

**A COMMUNICATION ADVICE FOR WAHLE & WOLF.
CLIENT ACQUISITION COMMUNICATION
USING THE EXAMPLE OF A PR AGENCY**

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*'Communication is more than informing.
Good communication, professional and true,
motivates a person, reaches intellect and feeling.'*

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MANAGEMENT SUMMARY

This document is created to fulfil the requirements for completing the study programme International Communication and Media at the University of Applied Sciences Utrecht. The topic arose in cooperation with the German public relations (PR) agency WAHLE & WOLF. The purpose of this research study is to identify communication strategies for client acquisition that the PR agency can use for its advantage to strengthen its business.

WAHLE & WOLF is a small agency for PR and social communication. Developments in the last couple of years led to the circumstance that the agency is currently very dependent on one major client. This dominant position of the client is supported by the fact that some minor clients were lost. For that reason, this research study deals with investigating the question of how WAHLE & WOLF can successfully market itself to expand its client base. Based on the research findings an advice on communication strategies is given.

The research problem is put into a theoretical context by discussing models and tactics on client acquisition, as well as decision making processes of potential clients. That results in a framework in which the problem situation is examined. In order to collect in-depth information to solve the research problem interviews and surveys among potential clients were conducted and communication strategies of competitors were analysed. Based on this qualitative research approach strategies are recognised that support WAHLE & WOLF in initiating successful client acquisition communication.

Research showed that direct communication tools are the most effective to use in client acquisition. A good reputation and broad network seem to help PR agencies to get known and to get in touch with prospects. Moreover, creating a long-lasting relationship, that goes beyond settling business, matters. It influences clients, as well as prospects experiences with an agency. For potential clients the internet is an important tool to first get to know about service providers and to form a first opinion.

For these reasons, WAHLE & WOLF is advised to introduce client acquisition policies into their business activities. The guiding strategy to be implemented in communication is 'positioning and connecting'. Steps that need to be taken are defining the target audience, adapting the strategic position, integrating key communication contents, updating the online appearance and becoming more involved in networking. With this set of advices taken into account, WAHLE & WOLF is expected to successfully communicate with prospects and to turn these into clients.

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CHAPTER 1: INTRODUCTION

1.1. Introduction and Background

Public relations (PR) is a management discipline which has been growing in importance in the past decades. Due to the fact that it is used in a vast variety of industries, requiring slightly different skills and competencies from practitioners, it has not yet been agreed on one universal definition. A definition suitable for the research study at hand was made by Cutlip, Center and Broom (Watson & Noble, 2007, p. 5):

'Public Relations is the management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success or failure depends.'

The definition implies that PR work is an intentional, purposeful action, which needs research and planning. This shows that PR is not a short-term activity. Further, it is seen as a two-way communication practice. That assumption is reinforced in the claim of acting in the interest of both itself and also the groups interacted with (Watson & Noble, 2007). PR acts in information management and participates in forming opinions as commissioned communication. Typically, focus is put on appropriate positioning of an organisation in public. Here, PR professionally represents the point of view of the respective client. The discipline is considered to be part of corporate communications. It has overlaps to a range of fields, such as management, psychology, communication, journalism and media studies (Van Riel, 2003).

The list of public relations endeavours is long: internal communications, media relations, public affairs, strategic communication, event management and issues management are only a few of its field (Theaker, 2008). It can be applied to a wide range of activities, for instance to build or launch a brand. Furthermore, using PR, leadership positions can be established and a company be supported. Additionally, it can introduce new personnel, shift perceptions and increase customer base, as well as create trust and understanding (Seitel, 2007). PR work is all about building relationships and communicating to target groups which emerged to be an important part of today's businesses.

PR practitioners can be working for organisations as part of in-house PR departments or be employed by consultancies. Next to this, there are also freelance public relations workers. Nowadays, one can observe a trend towards growth in consultancies. These may

offer full service, so research, advertising and marketing advice, be specialised on a particular sector or group in the public, or else do pure public relations counselling (Theaker, 2008).

1.1.1. The PR Agency WAHLE & WOLF

This research study focuses on the public relations firm WAHLE & WOLF. WAHLE & WOLF is a high performing PR agency which was founded in Germany in July 1992. It is specialised in creating lasting, transparent and credible communication in the world of work. The firm is mainly operating for unions, social organisations and associations. WAHLE & WOLF advises their clients on successfully communicating with target audiences, both internal and external. The PR agency puts focus on effectively approaching people in a company, organisation or society, in order to inform about facts and further to convince those involved to improve processes or change positions. WAHLE & WOLF is working with a network of motivated editors, graphic designers, photographers and web developers. In this way the agency can create professional concepts, texts and graphics for clients ('WAHLE & WOLF Agentur', n.d.).

WAHLE & WOLF is an expert in communication for executives of unions, board of directors and works councils. The agency has been working with several big clients already. Currently, there are four major projects the PR agency is working on:

- *Industriegewerkschaft Metall*, short IG Metall (engl: industrial union metal): managing the whole communication throughout Germany of this metalworkers' union representing both blue- and white-collar workers. This involves the 'Offensive Handwerk' (engl.: campaign craft) that works towards improving working and income conditions of craftsmen and supporting the production of the print and online version of the members' magazine 'IT Magazin' (engl: IT magazine).
- *Gewerkschaft Nahrung-Genuss-Gaststätten*, short NGG (engl: Food, Beverages and Catering Union): giving occupational consultancy, coaching the works council and working on brochures.
- *Industriegewerkschaft Bergbau, Chemie, Energie*, short IG BCE (engl: industrial trade union mining, chemistry, energy): providing support for the works council.

- *Salzgitter Mannesmannröhren-Werke*: involvement in creating employee communication, the production of the magazine 'Präzision' (engl: precision) and also running campaigns on work, safety and motivation.

Dialogue-oriented communication competence, diversity and creativity are aspects that clients can expect from this PR firm. WAHLE & WOLF's core skills are journalistic texts, advice and conceptual work that move dialogue partners. This small PR agency has managed to last over 20 years in this ever-changing society without being supported by sponsors. This is a sound indication for the good work and high customer satisfaction that mark the company's success ('WAHLE & WOLF Agentur', n.d.).

1.2. Problem Description

There are certain challenges that PR professionals face nowadays. Competition is one of these. Since the mid 1980's, when PR was identified as an additional instrument for target group oriented communication, a remarkable growth in PR agencies can be observed (Bentele, 2003). There are no officially proven numbers, but research from 2005 suggests that between 50,000 and 55,000 people worked in PR in Germany at that time (Pfeffer, 2005). A growing number of PR firms entail a rising number of competitors in the market. This demands firms to find ways to stand out from the rest and defend their market share. Also WAHLE & WOLF needs to prove itself and use competitive advantages.

Another challenge that PR firms have to face is the financial crisis which started in 2007 and has affected the majority of businesses. Facing recession, many companies have been trying to reduce costs where possible (Heywood et al., 2009). To save money, efforts in investing in communication have been reduced. Companies have the tendency "to cut their communication budgets first in times of financial strain and supplement them last when the economy rebounds" ('Nothing to shout about', 2009). Also WAHLE & WOLF experienced that many companies started cost-cutting measures by saving on expenses for communication work (cf. appendix 3.1.2.). Within the last couple of years, the agency listed a turnover decrease received from the business branch of internal communication from about 55-60% to about 20% (cf. appendix 3.1.2.). This is one side of the problem situation.

An additional motive for conducting this research is that at the moment WAHLE & WOLF is very dependent on one big client, IG Metall, which has been fulfilling a dominant role in the last two years. More than half of revenues are received from working for this labour union (cf. appendix 3.1.1.). When imagining that this client decides to stop or reduce cooperation, WAHLE & WOLF would be facing a major and perhaps existential problem. This is another side of the problem situation. Considering that other clients have been lost in the past, this problem even increases in significance. Looking for new clients therefore is a way of avoiding the abovementioned scenario and solving the problem. Reinforcing the client base consequently is very important.

Digital media and communication is yet another trend affecting the PR industry. On the one hand it changes the way that PR professionals work. Integrating web 2.0 and web 3.0 platforms are becoming more and more common working methods, and the Public Relations Consultants Association's PR Census 2013 found that the importance of digital media is growing (Cartmell, 2013). On the other hand these digital platforms are usually relatively easy to manage and can therefore motivate companies to independently manage communication. Doing public relations oneself takes potential commissions from PR firms.

All things considered, WAHLE & WOLF sees itself in a situation where the company is strongly dependent on one single client and has lost some clients in the last couple of years without trying to retain those. The key problem is that WAHLE & WOLF does not focus on strategic acquisition or on being on the lookout for potential new clients. This is problematic for two main reasons. Firstly, if the dominant client was lost, the firm might lose its operational security. Secondly, a considerable share of clients was lost without being able to balance this lost with new clients. This development should be opposed in order to promote business. It is important to solve the problem situation, so that WAHLE & WOLF can effectively carry out its reason of existence: continually improving communication in the world of work.

This research study covers first steps that need to be taken when planning strategic communication with prospects. The aim of this study is to create a communication strategy that WAHLE & WOLF can use as stock of knowledge to reach potential new clients and develop its business. This strategy will be based on theoretical foundations and research outcomes. Being on the lookout for potential new clients and working on acquiring these is seen as an important business task. By doing so, it can be compensated for lost clients and the company can be managed for growth (Egon, 2008).

1.2.1. Problem Definition

Deriving from the problem situation, the problem can be defined as the following:

'WAHLE & WOLF's objective is to advise organisations on internal communication, yet the agency has lost about 35 to 40 per cent of its turnover share of this business branch. Until now, the agency has not actively worked on a strategic plan of client acquisition to oppose this development.'

This problem definition shows the tension between the current and desired situation. While it is wished to strengthen the business branch of advising on internal communication and to gain new clients, the agency is currently not actively working on achieving this.

1.3. Operationalization

Operationalization is the practice of selecting and describing the indicators for main concepts in the problem definition. These concepts are converted into elements that can be measured. In other words, it is the process of defining components that can alter or affect the outcomes of a study into factors that can be observed and assessed (Verhoeven, 2011; Verschuren et al., 2010). Applying this to the study at hand, a set of main concept categories can be identified.

First of all, the need potential clients have in the services offered by WAHLE & WOLF must be investigated. The problem definition has shown that currently a multitude of companies is saving costs on internal communication and therefore it is necessary to find those companies, which are still willing to work on improving communication with and among employees. This leads to the concept category 'Characteristics of preferred target group'.

The phenomenon of behaviour in service provider search will be operationalized by indicators like decision making behaviour and awareness of WAHLE & WOLF. These concepts help to discover potential points of contact and to learn about the expectations that clients have in service providers. At present, the PR agency does not have enough

information on these topics. For this reason it is required to do research here, as these concepts are anticipated to strongly affect the communication strategy that is needed.

Last but not least, research on communication and media tools has to be conducted in order to be able to assess how to best reach prospects and how to communicate the most effectively. A promising advice can only be given when being appropriately informed about these concepts. In chapter 3.3. the operational definitions are established and the concepts are applied to the research design.

1.4. Questions

Following the problem situation, objective and operationalization of this research study described above, the advisory question, research question and sub-questions are formulated as follows:

1.4.1. Advisory Question

How can WAHLE & WOLF, a German public relations agency, successfully market itself to expand its client base in Germany?

1.4.2. Research Question

Which communication strategy is suitable for WAHLE & WOLF to successfully communicate to prospects and turn these into clients?

1.4.3. Sub-Questions

1. What type of potential clients are most relevant and interesting for WAHLE & WOLF in client acquisition?
2. What procedure do organisations and companies follow when looking for a PR agency?
3. What communication platforms are most effective to use for communicating to potential clients?
4. With which communication methods and messages can WAHLE & WOLF reach potential clients?

1.5. Restrictions of the Study

There are factors that will complicate the research and problem solving process and aspects that cannot be achieved. The points presented in the following have been considered the most important restrictions to this study. As this research is meant to solve an organisational problem of the PR agency WAHLE & WOLF, the results cannot be generalised. Results might change over time or in different settings. Therefore it is important to mention that this research only applies to Germany. Also, different communication approaches might be necessary for PR firms specialised in other sectors than WAHLE & WOLF or offering other services.

Furthermore, restricted resources in time and money affect the research. Hence, it will be focused on the subject areas comprised by the research questions. By doing so, the areas of executing client acquisition and supportive communication methods can be investigated thoroughly and be advised on, instead of delivering a product that quickly touches on all parts involved in strategic client management. The results of this study offer good foundation for further research. This could for instance lie in the production of a concrete media strategy to apply, establishing a specific list of prospect names or setting up financial planning for client acquisition.

1.6. Chapter Division

The purpose of this research study is to give advice on client acquisition communication to expand the client base of PR firm WAHLE & WOLF. To serve this purpose and lead the reader through this paper, it has been divided into five main chapters.

After the introduction, which presents background information, the current problem situation of WAHLE & WOLF and establishes research questions, the theoretical framework will be discussed in the next chapter. In the second chapter concepts and models related to the problem situation are discussed. These theories and models provide context through which the research has to be conducted and indicate how to solve the research problem. For this reason fundamental concepts around client acquisition, as well as decision making processes will be defined. Chapter 3, methodology, goes into detail on the research methods and supportive tools. The research design will be explained and justified. The following chapter, findings and conclusions, will present the outcomes resulting from the research conducted. Besides, in this fourth chapter the research results will be interpreted and given meaning. The thesis ends with giving advice to WAHLE & WOLF in chapter 5. Recommendation is based on the findings and conclusions drawn from the research.

CHAPTER 2: THEORETICAL FRAMEWORK

2.1. Introduction

In chapter 1 the problem experienced by WAHLE & WOLF was outlined, namely that the agency is not active in customer acquisition management and currently very dependent on one major client. It is thus evident that the agency wishes to expand its client base. In this chapter the theoretical perspectives that have bearing on the acquisition of new clients in the context of public relations will be discussed.

2.2. Public Relations in Germany

The discipline of PR is considered a product of economic and political conditions of its time. Thus, PR develops in relation to the needs of the broader environment (Tench et al., 2009). To clear this assumption the development of public relations in different countries can be compared. In the US commercial interest drove its growth, whereas in the UK it was first particularly adopted by local governments looking to shape public interest (Tench et al., 2009). Also on another level the impact of economic and political conditions can be observed. Whereas PR work might serve to ease and satisfy investors in more complicated economic times, its main purpose might be managing change processes following takeovers. Also, corporate social responsibility is a trending business process in Western countries which influences the tasks of PR.

In the last century a professional PR identity developed in Germany. Especially since 1985, a boom in the professional field can be noticed, which is particularly characterised by professionalization. PR-education advances and the discipline is being studied as a science, leading to additional knowledge allowing PR professionals to improve (Bentele, 2003). Nowadays, public relations is highly important. The discipline is recognised as valuable contribution to information management. Almost three out of four people rank public relations' importance as 'very high' or 'high' within businesses. This emphasises that the profession of PR has established its necessity and demonstrated itself as an independent function within organisations. In Germany public relations is experiencing a

process of improving expertise with scientifically based PR education and a developing PR science (Bentele et al., 2004).

For WAHLE & WOLF the current developments of public relations bring both advantages and challenges. The company can benefit from the increasing interest and demand for public relations. As the profession has already established its relevance within businesses, expectedly not too much work in persuading organisations of the importance of PR needs to be done. These are anticipated to be aware of the values the discipline carries. Still, latest developments and professionalization also bring qualified competitors to the market. This requires WAHLE & WOLF even more to stand out from competitors that have a strong client acquisition plan.

2.2.1. The Strategic Position of WAHLE & WOLF

After the PR agency WAHLE & WOLF has been briefly introduced in chapter 1, more information on the agency's profile, culture and identity will be given in this section. WAHLE & WOLF has unique know-how in corporate-political communication. Klaus-Peter Wolf's experience and inside knowledge has had some major contribution to this. He has been working as a professional journalist for more than 40 years, combined with practical and honorary work in unions and as union representative. Ingeborg Wahle has been active in research activities for several years and worked active as (chief) editor of several unions. Resulting from this, WAHLE & WOLF is able to offer journalistic products, practical work and understanding of the dialogue groups' needs, not being limited to only one of these categories. As the agency knows the area of work from all sides, they can create corporate-political content and political graphics.

WAHLE & WOLF considers good communication as means of helping unions, associations and social organisations to stimulate members, gain new supporters and to promote interests successfully. Further, effective communication is seen as a way to motivate employees in corporations, increase satisfaction at work and occupational safety, as well as to enhance quality and productivity. Moreover, convincingly and lastingly communicating in dialogue delivers facts, sensitizes and strengthens people to get involved.

WAHLE & WOLF secures their clients' successes by providing strategic advice. Clear and comprehensive communication is hereby a guiding principle. Concepts and media are

developed in dialogue with clients and their target audiences, demonstrating the agency's integral and creative working method. Being committed and reliable, the PR agency easily picks up clients' wishes and supports these with own conceptual research. Content is then processed target group-related and visualized appealingly.

In general, WAHLE & WOLF is having project-related contracts with clients, but nevertheless this usually leads to fairly long-term cooperation. With clients being highly satisfied with the outcomes, these tend to employ the agency for forthcoming projects as well. Only few clients have been lost in the course of time and this was not caused by discontent.

In order to take a new project, it is important for the agency to be able to identify with new assignments. Teamwork is the agency's strength and consequently cooperation must be built upon mutual respect and esteem. In order to take a new commission it must be interesting, appealing, and fairly paid. Further, the agency would not work for a board of directors that intends to outsmart their employees. WAHLE & WOLF does not support concealment but promotes open and truthful communication.

