



PR

TREND REPORT

2021

HUNGARIAN PR
AND COMMUNICATIONS
- PRESENT AND FUTURE

OCTOBER 2021

www.prtrendriport.hu



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THE AIM OF THE FIRST NATIONAL PR TREND REPORT 2021

is to determine the situation, the most important trends and conclusions from the Hungarian Public Relations and Communications sector biannually. We have created a platform during this isolated and often difficult pandemic, to bring the profession together, where the best in the sector and young talents can share their ideas in the field.

The publication was launched on the occasion of the 30th anniversary of MPRSZ, with the support of 11 national agencies and SPAR, and 4 media sponsors, in a unique professional partnership. The editor-in-chief of the PR Trend Report 2021 is Balázs Román, and the project manager is Zsófia Bánhegyi, vice-president of MPRSZ.

The PR Trend Report 2021 can become an essential tool and compass for all actors in the profession, enabling knowledge transfer between people, companies and brands. It brings together different generations from the profession and strengthens professional cohesion. Its main values are to fully represent all PR fields, promote diversity through relevant speakers and publishers, and to provide a comprehensive overview in terms of speakers representing clients, agencies and professional organisations alike.

It aims to contribute to the understanding of the economic and business importance of PR and help interested parties to better understand the added value of PR so they can carry out effective campaign and communications activities. The report wishes to present the most important global and domestic areas of the profession, trend approaches and best practices, and to analyse the current conditions, in particular the challenges posed by the pandemic and the sensitive PR responses to these. One of our main goals is to show the way forward to the profession and the public with this report.

The content is structured to cover all areas of Public Relations. It will address the various players among the clients, agencies and related professional areas in Hungary. It creates a cooperative publication that has never been achieved in the domestic PR space before.

Nineteen section leaders and nearly 100 respondents from the domestic and global PR field have contributed to the PR Trend Report 2021, and we would like to thank them for their helpful professional input.





Zsófia Bánhegyi

Vice President of MPRSZ and project manager for the PR Trend Report 2021, Marketing and Communications Director, Szerencsejáték Zrt.

For years, I have felt a lack of awareness of the Hungarian PR profession's role towards economic development, of the need to act together and to showcase its set of tools to stakeholders. When the idea for the PR Trend Report 2021 was first conceived, I knew we would be embarking on a huge collaborative effort with the editor-in-chief, section editors and nearly 100 professional speakers, but the time was finally ripe. The industry has come together to give an insight into our lives: to show where it currently stands, what trends are driving it and what its future holds. Change has become a constant around us, which is perhaps why we can agree that PR has been enjoying a renaissance in recent times around the world, as well as in Hungary. Never before has it been so important for companies, brands and institutions to ensure that they create business value through consistent reputation building. The PR Trend Report 2021 does not concentrate exclusively on us or the profession itself. It is as important to address young people who study communications in higher education, as it is to target senior decision-makers. The high number of speakers has brought unprecedented diversity to the PR Trend Report 2021's rigorous, all-encompassing direction. Perhaps even more impressive than the final result was the experience of working together, which consisted of many email exchanges, phone calls and face-to-face meetings. I would like to thank all our contributors and supporters for their immediate acceptance of the initiative and for allowing us to create a body of knowledge that will bring added value, not only to current but also to future professionals.



Balázs Román

Editor-in-Chief



When I said goodbye to being an employee three years ago, I made an infinitely simple commitment: I'll only do things that interest me, that make sense. In the case of the PR Trend Report 2021, I didn't have to think long about why hundreds of thousands of characters of text, numbers and images were useful to me and the world. On the one hand, it shows how the PR profession in general is so dominant in almost all areas of the communications industry that it is everywhere and fulfils a strategic role everywhere. On the other hand, this publication can also be used for educational purposes, as it is more up to date and closer to reality than most domestic textbooks, and can tell you more about current affairs. Finally, this publication is like a major PR conference, by giving the whole profession the opportunity to present and work together, which is more important than ever at this time. Of course, I also benefited from this: again I had a reason to read and understand a lot of professional material, and I also had the chance to meet a lot of people whose names I knew before, but now I have also found out that we can work as a team. The message of the entire PR Trend Report 2021 is that running a company without any community benefit is becoming less and less rewarding. This applies equally to professional organisations. It's a pleasure to be involved in a project where the principles of purpose and utility are the guiding principles.



András Sztaniszláv

President of MPRSZ

Over the past two years, the Hungarian Public Relations Association has done a great deal to better demonstrate the impact of our work in the communications market and the wider business environment. We have re-branded the association's award to PR Excellence Hungary, opened up to global competitions (these involve foreign juries and participation in international competitions), launched agency accreditation, established a professional library, produced professional recommendations, organised the national qualifying round of the PRNextGeneration international competition, participated in several professional conferences and advocacy work, and we have increased membership significantly. The PR Trend Report 2021 is a milestone in this journey, along with several other projects. The past year and a half has shown that, in addition to technology, the role of multi-stakeholder communications, understanding people and social processes and dialogue-based communication – in other words, the role of the PR profession – is paramount in the operation of companies, institutions and NGOs. Our publication provides a general overview of the situation, as interpreted by experienced professionals. Several international examples were reviewed and taken into account during the preparation of this report. I feel it is important that the PR Trend Report 2021 has a market approach, so it will be of interest to the business sector, senior managers and a milestone for the international recognition of Hungarian professionals. This is one of the main projects of the association, so I am especially happy that so many people have been involved in producing content and providing various kinds of support.

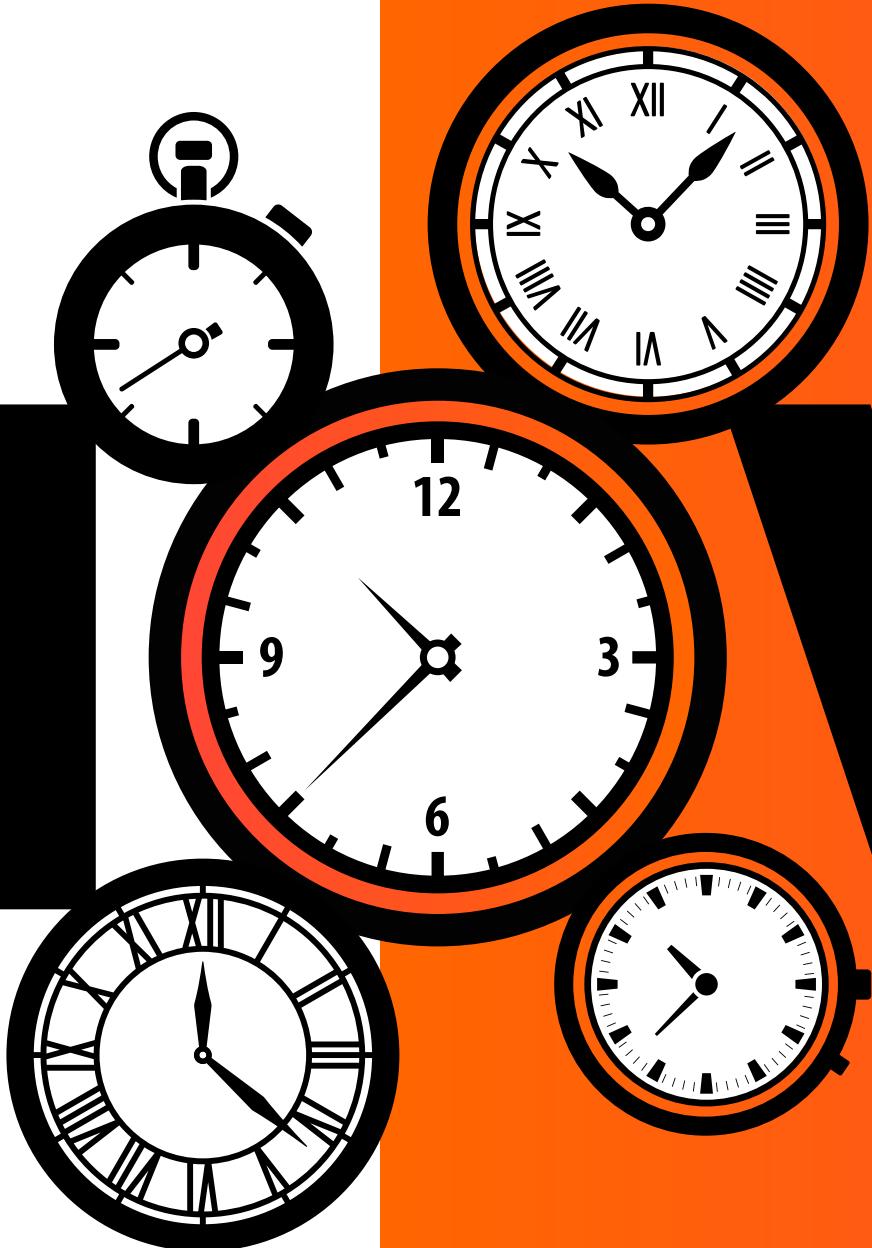


Nitin Mantri

President of the International Communications Consultancy Organisation (ICCO)

I am delighted to be able to speak at the launch of the PR Trend Report 2021, because I believe that this publication will play an incredibly important role in the future success of our industry. We live in a fast-changing and fragmented world, where we face a multitude of challenges, be it climate change, a global pandemic, political discord, social tensions or economic downturn. In times like these, our job as communicators and brand consultants is to understand the madness and help stakeholders navigate the chaos. We can only do this by working together. Only together can we create a vibrant communications ecosystem. The PR Trend Report 2021 helps you do this. This data-packed report, featuring the experiences, perspectives and opinions of renowned PR professionals in Hungary, helps quantify our constantly changing world and helps us understand how brands can thrive in 2021 and beyond. Since becoming the 34th national member of ICCO (International Communications Consultancy Organisation) in 2016, MPRSZ has played a leading role in the continuous development of our industry and profession, and has contributed significantly to ICCO becoming the largest and most dynamic international PR body in the world. The road to excellence never ends. As the gateway to information and as guardians of truth, we have a deep commitment to support the creation of a safe, just and sustainable world. Shared knowledge is power. This publication will be a reference tool for PR professionals around the world, helping us to learn, teach and practice the art of ethical and purposeful communications. I am excited to see how our industry absorbs and brings this knowledge to life.

NOW



**WE HAVE
NEVER IMPROVED
AS MUCH
AS IN THE LAST
TWO YEARS.**

IN AN IDEAL WORLD, MARKETING REPORTS TO PR

INTERVIEW WITH PAUL HOLMES, FOUNDER
AND PRESIDENT OF PROVOKE MEDIA

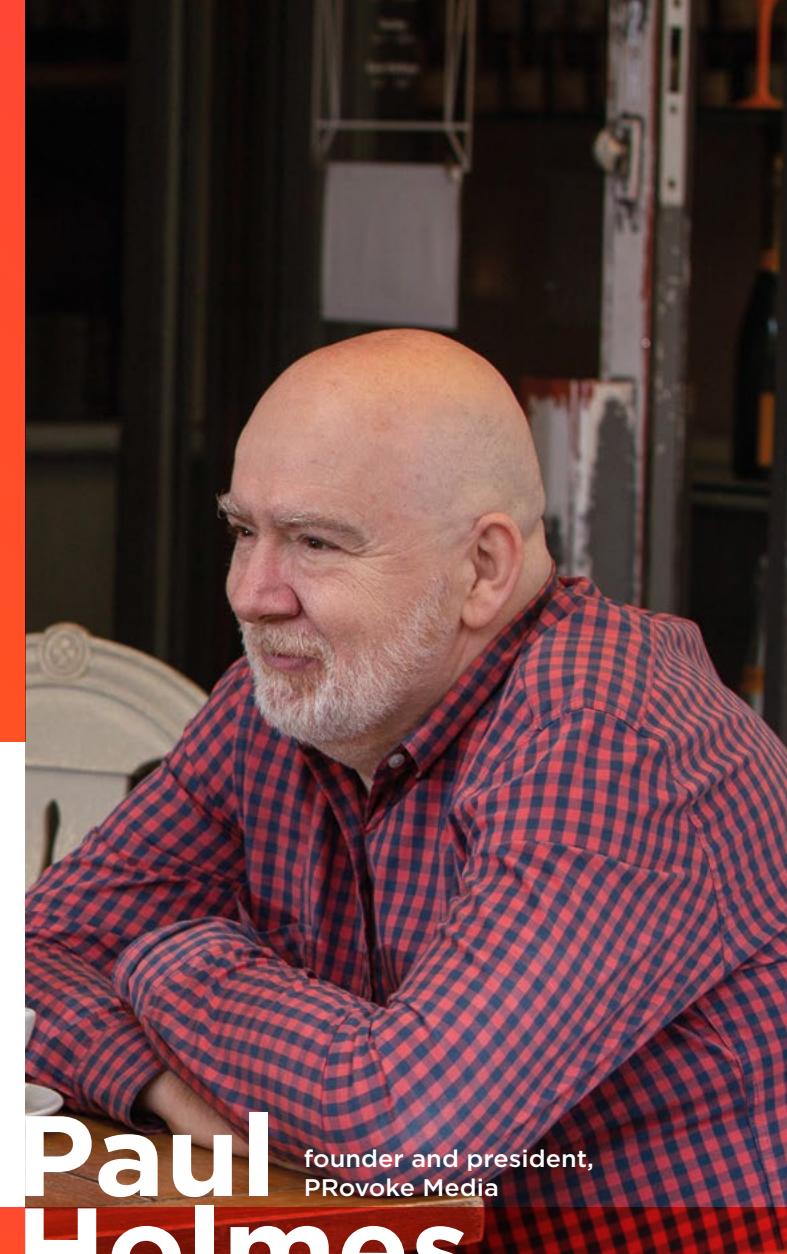
Author: **András Sztaniszláv**

The rise of responsible business practices, the proliferation of target-oriented communications and the omnipotence of social media all explain why companies increasingly need to work with stronger and more influential PR teams. Among many other things, this is what Paul Holmes, founder of PRovoke Media and one of the world's best-known senior PR experts says. We spoke to him about the role of agencies and the opportunities for Hungarian PR to break out.

In March last year, a statement you made at the beginning of the Covid epidemic revealed that you were very worried about the future of the PR profession, but then you became more optimistic. What is the reason for this?

We have conducted a periodic survey of the PR industry to get an idea of what people around the world expect. Around April and May, most respondents expected orders to fall by a third. They expected mass redundancies and thought their customers would disappear completely by September. By the autumn, industry players were much more optimistic about the situation, expecting a mere 10 per cent decline.

Few of their customers left, and some returned after the initial shock. The nature of the work has changed, of course, but there were still events and activities, if in digital form.



**Paul
Holmes**

founder and president,
PRovoke Media

Hospitality and retail have seen a big downturn, but the health and technology sectors are booming, which has also created work and new challenges for PR professionals in areas such as crisis communications and reputation management.

I think there is some truth in this, because we are talking about a trend that was swept away by the crisis, but rather reinforced by it. Every company now has a central objective linked to its activities.

Fifteen years ago, the main purpose of campaigns was to sell and to tell you why their product was great. That has changed by now, and even the toughest, most cynical marketers have accepted something that works and is real.

Is this a real change or just a new buzzword, a passing trend?

In all similar cases, when a new trend is emerging, some companies take it seriously, while others less so. Some think they can keep up the pretence that they are doing the right thing, without undergoing any real change.

But consumers have changed a lot in recent years and, perhaps more importantly, employees have different expectations of their employers than they did 15 years ago. Consumers prefer to bring their custom to a business and employees also look for a company that represents the positive values that matter to them.

So there is now a real price for companies to pay for being on the wrong side.

In recent years, we have seen many scandals that damaged the reputation of the company concerned, or incurred heavy fines, but as far as I can see, there has been no real change in the number of sales.

First, it is often difficult to assess the long-term impact of such scandals. A crisis does not necessarily pose a problem, but our poor reaction to the crisis might. On the other hand, and this is the cynical part of my answer, CEOs are more interested in their own position than in sales. So even if the impact on sales was minimal, the people who were in senior positions at the time were clearly badly affected by the crisis, because they lost their jobs. That is why the next administration did not want to use the same method that led to the scandal in the first place.

Furthermore, there is not always a straight line between cause and effect. Scandals can only exacerbate certain problems for a company. For example, the next time you want to build a factory in an area where people are not necessarily happy about it, and there is some opposition, the politicians will reject your plans.

Finally, social media now provide stakeholders with exponentially more information. And thanks to social media again, if you're not credible about something, it will be discovered much sooner and you'll be punished much more severely than before.

Do you think it has a good impact on the PR industry? Can it boost improvement and credibility?

There are two sides to the coin, because as PR people we can say that anything that creates

“ I disapprove of PR being defined as communication, because in our work, behaviour is just as important as speech. ”

a reputation for our clients is good for us. The more challenging it is to maintain your reputation, the more you need good PR people. But the same trend also gave rise to bad PR agencies. PR agencies are capable of a lot of things, and this can now get their clients into even more trouble. So the bar is high, the question is who can exceed these expectations.

In recent years, there has been a growing trend towards an investor approach that favours more environmentally and socially responsible companies, i.e. we are moving from “shareholder capitalism” to “stakeholder capitalism.” What do you think about corporate activism driven by ESG (Environmental, Social and Corporate Governance)? Does it really affect more stakeholders or is it just a new “investor fad”?

The ESG issue is on the shareholders' agenda. This is because companies with unsustainable business practices violate the law or community standards and will suffer financial losses. For consumers and employees alike, it is important that a company is ESG-compliant.

Do you think the purpose should be somewhere around corporate communications and reputation, or is it more the responsibility of the brand and marketing department? Because this is an issue on which there is no consensus among experts, for example in Hungary.

My answer is a bit hypothetical, and almost certainly unrealistic, but that is the way it should be. In an ideal world, marketing would report to the Public Relations department because

marketing is a subset of PR. Public relations manages the relationship between the organisation and the public. Marketing is only in touch with one group of people: the customers.

But that is not how it works today, mostly because the marketing department has a much larger budget, so it cannot be expected to be accountable to the PR team with a smaller budget. However, when the purpose is completely in the hands of marketing, there are many negative effects. On the one hand, they focus almost entirely on consumers and the cost of access to the various consumer groups. But these target groups are people first and do not think of themselves as consumers. They think of themselves as people, and their purpose is not to buy products, but to live their lives. The next is that marketing works in line with transactional principles. It does not focus on relationship building, but approaches the consumer in a transactional channel, rather than looking at the long-term results. In this case however, sales may not increase on a monthly basis, for which they blame the purpose. This attitude leads to a campaign-level mindset. If we look at the purpose-oriented campaigns that have failed, we see that the main reason for their failure is that marketers did not take the time to understand the people they wanted to reach.

We monitor both traditional and social media, so it's easier to understand how people react to a topic. Sometimes marketers get this wrong. If that happens, I always think to myself that if a colleague in the PR department had seen this, they would have vetoed it. That's obviously why they don't show it to them.

That is why I believe that the definition of purpose is in the hands of PR. I'm not saying that collaboration is not necessary, but I think that PR is the best place to discuss such issues within an organisation.

**How do you define PR in general? Is it business, science or discipline?
Do you think there is any point in defining it, given that it is an ever-changing and evolving field with blurred boundaries?**

I used to refer to it as a PR business when I had to talk about it. I've had people tell me that PR is not a business or a line of business, it's a profession, a vocation. I thought about it a lot and I realised that the people who thought of PR as a business were all successful professionals in the field, because if you're not a good professional, you can't have a successful business in the long run. However, those who insisted that PR was a profession or a vocation,

not a business, were all professionals who had failed in business. These were great consultants, practising PR people who couldn't profit from their skills. If you can't make money doing this, you can't survive. This is why I think PR is primarily a business.

And PR as a discipline is nothing more than managing the organisation and all its public relationships in order to maximise the value of those relationships – that's my definition.

It can also be seen as a philosophy, because in this business it's not just about revenue, it's about how we behave as a company and how we maximise the value of our relationships. This philosophy is not focused on quarterly returns, but on how we can build our relationships for the long term.

My definition of PR is about dialogue and cooperation with all stakeholders, because it involves the ability to listen, understand and start a conversation with your stakeholders.

Well, I've always thought that it's really about aligning the behaviour of the organisation with the expectations of the stakeholders. There are two ways to do this: either change the behaviour or change the expectations. So, either we communicate with stakeholders in a way that changes what they want or desire, while in other cases the stakeholders have very real expectations of the organisation. This is when you need to convince management to change. This also shows that in PR, listening is as important as the dialogue. I disapprove of PR being defined as communications, because in our work, behaviour is just as important as speech.

Do you think PR is more about creativity or business strategy?

What I love most about this industry, and the reason why I've been doing it for over 40 years – and continue to find it fascinating – is that PR is not just one thing alone. It is much more complex than that. Storytelling is just as important as data. If the definition of PR is right, then both tools should be used, don't you think?

You need to have a strategy and a business plan, and you need to be able to tell your story in a way that people will notice and remember. So, strategy planning and creativity are not opposing forces, but rather go hand in hand, and you need to have both. The best strategists know that you need great storytellers,



“ But I think the really big agencies are rather defined by what they don't do. **”**

and the best storytellers know that they won't get anywhere without the right strategy.

How do you see the difference between in-house PR teams and agencies?

First of all, I would say that the individual roles are very different for each organisation. However, most companies prefer to have an in-house team of communications specialists, but there are areas such as crisis management where an agency is hired. Obviously, most companies cannot afford to have a full-time crisis team.

In a broader sense, in-house teams may have a better understanding of the specifics of their own sector and a better insight into what is and is not available within the organisation. The agency's job is more to understand the wider world and to get a better sense of what people outside the organisation think about the client. As consultants, they have a more objective role, and it is important to maintain this distance as an agency.

As an agency, you have to serve three or four different clients at the same time, and in this rush, one idea feeds another. So you see a bigger picture of the customer. Of course, I don't want to give the impression that in-house people are boring and unsophisticated, because I don't think that's the case. But they have a focus, a narrative of what they find important, while agencies see the same from the outside.

Will there be a demand for generalist or specialist agencies in the future?

The answer depends on whether we are talking about a large, small or emerging market. I have always advised PR agency managers to decide what they want to be good at and then excel in those areas. But I think the really big agencies

are rather defined by what they don't do. A great agency is able and willing to tell the client: You know what? This is not our job. I think it is important to be able to say no and not take every job that comes our way.

Another question is what applies to people. In this respect, I think there is a growing need for professionals who excel at one particular thing. There is a high demand for people who have a really in-depth knowledge of a particular industry or market segment. But it can also be a target group, a tool or a channel in which someone becomes a specialist. Of course, there is also the risk that we all become experts and end up with no one left to put the pieces together.

So in terms of agencies and people, we need generalists and specialists alike. The challenge today is more about achieving balance in the life of an agency. How deep do I want to go in a given market? What is the difficulty or challenge there? These are the biggest challenges for agency leaders today, and I hope it is also the source of their joy. How do we manage all these resources in a way that makes sense for the business and the market? There is no simple answer.

What do you think is the role of professional organisations in the PR industry? Is there still demand for these? Should they focus on prizes and competitions, or rather on training and networking?

First and foremost, the associations have a role in protecting and enhancing the reputation of the industry and the profession – also vis-à-vis other stakeholders. Further, they also have an important role in the development of professionals, because in any market, but especially in a market like Hungary, it is unreasonable to expect agencies to have their own resources for training and development. However, associations also have a role to play in setting standards and codes

of ethics for the industry, and they should also talk about bad practices.

**What do you recommend to PR professionals in a small market like Hungary?
Do you think there is a potential for domestic PR professionals to do something noteworthy at regional or international level?**

My universal advice to PR professionals is to strive to become as good as they can in business, understand the processes, learn to read a spreadsheet or a balance sheet and become familiar with the mechanics of business. I've never had a CEO say to me that my PR agency doesn't understand the media, but I've heard many times that my PR agency doesn't understand business processes. I can think of several good examples from Hungary: a few years ago in Cannes, in the Young Lions PR category, two Hungarian girls won the main prize with a very creative idea, which was a great achievement. (Luca Hadnagy and Paloma Medina won the Gold Award in the Young Lions PR category in 2017 - ed.)

And Hungarian agencies also win the SABRE Awards relatively regularly.

Yes, Romanian agencies and professionals are very strong in the creative field, but indeed there were also a lot of Hungarian entries. There was your campaign "Samu the llama", which was not only creative but also achieved such a good business result with such a small budget that we awarded the jury's special prize.

Obviously, a small Hungarian agency will not immediately receive global or even EMEA-level projects, but it is realistic to expect that they will be given the leadership of a regional or Central European campaign, or be involved in a larger project because of their creativity and expertise – so these international recognitions are important. Yet I would rather highlight the role of the people

rather than the input of the agencies. I think an excellent PR professional should always be curious. They have to learn something new about their clients, markets, consumers and the society in which they operate, every day. Their skills become truly valuable by absorbing cultural, community and business gestalt.

In parallel, empathy and the ability to understand are equally important. I think that integrity is a personal value where PR people still need to grow. Otherwise, if you fake it, if you are not credible, if you are unrealistic, you will be put on the spot very quickly in today's world. Doing the right thing is more important than ever. Finally, you need the courage to apply all this and sometimes you need to tell your clients things they may not want to hear. So you need all these qualities to be a really good PR professional. There is also an increasing need for improvisation and innovation. You have to be agile because the world is changing so fast and making a number of things unacceptable, things which used to be acceptable six months ago. They can make even a Hungarian professional competitive in a larger, even global market.



**What is Paul Holmes planning for the future?
Are you still interested in this changing
market? Would you go for writing, or less
writing and more reading?**

I hope this interview proves that I am still very interested in the PR market. As I get older, I'm more attracted to ideas than to daily writing. Some 10-15 years ago, everyone wanted me as a result of The Holmes Report. Today, the company has taken a different direction and I can name at least two people who are much better and smarter than me. That's partly why the name change: it's no longer Holmes reporting, it's a more complex business.

So what am I planning for the future? I let the others take over more and more, and make myself useful where I can. I used to create value and wealth for them, but that has now fortunately changed. I'm thinking about how to keep our company going and how to run the PR industry. That's what really intrigues me now, and that's what I'd like to do in the future. Then every now and then, if something really annoys me, I'll write a private article about it.

PAUL HOLMES

He has never worked in PR, yet he is one of the internationally best renowned PR experts. He started his career as a business journalist, then worked for PR Week, in the UK now specifically in PR, where he was responsible for news editing. Later, he worked in the United States, first for Marketing Week, part of Adweek, and then he founded his own company and set up publications Inside PR and Reputation Magazine. He also established the Creativity in Public Relations contest, which is now the largest professional recognition in the United States. He launched The Holmes Group in 2000, a company best known for The Holmes Report. He is also the founder of the best-known international PR SABRE Awards.



FLUCTUATING PR-INDEX, RISING EXPECTATIONS

CHALLENGES FOR THE HUNGARIAN PR SECTOR

Editor: **Andrea Nagy**, Managing Partner, Positive Adamsky PR



How has the PR agency market evolved in recent years? How has the Covid epidemic affected revenues, the number of agency jobs and service portfolios? We used Marketingindex communications industry research to analyse the changes and interviewed some national PR professionals on the subject.

PR has always been an important supporting area of corporate management strategy, which has been pushing its boundaries for years towards other areas of marketing and even HR for internal communications and employer branding. Starting from consultation for government lobbying to influencer marketing, the range of activities is quite broad, with more trends and tendencies being incorporated into the profession in line with changing market needs. The Covid situation has upped the game, and has given PR additional roles.

THE BUX INDEX OF MARKETING

2020 was an unusual year in every respect, and it also had an impact on PR agencies, bringing along many changes, new tasks and challenges. Marketingindex, which measures the performance of the industry, has therefore changed significantly compared with 2019.

In the thirty years since the fall of communism, no public body or industry actor has collected and processed data on the marketing industry, so when the government used TEÁOR¹ codes in spring 2020 to select which

sectors to help, it was not always possible to rely on precise data outside the lobby. And we cannot even estimate the market decline caused by the pandemic in this area, nor the value of the industry to the national economy in general. It is mainly for these reasons that the Marketingindex (MI), a professional measure of the marketing industry modelled on the BUX index, was launched jointly by Opten and Positive Adamsky in the second half of 2020. The index measures the performance of advertising agencies, media advertising, market research, PR and direct marketing. The full picture includes the accompanying areas responsible mainly for production, such as event organisers, digital production companies or print shops, whose situation is shown in the Marketingindex Plus (MI+).

The annual index is calculated on the basis of the five most important indicators that affect the economic health of companies: the change in the number of companies, their turnover, the ratio of personnel costs to tax paid, net turnover

¹ TEÁOR: Tevékenységek Egységes Ágazati Osztályozási Rendszere / unified sectoral classification system of economic activities (translator's note)

MARKETINGINDEX SEEKS TO ANSWER THESE QUESTIONS

- How does the turnover of the different marketing sub-sectors evolve from year to year?
- What is the size of the domestic market and which areas have the highest fluctuation?
- How big is the labour shortage and which segments have been hit hardest by the pandemic?
- And above all: what trends and changes can we witness?

Evolution of profit on sales

Year	Sales revenue (thousand HUF)	Profit after tax (thousand HUF)	Profit on sales (%)
2015	39 073 109	1 484 094	3.80
2016	59 137 739	4 286 771	7.25
2017	64 182 924	5 711 232	8.90
2018	62 832 542	4 435 691	7.06
2019	63 765 961	10 832 404	16.99
2020	48 314 023	10 912 654	22.59

as a percentage of employees and Opten's risk index together determine the final result. Let's see how PR has performed!

BOOM AND BUST – THIS IS HOW PR AGENCIES PERFORMED IN 2020

The reference year is 2015, defined at 10,000 points. The first aggregate Marketingindex in 2020 stood at 15,074, followed by a slight increase to 15,101 points in 2021, despite the effects of the Covid pandemic.

2019 was the most successful year for PR, given that it was only preceded in the rankings by the industry of media agencies among the MI components, but in terms of weighting it was nearly three times that of the much larger advertising agency sector compared with the 2015 starting point. However, the pandemic of 2020 did not have a positive impact on this sector as sales revenue fell from 64 billion to 48 billion².

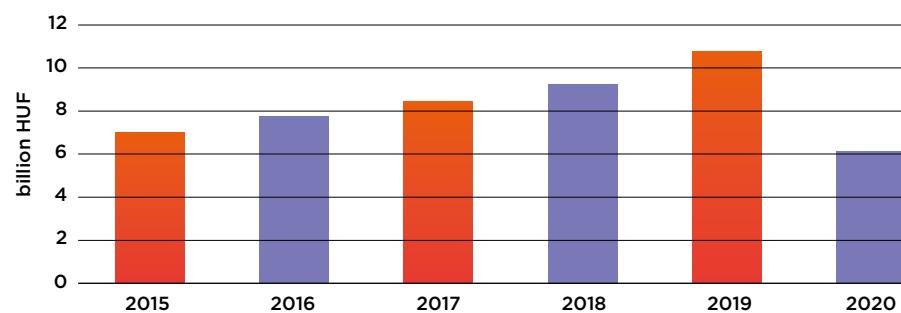
Despite this, profits after tax were almost the same as in 2019, while return on sales almost doubled, which may be due to fewer intermediated services – i.e. the use of purely consultancy services by agencies – and lower personnel costs. Obviously, the protection of the owners' interests was the primary concern, and sometimes the owners also contributed to the operational work.

DECLINING HEADCOUNT AND FORCED SELF-EMPLOYMENT

Employment in the sector fell by 27.15%; over 480 jobs were lost in 2020 as a result of Covid, and personnel costs fell by 12% below pre-2015 levels, which corresponds to 43% below 2019 levels.

This clearly shows that PR agencies reduced the number of people working for them, but at the same time the number of self-employed jumped to its highest level ever, so firms probably either tried to ease their burden by hiring self-employed people, i.e. external consultants, or more people started businesses out of necessity when their jobs disappeared.

Evolution of staff costs



² EUR 178 million to 133 million at the December 2021 exchange rate (translator's note).

Challenges

Looking at the risk index we also find that the least risky size for PR agencies is to be a company with a turnover between HUF 500 million and HUF 1 billion, at least this seems to have been the case during the crisis. While during pre-Covid times, a company this size was the most unpredictable, in 2020 the risk of only this category decreased, while all others proved more unstable.

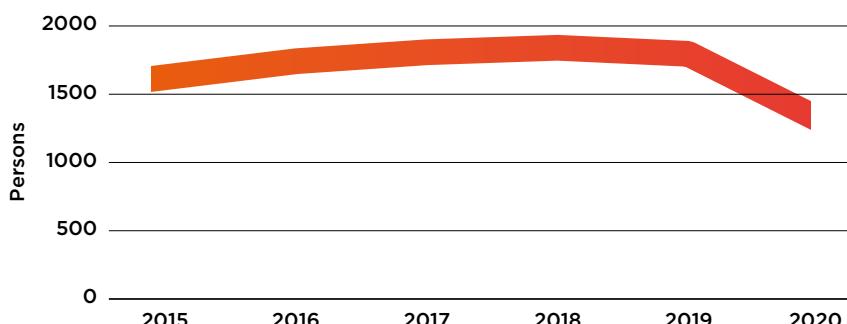
The average of the figures above show that the PR indicator in 2020 fell back to 2018 levels, failing to maintain the sharp increase to 16,446 in 2019. Despite standing at 14,076 – almost the same as 2 years earlier – the figures show that PR communications consultancy services were still needed during the pandemic, generating trend-reversing changes in several areas.

How do experts explain the Marketingindex results? What did they see in their own fields? We interviewed professionals in communications and related fields.

