

## TRANSFORMATION OF THE PR INDUSTRY IN THE CONTEXT OF DIGITAL TECHNOLOGIES DEVELOPMENT

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**Abstract** : The relevance of the study is determined by the development of Internet technologies that have significantly changed world information landscape, dynamics and structure of mass and interpersonal communications. Analysis of different formats of PR messages, approaches to building relationships with target audiences and organizations' reputation on the Internet confirmed that perception of information by a mass audience, images of public opinion leaders, as well as the level of trust in them are significantly affected by the wide spread of the Internet, availability of digital technologies, popularity of electronic forms of communication and growth of social media. Studying main tendencies in the formation of public relations domain, analyzing transformations of the PR industry under the influence of digital technologies based on the example of world and Kazakhstan's experience, authors focus on the dynamic processes that in the upcoming decades can completely change not only mass media systems but also areas of professional and other spheres of human life related to them.

**Keywords:** Digital PR, mass communications, information society, internet technologies, social media, PR industry.

### INTRODUCTION

A new stage in the development of the PR industry is associated mainly with the intrusion of digital technologies into the media landscape and communication processes at all levels.

According to Global Communications Report 2016, the development of the PR industry is primarily connected with learning and effective application of new technologies by PR specialists [<http://www.holmesreport.com/ranking-and-data/global-communications-report>]. It is noted that among professionals in the field of communications, among the most popular are those who have the skills of social media expertise (experience in social media), as well as multimedia content development (creation of multimedia content). Due to global nature of the given tendency, we would like to emphasize that the PR industry of Kazakhstan is developing in the same direction.

In February 2016, the company "Action Global Communications Kazakhstan" conducted an expert survey among PR professionals working in various fields (PR agencies, banking, oil and gas, pharmaceutical sectors, FMCG, etc.), in order to

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identify industry's key trends in the new year [[http://forbes.kz/news/2016/03/10/newsid\\_107739](http://forbes.kz/news/2016/03/10/newsid_107739)]. It is noteworthy that according to the results of research the most popular PR tool (87%), the urgent direction of PR activity (68%), as well as the most popular topic of trainings (60%) was named Digital PR. Thus, in early 2016, Kazakhstan's public relations specialists predicted an increase in PR activity on the Internet, active use of digital tools, and also have demonstrated their interest and desire to develop in this direction. Undoubtedly, it is digital technologies that are the main driver of changes in the public relations industry, which means that the problem of their comprehension and study is more urgent than ever.

## **RESEARCH METHODS**

In the course of investigations, attention was drawn to the main trends in the formation of the public relations domain, transformations of the PR industry under the influence of digital technologies, based on the world and Kazakhstan's experience, dynamic processes that in the upcoming decades can completely change not only mass media systems but also areas of professional and other spheres of human life related to them.

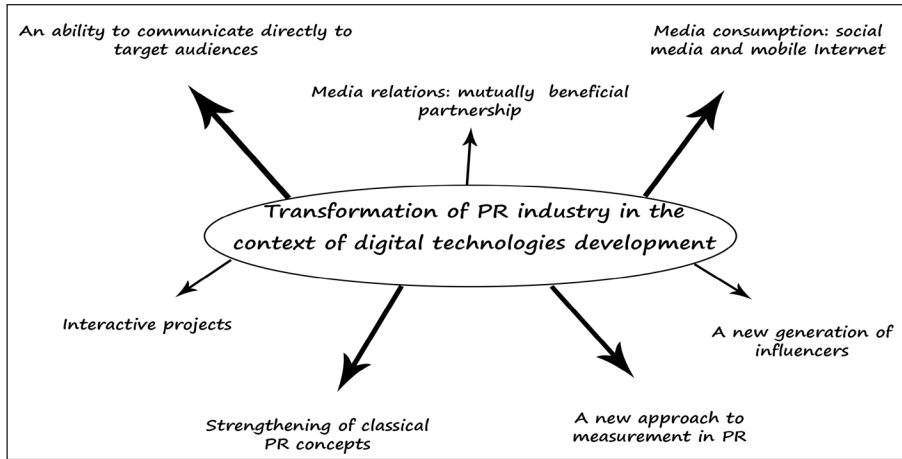
Selective and qualitative-quantitative analysis or content analysis of PR materials, as well as other methods of historical and cultural, contrastive-comparative nature, made it possible to show that the epistemological aspects, poly intentionality of the text within the framework of new technologies are determined by the aim of media communication, that is informative impact.

