



# GLOBAL COMMUNICATIONS REPORT 2016

in association with





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## Our partners

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## About the University of Southern California Center for Public Relations

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**Based at the Annenberg School in the heart of Los Angeles, the USC Center for Public Relations (CPR) is truly at the center of one of the world's most dynamic professions. Our mission is to connect corporations, agencies, academics and students to define the future of our industry and to develop those who will shape it.**

At CPR, we identify emerging issues and analyze new technologies. We examine current strategies and

forecast future trends. We conduct communications training for business leaders and leadership training for communications professionals. We create meaningful partnerships between the corporate and academic worlds that engage Annenberg students in the real-world practice of Public Relations.

For more information, please visit [annenberg.usc.edu/cpr](http://annenberg.usc.edu/cpr)

## About the Holmes Report

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**The Holmes Group is dedicated to proving and improving the value of public relations, by providing insight, knowledge and recognition to public relations professionals.**

The Holmes Group was founded in 2000 by Paul Holmes, publisher and CEO, who has more than two decades of experience writing about and evaluating the public relations business and consulting with both public relations firms and their clients.

The Holmes Group delivers against its mission by providing the most sophisticated reporting and analysis on public relations trends and issues.

For more information, please visit [www.holmesreport.com](http://www.holmesreport.com)

# Foreword



**Fred Cook**  
Director  
USC Center for Public  
Relations

**The mission of the USC Center for Public Relations at the Annenberg School is to shape the future of the PR industry and those who will lead it. The Global Communications Report is an important step in the process of understanding and preparing for what lies ahead for one of the world's most dynamic professions.**

I'm happy to report the future looks promising. Agency leaders predict robust growth of 33% over the next five years, with industry revenue worldwide reaching nearly \$20 billion. In-house growth estimates are more modest at 13%. Both agree that growth will be driven primarily by creating compelling content and distributing it across multiple media channels.

## Embrace Change

The PR industry is growing in size and scope. The work is becoming more complex and challenging. The future holds lots of opportunities for those who are able to quickly adapt to changes in technology, media and analytics. This is good news for those entering the profession, if they have the right skills.

## Hire Different

Everyone agrees the biggest challenge facing the industry is finding and keeping the right people. Unfortunately, most leaders admit they are not good at sourcing new talent from outside the industry and normally recruit from their direct competitors. The PR profession needs to expand diversity and encourage experimentation.

## Invest in ideas

Future growth will be powered by content creation, built on multimedia platforms and driven by compelling concepts. PR will need more creative firepower and technological know-how to win the battle with advertising and digital.

## Get Paid

Changing media channels present a dynamic business opportunity. The emphasis on earned media is shifting to owned, shared and paid. PR needs to learn and leverage paid media because that's where the business is headed and the competition is already there.

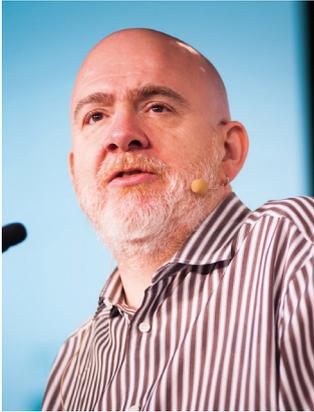
## Instill Courage

The next generation of industry leaders must be experts at written and verbal communications. But they also need to plan analytically and think critically, while cultivating softer skills like adaptability, curiosity and risk-taking.

## The Future

As the Report confirms, the PR industry has never had more opportunity and has never had more challenges. Growth potential is unlimited but the competition from other disciplines is intense. New services will drive revenue but new skills will be needed to deliver them. The value equation is shifting but compensation needs to catch up. On the road ahead, PR will become a more demanding job but also more rewarding one – if we have the courage to lead the way.

# Foreword



**Paul Holmes**  
CEO  
The Holmes Report

**In recent years, the role of the chief communications officer has been primarily focused on protecting reputation: managing issues that have the potential to impact the organization’s image, dealing with policy challenges, responding to crises—all of these activities are reactive in nature, requiring stout defense rather than creative offense.**

When corporate communicators have been more proactive—executive communications, thought leadership, communicating corporate purpose and responsibility—they have tended to use traditional tools: speeches, op-eds, press releases, annual sustainability reports, and of course the company website.

It is no secret that corporate communications must evolve if it is to meet the challenges of a new era: an era of social media engagement, in which companies must tell their stories proactively, using every channel available. And one of the takeaways from this Global Communications Report is that most communications departments are simply not ready.

First, corporate communicators are underestimating the pace of change. While the vast majority of client-side respondents (97%) anticipate some change in the structure of their departments over the next five years, 17% expect only a slight change and 51% say the change will be “moderate.” Only 26% anticipate “an extreme amount of change” and just 4% expect to see “complete change.”

Second, while most communicators recognize the need to shift away from an exclusive focus on earned media—they project that by 2020, slightly more than a quarter of their media budgets (27%) will be focused on earned—they don’t appear to appreciate the need to use paid channels to distribute or amplify their messages, anticipating that just 17% will be spent on paid media. Given that they expect to see the biggest increase to be in the use of shared media, this seems unrealistic—most social media posts will be shared with a very narrow audience unless accompanied by some paid spend.

Third, they continue to focus on traditional skills—the skill ranked most important among new hires is “written communications” (4.48 on a scale of one to five)—and traditional sources of talent. The most important source of talent remains other in-house departments (3.53 on a scale of one to five), followed by PR agencies (3.21) and news media (3.02). It goes without saying that new skills—data and analytics, social sciences, content creation in its many forms—will be more important going forward.

This report should serve as a wake-up call to CCOs and the agencies that serve them—most companies are not prepared to change as quickly as the environment in which they are operating.



# Part I: 2016 Global Communications Report Research

# The Scale Of Change Disrupting The PR Industry

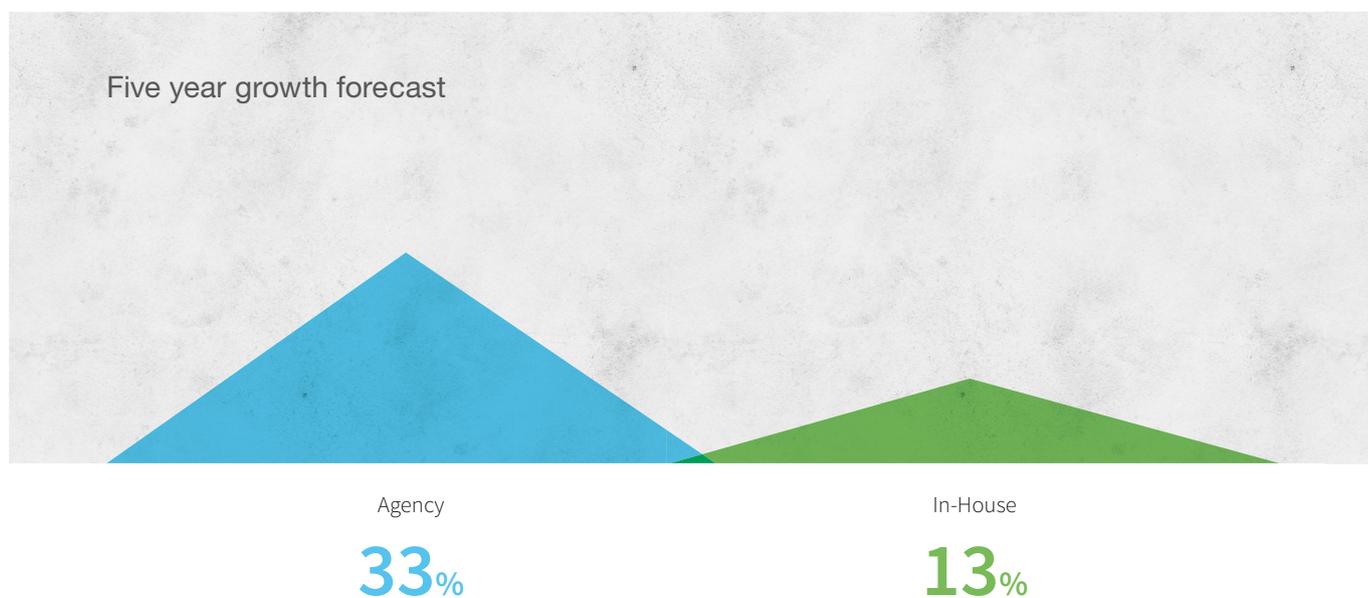
**Landmark survey predicts that global PR agency sector will approach \$20bn by 2020, but questions remain over the industry’s ability to adapt to a rapidly shifting landscape.**

Corporate communications executives around the world believe both they and their public relations agency partners will be expected to deliver more—more strategy, more content, more channels, more creativity and more measurement—over the next five years.

But questions remain over the industry’s ability to attract the right talent, adapt to new technologies and increase the level of investment required to capitalize on these opportunities.

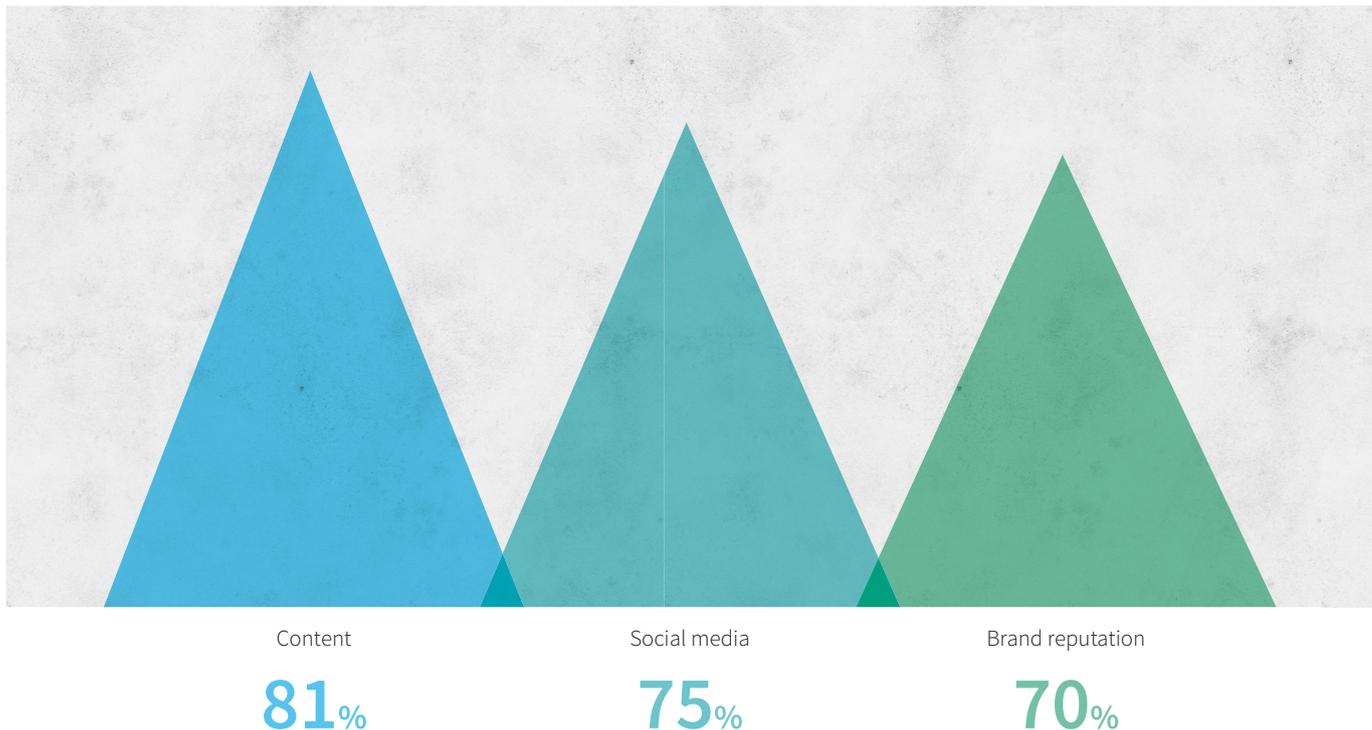
These are some of the headline findings from the first Global Communications Report, a comprehensive worldwide survey of more than 1,000 senior public relations executives, led by the USC Annenberg Center for Public Relations in conjunction with the Holmes Report.

According to the study, PR agency leaders predict that the worldwide PR agency business will grow from its current estimated size of \$14 billion to \$19.3 billion over the next five years. To accommodate this growth, agency leaders anticipate their headcount will increase over the same period by about 26%.



By comparison, client-side budgets increased by an average of just 2.67% — and respondents expect budgets to increase even more slowly over the next five years, by just 13% by 2020 — about 2.5% annual compound growth. Client-side respondents expect an even smaller increase — 11% — in headcount over the next five years.

## Growth & Challenges



Industry leaders, both in agencies and in-house, believe future growth will be driven by content creation (81%) and social media (75%), as well as more traditional activities such as brand reputation (70%), followed by measurement and evaluation. Traditional media relations still ranks relatively high for both corporate and agency leaders (55%). However, advertising/paid media (18%) ranked last of 18 possible growth drivers.

“Overall, we are sensing a continued optimism about the direction the industry is headed, which is good news for people entering the field,” said Fred Cook, Director of the USC Center for Public Relations. “But questions remain about the industry’s ability to attract the right talent, adapt to new technologies and increase the level of investment required to capitalize on these opportunities.”

Both agency and corporate executives strongly agree that the ability to attract and retain the right talent is their greatest challenge and the majority of both groups believe the PR industry is not good at sourcing talent from outside its ranks, citing salary levels as the major obstacle.

Traditional expertise still tops the list of skills communications departments and PR firms view as key to success over the next five years. Written communications is the skill ranked most important by client and agency respondents. When asked what personal traits they felt were critical for the future, industry leaders ranked traditional values of teamwork and hard work near the top — but they also believe their teams are already strong in these areas. They say more horsepower is needed in curiosity, creativity and critical thinking.

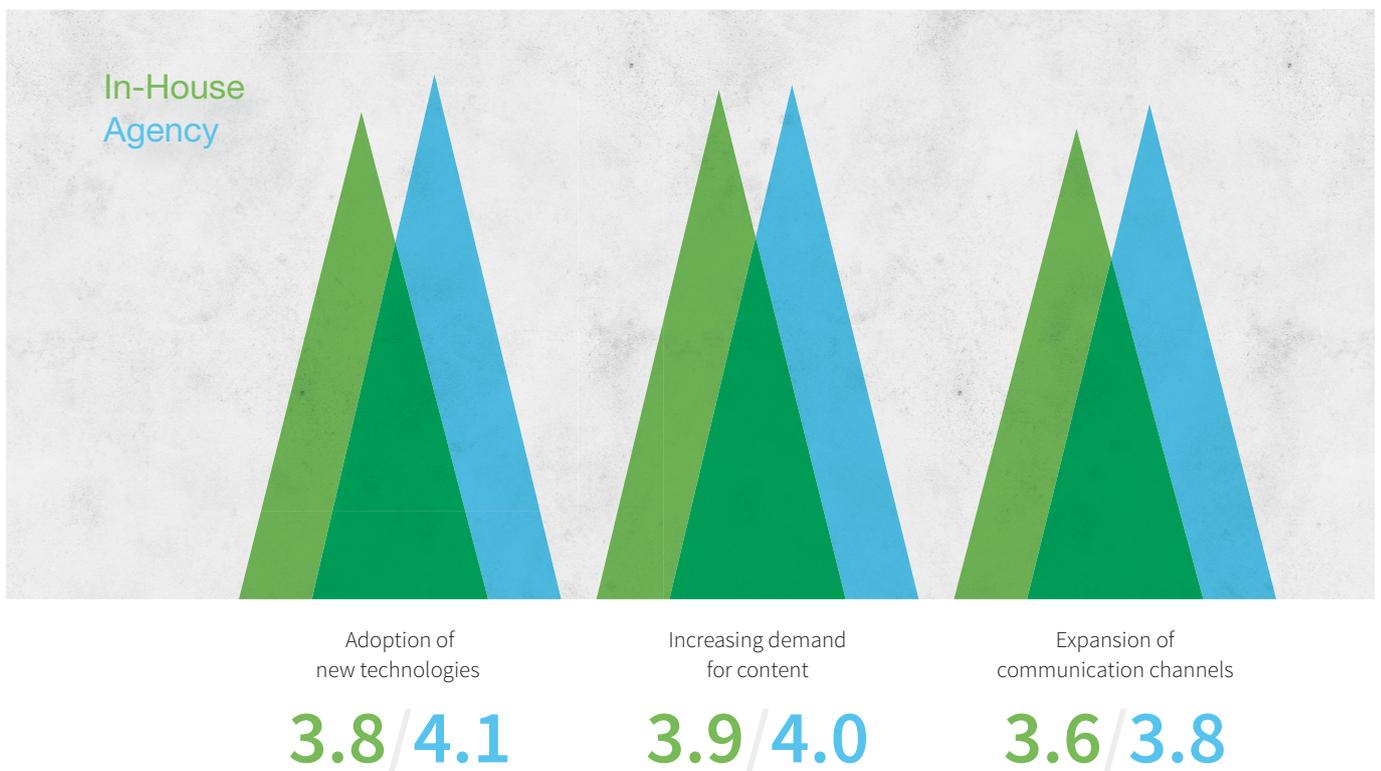
When asked about diversity, only 45% of agency heads and 44% of corporate executives believe their ranks are as diverse as their clients’ customers or stakeholders. Both groups cite lack of access to diverse talent at senior and entry levels as the primary challenge.

“It’s clear that finding the right talent is by far the most critical factor in the PR industry’s future growth,” said Cook. “The more complicated question is what skills should this talent possess. Industry leaders still value traditional communications skills but are searching for more strategy, creativity and diversity.”

## Changing models

Underpinning growth and shifting skillsets are changing corporate and agency structures. The vast majority of client-side respondents (97%) anticipate some change in the structure of their departments to better address changes in the communications landscape over the next five years, but 17% expect only a slight change and 51% say the change will be ‘moderate.’ Only 26% anticipate ‘an extreme amount of change’ and just 4% expect to see ‘complete change.’

Agency respondents to the survey also expect some change (98%), but again a plurality (45%) believe the change will be ‘moderate,’ although on the agency side 47% are anticipating ‘an extreme’ or ‘complete amount of change’.



As for the drivers of change, agency leaders saw the adoption of new technologies (4.1 on a scale of one to five) as the biggest factor, followed by increased demand for content (4.0), the expansion of communications channels (3.8), increasing use of data and more demand for specialized services (3.5). Corporate leaders also ranked these areas as key drivers.

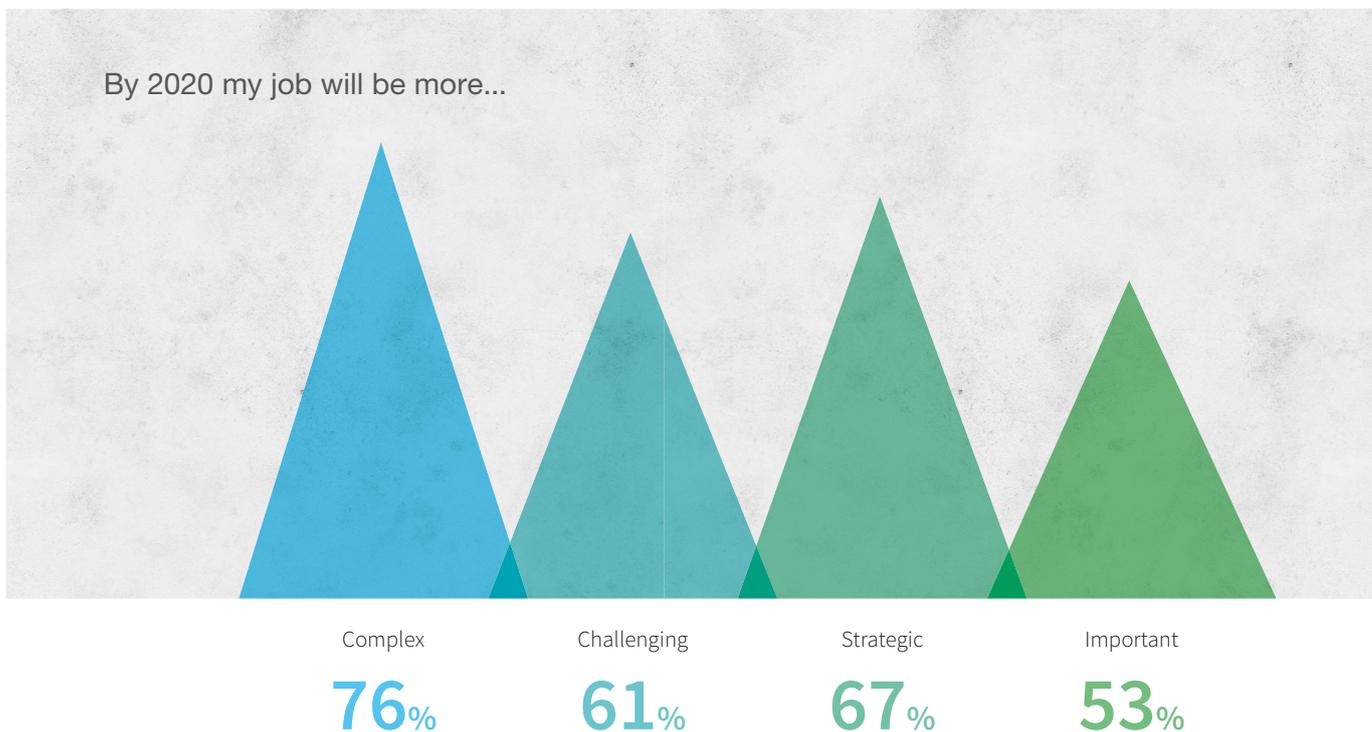
But while most communications departments anticipate change, there’s no indication that budgets are changing to accommodate increased complexity and heightened expectations. As mentioned previously, client-side budgets increased by an average of just 2.67% last year and respondents expect budgets to increase even more slowly over the next five year, at around 2.5% per year.

Relationships also are shifting. Corporate communications clients acknowledge that they value agencies more for their strategy and creative prowess than for their “arms and legs.” Meanwhile, agencies disclose that about 30% of the time they report into marketing or brand management, versus 34% into corporate communications.

By 2020, agency leaders expect to see their revenue streams shift away from earned media, but it will still be the dominant revenue driver at 36%. Meanwhile, all of the other media categories will grow — owned to 24.6%, shared to 24.2% and paid to 12.9%. In total, PR executives predict 63% of all media outlets will offer paid placement opportunities in five years. Ironically, only 8% rank media buying skills as an important staff skill for the future.

“The pace of change in public relations has never been faster than it is today, but at the same time, it will likely never be this slow again,” added Paul Holmes, CEO of The Holmes Report. “Both agencies and their clients recognize that change is occurring, but it is not clear that they appreciate the extent, when it comes to finding non-traditional talent or developing non-traditional services, particularly outside of earned media channels.”

Looking to the future, it is clear that PR as a profession is evolving. All survey respondents agree that in five years their jobs will become more complex, challenging, and strategic. Only 27% of agency leaders believe by the year 2020 the term “public relations” will clearly and adequately describe the work they do.