2.3. Theoretical Perspectives on Client Acquisition

In the scope of this paper, client acquisition can be defined as the practice of getting new customers or converting existing prospects into new ones ('Customer Acquisition', n.d.). It has been decided to explain the term from the acquisition process perspective which claims that 'acquisition includes the first purchase as well as other non-purchase encounters that precede and follow the purchase, up until the time the customer makes a repeat purchase' (Blattberg et al., 2001, p. 36). In other words this signifies that client acquisition covers the stages from first client contact to developing a relationship between client and company. The client's attitude about the firm, its services or products, are being formed and therefore it comprises all contacts that affect the purchasing decision. An example for this would be client service encounters. For the firm looking to acquire new clients this means being confronted with demanding business decisions. How much should be invested in potential clients and what service levels should be offered to them? The acquisition process usually brings non-product costs the firm has to face. Examples for these are meetings with clients before deals have been made or costs resulting from

trials to get in touch with prospects. The customer acquisition phase is said to be completed once the client decided to make the first repeat purchase. This following phase is called 'retention phase' (Blattberg et al., 2001).

2.3.1. Customer Acquisition Marketing

Customer acquisition marketing is a marketing focused approach that starts from the potential client and appreciates his role in driving business. This concept focuses on the internal psychological processes that need to be satisfied within the customer in order to turn the client acquisition process into a success. According to this approach there are three key customer experience elements that drive customer acquisition. These are awareness, learning and persuasion (Taylor, 2010).

- **Awareness:** The target audience needs to be aware of services. This makes creating awareness essential.
- **Learning:** Prospects need to be informed about distinctive and significant benefits.
- **Persuasion:** Finally, the potential client has to be convinced to purchase a service or product.

Following this model, all customer experiences must be satisfactory as they build on each other. For instance, awareness and learning alone will not be sufficient to lead to purchase, just as it is unlikely to turn a prospect into a client without informing on unique and significant benefits of the service or product. The way one interacts with customer experiences influences the expectations on benefits and features the prospect develops, as well as the evaluation of the need.

2.3.2. Applying Customer Acquisition Marketing to the Study

The customer acquisition marketing model can be applied to the study at hand for several reasons. Firstly, just for the fact that WAHLE & WOLF is currently not involved in any customer acquisition marketing and has to start with it from scratch. Secondly, it informs about key customer experience elements that will play an important role for designing a communication strategy for WAHLE & WOLF. For the research process this implicates measuring which of these elements already exist among the target audience. Further, the

insights in this concept can be integrated in the study by researching these experiences. This implies finding out how awareness can be generated best, how to inform about competitive advantages of WAHLE & WOLF's services most suitably and what communication tools and messages work best to convince. Based on these findings it can be determined at what points the strategy has to start. Thirdly, it emphasises the importance of marketing activities in client acquisition management. It can be deduced that marketing communication, also referred to as promotion, is an essential part of a promising strategy, provided that it takes key customer experience elements into account (Kotler et al., 2010).

2.3.3. Customer Acquisition Tactics – The ACTMAN Model

This section deals with the so-called ACTMAN model. The acronym ACTMAN stands for *acquisition tactical management* and segments the acquisition process into six critical components. A firm can use these components to manage for more productive and successful customer acquisition (Blattberg et al., 2001). These elements are the following:

- Targeting
- Awareness generation and product positioning
- Acquisition pricing
- Trial
- Usage experience and satisfaction
- Creation of long-term value for the product or service

While all of these elements can occur in the acquisition process, it always depends on the target group and setting if all are to be applied or not.



Figure 2-1: The ACTMAN model (Blattberg et al., 2001)

The figure above illustrates the ACTMAN model. The detailed explanation of the model in the following will help understanding and clarifying it.

Tactic 1 - Targeting

Often, most emphasis is put on the acquisition tactic targeting. Still, this is only one part of managing acquisition. Targeting should involve two different types of prospects. On one hand there are those that already show to be interested in the firm's offerings, thus are likely to need or want the service. On the other hand there are also those that are not yet aware of the need but could still profit from the services. When implementing a client acquisition plan, first, the potential clients have to be identified. This activity allows becoming aware of prospects' qualification which will later have to be aimed at by defining their exact needs and payment capacity (Filip et al., 2012). This model anticipates that there are three different methods to target customers: first-, second-, and third-degree targeting.

First-degree targeting involves aiming specific clients. The methods used the most for first-degree targeting are profiling and regression scoring. These methods depend on the accessibility of individual information such as demographics or data on psychographics or behaviour. Individual information needs to be compared to a prospect's probability to purchase or matched with their prospective value. The most attractive potential clients are those that are expected to be of high value. Having recognised these prospects of high value lays foundation for targeting and soliciting. First-degree targeting is seen as the most efficient targeting method.

Second-degree targeting is about segmenting. It is advised to be used in case that individual information cannot be gathered. In this method prospects are classified into segments or clusters, which are then compared with current client profiles to find the best matches.

Third-degree targeting is used when information on both individual as well as segment level are unobtainable. This method is also known as self-selection, as targeting is done using marketing programmes. Promotional incentives are commonly used.

Tactic 2 - Awareness Generation and Positioning

Another essential tactic used in the acquisition process is to create awareness of a service or product. Reason for this is that prospects can only want a service when they know that it is out there. Marketing communication can go via different channels. When talking about channels one can differentiate between personal and impersonal communication, each of these having advantages and limitations (Filip et al., 2012). Personal communication comprises the use of mail or e-mail, the phone or other tools to communicate directly with a targeted group of people. It is used to obtain immediate response and to promote customer relationship. This form of communication is usually seen as having greater influence on consumer behaviour and advised to use for first-degree targeting. Besides, communication initiated through referrals shows to be very effective. Based on marketing studies outcomes it is claimed that the duration of business relationships resulting from recommendations draws higher than average (Verbeke et al., 1995). Encouragement of customer referrals can thus also attract new clients. In contrast, one talks of impersonal communication when communication is going one way and mass-media channels, such as TV, radio, or billboards are used (Kotler et al., 2010).

Philip Kotler, a renowned expert on the strategic practice of marketing, states that “positioning is the act of designing the company’s offering and image so that they occupy a meaningful and distinct competitive position in the target customers’ minds” (Hooley et al., 2008, p. 207). Communicating a strategic position describes an organisation concisely and convincingly. In the process of acquiring new clients positioning is very important because it influences customer expectations about the service experience and consequently affects whether it will be chosen or not. When positioning a firm, one should stick to reality. This means that the firm has to be able to keep their promises and claimed abilities, so that expectations can be met. By doing so the chance of building on client retention is enhanced (Blattberg et al., 2001).

When working on acquiring new customers, generating awareness and positioning help to be included in the prospects consideration set. The tactic, creating awareness and positioning, thus has to be managed once the potential client is in the stage of searching for information of their purchase decision-making process which will be discussed in further detail in chapter 2.4.1.

Tactic 3 - Acquisition Pricing

When prospects gather product information and look for alternatives, very often pricing turns out to be an important factor. Hence, it can be advantageous to offer special prices in order to acquire clients. Especially in the consumer business different pricing strategies turn out to be effective here. Nevertheless, it has to be considered that the price should not deviate too much from the actual price. Considering the assumption that the acquisition process ends with the first repeat purchase the retention price plays an important role as well. If this turns out to be out of reference of the introductory price, prospects might be reluctant to agree to further business deals. Especially in the case of services it is the value provided by the services that should convince and not only a low price (Blattberg et al., 2001).

Tactic 4 - Trial

This element highlights the situation at which the client moves from assessing substitutes to actually making purchases. Looking at this point from the firm's point of view, this stage has two aspects: generate income and the proof that the firm's service is able to fulfil the client's needs. Strategies have to be applied as a way to hold a client. This can for example be offering other services or products that might be interesting to the client at this early stage of customer relationship management (Blattberg et al., 2001).

Tactic 5 - User Experience and Satisfaction

User experience and satisfaction are influenced by several activities: expectations resulting from marketing communication, product design and provision of stated benefits, and the servicing of the client after the purchase. The operational staff influences user experience and satisfaction as they regulate production and distribution. If any of these groups does not manage to meet expectations, the firm is likely to leave an unsatisfied customer, who will probably not repeat purchase (Blattberg et al., 2001).

Tactic 6 - Creation of long-term value for the product or service

Finally, having acquired a new customer brings about the chance to establish a long-term relationship. If the customer sees long-term value for the service, the probability is high

that a successive purchase will be made. In charge for this is the customer service team, which is responsible for post-purchasing services (Blattberg et al., 2001).

2.3.3.1. Applying the ACTMAN Model to the Study

The PR firm WAHLE & WOLF finds itself in a situation where it does not manage customer acquisition. Therefore the above discussed ACTMAN model can be applied to the problem situation as it provides a model for tactics that are recommended to be incorporated in such a strategy. WAHLE & WOLF is too dependent on one single client and experienced a decrease in turnover share because the agency is not using client acquisition tactics well.

At present, the agency is more or less neglecting the first two tactics, namely targeting, as well as awareness generation and positioning. This is expected to have major impact on the problem situation. No potential clients, or client groups, are observed or identified at the moment. This obviously constitutes an obstacle in acquisition management as it has the effect that no soliciting can take place and therefore the situation is unlikely to get better by itself without taking action. Being aware of the preferred target audience is usually taken as basis for creating communication and thus generating awareness around a PR firm and its services (Filip et al., 2012). That seems to influence the fact that WAHLE & WOLF is not proactively working on creating awareness. The firm is purely relying on word of mouth recommendations, but not using other communication channels to generate attention (cf. appendix 3.1.2.).

Concerning positioning the following points are evident. On the one hand the PR agency determined what position it wants to fulfil in the market. It positions itself as an expert in PR and social communication and being experienced in creating communication for unions, associations and social organisations. On the other hand this position seems to limit the agency. WAHLE & WOLF is open to other businesses than that but the current positioning does not clearly reflect this. This might hinder the agency from attracting new clients. It becomes obvious that the current positioning does not match the agency's vision. Change is needed to close this gap.

As has been explained previously, acquisition pricing can be a tactic to attract potential clients. This approach however will not be relevant for this research as WAHLE & WOLF is not willing to sell their services under value (cf. appendix 3.1.2.). The fourth to

sixth tactic, trial, user experience and creation of long term value for the service, appear to be less significant for this research study as well. Reason for this is the fact that WAHLE & WOLF is doing well in managing customer relationship upon the point of first service provision. Therefore, these tactics lie outside the scope of this research study.

As this brief discussion shows it can be expected that researching and working on the tactics targeting, awareness generation and positioning will add useful acumen to solve the problem situation. In other words it should be focused on the early stages of relationship management as these build the base which might later help to settle a first business deal and to advance on the 'loyalty ladder'.

2.4. Theoretical Perspectives on the Decision Making Process

The above described theoretical outlooks on client acquisition are based on consumer behaviour which is one of their strongest points. When being confronted with the plan to employ an external PR firm, the searching organisation has to decide which firm to pick. Therefore perspectives on the decision making process prospects are likely to go through will be discussed.

Purchase decision-making in the context of professional services is unique and cannot be directly compared or equalled to consumer contexts. Its outstanding characteristics will be discussed in the following. First of all, a rather exceptional type of relationship in the professional service sector can be observed. While the client is "dependent on the knowledge and skills of the professional [...], the professional is also dependent on the client" (Jaakkola, 2007, p. 97). This is to be justified with the fact that organisations active in the service field aim for and depend on customer satisfaction. This demonstrates the empowered position the client holds as he seeks to resolve a problem affecting his needs and objectives.

Most likely the problem that the client is planning to solve is of rather complex nature. Consequently, high task-related knowledge for solution is required by professional service providers. Beyond that, potential clients usually have to reveal information before the purchase decision can be made. An example for this is giving insight information into the company and to brief service providers on goals, objectives and budgets. Next to being complex, the decisions made within a professional context are frequently risky as

well. The client has to trust the service provider by believing in his performance and expertise, and all this at a stage where the result of the decision and following service is still unknown. Most likely the decision and its effects cannot be redone or reversed. Consequently, recommendations made by the service provider must be competent and convincing (Hill et al., 1988). Especially in organisational and professional services contexts, rationality appears to be considered as an adequate decision-making technique. Rationality allows the decision maker to aim at exploiting the anticipated effectiveness or value. In certain professions standards and regulations are set that help controlling decisions. Another point to consider is that the decision of selecting a PR agency is usually taken in a group and not by an individual. That is why one talks of collective decision-making units. Main influence on decision-making has the provider's aspiration to client satisfaction (Jaakkola, 2007).

Further, it is suggested that purchase decisions are made in interaction between the provider and client. While the level of influence might differ across services and situations, "the distributed nature of decision-making is still the feature that most clearly distinguishes between professional services and the traditional buying contexts" (Jaakkola, 2007, p. 102). In concrete this means that a professional service provider's influence is considered to be higher in purchase decisions in which the client perceives the provider as competent expert, as well as in situations where the problem appears to be complex and risky. Equally, the more knowledge and skills the client has in the problem area, the more influence he can exert on the decision because he is informed about the matter to be decided on. Therefore, his role becomes more autonomous.

The following figure by Jaakkola (2007) serves as an illustration for the purchase decision-making framework for the professional service context, by depicting the influencing forces that have just been discussed.

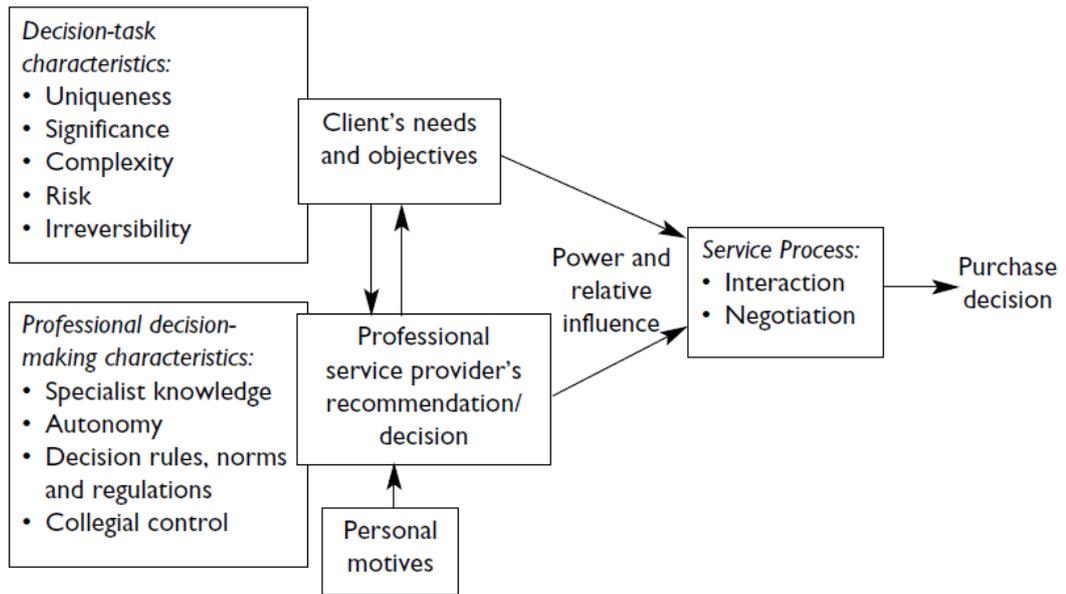


Figure 2-2: Purchase decision-making framework for the professional service context

2.4.1. Purchase Decision Model

In the following a purchase decision model will be established. It is a result of combining a purchase decision model promoted by Belch with Kotler's model of buying processes of businesses which complement each other (Theaker, 2008 and Kotler et al., 2010). Both models have been looked at and the relevant aspects for the context of public relations were identified.

Stage 1 - Need Recognition and Product Awareness

In the initial stage of a decision-making process the potential client becomes aware of the fact that his current condition is differing from his desired state. This problem recognition is generated by stimuli which trigger the realisation. Hereby, one distinguishes between internal stimuli, such as stress, and external stimuli, those that arise for example through marketing activities (Kotler et al., 2010). The internal psychological process in this stage is motivation.

Stage 2 - Information and Supplier Search

The second stage is all about the search for information. The rule-of-thumb says that the more complex a problem is the more time will be spent on the search. As soon as the problem has been recognised and the need for additional products or services has been accepted, the client starts looking for the company that can best solve the problem and satisfy the need. Nowadays, searching the internet has become a common tool for this. Besides, it is also often asked for recommendations. In this case it is often challenging for a firm to manage perceptions and expectations. For organisations looking to acquire new clients this means building a good reputation and being listed in major directories. A marketer's influence is the biggest and direct on commercial sources of information, such as advertising and salespeople (Kotler et al., 2010). A typical internal psychological process in the second stage is perception because information is being gathered. For a firm it is critical to build suitable awareness and positioning in this stage.

Stage 3 – Proposal Solicitation and Evaluation of Alternatives

Characteristic for the third stage is the customer's evaluation of alternatives. Qualified organisations are invited to submit proposals of their approach to solve the problem. Especially in the service sector this often takes place by holding presentations which aim to convince the prospect (Kotler et al., 2010). This stage is linked with the internal psychological process of attitude formation.

Stage 4 - The Purchase Decision

After several proposals for problem solution have been received, a selection can be made. To do so, it is often worked with lists that rate the suppliers by their attributes, e.g. reputation and service quality, and characteristics of the suggested solution. These lists help to identify the best provider of products or services. This demonstrates the two-phase decision process one usually goes through. In the first phase a broad selection of options is created. In the second phase the customer narrows down the choices by using a set of rules or heuristics. This shortlist of options is then evaluated more in-depth (Kotler et al., 2010). Integration is the internal psychological process that is characteristic for the fourth stage.

Stage 5 - Post-Purchase Behaviour

This model on decision-making process also considers the post-purchase stage as integral part since this is the point of evaluation. The consumer assesses whether his expectations were met, and evaluates the gratification level. This is why customer service can be very important at this stage (Kotler et al., 2010). Last but not least, in the fifth stage learning is seen as internal psychological process.

