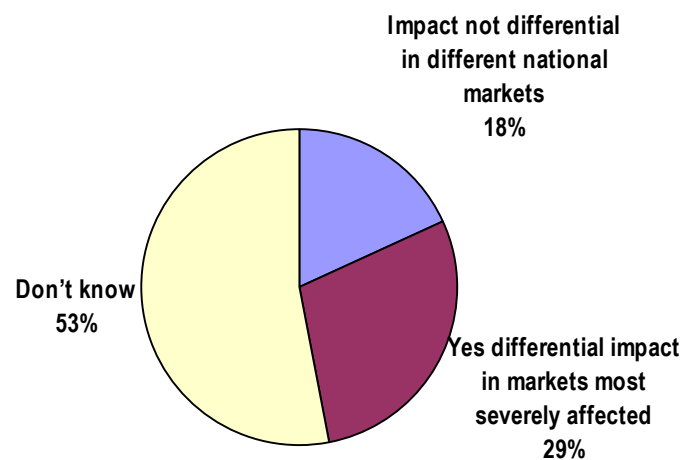
What will the lasting mark be?

FOCUS

- ROI-driven activities
- Focus on measurable success
- Consolidation of memberships – and advisers
- Integration of PA with other parts of management
- PA activity more closely integrated with brand management



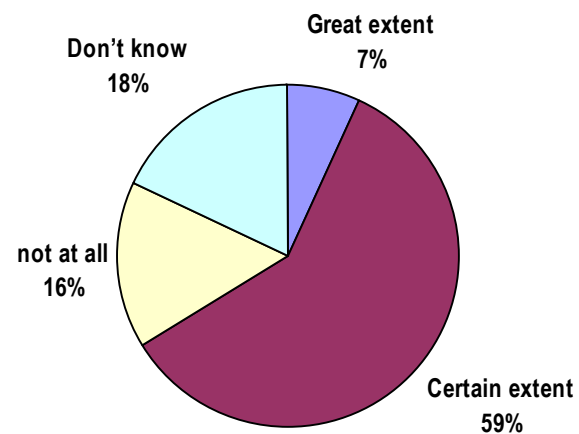
Expected differential impact





Will global PA ever be the same again?

"To what extent is the practice of global PA changed by the upheavals of recent months?"





Will global PA ever be the same again?

“survival of good PA advisers, disappearance of bad ones”

“need for more intelligent strategic support”

“need to adapt to the fact that some sectors are tarnished”

“budget cuts”

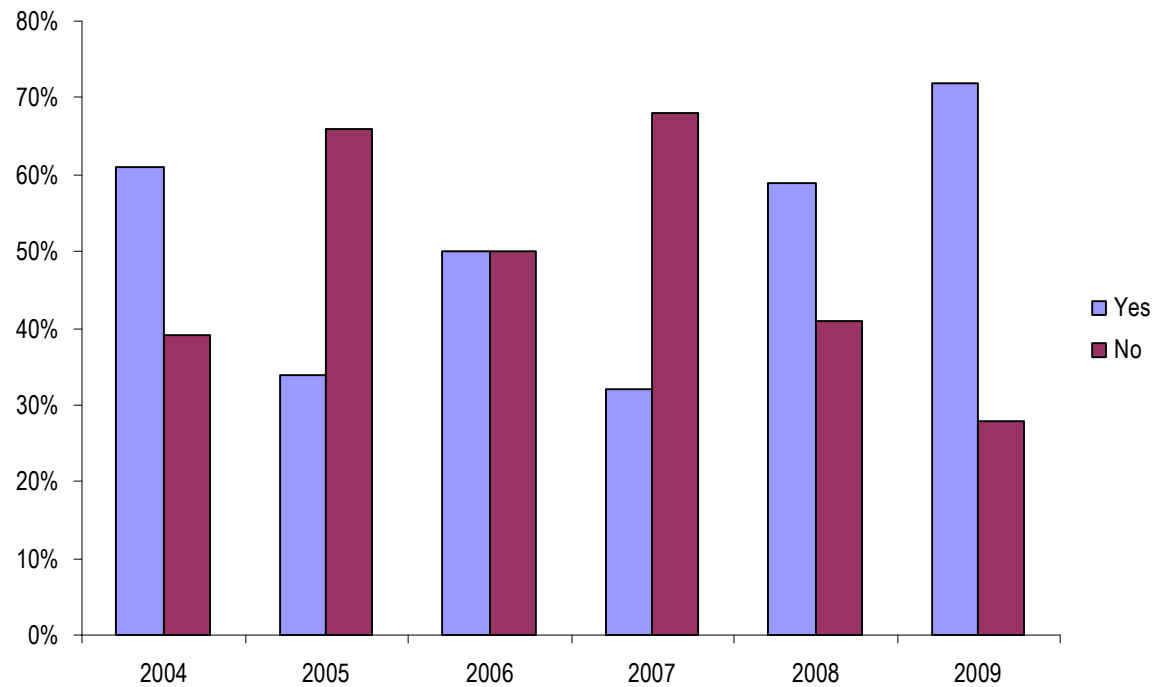
“need to work hard to regain public trust”