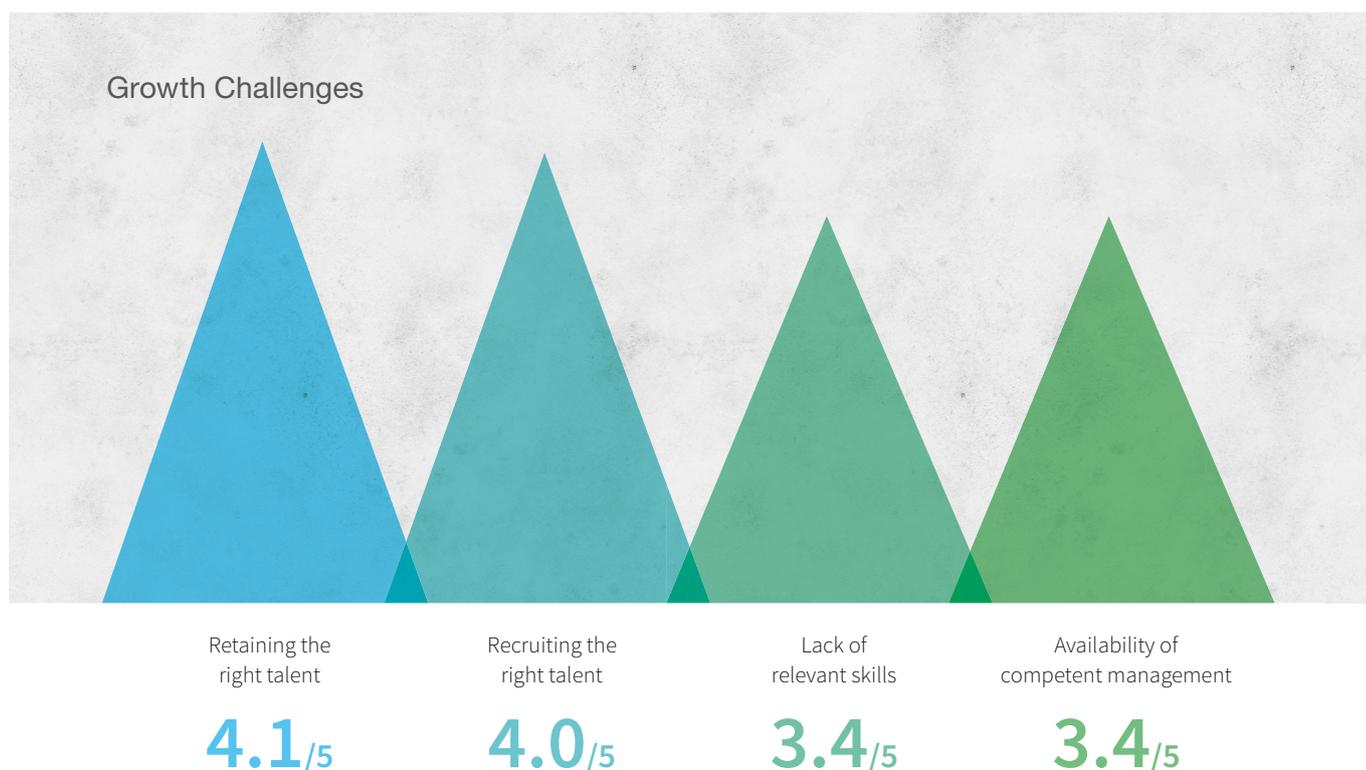


# Why Talent Is The PR Industry's Critical Challenge

Agency and in-house leaders agree that talent is the global PR industry's single biggest challenge, yet still prioritise traditional expertise over newer skills, reveals our landmark survey.

Both agency and corporate executives strongly believe that the ability to attract and retain the right talent is the greatest challenge facing the global PR industry, according to the inaugural Global Communications Report.

While the findings suggest that overall industry growth prospects are good, questions remain over the industry's ability to adapt to a rapidly shifting landscape. And chief among these concerns is talent, which is identified as the greatest challenge preventing agency and in-house executives from reaching their future goals.



Client-side respondents cited the ability to retain the right talent (3.99 on a scale of one to five) and the ability to recruit the right talent (3.81) as their biggest challenges. On the agency side of the business, the numbers are even higher — agency leaders say their ability to retain top talent (4.18) and the ability to recruit top talent (4.15) are their most important obstacles to growth.

Clients were more sanguine about the availability of competent management (3.44), tightening corporate budgets (3.43), the lack of relevant skills (3.32) and a shortage of quantifiable measurement techniques (3.32).

Similarly, agency leaders' concerns over talent rank well ahead of the lack of relevant skills (3.54), tightening corporate budgets (3.42), the availability of competent management (3.41) and the need for better forms of measurement (3.32).

But agencies were much more likely to be concerned about the industry's ability to attract and retain “non-traditional” talent. More than half (55%) of agency respondents disagreed with the statement that “the PR industry in your market does a good job of sourcing talent from outside the industry,” with 9% disagreeing strongly.

Both in-house (2.54) and agency leaders (3.21), furthermore, are relatively unconcerned about competition from other disciplines such as marketing and advertising (2.54).

## Recruitment and skills – not changing fast enough?

“The industry simply cannot continue to cannibalize itself when it comes to talent”

Perhaps that's because—despite changes in the communications landscape and new demands for multi-channel communications campaign— both clients and agencies continue to focus on traditional sources of talent.

For in-house leaders, the most important source of talent remains other in-house departments (3.53 on a scale of one to five), followed by PR agencies (3.21) and news media (3.02). Agencies too are more likely to cannibalize their competitors (3.69) for new talent. But they are more willing than their client-side counterparts to seek new people in non-traditional sectors, including research and analytics (3.23) and advertising and marketing (2.79).

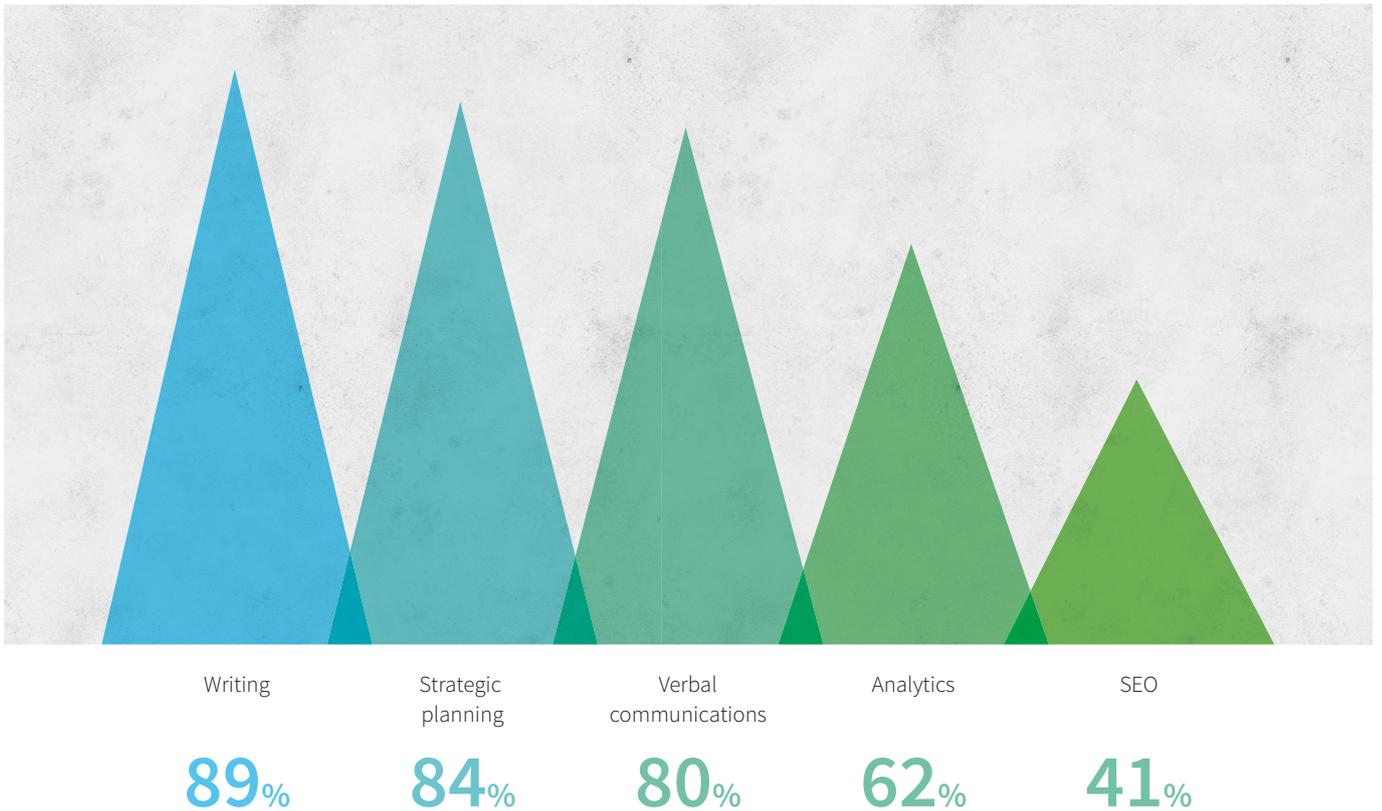
“The industry simply cannot continue to cannibalize itself when it comes to talent,” said Holmes Report CEO Paul Holmes. “The fact that agencies are looking first to other PR firms and to corporate communications departments is worrying at a time when we need new kinds of thinking and new kinds of skills. People are the key to transformation, and as an industry we need to look for those people in a wider range of settings.”

There is some indication that departments are looking elsewhere for talent, however. Research and analytics (3.03) is an increasingly important source of talent, along with advertising and marketing (2.6) and other professional services such as law and management consulting (2.31)

“A significant challenge in addressing demand for the best talent with broadening skill sets lies with a seemingly ongoing lack of willingness to source or consider talent from outside traditional PR roles,” said Capstone Hill Search president Jamie McLaughlin.

“This conservative approach sees agencies continuing to opt for cannibalising competitors for new hires, while client side, the primary source remain other in-house departments or PR agencies. Both are strategies which continue to place pressure on retention rates.”

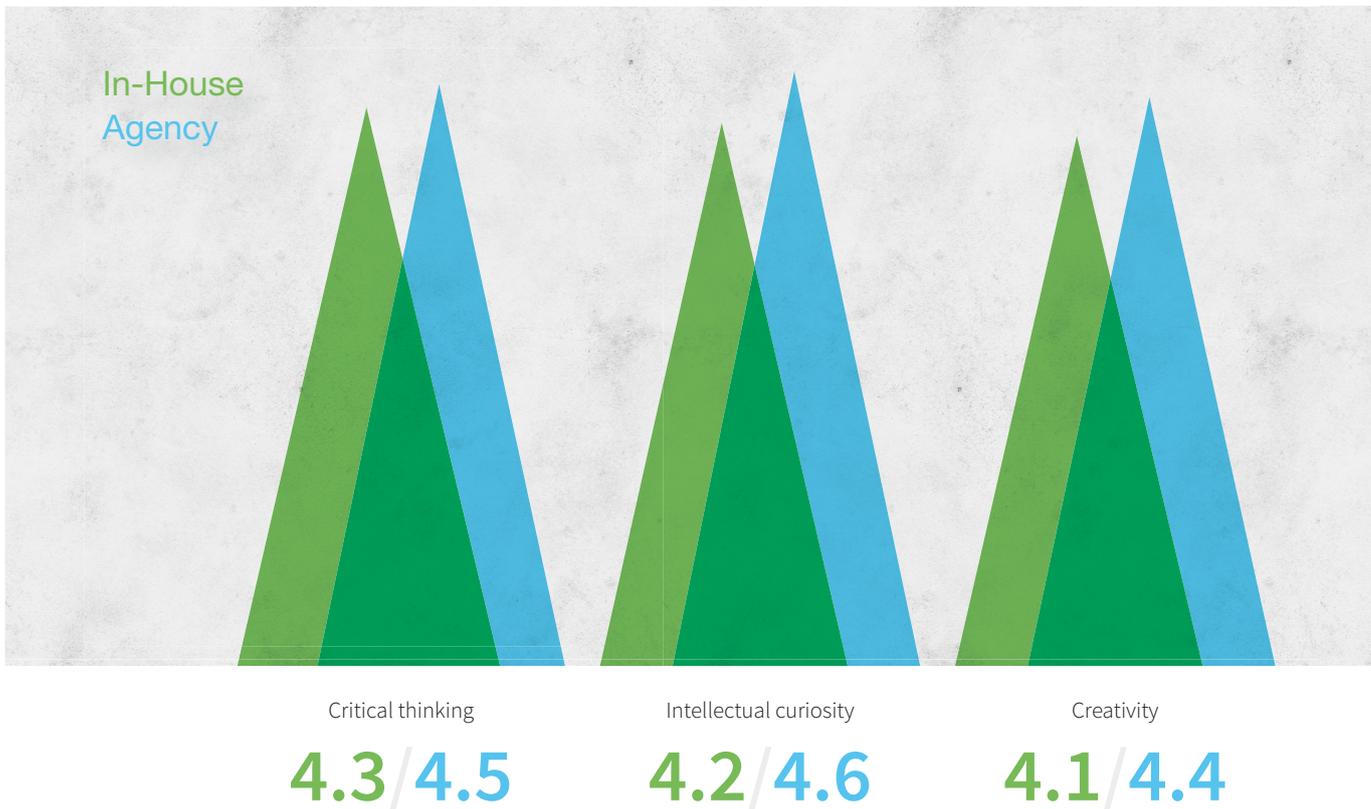
Perhaps one reason that traditional sources of talent are still a priority is that traditional expertise still tops the list of skills viewed as key to success over the next five years. Written communications is the skill ranked as most important by client and agency respondents (89%). Media relations is further behind (63%).



Writing—which might be considered a ‘price of admission’ ability for a communications department—were ranked as more critical than strategic planning (84%), social media expertise (76%), and multimedia content development (76%) and a long way ahead of things such as business literacy (62%), analytics (62%), research (48%), search engine optimization (41%), and behavioral science (32%).

“There are two possible explanations for the focus on written communications, and neither of them is particularly encouraging,” pointed out Holmes. “The first is that many respondents still don’t believe that the ability to write well—which really ought to be a ‘price of admission’ to the industry—is still in short supply. The second is that respondents are underestimating the rise of visual communications—infographics and animation and video more broadly—and the other new skills we need to attract.”

When asked what personal traits they felt were critical for the future, industry leaders ranked traditional values of teamwork (92%) and hard work (82%) near the top — but they also believe their teams are already strong in these areas. They say more horsepower is needed in curiosity, creativity and critical thinking.



On the topic of cultural diversity, only 45% of agency heads and 44% of corporate executives believe their ranks are as diverse as their clients' customers or stakeholders. Both groups cite lack of access to diverse talent at senior and entry levels as the primary challenge.

"It's clear that finding the right talent is by far the most critical factor in the PR industry's future growth," said Fred Cook, director of the USC Center for Public Relations. "The more complicated question is what skills should this talent possess. Industry leaders still value traditional communications skills but are searching for more strategy, creativity and diversity."

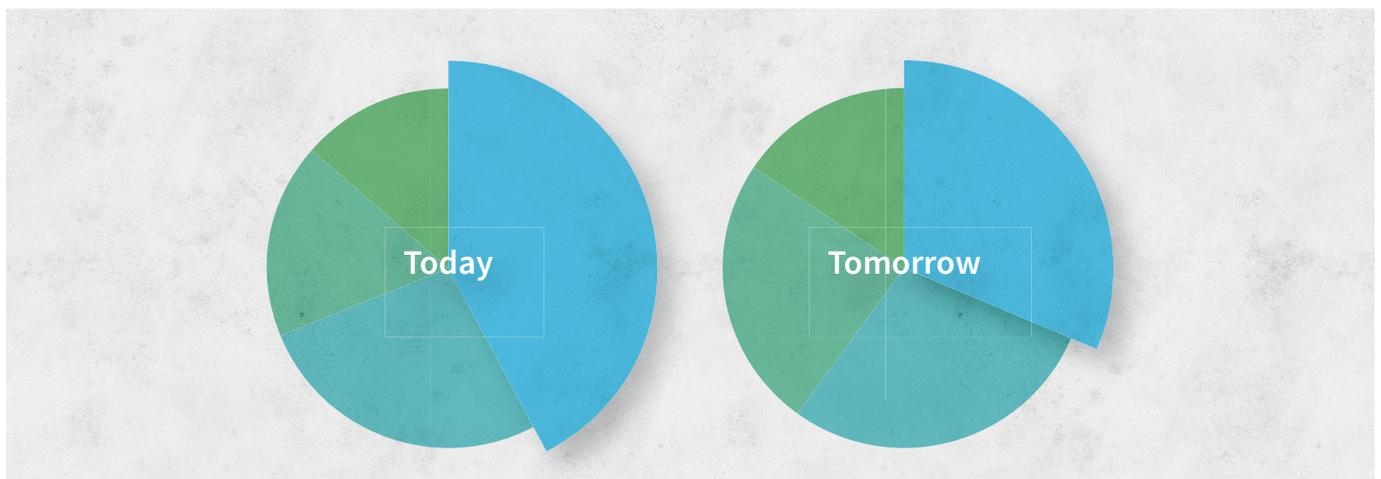
# Media Landscape Changes But Metrics Remain The Same

Global Communications Report reveals that while channel thinking is changing fast, the PR industry remains challenged by an inability to develop new measurement models.

In-house communicators and PR agencies are now working across multiple channels, but remain challenged by an inability to develop new measurement models.

Less than a third of the average corporate department's media budget (31.9%) is today being spent on earned media—the traditional focus for corporate communications. Slightly more (32.1%) is being spent on owned media, such as websites and blogs, while 17% is being spent on paid media and 16.4% is being spent on shared media.

And in-house respondents expect the shift away from earned media to continue over the next five years. They project that by 2020, slightly more than a quarter of their media budget (26.6%) will be focused on earned channels, with 31.3% to owned media, 22.8% - the biggest increase - going to shared, and 17.3% being spent on paid media.



Earned 41%  
Owned 26%  
Shared 17%  
Paid 13%

Earned 31%  
Owned 28%  
Shared 24%  
Paid 15%

“Given that paid media are likely to remain the most expensive, this raises questions about whether corporate communicators are underestimating the importance—or the budgetary impact—of paid channels,” said Holmes Report CEO Paul Holmes.

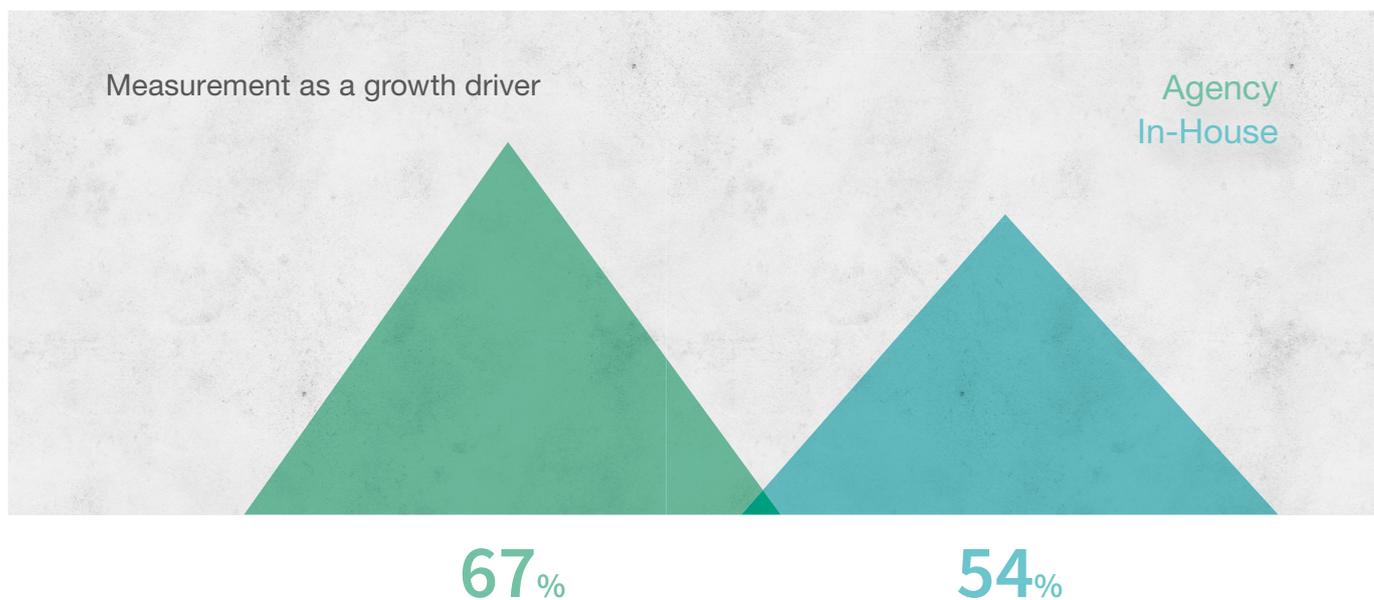
In contrast, agencies report that more than 50% of their revenue is currently derived from earned media activities, followed by 20.5% from owned media, 17.2% from shared media and 9.3% from paid media.

However, looking to 2020, agency leaders also expect to see their revenue streams shift away from earned, but it will still be the dominant revenue driver at 36%. While all of the other categories will grow - owned to 24.6%, shared to 24.2% and paid to 12.9%. In total, PR executives predict that by 2020, 63% of all media outlets will offer paid placement opportunities, which may be a low estimate. Ironically, only 8% rank media buying skills as an important staff skill for the future.

“We are seeing a significant across-the-board directional shift away from traditional media relations to owned, social and paid media,” said USC Center for Public Relations director Fred Cook. “Given the changing revenue model for the majority of media outlets, it’s surprising that the projected investment in paid media isn’t higher. Paid may be a missed opportunity.”

## Data and analytics

There is some encouragement where measurement is concerned: PR executives do see improved measurement and evaluation as a growth opportunity. It ranked third on a list of 18 potential growth drivers among agency respondents, compared to seventh when clients were asked where they expected to see growth.



However, current measurement models are still alarmingly focused on measures of output—such as total reach or total impressions—rather than on business outcomes. Agency and client-side respondents rated total reach as the most common form of measurement (68%), followed by impressions (65%) and content analysis (64%) with less emphasis on brand perception (47%) or attempts to measure return on investment (41%).

Surprisingly, 30% said they used advertising value equivalency—considered a discredited metric within the industry—most or all of the time.

Social media measurement is equally unsophisticated. The most common metric reported by agency and client-side respondents is a simple count of followers (78%), followed by reach (77%) and interactions such as likes or comments (76%). By comparison, relatively few are tracking sentiment (62%); social listening, such as real-time monitoring on conversations (47%); or changes in opinion or action (36%).

Corporate and agency leaders ranked “using a unified index based on business interests” the lowest on the list at 25%.

“Measurement remains the holy grail in the PR industry,” said Cook. “Everyone agrees that it’s a huge growth opportunity but few seem to have figured out an integrated approach to determining the real return on investment for communications.”

## The Changing Relationship Between Clients & PR Agencies

**PR agency leaders predict their share of overall marketing budgets will increase at the expense of other disciplines.**

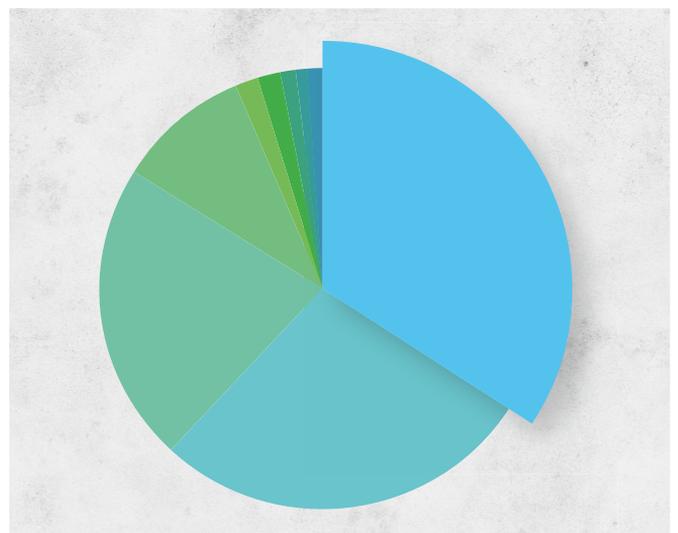
The overall relationship between communications directors and their PR agencies is expanding, but the nature of that relationship is changing, according to the inaugural Global Communications Report.

The majority (55%) of client respondents expect their reliance on outside agencies to remain about the same over the next five years, while 31% expect to become more reliant, and just 14% expect to be less reliant. Meanwhile, PR agency leaders predict their share of their clients’ overall marketing budgets will increase by more than 20% over the next five years at the expense of other disciplines.

Only about one-in-five corporate respondents (21%) works with a single agency of record, while 33% maintain ongoing relationships with multiple agencies, and 23% assign projects on an ad hoc basis. Somewhat surprisingly, 23% of respondents say they do not work with agencies at all.