2.4.2. Applying the Decision Making Perspectives to the Study

Concepts on decision making of clients are beneficial to this study. As has been pointed out earlier, potential clients play a key role in client acquisition and for this reason it is relevant to have good insight and knowledge about what they need and expect at what time. Findings from these perspectives therefore need to be integrated in the further course of the research.

It shows that WAHLE & WOLF is experiencing a problem which can be related back to the purchase decision model, probably arising from stage two - information and supplier search. It can be assumed that the agency is not sufficiently involved in creating awareness around its existence and services. Therefore potential clients will not perceive the PR agency and as a result not consider them as one of the qualified organisations. Weakly projecting its identity can be regarded as a main factor causing the problem. Apart from that, this concept also stresses the significance that guiding a potential client's attitude formation has. Future strategies need to focus on communicating what can be expected from WAHLE & WOLF in order to successfully lead through stages three and four.

All in all, improving communication strategies is considered as adequate method to overcome the problem factors rooting in the client decision making process. For this reason the research has to start right there.

2.5. Limitations on the Theoretical Framework

This section will outline other theories that have been considered to be integrated into the theoretical framework. Nevertheless, for keeping to a manageable scope of this research it has been decided not to go into these directions.

Another viewpoint could have been taken by embedding the problem situation into orientation systems of customer relationship management, amongst others for example the concept of image. By doing so, motives for entering business relationships could have been revealed. Also branding and value creation theories would have offered another good framework to begin with for researching the problem. Next to these points, also the marketplace and business strategies would have offered a good focus to start the study from. Last but not least, considering marketing concepts, especially comparing traditional with online marketing, is not unreasonable.

However, none of these points is seen as most suitable for creating a framework because they are not expected to serve as basis for creating a communication strategy. The theories just mentioned are not directly relevant for the purpose of this research study. Nevertheless, each of them can turn out to be a good starting point for follow-up research on this product.

2.6. Summary

From this discussion it is clear that the theories are applicable for formulating a problem solving strategy for WAHLE & WOLF. It proves that factors causing the problem are likely to lie within this framework, and it is therefore essential to investigate the different perspectives.

Public relations has become an integral part of many businesses. This offers advantages to WAHLE & WOLF because the target audience is likely to already feel a need for PR work. This means that this demand does not need to be created first by the company. The main disadvantage of the growth of public relations is that the number of competitors in the market is rising. Nevertheless, WAHLE & WOLF can still gain advantage from its services for niche groups.

As another focus of the theoretical foundations, the reader gained insights into views on client acquisition. It becomes clear that an effective acquisition strategy requires good strategic management. A key feature is to carefully identify and select the target audience to find the 'best' customer. Additionally, one should find and implement the most effective way of communication. Only when knowing what aspects are important to the customer at what time, the strategy can be adapted accordingly with the intention of maximising efficiency and success.

The concepts that have been related to each other to form this theoretical framework suggest the following hypothesis: By investing time and money in acquisition management and applying tactics, such as identifying and approaching the target audience and developing marketing communication, WAHLE & WOLF can expand on its client base. With this hypothesis it will be worked in the following, whereby the research process will help to confirm this assumption, or not.

The above presented concepts tie in with the purpose of this document and can later be applied to the research, outcomes and advices given. The knowledge gained from this framework will be used for applying it to the situation of WAHLE & WOLF. Having analysed the theoretical foundations of client acquisition and decision making, the reader now has a profound base for understanding the following methodology and research design.

CHAPTER 3: METHODOLOGY

3.1. Introduction

In the previous chapter a theoretical framework, which serves as foundation of the research and helps to analyse the problem situation, has been established. In this chapter the research design used will be discussed. It will give insight in the techniques selected in order to find information relevant for solving the problem situation and discuss limitations that exert influence on the research.

3.2. Preliminary Research

To start with this research study, preliminary research was conducted in order to identify and understand factors that cause the problem. The difference between preliminary and main research is that the former is conducted to find the context in which main research needs to be conducted. Doing so allowed taking information that is already available into consideration. This preliminary research can be divided into desk research, such as studying relevant theory and interviews with the problem owner. These will be touched on briefly in the following.

3.2.1. Interviews with Klaus-Peter Wolf

Two interviews were conducted with the managing director of WAHLE & WOLF, Klaus-Peter Wolf, in order to be introduced to and understand the problem situation and its implications for the agency. Based on this the scope of the issue revealed and influencing factors could be recognised. The most relevant of these factors is that WAHLE & WOLF is currently not managing client acquisition. Further, findings taken from these conversations give insight in the firm's culture and the way it does business, as was presented in the previous chapter.

3.2.2. Desk Research

Being introduced to the problem situation, desk research was conducted in order to gather further relevant information. For example the website of WAHLE & WOLF was studied

in order to get to know more about the PR firm and how it presents itself online to the public. Next to this, also factors that are expected to have impact on the problem, like the financial crisis, were reviewed. This leads to the sub-category literature.

By studying literature, putting main focus on specialised articles dealing with the topic of successful communication with potential clients and client acquisition in the service sector, a theoretical framework was designed. In order to ensure accuracy and reliability of the sources used, it was tried to stick to predominantly recent articles and books. Further, to check how reliable texts are, other sources were consulted and cross-checked for accordance. The theoretical concepts, taken from proven theories and models, can be translated into noticeable and assessable phenomena, also known as *operational definitions*.

3.3. Operational Definitions

In chapter 1, the main concepts identified in the problem situation were operationalized. Next, was to translate these theoretical concepts into observable and assessable phenomena, so that the research can be measured. Therefore, operational definitions were established which build the research plan. In this way it could be defined what is part of the concepts and what is not.

- **Characteristics of preferred target group:** This category is especially related to the first sub-question '*What type of potential clients is most relevant and interesting for WAHLE & WOLF in client acquisition?*' Questions in this category help determining what kind of organisations show the biggest likelihood to look for help in their internal communication work in the near future from a PR firm like WAHLE & WOLF. Investigated questions aimed to find out in what areas these organisations are active, what size they have, where points of contact with WAHLE & WOLF might lie etc. The aim of this sub-question is to identify key characteristics of the target audience for client acquisition communication, and how WAHLE & WOLF can advantage from these.
- **Behaviour in service provider search:** This category offers frameworks to answer the second sub-question '*What procedure do organisations and companies follow when looking for a PR agency?*' Focus is put on behaviour in

decision making processes. Amongst other aspects, it is tried to investigate the steps prospects go through, and what kind of communication contact potential clients need and expect at what time. Key metrics are information sources used to make decisions when looking for PR firms and awareness level concerning the agency WAHLE & WOLF.

- **Responsiveness to communication approaches and media usage:** This category represents the third sub-question, '*What communication platforms are most effective to use for communicating to potential clients?*' and also the fourth sub-question '*With which communication measures and messages can WAHLE & WOLF reach potential clients?*' Objective of these sub-questions is to gain insight in media usage of the target audience. It is intended to find out how potential clients can be approached, how contact would be appreciated, through which channels it should be communicated, etc.

Having recognised these concept categories, they needed to be covered and integrated in the research materials with the aim to make them analysable and measurable. This is one of the main undertakings that led through setting up and applying the methodology, as well as research design. Further information on this can be found in the following.

3.4. Main Research Design

This section introduces the main research design of the study at hand, describing the data collection methods and techniques used for analysing the gathered information. All choices made will further be justified.

Looking at the questions established for this research study, it was evident that a qualitative approach was required. For solving the problem situation one needs to observe processes in-depth by understanding behavioural patterns, characteristics, motivations for media usage, perceptions and experiences of the target audience (Merriam, 2009). By doing so the influence communication has on client acquisition can be explored and a strategy be designed accordingly. A qualitative approach fits the overall research design because it supports investigating and solving the research question. Research goal is to gain deep understanding rather than summarising key positions on an issue (Trochim, 2006).

Qualitative research is aimed at comprehending how people perceive their world and the experiences they have. This research type is characterised by an exploratory and open-ended nature (Merriam, 2009). Qualitative researchers attempt “to make sense of, or to interpret, phenomena in terms of the meanings people bring to them” (Denzin & Lincoln, 2005, p. 3). In other words, it involves any research that uses data that cannot be represented by numbers or displayed in graphs. For this research this approach is useful because it allows studying underlying arguments and motives for behaviour.

Even though quantitative research was not used as research method, it will briefly be explained. Quantitative research aims at explaining what is observed by categorising features, counting them and creating statistical models. It tries to determine relationships between variables, which are anything that can affect the outcome of a study, and a population (Lavrakas, 2008; Babbie, 2010). Even though this method is very applicable to generalise research results, it was not considered adequate for the study at hand. This is simply because this research study benefits more from profound findings. At this stage, when client acquisition has to be introduced, it is important to obtain and evaluate qualitative information that can be used to set up a strategy.

3.4.1. Data Collection Methods

The specific methods of data collection in this qualitative research were semi-structured interviews, qualitative surveys, SWOT analysis and desk research in form of analysing competitors’ communication strategies. The following matrix serves as illustration of the different approaches taken to answer each of the sub-questions that guide the research process.

| Sub-question | Source | Strategy |
|---|--|---|
| What type of potential clients is most relevant and interesting for WAHLE & WOLF in client acquisition? | Sample from target audience; problem owner | Semi-structured interview; surveys |
| What procedure do organisations and companies follow when looking for a PR agency? | Sample from target audience | Semi-structured interview; surveys |
| What communication platforms are most effective to use for communicating to potential clients? | Sample from target audience; communication done by competitors | Semi-structured interview; surveys; competitor analysis |
| With which communication measures and messages can WAHLE & WOLF reach potential clients? | Sample from target audience; competitor analysis results | Semi-structured interview; SWOT analysis |

Figure 3-1: Strategy-per-sub-question matrix

Each of the strategies used for conducting the research will be elaborated on in the following. To do so, each strategy will be looked at separately, the choice will be reasoned and the relation to the study demonstrated. Furthermore, the sampling procedure will be discussed.

3.4.1.1. Interviews

Semi-structured interviews were conducted with two representatives of companies and organisations in German speaking regions. These are the first authorised representative of IG Metall Krefeld, Ralf Claessen, and head of public relations and head officer of Verkehrsverbund Rhein-Ruhr, Sabine Tkatzik. Further, three interviews were conducted with Klaus-Peter Wolf, managing director of WAHLE & WOLF. This research method is qualified for observing connections and influences that the person examined can explain best. Furthermore, it is suitable for obtaining insight in perspectives (Davies, 2007). In

this study, qualitative interviews were used to investigate decision making of prospects, their media usage and to find potential communication messages for WAHLE & WOLF. Open-ended questions were formulated and no answer possibilities were given. The interviews are based on the understanding of the theoretical framework (Verhoeven, 2011). Beforehand, it was decided that the following themes had to be explored:

- The approach potential clients have when looking for a PR agency
- Media and communication channels relevant in this process
- Expectations of PR agencies
- Awareness of the PR agency WAHLE & WOLF

It was ascertained that these topics were covered in every interview because these are central to the sub-questions and also ensure a comparability of the answers. The list of the questions can be found in appendix 1. By allowing the interviewees the word, the answers to the underlying questions could be found. The researcher attempted to remain objective during the discussion to not influence the interviewee. Data was collected by taking notes and recording the conversation. The pivot of the available interviews is the content of the answers. That is why complete transcriptions were purposely refrained and only relevant parts of the interviews were transcribed or summarised (Davies, 2007, p. 190).

Prior to the interviews, all participants were briefed on how and for what their information will be used. By receiving a verbal or written informed consent, the rights of informants are protected and confidentiality is kept.

Sampling Procedure

The operational population of this study, meaning the domain investigated, consists of every organisation or company in German-speaking regions that values internal communication and is interested in being advised by a professional company to improve it (Verhoeven, 2011). Seeing the large size of the population and that there is no existing database, a non-probability sampling method was used. To extract a manageable size of interviewees, a sample part of the population was selected by researching which companies were certified as 'top employer' because of their outstanding human resources strategies. For this, the lists published by 'Top Employer Institute' and 'Great Place to Work' were picked. This is called purposive sampling. The decision to do so was taken to assure that some key prospects are included in the sample population (Verhoeven, 2001). Next to this, also a current client was included in order to find out how this client found

its way to WAHLE & WOLF. As expected, not all of these companies replied or agreed to be interviewed, but even from the rejections some valuable information could be taken and be integrated into the research. The list of approached companies that added value to the research can be found in appendix 2. Two interviews and further comments made in eight rejections contribute to the research study.

3.4.1.2. Qualitative Surveys

Another method to collect data was qualitative surveys. “The qualitative survey is the study of diversity (not distribution) in a population” (Jansen, 2010). It is used to explore meanings and experiences (Jansen, 2010). In the scope of this study, qualitative surveys were used analogue to interviews. Goals and motives match those of the semi-structured interviews discussed above. Surveys were added because it proved that organising a reasonable amount of interviews was not possible. Therefore, a list of open-ended guiding questions was sent to individuals of the target group. The disadvantage of this method compared to interviews is that no conversation between interviewer and interviewee takes place. This does not allow the researcher to do further probing or exploring the respondents perceptions in-depth. Nevertheless, whenever an interesting or unclear point was recognised, the researcher initiated personal contact to discuss on this point or receive further information. By adding qualitative surveys it was achieved to collect more relevant data to work with and to complement and compare findings from the interviews. The sample that participated in qualitative surveys consists of the PR manager of Hotel Vier Jahreszeiten Kempinski, the marketing and sales manager at R+V Betriebskrankenkasse, the junior marketing and PR manager at Welcome Hotels, and the central marketing communications manager at Omnicron Electronics.

Sampling Procedure

The sampling procedure for surveys was the same as for interviews. The survey was sent to the sample population, companies that are certified as being caring employers. Seeing that companies could decide themselves whether they want to participate in the survey or not, the sampling type is self-selection sampling. In this way four qualitative surveys, with valuable and enriching answers, were collected. According to the principle of saturation, the research was completed when answers showed to be repetitive and no new information was gathered.

3.4.1.3. Competitor Analysis

This type of analysis evaluates the competitors' strategies and determines their strengths and weaknesses relative to own services or products. It is a critical part of marketing plans and the results demonstrate what makes a company's service distinctive. Based on this, the attributes that should be emphasised with the purpose of attracting target audiences can be identified (George et al., 2013). This strategy is very suitable to this study because it assists to find out what competitors do right and what strong points in communication for customer acquisition are. Further, it adds yet another angle to the research as the clients' perspective can be combined with the perspective of the service provider to gain a sound overview on the client acquisition situation. The objective of this research method is to serve as source of inspiration for the advice given to WAHLE & WOLF.

Procedure

To carry out the competitor analysis on communication strategies, online behaviour was looked at and other openly accessible communication strategies and messages collected and analysed. It was decided to especially focus on online communication because as was found in the theoretical framework, online media is becoming more and more important for organisations to learn about service providers (cf. chapter 2.3.1.). Another reason is that for the researcher, being an outsider, it is very difficult to get inside information into direct communication endeavours. Nevertheless, four agencies were approached and asked for assistance. Short conversations, by phone and per mail, allowed getting an insight into the communication strategies implemented by each of the agencies. The findings were later compared and assessed according to each instrument's effect. The four companies analysed, Kaltwasser Kommunikation, Maisberger, Hill & Knowlton Strategies and Nussbaum, are strong PR companies offering internal communication advice and can therefore be considered competitors of WAHLE & WOLF.

3.4.1.4. SWOT Analysis

SWOT analysis is a useful technique for crafting a strategy that distinguishes from competitors. Using this framework one can identify internal and external forces that have impact on the business. SWOT is an acronym for strengths, weaknesses, opportunities

and threats. These are identified and weighed up with the intention to reveal opportunities that are well placed to capitalise on, and to eliminate threats (Houben et al., 1999). This SWOT analysis was created to recognise messages that WAHLE & WOLF should send out to the target audience, and further to find an advantageous strategic position that should be communicated. The strengths and weaknesses in organisational areas were investigated and in a second step the strengths and weaknesses of current communication instruments were compared to the ones of competitors. The SWOT analysis performed for this study was based on the interview outcomes and moreover also integrated the results of the competitive analysis.

3.4.2. Data Analysis Techniques

The data analysis technique for the interviews and qualitative surveys was based on Taylor-Powell and Renner's approach to analyse and interpret qualitative data. This approach suggests the following five steps (Taylor-Powell & Renner, 2003).

- **Step 1 – Getting to know data:** First, data had to be understood and for this reason it was examined closely. Impressions were written down in this stage and it was determined whether statements add meaning or value.
- **Step 2 – Focusing the analysis:** After reviewing the purpose of the evaluation, data was organised by question to recognise consistencies and deviations.
- **Step 3 – Categorising information:** At this step coherent categories were identified and labelled. Using abbreviated codes helped to mark ideas and categories. This step was relevant to sort responses to the questions. While some categories were pre-set already, others emerged while reviewing the results. To allow nuances and greater discrimination sub-categories were applied.
- **Step 4 – Identifying patterns and connections within and between categories:** Here, special attention was put on patterns and connections that could be identified, both within and between categories. Certain themes appearing very often were assigned relative importance. Further, cause-effect relations between frameworks were looked at more closely.
- **Step 5 – Bringing it all together:** At this stage meaning and significance was attached to data. In the next chapter findings and conclusions that can be drawn from the study will be presented.

For the competitive analysis a similar approach was used. Data was taken from observing communication messages and strategies by competitors. It was focused on what strategies seem to be applied most often, which platforms are commonly used and what is communicated on these. As is also true for the interviews and surveys analysed, a constant comparative method served to increase the reliability of results. This allows checking whether findings are correct with the new ones and also to determine if more information was needed.