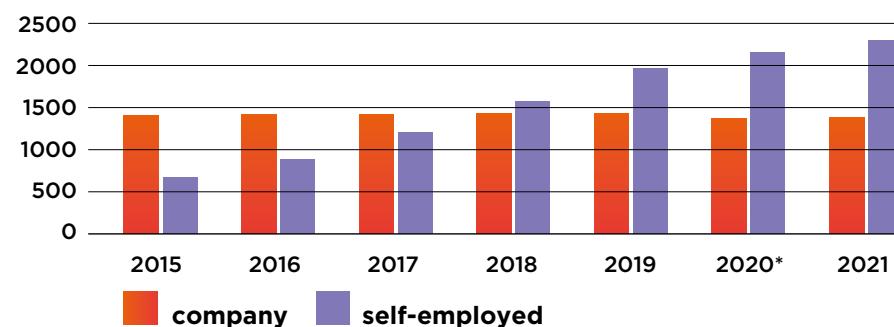
Evolution of the PR index



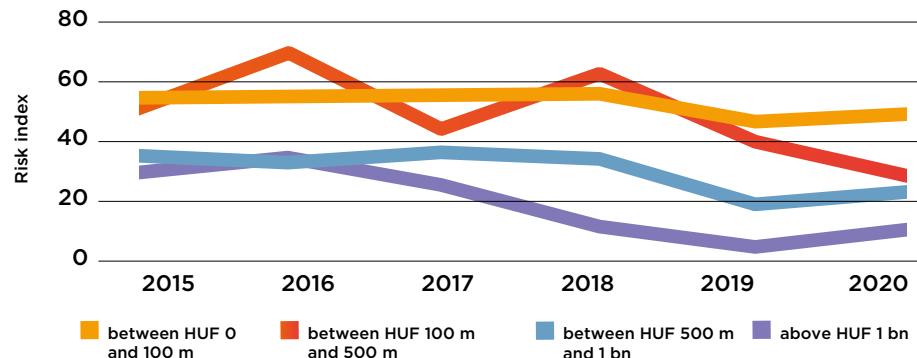
Evolution of the number of people in employment



Evolution of the number of operating businesses and the self-employed



Average riskiness trends



A GOOD PR STRATEGY CAN BE PAINFUL, BUT IT PAYS OFF

According to Krisztina Bedy, Managing Director of Avantgarde PR, the development of PR communications has been shaped by two fundamental factors lately, which can also be projected into the future: Covid, with all the economic and psychological burden it has imposed on the one hand, and the entry of Generation Z into the labour market on the other, a demographic who are employees and consumers at the same time. Together, these two effects require brands to think differently, and this has implications for the way agencies operate. Today, a brand must ask how its operations and business model impact employees, the community, the environment and consumers.

Tibor Metykó, Marketing and Corporate Communications Director of the KÉSZ Group, confirms this: in his opinion, traditional marketing messages are no longer enough to encourage customers to buy; customers and company employees want to identify emotionally with the brand, and they need authentic messages and authentic interpretation to be able to do so. As a result, brands need to find causes that do not become eroded in the long term and meet ESG (Environmental, Social and Governance) criteria, i.e. that deliver sustainable and socially responsible business operations with ethical and transparent operations. For the KÉSZ Group, this means taking steps to make the industry sustainable and changing the negative reputation of the construction industry, with an emphasis on vocational training and university-industry cooperation.

As these criteria are slowly becoming the baseline expectations, Krisztina Bedy believes this can only be achieved with the right stakeholder management strategy. Of course, this is also an opportunity, because ESG or transforming leadership into a role of value creation are all areas that can be well communicated through PR (articles, blog posts, white papers, podcasts), i.e. stakeholder management is something that can be done almost exclusively by PR. A corporate governance mindset in Hungary is still in its infancy, as it is painful to implement. It is costly and requires giving up some profit, while on the communications side it requires real strategic PR, and although it's feared because of its comprehensiveness, it actually simplifies communications.

Speaking about stakeholder strategy, Márk Maczelka, Head of Communications at SPAR Hungary, said that government relations have been significantly strengthened during the pandemic, and have shifted towards issues that may have an impact on the future. In the case of food chains – especially for SPAR – this is clearly about supporting Hungarian suppliers, working more closely with farmers, and thus helping Hungarian businesses; this is a theme that can also be well communicated in the media. Even before the outbreak, sustainability was a key concern and issue for the food retail sector and has become a priority for the press and consumers. According to a representative survey conducted for SPAR before the outbreak, almost two-thirds of Hungarian consumers take sustainability into account when making purchasing decisions, but this proportion has unfortunately decreased due to the lower purchasing power caused by the Covid situation.



Tibor Metykó
Marketing and Corporate
Communications Director,
KÉSZ Group



Krisztina Bedy
Managing Director,
Avantgarde PR



Márk Maczelka
Head of Communications,
SPAR Hungary



Ágnes Nyeste

HR manager, JYSK Hungary

COMMUNICATIONS IS A KEY SUPPORT FOR HR

The other trend reversal occurred in the labour market. The economic effects have brought with them a reduction in the workforce, the rise of online platforms for internal communications and a change in the tone of voice towards employees. Ágnes Nyeste, HR Manager at JYSK Hungary, finds that the pandemic has caused a significant drop in the willingness to leave the workplace, so JYSK now has the opportunity to emphasize corporate values and to raise awareness of the Scandinavian family atmosphere. The sense of security and the responsible treatment of employees during the epidemic – with multiple testing and rural outreaches – significantly increased loyalty to the company, which closed the year with an outstanding 17% overall turnover rate in the retail sector.

All this will also strengthen employer branding in the future, with new communication channels (e.g. Spotify podcasts) being introduced – another ground-breaking solution that requires close collaboration between communications and HR and is a large step away from previous patterns.

For SPAR, the pandemic has led to a stronger digitalization of internal communications, which they have been developing since 2015, but have now made more progress in a few months than in previous years. It is no small challenge to communicate coherently to 14,000 employees,

many of whom do not even use smartphones; yet employee demand for digital platforms jumped to 89% during the pandemic, a reversal of the previous preference for printed communications.

EVERYBODY HAS A STORY TO TELL

Although publishers' sales teams are increasingly guarding the “loophole” of organic exposure, PR experts are encouraging brands to tell as many stories as possible to achieve press coverage. Even players in less lovebrand-oriented industries such as construction are increasingly engaging in active B2C communications. Tibor Metykó describes the situation as follows: it is not good communications alone that has made the construction industry prosperous, as it has done pretty well without it, but the lack of communications led to a previously negative perception. Due to the increasing competition and labour shortages caused by Covid, this trend seems to be changing: it is necessary to take measures and communicate in a way that attracts and retains a well-qualified workforce and makes the company more visible to stakeholders. This requires B2C solutions: influencer partnerships, expert positioning in the press and a strong social presence. Krisztina Bedy says that the agencies need to be prepared for the fact that PR is now merging more functions and requires an increasing number of skills. This raises the question of what skills and knowledge the PR people of the future will need: can they think in terms of film, events management, journalism, HR and social media at the same time?

THE AGE OF THE REGIONAL AGENCIES MAY BE UPON US

DOMESTIC BRANDS AND AGENCIES IN INTERNATIONAL FUNCTIONS

Editors: **Anita Balaton, Gábor Fadgyas**



In many ways, it can be a great opportunity for leading domestic agencies to tap into the region's markets. Globalisation has provided the framework, technological development has provided the opportunity, and the pandemic has imposed the basic conditions for domestic communications companies to become service providers well beyond the borders of the wider region. If for no other reason, they are supposed to follow their clients who are becoming/consolidating as regional players or who are seeking an international role.

The development of technology has had a strong impact on the solutions, efficiency and potential of the communications industry, and tracking, supporting and amplifying the many manifestations of cultural and economic globalisation. At the same time, challenges have increased – in many cases, they have to be met across borders.

The Hungarian news portals are full of material, originally available in foreign languages, which has been translated and adopted with minimal delay. Thousands of Hungarian teenagers started to follow an Asian celebrity

impersonator who opened a channel on TikTok a few weeks previous, and on Facebook, some outraged mothers in Nyíregyháza are making demands in response to the rude behaviour of an American restaurant waiter in the comments on the company's website – in English. And a domestic communications agency may have to deal with any or all of these, if one of its clients is involved, even indirectly, or is simply interested in the above.

How have we come so far? What does this mean in our day-to-day operations? How can we prepare for the opportunities and challenges that globalised communications has thrown at us?

From the communications agency side, the change in our own small micro-environment over the past decade is perhaps revealing: while in 2010 we had only a few clients with whom we had to communicate in English all the time, this situation has changed radically. By the end of the year, we were working with around a third of our clients in English, at least in part, if not in full – and the majority of our contacts are based in offices in other countries. We work with one in five brands at a regional level, delivering messages from Turkey to the Baltic States, and running online workshops in English from Slovenia to Russia.

Whether for reasons of economy, business or communications professionalism, the proliferation of remote and/or regionally managed communications solutions means big changes for agencies.

Among other things, it means that instead of/alongside local ones, we often need to be able to create international or regional communications strategies to support Hungarian-based companies in neighbouring countries or to showcase Hungarian start-ups in western markets. In each case, we need to take into account a wide range of cultural specificities, linguistic subtleties, historical sensitivities and different media market contexts – in close cooperation with local partners.

It is always a nice challenge and a great learning opportunity. For us, being a partner of FleishmanHillard since 2009 has been a great help. Lots of knowledge transfer and working together will certainly help us learn many of the skills needed for this regional work. But it is by no means a one-way process: we know from our own example that we are able to show teams in London, Brussels or Frankfurt practices that they can use and that they can add to their solution toolboxes developed at home, with appreciation for the added value. Or when customers refer us to each other as a result of our regional experience, or are looking for solutions on a similar scale.

If we do our job well and deliver cost-effective, professional solutions of a quality that meets – and in some cases exceeds – international standards, then several domestic agencies can become regional communications providers in the foreseeable future.

There is a need for this, and the opportunity is there.

We asked a few agency managers and the head of communications for a major regional brand to tell us why and how they started to build their regional presence. You may read the thoughts of László Szarvas from Café Group, Balázs Szántó from Noguchi, Zsófia Balatoni from Uniimedia and Bence Gáspár from OTP Bank. It is our pleasure to report that Hungarian agencies entering the regional market have been able to operate successfully, and have received considerable professional recognition.

weCAN HAS PROVED TO BE A VIABLE REGIONAL MODEL

Author: *László Szarvas*, CEO of Café Group

The Café Group is 20 years old this year, and during the dynamic growth of its first few years, the dilemma of why we should stop at the national border quickly appeared. Even then, our knowledge and the experience of our founders enabled us to take on international projects. Over the years, we realised that the Central European region is where we really need to be, because these markets are very similar – despite many important differences. And we understand it and we feel it because we grew up with it, it's in our genes.

The regional expansion of our largest client, OTP Bank, has helped a great deal to find the focus. It was a great opportunity and challenge to contribute to building one of the strongest Hungarian brands internationally. We joined them when they were researching the countries and learning about local marketing, and found excellent agencies and communications professionals without whom we couldn't have come this far. As a Hungarian, it's not easy to tell which campaign really works for Croatian or Ukrainian consumers.

We have built our regional network, weCAN, based in Budapest, on a close partnership between local Café daughter companies and strong local agencies that are as independent as we are. And we didn't stop at the OTP countries: we now cover the entire Central European region from the Baltic to the Balkans, from the Leitha to the Urals. Today, we can provide high-quality media, creative, PR, etc. services in 18 countries.

weCAN is a vibrant community of communications professionals in the region, with two meetings a year (pre-pandemic), joint projects, and most notably the CANnual Report published since 2015. This unique yearbook, edited in cooperation with our local partners, presents the marketing communications market in Central Europe with data, infographics and analysis. Internationalism is also present in other genres in the Café. Founded 20 years ago, Café PR now operates as FleishmanHillard Café, a fully fledged member of a worldwide network.



INTERNATIONAL PARTNERS OPENING THEIR DOORS TO US

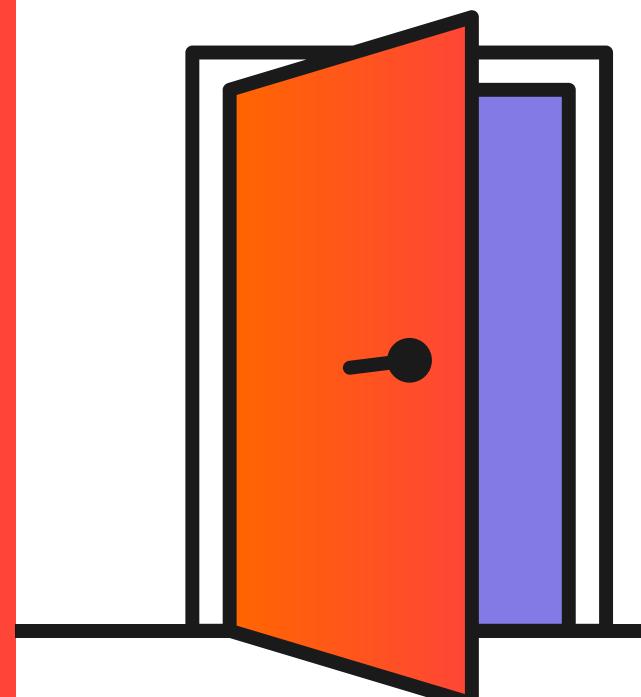
Author: **Balázs Szántó**, Managing Director, Noguchi



The Hungarian market was our original motivation when we entered the international one: an important client of ours had consolidated its accounts with three agencies globally, so we had to join one of them. We and Porter Novelli chose each other. Since then, we have seen radical changes: the Hungarian PR market has long since stopped growing as it did at the turn of the millennium, let alone after Hungary joined the EU.

In general, we ran out of global or regional assignments, and no large deals came our way from the network for years – nor, I believe, did this happen to our competitors. There are many small firms of only a few people that can afford to go below other agencies in terms of fees, and the price level has not risen significantly in years. The “Hungarian multinationals” and those companies operating their regional headquarters in Hungary need to be served in their Central and Eastern European markets from a single source and in a coordinated way. Basically, we work with Porter Novelli’s partner agencies: we’ve known them for at least 15 years and have worked on many projects together. These are typically a mix of opportunities presented to us, existing clients and new business.

Just ten years ago, we were invited to an EU industry association’s issue management tender on the recommendation of a former client, a regional centre. We worked with Porter Novelli’s Brussels office to develop the proposal. We had known each other well from regional meetings with the key countries involved, and with this we won the assignment; the decision-makers saw that we were not meeting for the first time that day. Finally, we led the project with a Belgian crisis communications expert with representation in more than 20 countries. Allow me to immodestly write that we performed quite well: no one has heard of the issue, to the full satisfaction of the principal (and our client).



AS CUSTOMERS, AGENCIES ALSO COMPETE FOR REGIONAL MARKETS

Author: **Zsófia Balatoni**, Founding Managing Director, Uniimedia



**Zsófia Balatoni and Róbert Római,
founders of Uniimedia**

When a new client requested us to represent them in eight regional countries more than ten years ago, we didn't think twice. We were happy to take the opportunity. We have been grateful for this opportunity ever since. We started to build our regional presence then, and our clients' demand for this has been growing rapidly.

Understandably, more and more multinational companies are setting up regional headquarters at the

expense of a national presence. Meanwhile, the region's biggest companies are also looking to build a regional market alongside their home markets. Thirdly, there are giant companies for whom the individual countries in the region are too small of a market in themselves, but as a region we are interesting enough for the establishment of at least one agency. As the region's economy strengthens and, of course, with its growing role in EU lawmaking – a result of more coordinated action between the member states in the region – our market opportunities will also improve.

Today we are active in 14 countries in Central and Eastern Europe. Our client base consists of multinational companies with Western European, American and Asian backgrounds. We hope that, in time, Hungarian companies will also see the potential in regional cooperation, as it is only really beneficial for the Hungarian economy that domestic agencies are successful regionally, if they support the market ambitions of our more potent companies.

OTP FOLLOWS ITS OWN PATH WHEN DEVELOPING ITS REGIONAL BRAND

Author: **Bence Gáspár**, Head of Communications, OTP Bank

After nineteen years of regional expansion, OTP now serves 16 million customers in 11 countries, making it more of a regional player rather than a major Hungarian bank. In addition, as a result of intensive growth, it has crossed the size threshold above which OTP can no longer be considered a mere group of banks. Along with the harmonisation of the basic operational processes (IT, risk management, etc.), it is now time to become a group in the communications and marketing area. However, this process – as OTP's growth story is unparalleled in the whole region – has no local precedent, no financial services company to follow. Those competitors that do have a mature international brand have been developing it for decades (or even centuries), and are almost exclusively Western European companies, with a history, corporate culture and "genetics" that are substantially different from OTP.



As the major international groups with Hungarian management and headquarters in Hungary operate in other industries, they cannot provide a strategic model.

The OTP Group started to manage its brand through a unique proprietary strategy, with the purpose of supporting the commercial and employer brands of its subsidiary banks.

The brand development of the OTP Group enables the creation of a unified image of the OTP Group, reflecting its values, mission and aspirations. It also provides a framework and guidance for group members to develop their specific local brand strategy.

The biggest challenge for corporate communications is the diversity of cultures and media markets in 11 countries. In addition, it is easy to see that OTP Group members with different market positions in different countries cannot follow a uniform communications strategy, as in Russia and Slovenia, for example, the environmental conditions are quite different, and the 8th largest bank in Romania cannot set such ambitious communications goals as the market leading Bulgarian, Serbian or even Hungarian credit institution.

Taking the above into account, we started to forge the OTP Group's corporate communications by establishing a proper flow of basic information within the banking group. Two pillars of this are regular media monitoring and the creation of a unified crisis communications preparedness. In addition to keeping the Budapest headquarters up to date on economic, banking sector and local credit institution news in each country, regular media monitoring also serves to establish regular live contact between individual group members and the group headquarters.

The media monitoring system has recently been enhanced with a feature that sends local news about the OTP Group (i.e. not the local subsidiary bank) to Budapest immediately on an alert basis. A unified crisis communications preparedness ensures that in the event of an emergency, local communications staff can act with the support of the group's headquarters, even on the ground, based on well-established international know-how. This crisis communications system was developed and introduced by the OTP Group in cooperation with FleishmanHillard Café, first in Hungary and then introduced on a mandatory basis in all OTP Group companies. To ensure that we can rely on the continued preparedness of our subsidiary banks, we regularly organise interactive simulation-based training sessions, also with the involvement of FleishmanHillard Café.

In order that corporate communications supports the OTP Group brand as effectively as possible, we are now identifying the themes that should be developed simultaneously in all member countries, so that group-wide communications synergies can be created. One such topic is sustainability, especially the development of financial awareness, which is an equally topical and important area throughout the region, and OTP has an outstanding tradition in this field in several countries.



WE HAVE PLENTY TO DO

THE PR RENAISSANCE

Editor: **Péter Mamusits**, founder of Lounge Communications



While every branch of the communications profession has built itself an exciting, glittering showcase, the PR sector at home has resigned itself to sitting in an invisible warehouse and producing press releases. But this period has come to an end now. We have never improved as much as in the last two years. It's time for the PR renaissance!

Many people have analysed at length the origins of Public Relations as a communications tool, and what may have been the first PR channel consciously designed to inform a group. Shaman drums, rock paintings, smoke signals? Of course, all of these tools were suitable for this, but the purpose is the essence when it comes to defining PR. In this sense, we want to create relationships where our individual opinions (in some cases shaped by our corporate identity) can be communicated to a smaller or even larger group. But a key part of the task is also to ensure that our message is received, accepted and understood. I believe that the prehistoric man also wanted to convince the whole tribe that it was a good idea to hunt the big hairy snouted animals in order to feed the community all winter, even at the cost of a few warriors' lives. The shaman took care of the effective persuasion in place of the chief.

AND WE'RE OFF, HOLD ON TIGHT!

When talking about the renaissance of PR, we would like to compare the re-emergence of this modern communications tool to something more concrete. If we want to take an agency approach, the first period dates back to the emergence of the Publicity Bureau overseas in the early 1900s.

But then there's Theodore (Teddy) Roosevelt, who was the first US president to give regular briefings to the press and who consciously prepared for interviews. He is also associated with the legendary story of the early 1900s when, on a hunt, he changed the teddy bear buying process forever by refusing to shoot an injured bear.

In the wake of the economic crisis, the PR race was transformed by the "Fearless Girl", who gave a new meaning to Wall Street's iconic bull statue, courtesy of McCann, by flying the flag for women's equality. On the issue of migration, the strongest ever public relations campaign was launched when architects installed seesaws on the US-Mexico border fence so that children from two very different cultures could play together.

Of course, it is not only the carefully targeted campaigns that have drawn attention to the profession time and time again. We have often

witnessed communications disasters that reveal the damage that uninitiated hands can do in the PR arena. Such was the case in 2019 when Prince Andrew, a member of the British Royal Family, wanted to explain his relationship with Jeffrey Epstein. It went wrong, to put it mildly. Obviously, he had been given the task of making a statement, but by the time he had blinked twice, he had already crushed any remaining confidence around him. The question is, of course, whether anything can be done at this stage. Well, certainly! The bigger the problem, the greater the need for a communications consultant, and in today's digital world, problems come thick and fast. But more on that later.

WHAT ABOUT HUNGARY?

We have a more difficult task if we want to find a domestic starting point, since for a very long time only the propaganda machines of war and repressive regimes used the communications tools of PR to great effect.

While during the 1980s the US had already gained experience in using elaborate PR communication channels and messaging systems to present its national products, in Hungary it was important for political actors, and the economic elite emerging from their ranks, to achieve credibility in this way. In the 1980s, we started to establish the public players, and in the 1990s we proclaimed: "We believe in the leaders of the new world! We believe in a better life! We believe in capitalism!"

The capitalist economy also brought along a reliable PR machine that communicated convincingly that life was better when using an anti-dandruff shampoo. In Hungary, the communications profession burst onto the scene and, in the spirit of professionalism, it immediately began to segment itself by business sector. Some became advertisers, others media buyers, event organisers, production and creative agencies.

Teddy bear



“ The PR renaissance coincides with a time when life becomes more valuable along with ideas and thoughts. ”

READY OR NOT...

While participants of the communications profession started to compete with each other, PR was hiding behind the scenes compared to other communications professions. This may seem natural, since PR is essentially a research, observation, thinking, strategizing activity that operates in the background. And the purpose of our communications is to achieve credibility, to create or influence conscious decision-making that allows for inclusiveness. So if everything goes well, there is no drum roll for the creator.

That's why the moments when PR bares its teeth are particularly exciting. At such times, people just slap their foreheads and say that it's shocking... Take the films *Thank You for Smoking* or *Wag the Dog* for example. Suddenly, a veil is lifted, so narrowly that it is almost imperceptible, yet it hides wonders from the uninitiated eye.

But perhaps the magic had been hidden for too long, and when the marketing and advertising communications profession refers to PR as "just writing press releases", it was only fitting to get pissed off. That is not what happened. We followed the American rom-com clichés and didn't push forward, just stood resigned on the pier and watched the profession sailing out, thinking that we should be up front, as it had been the case in the United States since the beginning of the century.

If we have already used the romantic comedy analogy, then the happy ending in Hungary may come soon, as the last 2-3 years have clearly been about the rise of PR, and it seems that the leaders of companies and other communications sectors are also increasingly using this tool when it comes to achieving their purposes. The present publication is intended to strengthen this process and at the same time to recognise that when we join forces, we can show why modern Public Relations is an indispensable concept and tool in communications. It is present in our daily lives at both macro and micro levels. And the 2020s are clearly the age of the PR renaissance.

RENAISSANCE

The creative man of the Renaissance must have been the last true polymath, not bound by the professional principles that would emerge in later centuries. As far as his talents and abilities allowed, he excelled in several disciplines, and his world view and understanding of the world was complex and systemic.

PR professionals of our times also need to be people of many talents, not only because of the wide range of clients' activities, but also because they have to provide solutions in a wide variety of situations. So it is no coincidence that when humanity or a large part of society fails, it always brings a renaissance of PR. Since the fall of communism, we too have witnessed several social and attitude-forming events when the educational, informative, informative and world-explanatory function of PR came to the fore.

With events every decade or so, such as September 11, the global economic crisis and the coronavirus pandemic, most people were looking for something to hold on to. The events that threw the world off its usual course also presented mankind with tasks for which they had no proven solution. How do we perceive, interpret and adapt to these situations?

So people are looking for anchors and values they can identify with. They are looking for familiar answers to unfamiliar problems. So it was time for authentic, prudent, easy-to-follow guidance for the appropriate messages and brand identity. It was time for rational arguments, presented in the right form, with the right amount of emotion. The time to suggest solutions. In addition to brand awareness, it is also the time to make use of one's expert image. It was apparent that during crises, all brands relied on PR and other communication tools increasingly took on PR characteristics: they became honest,

integrated and streamlined. The PR renaissance coincides with a time when life becomes more valuable along with ideas and thoughts.

A BRAVE NEW WORLD?

But in addition to these historical events, there is another important factor that has brought about a new heyday of PR, and which may have had an even greater impact on this process than the above. This was digitalization and the emergence of a social network platform that created a faster and more contradictory or sequential flow of information (opinions) than in previous technological eras. This system, which is slowly descending into chaos, is a huge burden on those who have set themselves the purpose of delivering controlled information.

The first social media campaigns were created when large companies wanted to deliver their advertising campaigns to the public through their established profiles. At the beginning of the era, the only choice the consumer had was whether or not to request the information. Later, they had the opportunity to decide if they loved it or not. After that, they became a critic of world events, brands and trends. Let's put it this way, if someone has balls, they can have a say in the fate of the "world."

We only need to recall how easily and quickly a product can be discredited in the digital world, and how difficult it is to respond with an advertising campaign, advertisements and events. But for the PR professional, the reaction comes with the ease of a ballet dancer's lightweight movements, when a tech company is smeared by a competitor on social channels. And the unpleasant situation is suddenly resolved when some media outlets authenticate campaign messages with influencers' and journalists' opinions the following day. For the time being, it seems that this process

will be followed by unstoppable chaos, but let's wait and see. It is no coincidence that the European Union wants to regulate social media with advertising and ethics regulations, the Eastern Bloc with political vetoes and the US with economic sanctions.

Meanwhile, all communication tools strive for even more credibility, as they have no choice. But it is only PR that has this specific task and, of course, purpose. For us, the digital age does not mean new channels of communication only, but also a mission to navigate the sometimes chaotic and uncontrollable information highway and, in some cases, to play a key role in accident prevention. Or if the damage is already done, let's try to save lives.

So now we have plenty to do: educate, guide, explain, tell stories, make people cry, make them laugh and love. It's time for the PR renaissance!



SURFERS OF COMMUNICATION

THIS IS HOW COMPANIES RESPONDED TO THE CORONAVIRUS OUTBREAK

Editor: **Dóra Vas**, crisis communications consultant



In the middle of March 2020, life stopped overnight and a new era began, a new world order shaped by the coronavirus, with work-at-home jobs, restrictions and changing industries. How have communications agencies and their clients experienced the past year and a half? Personal experiences, professional conclusions.

"Don't scare them, don't tell them it will only be for 2-3 weeks, but maybe a bit longer." This is what my trainer partner advised me at the end of March 2020, during the lockdown. We were practising with the slides for an online training for sales personnel, showing them how to continue working when life is back to normal.

We knew nothing. Many, many eyes stared at me through the camera when I came to this slide, and I said, "we must expect that social distancing will not be over in 2-3 weeks, but much longer, up to 2-3 years." As that uncertain prophecy is slowly becoming a reality, and while there are still many unanswered questions, we have already seen that our world, and the communications profession in it, has changed forever.

We all experienced in March 2020 that change did not explode into the world of organisations along carefully constructed project plans and protocols. Within a few hours, a huge communications vacuum was created, sucking in information like a black hole. Our constant hunger for information was an attempt to quell our uncertainty. With the changes, we also had to deal with huge losses: cancelled projects, redundant jobs and changing working patterns made it more difficult to cope. There was a huge need for credible information.

We asked professionals who led the way for their teams and their industry in the face of uncertainty. In this chapter, professionals who stood their ground during the pandemic talk about how their company, agency or institution responded to the communication challenges of the health crisis. They testify about the hardest lows and the most uplifting moments of this recent period. They were at the forefront, setting trends and leading the way as they rode the communication surfboards on top of the first, second and third waves.

Author: István Kutas, Director of Corporate Communications, Magyar Telekom



The first two weeks of the lockdown were a very difficult time, as no one knew “what would happen next”, what the epidemic would bring in terms of business, and how we would be able to work. Although we quickly switched to working from home and reorganised our annual plans in a few days, turning events into podcasts or streams, it was a real crisis situation, which required constant communication and quick reactions.

After a stressful first few weeks, it dawned on us that a large part of the country was studying, working, communicating and having fun on our networks. Although we had told ourselves many times earlier what useful services we were providing, during the lockdown we had a first-hand experience of the role digitalization plays in our lives.

This realisation gave us a boost: we realised that our customers were counting on us and we were looking for ways to help them. We were the first to offer free mobile internet, free educational content, free cabled internet connection for students. We were the first to introduce a number of new, cheaper data plans, and we continued to improve the network; all of which allowed us to build and grow during the crisis.

In terms of communications, the pandemic forced us to think purely in digital terms. Although we had held hybrid events in the past, they were more experimental, often in primitive conditions. We switched over completely to online events, which became more and more professional and the public also learned

to use them better every day, so we managed to intensify our internal and external communications even more than before the crisis. We also invested a lot of energy in sharing our experience with other companies.

On the one hand, the pandemic has shown how much companies rely on the communication mindset of PR people and the need for continuous communication from executives, and on the other hand, it has given a new boost to digitalization, making some digital solutions more accepted and more widely used, turning the initial, clumsy online events into TV shows, long conversations into fast-paced podcasts, and these tools are here to stay.

Telekom's studio has become an important tool for internal communications. We also broadcast the opening event of 2021 from there.



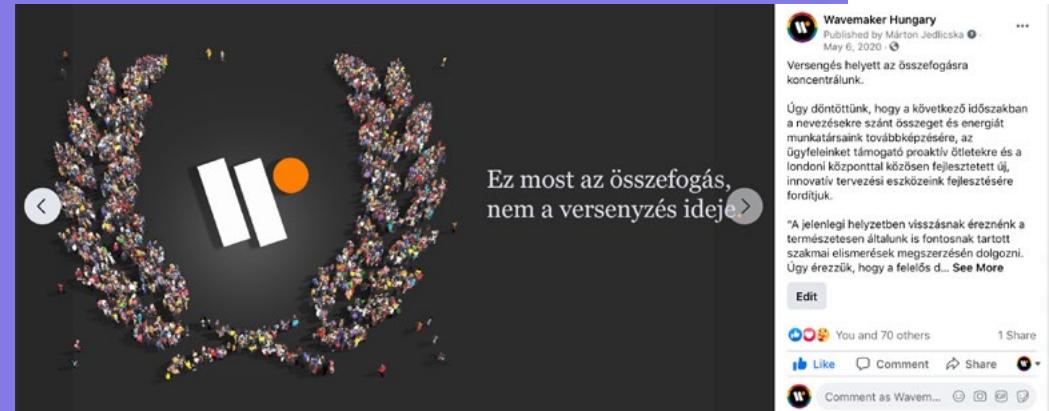
Author: Márton Jedlicska, Head of Content/Chief Creative Officer, Wavemaker



As our PR team is an integral part of the content team, we work closely together (creative, production and media). What I saw as the most difficult point in the last period was generally true for the whole sector, which is that in a sudden situation, we can find a message or direction for each of our clients that we can communicate.

The most uplifting moment was when I saw that we were able to adapt and successfully solve these new tasks and problems, and the positive feedback we received from our customers. I found that many of our clients became even more connected, and we talked a lot more, in many cases on a daily basis. For example, it was a great experience to see that we were able to re-design entire campaigns in a matter of 3-4 days, with the corresponding films running two days later. I wouldn't mind if this didn't become regular, but I was proud of the team.

Strangely enough, we started to work more on our own PR. It was definitely a change that the pandemic brought about. At the very beginning of the outbreak we conducted some research and wrote an article on what was the right behaviour of brands in similar situations throughout history, helping the market and our customers with the difficult decisions they faced. We were also the first to announce in professional forums and on our own social media channels that we would not be spending on competitions and professional events while the pandemic lasted, which put us completely out of the running from last year's competition season (where we did exceptionally well the year before Covid, finishing as #1 media agency, #2 creative agency and the third best PR-agency). The savings and energy from the nominations were put to better use: we spent them on our colleagues and customers. Fortunately, as a result of several similar decisions, we did not have to part with a single colleague because of the pandemic, and we are very proud of that.



Wavemaker's post on spending competition entry fees on keeping staff during the outbreak

I can clearly see that the brands and agencies that emerged as winners from this situation were those that had a message and a mission that they had been able to stand by during this difficult situation. For example, together with one of our biggest customers, MOL, we developed the “care”/“for each other” platform and communication for this period, which was so successful because MOL, apart from communicating its values, also actively supported the message (e.g. with Mol Hygi). This period really demonstrated the importance of having a “purpose.”

Author: Márta Bede, Managing Director, Well PR

One of the most difficult periods was March 2020, when we only had a weekend to organise the complete home office changeover of the agency – luckily we had the IT support we needed.

We were faced with many more tasks than before: in addition to constantly monitoring and analysing the news and redesigning existing activities, we were strategically involved in redesigning the main communication messages for some of our partners, who had to provide continuous communications not only to the outside world but also to their employees and partners.

We started to think about new tools and channels, taking into account that our customers also worked in a variety of different ways: in some areas they managed to shift fully to a home office operation, while others, such as retail, required an increased workplace presence. In many cases, we went beyond the framework of general cooperation to support our clients' work, because we knew that we could only "survive" this situation together. Gone were the 8-hour working days; instead we were at our customers' disposal practically round the clock, ready to respond immediately to any communications emergency. I think this attitude has not only helped us through this tough period, but has also forged closer client-agency cooperation.

There were several big moments when we managed to prevent a crisis situation with our clients through well-planned communications, but we gained new momentum when we were awarded a new contract in May 2020, following contact in April 2020.

Among other things, the pandemic taught us how to operate an effective home office and how to live and work in uncertainty. We also learnt how to incorporate it into communication work and agency processes.



At the time of the pandemic, we were the first in the beauty industry to organise an interactive online press event on behalf of Avon Hungary, which was attended by nearly 60 people.



**Author: Gergely Losonczi,
Head of Corporate Communications, E.ON**

The outbreak also presented us with new challenges. We were faced with the question of whether there was any aspect of communication which justified risking the health of any of our employees, partners or suppliers involved in any activity. I don't think there is such an excuse, so we binned all our existing plans, and decided to develop activities to adapt to the new situation instead.

