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When to use a P.R. Firm

Many of my clients have asked me, since I've been a franchisor, franchisee, and independent restaurateur before starting Heilpern Group, "When is it appropriate to use a P.R. Firm? What value can I expect both long term and short term? Is there a formulaic cost/benefit approach to analyzing P.R. Firms?" Since these have become such common questions I have chosen to publish this article illustrating the benefits and drawbacks (of which there are substantially more) regarding Public Relations Companies.

New upscale restaurants who don't have the benefit of name brand recognition and can benefit in the short term by utilizing a p.r. Firm. Firms are usually helpful in providing the local market within a 1, 3 and 5 mile radius introductory knowledge of their existence. Most of this is accomplished via articles delivered to magazines with local coverage. However, after the first few months, the benefits of swapping advertising dollars to a public relation's house drop off substantially. From a common sense standpoint, there are only so many ways you can showcase a soft or hard opening. After you're up and running, you're up and running and there isn't a whole lot more that can be said.

Because of comfort zones, many new higher end restaurants stay with these firms for long after the bloom is off the rose and find themselves having to call these firms and continually push them to get articles written. I've seen many restaurants attempt to invent "charity events" or "new menu items" just to give to their firms so they have something new to go with to their magazine connections.

Not to coincidentally, these same firms will eventually come to the upscale restaurants and recommend advertising opportunities with the magazines who have published articles written by the publicist. This keeps the firm's relationship with the magazine smooth such that when the firm has new clients it can again get a new article written.

The savvy restaurateur will realize that he already has a commanding foothold in the local market and his advertising dollars can be better spent with publications that offer better penetration to locals or different markets.

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In the same vein, the savvy restaurateur will also recognize that p.r. Firms will only recommend advertising as a last resort because that detracts from the money that the restaurant would have spent with them.

If you are located in a city with good transient traffic, especially the short-stay high-end visitor, don't neglect this market. Chances are you probably haven't done a whole lot to target this group and they are price elastic, Monday through Thursday covers. The ROI on quality publications is huge. Do not look for CVB mags with advatorial or their clones as they will utilize a shotgun marketing method of distributing to all visitors and waste your resources. You will also find that on average they are long in length and waste reader's time.

Do look for magazines that have a niche market of the upscale business traveler or high end leisure visitor. This is where you can see the biggest bang for your buck and where I usually recommend clients start advertising right away. While I encourage securing the local market as well, once gotten it takes very little to keep. This is where your good service, quality food and positive experience draws repeat business from residents within driving distance.

It's the high end transient cover who pays full fare, needs a place to eat on the weekday and will only be driven if you mark yourself a designated site.

From a cost/benefit standpoint, for a high-end restaurant, choosing to swap local advertising dollars to a p.r. Firm for the first three months of operations can be a very wise idea. But never at the expense of targeting the affluent transient visitor. After that, using that money to advertise to locals directly and increase advertising to the affluent transient visitor is usually the smartest use of your money.

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