The method of comparison made it possible to state that digital technologies allow mass media access to a large audience and can offer huge opportunities for interactive communication, in addition the fact that communication with target groups of clients in the PR industry gets to a brand new level facilitates the direct contact with the public.

The method of observation, followed by an analysis of the development of the mobile Internet, made it possible to predict the future of digital technologies with the development of the mobile Internet and the expansion of the functions of social media.

## **RESULT**

Rapid development of Internet technologies had a significant impact on the state of the modern PR industry and determined further development of the industry (Figure 1).



**Figure 1: Transformation of PR industry in the context of digital technologies development**

With the development of Internet technologies, social media in particular, companies and organizations are able to directly build communications with target audiences. Internet users from passive recipients of information are transformed into active creators and distributors of it, which is reflected in the public relations industry as well. Audiences are becoming interested in taking direct part in PR projects.

Social networks today are not just means of interpersonal communication, but also serious tools of influence. Oversaturation of the market with information significantly influenced on the work of the PR-specialists: it is more difficult for companies and brands to compete for the attention of the audience.

Technological innovations have an impact, both on the media and on the interaction of PR managers. Digital technologies, which on the one hand allowed the mass media access to a huge audience and provided massive opportunities for interactive communication, at the same time posed a threat to once successfully working business models. In the current system of the mass media and PR-specialists' relations, there is a tendency towards the search for mutually beneficial solutions. It can be assumed that in the future non-traditional types of advertising will become more popular and profitable.

PR-professionals are eager to cooperate with speakers, whom their target audience trusts, and whose advice is followed. The study allowed coming to the conclusion that the development of Internet technologies, social networks in particular, had an impact on the current understanding of the opinion leader.

The development of Internet technologies influences on the issues of evaluation and measurement of the results of PR activities, has transformed the field of media analytics. Modern technologies significantly simplified the process of evaluating the results of PR-activities, allowed tracking and reacting sensitively to the changes in the mood of the consumers.

## DISCUSSION

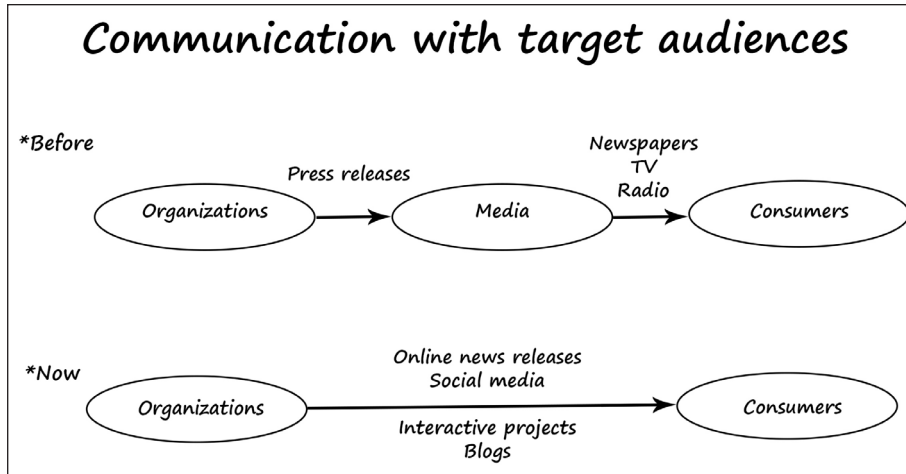
In modern discussions about the future transformations of information and communication sphere, the phenomenon of digitalization has different interpretations.