Identifying strengths, weaknesses, opportunities and threats for WAHLE & WOLF is another analysis. It resulted from outcomes of the interviews and competitive analysis. Additionally, other information such as more general information about the PR agencies was integrated. The SWOT analysis is presented in a matrix from which conclusions can be drawn. Special attention was put on communication approaches. In general, one can say that the theoretical framework established in chapter two was used to help analyse the findings from the interviews, SWOT and competitive analyses.

3.5. Research Quality and its Limitations

Criteria that the quality of a research is assessed on are its reliability and validity. Reliability is the extent to which a study can be repeated (Verhoeven, 2011). Weakness in the consistency of the study at hand is that only the situation of WAHLE & WOLF was looked at. Further, only few organisations were investigated. Redoing the research at another time or with other participants is likely to lead to different results. The sample group's perception and behaviours are dynamic, might change over time and the research is based on results from May 2014 only. Nevertheless, it has to be pointed out that objective of this research study is to gain in-depth knowledge inside the target audience and potential communication strategies. It is aimed to find out how organisations arrive at their choice, what it is based on and to what extend various aspects influence their selection. For researching this looking at a specific people only is suitable (Verhoeven, 2011). By dealing with key individuals of potential clients, a good idea about important factors can be acquired. To ensure a certain level of reliability, the methods and steps taken within the research process were recorded and raw material was kept for re-analyses. Furthermore, the analysis process was gone through several times and additional information was added if required. By carefully choosing the analysing

method, taking notes during analysis, and evaluating results as systematically as possible, reliability was reinforced in this study (Verhoeven, 2011). In addition, where possible a methodological triangulation approach was applied; more than one method was used to gather data (Verhoeven, 2011).

Validity evaluates if measurement instruments used and the research population investigated are free of systematic errors. It needs to be pointed out once again that generalizability is not the study's main objective. This criterion was traded for detailed information. Nonetheless, theoretical generalizability was aimed for, which allows applying conclusions to very similar situations. For WAHLE & WOLF it is interesting to find out how to best carry out changes in the communication with potential clients. During the research process special attention was paid to so-called 'construct validity' which asks to what extent one measures what is intended to be measured (Verhoeven, 2011). To do so, it was made sure to keep focus of interviews on the topics to be investigated, among others by working with guiding topics. Internal validity was protected by drawing unbiased conclusions. Links between findings and the research questions were established based on theories.

Naturally, problems were faced that affect data collection. Access to data was limited because information needs to come from decision makers in organisations. Therefore, quantitative research would have been troublesome to conduct. Also approaching companies for interviews turned out to be very complicated. Many refusals were received, mostly because the companies were not willing to give a student insight in such private matters. This shows the impact that limited availability of resources, also in terms of limited time, exerted on the research process. Overall, the results outlined in this research report cannot be generalised because the sample group is not big enough to appropriately stand for the entire population. The outcomes gathered only serve to gain some in-depth knowledge, and therefore assumptions drawn cannot be considered as general rules. Furthermore, due to time restrictions, the research could not be conducted broader, e.g. focus on other aspects involved in client acquisition, and therefore results could not be made more effective.

CHAPTER 4: FINDINGS AND CONCLUSIONS

4.1. Introduction

After the problem was identified, put into theoretical context and a suitable research design was established in the previous sections, this chapter deals with presenting and analysing the research results. First, the results of the interviews and surveys are presented, followed by the analysis on competitors' communication strategies and the SWOT analysis. Finally, conclusions will be drawn by applying theory to ensure objectivity.

4.2. Interview and Survey Results

This section presents the findings from the semi-structured interviews and qualitative surveys that were conducted with six companies in total. Every participant declares that good working conditions are endorsed within their organisation and can therefore be regarded as key individuals of the target group. The research results will be presented by stating the findings that have been made per interview question. In addition, the interview questions will be related back to the fitting sub-questions and, when appropriate, backed up with theory. The complete detailed analysis can be found in appendix 8.

4.2.1. Sub-Question 1

'What type of potential clients is most relevant and interesting for WAHLE & WOLF in client acquisition?'

Interview question: How many employees work in your company?

Participants in this qualitative research varied between micro-sized entities, medium-sized enterprises, large businesses and enterprises. Most participants are large businesses, having more than 250 employees.

Interview question: What value does internal communication have in your company?

Internal communication is highly regarded within the studied organisations. There is no difference to be found in the way that smaller and bigger companies value internal communication. High potential for WAHLE & WOLF lies in this finding because there is no need to create awareness of the category first; organisations already appreciate internal communication. The findings agree on the theoretical framework which pointed out that nowadays public relations is considered an important part in business undertakings.

Interview question: Does your company have its own PR or internal communication department?

Medium-sized and larger companies have internal teams responsible for communication. These are mainly dealing with external communication, but less often with internal communication. Locations of bigger organisations tend to be controlled by headquarters which regulate all communication activities (cf. appendix 6).

Interview question: How often do you consider working together with an external agency and for what kind of projects?

Employing an external agency is most of the time considered when organisations cannot perform communication projects alone and need expert advice and support. Here, the frequency of how often this is the case varies. The results can be led back to the decision making process. First step in this model is to recognise that the current condition is differing from the desired state (cf. chapter 2.4.1.). For this reason companies only begin to look for external support when they realise their need. Still, some companies have internal communication employees in their team and never work with agencies or only consider working with freelancers (cf. appendix 6). Further, it was found that especially bigger projects tend to be given into the hands of professionals. This can be applied to the theoretical perspective on the decision making process in the service context. There, it was pointed out that the more complex a problem situation is the more effort is put in solving it (cf. chapter 2.4.) This theory is reflected in the answers that were given.

4.2.2. Sub-Question 2

'What procedure do organisations and companies follow when looking for a PR agency?'

Interview question: How do you find a PR agency and where would you look for one?

The surveyed sample relies a lot on recommendations when searching for an agency. Tips can come from within the company or the general network. These findings confirm that recommendations are very powerful in convincing. Besides, one can also be inspired by successful previous campaigns or get to know agencies on fairs and similar industry-related events. Next to this it was found that also the internet is often used. Results concerning this communication channel will further be discussed in chapter 4.2.3. Another interesting finding is that institutions in the public sector cannot simply choose service providers, but they need to place public tenders.

Considering the results from this question it becomes obvious that when looking to solve complex, risky and irreversible problems, it is heavily relied on personal contact. The theoretical perspective on decision making already implied this and the research showed that this is also applicable to solving (internal) communication difficulties (cf. chapter 2.4.). Just as anticipated in stage two of the decision making process, information and supplier search, time is invested on the search and therefore an agency's appearance and reputation is of high importance (cf. chapter 2.4.1.).

Interview question: Who is taking this decision? Is it a group decision or taken by an individual? What job position does the decision taker fulfil?

Who takes the final decision depends on the project size and importance. Usually, heads of the departments in which the service is needed are included. Sometimes executives might take part as well. Here again it shows that the more risky and complex the problem is, the more effort is put in the decision making process and the more people are likely to be involved (cf. chapter 2.4.1.). This however indicates the importance of contacting the right person and necessity to include decision takers in communication approaches.

Interview question: Have you ever heard about the PR agency WAHLE & WOLF? If yes, where have you heard about them and how do you think about the agency?

Except for the participant who already worked with WAHLE & WOLF, no one is aware of the agency. This can be reasoned with the fact that the PR agency has not been involved with client acquisition hitherto and as a result has not been dedicated to promote the agency. According to the ACTMAN model and the customer acquisition marketing approach, generating awareness is one of the key tactics necessary to manage client procurement (cf. chapter 2.3.1. and 2.3.3.). So far, WAHLE & WOLF very much relied on being referred to in recommendations and this has the result that the agency is not known outside its current working sector.

4.2.3. Sub-Question 3

‘What communication platforms are most effective to use for communicating to potential clients?’

Interview question: Which role does the internet play for you in choosing an agency?

The internet shows to be especially important when starting the search for an agency. Here, first impressions can be made and it can be judged whether a match is expected or not. The internet is used to find agencies that offer the services needed. Next to this, also portfolios can be taken a look at in order to see if previous advices given are appealing. Especially in big and important projects the internet does not fulfil the ultimate decisive role, but nevertheless it is used to get inspired and form a first opinion. As was discussed in chapter two, the internet plays an increasingly important role in people’s life, not only because it simplifies certain processes, but also because it is a quick tool to learn what experiences others have already made with the service. Therefore it can be concluded that the internet is a good medium to generate awareness of an agency, to teach about the agency’s benefits and to begin the persuasion phase (cf. with the client acquisition marketing approach in chapter 2.3.1.).

Interview question: What would you think and how would you react if a PR agency contacts you proactively? And through which medium would you prefer to be contacted?

Usually, cold calls are less popular among the interviewees. Therefore contact initiated by mail or letter is preferred. To stand out it seems to be effective to initiate personal contact and to have innovative and attractive project proposals based on good knowledge of the company. Here, again, it shows that direct communication tools are more effective and can be adapted to the respective case (cf. chapter 2.3.3.). This is especially important in the service sector to make sure that an agency stands out when it presents itself to a prospect. Generating awareness needs to be convincing and appealing, so that potential clients are willing to keep in touch. As the proactive approach is likely to be the first point of contact and the moment that a first impression will be made, it has to be designed appropriately. Due to this question, one now has insight in what organisations expect from agencies that approach them: professional, personal and innovative communication.

4.2.4. Sub-Question 4

‘With which communication measures and messages can WAHLE & WOLF reach potential clients?’

Interview question: What features and competencies does a company need to convey so that you would include it in your shortlist?

This research study found that there are several features that help an agency to stand out. While in the end it is a convincing suggestion that counts, also other proficiencies show to have bearing on the attitude prospects take on the soliciting agency. Hereby, professionalism takes a dominant position. Several features have been identified that demonstrate professionalism: interesting portfolio, decent references, good reputation and appealing appearance. Further, also storytelling and sympathy have been named. This supports the importance of the second phase in the acquisition marketing approach (cf. chapter 2.3.1.). Learning about an agency and what it has to offer is important in the acquisition process. It further demonstrates that clear positioning is significant and influential as well. Last but not least, it can be concluded that attention is paid to reputation and previous projects because problem solving is delicate in the service sector (cf. chapter 2.4.).

4.3. Results on Communication Strategies of Competitors

When initiating client acquisition one can learn from competitors and the way they approach prospects. For this reason the communication strategies of four competing agencies, Kaltwasser Kommunikation, Maisberger, Hill+Knowlton Strategies and Nussbaum, were examined. The detailed analysis on these PR agencies can be found in appendix 7 and 8. When investigating the communication strategies that are commonly applied as part of client acquisition one makes several key findings, which are relevant for answering sub-question 3 *‘What communication platforms are most effective to use for communicating to potential clients?’* and sub-question 4 *‘With which communication measures and messages can WAHLE & WOLF reach potential clients?’*

First of all, research found that client acquisition is a continuous strategically organised activity within competitors. Therefore, relevant resources are allocated to its management. Key is to clearly define the target audience and observe it. By studying individuals and keeping track of happenings in the relevant business, one creates basis for recognising interesting projects or touch points. When initiating contact with prospects, it is usually designed in a very personal way. Instead of sending out messages to masses, agencies try to attract selected companies with specific project ideas.

Part of managing potential clients is to constantly keep in touch with them. This is not only done by direct sales pitches, but rather by offering interesting information that is mainly about other topics than settling a deal. The agencies studied do this by organising events, such as presentations, and inviting prospects to these. Furthermore, also events, such as fairs and presentations, are attended. By this they aim to create a bond between the potential client and the agency which is hoped to lead to preference in the future.

Besides, maintaining and improving networks plays a crucial role in client acquisition. It is no news anymore that nowadays networking is very important for business contacts. Therefore PR agencies get active on different levels, such as social engagements or joining associations.

Furthermore, part of client acquisition occurs online. Websites offer more than simply facts about the agency and its competences. Websites advanced to a platform on which interesting information around communication and improving businesses is shared. In addition, social media is integrated in online communication to create closer connections

with clients and prospects. Having recognised the importance of online tools, agencies are also involved in search engine optimisation to raise the chance to be found by companies.

Then, it is clearly communicated what an agency offers, which industries it is familiar with and what kind of tasks the agency can excellently perform. Accordingly, portfolios are presented to give prospects an impression of the projects that PR firms have worked on already. One way helping to position is niching. This is usually done by addressing certain kinds of businesses and industries or specified services an agency feels competent with.

All in all, it was found that frequently used communication strategies are mainly applying direct instruments to approach prospects in a personalised way. It is more about creating a relationship than immediately selling a service. Networking is also an integral part of client acquisition strategies as it maximises the chance of being recommended and getting in touch with more companies. Additionally, a carefully managed online appearance ensures that there are several ways to connect to an agency. Using such a communication approach leaves a special impression among the audience. It is perceived that the agency is not only interested in settling a deal, but that it is really there for its clients. Agencies are given a personality by being presented in different ways: the service provider, the good-doer, the educator, the socialiser etc.

4.3.1. Applying Theory to Competitor Analysis Findings

In chapter 2 theories on communicating within the scope of client acquisition were presented. In the following, these theories will be applied to the research results from analysing competitor's communication strategies. In this way one can interpret results and apply research based on relevant knowledge and theoretical viewpoints.

First of all, findings show that client acquisition is relevant and should be integrated in business activities. All of the companies researched regard acquisition management as one of their most essential business activities and consider strategic communication with prospects as an important factor in expanding their client base. Hereby, it is very important to carefully select one's target audience to be able to address this group in the most effective way. As is proposed in the ACTMAN model, first-degree targeting is recommended as it allows the clearest view on prospects. All four, Kaltwasser Kommunikation, Maisberger, Hill+Knowlton Strategies and Nussbaum, focus their client

acquisition on selected organisations. It appears that identifying attractive and valuable prospects benefits the creation of a communication strategy. As was presented earlier, direct communication is considered to be more effective than indirect communication and is suggested to be used when the target audience is known well (cf. chapter 2.3.3.). This theory is also supported by the research findings, as competitors hold direct and personal contact with clients in high regard.

Another theoretical perspective that can be applied to the results is that client acquisition does not stop at the point of first purchase, but also includes managing the relationship afterwards (cf. chapter 2.3.). The competitors studied manage communication after the service has been offered. Networks are built and taken care of, so that there is room for a continuous bond between agency and client. In this way the chance is increased that satisfied clients will recommend the agency to other companies and organisations. Here, the PR firms notice that creating long-term value and references often show to be among the strongest features in client acquisition; a point that has already been discussed in the theoretical framework. Another way to create long-term value is keeping one's online appearance attractive and interesting.

Furthermore, the theory of generating awareness and distinctive positioning can be applied to the study (cf. chapter 2.3.3.). PR agencies have to make themselves known in order to acquire new clients. As a way to convince potential clients of their service, competitive positioning and clearly communicating significant benefits that are offered help to arouse prospects interest and lay good foundation for a prosperous relationship. In this manner the internal psychological process 'perception', dominant in the second stage of decision making, can be satisfied. The competitors that were studied all seem to integrate the client acquisition marketing approach which assumes three phases in the process: awareness, learning, persuading (cf. chapter 2.3.1). Communication strategies are managed to cover all three of these.

All in all, one finds that client acquisition communication of PR agencies is frequently created in a very personal and direct way. By initiating contact, as well as regularly and strategically communicating to prospects, the possibility is increased to acquire new clients. All communication efforts appear to be leading a prospect through the purchase decision model (cf. chapter 2.4.1.). By carefully studying the selected target audience it is possible to address potential needs and trigger problem recognition. Besides, agencies appear to have a privileged position when they are already familiar to the problem owner. Previous positive experiences create brand preference and can lead to brand loyalty.

4.4. SWOT Analysis

The findings of the SWOT (strengths, weaknesses, opportunities and threats) analysis are illustrated in a condensed way. The results are based on previous research findings and aimed to point out communication strategies that WAHLE & WOLF can apply to distinguish from competitors and to convey a strong and coherent appearance. As the study at hand is directed at establishing communication concepts, the author decided to list specific aspects of communication separately from others to better demonstrate their possibilities for action. In that way it is easier to recognise messages that communication activities should be focusing on.

| | | |
|--|--|---|
| I N T E R N A L | Strengths | Weaknesses |
| | <ul style="list-style-type: none"> • Loyal clients • Strong motivation of employees • Years of experience • Integral and creative working method | <ul style="list-style-type: none"> • Currently very busy and not much time available • Predominately active in metal, electro and steel industry. Only few clients from other industries |
| | Communication | Communication |
| | <ul style="list-style-type: none"> • Competence • Will to introduce client acquisition is present • Professionalism • Satisfied clients | <ul style="list-style-type: none"> • Few personal resources • No current client acquisition communication strategy existing • Currently weak communication • No evaluation of current communication |
| E X T E R N A L | Opportunities | Threats |
| | <ul style="list-style-type: none"> • Importance of internal communication recognised and promoted • Prospects are positive and open towards innovative approaches | <ul style="list-style-type: none"> • Many and well-established competitors • WAHLE & WOLF is little known in other industries • Networks need to be set up from scratch |
| | Communication | Communication |
| | <ul style="list-style-type: none"> • Personal contact • Trend of managing communication | <ul style="list-style-type: none"> • Strong and established communication strategies by competitors |

4.5. Conclusion

In the following the conclusions drawn from the research will be applied in order to answer the four sub-questions and the research question that are the backbone of this research study.

4.5.1. Answer to Sub-Question 1

What type of potential clients is most relevant and interesting for WAHLE & WOLF in client acquisition?

From research itself it cannot be defined what features make the perfect potential client type. In the end, it is WAHLE & WOLF that has to decide on this. Nevertheless, findings help to approach a definition. Based on experiences and outcomes so far one discovers that taking the agency's philosophy into consideration is essential. Therefore, it is proposed to select those companies that show to be interested in good working conditions for their employees and appreciate open and honest communication. To find these databases, rankings that point out good workplaces can be very helpful. Examples are 'Deutschlands 100' by the research institute trendence, 'Top Employees' by the Top Employers Institute and 'Great Place to Work' published by a global research, consulting and training firm of the same name.