We looked at how we could provide meaningful help to those who are most in need. We decided to help children catch up, those who had to miss out on digital education because of their difficult financial circumstances. Our joint programme with Hungarian Interchurch Aid resulted in summer camps and workshops. We also organised a press day in the camps, and it was touching to see the joy we created: the fun of going for a ride in a cut-in-half but still functional electric car, and to know that they would not be left behind in the new school year.

Hybrid working has transformed our everyday lives. We also developed solutions that make us more efficient. For example, we started to produce our own video footage, shot specifically with a newsroom in mind, and gave these to newsrooms so that they could report on it without having to organise a large press event – something we have been doing ever since.

For me, the most important lesson of the recent past is that the E.ON communications team is extremely professional, creative and flexible, enabling it to adapt to any situation. I am very proud of my colleagues.



E.ON Hungária Group, in a joint programme with Hungarian Interchurch Aid, offered summer camps to children who had missed out on digital education and were living in difficult financial circumstances, so that they could start the new school year with the same chances as their more fortunate peers.



(Photo: Zsuzsa Somogyi (ACG))

Author: **Endre Mentes**, owner and Managing Director of ACG Pro

The low point of the Covid period was clearly 16 March 2020, the first day of the lockdown measures, when we felt a moment of panic among customers and colleagues alike.

We then had a very short time on our hands to regroup and prepare for the period of uncertainty ahead. Our customers did not react uniformly either: some cut their budgets, some made a smooth transition, but we also had customers who immediately started considering the opportunities the new situation offered. It was a fully conscious decision on our part not to dismiss any of our colleagues, despite the panic and the negative forecasts, and not to use the compulsory leave option.

As our PR division is part of an integrated agency, we thought that if the change was to be permanent, we would at most reallocate resources to areas under pressure. In the initial period, we tried our best to remain partners with colleagues who were under the increased pressure of distance learning and managing 2-3 children of different ages at home. At the same time we put a lot of emphasis on internal communications to make our people feel that they were not alone, that they could always count on us and on each other.

So, we were able to start working on tenders in a relatively motivated state, and we also approached our partners with proactive ideas when we felt they were receptive. It was great to see that in some cases these helped our clients out of their apathy, giving them a new direction in their thinking.

The most important result of the Covid period was that we managed to keep the team together, and by the end of the year we successfully integrated all the methods and tools that we had introduced in March in a somewhat panicked and ad hoc manner in order to maintain our operations: we held a press conference for 80 participants at once on Zoom (for the announcement of the Hungarian Medical Chamber's agreement with the government), we introduced a brand new, self-developed theatre platform with online tools (Theatre TV), we conducted a product launch with hybrid tools (Unicum Barista), we shot a commercial for Soproni beer with our own colleagues and we successfully transferred a campaign that originally ran with classic print tools to the online space (Nagy Ö - Vodafone / Nök Lapja).



Vodafone's key message for Women's Day was that women and men had equal rights in all aspects of the company, whether it was pay, career opportunities or parental leave. Therefore, based on the fact that in the Hungarian language the singular third person form of the personal pronoun can refer to both genders, we renamed the current issue of Nők Lapja to Ők Lapja (Women's Weekly to Their Weekly)

Author: *Krisztián Simon*, Editor-in-Chief of Marketing & Media,
host of BrandMania (RTL Klub)



"The difference between the right word and the almost right word is really a large matter – it is the difference between the lightning and the lightning bug", said Mark Twain. Now the difference has become much greater.

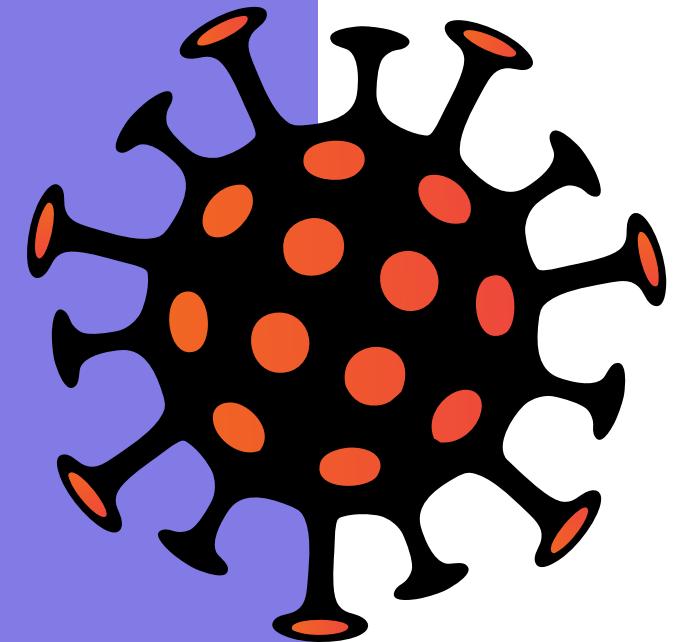
The epidemic presented corporate leaders with unprecedented external and internal communications challenges. The low point came with the shutdowns and closures, when forced home working suddenly replaced the safe and the secure. What used to work had now become impossible. It is no coincidence that uncertainty immediately set in. Dark clouds were swirling over unruly inner thoughts. There were so many questions, they became jammed. And last but not least, the work, the fate and the lives of colleagues, colleagues and friends were at stake.

The majority of companies quickly moved to digital communication platforms and personal relationships also became digital. With more or less success.

Perhaps never before had there been such a great need for constant internal communications with colleagues as in this difficult and unbearably long period.

Unfortunately, no one had been prepared for this. Neither the CEOs, nor the top managers, nor the heads of the individual departments. Maybe not even the PR people. Everyone had to learn. A lot and fast. The content of internal and external communications had to be refilled, and with something better than the almost right words.

Even if we overcome this crisis, we are already facing the next challenge, which is even bigger than the pandemic: the climate crisis. Business models need to change in almost all sectors, with very strict sustainability requirements in the coming years. This will require significant amounts of communication both externally and internally.



Author: Dr. Nóra Tamásné Bese, Bethesda Children's Hospital,
Director for Social Relations and Communications



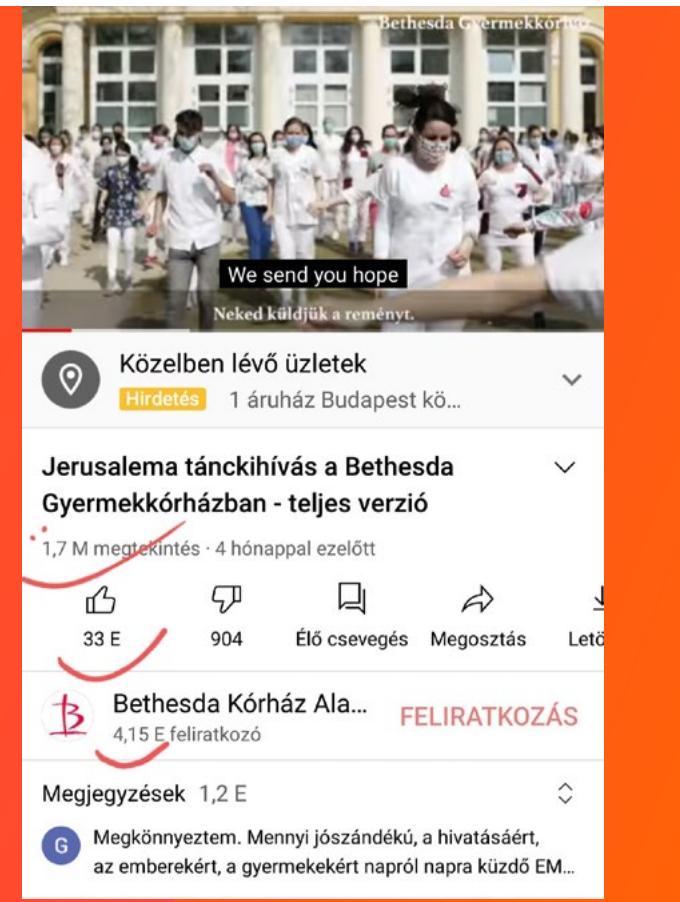
As a children's hospital, we experienced the waves of the pandemic not only in the treatment and reorganisation of the institution, but similar waves could describe society's reactions to our communications. The low point was in the autumn of 2020, at the start of the second wave, when we felt that the anger of society was turning against health care. After the applause and donations in the spring, unprecedented tension and hatred appeared not only in comments, but also from parents in the hospital. We had a post (about mask wearing) that we had to delete because it started an intolerable tsunami of hate, and it intimidated not only parents, but also our followers and colleagues.

In spring 2021, we felt we had to pull ourselves out from the lethargy by our own hair, and give hope to ourselves and to the families. It was then that we became the first hospital in Hungary to join the Jerusalema Dance Challenge, which brought unimaginable success and positive feedback at Easter.

Since then, our video has been viewed by 1.8 million people, our Facebook post has reached 2 million people, and this communications campaign has helped over 600 paediatricians through the depths of the third wave.

The most important change that the pandemic has brought to the institution's communications activities was that it changed the sensitivity and the criteria of credibility of those in the online space, so we can retain our followers through emotional and active communications based on storytelling.

In January, Facebook blocked and restricted our page with 60,000 followers, for a reason unknown to this day, because of a post about Covid that may have been fake news. So we had to strengthen our other online legs: we developed a new website; finally launched our newsletter; consciously developed our LinkedIn, Google business and Instagram pages; added content to our YouTube channel; and applied a wide range of online marketing in a unique way in public health. All this for the sake of parents, for the healing of children, for authentic information.



Jerusalema Dance Challenge on the Bethesda Children's Hospital's YouTube channel: 1.8 million views, 83 press mentions, 33 million AVEs, 2 million people reached on Facebook

**Author: Zsolt Koren, Head of Communications,
Museum of Applied Arts**

The closure of the main building of the Museum of Applied Arts in 2017 presented the communications team with a unique communications challenge. Only the building was closed, but museum work continued apace as research, restoration and exhibitions of the collection continued, and the move multiplied the work of the museologists. All of this remained invisible to the public, as did the hundreds of thousands of works of art stored in the storeroom, so our communications activities focused on keeping the brand alive and filling the alternative exhibition spaces with programmes.

The former PR staff had been completely eroded by the peak of the outbreak, although it had nothing to do with the coronavirus. The rebuilding of the department saw the content development, public relations, marketing and institutional communications functions taken on by a youthful but senior staff, who had a confident professional routine and began to learn the museum's unique language and develop protocols for Covid.

The most exciting moment of this period was undoubtedly when the new team started working together in February 2021, exploring the collection of the Museum of Applied Arts. Together, we can now implement the results and lessons learned from our five years of multi-faceted visitor research.



(Photo: Mihály Samu Gálos)

**Author: Gabriella Rácz, Head of the Communications
Department of the Budapest Zoo and Botanical Garden**

The first closure on 15 March 2020 was a real shock for everyone. Putting the CLOSED sign on the gates, which are open every day, was a very shocking feeling. The zoo could not start its main season. In its more than a century and a half of history, it has been 64 years since the zoo was closed for several consecutive days. Little did we know then that the 66-day forced closure would be followed by an even longer autumn shutdown. In retrospect, I have to say that the second closure was the most difficult mentally, although professionally we were able to handle the situation according to an already well-established routine.

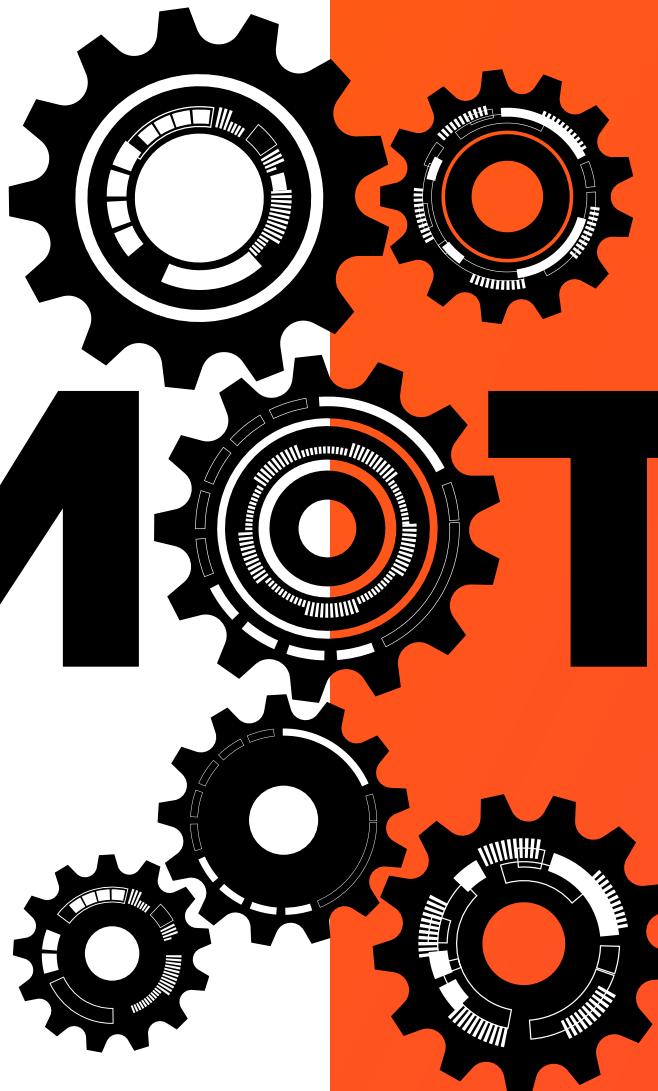
As time went on, we found that people became more and more sensitive. The more than 200,000 followers on social media resulted in a huge outreach and activity. We had to react much more quickly to every little event: the unexpected failure of the webcam, for example, required immediate communication, because people were also following the life of the closed zoo with increased attention through these tools. We produced more video content than ever before, roughly twice as much. We tried to show the efforts that go on behind closed doors every day, the professional work of our colleagues. This became the motto for all our activities: #tesszükadolgunkat (#wedoourjob).

The love capital, communications and relationship capital that we built up before the pandemic, provided a solid foundation for the existence in the "new normal", as we could showcase the work that was going on behind closed doors, the newborn animals, and we could express how we were looking forward to reopening our gates to visitors.

*On the morning of 27 January 2021,
someone taped a message to
the main gate: "We miss you Zoo!"
Some of us read it in tears...
The zoo team immediately moved
as one: let's make a response to our
unknown fan. This message gave extra
strength to the collective,
which had been working in unusual
conditions for almost five months.*



IN MOTION



**NO MORE
SECURE BUSINESS
POSITIONS**

REPUTATION BUILDING RELOADED

STRATEGIC COMMUNICATIONS AND REPUTATION MANAGEMENT

Editor: **Péter Kincses**, strategic communications and PR consultant,
Managing Director at Double Decker Communications



Brand credibility and trust has become a central issue in marketing in recent years. Alongside, or even in response to, the specialisation of communications fields, an integrated approach with a reputational focus is re-emerging. In this section, you can read about the changing role, conditions and daily practice of reputation management from corporate experts, and a Google expert will give you an insight into the magician's secret digital workshop of online reputation building.

An increasing number of companies take reputation building seriously as a key strategic priority. It's not worth procrastinating until "it comes to it", because then it's usually too late. Corporate and brand reputation are not the top of the communications pyramid, but the base of it.

BUT WHAT BROUGHT ABOUT CHANGE?

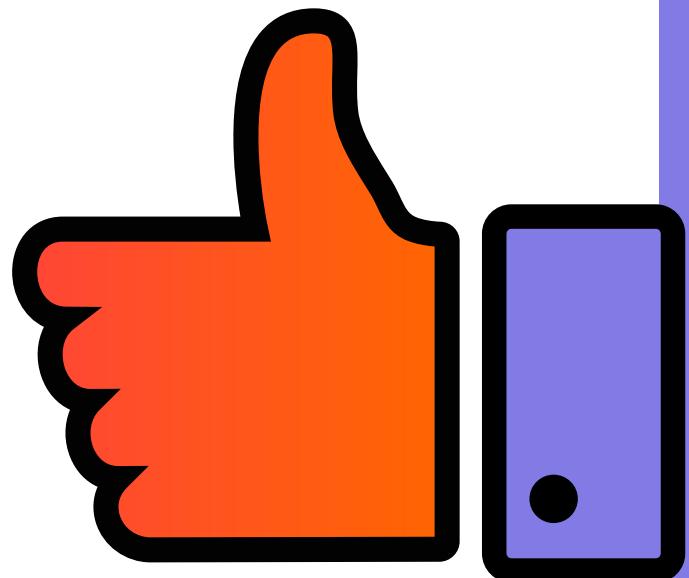
Digitalization and the dominance of social media have accelerated and intensified the spread of information and emotional ripples in an extreme manner. Some professional opinions suggest that today it only makes sense to talk about online reputation management.

All areas of corporate expertise (manufacturing, marketing, PR, sales, customer service, HR, etc.) are increasingly "on display" due to the changing communications environment. Without consistent strategic principles and integrated communications practices, they can have a domino effect on each other and the brand as a whole.

There is growing market expectation and pressure for companies to act ethically and to take environmental and social responsibility. Such a trend puts an even greater spotlight on the subjective perception of brands, reinforcing the need for strategic reputation building beyond campaigns.

Reputation deficit has become one of the most serious business risks today. A positive reputation however may build brand equity and create an economic competitive advantage for companies. It helps with sales, customer loyalty, supplier relations, employer branding and, when things do go wrong, crisis situations also become easier to handle.

Reputation management is a cross-cutting challenge for brands that goes beyond the established organisational framework. Finding new answers makes the experience and knowledge of communications professionals even more strategically valuable.



Author: **Gergely Mikola**, Chairman of International Personal Finance Plc. (Provident), Director of Group Corporate Affairs

“REPUTATION BUILDING IS NOT A FUNCTIONAL, BUT A STRATEGIC CORPORATE TASK”

Corporate reputation is a key building block of long-term strategy. Reputation management should not be seen as just a communications or PR exercise, but should be part of the corporate strategy, with the whole organisation (HR, finance, legal, etc.) playing a role in its implementation.

It is important to put marketing first, because marketing has the strongest, most audible voice. Of course, building a reputation online is also becoming increasingly important, but this should only be done in line with the corporate strategy and with the same messages as other channels.

Companies need to think about both external and internal reputation, but reputation management should start internally. The bigger a company is, the more employees it has, the more impact it can have on the outside world through them.

A company's reputation is not independent of the sector's reputation in which it operates. It is in the interest of all players in the segment to build the reputation of the sector as a whole, through credible industry associations and representing value-based industry standards.

Reputation is also strongly affected by corporate compliance, i.e. compliance with regulations in all areas of operations. Following the letter and spirit of the law as a principle makes building a positive reputation much easier; a reputation can suffer serious damage without it.

Companies that have been “burned” before are more aware of the importance of reputation building, because they know from experience what they can gain or lose without it.



Author: **Teodóra Bodó**, Bosch Group, Director of Communications and Government Relations for Hungary and the Adriatic Region

“REPUTATION MANAGEMENT REQUIRES A STRENGTHENED REPUTATION”

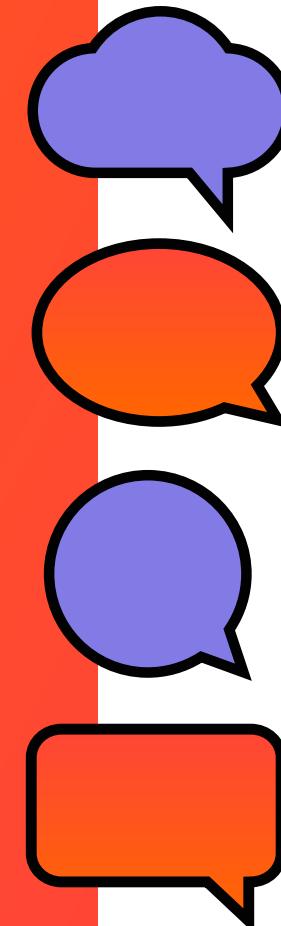
Bosch is a large and very complex group of companies. From a business perspective, one of our key purposes for reputation is to show our diversity in innovation, R&D, industrial, mobility and energy solutions.

We have a detailed stakeholder map, giving priority to Bosch's more than 15,000 employees in Hungary and a wide range of suppliers. We want them all to be our ambassadors, representing and promoting our good name. We are also deepening our contacts and cooperation with other important target groups: the engineering segment of the labour market, academia, policy makers and, of course, the media.

One of our focus areas is online communications; we've gone through a digital explosion, and we've introduced several new tools: Facebook, Instagram, LinkedIn, a blog and podcasts. Now that the platforms are in place, it's a question of consolidation: how can we make them all work in the most efficient, integrated way?

Successful reputation management requires proactive and consistent corporate communications, in our case the creation of a strong and unified “Bosch voice”. This is also supported by our “One Bosch” idea and our work in the communication hubs that bring the business lines together.

Reputation management requires a strengthened reputation within the organisation as well. This is the responsibility of the communications professionals; we must be the drive to keep the issue of overall reputation building on the agenda, to reflect on how to become even better in this area and to improve even further.



Author: **András Radó**, Wizz Air Senior Corporate Communications Manager



“WE WORK WITH 40 MILLION JOURNALISTS 24 HOURS A DAY”

For Wizz Air, reputation management is a 24/7 task. As a result of our 40 million passengers a year, we also work with 40 million “journalists” through digital technologies and across social media. Regardless of the cause, any problem will be in the public eye within minutes, so we need to react extra quickly and energetically. This dictates an accelerated pace that was previously unimaginable.

The Covid period also brought a special challenge. Worldwide confidence in aviation was being shaken, and suddenly the reputation of the entire industry was at stake. We had a dual mission: to build the reputation of Wizz Air and aviation in general. We have done everything we can to restore trust in the industry and keep the Wizz Air brand top of mind, across the entire communications spectrum.

Reputation is like a share price that moves up or down, but which almost never stagnates. The more digital the world, the faster reputation changes. This is managed on a day-to-day basis by our communications department, but it affects the whole company – from bookings to on-board service.

Education is an important pillar of our reputation strategy. We want to make people understand and explain what is happening in aviation and how the low-cost model works. We must also be able to openly admit when we have made a mistake and apologise. A brand becomes trustworthy and likeable, its reputation can be strengthened only when it admits its mistakes, when it learns from them and improves the internal processes.



Author: **Gábor Balog** Digital Consultant, expert of the Grow with Google programme

"RELEVANT AND VALUABLE CONTENT ENSURES THE BEST ONLINE REPUTATION BUILDING"

Online reputation management (ORM) is not often done in a conscious and systematic way in the practice of domestic companies. Sometimes it only comes up at all as a result of negative news or comment.

There is a variety of online reputation building methods such as the maintenance of Google My Business profiles, proactive review management, the management of social media platforms on a daily basis or running email databases organised into an appropriate CRM-system.

By ORM, we most often mean ensuring that positive content about your brand ranks high enough on Google's Search Engine Results Page (SERP), pushing negative content to the bottom.

The best online reputation strategy is to have as much useful, interesting and valuable content as possible, with relevant headlines. Stereotypical marketing materials, poor content behind clickbait headlines are not profitable online reputation techniques in the long run, as the audience quickly clicks away and the results sink to the bottom of Google listings.

In addition to the content, the place and context of the publication can also influence the ranking of results. In the long run, content on smaller, but topic-specific sites can rank higher than articles on the mixed landing pages of larger portals.

It's a common question, but you can't use technology to remove or bury unpleasant content from Google's search results pages. They can be downranked if they are preceded by more relevant, valuable content, but it requires a conscious reputation strategy, long-term online PR and content marketing.



THE EDITOR'S CHOICE

[Reputation management: The Future of Corporate Communications and Public Relations \(PRCA Practice Guides\)](#)

[Reputation management: The Key to Successful Public Relations and Corporate Communication](#)

[Crisis, Issues and Reputation Management: A Handbook for PR and Communications Professionals \(PR In Practice\)](#)

[Dr. Péter Szeles, Tamás Szűcs, Zsolt Varga: Reputation Management](#)

BLOGS, WEBSITES:

[Reputation Management @ UpCity](#)

[Google Search Central Blog](#)

[Think with Google](#)

[SEJ Search Engine Journal](#)

[SentiOne Blog](#)

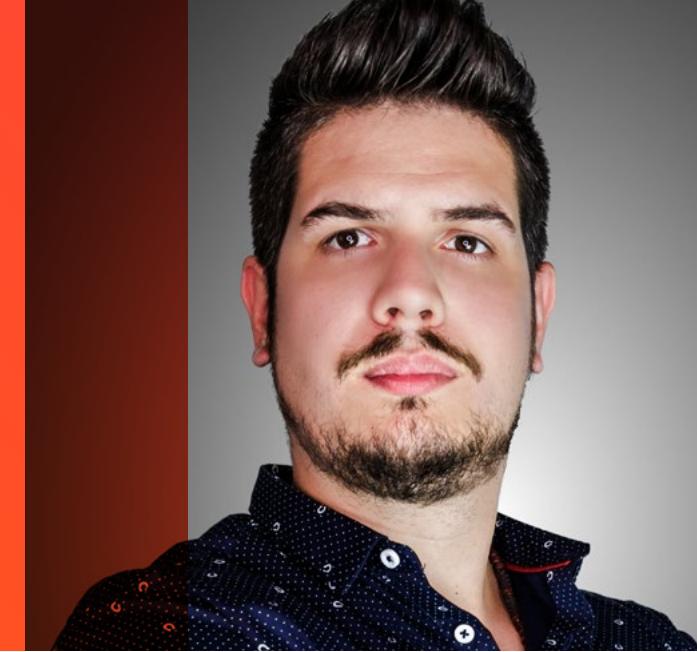
Search...



CRISIS MANAGEMENT INDEFINITELY

THE RISE OF CRISIS COMMUNICATIONS

Editor: **Dr. Dániel Gergő Pintér**, Corporate Communications Manager at BioTechUSA,
President of the Crisis Communications Section of MPRSZ



The Covid epidemic has also had a profound impact on the public relations activities of organisations, and crisis management has never been more timely. What can you say about the state of crisis management in our country? How has the field evolved? What are the three main trends now? We have summarised the most important research findings and asked domestic experts in crisis management about the current trends, whether it's internal communications, the dangers of adaptation and digitalization, or ethical considerations.

3 NEW TRENDS TO SHAPE THE FUTURE OF CORPORATE COMMUNICATIONS

Remote work organisation, forced leave, travel bans, pandemic measures, new workflows, postponed events, budget cuts, frozen branding activities, employee retention challenges – these are some practical examples of the impact the coronavirus has had on companies' business strategies. As crisis management has taken the place of measures to improve competitiveness for an indefinite period, it is essential to briefly review the three most important practices that have been given a prominent role in corporate PR as a result of Covid-19, and which can greatly support the recovery and image development of companies in the future.

ASK OFTEN AND ASK WISELY

The pandemic has taught us that in order to connect with our audiences, we need to develop our so-called social listening skills to an even higher level than before. We need to be able to become more responsive, more attentive to the written complaints and suggestions about our business, and this will be an important strategic direction in the coming years. So, during the recovery phase, it is worth asking questions on social media at regular intervals, making it clear that you want to understand your audience's perspectives and how they envision the future. Another, more time-consuming but much more accurate alternative could be to assess the problems of customer segments using qualitative and/or quantitative research methods (e.g. focus groups, questionnaires, in-depth interviews, etc.).

This can not only help one understand exactly how their service portfolio fits into the current situation, but can also identify niche markets and opportunities for expansion. A well-managed discourse can not only improve our visibility and the engagement of our target audience, but can also provide important input for fine-tuning our communications strategy.

CONDUCT PEOPLE-CENTRED COMMUNICATIONS

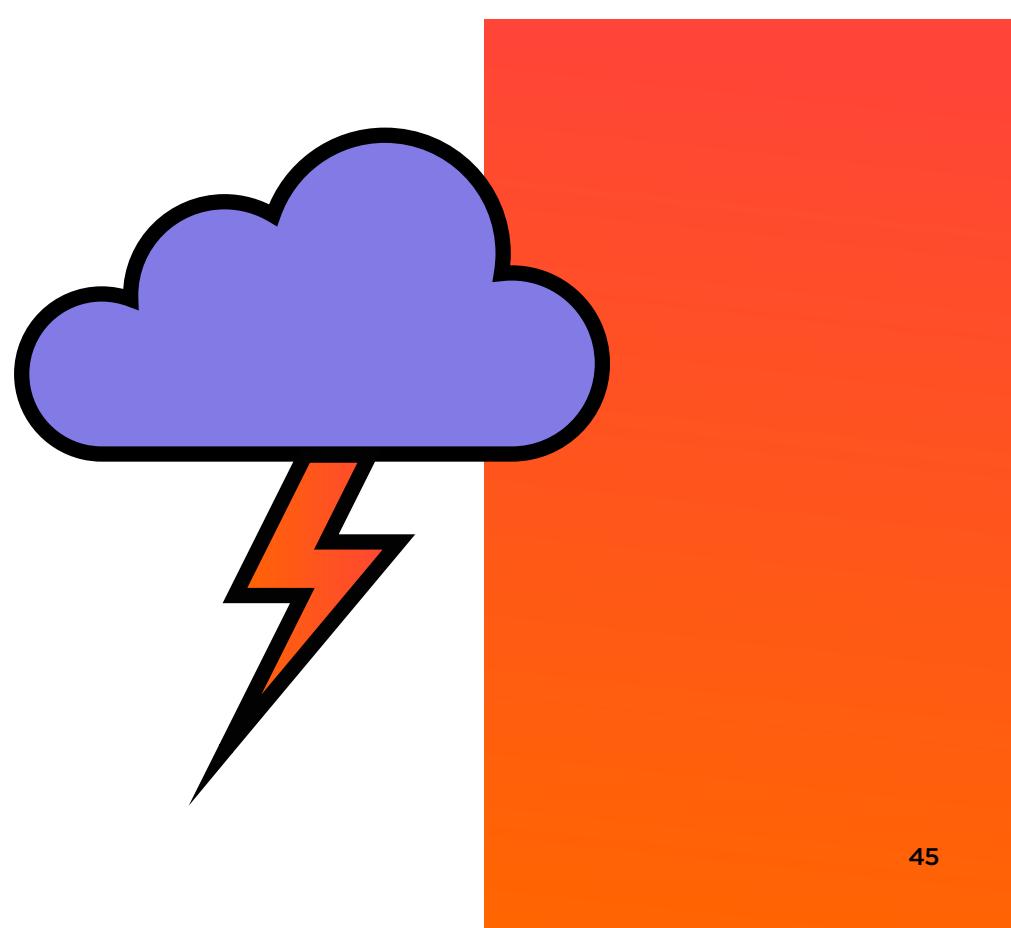
In recent months, it has been crucial for brands to have a clear position in cross-border online conversations. An important lesson from Covid-19 was that companies, in order to maintain their credibility, need to recognise the point at which they do not engage in interaction: for example, they should continue to refrain from making health- or policy-related comments or unfounded promises. In addition to sales, external communications will in the future focus even more on campaigns that are central to brand identity and corporate culture, and to this end, alternatives must be found that create real value in the lives of consumers. Avoiding misleading, unfairly profitable offers is no longer enough: it is time for companies to show how responsible they are, so in addition to classic sales and marketing solutions, it is worth putting even more emphasis on CSR and employer branding activities that humanise brand promises and focus on the consumer and their non-material needs.

CONCRETE MEASURES INSTEAD OF FLAUNTING VIRTUES

The epidemic has clearly shown that people-centred communications without real action is a failure, separated by a thin line from an empty flaunting of virtues. The internet does not forget: egocentric behaviour can destroy a company's credibility in the long run if it only repeats its values out loud without acting on them. Today, it's no longer enough to say you'll look after your employees, ensure smooth operations, do everything in your power to protect your customers' health and apologise for any inconvenience - because everyone does the same. It's the almost mandatory minimum. If that's all a company has to say in the summer of 2021, it's best to keep quiet, because these marketing messages are just virtue signalling and a waste of your target audience's time. They lack real relevance and customer focus, and do nothing to strengthen the relationship between the target group and the company.

Responsible communications that provides actual help avoids the branding jargon, but genuinely supports the community, providing a strong foundation for building a reputation after the outbreak. The post-Covid era will not be a time for spectacular PR campaigns, but a time for brands and people to naturally connect with each other, providing emotional support as well. This is the perfect opportunity to find other target groups that need support, and to reach out to them in order to expand our publicity, even in the long term. Collaborative efforts to help have emerged around the world in response to isolation in the wake of the pandemic; we should not be left out!

While it is difficult to see the long-term economic impact of Covid-19 at this stage, one thing is certain: the business world has changed forever, and the ability of firms to adapt will have a profound impact on their success in the years ahead.



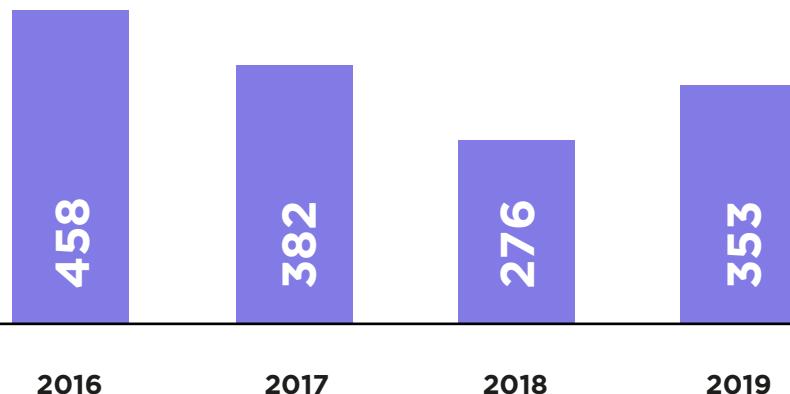
Author: Dr. Dániel Gergő Pintér, Corporate Communications Manager at BioTechUSA, and President of the Crisis Communications Section of MPRSZ

HUNGARY'S CRISIS MAP: MOST CRISES UNFOLD IN THE PUBLIC SECTOR

As I write these lines on the eve of the fourth wave of the coronavirus pandemic, it would be unprofessional to ignore the fact that the crisis landscape in our country – and indeed the world – has been drastically redrawn over the past year and a half. In order to support a deeper understanding of the pandemic situation, the experts of the Crisis Communications Section of the Hungarian Public Relations Association (MPRSZ) decided to prepare the Crisis Map of Hungary in 2020, after 2017, 2018 and 2019, which will cover all major crisis communications cases of the given year, broken down by sectors and industries. The authors of the research, following an international pattern and combining qualitative and quantitative methods of analysis, have attempted to classify all domestic crises of a given year according to their occurrence, nature, severity, course and manageability; to summarise trends; to analyse the root causes; and finally to offer further guidance to those interested in the field. In the following, we summarise the main findings of the most recent research, and report on and present the most typical crisis trends in our country.