### Agency reporting relationships

In-house Communications 33.7%  
CEO/President 27.3%  
Marketing 21.8%  
Brand Management 9.6%  
Human Resources 1.6%  
Other 1.6%  
Finance 1.0%  
Legal 1.0%  
Sales 0.9%

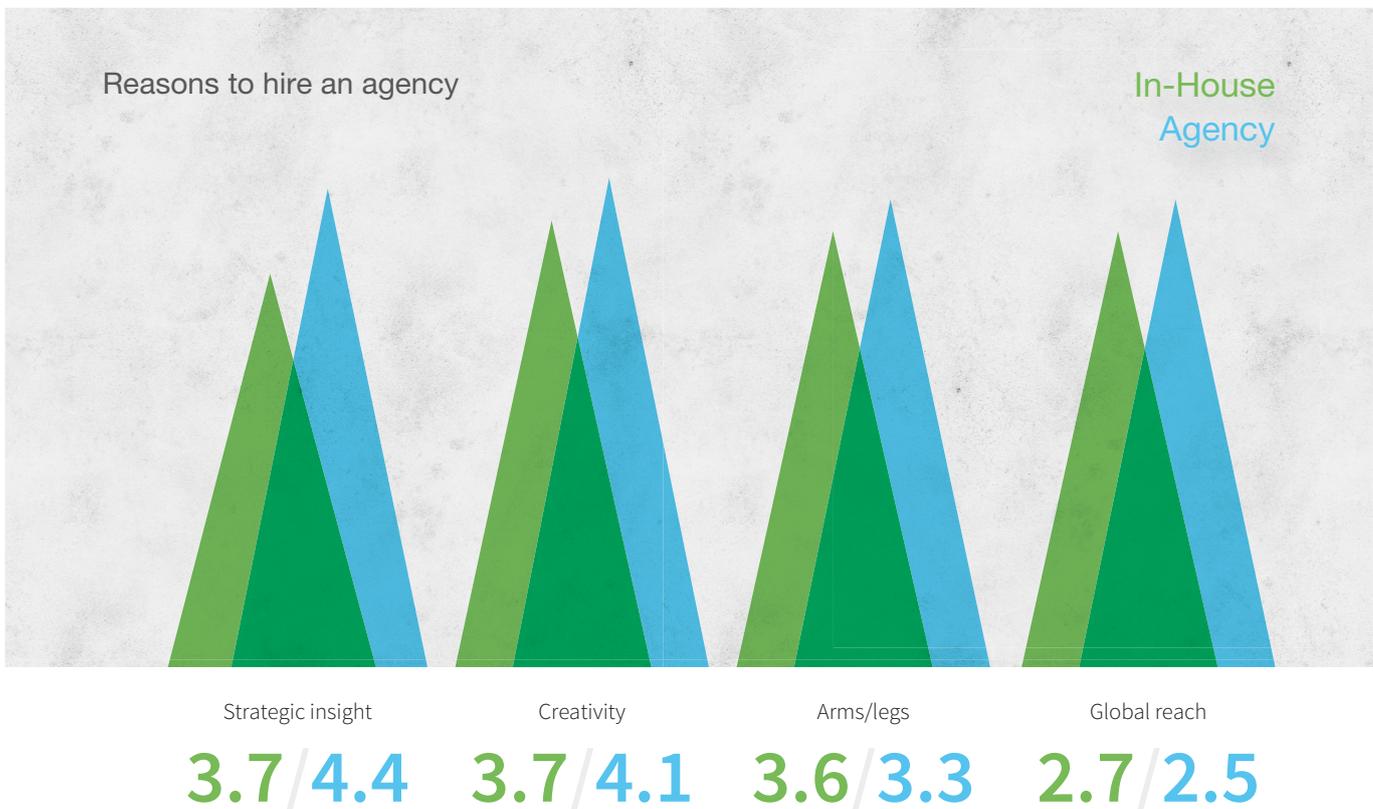


In what may be a major shift, furthermore, PR agency leaders report that today more than 30% of the time they are reporting into marketing (21.8%) or brand management (9.6%) versus corporate communications (33.7%).

Encouragingly, strategic and creative input is now more important than additional “arms and legs” when it comes to selecting agency partners.

Client-side respondents cited strategic insight as the single most important reason to bring in outside agencies (3.73 on a scale of 1 to 5), followed by creative thinking (3.67). By comparison, more prosaic concerns—the need for additional arms and legs (3.60) and expertise in media relations (3.28)—were less prominent. However, clients found less value in hiring outside agencies for their expertise in research and analysis (2.95) or measurement and evaluation (2.95).

By comparison, more prosaic concerns—the need for additional arms and legs (3.60) and expertise in media relations (3.28)—were less prominent. However, there was even less interest in hiring outside agencies for their expertise in research and analysis or measurement and evaluation (2.95).



When asked how satisfied they were with the way agencies are compensated, corporate respondents gave the current billing model a score of 59 out of 100, suggesting they are slightly satisfied. Agency leaders seem a little more satisfied at 62.

There is also a strategic focus when it comes to the ways in which clients believe agency relationships ought to be measured. Among clients, the most popular metrics focused on meeting pre-determined goals and objectives and strength of strategic counsel (4.05), quality of the creative product (3.85) and business results (3.75).

Similarly, agencies believe they are most valued for their strategic insights (4.38), with their expertise in specific practice areas (4.34) not far behind. But they are considerably more likely to believe that clients value their expertise in media relations (4.22) and their ability to bring an objective outside perspective (4.05) and considerably less likely to believe that they served as additional arms and legs (3.29).

There was less interest in evaluating agencies on either media results (3.44) or product sales (2.56)—and very little enthusiasm for the hourly billing model currently employed by most agencies (3.00).

Agency respondents' views were similar. They believe that strategic counsel (4.44) should be the most important metric for determining compensation, followed by pre-determined objectives (4.42) and the overall health of the relationship (3.93), ahead of the quality of creative product (3.85) and business results (3.84). Agencies were slightly more supportive of the hourly business model (3.31) but equally dismissive of media results (3.40) and sales results (2.99).

“It is encouraging to see the client/agency relationship shifting to one based more on strategy and creative,” said USC Center for Public Relations director Fred Cook. “It appears that it’s time to explore new compensation models based more on value delivered than hours spent.”

# Talent Sourcing Remains Critical To PR's Continued Success



**Jamie McLaughlin**  
President  
Capstone Hill

**Professionalism, adaptability, breadth of skills, strategic thinking and quality of basic technical skills, remain the cornerstone of the majority of all successful hiring decisions.**

From Capstone Hill Search's perspective at the coalface, it comes as no surprise that this year's Global Communications Report again highlights the critical importance of identifying, securing and retaining talent. The findings are absolutely on par with what we've witnessed throughout the US, European and Australasian markets over the past 12 months.

The ability to build or maintain competitive edge, to leverage market growth potential, and to remain relevant to broadening expectations of clients and stakeholders, still remains fundamentally anchored in the ability to secure and retain the best talent.

A significant challenge in addressing demand for the best talent with broadening skill sets lies with a seemingly ongoing lack of willingness to source or consider talent from outside traditional PR roles. This conservative approach sees agencies continuing to opt for cannibalising competitors for new hires, while client side, the primary sources remain other in-house departments or PR Agencies. Both strategies which continue to place pressure on retention rates.

Whether client side or agency based we see very strong demand globally for a balance between traditional core skills such as writing, relationship management and strategic planning as much as for less traditional skills and experience in areas such as multimedia content development, social media and digital strategy.

Additionally, although slightly less at the forefront, skills and experience in business literacy, analytics, search engine optimisation, research etc., are also increasingly seen as critical ingredients in the arsenal of ideal recruits.

A significant trend is the demand for increasingly broad and diverse skill sets – yet not necessarily a case of 'Jack of all trades', more 'master of all trades'. Providing further complication is the persistent trend to want to find this ever-increasing breadth of skills, yet with specific sector or geographic market expertise.

Although general growth remains strong and with it the demand for talent, and despite communications departments and agencies highlighting attracting talent as their primary business challenge, there remains an apparent lack willingness to yield on variables such as sector or market knowledge as a potential trade-off.

Interestingly, with modern stakeholder groups including increasingly transient media and digital influencers, the desire to have what is perceived as long standing local market relationships and/or knowledge is still highly valued by many communications employers.

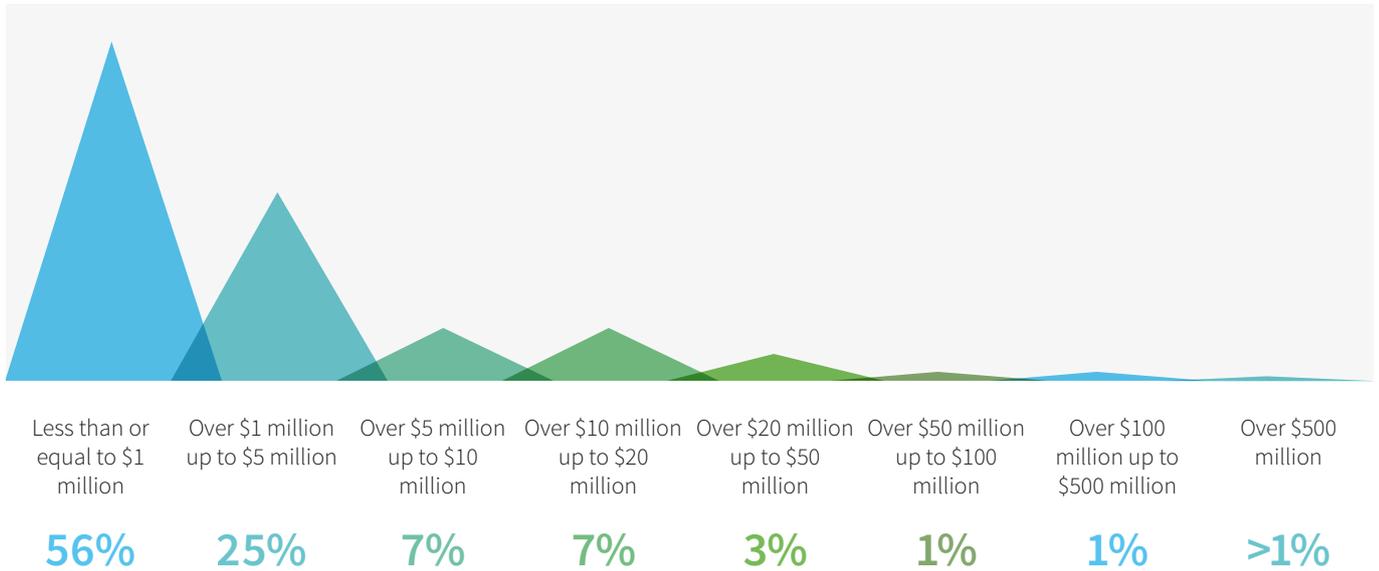
However, although general conservatism still remains in terms of preference for local market, industry sector knowledge and traditional sources of talent, we are witnessing via Capstone Hill Search's client base in the USA, Europe and Australasia an increasing willingness to broaden search horizon's. In the past 12 months, this has perhaps been most noticeable in growing acceptance of a more globalized talent pool and recognition of candidate ability to quickly adapt to new markets. Equally, agencies in particular have been noticeably more willing to search into non-traditional sectors.

Professionalism, adaptability, breadth of skills, strategic thinking and quality of basic technical skills, remain the cornerstone of the majority of all successful hiring decisions.

# 1. Budgets & Revenues

## In-House

What is your estimated, all-inclusive Public Relations or Communications budget (including all costs, i.e. staff salaries and related costs, agency fees, program execution, etc.) for the current fiscal year?



How much did your Public Relations or Communications department's budget change from the last fiscal year to the current fiscal year?

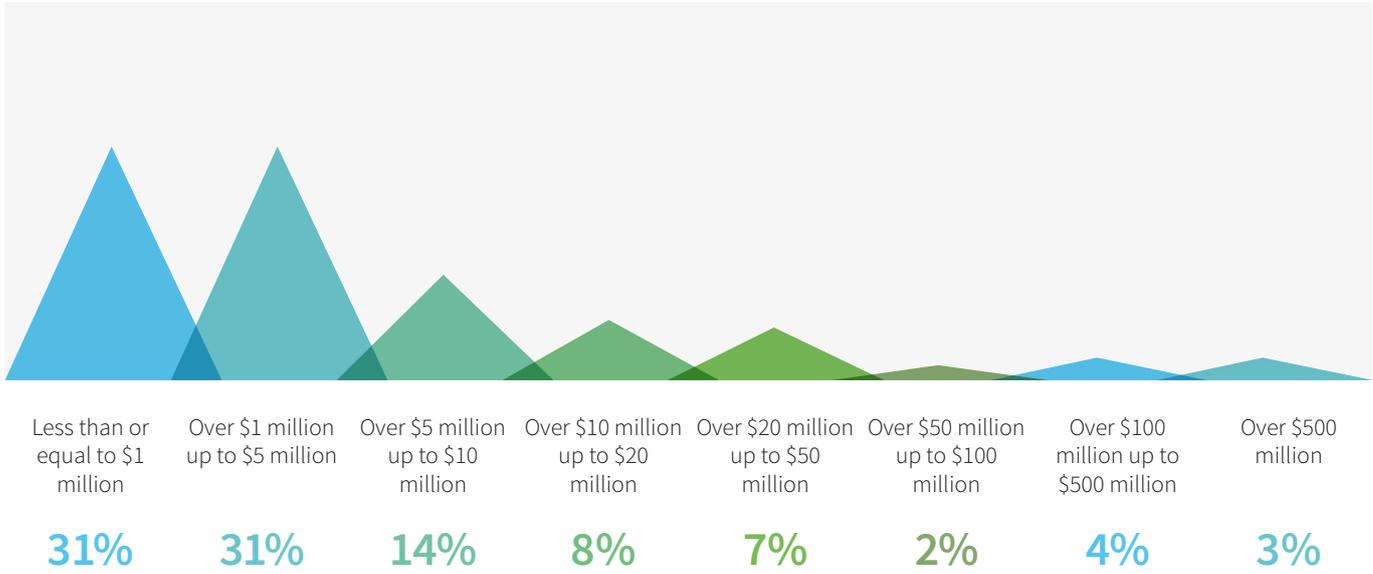
**2.67%** Department Budget Change

How much do you predict the budget for your department will change in total from 2016 to 2020?

**13.12%** Predicted Department Budget Change

## Agency

What is your agency's net revenue for the current fiscal year?



How much did your agency's net revenue change (if at all) from the last fiscal year to the current fiscal year?

**13.42%** Net Revenue Change

How much do you predict the net revenue for your agency will change in total from 2016 to 2020?

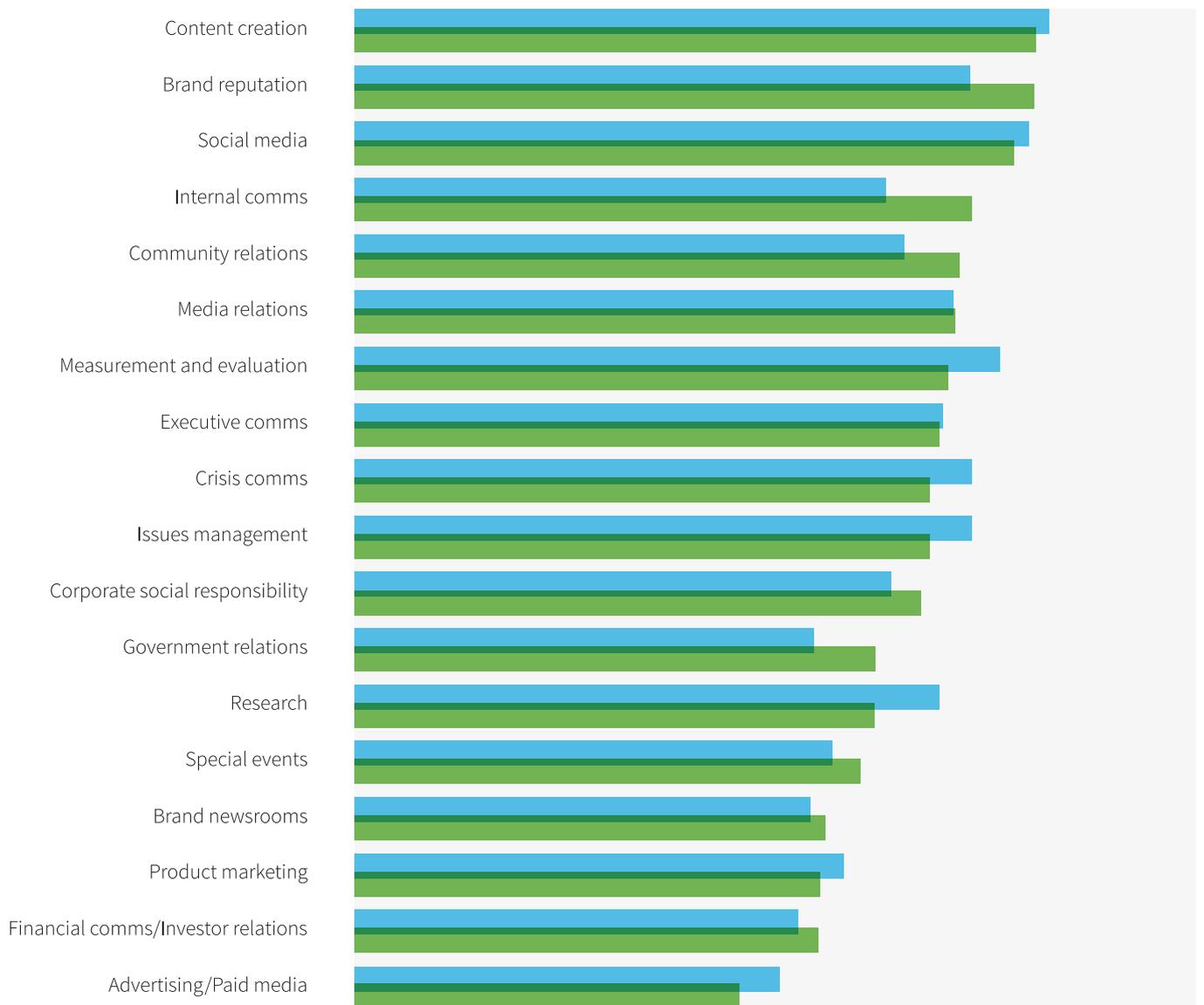
**32.63%** Predicted Net Revenue Change

Over the course of the next five years, how do you think your agency's share of your clients' overall marketing/communications budget will change?

**22.60%** Change

## 2. Growth Drivers

How important do you think each of the following services will be in driving growth for your department/agency over the next five years?



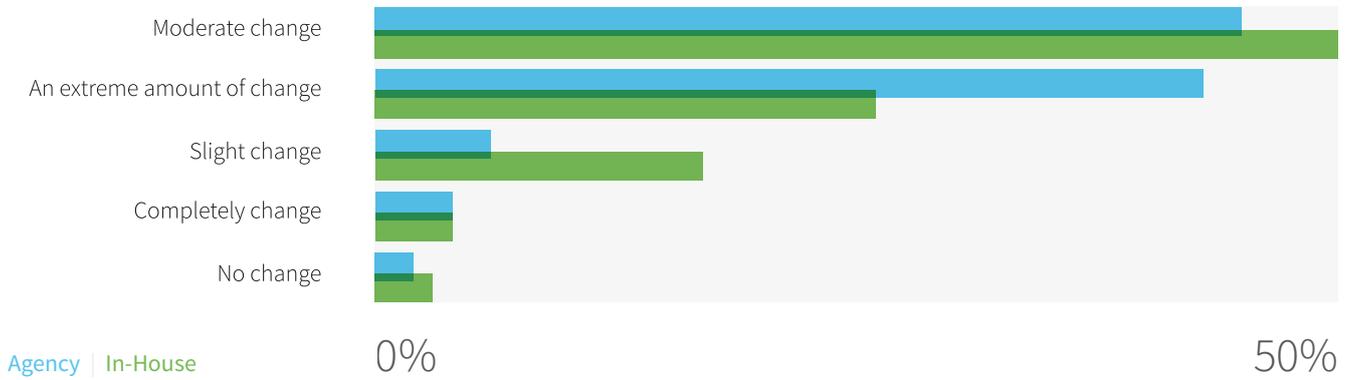
Agency | In-House

0

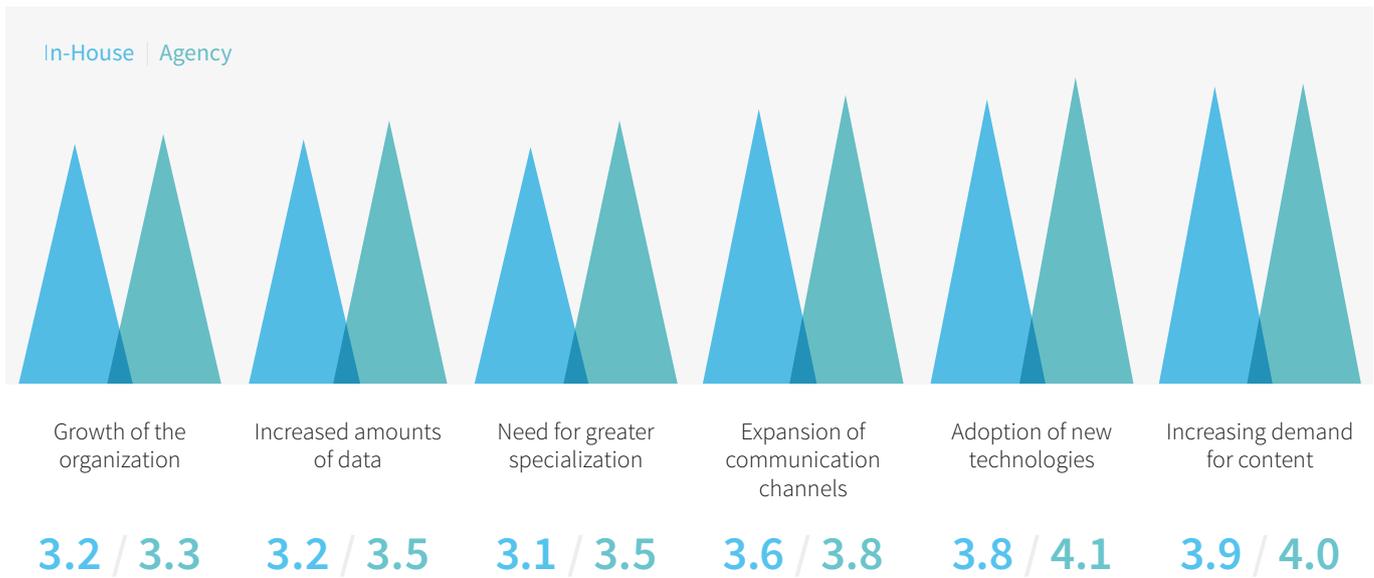
5

# 3. Structural Change & Challenges

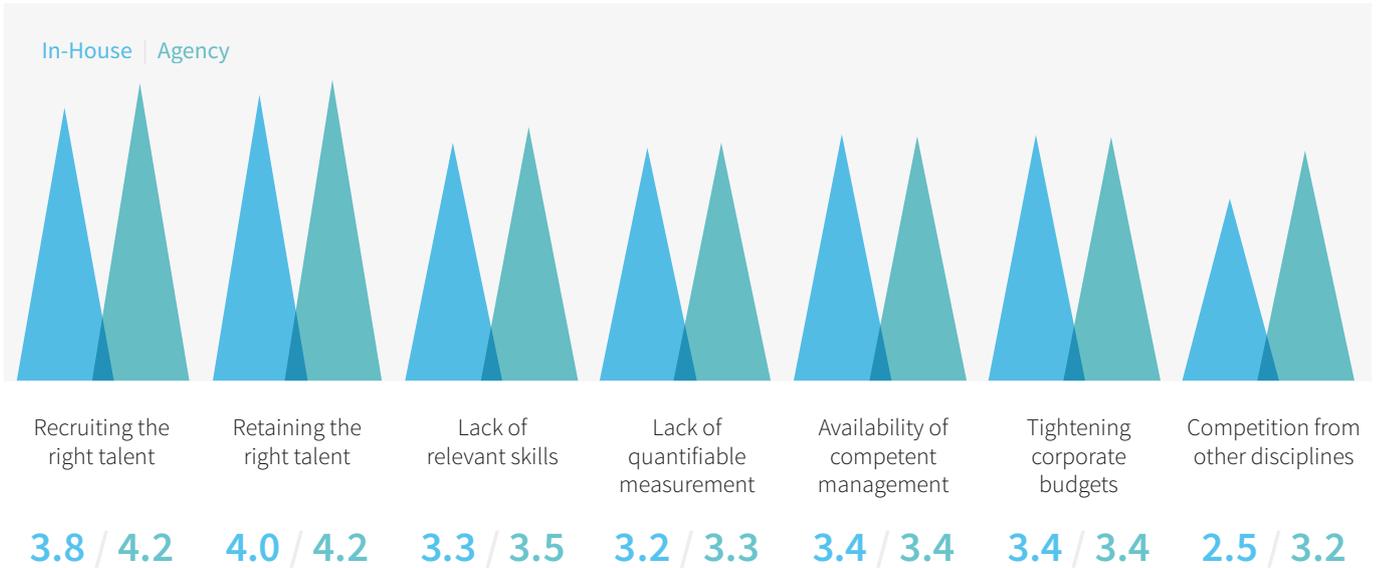
Over the next five years, how much do you feel the structure of your department will change or evolve to better address the changes in the communications landscape?