From the research findings it can be concluded that targeted companies should not be too small. The effort put in approaching these might not be worth it. Just the same is true for very big potential companies. These might be too difficult, costly and time consuming to acquire, especially seeing that WAHLE & WOLF is working at full capacity at the moment. Medium-sized businesses appear ideal and it seems reasonable to presume that the steel, metal and electro industry are suitable, just because the PR agency is already well experienced here. Therefore the own area of expertise should not be left aside when defining the target audience.

4.5.2. Answer to Sub-Question 2

What procedure do organisations and companies follow when looking for a PR agency?

This research study shows that word-of-mouth, networks and the internet have a dominant role in the early stages of the decision making process. As soon as a problem is recognised, companies start their search for a service provider, which is very often initiated by recommendations. The experiences of others are allocated high importance as they are a good indication for the quality of an agency. Companies might also try to find a PR agency within their network because it can be expected that certain values and principles are shared. At times, companies keep a file of interesting agencies that have initiated contact. Besides, organisations in the public sectors find PR agencies by placing public tenders.

The internet plays a supportive role, particularly in supplier search. It is used for finding agencies that offer the needed service and furthermore also helps to gain a first impression on the agency's culture and work. Besides, the bigger a project gets, the less the internet is involved in the decision itself, as personal impressions become more important.

Interesting companies are then contacted by phone or mail and it is assessed whether the PR agency can meet the client's expectations. Decisive criteria can be appearance, the suggested solution, references, sympathy etc. In the end, decision takers usually involve the head of the respective department in which the services are needed.

4.5.3. Answer to Sub-Question 3

What communication platforms are most effective to use for communicating to potential clients?

During this research it turned out that direct communication shows to be the most effective communication tool to use in client acquisition. Phone calls, (e-)mails and personal meetings are very much appreciated. Here, the first two are especially useful when initiating first contact. Apart from this, especially approaching potential clients at special events is considered to be effective. This also underlines the role that networking has in this sector. Furthermore, impersonal communication platforms should be avoided, just as communicating to masses instead of individuals.

Besides these, also online platforms are relevant, the most popular being websites, blogs and social media. Websites are frequently consulted to get a first impression of an agency, while blogs and social media stimulate building relationship. As a result, these tools are important in the decision making process and promoting brand loyalty.

4.5.4. Answer to Sub-Question 4

With which communication measures and messages can WAHLE & WOLF reach potential clients?

As was pointed out earlier already, communication has to be direct, personal and convincing. To satisfy the last criteria, it is necessary that WAHLE & WOLF clearly communicates its competitive positioning and demonstrates distinctive features. Characteristics that can be focused on in communication are the highly motivated team, the long years of experience, satisfied clients and the integral as well as creative working method. Messages sent need to be targeted well and be persuasive in order to endure competitors. An innovative and extraordinary appearance can be decisive in the end. Measures to be carried out are to integrate networking and the internet more into business activities. To reach potential clients it is inevitable to enhance current communication strategies and offer more contact points. More on this can be found in the following chapter which presents the advice given to WAHLE & WOLF.

4.5.5. Answering the Research Question

Which communication strategy is suitable for WAHLE & WOLF to successfully communicate to prospects and turn these into clients?

The communication strategy is deriving from the research findings and aims at combining possibilities and chances to cover communication deficits. It was found that WAHLE & WOLF is required to adjust their communication strategies if it is intended to successfully acquire new clients. It is important to have an awareness creating strategy which takes a particular direction. In this way the tight resources can be used most efficiently. An obvious guiding strategy therefore is: positioning and connecting.

Positioning

As WAHLE & WOLF is ready for entering new markets, their positioning has to be adapted. In this way the agency can be given a clear and attractive character by which it will be perceived and admit to in the future. Additionally, this positioning has to be communicated strongly and integrated in all communication activities.

Connecting

Dialogue with potential clients has to be set up and deepened to create positive brand experience and image. Further, creating networks that unite current and potential clients raise the probability of being recommended to further potential clients. Connecting should be seen as the backbone of all acquisition undertakings.

This strategy allows the integration of all criteria of successful client acquisition marketing, which are awareness, learning and persuasion. 'Positioning' is oriented to create awareness of WAHLE & WOLF and to inform about the agency's distinctive and significant benefits. 'Connecting' requires a dialogue-oriented communication in which the individual client is the pivot. Intention here is to convince the prospect of the service. This chosen short form of a strategy prevents misunderstandings, without excluding future adaptations or extensions. The approach of 'positioning and connecting' is easy to remember and can be used as slogan for upcoming communication. The respective aspects briefly summarise what should be considered in the concept, but also in the overall communication of WAHLE & WOLF.

4.6. Brief Discussion

Next to the findings listed above, also the hypothesis made in the beginning of this research study can be confirmed. It can be expected that using time, money and staff resources for managing client acquisition will help to expand the client base. An integral part of this is to apply the tactics and models that have been identified in the theoretical framework.

Evaluating the overall study up to this point it comes to attention that several questions of the research design are less relevant than expected. Some of these could have been left

out as they do not add essential data. Nevertheless, they add up to a good understanding of the situation. Even though it is rather limited in its generalizability, the study can be called a success. Main indicator for this is that all guiding research questions can be answered after research was conducted. Therefore it is possible to give a sound advice in the next chapter.

CHAPTER 5: ADVICE

5.1. Introduction

Based on the answers given to the sub-questions and research question, this chapter will present the advice given to WAHLE & WOLF. Recommendation will be given by answering the advisory question: *'How can WAHLE & WOLF, a German public relations agency, successfully market itself to expand its client base in Germany?'* Naturally, all findings and conclusions are applied. The guiding strategy is 'positioning and connecting'. This strategy allows integrating all major criteria of a successful communication with prospects into the communication of WAHLE & WOLF.

5.2. Defining a Target Audience

First of all, WAHLE & WOLF has to define its target group. Seeing that the agency does not have many spare resources (time, staff) to spend on client acquisition management, it appears to be a good idea to select a constraint group of business prospects. The target group to be addressed must be economy, namely those companies that fit WAHLE & WOLF's philosophy of honest and open communication between employer and employees. It suggests itself to stay within the steel, electro and metal industry as this is where the PR agency is primarily active at the moment. Nevertheless, the wish was expressed to also enter other industries which need to be defined.

As part of first-degree targeting a business prospect list, which includes all names of the target market, has to be drawn up. Focussing on middle-sized companies and not on big enterprises or really small companies is advised. Potential companies can be found by going through rankings that assess the standard of working conditions. As was mentioned before, 'Deutschlands 100', 'Top Employees' and 'Great Place to Work' might be a good starting point for creating a database. The list must be kept up to date frequently and can be subdivided into 'top prospects' and 'others'. The top list consists of companies that WAHLE & WOLF would be delighted to work with and those companies, which signify a need for communication services. Here, regular personal contact has to be established. If after some time it is realised that a potential client is not likely to be converted, then he should be put to the 'others' list and replaced by a previous 'others' candidate.

5.3. Defining a Strategic Position

WAHLE & WOLF's current slogan is 'agency for social communication'. This fits its current activities, but might unnecessarily impose restrictions when the goal is to acquire new clients and by doing so, to strengthen the operating position. Consequently, it is vital to enter new grounds. For that reason, and to attract prospects, it has to be evident that the PR agency is active in other areas as well, and that improving internal communication is among its key services.

A unique strategic position, which defines the PR agency succinctly and convincingly, has to be adapted and strengthened. Lightfoot defines the four key cornerstone concepts of strategic marketing framework as brand, value propositions, continuous improvement and service innovation (Lightfoot, 2008). This framework allows integrating information and focussing on the principal drivers that will support developing a business mode which is sustainable and profitable. It has to be more apparent that WAHLE & WOLF is an expert in creating effective communication in the world of work and gives professional strategic advice on internal communication; with their creativity and professionalism they satisfy their client's needs. Their positioning needs to be adapted in a way that not only labour unions feel involved, but also other businesses. A proposal would be to position as 'agency that uses creative and integrated working methods to create successful communication at the workplace that aims to maximise productivity and work satisfaction'.

Most important is to communicate this statement coherently and persuasively on all channels because only in this way the strategic position is convincing and can be established. It has to be made sure that not different messages about WAHLE & WOLF will be sent as this might confuse prospects and have a weakening effect on the agency. All communication should arise from the positioning statement so that no ambiguity can occur. It has to be obvious to clients what services WAHLE & WOLF offers and in what way the PR firm can be distinguished from competitors. If it is really intended to expand the client base into new industries, then this has to be reflected in the positioning as well.

Last but not least it might be helpful to define a mission and vision statement to strengthen the PR firm's identity. The vision statement describes the organisation of the future and the way it wishes to see itself in the community. The action-oriented mission statement provides a mechanism for achieving the vision (Nagy et al., n.d.).

5.4. Communication Content

Coherent communication is efficient and especially indispensable if resources are restricted. Different means of communication ought to send the same core messages, reaching prospects, as well as clients. Resulting from the strategic position that guides marketing communication approaches one can identify the following core messages to be sent:

- WAHLE & WOLF offers successful, innovative and professional communication concepts that convince.
- Together with WAHLE & WOLF you can motivate employees, ensure quality and productivity.
- WAHLE & WOLF develops original concepts and media in dialogue with you and the target audiences. This integral and creative working method is promising.

These key contents were recognised and are expected to be beneficial and strong when communicated. Communication contents carry a simple and comprehensible message that can be brought into the communication activities of WAHLE & WOLF. They integrate current messages with new ideas. The first message is important to be sent as it describes the key service that WAHLE & WOLF offers. It has to be obvious to prospects what they can expect from the PR firm. Therefore, the content of the statement above should be integrated in first communication approaches when the agency still needs to introduce itself or is only little known. The second message is more detailed compared to the previous one and should be mainly sent to potential commercial companies. Focusing on the concepts of employee motivation, quality and productivity is expected to attract this group of prospects. When using this promotion approach, WAHLE & WOLF should put focus on the advantages that improving internal communication bring, but also make sure to link back to the agency and its unique contribution possibilities. The last message is advised to be sent because it gives insight in the working method of the agency and therefore allows prospects to see what WAHLE & WOLF is like. A useful tool to support this communication content is to give more insight in previous projects and informing in how far this method has already proven to be successful. Besides, the benefits which clients can expect need to be stressed.

To directly appeal to the target groups, the messages are formulated personally. By involving prospects in the messages, for instance by using 'you' instead of 'clients', one can already create a closer bond between the agency and the client. In this way it can be

shown that WAHLE & WOLF sees prospects as individuals and not only one of many potential clients. This approach is anticipated to be more convincing than formulating core messages in a more indirect way.

5.5. Catalogue of Measures

The measures at hand are selected to improve WAHLE & WOLF's communication with potential clients. The catalogue of measures includes recommendations for adaptations of existing communication tools and bringing these together with new communication ideas. Together, these measures are meant to contribute to position the agency, create awareness and connect to prospects. The measures presented in the figure below will be discussed in more detail subsequently.

| | |
|-------------------|---|
| Measure 1) | Website |
| Function | Updating the website: <ul style="list-style-type: none"> • Integrating a blog on which e.g. articles about prospects industry are posted • Elaborating sections to provide more detailed information on competences, this includes stating which services are exactly offered |
| Measure 2) | Search engine optimisation (SEO) |
| Function | Invest in search engine marketing to increase prominence in search engine results |
| Measure 3) | Professional media |
| Function | Get active on professional social media to interact with potential clients. Here it is advised to use Xing. |
| Measure 4) | Networks |
| Function | Join networks to reach new clients and generate awareness. Seminars, associations, organisations, etc. assist to get to know new people. Connections lead to more connections and that leads to new business. |
| Measure 5) | Events |
| Function | Organise themed events to which clients and prospects are invited in order to establish relationship and stay interesting to prospects. |

Figure 5-1: Catalogue of measures

5.5.1. Website

Research results show that online appearances are highly important. Seeing that WAHLE & WOLF has not updated their website in the last couple of years, it becomes obvious that it is recommended to do so. An appealing, interesting and involving online appearance can influence the way a company is seen and judged by its target audiences.

Introducing a Blog

First of all, it is advised to integrate a blog into the website. The reason for this is that regular blog posts can routinely attract users to visit the website. The topics should be relevant and varied. Articles do not need to be own work all the time, it is also possible to share interesting texts from other authors that are posted with a brief comment. Examples for topics are the following:

- Statements to relevant PR topics, such as relevance of press releases these days, the importance of ‘free publicity’, successful PR campaigns
- Internal communication, such as evaluating different communication tools, explaining success stories or discussing e-mail versus social collaboration
- Topics that are interesting to clients, such as latest trends in their industries
- Discussing other topics, such as the media scene, corporate social responsibility or industrial laws

Even though WAHLE & WOLF is fairly busy, blog posts should be written on a regular base. Firstly, because the more articles there are, the more information is put into Google and other search engines. In this way the possibility to rank for keywords is rising. Secondly, this also leads to traffic. More articles ensure that more feed readers visit the blog and that they will not forget about it. Thirdly, a high writing frequency appears much more professional than only posting every once in a while. Lastly, certainty is especially important to regular readers (Wandiger, 2012). Keeping in mind that available time is restricted, it is suggested to post at least once every two weeks. Articles can be written by Klaus-Peter Wolf or Ingeborg Wahle, but of course also by other editors working for the agency.

Elaborating sections

Next to introducing a new blog on the website, it is also recommended to update already existing pages. It is important that WAHLE & WOLF clearly states its services. At the moment it is mentioned in what areas the agency is active and where its expertise lies, but concrete examples seem to be missing. That is why it is counselled to elaborate on information provided.

To begin with, it is advised to restructure the 'Our Competence' page. Currently, this page features the core competence of WAHLE & WOLF and summarises the working method the agency uses. Here, it is advised to give more details so that the reader feels like knowing what exactly is being offered and what to expect from the agency. Information has to be more precise as well as illustrative and less general. To make sure that users can easily learn about the competences that the agency offers, it is suggested to list them, for instance like in the following:

- Internal communication
- External communication
- Change communication
- Journalistic texts
- Print and online magazines
- Political graphics
- Security, work and motivation workshops
- Occupational consultancy
- Etc.

In addition, it is advised to elaborate the page 'References'. Instead of simply listing a selection of previous clients, it would be more effective to add a brief project description as well. Only being informed on the companies that WAHLE & WOLF worked with in the past does not add any value to the prospect. An option would be to show this information next to the list of clients when clicking on one of the names. The text does not need to be long and extremely detailed, but it should concisely summarise the commission and advice given. The aim of this complement is to provide a better insight for the user. This allows prospects to receive richer information on WAHLE & WOLF and to get an impression on its work. Adding project descriptions helps judging whether services provided by the agency fit own needs.

Evaluating

Last but not least, it is advised to evaluate the online appearance. Website visitor tracking should be introduced as to analyse the behaviour of visitors on a website. Doing so helps to find out what information is most relevant for users and which pages are especially popular. As soon as the blog is established, it is suggested to find out how much time people spend reading it and if visitors are returning. Continuous evaluation is necessary because it allows assessing whether efforts put into this communication tool turn out to be rewarding or not.

Additionally, it is important to update the website on a regular base to make sure that latest information can be found on there.

5.5.2. Search Engine Optimisation

The importance of online appearances was shown in this research, as well as the fact that the internet is frequently consulted in the search for a service provider. This demonstrates the significance of search engine optimisation (SEO). There are several methods that can be used by WAHLE & WOLF in order to optimise their website.

The written content of a website is important and texts need to add value to users. Technical terms and neologisms of the company, which no one searches for, should be replaced by more user-relevant terms. For WAHLE & WOLF the following set of keywords is anticipated to be of high value if they want to be found by prospects. Seen from the SEO point of view, keywords need to be integrated into continuous text and not only be built in as some sort of listing. As the communication advice is given for the German market, the German words will be listed, followed by the English equivalent.

- PR Agentur (PR agency)
- Interne Kommunikation (Internal communication)
- Mitarbeiterkommunikation (Employee communication)
- Beratung (Advice)

Besides, also using titles for every single webpage is constructive in SEO. These titles are stored in the so-called meta-tags. These are what search engines consult for the ranking. Furthermore, meta-tags should involve descriptions of the webpages because this is what will be shown in the search results. Convincing descriptions help the user in his search

result selection (Zunke, 2013). It appears that the current meta-tags just reproduce the text on the webpage and this ought to be changed in order to rank higher in search engines.

5.5.3. Professional Media

It is advised to integrate professional social media into WAHLE & WOLF's communication strategy. In this way the PR firm could interact with potential clients, find new connections and generate awareness about the agency and its services. Once again limited resources in staff and time affect the scope of professional media to implement. For this reason it is advised to first only join one, namely Xing. It has been decided for this social network because it is the biggest professional network in German-speaking areas ('Xing', n.d.). Therefore it is expected to reach the right kind of people.

On Xing, WAHLE & WOLF would have the opportunity to get in touch with potential clients and cooperation partners. It can also be participated in discussions and groups. Furthermore, the agency can present itself, as well as offer and find events. For exactly these purposes a professional medium should be introduced as it would help the PR firm to generate awareness and build a network. Last but not least, WAHLE & WOLF should provide links to their website with the intention of increasing traffic and promoting their blog. If it shows that Xing requires less time than expected one can think of involving other platforms as well, such as Facebook or Google+.

5.5.4. Networks

A main finding of the research is that networks are the key to new business contacts. To be successful, networking should not only take place online as would be done with Xing, but also offline. It is important to get in contact with prospects personally because this shows to be more effective than approaching them via mail or phone.