The British “Dictionary of Media and Communication Studies” interprets the notion of digitalization as follows: “The computer works digitally: information is broken down into a code of zeros and ones (bits). Today, all forms of electronic communication are converging through digital formats, and computer-mediated communication now applies to newspapers, telephone systems, broadcasting, film production as well as the internet” (Watson and Hill 2012).

The encyclopedic edition under the editorship of the Kazakh scientist S.K. Kozybayev “Mass Media: Dictionary and reference book” defines the term “digitalization” as “the translation of information into digital form. It is used in many of the latest electronic communications systems. According to the American experts, it is one of the main ways of developing information society and transnationalization of data communication on the planet “(Kozybayev 2007, *p.* 110). According to the Russian researcher Y.V. Taranova, “digital PR implies transformation of the broadcasted static news into dynamic dialogues, based on direct online contact between organization and its target community groups” (Taranova 2015, *p.* 243). Let’s consider the key trends in the development of the PR domain in the conditions of globalization within the context of Internet communications:

1. **Possibility to build communication directly with target audiences.** With the advent of the Internet in our life, more precisely, with the active development of the concept of Web 2.0, the main feature of which is the possibility of active participation of users in filling the online space with information, there have been serious changes in the sphere of PR (Figure 2).

The Internet provided media with an opportunity to reach broader audience and allowed businesses to communicate with consumers (Brown 2009, *p.* 7). Thanks to a new platform for communication, communication with customers is reaching a brand new level. Now companies and organizations are able to directly build communications with target audiences, often bypassing the media, says David Meerman Scott, an American marketing expert (Scott 2007, *p.*11).



**Figure 2: Communication with target audiences**

It is the possibility to make direct contact with target community groups significantly changed the approach to implementing PR-objectives, on the one hand, providing communication professionals with amazing opportunities for interaction with the audience, and on the other hand, creating new complexities and risks. Associate professor of the “Higher School of Economics” Russian research university Shilina M.G. says that the development of the concept of Web 2.0 transformed the Internet space in a revolutionary way. Modern users feel most comfortable in the modern environment, which allows them to freely communicate and actively develop personal Internet resources (blogs, podcasts, and profiles in social networks) (Shilina 2014, p.130).

Blogs, social networks, wiki-projects “took away” mass media’s palm of victory in the issues of creating content and the degree of influence on society, and opened new horizons for PR-specialists. Today, communication professionals are learning new forms of information delivery in the context of the digital environment: SMM, storytelling, infographic, blogging, application development, gamification and others. Today, public relations specialists can monitor the entire communication process. According to the Russian scholar A.O. Alekseyeva online communications have moved beyond short-term advertising campaigns and have become an important communication platform with a wide range of functions to manage the brand’s reputation (Alekseyeva 2012, p. 37).

2. **Relations with the mass media.** Automatization; aspiration for a mutually beneficial partnership. It is beyond argument that, media relations, as before, take an important place in the work of PR departments of commercial companies, public organizations and government agencies. Materials in the media with correctly chosen news break and literate presentation can positively influence on the opinion of the audience.

Technological innovations also influenced both on the interaction of PR managers and the mass media (Figure 3).



**Figure 3: Modern media relations**

We will pay attention to interactive Internet platforms between media workers and PR specialists. So, the US is popular with PR Newswire for Journalists, there is a similar Press feed resource in Russia. The idea is that journalists leave requests, and companies in turn provide information on them. The site *getopinion.kz* was presented in 2016 in Kazakhstan at a big industry event "Media Kurultai", the purpose of which is similar to the above-mentioned projects, unite journalists, PR specialists, experts in one platform for effective interaction and creation of high-quality media products.