How important will each of the following factors be in causing the structure of your department to change over the next five years?



How important will each of the following challenges be in preventing your department from achieving its goals over the next five years?



## 4. Talent & Diversity

### i. Headcount

#### In-House

How many full-time employees focusing on communications are currently in your department?



How did your department's number of full-time employees focusing on communications change from the last fiscal year to the current fiscal year?



How do you expect your department's number of full time employees to change over the next 5 years?



## Agency

Currently, how many full time employees are working in your agency?



How did your agency’s number of full-time employees to change from the last fiscal year to the current fiscal year?

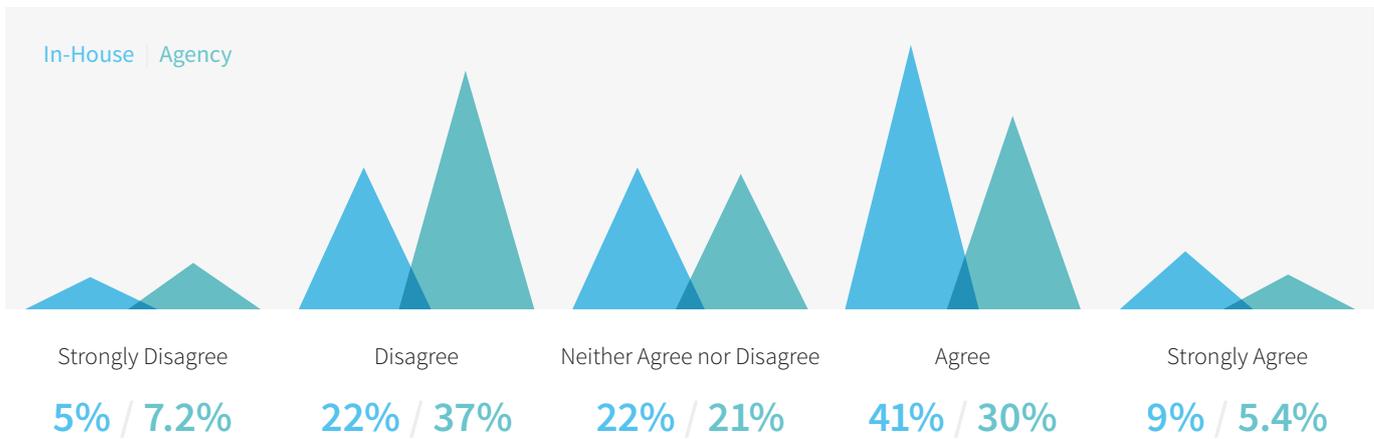


How do you expect the number of full-time employees to change by the end of year 2020?

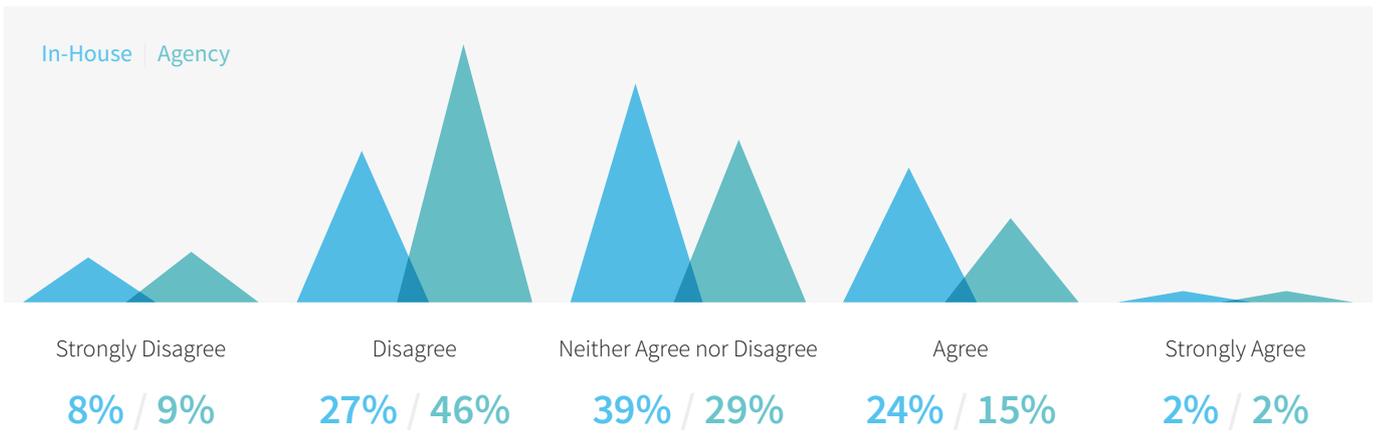


## ii. Talent & Skills

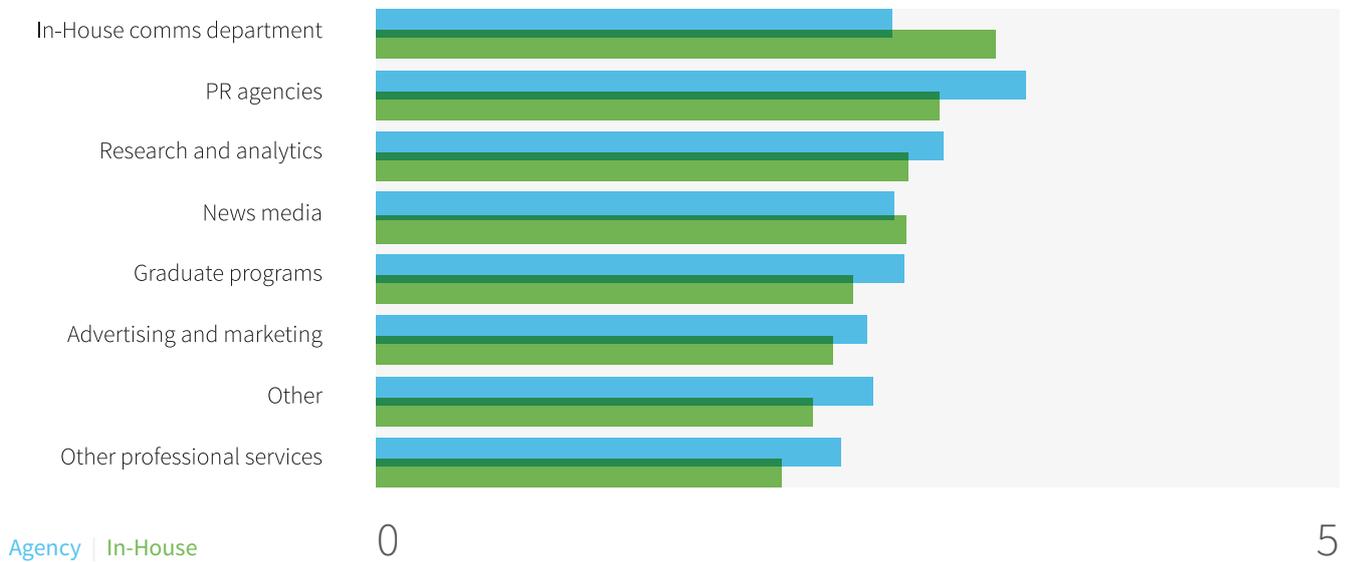
Please indicate whether you agree or disagree with the following statement: there is a plentiful supply of intelligent, well-educated talent in your market.



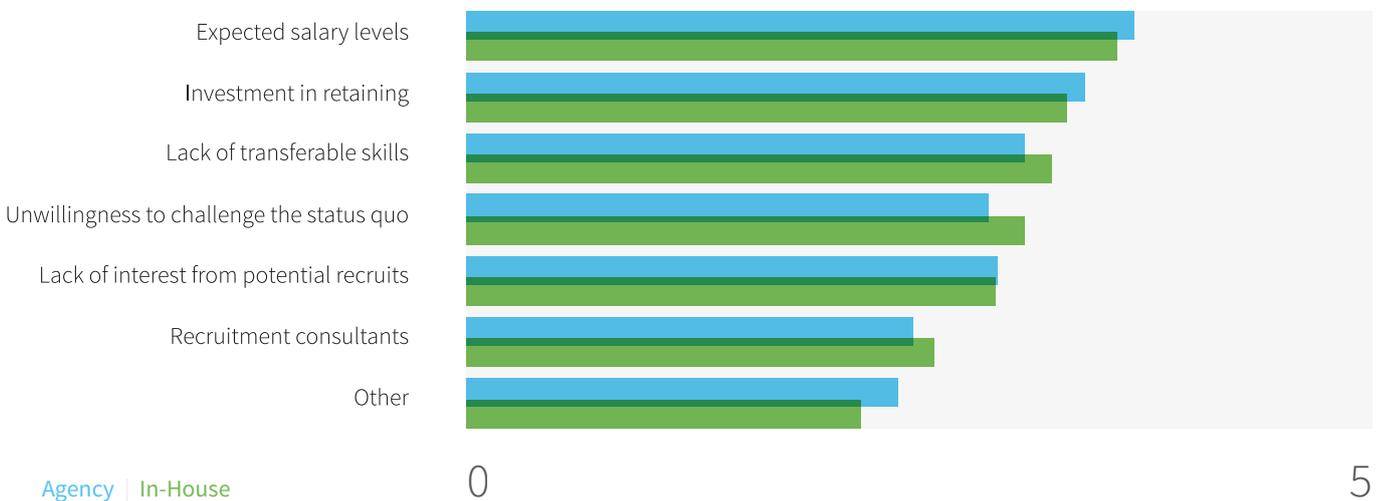
Please indicate whether you agree or disagree with the following statement: the PR industry in your market does a good job of sourcing talent from outside the industry.



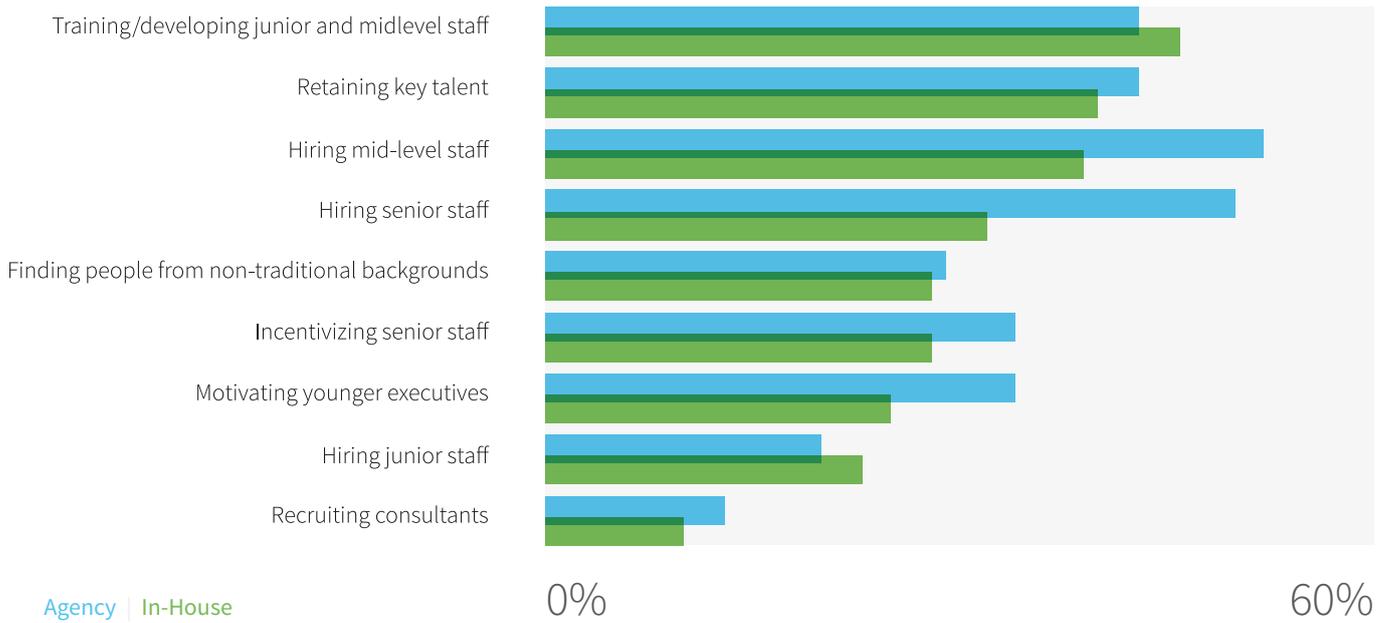
**How important are the following sources of additional talent?**



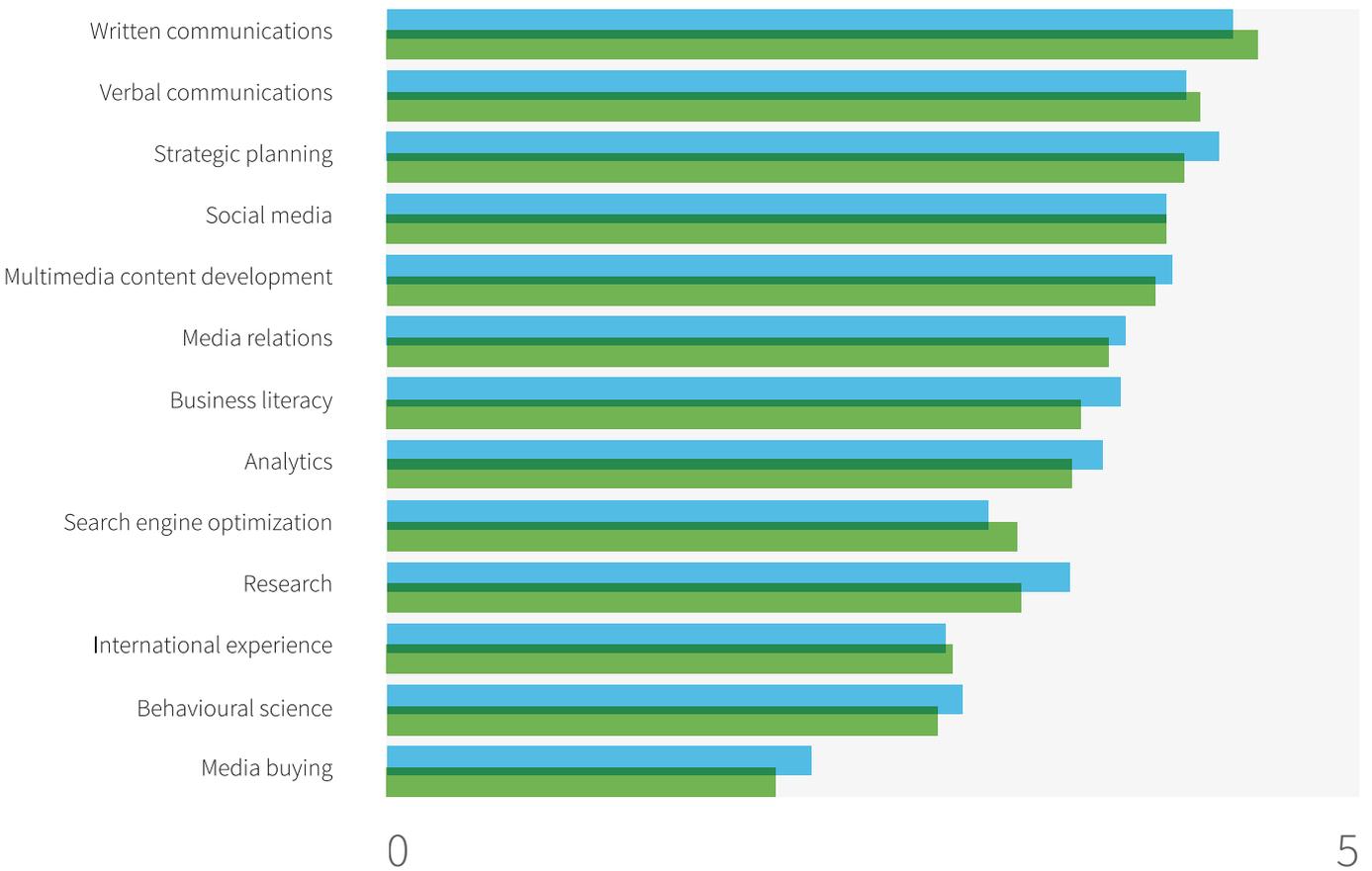
**How much do these factors impact your ability to source talent from outside the PR industry?**



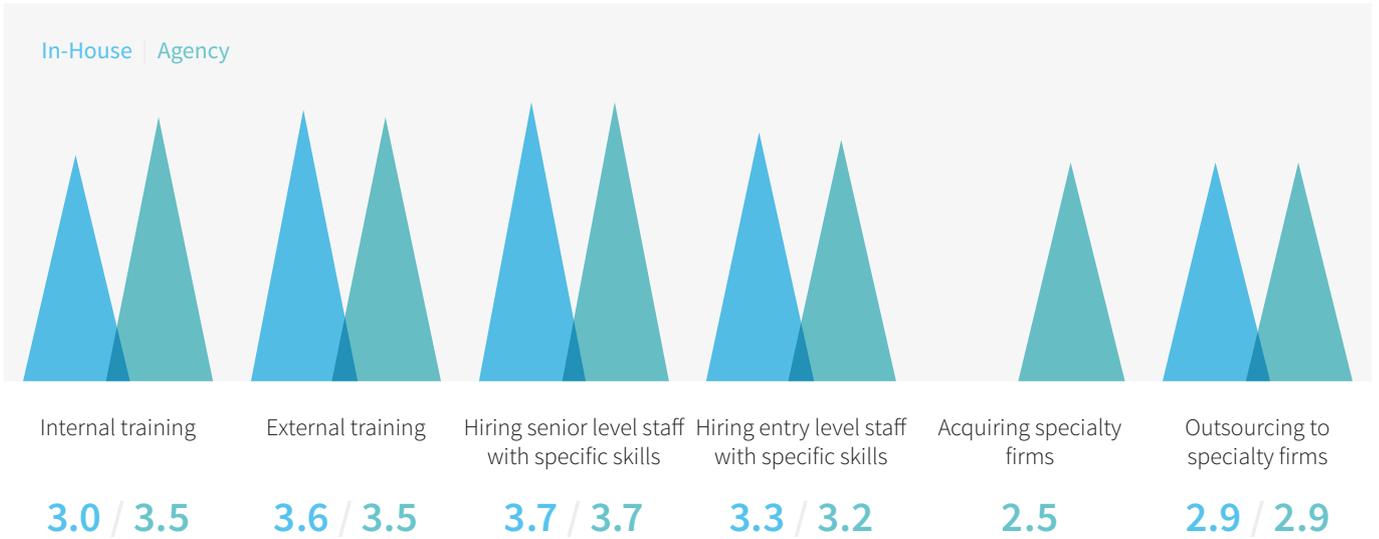
**What are the primary challenges you face when it comes to your talent strategy?**



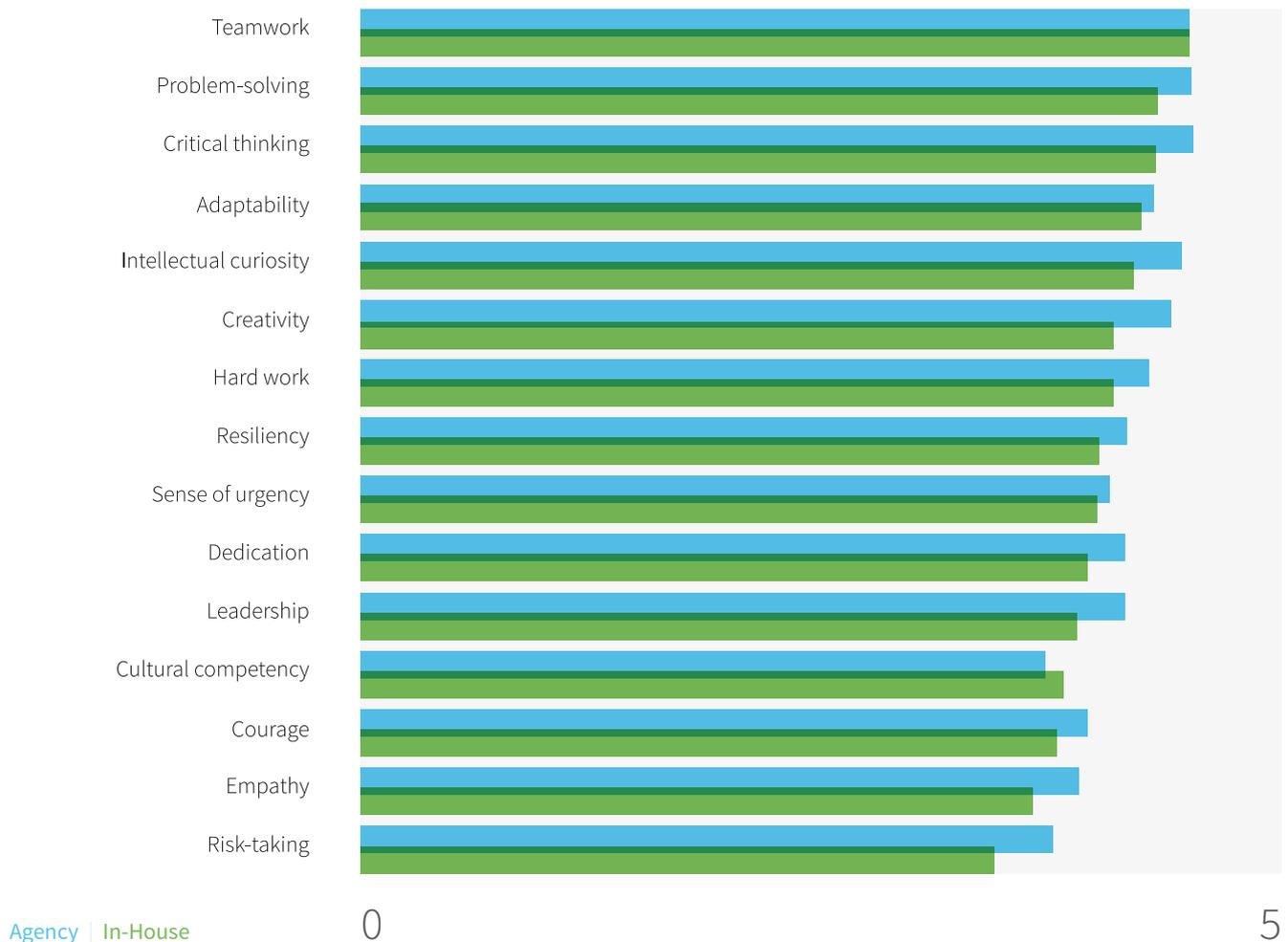
**How important will the following areas of staff skills and expertise be for your department/ agency to achieve its goals over the next five years?**