“better access to global policy making if messaging is concerned with your economic contribution”

“primary effect is budget cuts but in time managers will be forced to have more focused strategies”



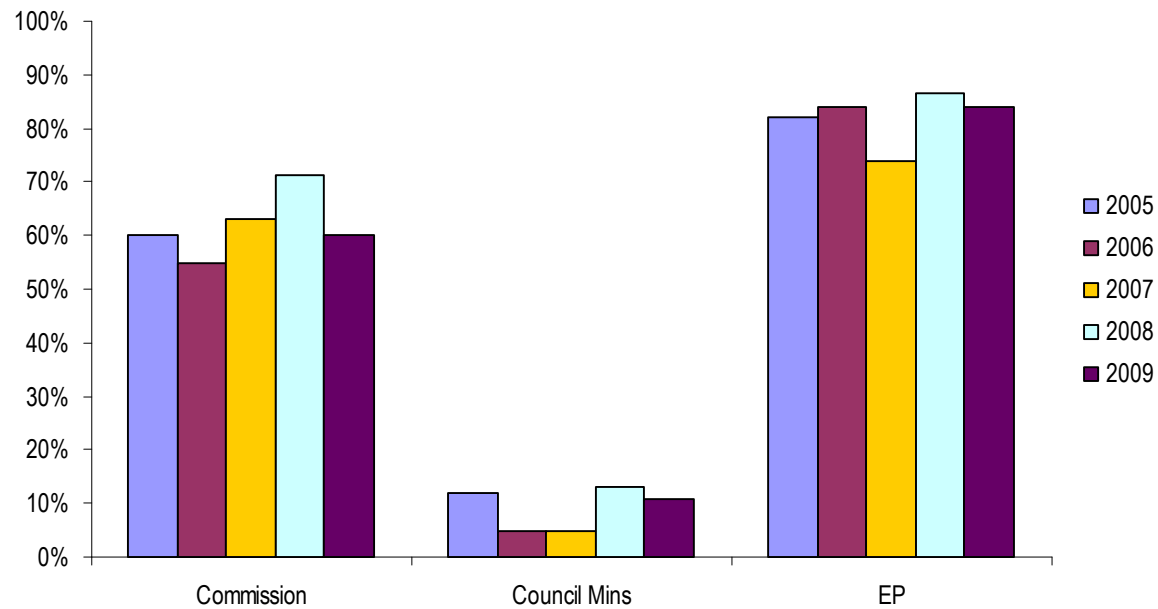
Is measurement more important in a downturn?