In the current system of relations between the mass media and PR-specialists, there is a tendency towards the search for mutually beneficial solutions. Digital technologies, which on the one hand allowed the mass media access to a huge audience and provided massive opportunities for interactive communication, at the same time posed a threat to once successfully working business models. Internet newspapers and magazines, also dependent on advertisers, are faced with the popularity of services blocking advertising banners (ad-blocking service). According to the research initiated by the Reuters Institute for the Study of Journalism in 2016, the popularity of ad-blocking programs varies depending on the country: for example, in Poland, the number of users with installed blockers is 38%, in Germany

25%, while in Japan only 10% uses them [<http://www.digitalnewsreport.org/>]. The current situation motivates publishers to search for new forms of creating commercial projects, for example, native advertising unlike traditional banners.

Editor-in-chief of the analytical internet-magazine “Vlast” Vyacheslav Abramov shared his experience of “survival” in difficult conditions for the media, based on his edition in 2016 at the largest industry conference “Media Kurultai”. In addition to a paid subscription, the editorial staff of the magazine actively uses the sale of alternative forms of advertising, creation of special projects together with large commercial companies.

The native format of advertising (from the word native – natural) already brings 35% of income, and over the next two years editorial staff hopes to increase this figure to 60% [<https://www.slideshare.net/KazakhstanPressClub>]. The project “Peremena (Change)”, created in partnership with Altyn Bank, deserves attention, ten stories of real people who are not afraid of changes in life and always follow their dreams. Probably, it is non-traditional types of advertising that will become the key sources of media revenue, and will become even more popular PR tool in the future.

3. **Media consumption: Social media and mobile Internet.** Convenience of receiving news materials through social networks has significantly transformed the process of media consumption. The Reuters Institute for the Study of Journalism presented a report on the state of modern journalism in the context of the widespread use of portable mobile devices, development of social media and news aggregators in 2016. According to the results of the survey conducted in 26 countries and covering more than 50,000 people, half of Internet users use social networks as a source of news every week, and 12% consider them to be the main source of information [<http://www.digitalnewsreport.org/>].

Speaking about media consumption, we should note the development of mobile Internet, which encourages users to check news more often and join the communicative process. The World Economic Forum connects the future of digital technologies with the development of the mobile Internet and the expansion of the functions of social media [<https://www.weforum.org/reports/the-impact-of-digital-content-opportunities-and-risks-of-creating-and-sharing-information-online>]. In October 2016, the number of Internet connections using mobile devices worldwide exceeded for the first time the use of the Internet from desktop computers and laptops. According to the analytical company Stat Counter mobile devices accounted for 51.3% of the total use of the World Wide Web, whereas the desktop version accounted for

48.7% [<http://gs.statcounter.com/press/mobile-and-tablet-internet-usage-exceeds-desktop-for-first-time-worldwide>]. For the specialists in the field of communications, this trend is important.

According to the agency TNS Central Asia in Kazakhstan, the share of mobile Internet use in 2015 was 42% [<http://www.slideshare.net/KazakhstanPressClub/ss-62922348>]. Taking into account that nine years ago this figure was zero, we can safely predict a further increase in growth trends.

On the one hand, it becomes much easier for PR specialists to build relationships with target audiences through quick access to the Internet and many communication platforms they have. It is noteworthy that creating a special content and strategy for each social networking websites is more efficient than using ‘one-fits-all’ approach (Towns 2016, p. 107). On the other hand, the endless information flow that comes in on the modern person forces users to “develop immunity” to low-quality, uninteresting, frankly advertising content. In this regard, the problem of creativity (the generation of novel ideas) and creation of high-quality content are considered to be the key ones in the industry today.