- As regards the number of cases in each year, the consistently applied methodology indicates a fluctuating trend. For 2019, the authors recorded 353 crises, 27% more than in 2018, but significantly fewer than the 382 in 2017 and 460 in 2016, giving cause for optimism.

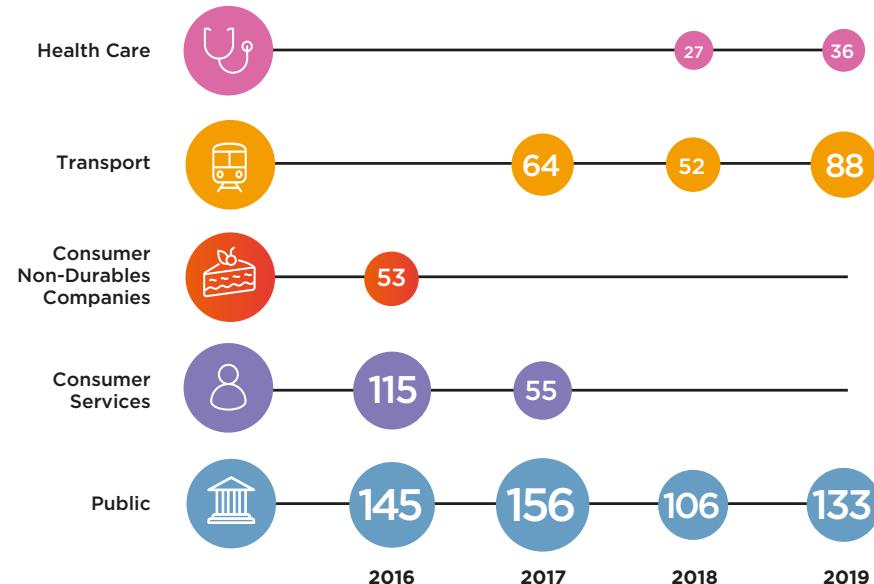
Crisis figures for Hungary 2016-2019



- Similar to previous years, public life was the biggest source of crises in 2019, accounting for almost 38% of the total with 133 scandals. It follows directly from this that, although the absolute volume of domestic crises has increased periodically, the key proportions within each industry have not changed significantly. As in 2018, transport was the second most affected sector (88 crises), while health was again the third most affected one (36).
- In terms of the number of crises by sector in 2018, for-profit organisations were in first place (42%), followed by public organisations (41%), which were just one percentage point behind. In 2019, the order was reversed: public companies were highly over-represented in the survey with 166 cases (47%), while for-profit companies were second with 146 cases (41%).

- In 2019, the monthly distribution of crises by was much more volatile than in the period 2016-2018: February 2019 was the most conflict-ridden month with 46 cases, followed by January and June with 37 cases in each.
- As for the causes of the crises, accidents remained in first place in 2019 with 122 cases, but unlike in 2018, stakeholder complaints replaced crime in second place with 73 cases registered. There was no change third place, featuring situations evolving from organisational mismanagement, with 53 such cases.
- In terms of crisis manageability, in 2019 the Hungarian market was dominated by hard, difficult to manage and complex crises, which accounted for around 76% of the total number of cases. By comparison, this figure was only 61% in 2018.
- Fortunately, it was again found that the majority of domestic crises continued to be fast-moving, with no significant difference in 2019 compared to previous years.
- Finally, around 50% of the crises in 2019 were only of problematic severity, with only 8% of the total number considered catastrophic. Compared to previous years, this means that in 2019 the threat level curve for each case flattened further, with fewer cases of striking intensity.

Busiest sectors in the last 4 years



While we are confident that the above results will be useful to those involved in the day-to-day practice of organisational management and corporate communications, as well as to researchers and academics in the field, it is essential to stress that in the changed business environment resulting from the coronavirus pandemic, research for similar purposes needs to be renewed. As the authors of the Crisis Map publication have noted among themselves, in 2021, some new assessment criteria are needed, as last year there were only two consecutive crises: first in the first half of the year and then throughout the second half of the year.

Author: Kornél Böhm, communications expert, founder
of the Crisis Communications Section of MPRSZ

EVEN IN THE PANDEMIC: INTERNAL COMMUNICATIONS COMES FIRST

A total crisis. Prior to 2020, we had to use a magnifying glass to find reasonable examples when we classified crises by their types in university lectures. A total crisis is a situation where natural, industrial and social disasters occur together and simultaneously. I have been deliberately understating this as a bad luck story – from now on, all I need to say to my students: Covid.

In communications terms, the situation is always easier when both the communicator and the recipient have almost the same level of knowledge about the crisis situation. Everyone has heard about the coronavirus outbreak. It is not a rewarding task, but much easier to do than talking about a bankruptcy situation caused by a stock options package gone wrong. We are all experiencing the pandemic together in our private lives, in public life and in professional and business life. We are all feeling its effects and seeing its consequences, and hopefully we will emerge from it in full health. This may make organisational communications easier, but it certainly does not make it redundant.

Employees are most interested in the same questions as in other crises: how secure is my job, how stable is the company, will my salary change and what changes will affect me, my job and my responsibilities?

What the collective wants to know about the management is whether they have a master plan, whether they know the next step, whether they have a direction and a vision or indeed any control over the events.

In the pandemic it was even more important than before, that colleagues were the first to receive first-hand information from management on issues affecting their lives, work and livelihoods. In addition, management was expected to be accessible, visible, present, and not be hiding in the secret recesses of crisis rooms. And last but not least: they were expected to provide a space for real interaction, for two-way communications, as colleagues not only want to hear answers, but also to ask questions first. And, they might even have something to say.



Author: **Péter Gábor Sárosi**, Managing Director at Public Press,
forensic expert



ADAPTING IS NOT AN OBLIGATION, BUT AN OPPORTUNITY

The past eighteen months have seen unprecedented developments. First restrictions and segregation, at that time incomprehensible. Many of those in white-collar positions retired to their homes to work, either voluntarily or by mutual agreement. This highlighted the fact that the conditions and consequences of working from home were not known, and in most cases not necessarily available. New questions about work were raised, such as motivation, accountability, communication, performance and mental health effects. Previously, only 2.9% of Hungarian workers were involved in temporary or permanent teleworking, which rose to 17% by May 2020, and 77% in Budapest (source: Eurostat, LFSA_EHOMP). This period caused communications and work organisation problems both on the agency and client side, and life suddenly came to a "standstill." We also found that the physical location of many workplaces was not ideal or necessary. Market players prepared with experience and plans for the second wave. In the meantime, many markets were disrupted, household incomes and spending fell, and their structure was reorganised. The players in these markets were forced to make immediate strategic decisions with limited access to the usual expertise and a new, less familiar online negotiation and advice for company managers. 2020 was a year of cancelled assignments and postponed decisions.

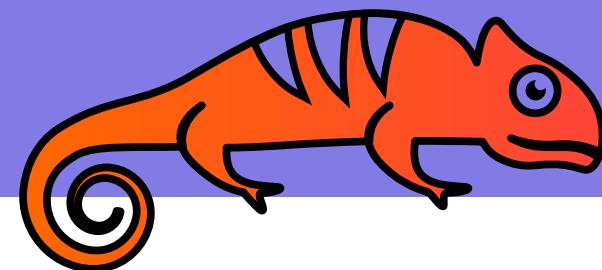
Life didn't stop however; a good number of the typically undercapitalised micro-, small- and medium-sized enterprises, the cautious, the insecure and the pessimists embarked on dynamic cost-cutting, while the winners in the changing market – the stay-at-home sectors, e-commerce, telecoms, IT, film distribution, online, PC and platform games, consumer electronics, technical goods, courier services, etc. – and the well-capitalised and optimistic businesses gained a competitive edge. The growing communications activity of the online service provider section of the stay-at-home

market did not pass through local agencies, so the global increase in spending could only marginally make up for the shortfall in spending by businesses cutting costs in local markets.

The reduction of personal contact and the change in the horizontal flow of information limited the creation of new relationships and loosened the bonds between colleagues, so the "good atmosphere" became left out from the values of the workplace. Home office seems to offer more freedom to the employee, but it also means that the employee has to take over the costs of the place of work from the employer, has to create a setting for working in their own living space and try to include a separation of private and work life. It has become clear to employers that providing a laptop is much cheaper than providing an office, furniture, cleaning, heating, electricity and a canteen. Everyone seems to be happy, everything seems to be going well. Except that personnel turnover increases as personal attachment decreases, the task to be done becomes a project, the working time becomes availability, so that the employee can more easily serve other clients as well, depending on their intentions and workload. This will make the employee a contractor and the employer a principal. The covert industrial relations derby continues:

"(5) where the employer exercises the right of inspection at the place of telework, the inspection must not impose a disproportionate burden on the employee or on any other person using the property as a telework location"

(Government Decree 487/2020 (XI.11.)). XXX



Author: András Petrányi-Széll, Managing Director at PS:Provocative PR-agency,
founding member of the Crisis Communications Section of MPRSZ, psychologist and economist

NEW CRISES COME FROM CYBERSPACE

Spyware, ransomware and phone tapping: cyber-attacks are on the rise, the common feature being their ability to cause an immediate crisis, usually involving the company's CEO.

Technological advances have brought with them benefits as well as a number of new threats, so crisis communications professionals and senior managers alike need to be prepared to deal with threats from cyberspace.

All politicians, business people and celebrities are at risk of having their personal email or social networking accounts hacked. The Twitter accounts of Barack Obama, Bill Gates and Elon Musk have all been compromised, allowing criminals to post information on behalf of the owner and access their private messages. This way, information not intended for the public can come to light, including unfortunate comments taken out of context or political statements. In addition, a message published on behalf of a public company's management can affect the share prices or even an entire market. That is why it is important to rethink and protect the channels used for official communications.

The loss of data is also common: a laptop can be stolen from a car, a mobile phone stolen from a nightclub. This can be protected against by encryption and by using biometric identifiers.

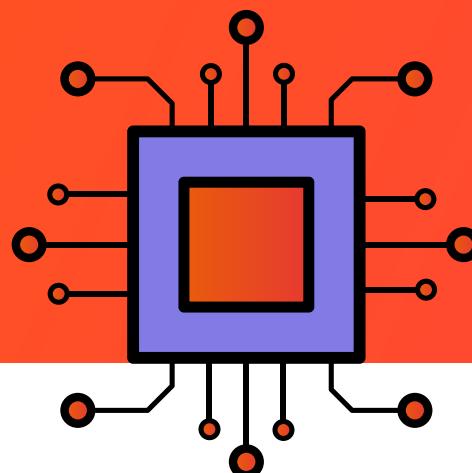
The Pegasus scandal has drawn attention to the fact that phone-tapping through spyware is an actual danger. Unauthorised activity can remain hidden for longer periods, putting patented technologies at risk and companies may lose out on tenders. Conscious business managers therefore often erase their data using special erasure software that restores their devices to factory defaults.

In addition, ransomware attacks are on the rise, and the demanded ransom can run into millions of dollars for large companies. Encrypting

hard drives can threaten companies' businesses, as production can be halted if systems are compromised (in Australia, for example, beer supplies were disrupted after the Lion Beer attack), but companies can also be blackmailed by having their internal data released.

Finally, managers must also be prepared for criminals trying to commit fraud in their name. A typical example is when the head of the finance department is ostensibly asked by the company director to make a quick, extraordinary transfer. The municipality of Peterborough, a small American city, recently lost \$2.3 million by making a fraudulent transfer to criminals.

A common feature of all these types of attacks is that the crisis they cause escalates very quickly, mainly because the incident is typically immediately publicised, for example millions of people can read a fake message posted in the name of the CEO, or the company's confidential contracts become accessible on the internet. In addition, the identity of the CEO is often involved – either because compromising information about them is made public, or because the company has been hacked through the CEO's account or device.



Author: **Dr. Gábor Rácz**, Associate Professor, life member of the Hungarian Public Relations Association



ETHICAL ASPECTS OF CRISIS MANAGEMENT IN THE 21ST CENTURY

The third millennium poured an unprecedented flood of information upon humanity. The body of knowledge accumulated during our 30,000 years of evolution up to the end of the twentieth century was, according to science, doubled in the first 14 years of the new millennium. By the end of this year, this will have doubled again. The amount of information transferred in terabytes on the Earth every day is perhaps impossible to estimate.

Biologically however, we have evolved minimally during this period. Obviously, the human brain cannot keep up with the mass of data that is coming at it. The scientific view is that the solution could be artificial intelligence (AI) helping biological intelligence not to stay behind.

But what has PR got to do with this?

Now, when we come to cloning and cellular transformation, the “repair” of the human body, we very quickly realise the priority of an ethical approach to new kinds of crises. Thirty years from now, we may also have to deal with ethical issues such as the rights of a clone. Can a clone inherit? Who will decide who can benefit from new technologies and on what basis? Are we excluding whole nations from the opportunity perhaps? Are we only giving the richest a chance? Who decides on life and death? Who decides the next direction of experiments?

I think we all agree that this cannot be left to politics alone, and that there has to be very serious social control over the process. And only PR can ensure this. Our profession will need all its strengths to identify the points of conflict, to make them public, to organise the civil sector so that it can lobby and exert pressure on the main players in the political and economic spheres.

The solution is to strengthen civil society, the legal environment and the PR profession. This will not be easy. Communications must lead the process, ensuring that society is able to face the big leap and equip itself to face new ethical challenges.

We are looking at a century of ethics. Why are we the ones that will do it? Because no one else can. Unfortunately, it is primarily science itself that is incapable of doing so, because science communicates little and does it disgracefully poorly.

We need to ensure that decisions of an epochal nature, especially those with ethical implications are taken with the widest possible involvement of citizens, with the greatest achievable consensus and not at the expense of anyone.

That's why I say:

“information is the future, communications is the future becoming real.”

THE EDITOR'S CHOICE

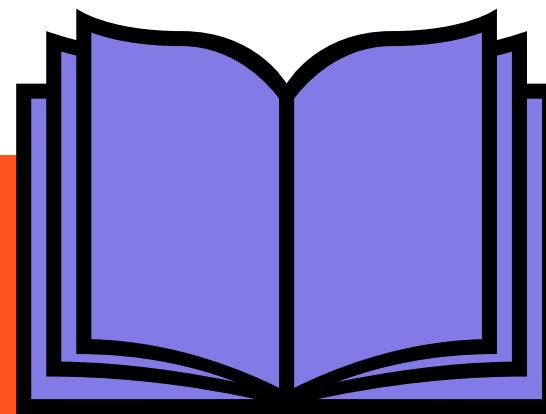
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EMPLOYER BRANDING – THE BIG COMEBACK

THE RISE OF EMPLOYER BRANDING

Editor: **Balázs Kádár**, founder of the Employer Branding Award, board member of MPRSZ, HR and marketing communications consultant (Bindermann)



Employers who have recognised their employees' natural human need for security, stability, predictability and care over the past eighteen months are on the right track. The role of employer brands has become even more important in the face of the economic and social challenges caused by the coronavirus pandemic, as a strong employer brand conveys a sense of security and trust to existing and prospective employees. More companies recognise every day that employer reputation building is a strategic task and complements corporate brand building. It's not worth procrastinating until "it comes to it", because then it's usually too late.

This situation has brought about a change in leadership, constant coordination, flexibility, rapid decision-making and a significant need for communications. The pandemic has "helped" to keep the employer brand issue on the agenda. The role of employer branding has been replaced by employer responsibility: the recent past has shown whether a company was only committed to its immediate environment on the level of slogans or whether it really cared about its employees and thus its carefully built employer brand. In this new context, it was a challenge to keep the company "exiled" into home office together and to maintain a sense of community, where internal communications was a key element. The way in which a crisis was handled or not handled has been burned into the collective memory of the firm: the way in which an employer treated its employees in a "hot situation", the way the company fought to keep colleagues.

LABOUR MARKET ROLLEROASTER

The domestic labour market has been volatile and turbulent throughout the pandemic. During the epidemic, some industries experienced labour outflows (e.g. tourism, horeca, culture), but even during the individual waves, after a short downturn, there were labour shortages in the intellectual sector. The labour market roller-coaster continues, with unemployment rates working their way back to pre-crisis levels of around 4%, and labour shortages have resurfaced in several industries. In the current situation, employer branding is clearly the big recurring theme.

FOCUS ON RETENTION

The pandemic waves have put retention even more in the spotlight, and the communications field has mostly supported this need. The role and importance of internal communications has been

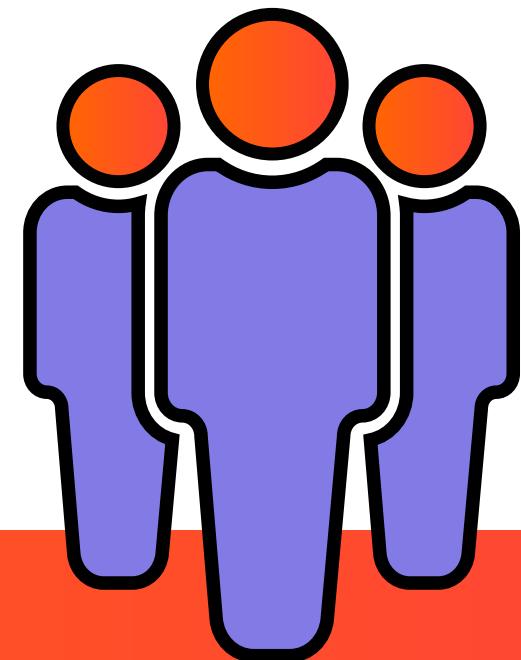
enhanced and has finally achieved the attention it deserved. Several companies have introduced internal communications apps to inform their blue- and white-collar workforce in real time. However, it also seems that with Covid quietening down, recruitment is also picking up again, and companies need significant external communications support to do this. The strategic role of communications is unquestionable, and it has become an element of everyday operations, also in terms of the labour market.

SIMILAR SOLUTIONS

This year's Employer Branding Award entries showed some similar good practices: for example, one applicant sent its non-essential employees to volunteer with the Hungarian Charity Service of the Order of Malta, while paying their wages. Other activities included inviting athletes, actors, therapists to virtual performances, holding weekly staff meetings online, launching mental health programmes and providing coaching, joint exercises (yoga), online quarantine concerts, various competitions and contests (e.g. a masquerade contest).

HAND IN HAND

Good employer branding does not work without HR, just as it does not work without internal and external communications. It is important to point out that having the proper HR processes in place will ensure that our employer brand is right. It is counterproductive and not recommended to bridge the gap by communications alone. That's why I interviewed top HR and communications professionals with experience in employer branding, who all think strategically, because employer branding can only be strong and effective if the two areas work closely together.





Mariann Árr

Head of Marketing and
Communications, Generali Biztosító

How much do you think the role of the employer brand has changed during and after Covid?

The epidemic has tested companies: it has brought the moment of truth. A crisis like this will ruthlessly strip away empty rhetoric, for example if staff-centredness was translated into immediate actions. Even before Covid, the majority of companies already took every opportunity to strengthen their employer brand in response to labour shortages. They used a variety of tools to retain and engage their staff, especially key people, and to attract potential candidates. With the pandemic outbreak, the importance of resilience and the ability of a company to respond to security needs has come to the fore.

What innovative solutions, activities, communications channels, digital tools do you (should you) use to support employer branding, especially with regard to internal communications?

We helped 90% of our colleagues move into home office in a matter of a weekend, so we suddenly found ourselves in the online space. We had to act quickly to exploit the potential of our digital channels and tools. Our closed Facebook group became an even more vibrant, interactive community space, and online webinars and live events also boosted the effectiveness of internal communications. We also focused on helping colleagues to achieve a work-life balance. We organised a series of programmes during working hours with the specific aim of taking them

out of their daily routines and promoting employee well-being in a targeted way.

What do you think is a clear indicator of the effectiveness of a company's employer branding?

Commitment to the company. We have recently conducted three pulse surveys: 93.3% of respondents said they trusted Generali's top management and that they made the right decisions. In addition, retention is a strong indicator albeit a soft one, but what really demonstrated the strength of the community in our case was our year-end charity activity. In the middle of a virus outbreak, more than 350 volunteers joined the programme to deliver parcels to nurses working in premature baby units before Christmas. Such engagement in socially relevant issues can be a good indicator of a good employer brand.

What challenges can hinder the development of an effective employer brand?

Honesty is the starting point. As employers, we need to know the exact reality of our own company, and we need to strive to ensure that top management and employees' perceptions of the company are aligned. The Covid situation also created new opportunities. Teleworking gained momentum, which is a huge development on the workers' side. However, the employer side faces serious challenges in running loyalty-building and team-building programmes in a hybrid environment.



Judit Dulin

HR Director, Lidl Hungary

How much do you think the role of the employer brand has changed during and after Covid?

The epidemic has clearly enhanced the role of employer branding, putting the focus on various internal measures and internal communications. In addition, we see that some of the previous preferences have changed, and while competitive wages and fringe benefits still play a major role, reliability, stability and flexibility have become more valued for both existing employees and job seekers.

What innovative solutions, activities, communication channels, digital tools do you (should you) use to support employer branding, especially with regard to internal communications?

Recently, employer branding has shifted to online platforms and this has accelerated digitalization. Transparent and fast internal communications at our company is supported by our We Are Lidl mobile application, which also enabled us to provide information and support directly to all 7,500 colleagues immediately during the pandemic. Our My Lidl platform allows you to manage your affairs online, for example, registering holidays, pay slips, training programmes, etc., making your everyday work much easier. We also employ counsellors to support our employees when they get stuck, to help solve their problems and difficulties, and this has been very much needed in this difficult situation.

What do you think is a clear indicator of the effectiveness of a company's employer branding?

We can look at the success of employer branding from two angles. On the one hand, the number of applicants seeking to work at the company and the satisfaction of existing employees are good indicators. At Lidl, for example, we survey our colleagues every year to find out how satisfied they are with their jobs, their managers, the team they work in, their pay and their benefits. On the other hand, the studies, public votes and industry awards associated with the employer awards that we have won show how innovative and successful the strategy is.

What challenges can hinder the development of an effective employer brand?

The biggest challenge in developing and operating an employer branding strategy is the different values and needs of the generations. Whereas in the past, a stable job was the key to retention, alongside a good salary and benefits package, for the new generations it is more important to have a cohesive team, a work-life balance and tasks that keep their attention and interest. Employing multiple generations at the same time, and meeting their needs and expectations is a challenge for employers, but it also brings diversity and flexibility to the company.



Zoltán Hornyacsek

National Head of Communications,
Continental Hungaria

How much do you think the role of the employer brand has changed during and after Covid?

I think that for the time being we should be talking about times under Covid, as it is expected to determine the coming years as well. The pandemic required major changes from all stakeholders in the company, including employees. In such a fast and highly changing environment, Maslowian instincts seek security, predictability and comfort, so the role of the employer brand and its real value proposition in the day-to-day value creation processes of the company is reinforced. Building the employer brand has clearly focused on internal stakeholders.

What innovative solutions, activities, communication channels, digital tools do you (should you) use to support employer branding, especially with regard to internal communications?

Internal communications is one of the tools of employer branding within a company. In addition to existing practices and channels, personal and direct management information has become even more valuable. It is important that the first line or direct manager gives staff first-hand information about what is happening in the workplace that affects them. Whenever possible, we also provide interaction, as we need to understand what our employees are interested in. We have introduced a digital application available to all our employees, so that we can reach out to staff without a company email address and intranet access in real time. The importance of two-way

communication has increased, and more frequent interaction is needed.

What do you think is a clear indicator of the effectiveness of a company's employer branding?

We need to assess feedback from employees and internal stakeholders together with objective HR indicators. Employee satisfaction is the feedback from employees who find their place at Continental and spend a significant part of their lives with colleagues at the company. An important measure is the perception of management and the community of colleagues with whom we spend our working days. Competitive compensation, easy access to the workplace, learning and development opportunities are also at the front of the employee preference list. Today, flexibility and working remotely or from home are highly valued in jobs where this is possible.

What challenges can hinder the development of an effective employer brand?

The employer brand is an integral part of a company's strategy, as it determines its effectiveness. Employees create value; without them a business is neither viable nor sustainable. We must understand employees' expectations and preferences and translate them into a real value proposition for the employer brand, in line with the company's business strategy. It is not a static state, it needs to be constantly adjusted. So constant attention and investment is needed to maintain a successful employer brand.



Dr. Krisztina Mihók

HR Manager, Erste Bank

How much do you think the role of the employer brand has changed during and after Covid?

I think that now there is an opportunity for employer branding, which used to be seen as a marketing activity, to become a reality and a compass for the company in a matter of moments. Of course, even before Covid, conscious and authentic employer branding was extremely important, and the cornerstone of this is what colleagues think, what they experience and what they take away with them, because they are the ones who will really drive the reputation of the company. Covid has certainly been a huge challenge for all companies, but it has also been an opportunity to show what corporate culture looks like in reality.

What innovative solutions, activities, communication channels, digital tools do you (should you) use to support employer branding, especially with regard to internal communications?

Progress in communication never stops, and it has accelerated even more during the Covid period. Speed has become more important, because our colleagues have come to rely on communication as the uncertainty increased – at least there should be some predictability. The regular, quick questionnaires helped us a lot to find out how exactly our employees felt and what we should focus on in our internal communications. We've increased the amount of video content and we have involved colleagues in the production, as they are the most authentic people to deliver the message, and we're proud to see people on screen that we know personally.

What do you think is a clear indicator of the effectiveness of a company's employer branding?

There are two sides to the story. On the one hand, a good employee experience is important for all companies. If colleagues feel good at work, this will be reflected in the engagement results, customer satisfaction indicators and the company's financial figures, as these are strongly correlated. On the other hand, good employer branding also has an impact on recruitment efficiency. Applicants are more likely to seek a company with a good reputation, and it also affects turnover and retention: colleagues are less likely to want to quit a job where real values and employee experience are offered to them.

What challenges can hinder the development of an effective employer brand?

It's important to have an honest picture of where we are now, what our strengths are, what we can build on and what we need to improve on. With a good strategy, we can build a roadmap of how to move forward, and it has to be in line with our corporate culture, our existing image and messages, and the resources we have available. And perhaps the greatest challenge is to make sure that our messages reflect reality; we should not pretend to be something else. We need to involve our colleagues in shaping the messages and seek the views of the organisation's opinion leaders.

THE EDITOR'S CHOICE

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IS PERSONAL BRANDING A CELEBRITY PRIVILEGE?

THE INTERACTION BETWEEN MISSION-DRIVEN COMPANIES AND PERSONAL BRANDS OF LEADERSHIP

Editor: **Ágnes Szőke**, Managing Director at OpenCom, the initiator of Smartfluencer



How and why is the corporate brand increasingly linked to the personal brand of executives? What are the benefits and risks of a strong managerial brand? We interviewed experts on the power of personal branding, leadership and business relevance, and one of the founders of KÜRT, Sándor Kürti.

It is difficult to measure the return on the money spent on building a company's reputation. Building a company's reputation is often a luxury, even if its long-term importance is clear for all. The plans will finally boil down to some team building, some tree planting and a drawing competition.

But in recent years something has changed. When wages cannot be pushed higher, other aspects of the employee come to the fore: for example, whether the company looks good on a CV. Employer branding is on the horizon for companies. One cannot go into price competition indefinitely either, so the focus shifted to people's decision-making. It turned out that appealing to the emotions may override rationality. It became important whether the company looked good.

The trust that a company's good image inspires in people has become the key to consumers. They can relate to a company and believe in it when they are aware of and accept its mission. Today we consider purpose-driven companies to be sustainable.

But something is still missing. We know that business is not conducted between companies, but between people. Without people, the corporate mission is just an empty slogan. We feel the mission posted at the entrance is false because we have not experienced it. We need a face we can be confident in. And now we have come to the third element of the golden triangle: the leader's personal brand. The leadership image, the leadership brand gives real credit to the value, which a company can only convey through contrived

attempts in most cases. A credible leader who believes there is a point in work and is going somewhere will have a team that is also going somewhere, and consumers will choose a product that aligns with that purpose.

Today, personal branding is no longer a concept exclusively linked to celebrities or politicians. Building a leader's personal brand is just as important. Most successful companies have a very strong leadership narrative behind them. Just think of the master carpenter of Lego, Ole Kirk Christiansen. Or IKEA, where Ingvar Kamprad gave hope to the less well-off with saying this: "Why should beautiful products only be made for a few select customers? We need to be able to offer good design and functionality at a low price." But let's not neglect the Hungarians either: the founders of Richter, Béres and KÜRT are all known for their strong character and determination. One thing is for sure: planting trees is not enough, we need a story and people who believe it will work. In the smart world, there is one thing that AI has not replaced: the power of personality.



Author: **Gyöngyi Janky**, brand expert, PurposeComm consultant

A HOLISTIC APPROACH TO CORPORATE IMAGE BUILDING

The most exciting and fundamental question in defining brand personality is what will make people love the brand. How can we appeal to the target group emotionally? If you look at it from the angle of human relationships, i.e. what determines whether someone is likeable, the answer is something like this: the way they behave, the way they talk, the way they think about the world, the things they do.

In a company context: expected workplace behaviour, communications, operations and principles. These are based on defined values and purpose. So we create a frame out of these for a brand personality, so that we have a well-defined brand character that one can connect with emotionally, whether we are talking about a corporate, product, employer or personal brand. Yes, but what if we need to build multiple brands within a company at the same time?

Anyone who works with corporate communications will sooner or later find themselves in a catch-22 situation. Wherever you go in reputation building, new areas and themes emerge; everything is interconnected and interdependent: if you want to build a company's reputation, it depends on the company's mission and values, which should guide the way it operates on a daily basis, and the way managers and employees behave and communicate. But this can only be credible if it is in line with their personal values and life goals, which at the same time have a strong impact on the image of the company.

And that's exactly the point: it works well when everything is connected. In other words, you cannot separate the corporate, employer and product brand from the personal brand of managers, otherwise credibility will be shattered and all communication will become empty phrases. The question is how to get started.

If we want to build a credible and likeable corporate, product and personal brand, the core values and mission of any brand we define must be aligned, as they determine the factors that influence our image: the behaviours, operating principles and communications; in other words the values that our employees, customers and partners experience about our brand.

Therefore, we must first examine whether they are consciously and consistently reflected in day-to-day operations, communications, and in the behaviour of managers and employees. The mission and our values are the lighthouse of the company, guiding us in everyday and critical decision-making situations, and also shaping our image.



THE AUTHENTIC LEADERSHIP SELF-IMAGE WILL SHOW THE WAY IN THE DARK



Who am I, the leader? World leaders already have an answer to the fundamental question of philosophy. Google gives 46 million hits for “leadership brand quote”, with Amazon founder Jeff Bezos leading the list with his credo: “Your brand is what other people say about you when you’re not in the room.” Based on employee and social media comments, Bezos fell into the trap of a two-faced brand, which does not reflect well on him or the corporate culture. What he does and what he says are two separate planets. We know turnover-generator leaders and those people follow blindly; one can guess which category Bezos represents. It is fair to ask: are sustainable leadership success, performance and leadership brand credibility linked? We don’t need to invent the wheel: leaders and scientists can help us find the answer.

After 30 years of research into the relationship between leadership behaviour and peak performance, Gallup has found that authentic leaders build trust, commitment and therefore peak performance, which translates into numbers and business results. Leaders can “walk the talk” with an inspiring, actionable vision to get the chain of experience started, from employee to customer and other stakeholders, creating a positive experience. The pleasant experiences and feelings will then trigger the value chain, where the good deed is reciprocated with loyalty and results.

The emotions, weaknesses and habits lurking in the “leadership blind spot” researched by MIT professor Otto Scharmer can insidiously hinder the achievement of purposes such as building a credible leadership brand or trust, or team performance. A blind spot left in the dark can become a branding trap, since behind the dark stained glass communication between the leader and his people can lead to erratic behaviour and poor performance.

We need to build from the inside out to achieve the miracle. When listening inwards, we ask the leader to answer the question “Who am I as a leader?” The answer is difficult because it is found more or less in the blind spot. For clarity, we collect data inside and out, using emotional, rational and systemic measurements. We also look at emotions, because that’s what drives people. By processing the data, we extract the gold and rejoice. When setting purposes, we look for the answer to the question “What kind of leader do I want to be?” By training skills, we enhance the desired inner radiance and move towards goals. When after proper self-awareness and development, our future success story can answer the questions with an exultant face: “What kind of leader am I and where am I headed?” – that’s when they’re ready to work on their authentic brand with the help of a personal brand builder.

“ *People are like stained-glass windows. They sparkle and shine when the sun is out, but when the darkness sets in, their true beauty is revealed only if there is a light from within.* **”**

Elizabeth Kübler-Ross

OUT OF A HUNDRED PEOPLE, HOW MANY WANT TO CREATE SOMETHING THAT LASTS?

INTERVIEW WITH DR SÁNDOR KÜRTI

Sándor Kürti doesn't like to mince his words. Whenever I read, watch or listen to his statements and speeches, he always gets to the point, without frills. Their success has proved his case for decades. He is being invited to new places, where people are eager to learn from him. He is not defined by KÜRT, quite the other way round. The owner is (also) the brand, and the management brand reflects on the company, which is further strengthened, from good to even better. Sándor Kürti has been an opinion leader for decades, and in 2021 we call him a smartfluencer. He is an influencer whose knowledge has an impact not only on his company, but also on his students and all the business people who listen to him.



Which was known first in professional circles, your name or your company?