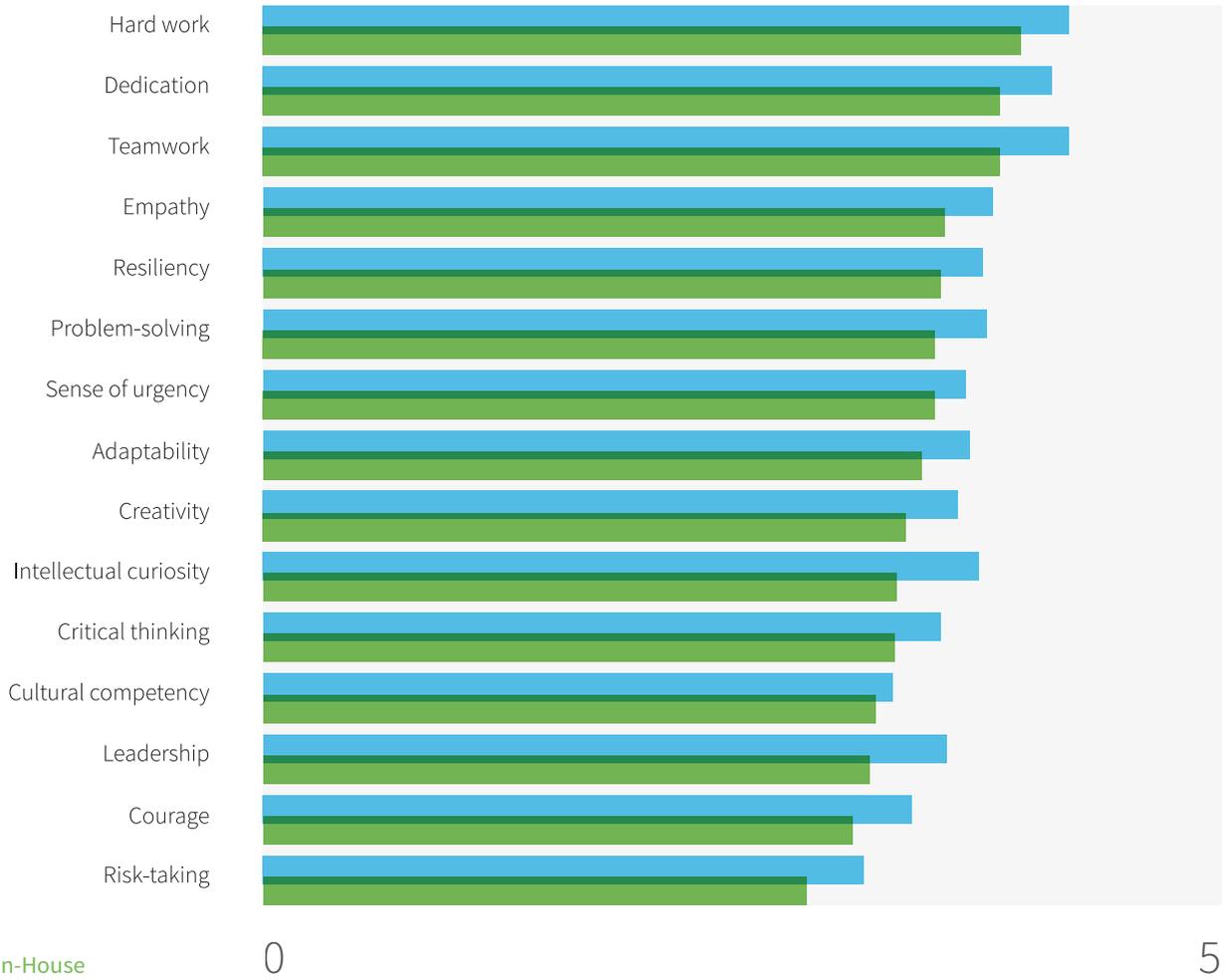
How effective do you feel the following approaches will be in achieving the desired proficiency levels in your department/agency?



How important is it that your staff members possess each of the following personal traits in order to achieve your growth projections over the next five years?



**How would you rate your staff's current proficiency with each of the following personal traits?**

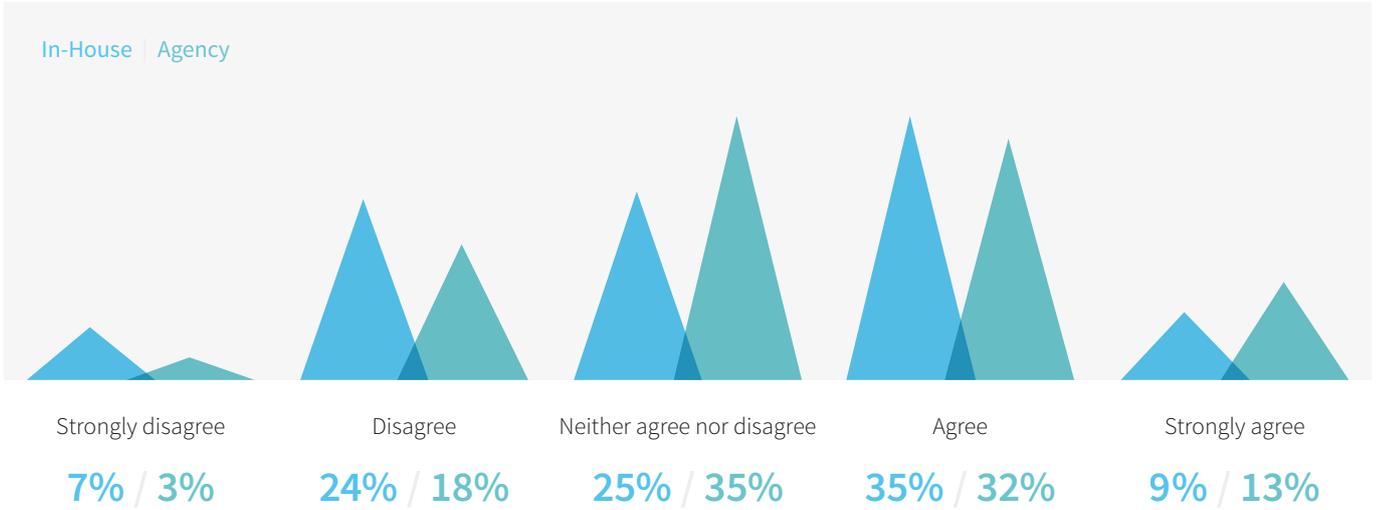


**How effective do you feel the following approaches will be in instilling the above personal traits in your staff?**

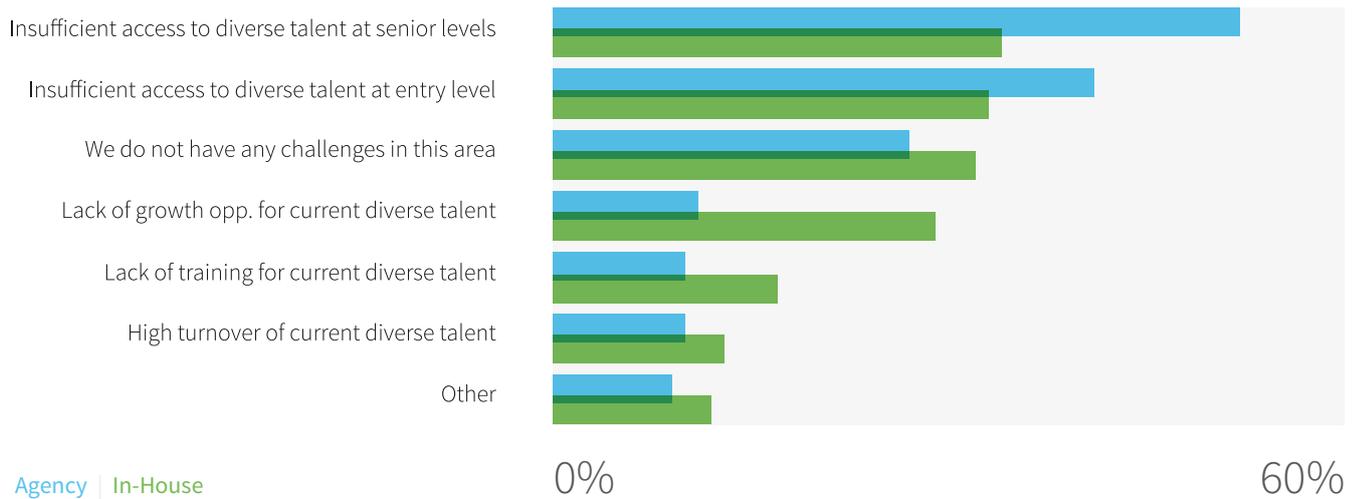


### iii. Diversity

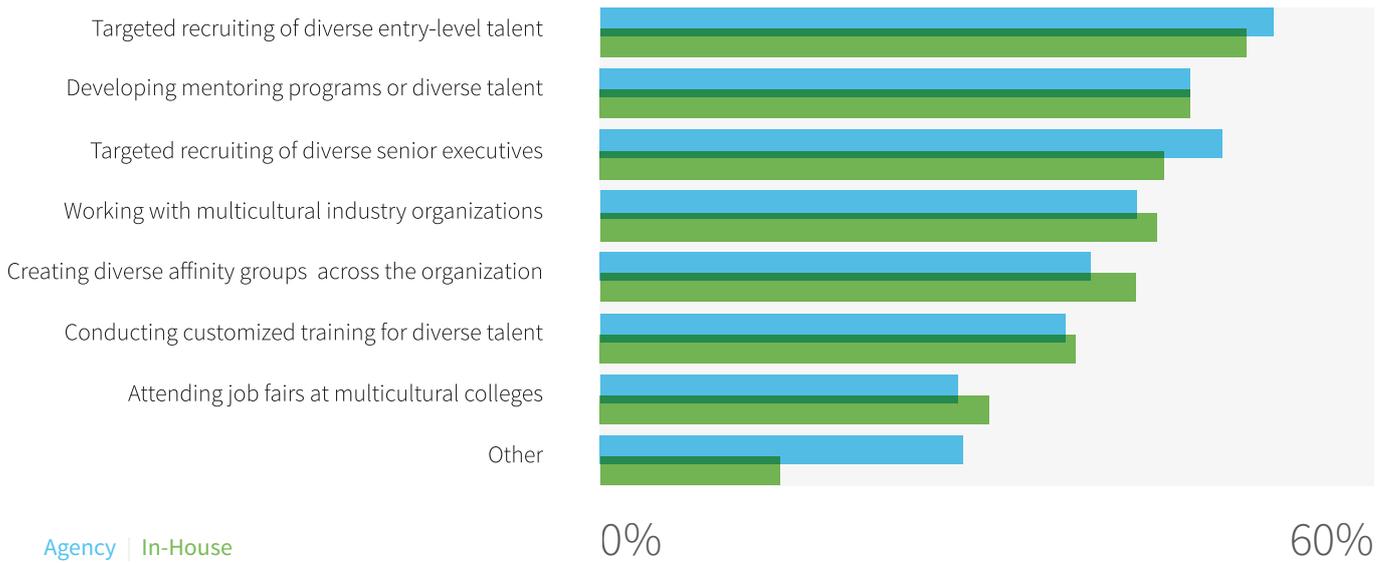
Our department's diversity is correctly representative of the stakeholders we serve / Our agency's diversity is representative of the diversity of our clients and our clients' customers



#### What challenges currently prevent you from having a more diverse workforce?



Over the next five years, how often will you use these strategies to hire and retain diverse talent?

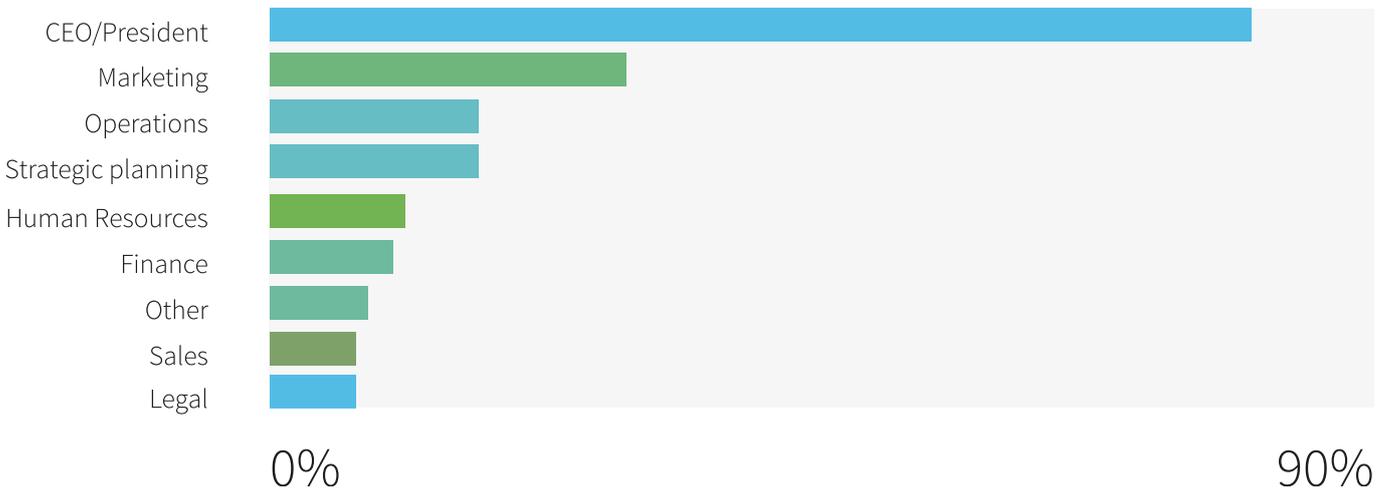


## 5. Reporting Lines & Relationships

### i. Reporting Lines

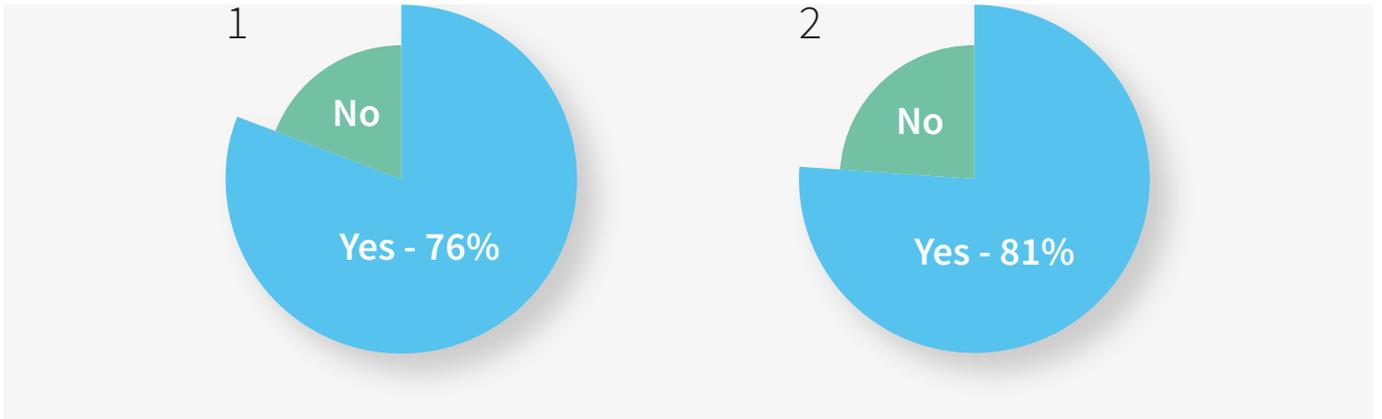
#### In-house

Which of the following terms best describes the reporting line of your Public Relations or Communications department?



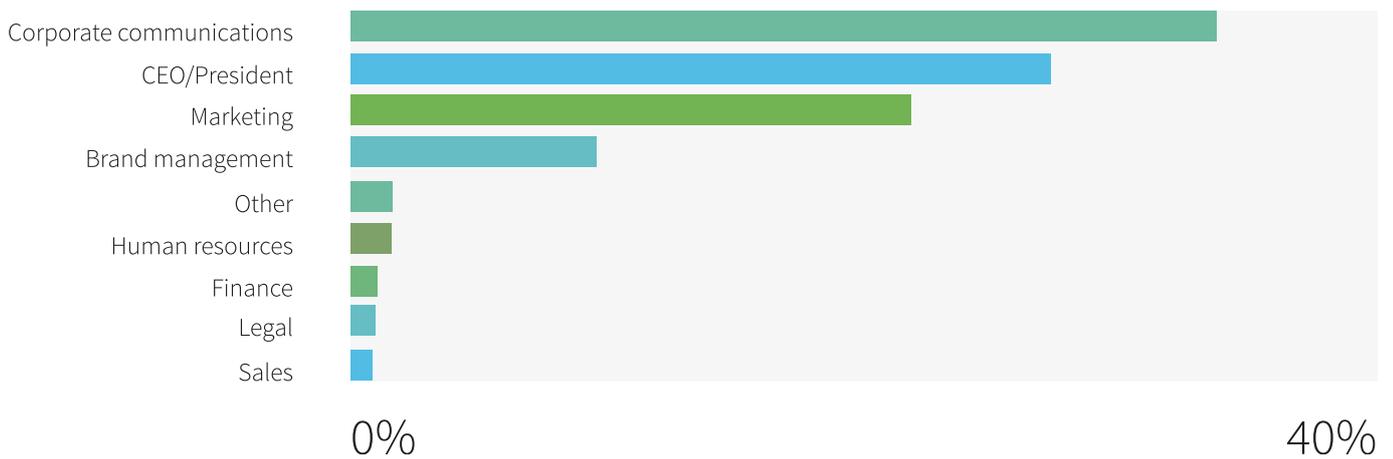
1 - Do you have a direct reporting line into a member of the C-suite?

2 - Is social media part of your area of responsibility?



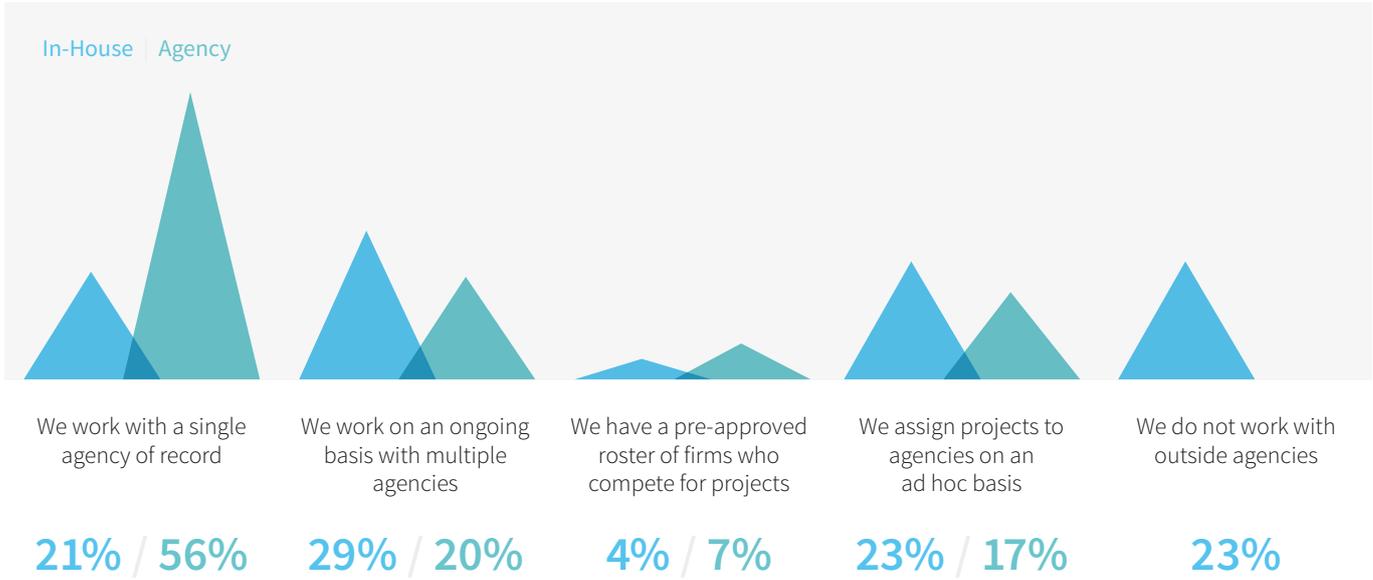
## Agency

What person or division does your agency normally report to inside of your clients' organizations?

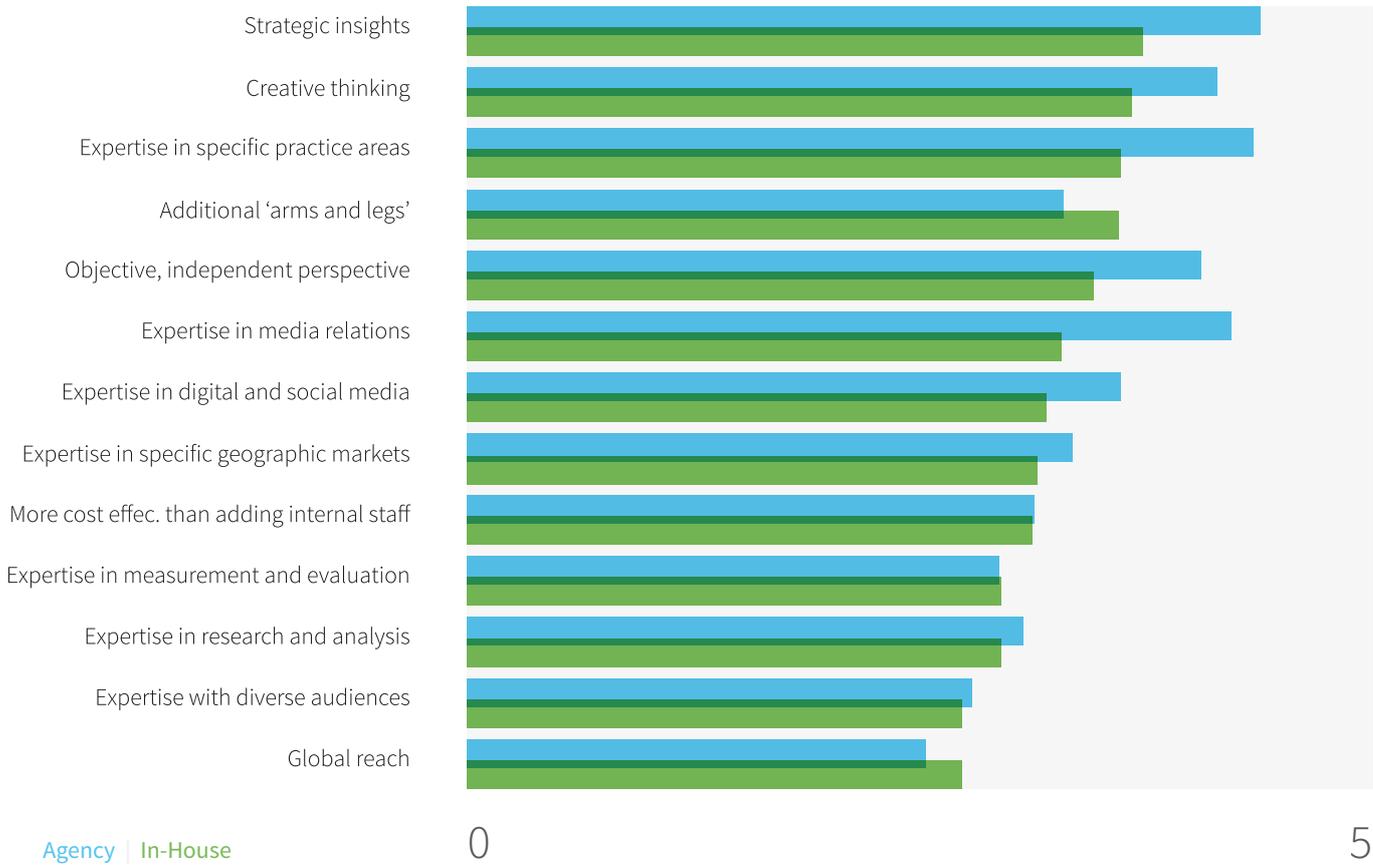


## ii. Client-Agency Relationship

Which of the following best describes the nature of your PR agency relationship(s)?