#### **4. New media and increased reputation vulnerability. Interactive projects.**

Practice shows that a distinctive feature of new media is possibility of creating and distributing the content not only by professional journalists, but also by users of the Internet. In this regard, it is easy to see that the system of authorship of information materials has changed significantly. Mass media lost its monopoly on the creation of news, sharing the sphere of influence with blogs and social networks. According to S.L. Urazova, media communications, which until recently were considered mass media’ sarea of responsibility, are now actively being transformed under the influence of “the invasion of the society into the media space” (Urazova 2015, p. 26). This tendency is also noted by Kazakhstan’s specialists. According to the scholar S.Kh. Barlybaeva, modern Internet users today are active creators and disseminators of information (Barlybayeva 2014, p. 83).

The trend of users’ active inclusion in the mass communication processes inherent in new media, has found its reflection in the public relations industry. The audience no longer wants to remain an outside observer, it is interesting for the audience to take an active part in PR projects. The implementation of large-scale interactive projects has become possible thanks to modern multimedia tools.

In 2015, the social project of Kassa Nova Bank, implemented with the use of interactive technologies, became the winner of Kazakhstan’s award in the field of public relations “Ak Mergen”, in the category “Best Internet



Project". Users were asked to make a short video about what happiness meant to them. As a result, organizers chose the most touching stories that entered the final video. The project "Kazakhstani about happiness" had about two hundred applications from all regions of the country and was positively received in social media. The authors of the best videos also received cash prizes.

PR professionals are supposed to protect their clients' credibility and predict controversial situations that might provoke misunderstanding and damage relationship with audiences (Newsom and Haynes 2008, p. 4). Undoubtedly, as any technological phenomenon, the possibility of receiving feedback from the audience other than positive changes, brought into the work of communication specialists some difficulties, which are primarily related to the spread of negative feedback about the product, service or company's activities. In modern conditions of rapid access to the Internet and social media, a single negative comment can become viral in a matter of minutes and cause irretrievable damage to reputation. At the same time, social media can play a positive role in tackling crisis situation if PR professionals provide media with official information through organizations' social media to stop rumors and unverified information (Austin, Jin and Liu 2015, p. 23).

5. **New generation of opinion leaders.** Edward Bernays, believed that working with opinion leaders is considered one of the most effective techniques in the arsenal of public relations specialists, opening a wide range of opportunities in the promotion of ideas. PR-professionals are eager to cooperate with speakers, whom their target audience trusts, and whose advice is followed (Bernays, 1928, p. 46).

According to the study led by professor Terence Flynn (McMaster University, Canada), the main condition for an effective communicative act is the trust that exists between the source of the message and the recipient. Flynn believes that in the process of delivery of the message, the trust factor leads the recipient to the peripheral way of persuasion in the shortest possible way (that is, the message is viewed not from the point of view of the strength of the arguments, but sympathy for the source of information), and thus to a faster acceptance of ideas and decisions [<http://www.instituteforpr.org/hello-personal-developmental-social-characteristics-influence-communicator-persuasiveness-effectiveness/>]. It is interesting that trust relation to the source often encourages recipients to respond positively to the message, not taking into account the format or quality of the information provided. In other words, a message originating from an authoritative source, to a lesser degree, requires additional design.

Undoubtedly, the development of Internet technologies, social networks in particular, had an impact on the current understanding of the opinion leaders. Each of us is witnessing a whole generation of people who are gaining fame through the Internet. The audience of some blogs is consistent, and oftentimes exceeding the audience of popular editions and TV channels and a high degree of subscribers' loyalty made cooperation with Internet celebrities one of the most current PR tools. Companies provide bloggers with free products for review, organize joint competitions, invite to be in a commercial or even become a brand spokes person. This practice is also developed in Kazakhstan. A vivid example is blogger Alisher Yelikbaev (the number of subscribers in Facebook is more than 30 thousand people), who today is the ambassador of several brands.

- 6. Evaluation of the effectiveness of PR activity.** The development of Internet technologies had an impact on the issues of evaluation and measurement of the results of PR activities, has transformed the field of media analytics.