Before KÜRT, I was an oil refinery technician in Százhalombatta. I was fired in 1985. KÜRT made our name famous. We became increasingly well-known for some of our experts' brilliant data recovery and the related coverage in BusinessWeek, Financial Times, CNN, Nikkei, The Guardian, and Frankfurter Allgemeine Zeitung.

The name of the company was coined from the names of the founders. Was it a conscious choice to connect the company with you like this from the start?

We only strengthened our bond, our responsibility and our commitment with the name. It was a good decision to combine our surname with our company name. The icing on the cake was that the word KÜRT itself has a meaning, and that meaning is (also) positive.

In one of your presentations you say that the difference between Harvard students and Hungarian students is that 100 out of 100 successful Harvard students pointed at dedication and mission as one of the factors they believe is necessary for success. None of the students at the Hungarian university did this. Have you had it in you from the beginning?

I have invested a lot of time in my own development over the past decades. This was one of my most important activities. I could never say that I was good and the fault lay with my useless company...

If I had to say three things that shape people's opinions and perceptions of the profession, I would say credibility, integrity and clarity. I have always let myself be guided by these, to be credible, and to act with integrity and clarity. And one more thing I try to keep in mind: to have the patience to listen to other people's thoughts.

What tools and channels helped you to become known before the days of social media? What has worked best for you: participation in professional organisations or press coverage?

I don't know the right answer. These all played an important part. For example, I was Vice-President of the Association of Information Technology Enterprises because I wanted to learn from President Tibor Gyurós and see the values of social engagement up close.

Have you ever felt burdened by being well-known?

Never. Being known felt soft and light, and it still does.

How have your purposes for your own personal brand changed?

I am no longer involved in the management of KÜRT, but I enjoy mentoring a lot. I work

with smart, purposeful young leaders under the umbrella of the Managers' Association. We have created the KÜRT Academy. We tried it together, it worked, and we were happy. Today I am still glad we tried. We have an accredited adult education institution where we have awarded "qualifications for teaching disadvantaged people" to more than 500 teachers. We also have a secondary school next to the KÜRT Academy. It is already 30 years old. Surprisingly, it's called the KÜRT Foundation High School and we have 430 "children" here. We are proud of them too.

How do you see your role, responsibilities and your mission today?

I like to teach, to share my experience. Supporting young talents is important to me, but I also feel a responsibility to help solve social problems. Social responsibility has become almost exclusively my "playground". I feel comfortable here too. I try to contribute as much as I can through our foundation created under the auspices of KÜRT.

In retrospect, what was the most important contribution to this image about you?

I have always wanted to fulfil my own expectations.

THE EDITOR'S CHOICE

[**Hubert Rampersad, Authentic personal branding: A New Blueprint for Building and Aligning a Powerful Leadership Brand, \(Information Age Publishing, Greenwich, United States\).**](#)

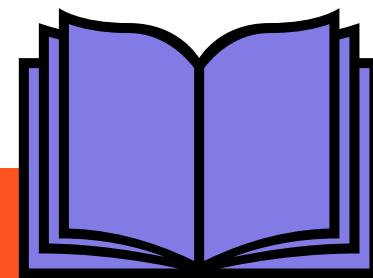
[**Susanne Bates, Discover Your CEO's Brand: Secrets to Embracing and Maximizing Your Unique Value as a Leader, \(McGraw Hill\).**](#)

[**David Magellan Horth, Lynn B. Miller, Portia R. Mount: Leadership Brand: Deliver on Your Promise, Center for Creative Leadership.**](#)

[**Otto Scharmer and Katrin Kaufer, Leading from the Emerging Future: From Ego-System to Eco-System Economies, \(Berrett-Koehler Publishers Inc, San Francisco\).**](#)

[**Rodd Wagner and James K. Harter Ph.D., 12 – The elements of great managing, \(Gallup Press\).**](#)

[**Daniel H. Pink, Motiváció 3.0 – Ösztönzés másképp, \(HVG Könyvek Kiadó\).**](#)



BEYOND THE PRESS RELEASES: THE NEW GENERATION OF PR TOOLS

MULTIDIMENSIONAL STRATEGIES EXPLOITING DIGITAL PLATFORMS

Editor: **Anna Zámbó**, Content Director, Republic Group



With the rise of digital platforms and content-based campaigns, PR is once again able to offer updated value, although this requires a new generation of PR thinking. This section will cover digital media solutions, TikTok use, influencer trends and ethical issues as well.

Although many people use the term digital PR, I still don't think there is such a thing. No PR campaign can be successful without a digital interface. By embracing the rise of social media strategies, the advance of new platforms and technological growth, the PR profession has opportunities that have been around for a long time.

But it is not enough to use traditional PR tools and separate social media legs. You need to adopt an integrated strategic mindset that goes beyond traditional media and includes video content, social media strategy, opinion-leader engagement, PPC, SEO and multidimensional media campaign elements from the very beginning. This increases the effectiveness of PR campaigns exponentially, making them segmental and even allows us to measure actual conversions.

The above ideas alone perfectly demonstrate how blurred the boundaries are between the different communications sectors. The use of complex tools is essential, whether we are talking about a brand or corporate PR campaign. This is why we decided to merge the PR and social teams at Republic Group, thus creating the content division. For the vast majority of our clients, we work with the creative, production and client service divisions on a daily basis, as complex, strategic thinking requires a diverse team composition.

Of course, this topic cannot be complete without mentioning Facebook, Instagram and TikTok. While the first two platforms took a long time for the industry to see and acknowledge their importance, the power of TikTok was recognised at the same time as it took off. Nevertheless, the domestic market struggled to catch up and many are still looking for ways to make use of the primarily video-education platform. The fact is that TikTok is the most "high maintenance" platform, as it requires continuous video content production, and trends change on a daily-weekly frequency, but it may also be the platform that influences consumer decisions the fastest, and therefore cannot be ignored professionally.

In the following four papers, we want to give you a taste of how PR can become more effective and even more indispensable by leveraging complex, multidimensional content models.

Author: **Daniella Pácsónyi**, Director of Digital Women's Portfolio and
Editor-in-Chief, Central Media Group and nlc.hu

DIGITAL EDITORIAL CAMPAIGNS: NEW MEDIA APPROACHES BEYOND THE PR ARTICLE

Content cooperation is not an endless series of PR articles, and unfortunately few people understand that yet. The basic premise is that even though the advertiser is the one who knows their product best, this does not mean that they know the readers of the newspaper. We need to educate conscious consumers from conscious readers. And this will only work if we have a well-developed and thought-out concept, using a complex set of tools. It makes no difference whether we are talking about a single sub-column on rocket science or a content collaboration of two articles.

It's a mistake to think that our readers visit the page for the advertisements. Consumers are interested in our content. If we serve them an ad embedded in content collaboration that doesn't make them feel like we're forcing something down their throats, at the end of the day we can deliver the message the advertiser has come up with much more successfully than if we try to do traditional PR.

WHAT MAKES IT SUCCESSFUL?

Thinking together. It's important that the client, the agencies involved and the media all contribute the knowledge that will help the campaign achieve its purpose. There are countless examples of partnerships that have failed because the media and the client have not reached a common position. PR agencies are often given the very thankless role of liaison or conciliator, one of the most important tasks in a complex campaign.

The really successful collaborations will be those in 2021, that have more than one leg: research, video, infographics, content sub-sites, social media, everything one can possibly manage. Readers are inundated with so much content by the media that we cannot afford mediocrity. No matter that the client wishes to educate when the reader is looking for entertainment. This is the most difficult balance to strike, because as a medium, we have to meet both needs.

The two most important keywords are coordination and diversity; if either is missing, the campaign will not be a success.





TIKTOK, THE RISING STAR OF SOCIAL PLATFORMS

LANDSCAPE

It's not news to any communications professional that you need to be on Facebook and Instagram with your company. This has not always been the case, however, as the growth of the user base and the increase in time spent on the platform has forced companies into platform operation. In the past few years, the dominance of Facebook, Instagram and YouTube has not been challenged by any new platform in our country, until the arrival of TikTok, which exploded during the Covid period.

A NEW STAR IN THE SKY OF SOCIAL MEDIA

TikTokers entertain their followers with dancing and imitating singing in short, 15-second videos. One could shrug it off, however TikTok has recognised that teens are key to the uptake of any platform. If they start to use the platform en masse, it will become trendy, so it can become a widely-known and accepted social medium.

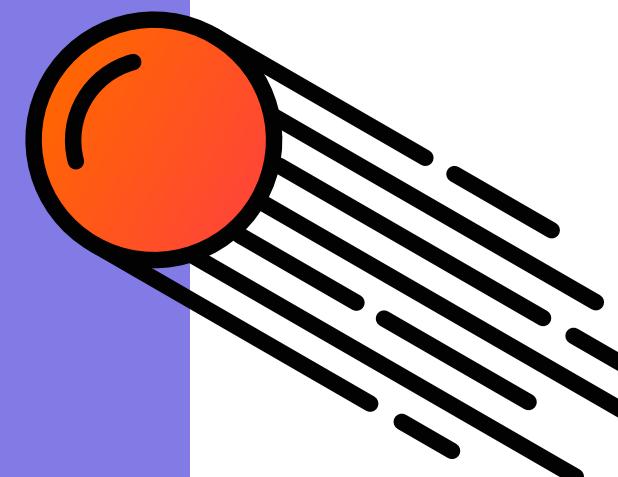
The recipe has been created and has been used very successfully. In our country alone, we can reach over 1.5 million users with TikTok. And, the former "trash" content is gradually being replaced by valuable, educational content from video producers, increasing the number of adult users. We can find recipes, psychologists, teachers and comedians in our news feed. And these types of content have been launched at an astonishing pace in the space of a year.

As the user base grew, companies increasingly turned their attention to TikTok. Few companies have yet launched their own channel, but almost all of them have reported huge reach and great results. This rapid adaptation could also lead to a shift in market conditions, with the vast majority of brands eventually producing their own content for this platform.

HOW TO DO IT, IF YOU WERE STARTING OUT?

For video content production, we can expect higher production costs per unit. It makes sense to produce videos in strategic chunks from the start, thus reducing the unit production costs. However, it is also necessary to maintain spontaneity, as the real driving force behind TikTok lies in current trends and challenges. Try to keep your message short, funny and entertaining.

There is clearly a gold rush on the surface at the moment, and a gold rush for cost-effective access. With the expected saturation of TikTok within a year, advertising will become more expensive, so I believe it is worth taking advantage of the new platform as soon as possible.



INFLUENCER COLLABORATIONS: THE BUBBLE THAT HASN'T POPPED



Influencer marketing has become one of the leading buzzwords of recent years, with brands using it with varying degrees of effectiveness and attention. It seemed obvious to test it in some form, as the entry barrier and production costs are low, it allows for a quick response, and we hear everywhere that social channels are the future.

At the same time, I believe that effective influencer marketing can only be successfully managed with strong direction, thoughtfulness and close cooperation between several actors. There are some industries where it is perhaps easier to find the right match, the right characters, and there is more room for experimentation. In my experience, it is more difficult to find credible economic and health actors, for example. It is also important to consider what the purpose is: awareness building only or will the collaboration define the brand in the long term.

Once you have the purposes and the budget, the next step is to link to the classic campaign elements – we have known (since Byron Sharp) that our brand messages will not appear as sharply in the minds of consumers as we think they will over the logic and system of Excel spreadsheets and briefs. It should be communicated in a way that is consistent with the rest of the media mix and message, but it should not be repeated literally in influencer marketing. It's quite disheartening to see the same recommendations copy-pasted from different influencers, and there have been many examples of this in recent years. Who should I trust with my brand? For me, this is the most difficult step. As a marketer, it's a new experience to go from a life of controlled mixes and agreed messages to entrusting part of my brand communications to someone else, and no longer being able to control the afterlife of the collaboration. Authentic personalities and connection are key. It's a challenge to push personal preferences aside, and perhaps one shouldn't allow this completely: the success of cooperation also depends on chemistry.

Let's look behind the numbers! It's not necessarily the influencer with the most followers or the collaboration with the most interactions that will reach the goal. In an ideal world, we have the opportunity to measure every campaign or sub-campaign in detail. In reality, influencer collaborations are often linked to other campaign elements, but the real results they generate may come back later in time, even in unexpected situations. We should be able to trust ourselves and our choices, and experiment as much as we can in the social media space!



Authors: **Dr. Máté Bende**, Managing Director, Pro/Lawyer Consulting and **Dávid Molnár**, founder of SOKAN Kértétek



Dr. Máté Bende



Dávid Molnár

INFLUENCER COLLABORATIONS: WE ALL DO IT BUT HOW WILL IT BE ETHICAL?

Codes of ethics usually regulate issues that cannot be found in higher legislation or at the statutory level, and are therefore particularly useful because of their flexibility. At present, the law requires paid content to be labelled in the case of influencer collaborations, but new trends on the platforms are emerging at a speed that is unpredictable for the law. The best solution may be to create codes of conduct.

The opinion leaders involved by market operators are contracted to perform their activities, and such contracts may regulate ethical issues as well. The issue of influencer activity by minors, and the other aspect of it, the rights of children of opinion leaders, raise interesting questions. The first phenomenon is almost commonplace, as there are many users under the age of 18 on social media platforms with thousands of followers and who can be a good partner for a company promoting its products. The rules of civil law on disposing capacity and contracting provide an easy answer to this legal problem, but the ethical questions remain open. In the case of the latter, the legal and ethical issues are all the more unanswered: can a leader of an opinion publish their child's picture without the child's consent, and for the purpose of advertising? There is currently no legislation in force on this issue, nor have advertising codes of ethics addressed the issue. A solution could be for market players that use opinion leaders to address this in their codes of conduct.

In many cases, a user's posts can be used to determine what opinion they have on the topics being shared, whether they avoid them, or whether their posts are in line with the advertiser's ethical stance. Furthermore, when choosing a partner, it is important to keep in mind the image you want your followers to have of you, whether it fits the brand of the company, and the consumer side of it: to what extent your followers cover the target audience of the product you want to advertise. It is important that the consumer will associate a person with the company, so credibility is a primary consideration. For a company starting an influencer campaign, ethical dilemmas should be addressed in the contract and its own code of conduct should be annexed to it.

WHAT TO DO WHEN WORKING WITH OPINION LEADERS?

- Let's decide whether to go for a broad or rather an engaged audience: macro influencers are stronger at building awareness, while micro influencers are stronger at building topics and engagement.
- Do your research: look for their work, look them up on forums, check out feedback on previous sponsorships – all of which can tell you if someone is promoting pizza as gluten intolerant or sweets as diabetic. Unfortunately, there are Hungarian examples of both, which can reflect negatively on brands.
- Let's look behind the profile: there are quite a few sites where you can check the background stats of an Instagram user; there are several Hungarian influencers whose base of followers are up to 40-50% in Pakistan, which could indicate a base purchased for cash. You can also look at their interaction rate: it's suspicious if someone with hundreds of thousands of followers has only 50-100 likes on their posts and hardly any comments.
- Don't hire an influencer without knowing them, but invite them for a "job interview": this will show whether they can bring added value and creativity to the collaboration.

STEP INTO THE CUSTOMER'S SHOES

CX AND SERVICE DESIGN IN PR

Editor: **György Káli**, co-founder of Humanize studio



According to trend analysts, it is increasingly a race of customer experience rather than price, meaning that the companies that get their relationship with their customers right will do well. The reason: consumer habits are changing at a radical pace, and Covid has played an important role in this. There is therefore a growing demand for decision makers in companies to manage the customer experience (CX) more consciously. But what is customer experience and how does it relate to PR? And how does service design relate to all this?

WHAT IS CUSTOMER EXPERIENCE?

Experiences affect us on a rational and emotional level: what stays with us is what stirs some emotion. The customer experience is a chain of closely related perceptions that customers receive from a company through touchpoints. The formula for customer experience is very simple: the difference between the customer's expectations and experiences. All we have to do is influence the elements of this formula. A brand can influence the experience at touchpoints, and to do this, the customer experience needs to be planned for the entire customer journey. So CX is nothing less than the disciplined practice of fully analysing and anticipating customer needs, and consciously designing and differentiating experiences to deliver on our brand promises. And a good customer experience programme not only makes our customers happier and more satisfied, it also has measurable business benefits.

DESIGN WITH THE CUSTOMER IN MIND

How can companies find out about and understand their customers' mindsets and problems so that they can respond to them in a focused way in their CX strategy? Service design can help in this process. The discipline can help companies understand consumers' desires, pains and behaviours, what makes a product or brand relevant to them, what aspect of the product or brand gives them a real experience – while all of this can create new market opportunities.

SERVICE DESIGN PROCESS

We are talking about a design method that shapes the service and customer experience by mapping the needs, motivations and mindsets of consumers and all stakeholders. By looking at the whole process of the service, we can get an accurate picture of what points the consumer follows through, what messages they are receiving, what

communication tools they are using, what impulses they are experiencing and what emotions they are feeling. It can also be used to outline complex systems, and companies can deliver relevant messages to their target audience in a way that goes beyond solving the problem at hand of delivering a coherent brand experience. The map can also allow you to plan more targeted communications or even include benchmarks to monitor the effectiveness of your activities. This will improve companies' bottom lines, while consumers will like the solutions they provide more and recommend them to their friends.

HOW ARE PR AND CX RELATED?

PR and CX meet and can reinforce each other in many areas: both build and manage a company's internal and external stakeholder relationships.

Crisis situations most often derive from poor customer experience and service: this is where the collaboration of PR and CX professionals is key, as a quick response and accurate messages can help to resolve sensitive issues before they reach a critical level. On the opposite side of the coin is the position of customer success from a positive customer experience, which PR can effectively magnify. All this requires close collaboration and continuous engagement. Here are some examples of these interconnections:

- **Insight-based messaging – synthesising design research findings, personas, CRM data can give PR staff all the ammunition they need to create better targeted, relevant messages. This in turn feeds back into the customer experience through empathy and the positive impact of personalised messages.**
- **Targeting, timing, presentation – the customer journey used by CX and service design helps us to better understand the context in which the message, the PR campaign, needs to work. Last but not least, it helps cross platform planning: which message is needed on which interface, at which stage, to gain the trust of your customer.**
- **Co-creation – a big part of the power of design is its ability to encourage successful cooperation between people from different business units, suppliers, etc. to develop joint solutions with a better understanding of the customer. This forum is also important for PR, for example when developing campaigns and messages.**





János Klenovszki

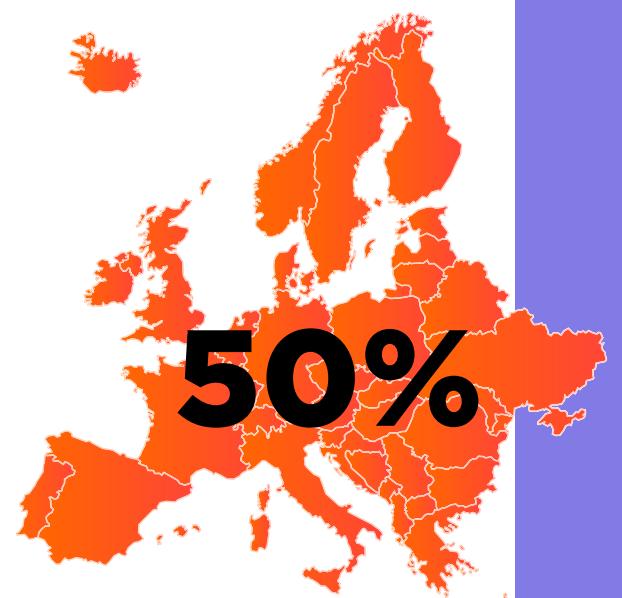
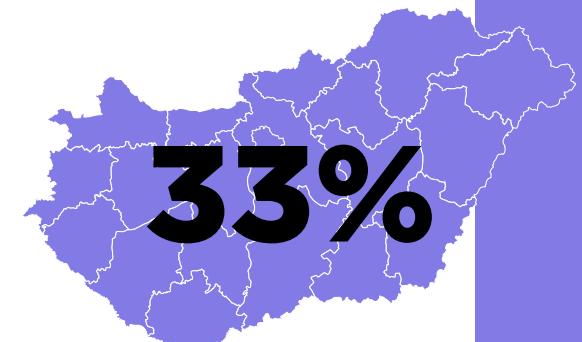
Managing Director, NRC Marketing
Research and Consulting

What results did the spring CX survey in Hungary produce? How far has customer experience come in our country?

It is a joint effort by seven research companies – each looking at a different aspect of the field. While only one third of companies in Hungary can be said to be conscious about building customer experience, in Europe the rate is around 50%. Half of the larger firms have already set their sights on improving the lives of their customers, but only three in ten have made customer experience a strategic focus.

What is holding companies back from developing a customer experience strategy?

We find that policy makers do not yet see the return on investment of CX. Most of the uncertainty was in linking customer satisfaction and business indicators (only 7% of companies managed to do so). A CX world in search of its place has unfolded before our eyes, where not only the CX strategy, the feedback of research into development, but even the CX leader is searching for their place and budget in the organisation. Success is by no means guaranteed, and because the strategic delivery of a customer experience is not possible without money and management support, very often the CX helm is left prematurely without control. An organisation can only become focused on customer experience with solid management support, the right corporate culture, a well-defined budget and a long-term strategy, which, if implemented, will not only make customers and employees happier, but also management, as they will be able to make extra profit.





Szilvia Burka

Manager of Marketing and
Online Services, Praktiker

Why has the CX mindset been built into the company's operations?

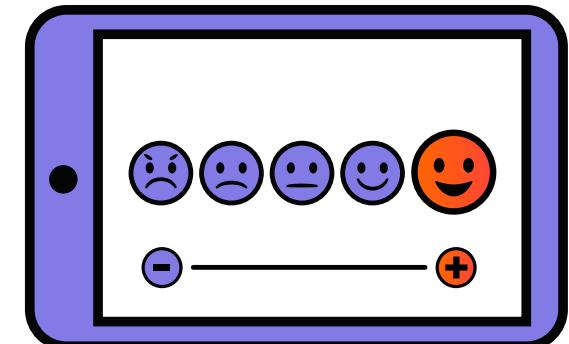
Improving the customer experience has become a key pillar of the company's strategy. Praktiker believes that this is how it can differentiate itself from its competitors in the DIY market and achieve its vision of being the preferred choice when it comes to DIY, garden or home improvement through customer experience development.

What steps have been taken and processes changed as a result of the development of CX?

We have started to measure customer experience in several areas: we use a mystery shopping methodology to monitor and evaluate the Praktiker customer journey online and in-store, we conduct satisfaction surveys on a tablet at the personal checkout counters and we benchmark our NPS metrics with market research. In addition, a more conscious customer segmentation and development of personas has started. Based on this, we started to redesign our website using a service design approach: based on research and real customer feedback, we decided how to redesign the website. We will look at what customers want, where and how they get inspired, how they search and compare products, how they order and receive goods, what their experience is when they need to return products, and ultimately whether they leave the online shopping experience feeling good about their purchase and would return. We will take this approach not only online, but also across the entire customer lifecycle in retail. And within the company, we are determined to create an organisation that is responsible for the customer experience in the long term.

What measurable results have you already seen from the changes?

Even the definition and measurement of customer experience KPIs itself have produced some welcome results. Thanks to mystery shopping measurements, we have achieved a shift in customer experience both in-store and online. The customer experience project is ongoing and will result in the design of a new website. In addition, service improvements will be launched in the retail sector and a customer experience organisation is expected to be set up. The challenge in customer experience is to design and operate an ecosystem, i.e. connecting the offline and online customer experience. Customers may move between channels several times during their buying lifecycle. It is important to have integration between different communication channels and a 360-degree customer view, so that all information about the customer is available on one interface.





Eszter Varga-Nagy

Head of Communications,
The Coca Cola Company

How does PR work with customer experience and/or service design? What were the lessons learned?

These areas have been intertwined for a long time, even if we didn't point it out before. They used to be linked in a more practical and less developed way, but have since grown into separate areas. In the past, for example, these used to refer to the feedback from the experience of test shopping or mystery shopping (which was a common element during my years at Tesco or IKEA) or the feedback from a practical day in a store, to know how a small gesture of service could result in a qualitative leap in the customer experience, based on customer feedback or our own experiences. If these are continuously built into the customer's planned encounters with the company, they can create and change the brand experience.

How can service design and customer experience support the work of the PR and communications manager?

In a whole range of things, especially in the context of brand perception, about the complex elements of how consumers connect and experience when they interact with us. PR, as the name suggests, is about public relations – so it correlates very strongly with the work of the customer experience team. The one allows the other to easily and, above all, credibly communicate what the consumer may encounter.

I think the biggest part of shaping the consumer experience is how to turn information and communication into an experience, so the key is to respond quickly to changing needs and to synergise and then systemise that data. In my personal opinion, strong internal communications and the meaningful involvement of employees is one of the most important elements, because if everyone understands the same thing, the consumer will have a similar experience, regardless of the location.





Péter Mondovics

Marketing Manager, Mastercard

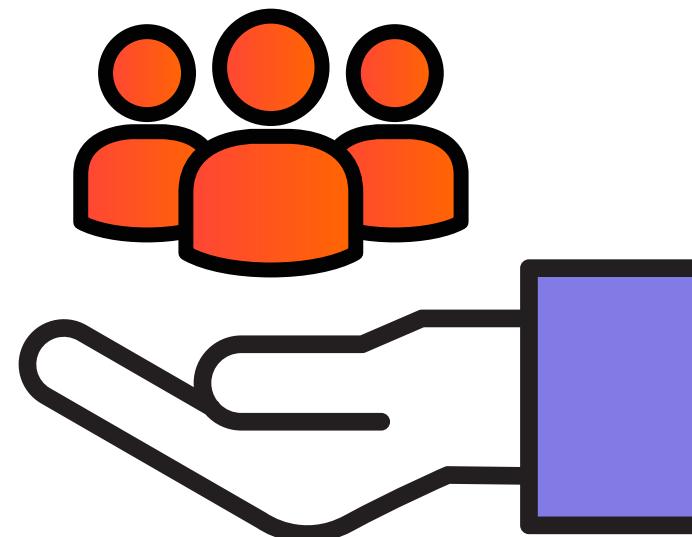
Why have you incorporated the CX mindset into the company's operations?

Service design has been around for a long time in our business, although until now it has mainly been used on the product development side. The novelty is that we extended the SD approach to other areas, mainly marketing, about three years ago. We realised that our old segmentation models were no longer working effectively, our product range had grown tenfold in the last seven years and it was very much a question of what, when, where and how we communicated about them. Marketing is also a service, created with internal and external resources, targeting and supporting customers, and its role in product development, manufacturing, logistics is becoming increasingly significant. It is important therefore to understand people's motivations, the product/service lifecycle and the barriers that can arise in the process.

What specific processes have you changed?

The way we plan a campaign, for example, has fundamentally changed. In the past, we used some research data as a starting point when we prepared the campaign brief, mainly based on business considerations and purposes. At the same time, we rarely asked people about what they really needed. Today, you can't start planning a campaign without first conducting research to gather sufficient insights about the product and the planned action. It is important that any pain points are properly mapped and then test the material after the appropriate changes. We design virtually all communications based on a lifecycle. Perhaps the best example of this is our Payment Experience Report campaign, where we ran communications across B2C, B2B and B2B2C channels, using a variety of tools and messages tailored to different target groups. For example, consumers were able to see how many people order while cycling, driving or even using the toilet, online shops and payment providers were given an insight into the

benefits of ordering and paying at a tram stop, and we gave them plenty of ammunition to promote this to their customers. That's a lot of aspects and a lot of touchpoints, not to mention an amazing amount of conversion potential that would have been difficult to keep together without the service design methodology. What's particularly interesting is that our PR agency worked closely with our service design agency on this project, and they planned every step of the way together.





Gergely Román,
E-Commerce Director, Decathlon

Why have you incorporated the CX mindset into the company's operations?

Customer satisfaction has always been a priority for Decathlon. It also appears in our own internal communications: "Satisfied or satisfied". Everything starts from here, and we can only be successful if our customers are satisfied with our products, services and problem-solving.

What specific processes have you changed?

A concrete example is the modification of our return policy, with a unique solution in the market: customers can return products for 365 days, even if they have already used them. We will find a solution for them, because the goal is to make sport fun, and our job is to help them do that. The returned products are given a second chance and sold at a reduced price, after proper disinfection.

THE EDITOR'S CHOICE

[This is Service Design Thinking: Basics, Tools, Cases](#)

[This is Service Design Doing: Applying Service Design Thinking in the Real World](#)

[Customer Experience \(3 books\)](#)

[Recommended by Tamás Lengyel: This is Service Design Thinking](#)

[Blog recommendation: Innovationdesign](#)

[Podcast recommendation: PDstories Podcast](#)

DO GOOD AND DO IT WELL

COMMUNICATIONS OF THE PURPOSE-DRIVEN OPERATIONS OF COMPANIES AND BRANDS

Editor: Péter Polgár, Business Development Director, Brightly



Today, it is becoming increasingly clear that humanity's heightened economic activity is putting its own future at risk, and so there is a growing expectation for companies to behave responsibly in their business. In this section, we look at organisational trends in sustainability, the relationship between brands and consumers, the relationship between purpose and brand, and the issue of measurability.

The issue of sustainability is increasingly in the spotlight, and we often hear and use related terms. But do we understand exactly what they mean? Let's look at the most important buzzwords!

The United Nations developed Sustainable Development Goals (SDGs), the foundation for a purpose-driven approach in 2015. Among other things, companies are now expected to act in a transparent and ethical manner, to be accountable and to prioritise diversity and sustainability. In recent decades, companies' attitudes towards this have changed dramatically: they feel less compelled to do so, and more inclined to turn it into a competitive advantage.

CSR (Corporate Social Responsibility) is one of the flagship terms for this topic, and provides a framework for examining these activities. CSR initiatives, which are typically grassroots and voluntary, have previously been analysed only qualitatively, but as technology advances, the results are increasingly quantifiable.

This has led to the creation of ESG (Economic, Social and Governance) standards, which look at the contribution to the SDGs in environmental, social and governance dimensions and are increasingly becoming part of central regulation. ESG standards help to manage risk and increase competitiveness, which is essential for both stakeholders and shareholders. They also provide the basis for SRI (Socially Responsible Investing): investors can decide which companies to invest in based on ESG rankings, meaning that companies can gain a direct competitive advantage by operating responsibly.

This brings us to the notion of purpose, which answers the question of what purpose the organisation serves and why it exists beyond making profit. Purpose stems from the corporate culture and spans different eras and possible changes in the company.

But 100 buzzwords all add up to one thing: companies must take responsibility for their impact on the world.

Author: **Dr. Rita Lukács**, Associate Professor at the Budapest Metropolitan University

ORGANISATIONAL TRENDS OF SUSTAINABILITY IN HUNGARY AND WORLDWIDE

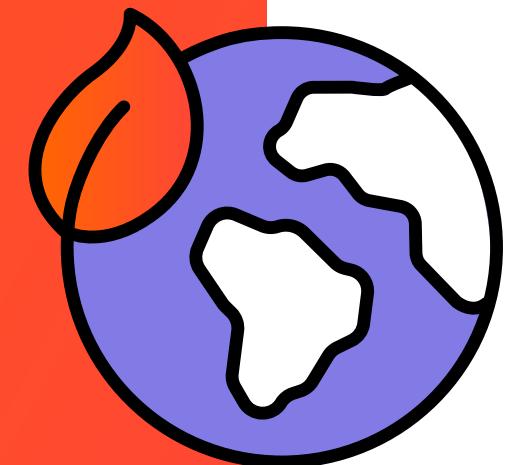
When an organisation chooses a sustainability focus as a key objective, there are several possible approaches: should we choose a global problem that is a hot topic in the media (global trend) or should we contribute to a challenge where we can achieve results quickly (low hanging fruit) and explain this in a way that the public can understand? Should we align with the strategy of the global parent company?

To ensure the long-term success and credibility of the sustainability programme, it is better to identify areas that are relevant to the industry – so we should look at the potential negative impacts generated by our activities and work to prevent and reduce them. The environmental, social and economic impacts of a company in the fashion industry and one in the banking sector are very different, and they face different sustainability challenges. In the first instance, it is worth considering these impacts to identify priorities among them.

Of course, we can take the easy way out and support a musical movement or a noble social or environmental cause that management likes, but it will have no connection to the company, it will not address the challenges of sustainability and it will probably not reach out to the stakeholders – or if it will, but the response will be cynical comments instead of recognition.

Who are the stakeholders? Organisations, communities, individuals that are in some way present in the universe of the company. Either they, or the company, have some kind of resource that maintains this link. This is not necessarily money or a material resource; good reputation may also be seen as such a link.

The issues that are important to our stakeholders and the challenges specific to the industry are worth identifying precisely for the sake of reputation and credibility. If we simply translate global corporate policies or adapt to global trends, we fail to take local social, economic and environmental conditions, locally relevant issues, and the interests and expectations of our stakeholders into account. Programmes implemented in this way will find it much harder to gain the recognition of stakeholders because they will lack credibility. It would also be important to involve the people concerned, to encourage them to take action apart from offering education to them. It is therefore worthwhile to integrate local, industry and stakeholder perspectives into the sustainability strategy to increase its effectiveness and credibility.





A BRAVE NEW WORLD: THE BANKING SECTOR ON THE SUSTAINABILITY RACE TRACK

The financial sector is about to undergo a huge change, if ever so quietly. We may have been hearing this for years, but we usually think it has to do with the emergence of digitalization and artificial intelligence. In fact, these are not turning the sector upside down, nor does the transition to teleworking for much of the workforce. We are dealing with a much more “natural” topic, which, moreover, has until now been largely seen by most people as the folly of the rich. Over the next five years, sustainability management will move from the world of “weird corporate guys in their ivory tower” to become a mainstream business and corporate governance approach and, more importantly, practice.

An entire sector is, explicitly or not, finding its way in the so-called circular economic vision, and gradually completely rewriting what we know about risk management, lending practices and banking. But what is needed to make this a well-managed, successful process? What should and should not be moved to achieve a balance between profitability and social benefit?