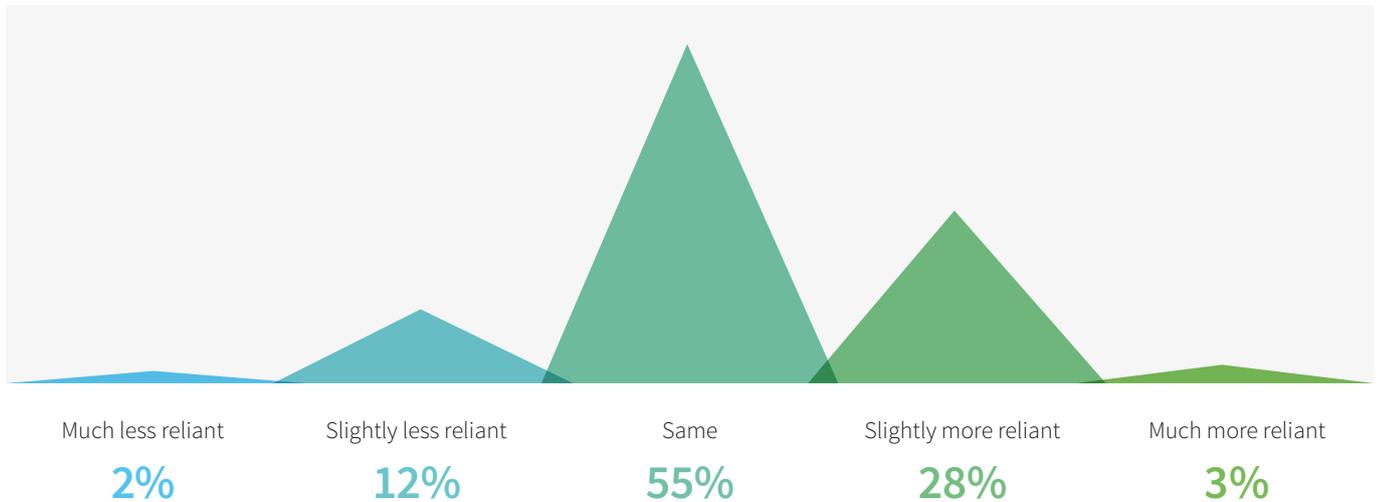


How important are the following reasons for your organization to work with outside PR agencies?/How important are the following reasons your clients work with your agency?



## In-House

Over the next five years, how do you predict your reliance on outside agencies will change?

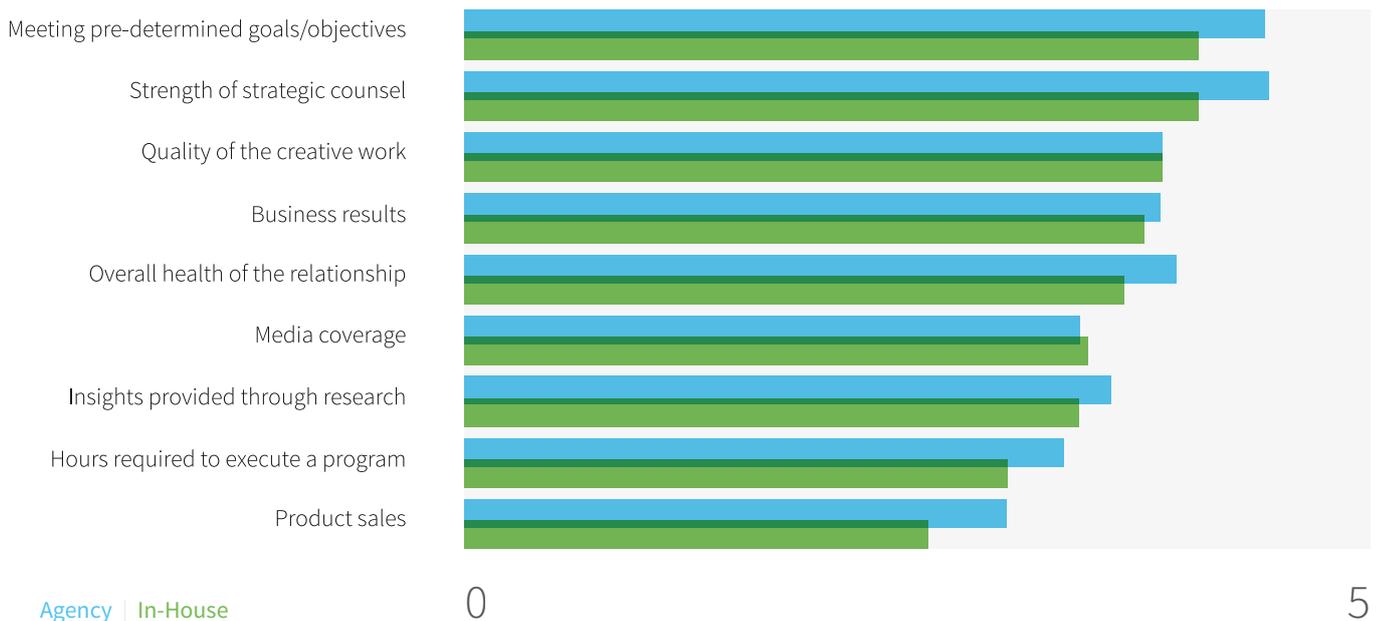


How satisfied are you with the current model that you are using to compensate your agency partners?/How satisfied are you with the current model that your clients are using to compensate your agency?

**58.57%** Satisfaction (In-House)

**62.32%** Satisfaction (Agency)

In the future, how important should each of the following criteria be in determining agency compensation?



Agency | In-House

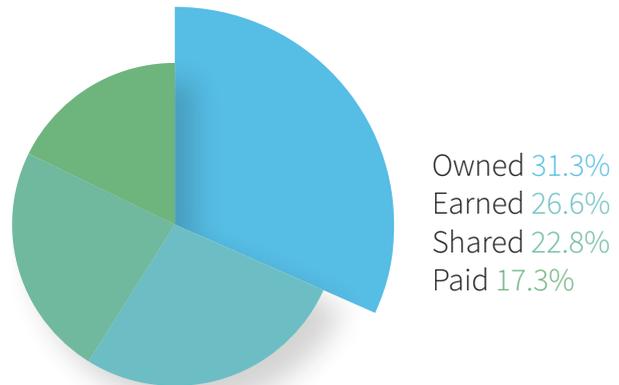
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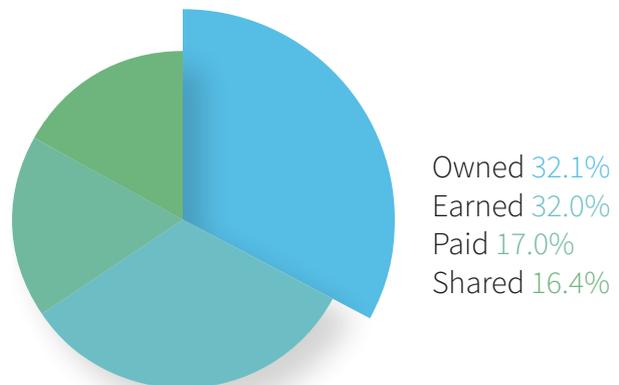
# 6. Media channels

## In-House

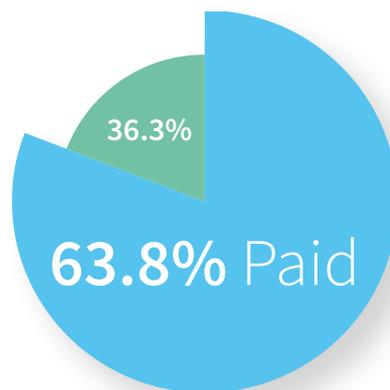
Approximately, what percentage of your department's media budget is currently spent on work in these four media channels?



In 2020, what percentage of your organization's media budget will be spent on work in these four media channels?

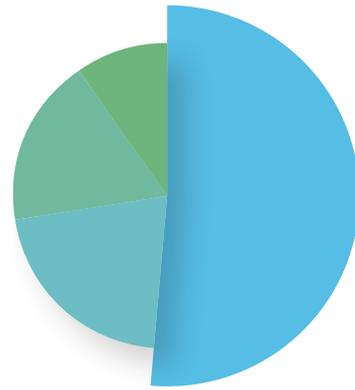


By 2020, in your opinion, what percentage of traditional and social media outlets will offer paid placement opportunities integrated with unpaid content?



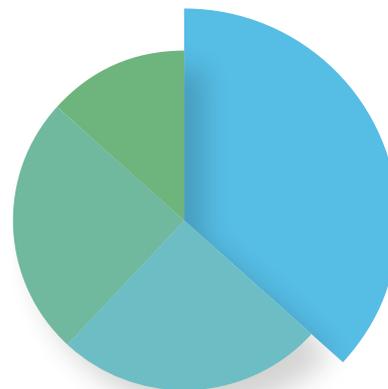
## Agency

Approximately, what percentage of your agency's media revenue is currently generated from work in each of the following four media channels?



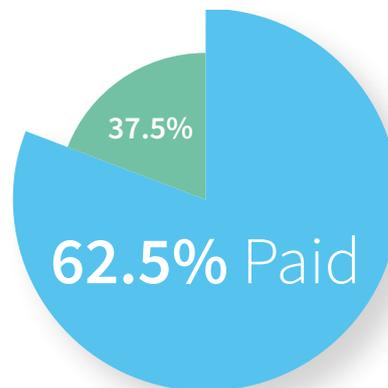
Owned 50.0%  
Earned 20.5%  
Shared 17.3%  
Paid 9.3%

In 2020, what percentage of your agency's media revenue will be generated from work in each of these four media channels?



Earned 36.0%  
Owned 24.6%  
Shared 24.2%  
Paid 13.0%

By 2020, in your opinion, what percentage of traditional and social media outlets will offer paid placement opportunities integrated with unpaid content?

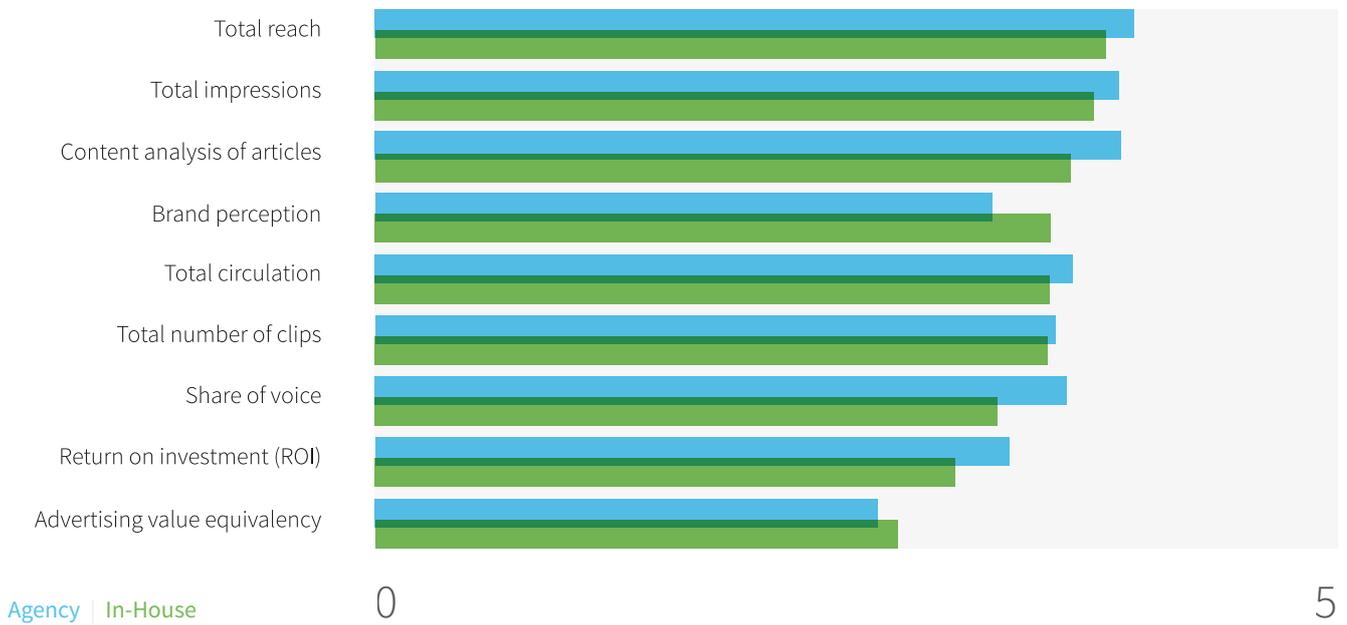


62.5% Paid

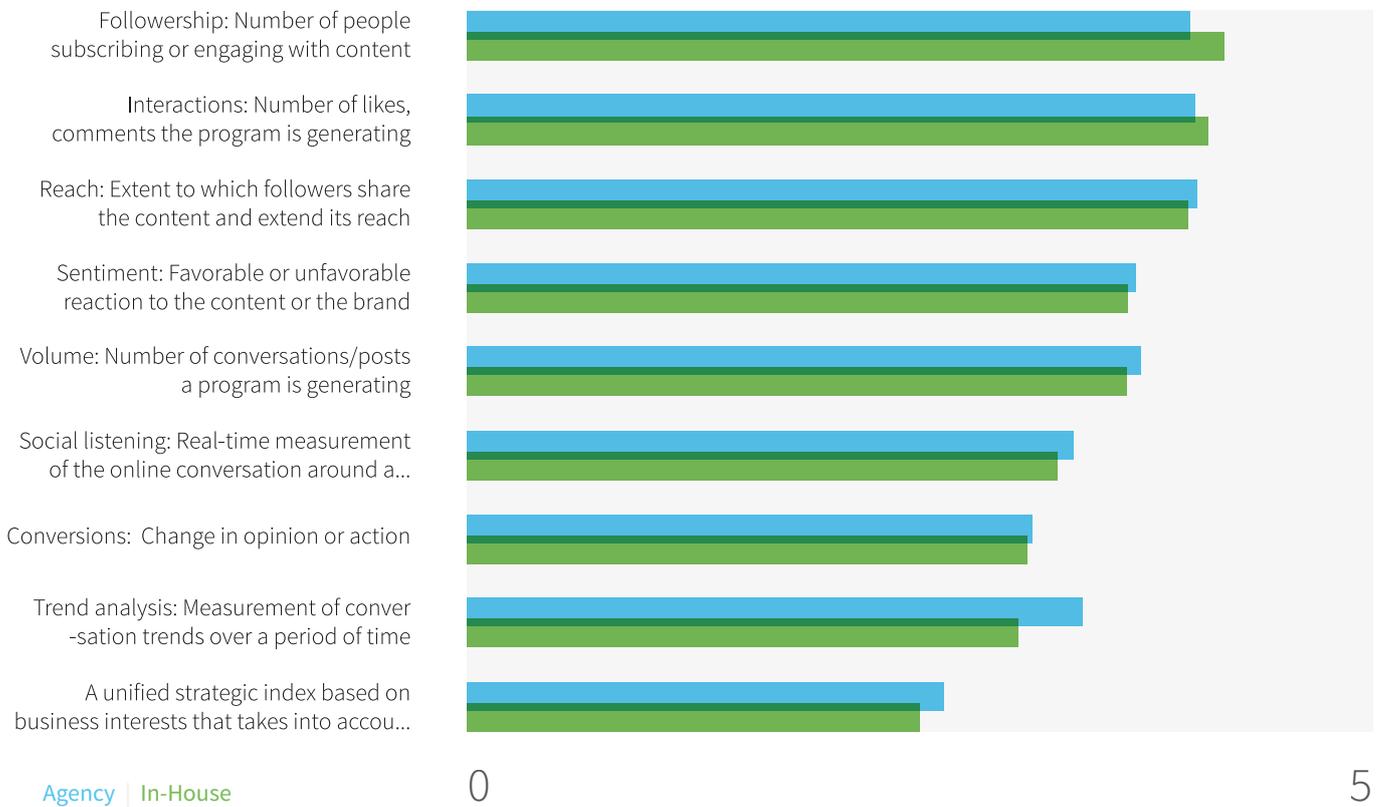
37.5%

# 7. Measurement & Evaluation

Indicate the degree to which each of the following measures are included in your media measurement and evaluation program.

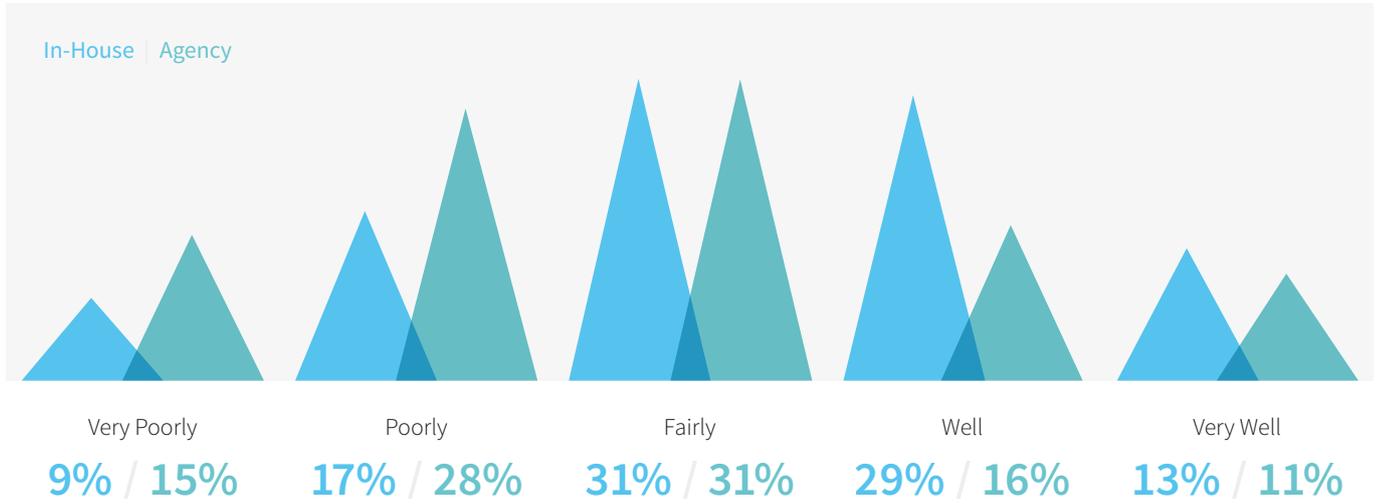


Indicate the degree to which each of the following aspects of social media engagement are included in your social media measurement and evaluation program.

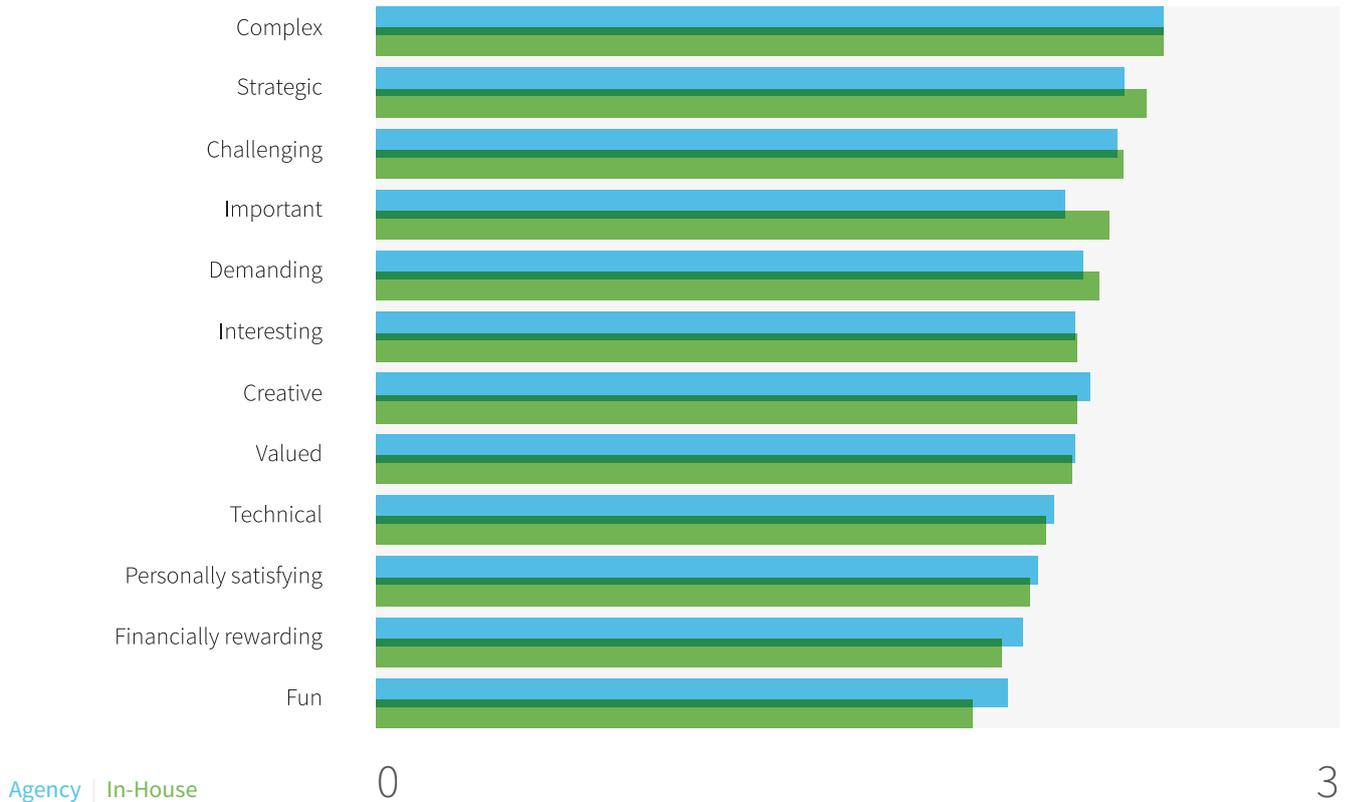


# 8. The Future

How well do you feel that the label “Corporate Communications” will adequately describe your department in five years?/How well do you feel that the label “Public Relations” clearly and adequately describes your agency



Compared to today, do you think by 2020 your job will be...



Briefly and in your own words, what terms would you use to define and describe your department in the future?

Agency | In-House



# Methodology

The annual Global Communications Report is conducted by the University of Southern California's Center for Public Relations — in conjunction with the Holmes Report, the Institute for Public Relations, the Global Alliance for Public Relations & Communications, the International Association for Measurement and Evaluation of Communication, the PR Council, the Worldcom PR Group and PRSA. It is designed to provide unprecedented insight into the evolution of the global communications industry by analyzing emerging trends in talent, structure, compensation and diversity on both the client and agency sides of the business. A critical tool for the global public relations industry, the Report will help PR executives plan for the future and enable those entering the PR industry to better understand the skills and traits they will need to be successful.

The data for this study was collected online via the Qualtrics research platform from February 8 to March 7, 2016. The questionnaire was distributed in English. The initial analysis was conducted on two major groups:

- Those self-reporting “Public Relations or Communications Agency” best describes their organization
- Those self-reporting “Non-profit Organization,” “Private Company,” “Publicly Traded Company,” or “Other” best describes their organization.

These two groups were further constrained to those who self-reported:

## 1. At agencies

- I head the organization
- I report directly to the head of my organization and I have significant management responsibility
- I am a senior communications director responsible for a large client or a number of clients and have a number of professionals who report to me

## 2. At non-agencies

- I am the most senior communication professional in my organization
- I report directly to the most senior communication professional in my organization and I have significant management responsibility
- I am a senior communication professional responsible for managing communications for a unit or division of my organization

The total number of respondents who began the survey was 1,222 and the number who finished was 460. The sample for this survey is a “convenience” sample rather than a random sample of all senior public relations and communications practitioners. Consequently, we cannot say the results of this survey are representative of the senior public relations and communications practitioner universe. Nevertheless, we believe this data offers numerous directional insights into the attitudes, beliefs and activities of these practitioners.