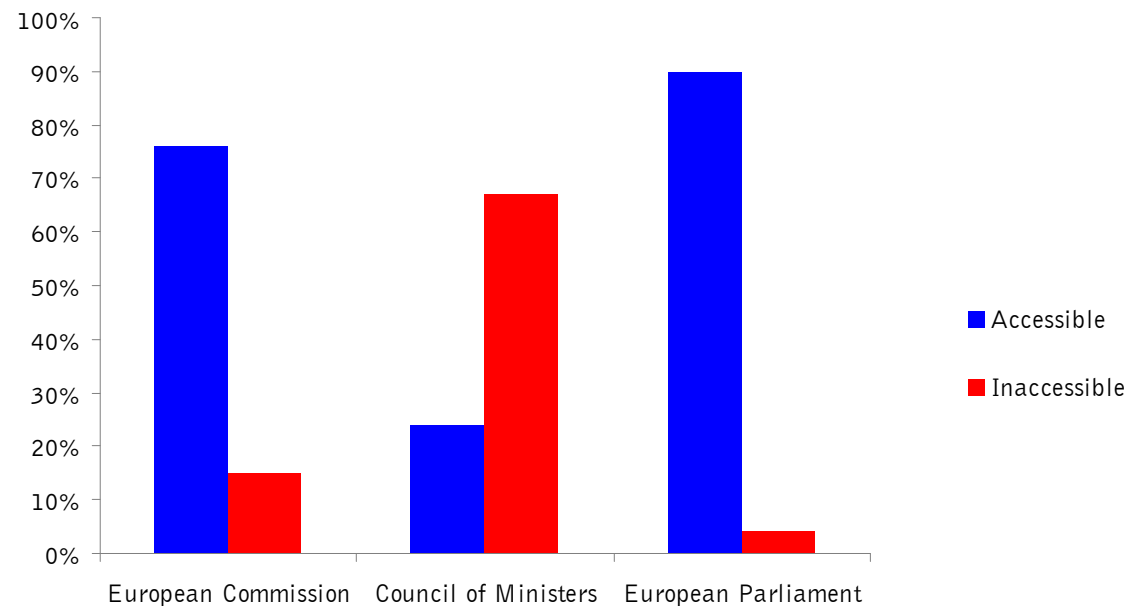
Council remains perceived as opaque

Decision making is 'very/fairly transparent'





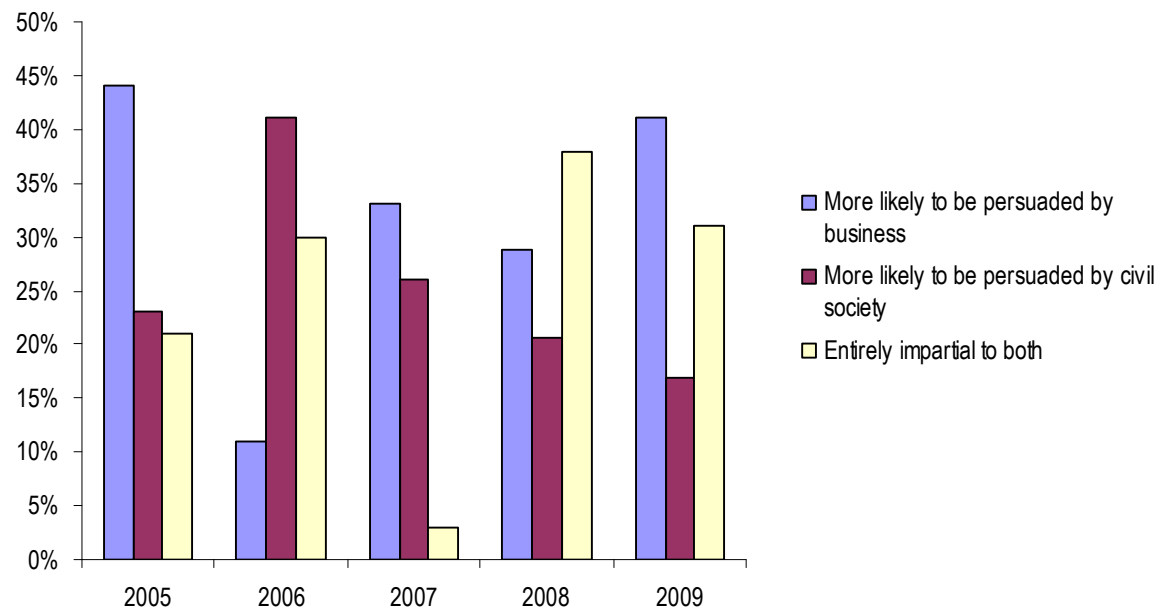
Council also seen as inaccessible to lobbyists... but EP and EC are outstandingly accessible