Compared to taxonomy-centred approaches, which seek to define everything precisely and upfront, and prioritise this as one of the most important steps for achieving positive sustainability changes across borders in corporate operations, I have greater faith in the primacy of the cultural approach. On this basis, I believe that strengthening corporate culture, measurability, transparency and accountability will be the real game changer. Anything else is a weak-legged corporate behaviour without initiative, where change is not strategic and persuasive, but tactical and reactive. Fortunately, there are already more and more examples of the former in Hungary, typically in companies where ethical core business practices have been the norm for a long time.

The banking sector is one of the most regulated in the world. Compliance with the rules and regulations has become a key issue in the years following the 2008 financial crisis. This period was the heyday of taxonomies and regulations, which soon clashed with the flexibility brought by digitalization and fintechs, the ability of a new generation of companies to change very quickly, and the experience-, value- and environment-oriented lifestyles of young social groups who are a market for everything. The banking sector, as the most important intermediary and engine of the economy, has thus found itself confronted with a sustainability-centric worldview that seeks to leave the crisis and the “old regime” behind, with a positivist vision of the future that is fast becoming absolutely mainstream. While the banking sector is adaptable, it now has to respond to a cross-border social phenomenon that can only be met by value-based change in a way that is honest and expected by the new consumer base, but at the same time true to its identity and bank-specific. This process is already underway in Hungary. We know for certain that we are very close to a situation where actors in the banking sector naturally internalise sustainability principles and compliance. It has no other option in terms of long-term economic and social utility, because if it doesn't, it will soon be defeated on the race track.



HUNGARIANS WANT TO GO GREENER, BUT FEW ARE MOVED BY SOCIAL ISSUES

As brands explore and experiment with purpose-driven corporate strategy, they can basically go in one of two directions: they can either follow the directions dictated by the parent company and/or current international trends, or they can look for a local social or industry issues to be solved. Should brands be concerned with what domestic consumers resonate with, or vice versa: should they shape society's attitudes, interests and knowledge on a particular issue? Is it the duty of a company to act towards the future of the planet, for minority groups, for the underprivileged, for the protection of animals, and is it ethical to try to shape attitudes and dictate trends in the name of cancel culture? And which strategy will engage more consumers?

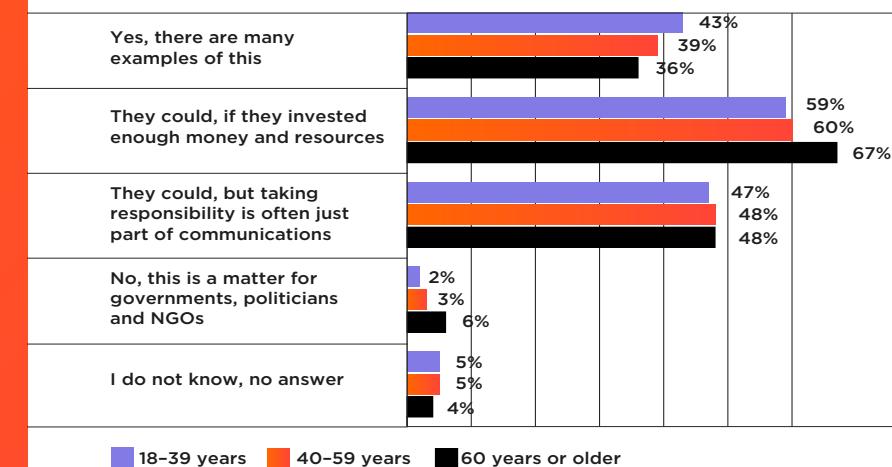
The huge media coverage puts an equal responsibility on companies when it comes to publicising their case, so the subject and the manner of their communications as well as the partners involved do make a difference. Consumers now expect large companies to address social and environmental issues, but they should spend more to get real results, according to a representative survey of 1,000 people commissioned by Positive Adamsky. In line with international trends, Hungarian consumers are also increasingly resonating with a purpose-driven focus, with green issues ranked in first place.

WE STILL PERCEIVE “GREENWASHING” ONLY

92% of adults think that large companies have a responsibility to address social and environmental issues. But far fewer are sure whether they can achieve any real results. Only four out of ten respondents – mostly younger people – thought there were several good examples of this in the world. Some 62% are more pessimistic: they believe that companies could have a real impact on these problems if they spent more money.

Mostly men, 47% of the respondents think that taking responsibility is often just part of communications, without any real action behind it.

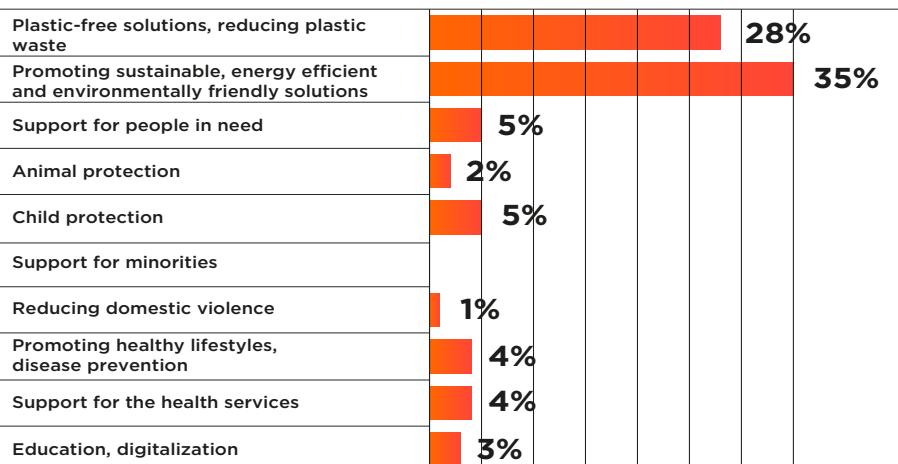
*Do you think that big companies can make a real difference in solving various social and environmental issues?
More than one answer can be selected – breakdown of answers by age group*



ENVIRONMENTAL PROTECTION AS MUCH AS YOU WANT

The survey showed the most important issues: most respondents (35%) put support for sustainable, energy-saving and environmentally friendly solutions at the top of the list, 28% voted for plastic-free solutions, while support for the needy and animal welfare were significantly behind at 5.5%. Reducing domestic violence was prioritised by 1% and supporting minorities by less than 1%. There seems to be a huge gap between the environment and practically everything else.

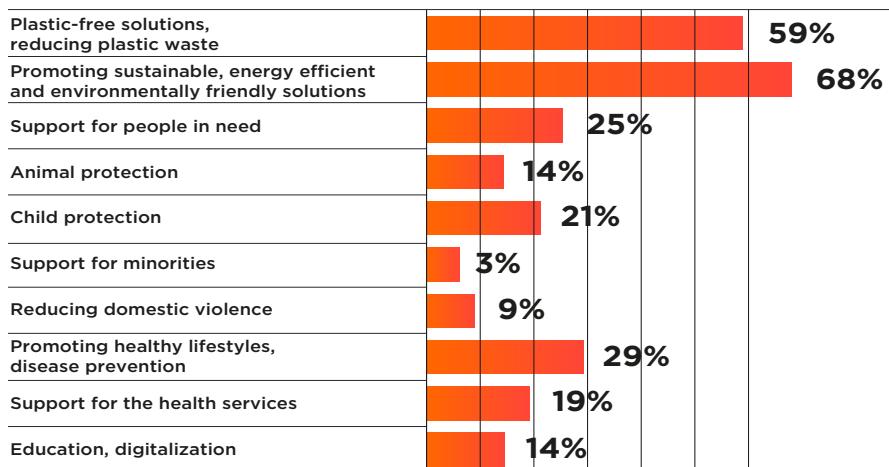
Which of the following issues should a company deal with? Distribution of responses in terms of their priorities



The top scores of the two lists were similar when it came to the top three issues: sustainable and plastic-free solutions (the most important issues for men) were joined by promoting healthy lifestyles and preventing disease.

Environment and healthy lifestyle top the list for 18-39 year olds, and animal welfare has caught up.

Which of the following issues should a company deal with? Distribution of responses in terms of their priorities



YOUNG PEOPLE LISTEN TO THEIR FRIENDS, AND THOSE OVER 40 WANT TO PROTECT THE PLANET

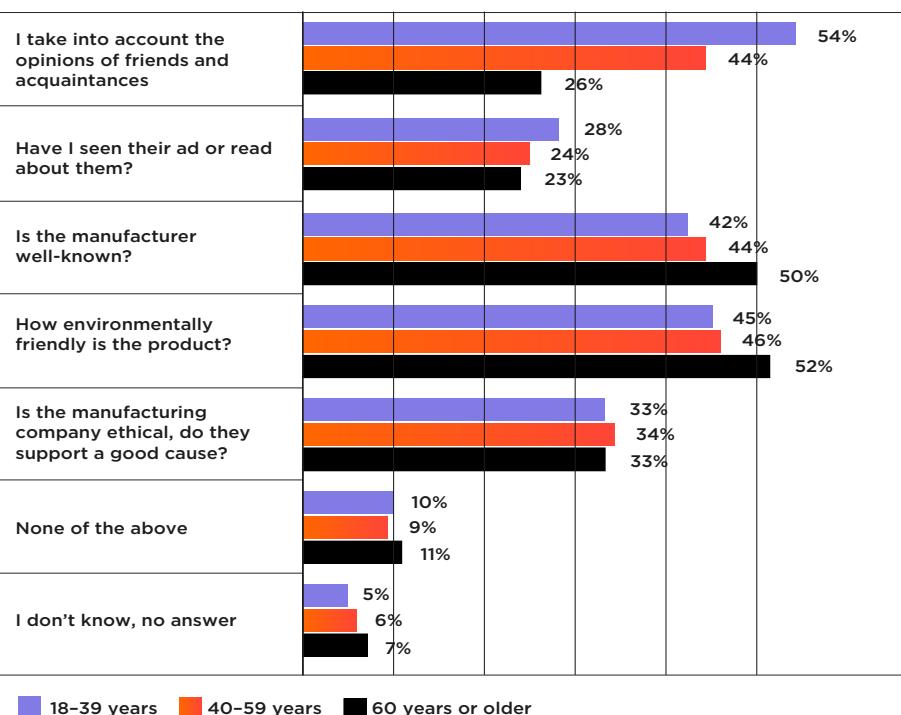
We also asked whether people would be willing to pay more for a fair trade or environmentally friendly product, and the answer was a resounding yes: 94% would buy a product that supports a good cause (women mostly), 74% would be willing to pay a little more, and 79% would replace the traditional with something more sustainable¹.

In line with this, 47% said that the most important factor in determining their purchase, apart from price and quality, was the environmental impact of the product. 42% base their decision on the opinion of their group - mainly those under the age of 39 and those with a higher education, and three in ten also look at the ethics and case support of the manufacturer. However, only a quarter of respondents said that their purchasing decision was influenced by whether they had heard about the product in the media.

¹ In an American study by Kantar Media, 6 out of 10 gave the same answer to the same question, which is a similar outcome.

Purpose

What is decisive before buying a product, besides price and quality?
Breakdown of answers by age group



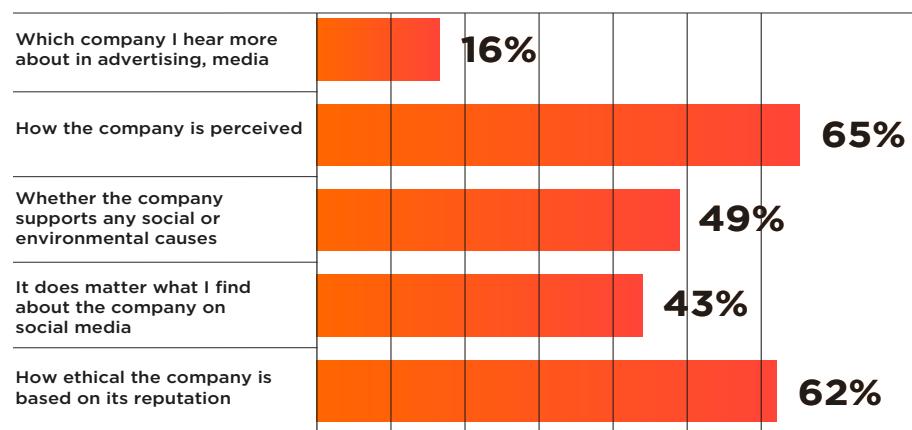
■ 18-39 years ■ 40-59 years ■ 60 years or older

ALSO IMPORTANT AT WORK

There is a growing body of research on what influences job choice, besides career prospects and benefits. According to a survey by Cone Communications in the US, more than half of Gen Y employees consider the causes the company supports when choosing a job, and 64% would not take a job if the employer did not have such a vision.

Our research shows similar trends: the ethical behaviour of the company and its good image are neck and neck, with the visible purpose strategy still among the preferred three but slightly behind the first two, with all three of them being equally important for both the 18-39 and the over 40 age groups.

If you were to choose between two companies offering a similar salary and position, what would influence your decision? Distribution of responses in terms of their priorities



Of course, the real purchasing decisions are made in front of the shelves, but it is clear that we expect more real action from big business, especially concerning protection of the planet. Brands cannot ignore this when creating their purpose strategy, nor can they ignore the need to ensure that their products do not go against any commitments they make in their communications.



Author: **Krisztina Lengyel**, Communications Manager, Unilever



A STRATEGICALLY BASED, PURPOSEFUL OPERATION, OR “PURPOSE IN ACTION”

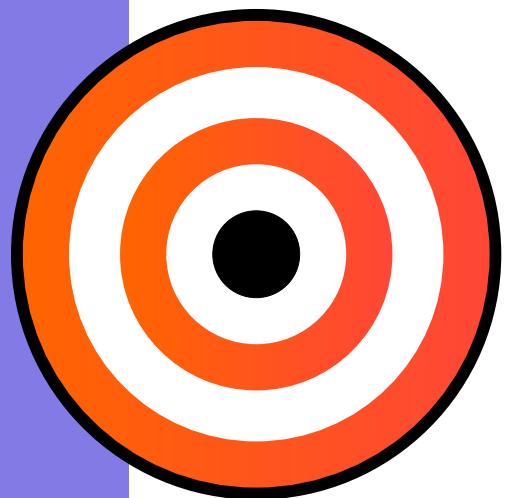
As the Global CEO of Unilever once said, “There is no need to put sustainability before profit, because sustainability is what will increase our profits.” This should be interesting food for thought for anyone who may still see sustainability as an expensive fad. Not running an organisation in a well-planned way may in fact cost a lot of money. And Unilever has the proof.

We say at Unilever that companies that operate purposefully can compete in the long term. Brands that have a purpose beyond sales are the ones that can grow sustainably, and ultimately it is the people who find their purpose will be the ones who are truly successful in life.

As a large company that has been operating successfully for one hundred and fifty years, I think Unilever has proved the first point. They want to make sustainable and purpose-driven living accessible to all consumers. Their first product was already based on a similar concept. The affordable Sunlight soap made hygiene accessible to the average person, improving their quality of life.

Let's look at the second claim: purposeful brands can grow sustainably. In the survey taken during our last “normal” financial year before Covid, our mission-driven brands grew 69% faster than the rest of our business and accounted for 75% of the company’s overall growth. Around half of our brands already have a mission statement, which we use consistently in both marketing communications messages (brand-say) and other activities (brand-do). But this is not an investment that pays off in the short term. For example, the Domestos School Toilet Programme has been organised worldwide for more than 10 years. Both the social impact and the brand message take years to become visible and memorable.

Finally, what about the human factor? Unilever reaches more than 1 billion people every day through its products and employs hundreds of thousands of people globally. It is therefore very important that the company’s stakeholders can find their own purpose in this huge system and, in addition to seeing Unilever as a source of livelihood, can identify with the purposeful work culture. And that is not the end of it. At their best, they can not only identify with the brand, but also draw inspiration from it to join us in the fight for gender equality, human rights or even to stop climate change.



GOOD CSR SHOULD START FROM WITHIN, BUT WITH MEASURABLE IMPACT ON BOTH SIDES

Corporate social responsibility is not only a hot trend today, but we know from the survey above, that millennials are increasingly looking at the value of a company's operations, what it does and how it gives back to society when choosing a job. That is why any CSR activity is also an investment in the future and an investment in the workers of the future.

However, running sound CSR activities without a real message and without strategic direction is rather pointless and ineffective. What can we gain from good CSR? We can attract potential workers and significantly increase the commitment of existing employees to the company. It will be effective if it has one or more well-defined purposes and operates in a way that resonates with the needs of the organisation.

These purposes should be in line with the culture of the company, as this is the easiest way for employees to identify them. They must first see real value in the CSR objectives set out, otherwise it will not be credible.

External communications can therefore only work as a next step: if the acceptance of the objectives is real, it can also convey a message of value to external actors. In the case of Praktiker, our CSR strategy is built on a value base that has existed for decades, namely our family-friendly approach and the integration of people with disabilities in the labour market. This sustainable mindset has been a hallmark of our company for 23 years.

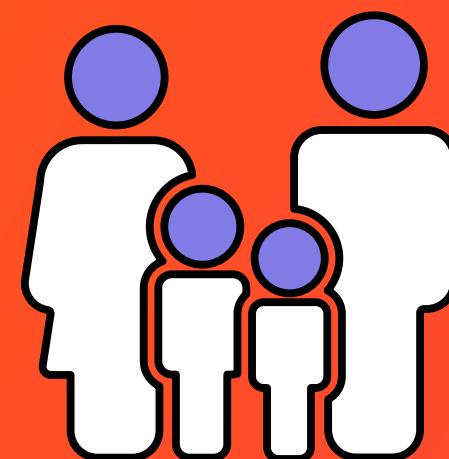
The first and most important cornerstone of our commitment is the well-being of our 1600 employees, who can rely on their stable, long-term jobs. As a result – and the families of our employees is our second focus – we can also offer them a reliable, predictable vision of the future, with stability and long-term planning. And the third pillar of our CSR strategy is the intensive and mutually beneficial cooperation with family-friendly organisations and those representing people with a reduced capacity to work.

Because, apart from the importance of supporting families, it is now our evidence-supported conviction that the involvement of those with some sort of disadvantage in the labour market will not only strengthen

diversity, but also have a big impact on the growth of existing small communities as well as engaging our workers.

At the same time, it is also beneficial for a company to focus on the future: we, for example, believe that we are responsible for the future labour market players. Children and young people who are currently struggling with any kind of disadvantage or difficulty will – and can only – become well-balanced and happy workers if they receive the widest possible range of help today to overcome any disadvantages and develop their skills.

Thus, conscious CSR is successful if it starts from within, with the widest possible involvement of existing employees, and continuous monitoring looks not only at its effectiveness for the brand, but also and above all in terms of internal commitment and identification with the purposes as an impact.



THE EDITOR'S CHOICE

[SDG Compass in Hungarian](#)

[What is Purpose Driven Marketing?](#)

[Marketing2020: Aligning marketing strategy, structure and capability for business growth](#)

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A DIGITAL COMMUNITY OF INDIVIDUALISTS

GENERATION Z HAS ARRIVED,
BOTH AS A TARGET GROUP AND
AS WORKFORCE

Editor: **Tamás Trunk**, Generation Z expert, author, YouTuber



Generation Z is defined as those born between 1997 and 2010, who are now growing up, looking for their first home, car and job, starting a business, or are forming a value system that will lead them to make these decisions in a few years' time. Communicating with them is not only important because they play an important role in shaping economies. We can contribute to creating a sustainable “good future” together with them, and this aspiration should be an increasingly important principle when communicating with Generation Z.

In a time of accelerating change, we are seeing a snapshot of my generation. Even though the exact same products and services are available in many parts of the world, we are still looking for the unique. This is shown by our interest in limited edition items, including the NFT (Non Fungible Tokens) known from the crypto world. In the age of blockchain technology, of the sharing economy, we identify with horizontal bonds. We see the future of democracy through this worldview. In many ways, our immersion in the virtual world takes our attention away from our own local surroundings. Seemingly. After all, with a wider perspective, we are back in our small local world, and we often choose brands associated with social issues that are important to us.

If our generation is examined not only through the questions of “what” and “how”, but by asking the question “why”, i.e. our purpose, an extremely colourful and diverse social group is revealed to the examiner, as defined by Dr. Mária Töröcsik and Szabolcs Márton. The leaders have become our neighbours on Instagram. We want to learn something new from Elon Musk. Csaba Iglói, management consultant, explains the relevance of this topic. We are also finding more and more colourful paths to sustainability. Orsolya Nyilas writes about this. In fact, sometimes we raise social issues.

Together, we may even rescue companies on the stock market. We want to follow and dictate at the same time. And believe it or not, this is possible for us.

Companies must therefore take responsibility for their impact on the world.



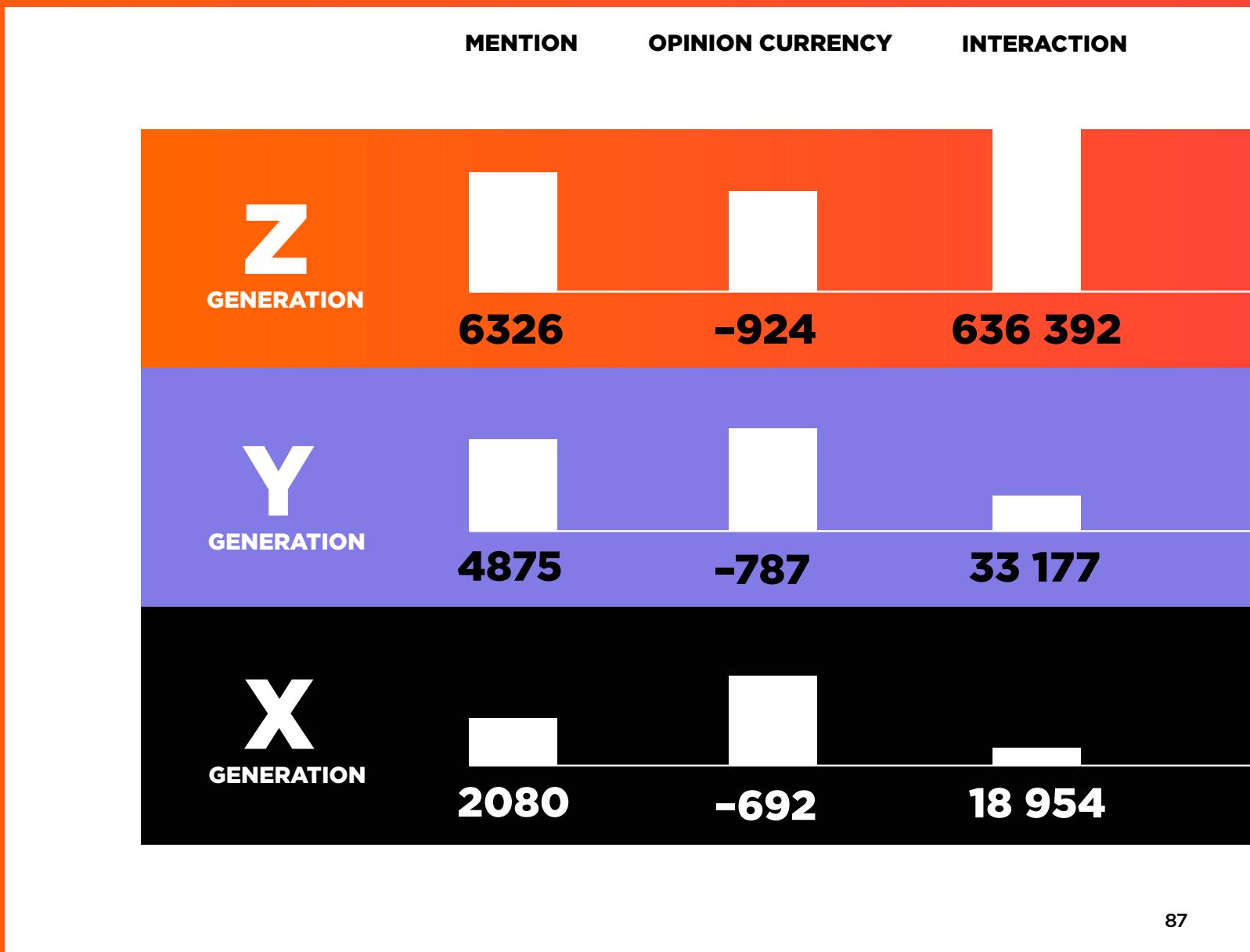


Comparison: Mentions of Generation X, Y, Z on the Hungarian web, the opinion on the given keywords in relation to each other.

TIME PERIOD:
1 June 2020 – 6 August 2021

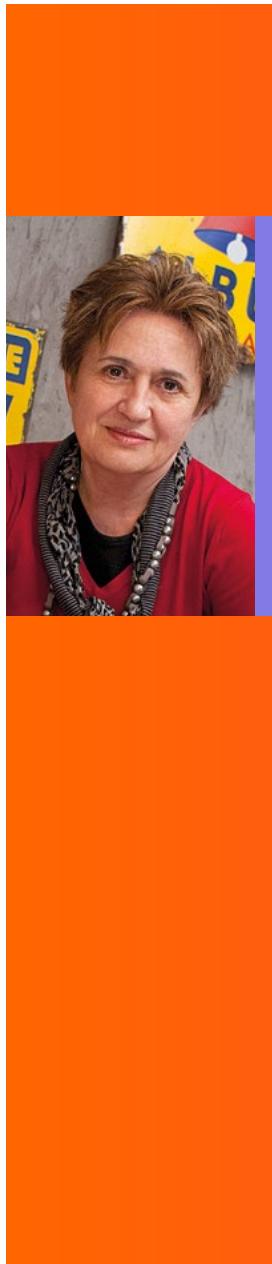
News, social media, front page, article, comment, blog, forum, Facebook, Twitter, Instagram, video, review, Instagram, TikTok

Source: Neticle.com



10 PROPOSALS FOR PLANNING ACTIVITIES TARGETING GENERATION Z

- 1** PR is now literally PR. Now, in Public Relations, the relationships between brands and Generation Z have become horizontal and even personal to an unexpected extent.
- 2** Horizontal is cool: more brand collaborations can lead to success, so that my generation can see brands from exciting angles.
- 3** Purpose-based communications is well received because it speaks to us through the question of “why”, and the most diverse generation is Generation Z.
- 4** Brands should think in terms of subcultures. Subcultural affiliation sometimes overrides stereotypes about a generation.
- 5** With stimuli coming from many directions, brands should dare to operate with paradoxical messages. We love and understand them.
- 6** Irony is important in the tone of communications towards our generation.
- 7** We are looking for the irreplaceable. The world of crypto gives us a sense of emotional excitement, of interchangeability, which is why a lot more young people are immersed in it than we would expect.
- 8** Our generation is losing confidence in the classical institutions. This does not mean a rebellion, we are simply looking forward to exploring a lot of new and exciting subjects.
- 9** Short messages are important. But the resurgence of podcasts and the emergence of Netflix series like *Last Dance* and their becoming lovebrands also prove the opposite.
- 10** What matters is local. In the global community, our affiliation is an important point of identity, enriching and contextualising us. The same applies for brands.



Author: **Dr. Mária Törőcsik**, trend researcher, professor at the University of Pécs

THE GENERATION IN THE SPYGLASS

It makes you wonder how much attention policy makers pay to the analysis of young people: let us call them Generation Z. Every manifestation and decision they make is watched with a wary eye, to see if they find the key to the features of the next big group of customers and employees. But the essence of a generation may not be found while they are in a period of change, while they are searching for their own values. There is no doubt that they are still evolving, and that their features today will be different tomorrow, especially if they can no longer avoid the realities of life.

Countless labels have been attached to this generation – partly because of their potential – and they are highly fragmented already, scattered into scenes and have unstable boundaries. Moreover, the majority of the cohort bears no relation to its much-repeated characteristics.

Of course, let's think about the generation, their particular communications, technological and social circumstances, their evolving work patterns, but first let us give them space in which to grow up! We shouldn't create them, as we are bound to fail.

Author: *Iglódi Csaba*, a Your Way Consulting senior leadership consultant

EMPLOYEE Z

When talking to managers in large companies, it is often brought up that the youngest employees require a different kind of attention even compared to the Ys who just preceded them. Harnessing their potential gives them an undeniable competitive advantage, and attracting and retaining them depends on communication from (senior) managers. Be careful what you say, because they have a sensitive bullshit radar. They want to understand the whys and wherefores and check the facts.

SAVIOURS OF THE WORLD

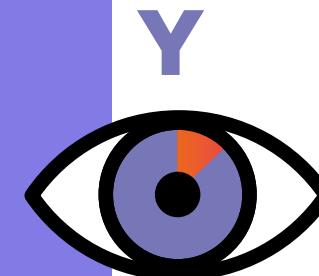
Posing as heroes of work, business leaders from earlier generations have to get used to the fact that this generation has the attitude of superheroes saving the world and will not stop asking questions until they get a worthwhile answer. According to one study, they prefer the democratic and relationship-oriented leadership style and bin the authoritarian approach. You could say, of course, point them to the door, but that would not discourage but strengthen them. They move on because they are confident in their abilities. They are the first “settlers”, for whom the fear of speaking a foreign language is an unknown concept: they have learned to play in English, they look at the world in English, and it is irrelevant in their virtual environment where one was born.

OMNISCIENCE AND THE NEED FOR FEEDBACK

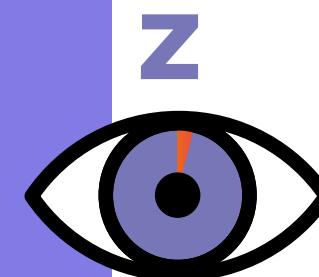
It is good to know, however, that they hunger and crave for feedback alongside their belief in being “omniscient”. They want to grow and gain experience. They are looking for an initiator they can talk to, even if they have to struggle for a common language. One constantly has to strive for their attention, because their average attention span has also decreased compared to the previous generation: from 8 seconds to 2.8. So it's time to speed up to their tempo if you don't want to be left behind.

LIFE-WORK BALANCE

The term work-life balance became accepted much earlier, but in the case of Generation Z, we might as well reverse the order and give primacy to life at the expense of work. And even better, of course, if work is more than just a way of making money. People say that Z has the next generation breathing down its neck (Gen V as in virus?), which – now becoming the leader – will give them a serious task.



8 sec



2.8 sec





HOW TO GET CLOSER TO A VERY SPECIAL GENERATION?

FLUIDITY FEAT. DIVERSITY

Fluidity and diversity have become a frequent topic in public discourse recently. It's not an easy subject, and it's even more difficult to take a position about them as a company or brand. However, it is important to understand that this will define the daily lives of this group in their late teens and early twenties, and increasingly so in the years to come. It is a deeply individualistic generation, unlike any previous age group. Although they are children of a binary world, their thinking is anything but binary. They dislike categories and rigid divisions, nor do they want any labels, thank you very much. As uniqueness, individuality, distinctiveness, or the appearance of these traits is fundamental for this generation, it is difficult to reach and persuade them through generalisations, social conventions and gender stereotypes, and most importantly, they are very difficult to mobilise through brands. Online spaces, where they have been spending the biggest chunk of their lives for years, are where they navigate the waters of gender neutrality, diverse thinking and require increasing attention. If a brand wants to keep up with them, it's time to think about whether the brand wants to make an impact with girly girls and tomboys, or whether it wants to play in white or dream more colourfully. But it doesn't have much time to formulate a position.

GREEN AND STRESSED OUT

And the two conditions often go hand in hand. Their predecessors, including me, have made the planet uninhabitable for them, and then scowled at them when they dared to ask for a straw at their favourite coffee chain. Indirectly, we are shifting the responsibility onto them, which will be the biggest challenge to face in the coming period. And that's not even mentioning an unprecedented stressor: the pandemic. This is the first generation of young people in a long time to experience a pandemic first hand, who do not need history books to tell them what it means to fear the invisible, to keep their distance, to be locked in by administrative measures. They are just starting their independent lives, making plans, dreaming dreams, trying to balance their personal lives with their work. They want to take care of their physical, mental and emotional health, because they have seen their parents and know exactly what happens if they are not careful. Then, out of the blue, the life of a whole planet is turned upside down. No wonder they are stressed out. And what can a responsible brand do? It listens, supports them and does its best to protect their future with green solutions. Because that's what brands do, and the Z's will be relieved to support their favourite ones.

Oh yes, and one more piece of advice. Forget black! They love the 90's and they love colours.





A GENERATION Z INFLUENCER

NAME: ANDRÁS SCHÄFER

AGE: 22 YEARS

PROFESSION: FOOTBALLER

PASSION: NBA, STREET SNEAKERS, STREETWEAR

NUMBER OF INSTAGRAM FOLLOWERS: 31 700

I try to live by principles, that's important to me. My life and passions off the pitch are important in my social media presence. I think it's important to keep track of my identity and my development in my profile. The best way to keep followers is to be who I am. I think it's important to set an example in my posts. I'm a film buff, I often quote from my favourite films. Followers prefer spontaneous images and deep or humorous captions. It is the personal tone that they can relate to that wins the day. The time for the classic, set influencer images is over.

Besides football, I also follow the NBA and my favourite darts and poker players.

When I have a partnership with a brand, it's important for me to have the freedom to shape the content and tone of my posts.

Author: **Tamás Trunk**

HOW TO BUILD A SUCCESSFUL COOPERATION WITH INFLUENCERS?

Let influencers find out about your brand. Apart from a representational dialogue, create a professional dialogue with them as well, to ease cooperation during campaign periods.

It's worth a shot to review the guidelines of the brands to see if they work in the community space during collaboration.

Influencer campaigns work well if the influencer's own brand can also be communicated credibly in the post. If their brand cannot be impressed on the followers, the product's message will also fail.

Influencers, with little knowledge about the brand but good representation of a given area, need help to understand what makes a successful brand cooperation, what is important for the agency and the client and why, and how can they enhance their own brand through this good cooperation.

HOW DOES GEN Z RELATE TO THE MEDIA WORLD?

Source: Tamás Trunk's own research, 1127 respondents

Generation Z's opinions, usage preferences and trust in media and communication tools and interfaces can provide important information for professionals. Therefore, I asked young members of Generation Z, who are active on social media, to give their opinions on their media and app usage, communication habits and opinions.