# Part II: 2016 Global PR Agency Rankings

# 2016 PR Industry Growth Analysis

## Global PR Industry Hits \$14bn In 2016 As Growth Slows To 5%

**The Holmes Report unveils its ranking of the world's top 250 PR firms, revealing that growth slowed in 2015, particularly at the large publicly-owned PR networks.**

Global PR industry growth slowed to 5% in 2015, based on the Holmes Report's definitive annual ranking of the world's top 250 PR firms, which is now live.

The Global Top 250 is part of the 2016 Global Communications Report, which provides the clearest picture available of the global PR industry, based on submissions from more than 400 PR firms across the world, and a landmark survey of more than 1,000 senior industry executives.

The research reveals that the Top 250 PR firms reported fee income of around \$10.7bn in 2015, compared to \$10.4bn for last year's Top 250 ranking. The world's Top 10 PR firms account for \$4.9bn, a 4.4% increase on 2013, led by strong performances from BlueFocus (which cracks the Top 10 for the first time), Weber Shandwick, Edelman and Golin.

Accounting for the numerous firms that reported outside of the Top 250, along with the vast number of smaller firms that do not provide revenue figures, the Holmes Report now estimates the size of the global PR agency industry at \$14.2bn, up from \$13.5bn in 2014. Meanwhile, Global Communications Report research finds that the industry is expected to reach \$20bn by 2020.

However, there are concerns about revenue per capita. This year's Rankings reveals a decline in revenue per capita for those firms reporting both fee income and headcount to an average of around \$155,000, compared to \$158,000 last year.

"The decline in revenue per head is perhaps the most troubling aspect of our survey this year," said Holmes Report CEO Paul Holmes. "It's easy to point the finger at procurement, but the fact is that these numbers suggest PR is still seen by many clients as a commodity rather than as a value-added service."

## Global Top 250 Growth

Once again, currency volatility softened overall growth, as the Global 250 is calculated in US\$. So, while US firms are unaffected, firms reporting in GBP and Euros firms drag the overall USD growth rate down to 3.8%. Yet, even accounting for that, constant currency growth was only around 5%, based on a like-for-like comparison of those firms reporting fee income for 2015 and 2014.

"At a time when engagement, authenticity, transparency, credibility—the things that PR is good at—are increasingly critical to successful brand-building, it is disturbing to see industry growth slowing, and indeed underperforming growth in the ad industry," said Holmes. "That suggests PR firms are either not adapting to the new multichannel communications landscape, or they have not yet convinced clients that they can deliver all of those things."

The Global 250 also reveals the following:

- For PR firms reporting in GBP (accounting for around \$890m), growth was flat in reported (USD) terms, but +5.5% in constant currency terms.
- For PR firms reporting in Euros (\$800m), growth declined -3.9% in reported (USD) terms, but +6.7% in constant currency terms.
- For all PR firms reporting in USD (\$9bn), growth was 4.7%
- For US PR firms (\$6.8bn), growth was 5%

## Public vs Independent

While independently-held PR agencies have been outperforming their publicly-owned peers in recent years, the gap narrowed considerably in 2015. Both groups grew at around 5% in constant currency terms, with all publicly-owned firms reporting fee income of \$5.85bn, accounting for 42% of the overall market.

That may be because numerous publicly-held agencies are performing well, particularly the more entrepreneurial firms owned by such holding groups as MDC Partners and Next 15. The divide between independent and public PR agencies is more clearly seen when analysing the performance of the 'Big 4' holding groups, whose PR operations grew by 2.5% to \$4.7bn, led by the performance of Interpublic Group PR firms.

More analysis reveals:

- The Big 4 holding groups (Omnicom, IPG, WPP, Publicis) account for around 34% of the overall global PR market, at \$4.7bn (+2.5%)
- The Big 7 PR holding groups (Omnicom, IPG, WPP, Publicis, Havas, Huntsworth, Next 15), grew 3% to \$5.1bn on a constant currency basis, accounting for 36% of the total market compared to 39% one year ago
- Independent PR firms reported fee income of \$5bn, outstripping the PR operations of the Big 4 holding groups for the first time.

“While the revenue growth at independent firms declined to the point that they are now almost in the same boat as the big, publicly-traded agencies, independents continue to take market share—despite the fact that many of the biggest and best have become acquisition targets,” pointed out Holmes. “This suggests that if large agencies are counting on consolidation—clients looking to unify their PR globally with a single entity—they may be disappointed.”

## Top 10

The most notable change among the world's top 10 PR firms is the arrival of China's BlueFocus in ninth position. Elsewhere, there was little change, with the Top 10 reporting fee income of \$4.9bn, up 4.4% compared to 2014.

# Top 10

## Global PR Agency Rankings 2016: BlueFocus Cracks Top 10

**BlueFocus Communications has cracked the world's top 10 global PR firms for the first time, according to the 2016 Global Communications Report. The Chinese firm grew its PR revenue by 44%, including the acquisition of Citizen Relations, despite seeing profits plunge in 2015.**

BlueFocus' entry into the top 10 comes at the expense of Havas PR, which drops to 11th. Elsewhere, Edelman consolidates its position as the world's biggest PR firm after growing 5.2% in 2015 to \$852m. There were also strong performances again from Interpublic duo Weber Shandwick (+7.6%), whose 2014 revenue has been revised downward, and Golin (+6.3%), and from WPP firm Ogilvy PR (+8.1%).

All growth figures are on a reported basis, with several firms in the top 10 helped by acquisitions. Yet many of the big PR agency networks still struggled to grow, especially those owned by Omnicom, where FleishmanHillard and Ketchum remain in third and fourth positions, respectively. Burson-Marsteller overtook MSLGroup to take fifth spot

Overall, we estimate that the top 10 global PR firms generated fee income of almost \$4.9bn, a 2% increase in reported terms, or 4.4% on a constant currency basis. A fuller picture of global PR industry size is provided by the analysis of our Global Top 250, based on submissions from almost 400 PR firms from across the world.

The global rankings form part of the Global Communications Report, conducted in conjunction with USC Annenberg's Center for Public Relations, which includes groundbreaking global research into attitudes and trends among PR agency leaders and in-house executives.

Rank 2016	Rank 2015	Agency	HQ	Fee Income 2015 \$	Fee Income 2014 \$	Growth (%)
1	1	Edelman	USA	854,576,000	812,000,000	5.2%
2	2	Weber Shandwick	USA	775,000,000	720,000,000	7.6%
3	3	FleishmanHillard	USA	570,000,000	580,000,000	-1.7%
4	4	Ketchum	USA	530,000,000	515,000,000	2.9%
5	6	Burson-Marsteller	USA	480,000,000	477,000,000	0.6%
6	5	MSLGroup	France	480,000,000	482,000,000	-0.6%
7	7	Hill+Knowlton Strategies	USA	385,000,000	380,000,000	1.3%
8	8	Ogilvy PR	USA	347,000,000	321,000,000	8.1%
9	14	BlueFocus	China	245,055,843	179,214,216	36.7%
10	9	Golin	USA	227,000,000	213,500,000	6.3%

# Top 250

**Global PR agency ranking: Revenue numbers for many agencies include subsidiaries—including research, advertising, and specialist PR firms—many of which operate under separate brands but nevertheless report into the listed PR agency.**

For firms that submitted numbers in pounds sterling or euros, conversions were made using exchange rates as of 12/31/2015. In some cases, where last year's submitted numbers were used for comparison purposes, growth numbers may be lower because of exchange rate fluctuations than they would have been in constant currency terms. Accordingly, we also include a constant currency growth metric. Aside from large PR networks above \$100m in fee income, the Rankings are totally dependent on submitted fee income; many agencies, often well-known, choose not to submit their numbers.

For entries in [this color](#), The Holmes Report has estimated revenue. In many cases, the parent companies of these firms have elected not to provide revenue numbers for individual firms in response to Sarbanes-Oxley financial regulations.

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
1	1	Edelman <sup>1</sup>	USA	854,576,000	812,000,000	5849	5.2%	5.2%
2	2	Weber Shandwick <sup>2</sup>	USA	775,000,000	720,000,000		7.6%	7.6%
3	3	FleishmanHillard <sup>3</sup>	USA	570,000,000	580,000,000		-1.7%	-1.7%
4	4	Ketchum <sup>4</sup>	USA	530,000,000	515,000,000		2.9%	2.9%
5	6	Burson-Marsteller <sup>5</sup>	USA	480,000,000	477,000,000		0.6%	0.6%
5	5	MSLGroup <sup>6</sup>	France	480,000,000	482,000,000		-0.6%	4.0%
7	7	Hill+Knowlton Strategies <sup>7</sup>	USA	385,000,000	380,000,000		1.3%	1.3%
8	8	Ogilvy PR <sup>8</sup>	USA	347,000,000	321,000,000		8.1%	8.1%
9	14	BlueFocus <sup>9</sup>	China	245,055,843	179,214,216		36.7%	36.7%
10	9	Golin	USA	227,000,000	213,500,000		6.3%	6.3%
11	10	Havas PR <sup>10</sup>	France	225,000,000	211,000,000		6.6%	6.6%
12	11	Brunswick	UK	220,000,000	210,000,000		4.8%	4.8%
13	13	Cohn & Wolfe <sup>11</sup>	USA	200,000,000	181,000,000		10.5%	10.5%
14	12	FTI Consulting	USA	189,974,000	189,367,000	599	0.3%	0.3%
15	15	Media Consulta International	Germany	162,317,350	172,788,000	808	-6.1%	4.3%
16	16	Porter Novelli	USA	127,000,000	125,000,000		1.6%	1.6%
17	17	APCO Worldwide	USA	119,858,300	118,112,600	680	1.5%	1.5%
18		Huntsworth Health <sup>12</sup>	UK	107,004,000	93,132,000		14.9%	21.1%
19		Sunny Side Up	Japan	104,000,000		124		
20	20	Finsbury	USA	100,000,000	100,000,000	220	0.0%	0.0%
21	19	WE Communications	USA	98,782,000	106,676,000		-7.4%	-7.4%
22	23	W2O Group <sup>13</sup>	USA	95,010,000	82,625,000	427	15.0%	15.0%
23	18	Grayling	UK	93,536,000	110,448,000		-15.3%	-10.7%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
24	22	inVentiv Health <sup>14</sup>	USA	85,000,000	85,000,000		0.0%	0.0%
25	25	Vector Inc.	Japan	82,000,000	67,000,000	450	22.4%	22.4%
26	24	Ruder Finn	USA	74,000,000	73,891,000	565	0.1%	0.1%
27	34	Finn Partners <sup>15</sup>	USA	71,481,000	52,796,000	486	35.4%	35.4%
28	29	PMK*BMC	USA	69,800,000	60,000,000	237	16.3%	16.3%
29	28	Lewis PR <sup>16</sup>	UK	68,585,000	61,700,000	370	11.2%	11.2%
30	31	Text100 Corporation	USA	68,094,730	57,806,333	602	17.8%	17.8%
31	26	Res Publica (National PR)	Canada	67,000,000	67,000,000		0.0%	0.0%
32	37	Bell Pottinger Private	UK	66,150,000	67,236,000		-1.6%	4.4%
33	21	FSB Comunicacoes	Brazil	63,025,835	86,895,982	704	-27.5%	-27.5%
34	32	MWW	USA	60,000,000	56,715,000		5.8%	5.8%
35	27	Public Systeme Hopscotch <sup>17</sup>	France	58,424,000	64,624,890	550	-9.6%	0.4%
36	36	ICR	USA	56,208,727	51,000,000		10.2%	10.2%
37	35	fischerAppelt	Germany	52,500,000	52,523,030		0.0%	0.0%
38	38	We Are Social	UK	51,000,000	49,000,000		4.1%	4.1%
39	33	Instinctif Partners	UK	49,183,272	55,695,000	450	-12.1%	-12.1%
40	48	Allison+Partners	USA	49,000,000	37,093,000	300	32.1%	32.1%
41	30	Kreab Gavin Anderson	UK/Sweden	48,611,820	58,201,000	400	-16.5%	-7.3%
42	32	Freud Communications	UK	48,228,760	44,266,560	235	9.0%	14.8%
43	46	Zeno Group	USA	47,343,821	39,900,000	317	18.7%	18.7%
44	43	DKC Public Relations	USA	46,950,000	41,500,000	239	13.1%	13.1%
46	41	Dentsu Public Relations	Japan	43,000,000	42,000,000	243	2.4%	2.4%
46	45	Marina Maher Communications	USA	43,000,000	40,000,000	150	7.5%	7.5%
47	44	PRAP Japan	Japan	41,000,000	40,000,000	275	2.5%	2.5%
48	47	Hering Schuppener	Germany	37,506,900	38,962,000	184	-3.7%	6.9%
49	42	DeVries Global	USA	37,000,000	42,000,000		-11.9%	-11.9%
49		Portland Communications	UK	37,000,000	31,200,000	160	18.6%	25.0%
51	55	PadillaCRT	USA	34,813,666	31,624,111	190	10.1%	10.1%
52	62	Four Communications Group <sup>18</sup>	UK	34,380,216	27,096,088	229	26.9%	34.1%
53	50	Blue Rubicon	UK	34,000,000	34,000,000		0.0%	0.0%
54	57	Llorente & Cuenca <sup>19</sup>	Spain	32,738,779	29,536,433	482	10.8%	23.0%
55	65	GCI Health	USA	32,000,000	26,000,000		23.1%	23.1%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
56	53	Global Strategy Group	USA	31,000,000	32,378,000	87	-4.3%	-4.3%
57	69	The Outcast Agency	USA	30,000,000	24,600,000		22.0%	22.0%
58	51	Citigate Dewe Rogerson	UK	29,520,000	34,164,000		-13.6%	-8.7%
59	61	Racepoint Global	USA	29,247,346	27,279,597	103	7.2%	7.2%
60	75	Newgate Communications	UK	28,804,795	21,548,516	142	33.7%	41.3%
61	59	Prain Global	Korea	28,537,969	27,996,389	224	1.9%	1.9%
62	57	Iris Worldwide	UK	27,930,000	28,746,374	135	-2.8%	3.1%
63	62	Mikhailov & Partners	Russia	27,794,330	32,119,953		-13.5%	-13.5%
64	64	iMARS Group	Russia	27,429,300	26,183,400	132	4.8%	4.8%
65	79	SEC <sup>20</sup>	Italy	27,260,900	20,015,047	188	36.2%	51.2%
66	72	Coyne PR	USA	27,000,000	23,010,000	190	17.3%	17.3%
67	63	MHP Communications	UK	26,202,395	26,301,600	168	-0.4%	5.3%
68	91	M Booth	USA	25,546,472	18,800,000	141	35.9%	35.9%
69	67	G&S Business Communications	USA	25,012,724	25,438,112		-1.7%	-1.7%
70	70	Oliver Schrott Kommunikation	Germany	24,514,100	24,006,400	172	2.1%	13.4%
71	80	Prosek Partners	USA	24,400,000	20,000,000	102	22.0%	22.0%
72	71	SPN Communications	Russia	23,978,815	23,192,412	171	3.4%	3.4%
73	68	AGT Communications	Russia	23,485,109	25,121,673	314	-6.5%	-6.5%
74	66	Hotwire Public Relations	UK	22,616,736	25,680,428	169	-11.9%	-6.9%
75	74	Taylor	USA	22,100,000	21,700,000	108	1.8%	1.8%
76	77	Geelmuyden.Kiese	Norway	22,000,000	21,060,000		4.5%	4.5%
77	85	5W Public Relations	USA	21,927,960	19,343,176	133	13.4%	13.4%
78	84	Strategic Public Relations Group	Hong Kong	21,800,000	19,700,000	282	10.7%	10.7%
79	92	French/West/Vaughan	USA	21,166,208	18,753,747	96	12.9%	12.9%
80	78	Olson Engage	USA	21,000,000	20,200,000		4.0%	4.0%
81	90	Peppercomm	USA	20,644,468	18,807,537		9.8%	9.8%
82	94	Fahlgren Mortine	USA	20,554,236	18,616,471	119	10.4%	10.4%
83	81	Hunter Public Relations	USA	20,500,000	20,000,000		2.5%	2.5%
84	95	Shift Communications	USA	20,433,131	18,444,854	132	10.8%	10.8%
85	82	Barabino & Partners	Italy	20,000,000	20,000,000		0.0%	0.0%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
86	88	CROS	Russia	19,800,000	19,016,880	150	4.1%	4.1%
87	87	Adfactors PR <sup>21</sup>	India	19,600,000	19,100,000	500	2.6%	2.6%
88	98	Levick Strategic Communications	USA	19,586,431	17,231,616	73	13.7%	13.7%
89	86	The Red Consultancy	UK	18,936,783	19,208,280	132	-1.4%	4.2%
90	97	Serviceplan PR Group	Germany	18,224,800	17,666,000	113	3.2%	14.5%
91	101	Jackson Spalding	USA	18,172,800	16,245,653		11.9%	11.9%
92	83	Farner Consulting	Switzerland	18,137,600	19,723,000	86	-8.0%	8.5%
93	100	Atrevia	Spain	17,801,531	16,366,460	228	8.8%	20.7%
94		Spong	USA	17,500,000	16,000,000		9.4%	9.4%
95		Kivvit	USA	17,010,000		57		
96	107	Brands2Life	UK	17,009,670	15,207,504	108	12.2%	18.6%
97	110	LaunchSquad	USA	16,221,086	14,062,803	108	15.3%	15.3%
98	96	Lansons	UK	16,152,603	18,302,649	92	-11.7%	-6.7%
99	102	Mitchell Communications	USA	16,000,000	15,900,000		0.6%	0.6%
100	76	ICF Mostra	Belgium	15,805,000	21,363,610	159	-26.0%	-17.9%
101	116	Rasky Baerlein	USA	15,504,480	13,000,000	51	19.3%	19.3%
102	109	achtung!	Germany	15,337,390	14,350,600	125	6.9%	18.6%
103	108	TRACCS	Saudi Arabia	15,230,000	14,600,000	224	4.2%	4.1%
104	99	SparkPR	USA	15,000,000	16,400,000		-8.5%	-8.5%
105	105	Maitland	UK	14,994,000	15,600,000		-3.9%	2.0%
106	104	PR One	South Korea	14,946,921	15,800,836	130	-5.4%	-5.4%
107	163	Spectrum	USA	14,900,000	8,400,000		77.4%	77.4%
108	89	Interel	UK	14,715,000	14,762,000	120	-0.3%	10.7%
109	135	M&C Saatchi Sport & Entertainment	UK	14,700,000	10,920,000	105	34.6%	42.9%
110	103	Haberlein & Mauerer	Germany	14,606,000	15,851,000	175	-7.9%	2.3%
111	106	Cooney/Waters Group	USA	14,020,725	15,400,000	46	-9.0%	-9.0%
112	112	Faktor 3	Germany	13,625,000	13,431,000	161	1.4%	12.6%
113	133	Hanover	UK	13,611,803	10,969,920	57	24.1%	31.1%
114	114	Makovsky	USA	13,450,000	13,200,000		1.9%	1.9%
115	165	PAN Communications	USA	13,150,000	7,800,000	85	68.6%	68.6%
116	132	Kaplow	USA	13,100,000	11,000,000	69	19.1%	19.1%
117	146	Pegasus	UK	13,084,740	9,906,000	92	32.1%	39.6%
118	119	Rowland	Australia	13,000,000	12,700,000		2.4%	2.4%
118		Sloane & Company	USA	13,000,000	11,800,000	19	10.2%	10.2%
120	120	RF Binder	USA	12,700,000	12,650,000	68	0.4%	0.4%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
121	126	Brodeur Partners	USA	12,500,000	12,000,000		4.2%	4.2%
121	114	ROI Communication	USA	12,500,000	13,001,553	80	-3.9%	-3.9%
123	113	TVC Group	UK	12,539,706	13,416,000	9	-6.5%	-1.2%
124	129	Bite Communications	USA	12,250,000	11,682,750		4.9%	4.9%
125	152	InkHouse	USA	12,110,173	9,017,618	80	34.3%	34.3%
126	122	Action Global Communications	Cyprus	12,000,000	12,500,000		-4.0%	-4.0%
127	126	Eric Mower + Associates	USA	11,945,100	11,968,851		-0.2%	-0.2%
128	131	Max Borges Agency	USA	11,842,541	10,800,000	65	9.7%	9.7%
129	147	Exponent	USA	11,800,000	9,850,000		19.8%	19.8%
130	130	Nelson Bostock Group	UK	11,610,829	11,696,880	88	-0.7%	4.9%
131	137	Davies	USA	11,310,000	10,875,050	32	4.0%	4.0%
132	148	Eastwick	USA	11,215,566	9,600,000	55	16.8%	16.8%
133	142	Merritt Group	USA	11,119,100	10,186,230		9.2%	9.2%
134	128	F&H Porter Novelli	Germany	11,052,600	11,845,900	64	-6.7%	3.6%
135	161	Highwire	USA	10,994,175	8,208,694	55	33.9%	33.9%
136	118	A&B One	Germany	10,943,600	12,947,000	75	-15.5%	-6.2%
137		The Big Partnership Group	Scotland	10,942,910	12,309,960	109	-11.0%	-5.9%
138	154	M&C Saatchi PR	UK	10,479,600	9,672,000	92	8.3%	14.5%
139	144	Veritas	Canada	10,100,000	10,000,000	75	1.0%	1.0%
140	39	CYTS-Linkage	China	10,075,000	45,924,152	190	-78.1%	-78.1%
141		Crosby	USA	10,055,190		48		
142	157	ReviveHealth	USA	10,000,500	8,780,000	45	13.9%	13.9%
143	141	The Hoffman Agency	USA	10,000,000	10,270,000	120	-2.6%	-2.6%
143	140	Catalyst	USA	10,000,000	10,500,000		-4.8%	-4.8%
145	139	Frank PR	UK	9,966,854	10,548,314	71	-5.5%	-0.1%
146	136	Wellcom	France	9,810,000	9,680,000	110	1.3%	12.5%
147	158	Kwittken	USA	9,800,000	8,750,000	59	12.0%	12.0%
148		Method Communication	USA	9,758,345		66		
149	121	AMI Communications	Czech Republic	9,643,422	12,581,745	104	-23.4%	-14.9%
150		Powerscourt	UK	9,594,000		34		
151	156	Lift World	Portugal	9,543,175	8,792,346	110	8.5%	20.5%
152	180	Bliss Integrated Communications	USA	9,500,000	6,783,000		40.1%	40.1%
153	162	Podesta Group	USA	9,020,909	8,200,000	20	10.0%	10.0%
154	171	Octopus	UK	8,856,000	8,424,000	62	5.1%	11.1%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
155	159	KPR & Associates	South Korea	8,700,000	8,614,922		1.0%	1.0%
156	160	Apple Tree Communications	Spain	8,692,750	8,261,880	72	5.2%	16.8%
157	177	Nebo	USA	8,600,000	6,911,589	74	24.4%	24.4%
158	166	JeffreyGroup	USA	8,580,997	7,722,736	120	11.1%	11.1%
159	170	SenateSHJ	New Zealand	8,521,358	7,257,361	56	17.4%	17.4%
160	192	Mischief	UK	8,413,200	8,268,000	55	1.8%	7.5%
161	183	Bateman Group	USA	8,332,961	6,300,000	45	32.3%	32.3%
162	123	First House	Norway	8,328,112		26		
163	164	FoodMinds	USA	8,287,756	8,072,494		2.7%	2.7%
164	145	Jeschenko MedienAgentur	Germany	8,185,900	9,970,400	48	-17.9%	-8.9%
165	134	Approach	Brazil	8,017,000	10,956,000	131	-26.8%	-26.8%
166	176	Dodge Communication	USA	7,750,000	7,000,000	55	10.7%	10.7%
167	193	RBB Public Relations	USA	7,605,889	6,402,200	45	18.8%	18.8%
168	189	360 Public Relations	USA	7,504,871	6,547,000	48	14.6%	14.6%
169	198	Shine@Academy <sup>22</sup>	UK	7,350,000				
170	173	Enzaim Health	Republic of Korea	7,265,750	7,075,354	57	2.7%	2.7%
171		North Strategic	Canada	7,200,000	6,321,000	65	13.9%	36.1%
172		LVT Group	Netherlands	7,085,000				
172		Thomas Marko & Associes	France	7,085,000		36		
174	200	Diplomat Communications	Sweden	7,060,000	5,640,210	45	25.2%	25.2%
175	179	Lambert, Edwards & Associates	USA	7,000,000	6,840,000	42	2.3%	2.3%
175		N2N Communications <sup>23</sup>	Australia	7,000,000		38		
175	182	Lou Hammond & Associates	USA	7,000,000	6,748,039		3.7%	3.7%
175	175	451 Marketing	USA	7,000,000	7,000,000		0.0%	0.0%
179	243	Walker Sands	USA	6,917,494	4,558,046	62	51.8%	51.8%
180		Cicero Group	UK	6,891,713		52		
181	181	McNeely Pigott & Fox Public Relations	USA	6,806,534	6,764,064	59	0.6%	0.6%
182		Phelps	USA	6,750,000		42		
183	191	Narva <sup>24</sup>	Sweden	6,700,000	6,413,000	40	4.5%	26.4%
184	201	LDWWgroup	USA	6,596,363	5,468,960	15	20.6%	20.6%
185	218	All Channels	Bulgaria	6,540,000	4,840,000		35.1%	50.0%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
186		C+C	USA	6,488,879	5,250,000	35	23.6%	23.6%
187	195	komm.passion	Germany	6,485,500	6,292,000		3.1%	14.4%
188	197	Fink & Fuchs	Germany	6,431,000	6,171,000		4.2%	15.7%
189		Kirchhoff Consult	Germany	6,322,000	6,645,737	52	-4.9%	5.6%
190		MC Communications	USA	6,202,400		30		
191	186	salt	UK	6,085,204	6,591,647	35	-7.7%	-2.4%
192	177	Marco de Comunicacion	Spain	6,016,660		67		
193	234	Djembe Communications	UAE	6,050,000	4,000,000		50.0%	50.0%
194	223	Harvard	UK	6,023,177	4,602,000	40	30.9%	38.3%
195	205	W	UK	5,993,391	5,265,000	53	13.8%	20.3%
196	213	Cerrell Associates	USA	5,950,000	5,000,000	25	19.0%	19.0%
197	258	Praytell	USA	5,900,000	3,250,000	42	81.5%	81.5%
198		Headland Consultancy	UK	5,900,000		37		
199	208	Creative Crest	India	5,859,050	5,185,000	48	13.0%	13.0%
200	212	Seven Hills	UK	5,839,093	5,029,569	45	16.1%	22.7%
201	187	Talk PR	UK	5,608,800	6,573,840	53	-14.7%	-9.8%
202	220	CooperKatz & Company	USA	5,581,445	4,790,810	35	16.5%	16.5%
203		MCG Medical Consulting Group	Germany	5,548,100	6,001,600	36	-7.6%	2.6%
204		Havas Just:: <sup>25</sup>	UK	5,535,000	4,992,000	30	10.9%	17.2%
205	217	Berkeley PR	UK	5,529,669	4,842,206	59	14.2%	20.7%
206	222	circle	UK	5,489,939	4,680,000	35	17.3%	24.0%
207	168	EMG	The Netherlands	5,411,850		45		
208	225	Trigger Oslo	Norway	5,406,400	4,448,354	45	21.5%	34.9%
209		Dukas Public Relations	USA	5,300,000	4,600,000	21	15.2%	15.2%
210	224	Pretty Green	UK	5,235,372	5,222,880	42	0.2%	5.9%
211	275	Another Company	Mexico	5,200,000	2,200,000	65	136.4%	136.4%
211	204	London Communications Agency	UK	5,200,000	5,372,119	32	-2.9%	2.6%
213	215	Tangerine PR	UK	5,166,000	4,909,320		5.2%	11.2%
214	254	BOCA Communications	USA	5,126,405	3,319,894	35	54.4%	54.4%
215	199	CP/compartner	Germany	5,014,000	5,808,000		-13.7%	-4.2%
216	206	Magna Carta	South Africa	5,000,000	5,202,698		-3.9%	-3.9%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
216		Bhava Communications	USA	5,000,000	3,300,000	27	51.5%	51.5%
218	236	Hope&Glory	UK	4,959,360	3,944,995	47	25.7%	32.9%
219	264	Red Lorry Yellow Lorry	UK	4,948,086	2,948,400	24	67.8%	77.4%
220	216	Bersay Communications	Turkey	4,900,000	4,901,287		0.0%	0.0%
221	209	Threepipe Communications	UK	4,870,800	5,148,000		-5.4%	0.0%
222	229	PLMR	UK	4,858,248	4,149,510	29	17.1%	23.7%
223	211	Integral PR Services	India	4,805,000	5,050,000	78	-4.9%	-4.9%
224	259	Konnect Public Relations	USA	4,750,000	3,229,239	35	47.1%	47.1%
225	138	Singer Associates	USA	4,736,000	4,400,000	18	7.6%	7.6%
226		Unity	UK	4,723,200	3,650,000		29.0%	36.2%
227	188	Imagem Corporativa	Brazil	4,609,299	6,568,609	87	-29.8%	-29.8%
228	238	Bellenden	UK	4,579,585	3,918,288	40	16.9%	23.5%
229		DT Digital	China	4,500,000				
230	221	L C Williams & Associates	USA	4,450,000	4,700,000		-5.3%	-5.3%
231		Aspectus	UK	4,428,000	4,073,160		8.7%	14.9%
232	248	Cap & Cime PR	France	4,357,025	3,707,813	25	17.5%	30.4%
233	237	Meropa Communications	South Africa	4,300,000	3,928,000	80	9.5%	9.5%
234	231	RMA Comunicacao	Brazil	4,263,158	3,900,000	102	9.3%	9.3%
235		Kaltwasser Kommunikation	Germany	4,251,000	4,210,800	32	1.0%	12.1%
236	207	Akima Media	Germany	4,249,000	5,190,900	25	-18.1%	-1.0%
237	202	akkanto sa	Belgium	4,159,763	5,401,498	26	-23.0%	-14.5%
238	169	Gregory FCA	USA	4,103,066	7,300,000	50	-43.8%	2.7%
238	233	GroundFloor Media	USA	4,103,066	4,018,676	20	2.1%	2.1%
240	227	Pro-Vision Communications	Russia	4,100,080	4,155,708	61	-1.3%	-1.3%
241	226	Rumeur Publique	France	4,033,000	4,356,000		-7.4%	2.8%
242	251	Hawkins International Public Relations	USA	4,000,000	3,432,000	29	16.6%	16.6%
243	240	Lane	USA	3,986,728	3,846,887	25	3.6%	3.6%
244	228	ikp	Austria	3,978,500	4,150,179	33	-4.1%	6.4%
245		JP Kom	Germany	3,924,000	4,719,000	36	-16.8%	-7.7%
246	244	Tact Intelligence-conseil	Canada	3,900,000	3,800,000	42	2.6%	2.6%
247		CCgroup	UK	3,874,500	4,399,200	22	-11.9%	-6.9%