Networking can be done at fairs and congresses. For WAHLE & WOLF it is interesting to attend events that are aimed at their prospects, rather than PR or communication events. Therefore, the agency should visit fairs for the industries they are working with, such as the 'Phase Zwei Wirtschaftsmesse' in October 2014. It is advised to attend as many fairs as possible in order to meet a variety of prospects. A calendar can be found online on www.messen.de. When attending fairs or other events, it is important to walk

up to prospects and to introduce WAHLE & WOLF. Portfolios can be distributed to potential clients who are expected to be interesting and lucrative. Nevertheless, it is important to get in touch with those potential clients that are identified as 'top prospects'. When these are studied well one can conclude which events they are likely to attend and to arrange points of contact.

A third option for networking is to get listed in PR directories. One suggestion is to join the German PR associations GPRA, which is a mediator between PR agencies and companies. Membership can easily be requested online and it is expected that WAHLE & WOLF meets the requirements. Additionally, the agency should ensure to be registered in major PR directories. It is advised to enlist on 'PR Journal Datenbanken', 'PR Report' and 'openPR'. These were selected since they appear to be popular sources that companies consult when looking for a PR firm.

5.5.5. Events

Another communication measure that WAHLE & WOLF is advised to apply is to organise own events which take place about every three to four months. By doing so, the agency can create a bond with prospects and increase probability to be seen in a favoured light. These events can be workshops, seminars or presentations and should be marketed as occasion to network, learn and be inspired. Moreover, creating themes for every event can be helpful in organising and communicating it. For instance, the first event could be dealing with current trends in internal communication. This allows WAHLE & WOLF to present itself in the context of one of its expertise and to turn the spotlight to this issue. Further topics could be occupational safety, coaching executives or employee motivation.

Beyond that, it is also important to organise guest lectures every now and then. This warrants that every event will add interesting information and attract clients and prospects. Furthermore, this would take some work out of WAHLE & WOLF's hands as the agency would not need to prepare all content. If the locality allows, events can be hosted in the agency's office in Berlin. The city suggests itself because the capital is economically important. The events should be promoted on all communication channels, so in other words it should be spread on the website, on social media, with mail contacts and at personal meetings.

5.6. Time-line

The time-line arranges the introduction and timing of the five measures that are advised to WAHLE & WOLF until December 2014.

| MEASURE | Aug 2014 | Sept 2014 | Oct 2014 | Nov 2014 | Dec 2014 |
|-----------------------|----------|-----------|----------|----------|----------|
| Update online content | ■ | | | | |
| Blog post | | ■ | ■ | ■ | ■ |
| SEO | ■ | | | | |
| Create Xing account | | ■ | | | |
| Networks | ■ | ■ | ■ | ■ | ■ |
| Events | | | | ■ | |

Figure 5-2: Time-line for introducing communication measures

5.7. Further Recommendations

1. Define SMART objectives for client acquisition communication (cf. appendix 10). Define which indicators are used to assess success and how many new clients are aimed for.
2. Create a budget for client acquisition and define who will take which responsibility in establishing new businesses.
3. Before directly approaching prospects, these need to be studied well. In this way WAHLE & WOLF can get in touch on an individual level, demonstrate their knowledge and will appear more professional. This also requires finding the correct contact person.
4. Regularly checking public tenders might make aware of interesting projects and offers new business opportunities.
5. Networking is the crucial factor and therefore it should be taken advantage of every favourable opportunity.
6. Regularly update online appearances as to not lose attention of prospects.
7. Customer acquisition efforts should be evaluated regularly. Important key client acquisition metrics to assess are awareness level, prospects' sources used to retrieve information and make a decision, as well as the costs of client acquisition for WAHLE & WOLF.

5.8. Discussion of the Advice

The advice given above is based on the research findings. It has been decided to recommend on the definition of the target audience, the strategic positioning, communication content and communication measures because these points are seen as the starting point and pivot for client acquisition communication. The topics advised on form a basis for managing client acquisition and already provide a good strategy for the communication approach. If WAHLE & WOLF works on these aspects, it can be expected that efforts taken are likely to be successful. This can be reasoned with the fact that other PR agencies already applied similar approaches effectively. So if WAHLE & WOLF implements these advices properly, they can improve their business and win new clients. With this set of recommendations and advices taken into account, WAHLE & WOLF's client acquisition strategy can be established in order to better reach its prospects.

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APPENDIX

1. List of Guiding Questions for Interviews

This section presents the guiding questions used in semi-structured interviews. They are organised according to the concepts resulting from operationalization process and cover the four themes that were determined to be covered in each interview (cf. chapter 3.4.1.1.).

Theme: Characteristics of preferred target group

- How many employees work in your company?
- What value does internal communication have in your company?
- Does your company have its own PR or internal communication department?
- How often do you consider working together with an external PR agency and for what kind of projects?

Theme: Behaviour in service provider search

- How do you find a PR agency and where would you look for one?
- Who is taking this decision? Is it a group decision or taken by an individual?
What job position does the decision taker fulfil?

Theme: Responsiveness to communication approaches and media usage

- Which role does the internet play for you in choosing an agency?
- What would you think and how would you react if a PR agency would contact you proactively? And through which medium would you prefer to be contacted?
- What features and competencies does a company need to convey so that you would include it in your shortlist?

Theme: Awareness and attitude about WAHLE & WOLF

- Have you ever heard about the PR agency WAHLE & WOLF? If yes, where have you heard about them and how do you think about the agency?

2. List of companies that were approached

This list only features those companies that were approached and agreed to either give an interview, complete the qualitative survey or gave valuable reasoning for why they are not interested in participating in the research. Companies that did not respond at all, or that reasoned with aspects not relevant to the research, are left out.

- Brand Eins, business magazine, <http://www.brandeins.de/>
- Cornelsen Verlag, academic publishing company, <http://www.cornelsen.de/>
- Gebr. Heinemann, retailer in duty free branch, www.gebr-heinemann.de
- Hill+Knowlton Strategies, <http://www.hkstrategies.de/en>
- Hotel Vier Jahreszeiten Kempinski, <http://www.kempinski.com/en/munich/hotel-vier-jahreszeiten/welcome/>
- IG Metall Krefeld, union administration office, <http://www.igmetall-krefeld.de/>
- Kaltwasser Kommunikation, <http://www.kaltwasser.de/>
- Nussbaum, <http://www.nussbaum-berlin.de/>
- OMNICRON Electronics, <https://www.omicron.at/en/>
- R+V Betriebskrankenkasse, <https://www.ruv-bkk.de/>
- Schimmel Pianos, piano maker, www.schimmel-piano.de
- Siemens Krefeld, Siemens Factory, www.siemens.de
- Taifun Tofu, tofu food producer, <https://taifun-tofu.de/>
- ver.di, labour union, <https://www.verdi.de/>
- Verkehrsverbund Rhein-Ruhr, public transport association, <http://www.vrr.de/en/>
- Welcome Hotels, hotel chain, <http://www.welcome-hotels.com/>

3. Transcripts of Interviews

This section summarises the interviews conducted for this research study. Seeing that content is the key issue, complete transcriptions were purposely waived. (Davies, 2007: 190)

3.1. Interviews with Klaus-Peter Wolf

Interviewer: Carmen Schaeffer

Interviewee: Klaus- Peter Wolf, Managing Director at Agentur WAHLE & WOLF

Date: please refer to the date indicated in the title of each transcript

3.1.1. Interview conducted on 17 December 2013

Schaeffer: What are potential topics I could write my thesis about?

Wolf: At the moment WAHLE & WOLF, being a small agency, is facing the risk of becoming too dependent on one client. In the last two years IG Metall has been fulfilling a dominant role. About 60% or 55% of our agency's gross income is coming from this client. Now the question would be how this dependency could be prevented.

Another point is that due to the financial crisis internal communications kind of collapsed. Most communication among employees is solely happening in kitchen, canteen etc. The effect for us is that we have lost commissions concerning internal communication and we also did not try to hold these because we had enough other work to do. We wish to find ways to enforce communication for employer and employees equally.

This leads to the next point. WAHLE & WOLF has not been involved in strategic client acquisition or observation of potential new clients. Here the question would be what we could do and how to do it better.

Finally, our internet presence could be worked on. We haven't updated our website for some time but this is also not among our main priorities. Most of all, there would be the question if anyone is even interested in our website.

3.1.2. Interview conducted on 7 April 2014

Schaeffer: What are the strengths of WAHLE & WOLF? In which areas are you performing especially well and on what kind of projects do you like to work?

Wolf: We have unique know-how in our field of activity, which is working with executives of unions, board of directors and employee representative committees. Additionally, I have worked as a highly professional journalist for 40 years. This is not unique, but I have worked in unions and voluntarily as union representative which means that we are closely linked to the employer's side. Also, we have insights in journalism, practical work and the needs of the boards. We know the area from all three perspectives and are not limited to only one of them. WAHLE & WOLF's main competence is text, advice and conceptual work. With our know-how we can brief graphic artists. In this way we can generate political graphics and create corporate political contents. We always work in dialogue with our clients based on mutual respect. Usually the first consultation meeting shows whether there is a match or not.

Schaeffer: How many employees are currently working for WAHLE & WOLF and in which areas?

Wolf: There are five graphic artists, one secretary, two editors, my wife and I.

Schaeffer: In which areas would you prefer not to work and where might qualifications be missing?

Wolf: We are very specialised in the services we offer. Nevertheless, we would not work on tasks we cannot identify with. For us it is important to enjoy working on a project and that our work is respected. That also includes fair payment. If a company would tell us they could get the service somewhere else for less money, I would tell this company to go for the other PR agency then. Furthermore, we don't work with boards that intend to outplay their employees. We don't accept covering up facts, but value open and honest communication.

Schaeffer: Are there any interesting facts about WAHLE & WOLF?

Wolf: Our agency has existed for 20 years. We are small but provide good quality. I think it is special that we have survived in this ever-changing society and all this without the help of sponsors.

Schaeffer: What are currently the biggest clients and projects the agency is working on?

Wolf: We are working with IG Metall throughout Germany and take care of the entire communication with Siemens. Especially important is our work with the members' magazines 'Offensive Handwerk' and 'IT Magazin' which are published online and print. Then, there is the union NGG where we give occupational consultancy and coach the works council. Next to this, we work on brochures for this union. Further, we also provide support to the works council of IG BCE of Bayer. Last but not least, there is Mannesmann where we work on improving employee communication, create the magazine 'Präzension' and run campaigns on work, safety and motivation.

Schaeffer: Are you usually having long-term partnerships with your clients or are contracts project-related?

Wolf: As a general rule commissions are project-related. Nevertheless this often results in a long-term cooperation. I think we have lost like 2 to 4 clients in the last couple of years, but this was not caused by dissatisfaction. Our clients are usually highly satisfied with the results of our work and that's why one project often leads to a new one.

Schaeffer: How much time do you have to take new clients? Which size and scope of projects should not be exceeded?

Wolf: We have clear criteria. We want to work with clients that are nice and competent, who pay us fairly and show us the necessary respect. We don't want to expand at any price but the attractiveness of a project is decisive. We recently had to expand our company, but this was not really planned.

Schaeffer: For the problem statement I need to know which standing your clients currently have. What kind of information would you like my thesis to provide you with?

Wolf: A current weakness is that many clients think and say they don't have money to invest in corporate communications. So for us the question is how we can reinforce this business branch. Our turnover received from projects concerning internal communication decreased from about 55/60% to about 20% and we would like to increase it again to about 50%.

Schaeffer: Why is it the area of internal communications you want to reinforce?

Wolf: The agency is mostly involved in working with unions, but we are also interested in other areas. In corporate communications, especially internal communication, we see an area to multiply the pleasure we have when working.

Schaeffer: How have you marketed WAHLE & WOLF so far?

Wolf: So far, we have not really been involved in marketing our company. That has to do with the fact that we have not been working on strategic client acquisition. Projects were mainly triggered by word of mouth recommendations.

3.1.3. Additional information received on 16 April 2014

Wolf: We would like to strengthen the communication between employers and employees, so in other words internal communication. This customer business has to be revived and for this we need new clients. We have gained a lot of know-how in creating magazines, security workshops, intranets etc. and would like to apply this knowledge and skills more often. But the questions that remain are: How can we do this? Is it even worth to reactivate the areas and new clients? How can we reach those potential clients best? Which communication or media strategies should be applied to acquire new clients?

3.1.4. Additional information received on 9 May 2014

Wolf: We would like to find out how we can find new potential clients. Here, it is important that companies recognise the value and importance of employee communication and want to honestly improve it. We are also open to commercial companies. That we are currently so closely linked to board of directors of the metal, steel and electro industry is because of my former job positions. I know IG Metall by heart and can very well judge and assess the employee representative committee. That is of high value for the board of directors. As I said before, also any other areas appeal to us. There are only two exceptions: the armaments industry and the nuclear industry. Working with companies active in the defence industry contradicts our philosophy.

Our interest in internal communication exists because graphic and text-wise our know-how developed but this area is pretty unexploited at the moment. That's a pity because we cannot apply our skills. We are not dependent on expanding WAHLE & WOLF and

finding new clients, but we would like to use our expertise and get to know different businesses. Our staff also enjoys working on projects other than for unions.

3.2. Interview with Ralf Claessen (IG Metall Krefeld)

Interviewer: Carmen Schaeffer

Interviewee: Ralf Claessen, first authorised representative at IG Metall Krefeld

Date: 25.04.2014

Schaeffer: What standing does internal communication have at IG Metall Krefeld?

Claessen: IG Metall handles internal communication differently between employees and members. Once a week we have meetings with our office staff to discuss topics that are important. Every year, we also have closed meetings to evaluate in how far we have reached our objectives and where improvement is needed. So among employees internal communication has a high standing. With our members we have a real concept for keeping in touch.

Schaeffer: What does this concept look like?

Claessen: There is a monthly magazine for members in which the local administration offices can create the last page for members of their area, so we do this for Krefeld. In this way members have the possibility to read from us every month on this local page. Another communication channel is the internet. We have a website, a Facebook page and a smartphone app on which news is spread. Furthermore, we send out birthday cards to create a personal bond.

We are also involved in target group oriented communication: youth, students, women, employees... We are not at the point yet where everything is fine-tuned but we do our best. Whenever there are pay rounds, the respective sector receives a 'metallnachricht', which is an informative paper. Furthermore we offer the service send text messages as soon as decisions were made. In this way employees are informed timely and don't need to wait for coverage in the news. Another group are the so-called 'functionaries', who are employee representatives, youth representatives etc. They receive yet another magazine

on a bi-weekly base with all information relevant to them. Further, they are also updated with e-mails.

Schaeffer: How do you organise all these activities? Are you doing it all by yourself or are you working with external PR agencies?

Claessen: A part of the activities is made by the executive board administration in Frankfurt or by the district administration in Düsseldorf, or else by us. For instance the birthday cards we created together with an agency. So we hired a professional photographer and a graphic designer that converted our idea according to the corporate design of the IG Metall.

Schaeffer: Are there concrete people that you would call responsible for PR activities, including internal communication?

Claessen: As we are a society, Detlef Wetzel, first chairman of IG Metall is responsible for everything that goes public. Within districts it's the district leader who is responsible and in an administration office it's the authorised representative. So in the case of IG Metall Krefeld it is me. In practice it is a little different. Here, we are three secretaries of the union and as this administration office is responsible for three districts Krefeld, Kleve and a part of district Viersen, we separated it by region and branch. It is a bit mixed, but this is on purpose.

Schaeffer: Coming back to the agency you hired for creating the birthday cards. How did you find it?

Claessen: It was recommended to us by the editorial department of the magazine 'metallzeitung'. The graphic designer is a freelancer that works a lot with IG Metall and therefore knows our corporate design. The photographer I found myself. So it was a mix of word of mouth recommendation and searching.

Schaeffer: What were the decisive criteria you based your decision on for taking this graphic designer and photographer?

Claessen: For the photographer I also asked the editorial staff if they could recommend someone, but all photographers they know would have had a long journey to get here. So they checked online and gave me some addresses of photographers I should contact because of their qualifications. That's exactly what I did and it worked out perfectly.

Schaeffer: How would you react if a PR agency would contact you and to present itself and its services?

Claessen: Probably I would be confused at first and wondering why they contact me if there is no concrete project that I offered. So my reaction would most likely be: No thanks, I'm good.

Schaeffer: Would you mind if they put you on their mail contact list?

Claessen: No, not at all. That's totally unproblematic. But it has to be kept in mind that we are part of a big organisation. In certain cases we need to work together with agencies. Country-wide campaigns are created by agencies but I have no clue how these are selected. These decisions all take place in Frankfurt. The same is true for district-wide campaigns; this is all happening in Düsseldorf. Being a local administration office it is not demanded by us to be involved in highly professional media activities. It's more about local contact; to appear in local newspapers or radio stations. Within the 164 local administration offices that are out there, the need to be supported by professional agencies does not really exist. For example for women's day there are sample press releases which we can simply adapt to local use.

This year, we distributed an IG Metall Krefeld calendar among our local members. This was created by two freelancers, a photographer and a designer. For me, this also belongs to communication. We wanted to have something that represents the people that are active in the area and this showed to be a success.

Schaeffer: Can you tell me something about the Siemens employee magazine 'Vier Gewinnt'?

Claessen: This is part of corporate PR. IG Metall Krefeld is publisher of the magazine and also paid for it. Still, we handed over the complete editorial part to the company. We accompanied the start of this project, which was a workshop with professionals that gave seminars about writing, filming and taking pictures. Those who participated really seemed to enjoy this opportunity.

Schaeffer: And for this you worked together with the agency WAHLE & WOLF, right?

Claessen: Indeed. We included Mr. Wolf because he is doing a lot for IG Metall. He is also involved in the Siemens Team of IG Metall. Nevertheless, we also worked with

others. Mr. Wolf was responsible for the editorial part, but we had someone else who filmed.