Commission continues to be seen as reasonably well balanced in its treatment of business/civil society

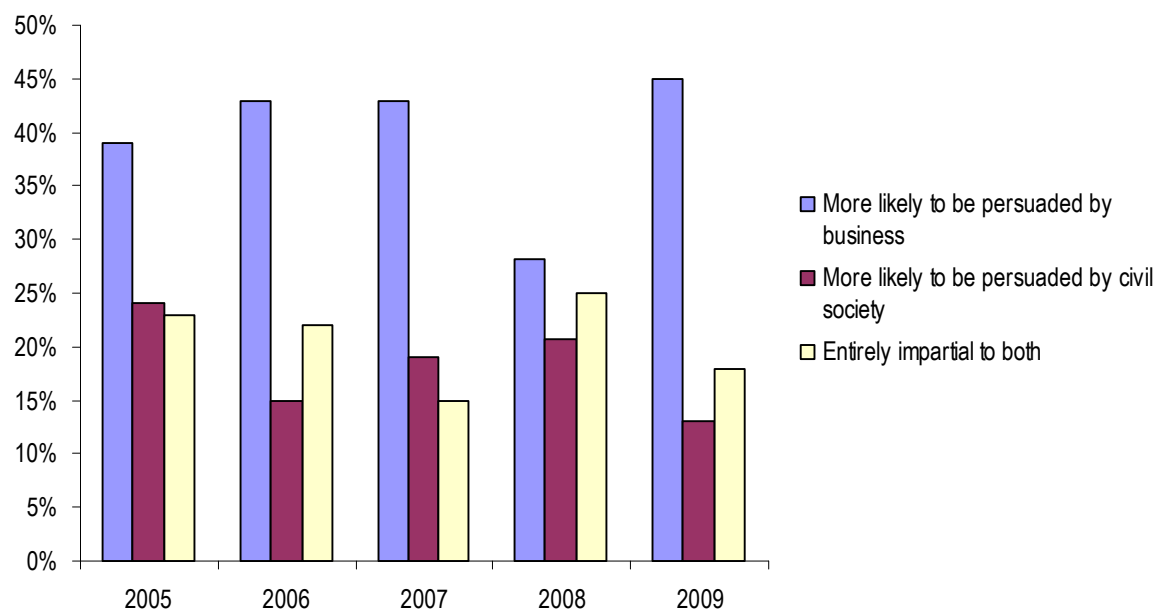
European Commission





Council however is not

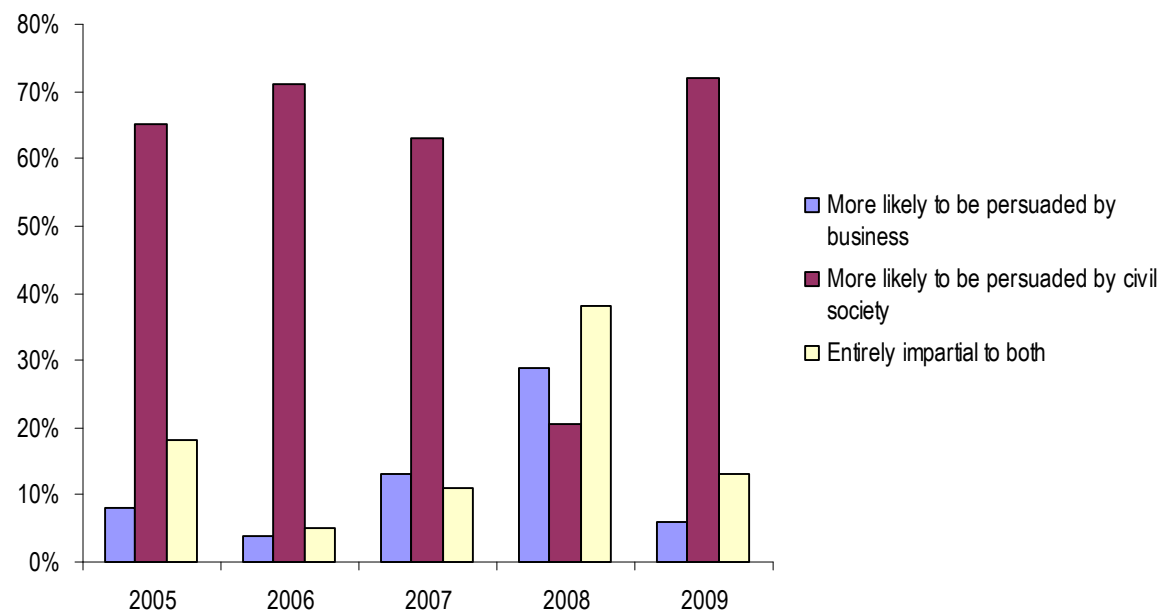
Council of Ministers





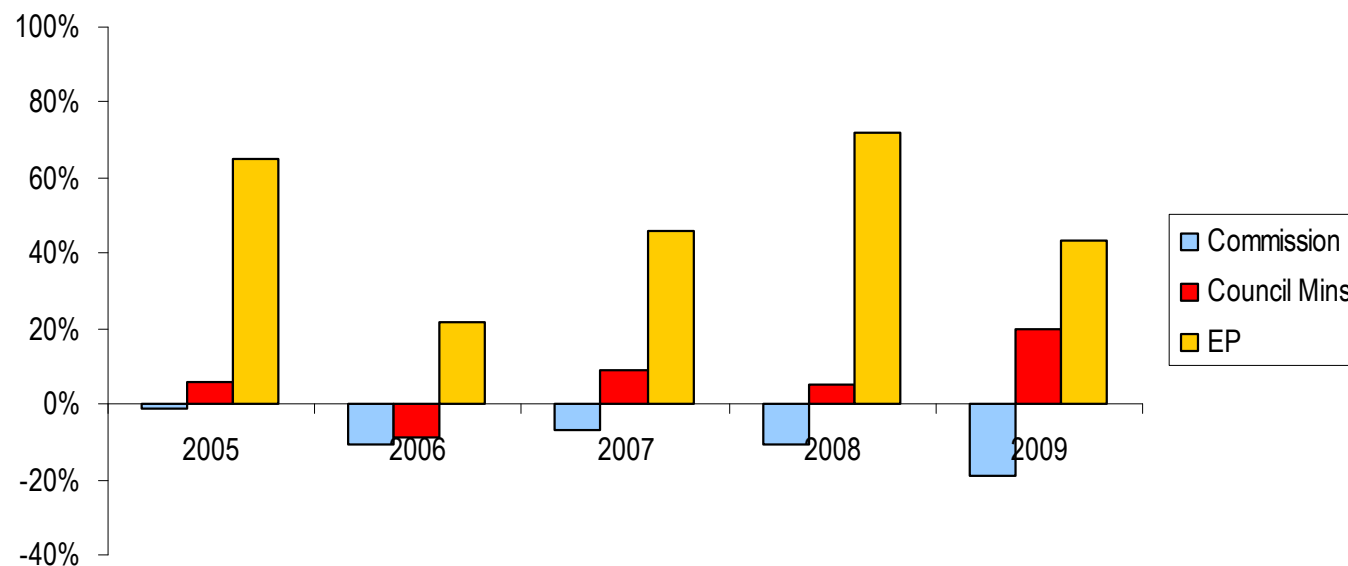
But Parliament is still seen as hugely biased in favour of civil society

European Parliament





**Parliament is expected to continue to grow in strength
“over next few years”**





Conclusions

- Practitioners are very nervous about resourcing – even though reported budget reductions are relatively modest
- Clearly there is significant pressure on costs
- The climate is more serious and less informal

“In a year of intense political change it’s unfortunate but every cent has to be argued for so that’s what I am concentrating on”



Conclusions

BUT some clear rules for success

- innovate – how can we be more effective while spending less?
- demonstrate – how can I show internal audiences that I am spending money well?
- be visible – “consultancies without a publicly recognisable CEO are going to have a hard time”

“it’s an opportunity because of the degree of government control which makes closer relations necessary for almost all sectors”