Characteristics of the respondents:
31,000 young people active on Instagram, i.e. social media (the follower base of Dably's Instaprofile). 86.8% of respondents live in Hungary, more than 4% in Romania and 2.6% in Slovakia. The remaining 5% are foreigners who did not participate in the survey. 21% of those asked to respond were aged 13-17 and 67.3% were aged 18-23. The profile identity of younger people was difficult to pinpoint. 78.2% were male and 21.8% were female.

- The platforms most used by respondents are Instagram (97.8%), YouTube (67.8%) and TikTok (46.4%), with the emerging Twitch selected by only 8.8%.
- We continue to spend most of our time on social media platforms, but in terms of trust in media format, Generation Z still considers online articles to be the most trusted source of information (43.7%), with print magazines coming in second (35.3%) and social media platforms in third place (21%).
- 70% of the respondents would buy a book, 20% a print magazine, 17% prefer to get information only online, and even fewer would get information from print newspapers.
- 71.2% of the respondents notice when they receive targeted and non-specific information from media owners in a press release. However, only 50.1% of the total respondents are bothered by this.
- Young people have not lost sight of the importance of email in corporate communications, with 84.8% seeing a future for email. An email address is a good "self-branding" opportunity for young people, and belonging to the employer brand can be easily expressed with a "branded" email address.
- The moral of the story is not to rush ahead, because many new apps have not yet gained acceptance among Generation Z in Hungary. Slack (85.1% of respondents don't know it) and the Clubhouse app (81.8% of respondents don't know it) as this year's innovation hits have not yet crossed the generation's general threshold of enthusiasm among active social media users
- When asked whether the popularity of events has changed since the quarantine period, 53.7% of respondents go to events more happily, while 42.1% say Covid has not changed this. A small proportion of respondents (4.2%) marked the answer "mostly keep in touch with friends online" as relevant.



130 YEARS OF CREDIBILITY

How does Coca-Cola resonate with Generation Z?

Answers by Orsolya Nyilas, Manager of External Communications,
Coca-Cola HBC

How should sustainability be communicated differently to Generation Z?

Sustainability should also be seen as a process of evolution. Not only do generations change, but the subject itself and the cause also evolve. New results are produced and new demands can be formulated at a societal level. The challenges, the answers, the attitudes and the technical possibilities are also different. In the past, education was a one-way endeavour in corporate communications; today, involvement and cooperation are key. Dialogue between the brand and consumers, as well as between generations, is important. This balance is essential in the representation of sustainability. The future, our planet, the living environment, natural resources, human resources, a balanced living and well-being are all key elements of the sustainability theme we are discussing today. Alongside a very strong community approach, the individual and individual satisfaction is also present and demands respect and attention.

How can you engage the new generation emotionally while raising awareness?

Coca-Cola's brand history of more than 130

years gives it strong credibility, which is also easy to understand for the growing generations. Generation Z is a very accurate measurement tool. It provides immediate feedback in its criticism and takes up a case. It is the responsibility of a serious and forward-looking lovebrand to respond to the challenges formulated by Generation Z. You must always do well in maintaining attention; you need to address issues that are not only important to Generation Z, but also represent unquestionable values. The brand's history and the social perception associated with it play an important role in winning emotions.

What are the specific tools and values to address Generation Z adequately?

Involvement and cooperation are the key to moving forward; it is also the main driving force behind our cooperation projects. For example, new legislation stipulates that we cannot market the single-use plastic cups that we used to dispense in our coffee machines. We see this as an opportunity, and we are expanding this transition (from plastic to paper) into a creative design competition project, with the involvement of MOME, in our hot drink vending business. Our intention is to bring the messages of sustainability,

the idea of creating a greener world, hidden in the text of the regulation, to our own target groups, through the involvement of young, creative creators and thinkers.

How important are the purpose-based corporate operations and communications for Generation Z?

The great experience and the constant desire of this generation is to have an impact and to make an impact on the world. Brand and corporate communications professionals need to understand and respond to this generational need, as this generation is shaping the future. Purpose-based operations and communications allow for the demonstration, transmission and embracing of values that sometimes go beyond the brand, but can be brought into an organic unity with it, with a little extra effort. Personally, I am very committed to thinking along these lines and striving for them, because in addition to brand building, it also immediately incorporates the functioning of the company or organisation into this value system.

THE EDITOR'S CHOICE

[Gen Z in the new normal](#)

[15 Critical Insights into Gen Z, Purpose and the Future of Work](#)

[Gen Z is over celebrity glitz; wants transparency and authenticity](#)

[Gen Z for Planet A - Hoch mit dem Klimaschutz](#)

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THE SPREAD OF HYBRID OPERATIONS

THE CHANGING LANDSCAPE OF PROFESSIONAL KNOWLEDGE TRANSFER

Editor: **Szilvia Tóth**, PR Manager, Salt Communications



In the last eighteen months, the venues for live knowledge transfer have almost disappeared. We have asked some of the industry's representatives about the new opportunities for professional conferences and internal knowledge transfer within companies, as well as about future directions.

The PR profession has changed recently, but not only because of Covid: the technological innovations of the modern era and the lack of time have also played a role. The different circumstances have also had a profound impact on the functioning of professional knowledge transfer: on the one hand negatively, as it is usually faster to deliver information live, better to create sympathy and impact on the colleague or client, and on the other hand, it has also created a number of online and hybrid conferences and team cohesion building events.

This has been a great help for PR professionals, as online conferences, press events and meetings make things easier: we can save on travelling to the venue and on some of the preparations. Furthermore, you don't have to spend on printed brochures, banners or pop-up desks at the conference venue, and even the sound equipment is cheaper. However, live streaming also requires professional equipment, which is even more complicated if the performers are not in the same place, a suitable venue, and you may need to "train" your own colleagues to use the technology. This method brings along other problems, as everyone has probably run into a Zoom presentation where someone forgot to turn off their microphone: it's also harder to connect when all you see of the others is a black square. Hybrid internal and external communications events combine the advantages and disadvantages of offline and online event management, creating a new kind of knowledge transfer.

CHANGES IN THE EXTERNAL KNOWLEDGE TRANSFER

Professional conferences have always played an important role in the life of the PR profession, as a way to build and strengthen relationships, but Covid-19 has made this option unavailable. PR professionals have also found a forum for external knowledge sharing: online and hybrid conferences and events have been launched. We asked Ákos Csermely, owner and managing director of Média Hungária Publishing and Conference Office, who is the founder of five (currently digital) conferences, a podcast and an online magazine, and Philippe Borremans, president of the International PR Association, who has organised several virtual international PR conferences, about this change.



Ákos Csermely

Owner and Managing Director,
Média Hungária Publishing and
Conference Office

"LET US GIVE OURSELVES FREE REIN, LET'S LEARN AND EXPERIMENT"

Why did you embark upon creating online conferences?

It seemed like a good idea, and over the past year and a half I have organised three online "conference televisions", and launched the free, interactive Reboot Hungary webinar on Thursdays. My purpose was not to lose my networking momentum with the public, to stay up-to-date and to keep in touch with each other – like an association whose job is to bring the profession together and to help with professional development. I wanted to give, and I think I managed to do so with my colleagues and the speakers. I knew that there would be a lot of difficulties, joys and failures, but let's face it, this kind of constraint can also provide us with new knowledge and learning.

What difficulties and challenges have you encountered during the implementation of the conferences?

I often say to my colleagues that "for any question from an individual, the answer must be formulated as if it was meant for a thousand people." For twenty-seven years, I have not been able to get used to the fact that sometimes temper comes before reason. There is a lot of emotion in the market and in decisions, such as who is willing to work with whom. It often happens and usually during the very same day, that one action of mine elicits gratitude and fan emails from some, while others call me their eternal enemy for the same thing. This is the biggest difficulty, and dealing with it requires continuous learning and experience.

What are the positive and negative aspects of an online conference compared to an offline one?

We are talking about two completely different genres, both with their pros and cons. I would rather say they have one thing in common: I consider both media to be extremely transparent. Let me interject: yes, I call it a medium, because we make up content and sell it. I've been working in the media since 1980, and I dare say there is not much difference between a conference and a newspaper article or a TV programme. Contrary to popular belief, conferences are not just about organising events: we need to come up with a marketable content, we need to sell programmes, and success is immediate and visible for all to see. We sell tickets, collect registrations; there is little margin for error.

What trends do you think we can expect in the field of conferences?

Prior to the pandemic I would have said something completely different than I do now, and I will certainly say something different in a year's time. Even though I had some experience in television broadcasting, I think it will take a few more years to produce a perfect online conference. And offline ones can never be abandoned. I think a lot of people will try hybrid conferences; I've tried it myself and I'm still trying. Let's give ourselves free rein, let's learn and experiment. Inventing things at a desk is never enough; the basis of knowledge is learning and practice. There is magic in everything, and everything can be made into something.



Philippe Borremans

President of the International
PR Association

VIRTUAL WORLDS MAY ALSO PLAY A BIGGER ROLE IN THE FUTURE

What difficulties did you encounter when organising your first international conferences online?

As an independent consultant, I don't have the resources to bring hundreds of people together in one place, but I do have an online network. So in 2019, I organised the five-day Virtual Public Relations Summit, with 32 speakers and more than 900 attendees, all on my own. I really did not know at the time that this would be the "standard" for conferences in 2020. The biggest difficulty was the extremely time-consuming process of recording each performance, post-production, ensuring professional sound and image quality, uploading to the platform, etc. If I were to organise another summit of this size, I would outsource the entire back-end production. Also, when organising an international summit, you need to think about the language – not everyone is fluent in English, so translating subtitles and presentations is definitely something to consider.

What are the advantages and disadvantages of online conferences compared to offline meetings?

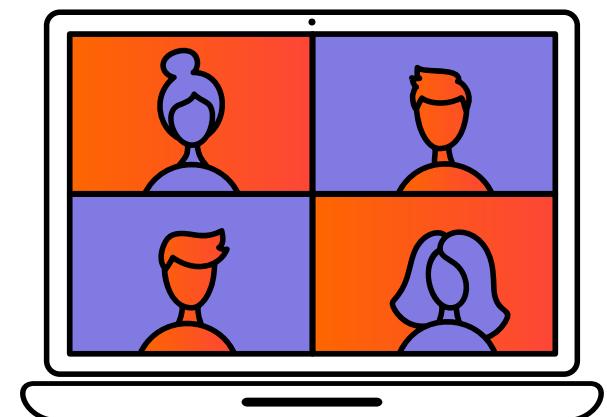
On the pro side is the automation support you get by using the right technology. High-quality recording and streaming of presentations can be easily done with online tools, including automatic transcription, translation and publishing. Once you have a system/procedure in place, we can organise online conferences more regularly and activate our community, thus creating more valuable content, as they do not require the logistics of offline conferences.

Online events are the winners in terms of cost and complexity. They are cheaper to organise and fairly simple if you know how to set up your technology

and PR /marketing. And let's not forget that flying 300 people in from all over the world may not be the smartest thing to do in terms of the climate crisis. Offline conferences, on the other hand, offer face-to-face contact between people – perhaps the only advantage over online events.

What trends do you think we can expect in the field of conferences?

In my opinion, more locally organised, face-to-face conferences with an online presence for the international aspect. We will also see new conference tools with interactive features, automatic translation, subtitling and transcription, with a focus on online peer-to-peer networking. Mimicking the "real world" will be a key feature of conference platforms over the next period, but we will soon see the resurgence – and actual use – of virtual worlds that allow interaction between avatars and associated data and tools.





András R. Nagy

Managing Director of Próbakó Communications

CHANGES IN INTERNAL KNOWLEDGE TRANSFER

Covid-19 has also forced companies to move internal knowledge sharing and team building to online platforms, since maintaining a sense of community and the enthusiasm of colleagues and dissemination of professional knowledge remain important missions for the agencies. We asked András R. Nagy, Managing Director of Próbakó Communications, who deals with international knowledge sharing within the Worldcom PR Group, and Gábor Joó, Head of PR and Event Management at Magyar Posta Zrt., winner of the Best Hybrid Event for Employees category at the UNICEO Live Communications Awards Hungary in 2021, about the difficulties and possible solutions.

JOINT PROJECTS CAN HELP FIND OUT ABOUT CULTURAL DIFFERENCES

Why do you think it is important for PR professionals to share their knowledge internationally?

As in all professions and fields, knowledge sharing is important in the field of communications and PR, both locally and internationally, especially for young professionals. International communications poses several extra challenges, such as the language barriers between different countries/markets or cultural differences. International exchanges of experience can help to identify these and give clues of how to solve the problems/issues that arise. To give a more concrete example, it may not be immediately obvious to a local communicator that a name, a symbol or a colour may carry quite different connotations in another culture. Exchanging case studies, designing and implementing joint projects will help young colleagues to better deal with these situations.

What principles do you think are important to pass on to colleagues working in the European, Middle Eastern and African regions?

I find it is very important that communications work is always preceded by precise planning based on insights. You must be aware of the specificities of the receiving medium, the cultural contexts and all the elements that may distort or shape the reception of what you say. This approach presupposes an openness to new things, an inquisitive attitude and a basic curiosity. And, of course, a dose of common sense can't hurt.

How do these courses take place online? Is it harder to teach lessons and connect with students this way than live?

The Budapest Youth Meetings used to be a great success among young colleagues from the

main EMEA countries, but the coronavirus has created a new situation. We have tried to take advantage of this by extending the programme to other regions of the network and opening it up to colleagues in the US and Asia, and by introducing more frequent virtual meetings rather than the annual face-to-face meetings. Most recently, we organised an international survey of European journalists on the impact of the coronavirus on their personal lives and work. More than 450 people responded to the online questionnaire, and we later organised an online conference with journalists from South Africa, Spain and Hungary. Young people did all the work every step of the way, I just organised and managed the process. Our young colleagues have learned a lot from this project, which we are now planning to continue.



WHAT MAKES A SUCCESSFUL HYBRID INTERNAL CONFERENCE?

Magyar Posta's *Év végi hajrá* (*End-of-year frenzy*) Sales Conference won the Best Hybrid Event for Employees category at the Live Communications Awards 2021; allow us to congratulate. What did it take to win this fine award?

Thank you very much for the congratulations, we are really proud of the award. I think our conference stood out from the other candidates because it was not only hybrid in its solution, but it was a hybrid of two separate events in two professional fields and an exhibition of retail products, which we amalgamated into a presentation-free online conference. The fact that the entire creative concept, graphic design, studio construction and streaming was done in-house, without an agency, by our own staff, may have played a role in the evaluation.

What was the purpose of the event in terms of internal and external communications?

During the pandemic, fostering a sense of belonging was the primary communications objective, alongside the transfer of professional knowledge to staff and managers working "behind the counters" across the country. Our intention was to make the participants feel as if they were there in person. A conference pack was sent to staff, containing samples of products and leaflets from partners exhibiting and presenting, as well as drinks, chocolate and snacks to replace catering. Using our logistics network, we timed the arrival of the parcels to the morning of the conference, so it was a surprise for the staff and great help in engaging them. We were also looking for a gift in the package that, in addition to professional goals



Gábor Joó

Head of the PR and Event Management Department,
Magyar Posta

and individual sales competition, could create the feeling that the post office personnel belong to a big family. This was the Clever Postman board game, which provides pleasant family entertainment during the coronavirus pandemic-related restrictions.

What difficulties and obstacles did you encounter when implementing the hybrid conference?

Since there was no need to reach out to so many participants online before the pandemic, we did not know how much load the streaming software could take. A particular difficulty was that some of the staff did not have their own computers and laptops, so we set up groups of invitees (max 10 people) to follow the presentations together at local post offices – I think this also enhanced the community experience.

THE EDITOR'S CHOICE

[The UNICEO website](#)

[Subpage of the UNICEO Live Communication Awards Hungary](#)

[2020 winners](#)

[2019 winners](#)

[Online magazine of Média Hungária Publishing and Conference Office: Digital Hungary](#)

[Website of the International PR Association's President](#)

[Report on the Worldcom PR Group Young Professionals Meeting 2019](#)

[Case Study about the Worldcom EMEA Youth Meeting by Próbakő Kommunikáció](#)

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HOW, WHEN AND HOW MUCH?

MEASURING PR EFFECTIVENESS

Editor: **Judit Németh-Simkó**, Head of Marketing Communications, DeepInsight



Measuring PR has been an unresolved issue for decades. Define objectives, measurement methods, examine the long-term effects of the communications strategy, its impact on society - while at the same time “serving” the needs of your customers, quantifying, demonstrating business results, all in a week or less, of course. How do client-side expectations and PR principles fit together, where do they meet?

For many years, the methodology for measuring PR has raised more questions than we have precise answers to. Of course, there is no question that recurring measuring is necessary and evaluation of any PR activity is expected. However, there are a number of very different answers to the how questions and, more importantly, theoretical and practical methods are often far apart. But what is the reason for a common measurement method not having been developed for so many years?

The answer is probably to be found in the diversity of the activities and the mechanism of their effects. Our aim with PR is to change the behaviour, attitudes and often the mindset of our target audience. But it is difficult to get clear feedback on what is happening in terms of metrics. We should also remember that in the case of integrated communications campaigns, PR activities are often part of the media mix as complementary elements, in some cases in a demand creation role, the high balls of which are “simply” slammed down by the marketing campaigns that follow PR. Even in such clear-cut relations, the effectiveness of PR on its own is difficult to analyse, except as part of an evaluation of the overall media mix.

“Since the impact of PR (changing attitudes, thinking and image) is a long process, during this period there are a number of other impressions and impulses that reach the target audience. It is therefore difficult to separate the impact of a PR campaign, let alone that of each PR tool within it, from the results of the other communication tools used. What is the change that has come about as a result of our activities and what is the result of the competitors’ moves or the regulatory environment, or even of developments in the country or even on the international stage. The longer the mechanism of action of an instrument, the more difficult it is to determine its impact in a clear and precise way,” confirms Nóna Horváth Magyary, Managing Director of K&H Group Communications.

It follows from the above that we need to use a variety of measurement methods to objectively assess PR activities. When measuring the outputs of our short-term campaigns, we can still rely on the usual quantitative, content-based assessments (reach, page views, polarity, number of respondents, relevance of the target group, etc.), but these quantitative indicators are not suitable for measuring the outcomes of our long-term activities. This is when we need to use research methodologies.

In an ideal world, this is probably how recurring measurement of communications activities should work. However, the ideal world is often far away from the everyday world of PR work. What if the client/top manager wants a numerical assessment? If content analysis does not satisfy their curiosity? If they're also wondering what PR means for their business results? After all, there is an expense side (employee wages, subcontractor costs, even if you don't spend on the more expensive creative PR tools), and they want to balance this expense side against the revenue side. What is the answer to this question? Of course, we can educate the client (and I believe that is our job in communications consultancy), but there is a point when we have to meet the client's needs in some way. If the needs are of this nature, then they will be satisfied with quantified data. In addition, the time, resources and costs of research that allows for long-term impact studies are not insignificant; in today's Hungarian corporate culture, the cost of a major research project can often amount to the value of a whole year's PR budget.

"What we are looking for most are quantifiable results and a factual summary, when we examine the effectiveness of our communication activities. Unfortunately, PR-related research or other methodologies exist only jointly with other topics in our organisation. This year, I would like to introduce a brand mapping survey in an annual format, where, in addition to the communications activity of a given brand, we can find out about the opinion and brand awareness surrounding our brands, as well as the image of that brand in the press and on social media. So we do not have a regular PR evaluation at the moment, we are currently evaluating PR events at project level. I hope our brand map research will live up to our hopes and become a regular feature in the future. We accept the AVE value calculation in the evaluation of PR activities, because we don't know any better way to quantify it, but of course we can see its flaws, we understand it and we can handle it in the right way," says Zsolt Bujáki, Communications Director of Porsche Hungaria.

Long-term, continuous evaluation is also supported by Nóra Horváth Magyary, who explained the measurement of the institution's PR activities and her own professional principles: "The outcome of communication should be assessed in relation to the objectives, not in itself. If there is no reference point (e.g. target, previous year, competitor), then the result is neither good nor bad, it is just there, but we cannot tell if it is a success or not. This is why it makes sense to use continuous measurement to compare periods with and without PR activity.



Nóra Horváth Magyary

Managing Director of Communications,
K&H Group



Zsolt Bujáki

Director of Communications,
Porsche Hungaria



Otília Dörnyei

Consumer & Retail Director,
Inspira Research

K&H's practice includes quarterly reviews, campaign reviews, annual campaign reviews, weekly and annual brand reviews alike."

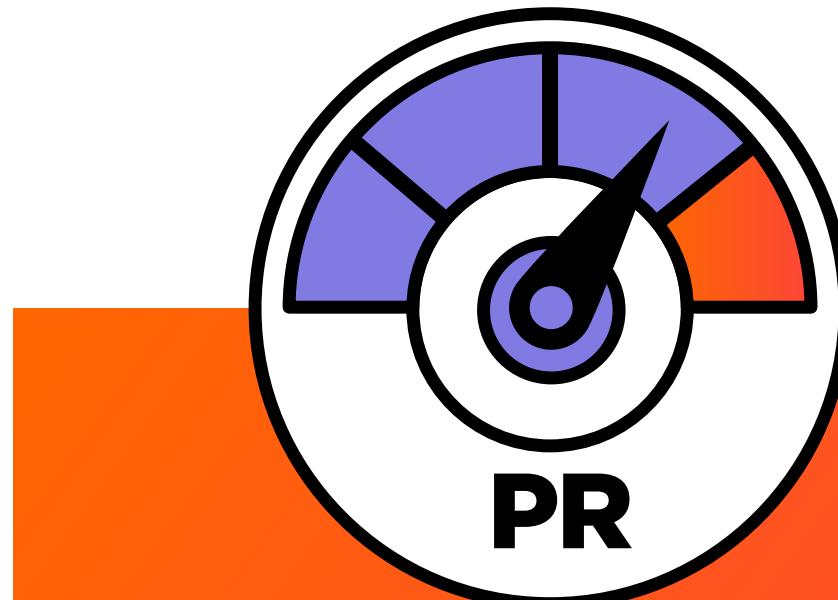
On a theoretical level, I fully agree with the points made in Barcelona Principles 3.0 (and its predecessors), but in practice I often find that there is no budget for evaluation (i.e. to conduct research), that the objectives are not clear and unambiguous at the start of the planning of the activity, and that a quantitative evaluation similar to marketing is expected. The time factor is a very important issue: there are often only weeks for planning and preparing the campaign (2-3 weeks), and after the campaign is over, the client usually expects an evaluation within a week.

This also shows that short-term and long-term evaluations (output and outcome) should not replace each other, but that each should find its function and potential and should work in a complementary way.

If we look at the measurement of PR effectiveness from a research perspective, the time factor is of paramount importance. Research methods are not necessary for evaluating short campaign-like activities, as in such cases it is not possible to measure the impact of the activities effectively, quickly and cheaply with research tools. Research can be an effective part of measuring PR when you are conducting long-term, strategic PR activities and want to evaluate their effectiveness. In such cases, we need to carry out a health check before the campaign starts in order to detect changes during or after the campaign. It is important to note that a qualitative, exploratory research (e.g. focus groups) is not suitable for measuring PR, and a quantitative, representative research on a large sample is needed to get an objective picture of the impact of the activity we are doing. Such a long-term activity could be a rebranding or a move into a new target market – and we come right back to the extent to which we can specifically assess the impact of PR, since a rebranding or a move into a new market segment is rarely done solely and exclusively with PR tools.

"There is absolutely no need for research when evaluating all PR activities. It is simply not feasible to do full research for every PR campaign. We need research to measure PR when we are running strategic campaigns that include PR. It follows that ideally a large company should not only create a communications strategy but also a research strategy," says Otília Dörnyei, Consumer & Retail Director at Inspira Research, on the measurability of PR and the relationship between research. The expert adds that short-term, campaign-like activities can be measured promptly and quantitatively, while long-term, strategic campaigns can be evaluated every six months, yearly or even every two years, depending on the size of the company and the industry.

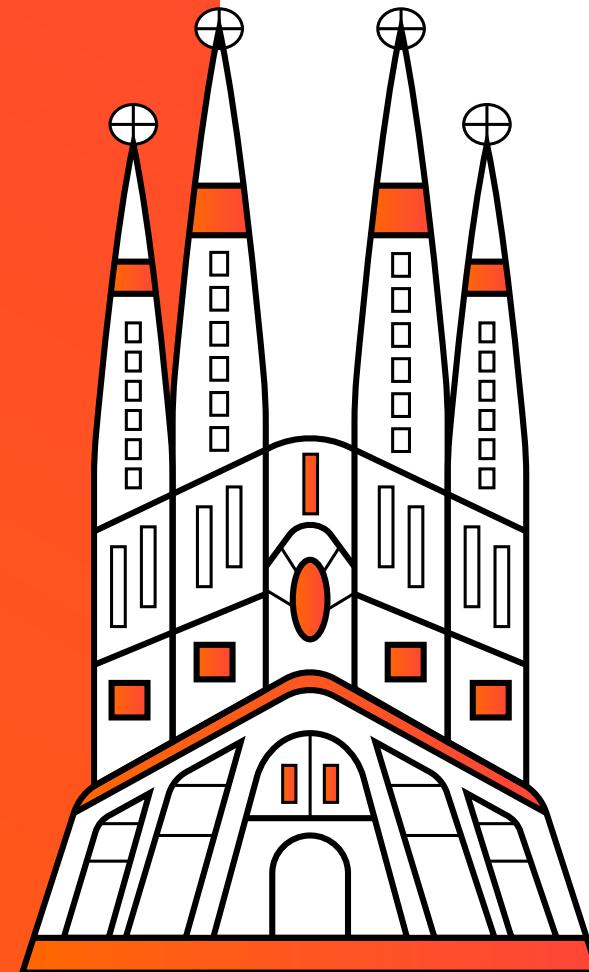
There is a widespread management perception suggesting whatever we don't measure won't grow. Of course, this is not entirely true, but there is a tendency to see an increase in what we measure as compared to what we don't. This also shows that measurement is important in PR, but the choice of which activities we evaluate with which tools and whether we have a benchmark to put the values we obtain into context, can make a difference. There are situations where quantitative and content analysis cannot be replaced with complex research and vice versa. So we have to assess it in line with the activity, but it would be desirable to have a single framework for both output and outcome within which PR professionals can operate. In other words, there are still several solutions to the PR measurement "equation", waiting for newer and newer possible principles or a single unified solution.



BARCELONA PRINCIPLES 3.0

- The setting of SMART (specific, measurable, achievable, relevant, time-bound) objectives is an absolute prerequisite for the planning, measurement and evaluation of communications.
- We need to consider the channels we influence and the changes we want to see through campaigns, events and activities.
- Results and impacts need to be identified for stakeholders, society and the organisation.
- The measurement and evaluation of communications should include both qualitative and quantitative analysis.
- AVE is not the value of communications. It is important that the measurement and evaluation of communications takes a richer, more nuanced, multi-faceted approach to understanding the impact of communications.
- All relevant online and offline channels should be measured and evaluated equally.
- Measurement is not just about collecting and tracking data, but about learning from evaluation and applying insights to communications planning.

Source Amec.org.com/Barcelona-Principles-3-0



THE EDITOR'S CHOICE

[PR Professionals Definitive Guide to Measurement](#)

[How To Measure PR: The Definitive Guide](#)

[Ralf Lainemann, Elena Baikaltseva, Media Relations Measurement: Determining the Value of PR to Your Company's Success](#)

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THE NEW NORMAL? NO SUCH THING AS NORMAL!

ADAPTIVITY: CLIENTS AND STRATEGIES IN THE NEW NORMAL?

Editor: **Zsófia Balatoni**, Founder and Managing Director, Uniimedia



It is not an exaggeration to say that the term “new normal”, whatever the meaning behind it, has been hijacked and overused by the world, including communications, in a matter of six months. In our conceptual framework, the ability to adapt, adaptivity incorporates more than one idea.

The “new normal” is present in our daily lives, while the term has perhaps a dozen underlying meanings. Initially it referred more to protection, hygiene and then the changing working environment, but today it has become synonymous with the fact that everything around us is changing, that the boundaries of our comfort zones are constantly in motion.

It is only part of the impact of the epidemic that the omnipotence of dry business logic has been challenged: it has become clear that this logic must go hand in hand with the ever-changing expectations of society and with changing values. And speaking of values, more and more companies are being held to account by consumers for creating value. Consumer trust is volatile, there are no longer entrenched business positions, and in the digital world, brand loyalty has a meaning very different from what it meant at the beginning of the last decade. People also question the existence of the bond between man and brand, of consumer loyalty, but in the perpetually moving consumer universe we see that it is not the bond that is disappearing, but the attributes that created it are changing.

In the digital universe, there are no strings attached: it takes three clicks to get rid of a service that has lost its reputation or has become uninteresting, and two more to take a portion of your spending to a service that captures our imagination for some reason. This is why the ability to produce relevant content and a proactive approach is becoming increasingly important. Communications must adapt to this world, but not only that: in a large corporation, a regional or global business organisation, which is constantly

undergoing structural change, internal clients must be served in dynamically changing ways by the communications teams, and agencies must mobilise their intellectual energies within this matrix.

In this business environment, projects that are the result of deep, collaborative thinking have one thing in common: they are implemented in a very different way to how they were designed. The ability to respond quickly and effectively to change and adapt has become not only a key to business success, but a condition of existence: a professional imperative. Because the normal is that there is no such thing as normal.

SOCIAL VALUES AND THE CRISIS OF CONFIDENCE

Some 73% of consumers expect brands to take meaningful action for the well-being of people and the planet, according to the Havas Meaningful Brands Report 2021, which surveyed 395,000 consumers and whose main finding was that transparency and utility remained important values at a time of peak cynicism and an eroding trust in brands. The data was collected in 2020, in the middle of the pandemic. According to respondents, three-quarters of brands could easily disappear from the market, to be replaced by others. 71% of consumers do not believe in brand promises and CSR becomes a cosmetic exercise if brands are not backed by value-based goals that benefit society. It's bizarre to think when this becomes the fate of the rapidly emerging ESG, which business experts increasingly associate with concrete business value.

One revealing statistic about declining trust: according to the report, 47% of brands overall are trusted, compared to 39% in North America and only 24% in Asia.

Percentage of brands considered trustworthy by respondents

GLOBAL

47%

NORTH AMERICA

39%

ASIA

24%



Director of Marketing and Business Operations
at Microsoft

“ADAPTIVITY IS A NATURAL MODE”

Change management is part of our daily life. We are going through radical changes, and it used to be clear well before the pandemic, says Gabriella Csanak, Director of Marketing and Business Operations at Microsoft.

Can adaptability be learnt or does it develop during socialisation?

It is something that we look for in our staff and that our managers are constantly building in themselves: something that can be learned and developed. It is the fundamental task of the leaders to help their people do this. With the rapidly changing business environment, the need to recalibrate a project is only natural. This is not a failure, quite the contrary: adaptation is success. This is the approach.

Continuous replanning?

Challenger type thinking instead of implementation. Questioning what is familiar. This is the new mode of operation.

You mean in business planning or in communications?

The business planning process has been radically transformed, with a long-term, consistently communicated strategy, but with increasingly shorter-term implementation plans. Communications goes hand in hand with this change.

What is the current time frame for the plans?

For us, it's six months, but rescheduling may also occur within that period. We also help our partners and suppliers in this transformation.

Do digital technologies support or generate this process?

Delete-select new – this is the mentality of the digital world. Loyalty recedes, rationality comes to the fore. Today's young people represent an adaptive generation.

Is the role of the agency a supplier or a supporter?

Continuous joint thinking is the basis for working together, where all strategic plans are shared. The end result is real business value. The purpose does not change, only the manner. One needs to recognise when it is necessary to replace a device or approach in a plan.

Doesn't this mentality take stability out of a working relationship?

Stability comes from the strength of continuous joint thinking, and it has become even more important to involve the agency deeply in the strategy, rather than just being the executor of a tactical implementation plan.



Béla Szabó

BrandComms Director, Telekom HU

IT WILL NEVER END!

Companies can become anachronistic even without a disruptive player, says Béla Szabó, BrandComms Director at Telekom, who maintains that digital transition will never come to an end.

What creates brand loyalty for the digital generation?

All generations are digital, the difference being how they can profit from it. In digital, brand competition is not within industries – brands are playing for consumers in one big space.

Who has the advantage?

Well-functioning digital solutions are an integral part of communications, so those who manage digital transformation well have the advantage. Those who established themselves in a digital environment will have an advantage. Once a brand has taken itself to the next level with digital solutions, the competition will continue on that level – whoever can't move up, loses. The winner is the one who can look at what they create in terms of output. Those who approach it from a source-profit plan will lose.

Can value be created on ever-changing platforms?

Market leaders don't need a disruptive player for them to become anachronistic, if they get the trends wrong. You need to review whether your strategy is valid, but that doesn't mean you can save on long-term planning. In the short term you need to see your operation and your structure, while in the long term you need to see the goal you are working towards. Digitalization needs to be pushed to the top. It must be said that there is never an end, that there is no normal, because its shelf life is short.

Is it pressure to adapt or new business opportunities?

A new level of adaptation is emerging that has never been seen before. In communications too, as well as in the world of agencies. When clients' business models change, so do those of the agencies.

Does the customer pay for ideas or knowledge?

Large, expensive, slow-moving communication tools will soon no longer support business models. If the big idea serves you for a year and a half or two years, it's worth it. If not, then it's not. And usually it's not.

Can a business model be based on value-creating thinking?

If the external eye becomes part of the team – for a while – then yes. Content that reflects the conditions of the world, is locally relevant, has fast and high volume but is affordable, is a marketable commodity, and in my eyes this is a radical model shift.



Dániel Kozma-Vízkeleti

family psychotherapist and trainer

INFLUENCERS, PSEUDO-LAYPERSONS AND EMERGENCY SOLUTIONS

We can only hope that we take the lessons with us, says Dániel Kozma-Vízkeleti about the changes in our lives, work and communication.