Schaeffer: Who took the decision to work with WAHLE & WOLF?

Claessen: That was my decision. Based on the wishes that the Siemens employees expressed I was checking who has already been involved in something like this before. Here, WAHLE & WOLF was obvious because the agency is already active within the Siemens context. This agency is familiar with the company and there was no need to explain anything. Wolf is already acquainted to the whole topic. This saved time and he could start working right away.

Schaeffer: So having worked with IG Metall previously has a big influence on the choices being made?

Claessen: That differs. WAHLE & WOLF is working with IG Metall throughout Germany and other agencies or people I worked with have a local or district-wide experience. For example the two freelancers that worked on the calendar are doing a lot for the district North Rhine-Westphalia, so I just asked them if they would like to work on a project like this. If we are doing local projects I usually ask people that I know or that have been recommended to me. As a local administration office we are rather free. As long as the number of members and financial situation is satisfying we're allowed to try out things.

Usually we stick to agencies and people we have already worked with, just because it is easier. For example I guess we will be working with the same photographer for our calendar next year again. He takes pictures at our events, so there are also no problems with picture rights etc. Still, this does not mean that we don't have different cooperation for different projects. For instance the birthday cards have been created with another photographer. So let's say that long-term relations are not inevitable. If someone has a good idea then I'll tell the local committee. There are thirteen people in this committee, including me, and together we take decisions. If the committee agrees and thinks it's a nice idea then we go for it.

Schaeffer: Taking the example of the calendar. Did you collect several design proposals first?

Claessen: No, not at all. I asked those two guys if they'd like to work on the calendar. Then they created a design proposal which we looked at and gave feedback on. There was

no tendering involved. We are simply too small for doing this. Big projects coming from the union executive board require this process though. They advertise projects and receive a number of proposals from different agencies. I don't want to make us smaller than we are, but IG Metall is an organisation with 2.2. Million members and nearly 200.000 staff members and we are with 8 employees here in Krefeld. IG Metall's big projects like ads in the cinema simply have another volume than us creating a calendar.

Schaeffer: Is there another point you think would be interesting for me concerning internal communication?

Claessen: Another internal activity we organise is events. We developed a so-called three step model: taking care, giving share and filling with enthusiasm. So main emphasis is put on taking care, that's where the member magazine belongs to. Then, we give share and allow people to participate in seminars and workshops. The third step, gaining new members, is hoped to generate from the first two steps. That is also why a professionalization is seen as important. We need to have a professional appearance in order to gain our target audiences' trust.

Schaeffer: Looking at the events you just mentioned. Are you organising these yourself or are you supported by an external agency?

Claessen: These, we are usually organising ourselves. Nevertheless, I sometimes think we would do ourselves a favour when handing over the organisation to professionals. But that's where we always find ourselves in a balancing act because we don't want to spend membership fees for unnecessary activities. We need to be economic here. So up till now, everything has been organised by us. Making the invitations we give over to agencies, just to make sure they will look nice and appealing. If we want to add some cultural contribution we look for bands, cabaret artists or the like. This takes a lot of time as well so I'm often torn wondering if we spent this time properly or if we should hand over tasks.

3.3. Interview with Sabine Tkatzik (Verkehrsverbund Rhein-Ruhr)

Interviewer: Carmen Schaeffer

Interviewee: Sabine Tkatzik, head of public relations and press officer

Date: 19.05.2014

Schaeffer: How many employees are working at Verkehrsverbund Rhein-Ruhr?

Tkatzik: In the administration we are 120 people. If you would like to know the number of all people that are working within the VRR, which is an alliance of transport companies, I cannot give you the exact number. Bus drivers and others are employed at the respective transport company, not at ours.

Schaeffer: How important is internal communication with employees at VRR?

Tkatzik: Just as important as external communication. We highly value both disciplines.

Schaeffer: Is there a department for PR or internal work?

Tkatzik: Yes, there is. We have a department for press and public relations. They are basically responsible for all kind of communication within and outside the VRR.

Schaeffer: How often do you consider working with an external agency and what kind of projects?

Tkatzik: That differs. We try to manage everything by ourselves but at some points you just need to call in some experts. We do this both for internal and external communication issues. If external support is needed, we publish public tenders. We have to do this because we are a body governed by public law. Being a public sector, we are not allowed to directly approach PR agencies. We have to publicly announce the projects we are looking for support for and then agencies can formally apply. The same is true for all other kinds of public administrations, cities and institutions. In this way a certain transparency on the side of authorities is secured.

Coming back to the kind of projects we work with agencies on. Concerning external communication it is usually about involving opinion makers. Concerning internal communication it would for example be improving our intranet.

Schaeffer: How and where are these public tenders published?

Tkatzik: We are creating a so-called 'product requirements document'. In this we state what the commission is about and what it involves. We clearly state our expectations. If agencies have the impression that they can meet our expectations they can reply to the tender.

All public institutions have a section for publications where agencies can actively inform themselves about current tenders they can apply on. At VRR this is online under the heading 'contract awarding procedure'. A collection point of public tenders is the 'Deutsches Amtsblatt'.

Schaeffer: How much research do you do yourself on the companies that apply for a commission? Do you look for their references or previous projects?

Tkatzik: Agencies that are interested in the tender send us their documents which we take a close look at. Sometimes, public invitations for tender require applicants to enclose certain kinds of references. If this is the case, we compare the reference material, of course.

Schaeffer: But in the end it is the concept that an agency creates which is the decisive criterion for you?

Tkatzik: The decisive criteria are already certain in the run-up. This is either the price, or quality aspects, or references. But the decision on what the submitted tenders are selected is certain beforehand already. Also this is regulated this way and has to be like this. It is nothing we came up with.

Schaeffer: Who is taking the decision?

Tkatzik: The decision is taken either by the first or second top level management. That differs according to the scope of the project.

4. Contact Information of Interviewees

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Sabine Tkatzik

Head of public relations and head officer at Verkehrsverbund Rhein-Ruhr

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5. Qualitative Survey Answers

5.1. Kathrin Schumacher, PR Manager at Hotel Vier Jahreszeiten Kempinski

How many employees work in your company?

Ca. 350

What value does internal communication have in your company?

Very high. We have daily, weekly, monthly and quarterly meetings to inform our employees. Additionally, there are daily info-sheets which are available to all employees. Of course, we also use mails.

Does your company have its own PR or internal communication department?

In the Hotel Vier Jahreszeiten we have a PR department which is staffed with one person. In special cases this person is supported by an apprentice. Currently, this is not the case.

How often do you consider working together with an external PR agency and for what kind of projects?

Not at all. For us it is important that the PR responsible is included in the daily hotel happenings and to be able to operate quickly.

How do you find a PR agency and where would you look for one?

For us this is not really applicable.

In general: through recommendations or already existing contacts. In some cases it might be an idea to look with which agencies relevant competitors or great brands are working. By following certain brands in the media, or their presence in media, also smaller and more unknown agencies can become interesting.

Which role does the internet play for you in choosing an agency?

For us this is not applicable.

In general: it is not the first place, but might be used for researching what brands are at what agency.

What features and competencies does a company need to convey so that you would include it in your shortlist?

For us this is not applicable.

In general: it depends on the concept and portfolio. It is also important that their 'appearance' matches the hotel because being their agency; they are an ambassador the same time

Who is taking this decision? Is it a group decision or taken by an individual? What job position does the decision taker fulfil?

For us this has not been an issue yet. But I would assume it is the director, or sales & marketing and PR responsible in Germany.

What would you think and how would you react if a PR agency would contact you proactively? And through which medium would you prefer to be contacted?

Currently no agency is needed. Media to reach me are by phone, post or email.

Have you ever heard about the PR agency WAHLE & WOLF? If yes, where have you heard about them and how do you think about the agency?

No.

5.2. Christian Diel, Marketing & Sales Manager at R+V Betriebskrankenkasse

How many employees work in your company?

Currently about 330

What value does internal communication have in your company?

Internal communication is highly valued here. It belongs to our corporate philosophy and is included in our principles and the guidelines of our executives.

Does your company have its own PR or internal communication department?

We have a communication team consisting of 5 members. Internal communication is not the central theme (so no exclusivity). The team is the first point of contact for issues concerning bigger projects of this kind.

How often do you consider working together with an external PR agency and for what kind of projects?

We only rarely consider working with agencies. For big or important projects we might consider it though; for example at times when we intend to invite journalists to certain events. In this case I'd rely on an agency because preparations are intense and I would not want to leave anything to chance.

How do you find a PR agency and where would you look for one?

I am actively searching myself or would ask for tips from colleagues in our network. The last time I asked a colleague working in concern communication of R+V Versicherung AG.

Which role does the internet play for you in choosing an agency?

For me, the web is only used for orientation. The online presence should convey interest and desire for collaboration. But in the end, the conversation (phone call) is crucial.

What features and competencies does a company need to convey so that you would include it in your shortlist?

1. Know-How
2. The agency does not necessarily need to be familiar with my 'field of expertise'. Still, I should have the feeling that I will receive a special and individual solution.
3. Service behaviour
4. Price
5. Personal sympathy

Who is taking this decision? Is it a group decision or taken by an individual? What job position does the decision taker fulfil?

Sometimes a vote and discussion takes place within the team, sometimes including editors. The decision is taken by me alone in accordance with my budgetary responsibility (department head).

What would you think and how would you react if a PR agency would contact you proactively? And through which medium would you prefer to be contacted?

That is always difficult. Especially sales pitches on the phone annoy me and cost time. I prefer to be contacted by e-mail or letter. Please expressive and convincing, so no information such as 'we have been on the market for 20 years and professionally offer...'. I expect a very positive start. From my perspective it is positive if agencies make me curious, are very personal, tell stories and convey the impression that the agency employees will help me to find innovative and original solutions. I don't need the same old story over and over again. At least 80 % of sales pitches I throw away after a few seconds already, just because they do not appeal to me. Who is not able to arouse my interest I also don't expect to be capable of helping me at my work.

Have you ever heard about the PR agency WAHLE & WOLF? If yes, where have you heard about them and how do you think about the agency?

Not that I know of.

5.3. Marie Gläser, Junior Marketing & PR Manager at Welcome Hotels

How many employees work in your company?

1000

What value does internal communication have in your company?

Internal communication is very important in our company. Not only within one department, but also cross-departmental.

Does your company have its own PR or internal communication department?

At Welcome Hotels there is a department which is responsible for Marketing and PR. The human resources department is in charge for guaranteeing well-working internal communication.

How often do you consider working together with an external PR agency and for what kind of projects?

At times, we consider cooperation with a classic publicity agency, or specialists in the areas of events, new media or PR. If we employ an agency always depends on the project and the question: do we need a specialist or can we also handle it internally?

How do you find a PR agency and where would you look for one?

On the internet or on congresses (personal contacts). I usually contact agencies via mail or phone.

Which role does the internet play for you in choosing an agency?

Internet plays a very important role because it allows looking specifically for experts and their portfolios.

What features and competencies does a company need to convey so that you would include it in your shortlist?

The online appearance needs to be modern and elegant. Furthermore I want to know about previous completed projects. At least for my first impression.

Who is taking this decision? Is it a group decision or taken by an individual? What job position does the decision taker fulfil?

The agencies present themselves to the specific project leader or department leader, as well as to the management, so that a personal impression can be formed. The decision about which agency to employ is subsequently taken after the conversation has been assessed. The vote of the project leader is most important.

What would you think and how would you react if a PR agency would contact you proactively? And through which medium would you prefer to be contacted?

In general we prefer personal contact on congresses because there it is easier to get a first impression. On top of this, personal contact plays an important role in the cooperation with an agency.

Have you ever heard about the PR agency WAHLE & WOLF? If yes, where have you heard about them and how do you think about the agency?

[No answer given.]

5.4. Peter Hosp, Central Marketing Communications Manager at OMNICON Electronics

How many employees work in your company?

609 fulltime employees at 19 different locations worldwide (year 2013)

What value does internal communication have in your company?

Internal communication is one of the most important fields of activities to master the challenges of growth, continues organizational development, a high customer satisfaction and continues economic success; we see well informed employees as one of our key success factors

Does your company have its own PR or internal communication department?

Beside an international team of 45 employees focusing their activities on all different communication tools for customer and market communication (from “A” like advertising to “V” like video), a dedicated corporate communications team (3 team members) is responsible for all internal communication activities and local PR

How often do you consider working together with an external PR agency and for what kind of projects?

We are continuously working together with agency partners like: event, design, online, promotion, programming, give away, direct marketing or fulfillment agencies/partners

As part of our marketing communications budget, we spend about 1.5 Mio €for external agency support

How do you find a PR agency and where would you look for one?

Quite a high number are well established long term partnerships; whenever we search for new ones we prefer to work with local partners as we also see the common economic success of our regions as important geographical factor; if we can't get the requested support locally we also work together with a network of international agencies; the main information source in a first step are digital media.

Which role does the internet play for you in choosing an agency?

As the first source of information, the online presence of possible agency partners is the most important information channel

What features and competencies does a company need to convey so that you would include it in your shortlist?

Usually we develop an individual set of parameters depending on the type of support we are searching for; based on this measures we try to evaluate, rate and decide on the best possible agency partner; for big projects an agency pitch is also used from time to time to gather information for the internal decision process

Who is taking this decision? Is it a group decision or taken by an individual? What job position does the decision taker fulfil?

It depends on the type of support and the project size: it could be single team members in their communication instrument responsibility (without a special hierarchical position); team coaches in their sub process responsibility or in bigger projects as core team decision based on the majority of core team members vote

What would you think and how would you react if a PR agency would contact you proactively? And through which medium would you prefer to be contacted?

Probably the best way is a call followed by digital information (in English) to share the information within our international team; we always try to communicate in a clear and open way if there is a demand for a particular service or not; interesting information is stored in a so called "active directory" which is used as a first source of information when a particular demand occurs.

6. Responses Refusing an Interview that Contributed to the Study

This section reports on statements that were received from companies that did not agree to take part in the research study. In the following, the reasons given and which can be used to draw conclusions answering the questions will be listed. Further, the answers will briefly be categorised.

1. Being a small company with only 23 employees we can perfectly manage internal communication without the help of an agency.

→ *Few employees; communication handled internally*

2. In a big company acting all over the world our location does not have the authority to choose agencies to work with ourselves. Decisions on PR or internal communication are all directed in the frame of corporate communications and corporate design. Only in this way it can be guaranteed that our company has a coherent image among employees, but also clients.

→ *Centralised control*

3. In our company we have a team that is dealing with internal and external communication. If we need additional help we work with specialists, but never with agencies.

→ *Communication handled internally; no cooperation with agencies*

4. In fact, we are dealing with internal communication ourselves and are never supported by agencies.

→ *Communication handled internally; no cooperation with agencies*

5. Our company has been working with a PR agency for 12 years already. As we are very happy with their work we are not considering looking for another agency. For this reason our answers will probably not add any valuable information to your research.

→ *Loyal to PR agency*

6. At Cornelsen Schulverlage internal communication is belonging to the field of PR and is exclusively handled by internal employees. We are never working with agencies or external service providers.

→ *Communication handled internally;*

7. Concerning internal communications we are never working together with agencies.

→ *No cooperation with agencies*

8. We are dependent on predetermined framework agreements which are chosen with different internal departments sides on the basis of a structured method selected with

our procurement. This process is rarely done, so that we/procurement in general seldom select new agencies.

→ *Centralised control*

7. Statements by PR companies on their Client Acquisition Strategy

7.1. Brigitte Kaltwasser on Kaltwasser Kommunikation's Client Acquisition

We have weekly acquisition meeting with project leaders and senior consultants. Kaltwasser Kommunikation proactively and individually approaches potential clients. We investigate and inform ourselves about companies beforehand to be able to propose getting-to-know meetings and projects. The communication instruments we use to reach new clients are very individual and personal. For example we invite potential clients to events we host. What turned out to be successful in the past is to continually manage customer relationships and to be patient. Our current clients are the best disseminators by recommending us.

7.2. Beate Faderl on Maisberger's Client Acquisition

At Maisberger we have a very clear client focus, so industries for which we work. Based on this we regularly define an exact target group. We continuously investigate these. If we see that there is an interesting company, or there is an interesting technology that is developing, then we would find out who the key players in this market are, what is happening at the moment, how these are organised and do they have topics that are PR capable. Can we do something with this? Is it exciting? From this we created a matrix with target clients. In part we approach those clients actively using different channels, e.g. social media, Xing¹, e-mails, calls, at fairs; simply whenever the opportunity is given. This means part of the acquisition strategy is to be present at events and to get contacts through our network. Alternatively, we organise events ourselves. Themes being covered are PR, marketing, in general also market topics where we engage external speakers. This

¹ XING is a social network for professionals

is the so-called 'Maisberger Marketing Circle'. To these events we regularly invite clients and prospects. Networking is a main player.

Probably actively approaching potential clients is one part of our client acquisition. The second part through which we get many clients is their active research, namely our website. Two years ago we refurbished our website and since then we constantly update the content with blog entries or news. Also our performance spectrum is always up-to-date. Next to this we also try to be as dominant as possibly in online search results. So many clients find us after googling a certain branch focus and then look at our references. By now, the internet is kind of considered the main instrument for acquiring clients. Earlier, we had a stronger cold call strategy which we also implemented. Nevertheless nowadays it is the case that potential clients feel bothered when we just call them in a sales kind of way. They don't want to listen to sales pitches but say 'I'm actively searching myself' and for this the internet is obviously the most fitting search instrument. So, clients often think that they will approach agencies themselves when they want one. That is exactly the reason why we try to get to interesting contacts through events and networking. So far, this has worked out very well.