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Fee Income 2014 (\$)	Staff	Growth (USD)	Growth (Constant Currency)
248		Beehive PR	USA	3,855,601		12		
249		Nancy J Friedman Public Relations	USA	3,840,000		23		
250	252	March Communications	USA	3,777,000	3,400,000	30	11.1%	11.1%

## Footnotes

**<sup>1</sup> Edelman**

2015 acquisitions included Dabo&Co, Smithfield and Position.

**<sup>2</sup> Weber Shandwick**

Weber Shandwick's 2014 fee income has been revised downward to take into account the removal of certain agencies (such as DeVries), along with currency fluctuation in 2014. The 2015 fee income includes several subsidiary firms such as Powell Tate, Current Marketing and Creation

**<sup>3</sup> FleishmanHillard**

Includes fee income for several subsidiary firms, such as Vox, BlueCurrent and Fishburn.

**<sup>4</sup> Ketchum**

Includes fee income for AccessEmanate and other subsidiary firms

**<sup>5</sup> Burson-Marsteller**

Includes fee income from PS+B and other subsidiary firms

**<sup>6</sup> MSLGroup**

Includes fee income for all network firms, including Kekst, CNC, JKL, Winner, PBJs, Qorvis. 2015 acquisitions included South Africa's Epic Communications.

**<sup>7</sup> Hill+Knowlton Strategies**

Includes fee income from Group SJR, Public Strategies Inc and other subsidiary firms. 2015 acquisitions included Ideal in Brazil.

**<sup>8</sup> Ogilvy PR**

Includes fee income from Ogilvy Healthworld and other subsidiary firms

**<sup>9</sup> BlueFocus**

Includes fee income from Citizen Relations and other subsidiary PR firms

**<sup>10</sup> Havas PR**

Includes fee income from Abernathy MacGregor, Red Agency, Havas Formula and other network PR firms.

**<sup>11</sup> Cohn & Wolfe**

Acquired India's Six Degrees in 2015

**<sup>12</sup> Huntsworth Health**

Includes fee income from Tonic Life and other Huntsworth Health firms

**<sup>13</sup> W2O Group**

Includes fee income from WCG, Twist and other subsidiary firms

**<sup>14</sup> inVentiv Health**

Includes fee income from Chandler Chicco, Biosector 2 and other subsidiary firms

**<sup>15</sup> Finn Partners**

Acquisitions include Horn Group, DVL and Seigenthaler

**<sup>16</sup> Lewis PR**

Includes fee income from acquisitions of Purestone, DMG, Piston and PageOne

**<sup>17</sup> Public Système Hopscotch**

Includes subsidiary firms such as Hopscotch and Heaven

**<sup>18</sup> Four Communications**

Includes fee income from acquisitions of Francis Balsam and Broadgate Mainland

**<sup>19</sup> Llorente & Cuenca**

2015 acquisitions included EDF Communications and S/A Comunicacao

**<sup>20</sup> SEC**

Includes fee income from acquisitions of Cambre and other firms

**<sup>21</sup> Adfactors**

Acquired Yorke Communications in 2015

**<sup>22</sup> Shine@Academy**

Fee income reflects merger of UK firms Shine Communications and The Academy

**<sup>23</sup> N2N Communications**

Includes Fuel Communications

**<sup>24</sup> Narva**

Acquisitions include Heart, Rewrite, Mix and Medial.

**<sup>25</sup> Havas Just::**

The firm p/k/a as Just:: Health, before its acquisition by Havas

# Fast Movers

The tech boom continues to fuel the fastest growing agencies worldwide — 60% of the firms on the list have a client portfolio heavily weighted in this sector. Yet the top spot was taken by the Mexican consumer shop Another Company at 136.4% growth to \$5.2m.

Interestingly, the impact of the tech sector is seen far beyond Silicon Valley. Among the six tech-focused firms on the list, three of the US-based firms (Praytell, PAN Communications, Walker Sands) house their headquarters outside of California and one (Red Lorry, Yellow Lorry) is based in the UK. The San Francisco-based tech firms on the list are BOCA Communications — making its second consecutive showing — and Bhava Communications.

This is the second year that technology firms have been especially well-represented on the fast movers list. It's worth noting, however, the funding environment around technology has cooled since the start of the year and industry watchers are monitoring for signs of a more pronounced correction that could ultimately impact PR spend.

## Global

When looking at only firms based in North America, 80% are based in the US alongside Another Company (Mexico) which was launched in 2004 but made its debut on the fast movers this year. The other non-US showing was from the Canadian agency North Strategic which was founded in 2011 and has grown to 65 people in less than five years. Healthcare firm Spectrum accomplished impressive growth while its founder stepped down, making way for a new president. Meanwhile, the Boston-based PAN Communications had a notable 2015, acquiring Vantage PR to expand into the San Francisco market.

Agency	HQ	Growth (Constant Currency)	Fee Income 2015 (\$)
Another Company	Mexico	136.4%	5,200,000
Praytell	USA	81.5%	5,900,000
Spectrum	USA	77.4%	14,900,000
Red Lorry Yellow Lorry	UK	77.4%	4,948,086
PAN Communications	USA	68.6%	13,150,000
Havana Orange	Netherlands	57.5%	3,424,780
BOCA Communications	USA	54.4%	5,126,405
Walker Sands	USA	51.5%	6,917,494
Bhava Communications	USA	51.5%	5,000,000
SEC	Italy	51.2%	27,260,900

## US

Now in year eight, the tech firm BOCA made its second-consecutive showing on the list; meanwhile the Chicago-based Walker Sands has hit a growth spurt — 177% in the last three years (the firm has been around for 15 years). The San Francisco-based Bhava — founded amid a tech recession in 2009 — had its best fiscal year in 2015 and is looking to hit \$10m by 2018. The Los Angeles-based Konnect PR makes the fast-movers for the second consecutive year as it continues to expand its lifestyle PR business that focuses on media relations. The New York-based B2B firm Bliss Communications makes its debut on the list, a year after Elizabeth Sosnow took over as the firm's new owner.

Agency	Growth (Constant Currency)	Fee Income 2015 (\$)
Praytell	81.5%	5,900,000
Spectrum	77.4%	14,900,000
PAN Communications	68.6%	13,150,000
BOCA Communications	54.4%	5,126,405
Walker Sands	51.8%	6,917,494
Bhava Communications	51.5%	5,000,000
Konnect Public Relations	47.1%	4,750,000
Bliss Integrated Communications	40.1%	9,500,000
M Booth	35.9%	25,546,472
Finn Partners	35.4%	71,481,000

## Above \$30M

Because rapid growth tends to favor boutiques, we also looked at the fastest growing PR firms with revenues more than \$30m. Once again, China's BlueFocus topped this list with 36.7% growth at a staggering \$245.1m. The only other firm on the list with revenues over \$100m was Huntsworth Health that grew 21.1% to \$107m. Finn Partners made the cut for the second-year growing 35.4% to \$71.5m — in a year they firm bought tech boutique the Horn Group. Spain's Llorente & Cuenca (23%) and the UK's Four Communications Group (34.1%) were also buoyed by acquisitions.

Agency	HQ	Growth (Constant Currency)	Fee Income 2015 (\$)
BlueFocus	China	36.7%	245,055,843
Finn Partners	USA	35.4%	71,481,000
Four Communications Group	UK	34.1%	34,380,216
Allison+Partners	USA	32.1%	49,000,000
Portland Communications	UK	25.0%	37,000,000
GCI Health	USA	23.1%	32,000,000
Llorente & Cuenca	Spain	23.0%	32,738,779
Vector Inc.	Japan	22.4%	82,000,000
The Outcast Agency	USA	22.0%	30,000,000
Huntsworth Health	UK	21.1%	107,004,000

## Europe

Among the Europe-based firms, the UK dominated with 70% hailing from this market. Red Lorry Yellow Lorry topped the list, likely fueled by notable wins in 2015 including the Israeli-based Priority Software, Canon UK and Mass Challenge. The Benelux-based Havana Orange, which was named the region's top PR firm in 2015 by the Holmes Report, continues to build an impressive portfolio on its "new school agency that draws upon ancient rules" positioning. Italy's SEC fourth-place showing is bolstered by its acquisition of numerous European firms during the past couple of years. Rounding out the top 5, All Channels Communications Group makes the list shortly after being the first Bulgarian agency to win a Global SABRE Award for its work with AVON against domestic violence.

M&C Saatchi makes the list with 42.9% growth nearly hitting \$15m (the firm continues to grow in the UK and internationally). With more than 40% growth, Newgate makes it third-consecutive showing — fueled by a steady flow of business such as taking on the troubled commodities giant Glencore. Amid its fast growth, the UK-based healthcare firm Pegasus had its most profitable year-to-date. The UK-based tech firm Harvard enjoyed an impressive year with 38.3% growth, while also being shortlisted for 11 major industry awards (including the Holmes Report's Tech Agency of the Year - EMEA). Awards darling Unity rounds out Europe's top 10 with 32.6% growth in a year which it won 85% of its pitches against creative or media firms.

Agency	HQ	Growth (Constant Currency)	Fee Income 2015 (\$)
Red Lorry Yellow Lorry	UK	77.4%	4,927,972
Havana Orange	The Netherlands	57.5%	3,424,780
SEC	Italy	51.2%	27,260,900
All Channels	Bulgaria	50.0%	6,540,000
M&C Saatchi Sport & Entertainment	UK	42.9%	14,700,000
Newgate Communications	UK	41.3%	28,687,703
Pegasus	UK	39.6%	13,031,550
Harvard	UK	38.3%	5,998,692
Unity	UK	36.2%	4,723,300
Trigger Oslo	Norway	34.9%	4,960,000

## Asia-Pacific, the Middle East and Africa

Interestingly, the Asia-Middle East-Africa region was the only that included fast movers with single-digit growth — largely because publicly-held agencies cannot be included in this ranking. United Arab Emirates' Djembe Communications topped the Middle East-Africa chart with 50%. Meanwhile, BlueFocus once again made the list with 36.7% growth despite a 51.7% decline in operating profit for the parent company last year. The only other Chinese firm to make the list was Hong Kong's Strategic Public Relations Group growing 10.7% to \$21.8m. Vector grew 22.4% to \$82m, cementing its position as one of the top-performing agencies in Japan. New Zealand's SenateSHJ (17.4% growth), India's Creative Crest (13%), Indonesia's Fortune PR (10.9%) and South Africa's Meropa Communications (9.5%) all demonstrate promise in emerging markets. Last year, Saudi Arabia's TRACCS (4.1%) was charged with overseeing Dubai's tourism strategy to help them deliver 20m visitors by 2020. Already this year, MasterCard has shifted PR duties for the Middle East and North Africa to TRACCS.

Agency	Growth (Constant Currency)	Fee Income 2015 (\$)
Djembe Communications	50.0%	6,000,000
BlueFocus	36.7%	245,055,843
Vector Inc.	22.4%	82,000,000
SenateSHJ	17.4%	8,521,358
Creative Crest	13.0%	5,859,050
Fortune PR	10.9%	3,550,000
Strategic Public Relations Group	10.7%	21,800,000
Meropa Communications	9.5%	4,300,000
TRACCS	4.1%	15,200,000
Enzaim Health	2.7%	7,265,750

# Holding Groups / Networks

The following is the ranking of 2015 revenue from the PR operations of major holding groups and independent networks.

## 2016 PR Holding Group Ranking: WPP Overtakes Omnicom

WPP's PR operations overtook Omnicom in 2015, regaining the effective top spot among holding group PR operations. While Interpublic's CMG unit reported more (\$1.7bn), this includes several firms that do not specialise in PR; accordingly WPP's PR operations are likely to once again be the largest in the world.

The holding group table also features China's BlueFocus Communication Group for the first time, which debuts at fifth place after growing revenues by 44%. There was also good growth from Next 15, while PROI Worldwide — which remains the largest collection of independent PR firms in the world — was up 14% compared to 2014.

2016	2015	Agency	HQ	Fee Income 2015 (\$)	Growth (Reported)
1	2	Interpublic Group <sup>1</sup>	USA	1,500,000,000	7.1%
2	3	WPP <sup>2</sup>	UK	1,389,150,000	5.9%
3	1	Omnicom Group <sup>3</sup>	USA	1,360,000,000	-2.9%
4	-	BlueFocus Communication Group <sup>4</sup>	China	1,294,275,789	44.3%
5	4	DJE Holdings <sup>5</sup>	USA	901,919,821	5.9%
6	5	PROI Worldwide <sup>6</sup>	UK	702,768,184	14.3%
7	6	Publicis Groupe <sup>7</sup>	France	480,000,000	-2.0%
8	7	Worldcom Public Relations Group <sup>8</sup>	USA	288,000,000	0.0%
9	8	Huntsworth Group <sup>9</sup>	UK	247,548,000	2.3%
10	9	IPREX <sup>10</sup>	UK	230,000,000	4.5%
11	10	Havas PR <sup>11</sup>	France	225,000,000	7.1%
12	11	Next 15 <sup>12</sup>	UK	190,806,000	18.9%

### Footnotes

<sup>1</sup> Interpublic Group does not break out specific PR revenue. This figure reflects revenue from its CMG unit, which houses Weber Shandwick, Golin and DeVries, along with numerous other specialty marketing firms.

<sup>2</sup> WPP includes Burson-Marsteller, H+K Strategies,

Ogilvy PR and many more PR and public affairs firms

<sup>3</sup> Omnicom Group includes FleishmanHillard, Ketchum, Porter Novelli and many more PR and public affairs firms

<sup>4</sup> Includes Citizen Relations, We Are Social and several other subsidiaries

<sup>5</sup> DJE Holdings includes Edelman and Zeno

<sup>6</sup> PROI is a network of independent PR firms

<sup>7</sup> Publicis Groupe reflects revenue for MSLGroup, under which it houses all PR operations

<sup>8</sup> Worldcom is a network of independent PR firms

<sup>9</sup> Huntsworth includes Grayling, Citigate, Red Consultancy and Huntsworth Health

<sup>10</sup> IPREX is a network of independent PR firms

<sup>11</sup> Havas PR includes Havas PR, Red Agency, Cake and many more PR firms

<sup>12</sup> Next 15 includes Text 100, OutCast, Bite and many more PR and digital marketing firms

# Methodology

**One critical decision we made when the ranking project began was to define public relations broadly. This decision was grounded in the philosophical approach of The Holmes Report, which believes that public relations includes all of the activities in which an organization engages in order to strengthen its relationship with any public or stakeholder group. Thus, public relations fee income includes not only fees derived from traditional PR activities (media relations, community relations, employee communications, investor relations, public affairs) but also fees (but only fees) related to activities such as research, design, advertising and social media relations—as long as those activities were carried out by a firm whose primary activity is public relations.**

We have always considered advertising, for example, to be a perfectly legitimate tool of public relations management. Indeed, many in-house public relations departments have responsibility for substantial advertising budgets, particularly when the advertising is designed to meet corporate or public affairs objectives rather than marketing or sales objectives. It would therefore be illogical to exclude fees related to advertising from a broad and inclusive ranking.

So the precise wording on the rankings form provided to participating agencies was as follows: “The Holmes Report defines public relations broadly as any activity designed to help corporations and other institutions build mutually-beneficial relationships with their key stakeholders, including but not limited to customers, employees, shareholders, legislators and regulators, communities, and the media. “The primary business of a public relations firm for the purposes of this document should involve either strategic, media-neutral counsel or earned media, but a public relations firm may engage in a wide range of activities including but not limited to media relations, sponsorship, advertising, corporate identity, web design, and research. However, firms may include only the fees for this work, not payments related to media buys, production, etc.

“The Holmes Report reserves the right to make its own judgment about whether a firm qualifies as a public relations firm for the purposes of these rankings, and to exclude firms it considers not properly qualified.” This is a broader definition than the one used by many other organizations providing local market rankings of public relations firms, which means that several of the firms

providing numbers to The Holmes Report will receive credit for income not included in other rankings.

There were several obstacles to complete accuracy, the most obvious of which is the decision of the largest publicly-traded holding companies to interpret the Sarbanes-Oxley regulations in the United States in such a way that they preclude the release of information about specific operating units.

In truth, there is nothing in Sarbanes-Oxley that prevents the release of information. Indeed, some publicly-traded communications companies do continue to provide information about individual public relations brands. For the very largest companies, such as WPP, Omnicom, and Interpublic, the issue appears to be one of cost—the expense associated with ensuring the accuracy of published numbers—rather than legal prohibition. Needless to say, none of the Sarbanes-Oxley restricted holding companies or their PR firms co-operated in the creation of this ranking, and so The Holmes Report was compelled to rely on several sources to compile a ranking that it believes to be broadly accurate. Among the information sources on which we drew:

- Publicly-available information
- Information that has entered the public domain despite the best efforts of the companies (specifically, information from former employees relating to headcount in specific offices, supplemented in some cases by directories of agency employees, as well as widely known revenue-per-employee targets); and

The judgment of The Holmes Report, which covers the field in both the U.S. and Europe and can draw on information about clients moves, office openings and new hires to form a broad picture of the industry. Another obstacle involved data from firms in emerging markets, where definitions of public relations are sometimes imprecise and where firms were not always willing or able to secure verification from a trusted third party (equivalent to a certified public accountant in America). In several instances, The Holmes Report made its own efforts to verify the broad accuracy of information provided, and where it could do so with confidence, the firms involved are included in this report

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