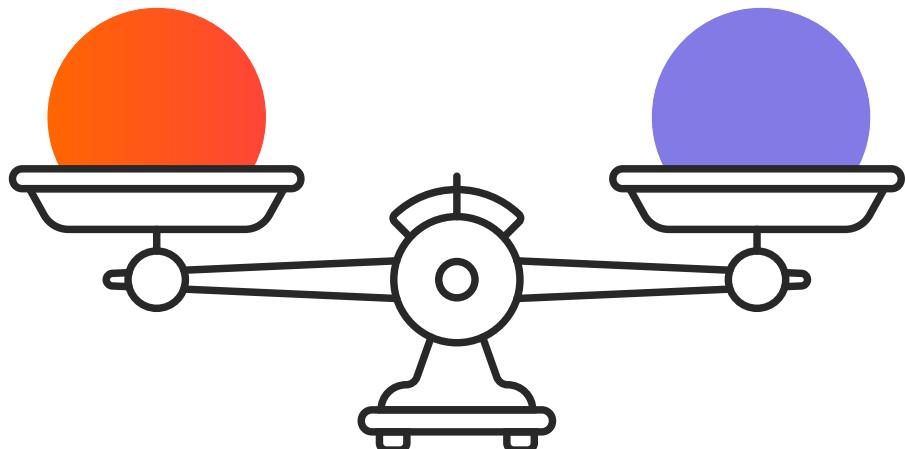
Mr Kozma-Vízkeleti is a family psychotherapist and trainer who has been researching communication intensively and who believes that eighteen months of experience is already sufficient to draw sound conclusions.

People have adapted surprisingly quickly to conditions requiring less face-to-face contact, but the expert says it is also a solution of necessity. In many cases, the information that would allow us to fine-tune the interpretation does not reach us. In the online environment, the range of non-verbal tools is limited, which makes, exacerbates and therefore necessarily changes verbal and written communication habits, emphasises Dániel Kozma-Vízkeleti.

Living in a highly confined space, the outside world, personal encounters, the sometimes seemingly superficial small talk or even personal professional meetings, have become more valuable. We miss each other, and this is the most powerful new experience in internal communications, says the expert, who believes that work efficiency is at the opposite end of the scale, and that this is where the balance must be struck.

Content consumption and the channels for accessing information are constantly changing. The transformation has revalued the pseudo-lay, seemingly ordinary messengers, peers and social media platforms. After a long period of lockdown, we are looking intensively for opportunities for personal contact, and today it is not uncommon for a moderately interesting professional event to become unexpectedly crowded.

How lasting will the impact of the changes be? Just as our vows only work in the medium term, our lifestyles have their own inertia. It is only under very intense pressure that we change our lives forever. We are probably still not at that point, and one can only hope that we will take the lessons with us, the psychologist noted.





Piroska Bakos

Spokesperson and Media Relations Manager, MOL

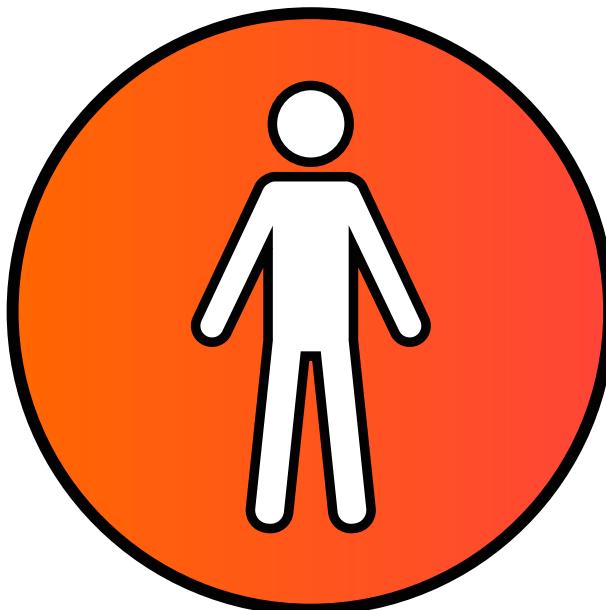
REDESIGN REVVING UP

The philosophy of the relationship between principals and agencies is undergoing a fundamental change, says Piroska Bakos, Spokesperson and Media Relations Manager at MOL.

It requires constant joint thinking and sometimes a surprising set of tools. During the pandemic, for example, the traditional newsletter was the most effective tool for internal communications, as a recent example.

With constant and rapid change, our agency needs to know the company and be able to think critically. “The worth of validation has increased, with so many business areas and a wide internal customer base, it is imperative that we don’t get into a bubble. It can be of huge value to be able to say ‘no’ or ‘not this way’ at the right moment,” she adds.

Change is a business, and it goes for the energy sector as well, but the pace of redesign is accelerating. The regulations of the energy sector have changed a lot in recent times, climate change requires immediate responses from the industry, which is why MOL has updated its five-year strategy this year. This speed of change naturally also affects communications, and the agencies working for us have to adapt. In addition, our technical and IT developments, such as the data-driven approach to retail, have really taken off; these are all things that MOL wants to be at the forefront of, and which requires specialised knowledge and skills from the agencies as well, says Piroska Bakos.



CHALLENGES AND EXPECTATIONS IN A CHANGING ENVIRONMENT

Communication managers about the changing tasks

"Since the beginning of the pandemic, we have been conducting constant communications, staying in touch with our staff, partners and consumers through digital channels, ensuring that they can ask questions and keep the dialogue alive. Mutual care and solidarity remained the hallmarks of our communications later on. We have always communicated in a concise, straightforward and honest way, striving for transparency and dialogue. We drew inspiration from our mission and brand messages to build credibility, professionalism and social cohesion at the local level and where it was most needed. That's why we have supported a wide range of causes: e.g. hospitals, we helped those in need together with the Food Bank, we provided product support for the elderly with Actimel in cooperation with TÉT Platform, we used their research to help our consumers eat healthier even during the months of isolation and we supported the re-launch of Alpro's HORECA partners. We made intensive use of social media and digital channels, for instance we launched Milupa Careline and the Actimel Podcast. These activities have also unleashed new creative energies within the workplace community, with many people finding they are great at vlogging, for example.

Our agency stood beside us as if they were our most immediate colleagues, with whom we could share all our thoughts and who supported us with creative ideas and clever solutions in unexpected situations to quickly adapt to the new situation."

"Internal communications intensified when teleworking was imposed on people, as informal channels of communication were eliminated and their role had to be taken over somehow. In the first period, we helped colleagues to develop their home working environment and to organise their teleworking. Later, we extended this active caring role to include online shopping tips, games with the children at home and home workout programmes. We opened an online mailbox where people could send their questions anonymously. The thematic newsletters multiplied in volume, and we continued to produce video messages and short films for colleagues as a new channel to share their experiences. We launched a series of in-depth interviews with senior managers and published podcasts to learn about each other's work and ongoing projects. Our CEO started a blog that made us feel like we were in his living room - something that would have been unthinkable before. We also celebrated our successes with an online champagne toast. In the area of communications, we are working to ensure that the time spent in the office has a community-building effect alongside hybrid working.

First and foremost, we are looking for inspiration from the agency: we expect them share with us the experiences and trends they see and find that work well and effectively. We mostly relied on the help of the creative team, the copywriters and the video crew. In preparation for the introduction of the hybrid model, we planned mainly team-building activities and edutainment type games with the agency for the second half of this year. These ideas came from our agency and were shaped together to fit our business environment, culture and capabilities."



Beáta Várkonyi

Danone



Edit Drevenska

Aegon

"If I were to highlight just one major change, it would be the time factor: the rapidly and unpredictably changing environment requires us and the agencies to react faster than ever before.

One of the possible positive outcomes of living with rapid and intense change is resilience, i.e. emotional and organisational resilience. It is important not to experience change as a necessary or unnecessary evil, but to recognise the opportunities it offers and the best that can be made of a given situation. We have also developed this ability on the corporate and agency side: in a crisis situation, communications has become more intensive and more intimate, and response times are shorter.

The need for human-centred communications has increased more than ever before in the virtual space, and this has meant much more than simply forwarding information. The value of innovative, experiential digital solutions has also increased, and there is a demand for agencies to develop them.

Our colleagues working in the industrial area had to be present at all times, with periodic access to computers. In addition to online channels, the role of managers and internal influencers and opinion leaders has become more important.

As far as external partners (doctors, pharmacists, public authorities, commercial and supply partners) are concerned, hybrid contacts were maintained as long as the institutions were open to visitors. Later, the difficulty of keeping in touch fully online was compounded by the extreme workload on health professionals. There was a strong focus on the manner in which it had to be done, and the agency came forward with useful advice. The role of social media, interactivity and compact messages have been further enhanced. The expertise of the agency's social team was incredibly helpful."



Andrea Asztalos

Sanofi

THE EDITOR'S CHOICE

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THE TOP 5 TRENDS

AGENCIES IN A CHANGING ROLE

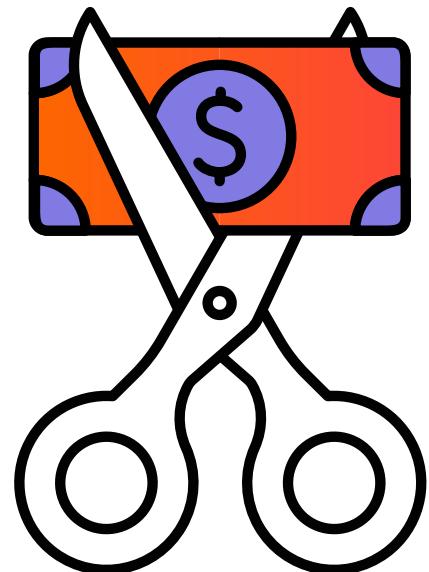
Editor: **Zita Hella Varga**, PR Manager, Salt Communications



The changes that have taken place over the last two years and the regulations that have been put in place because of the pandemic have had a profound impact on our industry, but in a very different way to any other sector or to the global financial crisis of 2008. While 2008 saw the beginning of a serious downturn from which the profession struggled to recover, the last two years have seen the role of PR become more important.

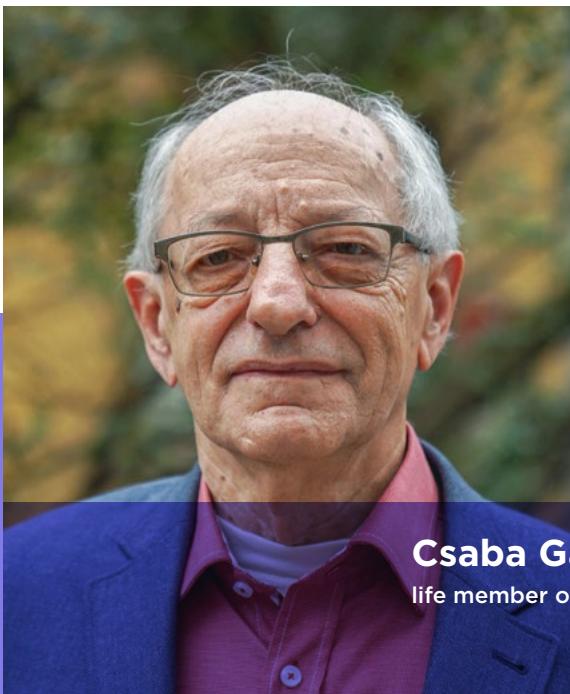
The financial crisis of the early 2000s caused companies and corporations to cut back on all communications budgets, larger agencies downsized significantly, and small or boutique agencies employing two, three or four people appeared, driving down prices. When clients finally rediscovered the potential of PR, price sensitivity meant that they stopped looking at who they were contracting with and what services they were getting, and only the result mattered, which often conflicted with their expectations. The quality of our work has declined noticeably, and this has had a negative impact on the image of our profession. At the same time, we were once again able to renew ourselves thanks to the ability of PR, which is like a phoenix, to quote Csaba Galánfi, life member of MPRSZ. In 2020, albeit in a more diverse market, with a wider range of tools, PR was back in place (although, I'm adding here in parentheses that it is important to note that the value of the profession, in terms of money and value, is still not as great as the importance of the work we do). Then the pandemic arrived.

In 2020, with the restrictions introduced in Hungary on 13 March due to the pandemic, the communications strategies finalised at the beginning of 2020 lost their relevance. It is not overly dramatic to say that they practically went down the drain. There was nothing to be done. The PR consultancy could not collapse and we had to act quickly and design a plan B immediately after the initial shock. There was more than one company whose international expansion and communications were overwritten by the outbreak, and suddenly the focus had to be on the domestic market, where without offline events, building relationships with consumers quickly died, and where downsizing and cost-cutting became more important than marketing, PR or any other kind of communications. The hospitality, tourism and the FMCG sectors were particularly badly affected by the restrictions.



TURNING TOWARDS INTERNAL COMMUNICATIONS

Drawing on the experience of 2008, agencies prepared for the worst, as events had to be cancelled immediately, offline tools could not or did not make sense, there was only uncertainty as to how long this period would last, and clients wanted to wait. “We were also cautious last spring, but the amount of work did not decrease, and the Covid period was less of a business challenge and much rather of a human, psychological challenge,” said Dániel R. Kovács, Managing Director of Front Page Communications. At the same time, companies realised during the pandemic that internal communication could not be avoided, and whoever did not immediately address this area was simply their own enemy. In strategies, counselling always emphasises this area, highlighting its role and its importance, but it is often neglected, forgotten by many clients, only brought up in crisis situations, and sometimes too late. So in spring 2020, the need for internal communications strategies exploded, as we were going through a serious crisis situation, and of course once the strategies were adopted, action plans and implementation were immediately required.



Csaba Galánfi
life member of MPRSZ

THE RISE OF ONLINE AND SOCIAL TOOLS

As offline tools did not work, the rise of online and social tools was a logical consequence. “In recent years, as expected, B2B solutions, employer branding, and a multichannel, well-coordinated social media presence, earned and shared media platforms became the focus of our clients’ thinking,” said József Ferling, CEO and Strategic Director of Ferling PR. However, online and social solutions only worked/work well if there was/is a well-planned PR strategy behind them.

“The majority of clients think in terms of complex ecosystems, where a particular goal determines the tool that can most effectively achieve it. Of course, the proportions and the emphasis depend most on the industry and the client’s field of activity,” explained László Heiszki, Head of Business Development, Technology and Content at VMLY&R Budapest, and Head of Ogilvy’s PR business unit, part of VMLY&R in Hungary. In PR strategies, we have long tried to find a balance between offline and online and social media tools, but clients have always allocated minimal budgets to the latter, excluding themselves from many opportunities. This has changed significantly in the last two years, as the internet space provided a good opportunity, with less financial investment, to maintain the consumer relationships built up so far, to keep the bonds less broken and even to strengthen them, with the right communications, so that when we can “go back” to the offline world, they can support strategic objectives.



Dániel R. Kovács
Executive Manager,
Front Page Communications

THE ROLE OF PR HAS INCREASED

As I wrote earlier, the restrictions introduced in spring 2020 meant that as an agency we didn't have time to lose heart and to be introspective, because we were constantly looking at our clients' communications options: the ever-changing environment meant that whatever seemed good yesterday was overridden today. It was almost impossible to plan, but plans still had to be made. We had to think and breathe with the client more intensively than ever before. The difference now was that the client took PR seriously, and listened to what the PR professional suggested. "I've been in PR for more than 20 years, but I can't remember a time in the last two decades when our profession was so much in the spotlight, when there was such a need for professional communicators," said Zsófia Lakatos, Founder and Managing Director of Emerald PR. "In many cases, companies see PR as one of the most effective and fastest credibility tools. The combination of brand values, purposes, content, and a quick and validated response to a given social, environmental or business challenge, results in brand confidence. We have found that most of our customers have quickly recognised this," confirmed Krisztina Győri, founding CEO of NEXT9.

VALUE-CENTRED COMMUNICATIONS

We have seen not only in Hungary, but also internationally, that after the industry shrugged off the initial shock, campaigns were re-launched with a value-based message, with the rise of online tools. This direction was confirmed by Zsófia Lakatos: "It applies for any PR agency that our role was enhanced. On the one hand, the changes brought about by Covid-19 placed an immediate emphasis on internal communications, which is clearly a PR domain, and on the other hand, new buying habits are emerging, with more and more consumers expecting shared value creation rather than marketing messages. This is again a public relations area." Krisztina Győri has also found an increased need for credibility: "In a situation caused by a pandemic that lasted a year and a half, consumers' need for trust and credibility has understandably become the strongest. The latter is less likely to be acquired and reinforced by a dedicated platform or advertising. Rather, it's the media, the experts, the independent opinion leaders, the audience awards, the feedback and the ratings that give us credibility."



László Heiszki

Head of Business Development,
Technology and Content at VMLY&R Budapest



József Ferling

Managing Director, Ferling PR

CONTINUOUS DUAL PLANNING

One would think that during this period, when everything is uncertain, when we don't know if our lives will be restricted again and to what extent, when regulations put obstacles in the way of certain communication tools and actions, there is no point in planning or in preparing a long-term communications strategy. Nevertheless, we find that the strategy-making process has not stopped, and is more present than ever. At the same time, dual planning is ongoing, with A and B versions of actions, the mapping out of offline as well as online options, while preparing for a crisis situation that can strike at any time.

OUTLOOK

Dániel R. Kovács is also optimistic about the future, saying that we are looking at a good and strong next year or two because of the economic environment. There is still an abundance of money to drive investment. Investment goes hand in hand with development, and the latter stimulates the communications industry, and therefore our market.

In the long term, only organisations that are able to engage in dialogue with the outside world will be successful and remain viable, says József Ferling.



Zsófia Lakatos

Founder and Managing Director, Emerald PR

This could lead to a revaluation of PR work and PR-minded management. And in goal- and task-oriented agency work, the online office, the hot desk and the hybrid work schedule are no longer the promise of the near future, but the present. We have learned about them, and they are here to stay.

According to Krisztina Győri, the PR profession is facing a big challenge, because we are in the middle of a transformation of the toolbox. More data, analysis and insights are needed, but these alone will not be enough: it takes even more energy and creativity than before to make the content newsworthy, to reach the readers and to engage their attention.

László Heiszki has noticed that the consultancy function of agencies has changed: while they formerly utilised our work as guidance, inspiration and of course as part of day-to-day communications management, nowadays we are more like an outsourced communication department, an "extended arm" of the communications and marketing departments in the operation of companies.

As the profession receives increased attention, Zsófia Lakatos warns to take extra care to ensure that communications remains fair. She cannot stress enough that we, who influence people's thoughts, opinions and behaviour must be aware of the responsibility that this entails. "The power that is ours requires us to be ethical in all situations and circumstances," she points out.



Krisztina Győri

Founder and Managing Director, NEXT9



TOMORROW

**FAIRNESS,
TRANSPARENCY,
OWN MEDIA**

FROM ART TO SCIENCE AND TECHNOLOGY

THE FUTURE OF PR

Editor: **Richárd Hampuk**, Co-owner of Red Lemon



Media has never improved as much as in the last fifteen years. And if people receive information in a different way, PR has to respond to that. How is the role of PR evolving in the near future? Together with international market experts, we will take a look at the current trends and the effects and changes they are causing.

In 2020, US News named the PR specialist as the third best job in the creative and media market. A fine achievement for a profession that has been repeatedly buried by the pundits in recent years. In many cases, these statements have served more to raise awareness than to stimulate real professional debate. If PR were to die, it would be similar to people stopping talking to each other. This is why we can say that the key area of the communications industry, which has the fundamental task of bridging the gap between the actor and the audience, will not disappear in the future.

What is certain, however, is that what we know today as the PR toolbox, will change dramatically in the future. We explore in this publication how the changing circumstances will affect the future of the PR profession. The material was not created by fortune-tellers, but by professional communicators, so we would rather not make predictions, but rather try to outline the trends that are already emerging.

CHANGING MEDIA CONSUMPTION, CHANGING PR

Stanford University conducted a complex survey of more than 7,800 high school students in 2016 to see how well young people can distinguish opinion from fact, paid advertising from organic content, and fake news from real news. Some 82% of students under 18 years of age could not tell the difference between sponsored content and real news. And four out of ten secondary school students believed that a picture without a creator, date or location was evidence enough of the toxic effects of the Fukushima nuclear disaster. This is of course not a recent phenomenon. Fake news has existed before, and false facts have been attempted to be presented as true by various visual means. What has changed today is the acceleration in the speed of their production and dissemination.

"One needs to notice this while many other things are changing around us. There is no area of PR, for example, that is not being transformed by technology. I wouldn't even dare to bore anyone with how people's news consumption has changed in the few decades between the golden age of Tamás Vitray and Pamkutya on YouTube. Not to mention that it is increasingly difficult to distinguish between news and reality when fake news is produced on an industrial scale. In addition, more research shows that people remember the story. As to whether the source is reliable, they hardly do. I wonder if it's true that many people can scroll more than 2km on their phone with their thumbs in a day. Some people travel longer on their phones than on foot. We need to reach people in this noise," says Richárd Schuster, Head of Operations and Strategy for Central and Eastern Europe and Africa at Google.

The credibility of the source and the author is becoming less and less important to media consumers, although knowing this often helps to distinguish the real news from the hoax. One of the surprising results of the Stanford study was that more than two out of three students were not at all concerned that a professional article on the need for young people to get more help with financial planning was written by a bank manager. Of course, all this can be an eye-opener for the PR person, but it is also important to remind ourselves that if we don't even have to maintain a semblance of factuality to create news, it can have disastrous consequences in a competitive situation. It is therefore crucial to operate as many channels as possible and to provide the opportunity to check the facts.

EVERYONE IS A REPORTER

Remember those not so distant years when companies tried to resort to legal restrictions to ban what employees were allowed to post about their workplace? While there are still some companies that continue to follow this practice, there are now more companies that only limit workplace reporting to cultural rules and trade secrets. This trend reversal is due to several reasons. On the one hand, we have learned to live with the old "new" media. We have learned to see the difference between real risks and perceived risks. On the other hand, labour shortages force us to try to reach potential colleagues through as many channels as possible. And there are few things more credible than a member of our staff talking about working conditions in their own words, through their own private channels. Today, instead of banning, we usually see campaigns using various incentives to motivate employees to share exciting and interesting moments on their social media channels about their company.

Today, anyone with a smartphone can become a reporter. On the one hand, this creates a huge opportunity for information and news to flow, but it also poses a major challenge for the PR communications profession. We need to build processes to become aware of and, if necessary, respond to reports about us. "Businesses need to respond to the challenges generated by the 0-24 newsfeed and social media. They have to try to keep up with the world. To do this, they need to know and understand what is being said about them as quickly as possible and in the widest possible public sphere. And this requires building the right technology and the right team to respond as quickly as possible, if necessary, on any platform, in any form," said Richárd Schuster.

In the age of "everyone's a reporter", the task for the various actors is simple: they need to be credible, i.e. they need to communicate how they really operate. "Today, you can no longer keep a lid on how a company treats female employees or LGBTQ people, how they treat their users and customers, what they do with the leftovers in the canteen, what energy they use, what sort of impact they have on the people around, on nature, on the economy, on society, or if they are behaving fairly. Generations now coming of age will make judgements based on this info about the people, whose image we are responsible for. Even the best spin doctor is useless when you can see everything and nothing remains hidden," said Richárd Schuster.

Let's not forget that this new trend of the man in the street reporting an accident before any news portal poses a huge challenge for media companies. If we are trying to understand the future of PR, we have to take this perspective into account.





Richárd Schuster

Head of Operations and Strategy
for Central and Eastern Europe
and Africa at Google.

In the case of media companies, revenues from news-related content are on the decline, while revenue from media consumption generated by online entertainment videos, articles and photos is growing steadily. There is also an increasing turnover in newsroom staff, so established relationships and contexts built up over years often disappear. In such cases, PR companies need to find the right tone and show the context in which the editor or journalist understands why the information can be useful or entertaining for their readers. The ability to tell a story is becoming more valuable, and in addition to connections, it is the best way for a professional to make their mark in the media space in the future. The place of the press release in the PR strategy is changing. In many cases, communications professionals announce news that was previously sent out in a press release through the company's own channels. Media companies embed this content on their own sites and add commentary where appropriate.

THE CEO IS THE NEW SPOKESPERSON

In the past, CEOs were relatively seldom in the public eye, as the task of public appearances was rather delegated to someone else. Today, the top leader is increasingly expected to lead the way and respond to more uncomfortable issues. "It is no coincidence that the CEO is expected to speak. People instinctively trust other people. The company's internal communications and internal culture are also becoming more valuable. Important conclusions can be drawn from how a company treats its employees. That's why when Google CEO Sundar Pichai sends out an important email involving his employees, it often goes out on the Google blog for the public to see," said Richárd Schuster.

So, the PR team needs to help the company and its management to give the most realistic picture

possible of what people think about the company and its management. "It's increasingly important for a PR team to be the eyes, ears and heart of the company, to listen and understand these changing expectations and to help ensure that the company they represent changes with the times. Preferably before it becomes a problem. But at the latest there and then, immediately," stressed Richárd Schuster.

Recent times have made it all the more necessary for the public to be informed from credible sources. In addition, the stimulus threshold is now even higher, so a charismatic leader can go a long way to improving the company's image. "I think Covid has raised people's thresholds even more. In the last year and a half everyone has got used to the bad news, the drama. I am afraid that in the post-epidemic period, we will have to present the news in an even more exciting and surprising way to reach consumers," said András Radó, Senior Corporate Communications Manager at Wizz Air.

AGENCY OR INTERNAL PR TEAM?

The answer: both. Companies that are constantly in the spotlights of journalists do not have the luxury of not having their own rapid-response communications team. They need to be able to react very quickly and effectively to information that is spreading. However, these companies also need agencies with local knowledge, who, like the lawyer, will always warn the clients if they enter an area that involves too much risk. "Regional responsibilities and different languages do not allow me to keep up to date with changes in all markets, which are directly related to the company and other areas, so to work effectively I expect agencies to be my extended hands, eyes and ears, and to raise the flag immediately if anything happens that I need to know about or that we need to react to. I also expect them to advise me on certain sensitive local issues, because they are aware of the local conditions, and they know

how best to respond to a particular issue. Or not to react," said András Radó, who is responsible for 30 countries, summing up his expectations of the agencies.

WHAT IS WORTH INVESTING RESOURCES IN?

The past year and a half has seen a slight mark-up of local operations, but global competition continues to grow. It is an interesting question whether domestic PR professionals will be able to play in this field in the future. It is clear that there are few opportunities for us in Hungary to run global campaigns. However, it's worth looking at which domestic service companies are already working for the international market. If we strengthen our PR technology services – especially our various analytical capabilities – and think in terms of an integrated way in content production, these are areas where we can also achieve success. We already have a good number of recognised professionals here, and we can be more competitive in terms of price compared with Western European players.

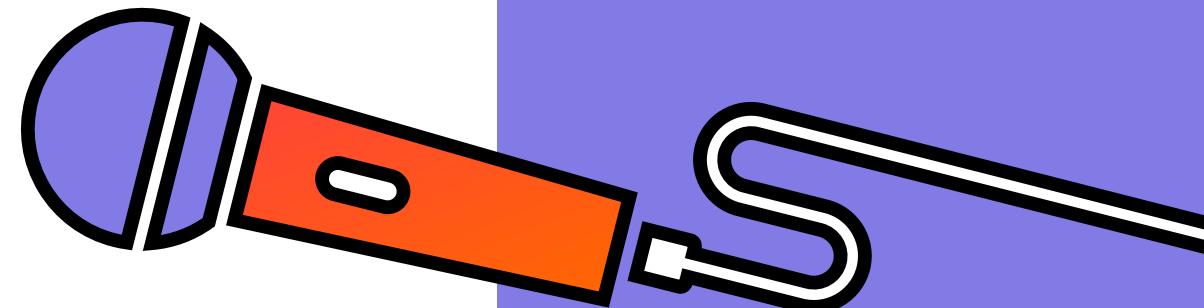
But this requires a rethink of the current structure. We need to build competences that seemed unthinkable and unnecessary a few years ago.

"The communications profession is becoming less and less of an 'art' while science and technology are becoming increasingly important elements. In my team, for example, there are already more data analysts than 'PR people' in the old sense of the word. While the tools we use are not perfect, we can learn a lot more about what is being said about a brand in the press and on social media, whether the message has been successfully delivered and exactly how big a scandal is. In the coming years, this change – the evolution of PR technology – will be decisive. I'm afraid I have to relearn a lot of things myself," said Richárd Schuster.

The fact that our region is so culturally, linguistically and economically diverse gives us qualities that we can use later. It's worth building a slightly closer relationship with agencies and professionals in neighbouring countries.

"The expertise gained in the international arena can be a great advantage for Hungarian PR companies to better adapt to regional requirements. Although the markets are very different even within the region, the mentality and the development of the profession (at journalistic, agency and consumer levels) are very similar, so it is easier for an Eastern European agency to understand and follow local processes," said András Radó.

The last few lines suggest that we are in for a very exciting period. There are many opportunities for change and development. Those who make a conscious effort now can certainly stay ahead of the competition and benefit from the impact of the fourth industrial revolution on PR.



EVEN MORE DIGITAL CONTENT



On behalf of our agencies in the Middle East and Europe, I can say with confidence that PR has a future. Human nature remains the same, everyone wants to hear interesting stories, and our PR professionals continue to see their mission as getting the message across, getting the story across. In the years to come, more of the "story" will be told in the online world, using new digital methods, with videos and podcasts taking over from print, at least until another technological revolution comes along. There will be a demand for easy-to-understand, visually appealing and shareable content, and long, detailed articles are no longer as popular in a fast-paced world.

One of the most important tasks of the PR profession in the future will be to identify the channels through which the target audience we want to reach consumes news, and to navigate the maze of these media. Communications will be even more segmented, and PR colleagues need to keep this in mind.

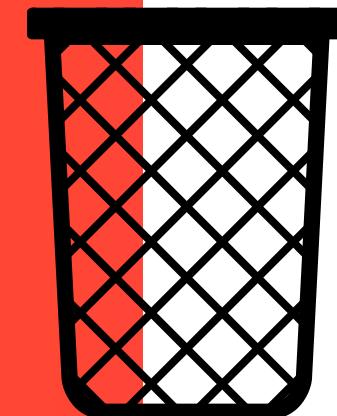
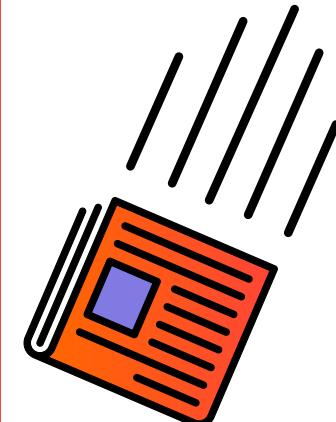
Within the profession, the boundaries between PR and marketing are becoming increasingly blurred, and communications experts are not only responsible for managing press relations, but also social media and influencer marketing. A good and successful PR professional, and of course agencies, will have to adapt to change in the future, be open and flexible, and learn to use new technological tools that will make their work easier (and it is worth training them to do so). Online press rooms or even audience analysis tools can accurately show reader demographics, their geographic location and areas of interest.

Covid has accelerated the pace of change within the media with incredible dynamism – although

the seeds of change were already emerging – but the changes have been sharpened and the trend continues. The decline in print circulation or advertising revenues has encouraged publishers to develop innovative digital platforms. Looking internationally, we see that subscription products from quality content providers have become even more popular than before. During the pandemic, a number of publications that were considered "trusted" sources increased their subscriber readership, as the role of credible material became even more important in a world where fake news is rife. For example, The Independent in the UK closed its print edition back in 2016, and has since then only had an online presence, but has managed to increase its revenues through the content it provides. Trends are changing, and the new generation may not be holding the classic newspaper in their hands any more, but may be getting their information via Apple News, where The Independent's columnists have delivered material.

In the future, only those brands which act ethically, environmentally consciously in their daily operations and respond to world events in a sustainable way will be able to stay in the market for the long term, and Generation Z is paying close attention to this.

Research shows that our purchases and consumption are emotionally driven, and brand loyalty increases when we have an emotional connection to a brand. There are quite a few companies in the world, but those that have a "story" and are remembered by consumers will be successful in the long term, and the work of PR professionals will be essential to this.



THE EDITORS' CHOICES

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[Trust Me, PR is Dead - Robert Philips](#)



30 YEARS OF THE HUNGARIAN PUBLIC RELATIONS ASSOCIATION (MPRSZ)

This year marks the 30th anniversary of the establishment of the Hungarian PR profession's advocacy, professional development and service body. Founded in 1990, the association's nearly 100 members include freelancers, agency staff, corporate communications teams, academics and social researchers.

MPRSZ is an organisation that promotes the interests of PR professionals internationally and works to raise the profile of public relations. Its members and its board are committed to the importance of sustainable development, business ethics and social responsibility, and strive to ensure that collaborative, transparent communications is translated into competitive practice. MPRSZ strongly opposes measures that restrict these guidelines and supports the development of those interested in the field of public relations through professional events, position papers, training and publications.

The MPRSZ Ethics Committee is a five-member elected body of the association, which monitors its proper functioning on the basis of the Code of Ethics and helps to improve the legal regulation of the PR profession by drafting positions and recommendations.

The Ethics Committee assists the professional work of MPRSZ. The association is the official organiser of the renewed PR Excellence Hungary and Employer Branding Award. MPRSZ is a member of the International Communication Consultancy Organisation (ICCO) and a strategic partner of the Chartered Institute of Public Relations (CIPR) and the International Public Relations Association (IPRA).

MPRSZ declared 2021 to be the "Year of Dialogue". To mark the anniversary, a number of activities were organised. The association launched a professional library for its members, started accrediting agencies on the basis of international certification, and is seeking to summarise the professional work of the past decades with the involvement of the professional community through a PR museum. The Imre Sándor Prize has been renewed and given a new name: PR Excellence Hungary. The association's biggest initiative this year is the publication of this PR Trend Report 2021, a joint initiative of the entire profession.

www.mprsz.hu



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Original idea and project leader: Zsófia Bánhegyi

Editor-in-Chief: Balázs Román

Editors: Anita Balaton, Zsófia Balatoni, Richárd Hampuk, Balázs Kádár, György Káli, Péter Kincses, Péter Mamusits, Andrea Nagy, Judit Németh-Simkó, Dániel Gergő Pintér, Péter Polgár, Ágnes Szőke, András Sztanislav, Szilvia Tóth, Tamás Trunk, Hella Varga Zita, Dóra Vas, Anna Zámbó

Contact: Veronika Földes, iroda@mprsz.hu

English translation: Anna Elődi

Revision and proofreading: Michael N. Chapman

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