7.3. Udo Becker on Hill+Knowlton Strategies' Client Acquisition

What importance does client acquisition have at Hill+Knowlton Strategies? Is it managed continuously?

New Business (NB) is a central component of our daily business. We have established several processes, so that the topic is always high on the agenda of every employee. This involves: presentation of NB profits and activities in meetings; regular updates in monthly discussions of the management with divisional directors; also NB is key performance indicator in annual meetings; full budget transparency NB-related.

With which communication instruments and media do you create awareness of your agency among potential clients? How do you keep contact?

Most of all by directly contacting individuals; current and interesting website; H+K blogs; expert articles; presentations; extensive networking on industry and branch events; using networks of H+K advisors

Do you approach companies that you would like to be your future client?

Yes, we do. We divide between two ways of proceeding: Firstly, through a networking channel we hear about a company that has a concrete need. In this case we get in touch by phone calls and take down the needs and interest in continuation. Secondly, we research companies that, from our point of view, have a communication reason, or that are on the wish list of our employees.

Can you say what turns out to be effective in acquiring clients?

Using networks to listen, but also to send.

7.4. Frank Nußbaum on Nussbaum's Client Acquisition

What importance does client acquisition have at Nussbaum? Is it managed continuously?

Client acquisition is very important and is managed and implemented by the head of the agency.

With which communication instruments and media do you create awareness of your agency among potential clients? How do you keep contact?

Communication instruments and media used are our website, Facebook and Xing (agency and personal), but also cold calls. Contact is kept exclusively personally and fostered continuously.

Do you approach companies that you would like to be your future client?

Yes, we actively approach interesting firms. For example: we write to companies (of course we looked for the correct contact person beforehand and got a good overview on the company to be able to address starting points) and announce our call. And then we call.

Likewise, events offer good opportunities for making contact.

Can you say what turns out to be effective in acquiring clients?

Satisfied clients that recommend our company.

8. Detailed Analysis of Interviews and Qualitative Surveys

Please note that in the following categories will be used to represent answers given and therefore the sentences assigned to interviewees are not direct quotes. The relative importance of each of the categories will be stated and potential patterns and relationships demonstrated.

Sub-question 2: *What type of potential clients is most relevant and interesting for WAHLE & WOLF in client acquisition?*

Variable: Characteristics

Concept: Characteristics of preferred target group

How many employees work in your company?

| | |
|-------------|-------------------------------|
| Claessen: | 8 → micro-sized entity |
| Tkatzik: | 120 → medium-sized enterprise |
| Schumacher: | 350 → large business |
| Diel: | 330 → large business |
| Gläser: | 1000 → enterprise |
| Hosp: | 609 → large business |

What value does internal communication have in your company?

| | |
|-------------|------------------------|
| Claessen: | <u>very high value</u> |
| Tkatzik: | <u>very high value</u> |
| Schumacher: | <u>very high value</u> |
| Diel: | <u>high value</u> |
| Gläser: | <u>high value</u> |
| Hosp: | <u>very high value</u> |

→ **Result:** very high value appears most often; size of organisation does not influence appreciation of internal communication

Does your company have its own PR or internal communication department?

| | |
|-------------|---|
| Claessen: | <u>No</u> , but materials are often <u>centralised controlled</u> by the executive committee or district. |
| Tkatzik: | <u>Yes</u> , it is responsible for <u>public relations</u> and <u>press matters</u> . |
| Schumacher: | <u>Yes</u> , <u>one PR responsible</u> . |
| Diel: | <u>Yes</u> , team of 5 members. <u>Internal communication is not central theme</u> . |
| Gläser: | <u>Yes</u> , department for <u>marketing</u> and <u>PR</u> . |
| Hosp: | <u>Yes</u> , <u>communication team</u> (45 members) for customer and market communication, and special 3-man team for <u>internal communication</u> and local PR. |

→ **Result:** medium-sized businesses and larger tend to have own communication departments. Nevertheless, external communication is dominant and internal communication, if even, of lower importance

How often do you consider working together with an external PR agency and for what kind of projects?

| | |
|-------------|---|
| Claessen: | <u>Not regularly</u> , it depends on the <u>projects</u> and only if we <u>cannot do it alone</u> . We are <u>too small</u> to run big projects. |
| Tkatzik: | <u>Not regularly</u> , it depends on the <u>projects</u> and only if we <u>cannot do it alone</u> . |
| Schumacher: | <u>Never</u> , <u>communication is handled internally</u> |
| Diel: | <u>Only rarely</u> , only for <u>important projects we cannot do alone</u> . |
| Gläser: | <u>Sometimes</u> , if we <u>cannot do it alone</u> we work with <u>publicity agencies</u> or <u>experts in events</u> , <u>new media</u> or <u>PR</u> . |
| Hosp: | <u>Regularly</u> , there is a <u>fixed budget</u> for external agency support. <u>Events</u> , <u>design</u> , <u>online</u> , <u>promotion</u> , <u>programming</u> , <u>give away</u> , <u>direct marketing</u> . |

→ **Result:** Most companies do not regularly work with external agencies. Predominantly collaboration is considered in big and important projects, or for tasks that the organisations cannot carry out alone.

Sub-question 2: *What procedure do organisations and companies follow when looking for a PR agency?*

Variable: Approaches (to find an agency)

Concept: Behaviour in service provider search & Awareness and attitude about WAHLE & WOLF

How do you find a PR agency and where would you look for one?

| | |
|-------------|--|
| Claessen: | Asking for <u>recommendations</u> or searching the <u>internet</u> . |
| Tkatzik: | No active search, <u>public tender</u> . |
| Schumacher: | Through <u>recommendations</u> , or <u>network</u> . Otherwise, get <u>inspired from other interesting projects</u> . |
| Diel: | Asking for <u>recommendations</u> . |
| Gläser: | <u>Internet</u> or <u>personal contact</u> . |
| Hosp: | <u>Long-term partnerships</u> , or <u>local partners</u> , <u>international agencies</u> . First information source is the <u>internet</u> |

→ **Result:** Recommendation appears most often, followed by the internet. Moreover, events are used to get to know service providers. Organisations in the public sector need to place public tenders.

Who is taking this decision? Is it a group decision or taken by an individual? What job position does the decision taker fulfil?

| | |
|-------------|---|
| Claessen: | <u>Group decision</u> of the <u>committee</u> . |
| Tkatzik: | <u>Group decision</u> of top level management. |
| Schumacher: | N/a |
| Diel: | <u>Department head</u> , supported by <u>team</u> . |
| Gläser: | <u>Project/department head</u> , supported by management. |
| Hosp: | Depends on the type of support and project size; could be <u>team member</u> who is responsible of supported activity, or <u>core team decision</u> |

→ **Result:** Very often group decision involving key participants who will cooperate with the agency

Have you ever heard about the PR agency WAHLE & WOLF? If yes, where have you heard about them and how do you think about the agency?

| | |
|-------------|---|
| Claessen: | <u>Yes</u> , through <u>recommendations</u> . Already <u>worked</u> with the agency and <u>satisfied</u> with the result. |
| Tkatzik: | <u>No</u> |
| Schumacher: | <u>No</u> |
| Diel: | <u>No</u> |
| Gläser: | N/a |
| Hosp: | N/a |

→ **Result:** WAHLE & WOLF is unknown to its target audience. Nevertheless, the one who already worked with the agency is satisfied with the result.

Sub-question 3: *What communication platforms are most effective to use for communicating to potential clients?*

Variable: Accessibility

Concept: Responsiveness to communication approaches and media usage

Which role does the internet play for you in choosing an agency?

| | |
|-------------|---|
| Claessen: | Internet <u>plays a role</u> when <u>starting</u> the search and there are <u>no suggestions</u> yet. |
| Tkatzik: | N/a |
| Schumacher: | Minor role, used as <u>starting point</u> for <u>inspiration</u> . |
| Diel: | Only <u>starting point</u> . |
| Gläser: | <u>High role in search</u> , also to see <u>portfolio</u> . |
| Hosp: | <u>Starting point</u> and <u>most important information channel</u> . |

→ **Result:** The internet is especially important when starting the search for an agency. The importance it is attributed differs though from simple source of inspiration to an important information channel which gives insight into previous projects.

What would you think and how would you react if a PR agency would contact you proactively? And through which medium would you prefer to be contacted?

| | |
|-------------|--|
| Claessen: | Probably <u>confused</u> to be approached. No problem to be <u>enlisted on mailing list</u> . |
| Tkatzik: | <u>Not possible</u> . |
| Schumacher: | <u>Not interested</u> . Contact please by <u>phone</u> , <u>post</u> or <u>email</u> . |
| Diel: | <u>No sales pitches</u> . Contact please by <u>e-mail</u> or <u>letter</u> . |
| Gläser: | Only <u>personal contact</u> on congresses to get first impression. |
| Hosp: | <u>English mails</u> are shared with international team and if interesting, information is stored in <u>active directory</u> |

→ **Result:** Contact is preferred by email or letters, less popular are direct calls. While participants are sceptical towards cold calls, it is appreciated if first contact is personal, innovative and attracting attention.

Sub-question 4: *With which communication measures and messages can WAHLE & WOLF reach potential clients?*

Variable: messages

Concept: Responsiveness to communication approaches and media usage

What features and competencies does a company need to convey so that you would include it in your shortlist?

| | |
|-------------|---|
| Claessen: | <u>Professionalism</u> and <u>convincing suggestions</u> . |
| Tkatzik: | Decisions are based on pre-set; usually <u>price</u> , <u>quality</u> or <u>references</u> . |
| Schumacher: | <u>Concept</u> and <u>portfolio</u> . Be on the <u>same wavelength</u> . |
| Diel: | <u>Convincing suggestions</u> , <u>storytelling</u> , <u>convincing appearance</u> . |
| Gläser: | <u>Convincing online appearance</u> and <u>portfolio</u> . |
| Hosp: | We have <u>individual sets of parameters</u> depending on project; <u>convincing suggestion</u> |

→ **Result:** In the end, convincing suggestions seem to be the decisive criteria. Before that point, it is professionalism and reputation that are important criteria for a PR agency to be considered. Professionalism is represented by an agency's portfolio, references and (online) appearance. Next to this, also sympathy seems to influence decisions.

9. Detailed Analysis of Competitors' Communication

This section presents two German agencies that are also offering internal communication advice to companies and organisations. In the following, Kaltwasser Kommunikation and Maisberger will be introduced, paying special attention to their communication strategies in client acquisition efforts.

9.1. Kaltwasser Kommunikation

Kaltwasser Kommunikation, founded in 1990, currently has three branch offices in Germany. Services offered are public relations and public affairs with the core sectors lying in industry, consumer electronics, household appliances, environment, and information and telecommunications technology. The agency aims to strengthen brands and companies by advising on corporate, product, crisis, internal and online communication. The PR firm is member of several associations such as the Deutsche Public Relations Gesellschaft (German Public Relations Association) and Deutscher Journalisten-Verband (German Federation of Journalists). Repeatedly, Kaltwasser Kommunikation has proven its expertise by achieving good positions in the German PR Ranking. ('Kaltwasser', 2014)

The agency is highly involved in client acquisition. In weekly meetings recent activities are evaluated and further undertakings discussed. The way Kaltwasser Kommunikation gets in touch with potential new clients is on a very individual and personal level. Before approaching them, the agency tries to gather as much information about the company as possible in order to be able to propose appealing and very suitable projects for getting to know each other. Another way of creating awareness around the agency is by inviting potential clients to events Kaltwasser Kommunikation hosts. Managing client relationship plays a crucial role for the agency as it is seen as a way to motivate current clients to recommend Kaltwasser Kommunikation and its services. (cf. appendix 7.1.) This shows that the agency is heavily relying on direct marketing. Next to this, one can also find other communication tools being used. The firm's website is regularly updated with news posts on events or comments on different topics on the subject of public relations or public affairs. Further, Kaltwasser Kommunikation has a Twitter and Google Plus account on which all kinds of news around PR or the sectors they are active in are shared. In this way the agency interacts with people. Next to this there is a YouTube account

which has not been used in two years. A few times the agency has been integrated in news articles of local newspapers. Last but not least, Kaltwasser Kommunikation generates awareness by being socially engaged.

All in all, it shows that Kaltwasser Kommunikation stakes on personal communication on different levels. The communication initiatives are not only project-related, but also serve to stay interesting and relevant to its target audience by regularly sharing comments and information. Special relevance is attributed to strategic management and observation of potential clients. Consequently, potential clients can be approached with project suggestions that are expected to meet their needs. Also by being active in other areas, through social engagement and membership in associations, the agency extends its network and increases the probability to be recommended. Kaltwasser Kommunikation positions itself as the agency that reliably supports its clients with full commitment, intelligent concepts and professional implementation.

9.2. Maisberger

For about 25 years the PR agency Maisberger has been active in the German, as well as international market. The agency is specialised in serving the following industries: Information technology, telecommunications, consulting, education, human resources (HR), clean technology and manufacturing. Maisberger offers strategic advice on public relations, HR communication, digital communication, internal communication and project communication. This diversity allows the agency to call several international market leaders their clients. ('Maisberger', 2014)

Client acquisition plays an important role within the agency's daily activities. Having a very clear picture of the target audience helps the firm to operate client acquisition. To keep an overview and manage prospects, these are kept in a matrix. Furthermore, interesting companies and industries are closely investigated. In this way the agency maximises its chance to spot an interesting project and to always be updated. With this knowledge Maisberger feels secure to reach out to prospects through several channels: via social media and networks, emails, calls or approaching them at events. A strong part of client acquisition is to be present at events and to get contracts through networks. To foster this network Maisberger also organises events themselves. Here, relevant topics covering PR, marketing or the industries are being discussed, sometimes with the help of

expert guest speakers. These events offer the chance to also invite prospects. (cf. appendix 7.2.)

Next to actively approaching potential clients, Maisberger also works on making sure that prospects will find their way to the company. The website is taken good care of, by regularly refreshing it with new content, such as new blog posts and updating their references. Another important aspect in managing client acquisition is to improve search engine optimisation as to make sure that potential clients will become aware of Maisberger when searching for PR agencies. To be easily approachable and present to clients as well as prospects, the agency is running a Facebook, Google Plus and Twitter account. On these interesting information, especially across the field of work, is shared. A YouTube account is used to give insight in the agency's everyday life and to cover visual reports on projects. (cf. appendix 7.2.)

Additionally, Maisberger generates awareness by other public activities. Not long ago one of the employees was featured in the German TV programme Galileo to talk about the 10 biggest PR disasters of last 10 years. ('Maisberger', 2014) Furthermore, guest lectures at press academies and universities are given. Another strong feature of Maisberger is its strong and recognisable corporate design. (cf. appendix 7.2.)

To sum up, client acquisition takes a dominant position within Maisberger's every day activities. They do not do sales pitches anymore, as other strategies have turned out to be more effective. The agency focusses on knowing their prospects and getting in touch with them through their networks. Maisberger makes sure to be found by regularly updating their online appearances which are not only a platform to be informed about the company, but also to retrieve further information that might be of interest. Maisberger presents itself to the public as PR agency for strategic corporate communication that gives advice to leading high-tech, IT and service companies.

9.3. Hill+Knowlton Strategies Deutschland

Hill+Knowlton Strategies (H+K) Deutschland is the German location of the global public relations company of the same name. Strategic advantage can be seen in the fact that H+K is part of a global company that is very well known. Since 1963 the PR agency is present in Germany and has ever-since then offered strategic know-how combined with operative excellence. H+K offers a big variety of services:

- Brand and reputation management
- Change and internal communication
- Corporate and public affairs
- Crisis communication
- Digital and interactive
- E-commerce and multichannel positioning
- Executive coaching
- External communication
- Family-owned businesses
- Financial communications
- Health communications
- Marketing communications
- Sustainability and corporate social responsibility
- Technology communications

With this diversity various sectors can be covered. In the past couple of years H+K won a number of PR and communication awards for their work. ('Hill+Knowlton Strategies', 2014)

Client acquisition management has major share on the success of this PR firm and is part of daily activities. To make sure they run smoothly, several processes have been integrated to make sure that client acquisition is always on the agenda of every employee. Prospects are mainly contacted directly. Behind this there are two ways of processing in identifying the prospects. Either, the agency hears about a company that needs communication advice, or H+K researches companies that employees wish to have as clients. In the first case, this information is usually retrieved through networks. (cf. appendix 7.3.)

Next to this, H+K runs a website which is updated regularly and incorporates a blog on which interesting articles and expert comments are posted. Furthermore, networking on industry and branch events are among the most important client acquisition strategies. Networking does not only take place through the firm, but also through the employees themselves who are ambassadors of H+K. Furthermore, the PR firm is also active on social media, such as Twitter, LinkedIn and Xing. These are used for networking, sharing information and having a platform to keep in touch with prospects. (cf. appendix 7.3.)

All things considered, networking shows to be of high value for Hill + Knowlton Strategies. Networks are used to both to listen, but also to send out messages. When approaching prospects direct contact is the preferred tactic. This is initiated on events which are relevant to the industry or organised by H+K themselves. Last but not least, also an attractive online appearance feeds prospects and serves as yet another point of contact. Through all communication tools the PR agency presents itself as leading international communication advisor on the German market which is behind the success stories of several renowned organisations.

10. Helpful Links

Setting SMART goals and objectives as published by Lehigh

University: https://www.lehigh.edu/~inhro/documents/SMART_GoalsHandout.pdf

Online calendar of fairs in Germany, Austria and Switzerland: <http://www.messen.de/>

PR directories to get listed on

Membership form for GPRA: <http://www.gpra.de/mitglieder/mitglied-werden/>

Form to get listed on 'PR Journal Datenbanken': <http://datenbanken.pr-journal.de/agenturen/neuer-eintrag.html>

PR Report: <http://prreport.de/>

OpenPR: <http://www.openpr.de/news/agentur-verzeichnis.html>