In 2015, AMEC introduced an updated version of the declaration "Barcelona Principles 2.0", which is designed to match the development trends of the industry. The Declaration is a set of recommendations that should guide the evaluation of the results of PR activity and the impact it has on the company's economic performance. The key principles remained unchanged in the new version, but were expanded or detailed. So, the principle of working in social media has received an important addition: "Social Media Can and Should be Measured *Consistently with Other Media Channels*" [<http://amecorg.com/barcelona-principles-2-0/>]. Indeed, modern specialists in the field of public relations are actively working in social media, which means that the results of activity in these platforms should be evaluated and analyzed on a par with traditional communication media.

Due to the difficult economic situation in the world, state structures, commercial and public organizations are forced to cut expense items of the budget and staff. Very often, PR-departments are the first to be in the firing line. The reasons are clear: the public relations domain often operates with non-material categories of "image" and "reputation", that are difficult to measure on a scale from one to ten, and, most importantly, to assess the impact of PR activity on the company's profit. It is very difficult to trace the relationship between an article in a newspaper with making mention of the company or, for example, the number of subscribers in social networks and the level of sales. Today, professionals in the sphere of communications are forced to prove the efficiency of their work and act as a revenue, rather than expenditure of the budget. Modern technologies significantly simplified the process of evaluating the results of PR activity, allowed tracking and reacting sensitively to the changes in the mood of the consumers.

7. **Strengthening the classical concepts of PR.** The information revolution, having significantly transformed the set of tactical tools and techniques in the arsenal of PR specialists, practically did not affect the fundamental concepts that define PR as a field of activity (Breakenridge 2012). Let's say more: it not only failed to shake the basic concepts of PR, but strengthened them.

The ideas of the American PR classics Sam Black, Ivy Lee today seem more relevant than ever. In the era of social networks, when information flows cannot be controlled, and hence reputation management becomes more difficult, the only right decision for companies and organizations is to follow the policy of openness and readiness for dialogue, the main principles of the classical theory of PR.

The business best-seller "Customers for Life", which was released in 1990 and has experienced many reissues, is still a guide to customer issues. Author Carl Sewell, a successful businessman, the owner of one of the best auto dealership companies, gives an interesting advice related to the issue of reputation management: "The ethical approach here is this: run your business, always asking yourself the question: "And what if they write about it in tomorrow's paper?" (Sewell 2014). In modern realities, when mass media lose their monopoly on the production of media products, and gradually turn into mass media, it is probably worth paraphrasing the author's question in the following way: "And what if they write about this on the Internet?"

## CONCLUSIONS

Modern society enters a new phase of information development in the situation of the intensive influence of information on the progress of mankind, the speed of receiving, the volume and quality of which, become a factor of the sustainable and effective functioning of economic and social systems. During this time period, we can see obvious interest in the topic. In the academic community, the problem becomes topical and debated. The terms "digitalization", digital PR in recent years have become quite often used in both professional-theoretical and popular sources as well.

Today, communication professionals can monitor the entire communicative process through experimentation with new forms of information delivery (SMM, storytelling, infographic, blogging, interactive projects, work with the opinion leaders and etc.).

Relations with the mass media also changed: the growing popularity of ad-blocking services promoted the development of cooperation between PR-services and editorial staff, which involves implementation of joint projects and the search for alternative types of advertising.

The analytical side of the public relations industry has changed, methods for measuring the effectiveness of PR activities have been improved.

On the other hand, Internet technologies significantly complicated activities of PR-services: negative information via social networks spreads at a super-rate today and cannot be controlled or filtered. Modern mobile devices with the access to Internet connection for a fraction of seconds anywhere in the world allowed users to follow the information agenda, actively connect to discuss important topics, exchange instant messages, create and publish their own content in real time. Such conditions are stressful for the private sector, as well as for state structures and public organizations. Issues of reputation protection and crisis management are as relevant as ever.

Thus, in order to remain effective, *i.e.* to influence public opinion, PR industry must be flexible, responsive to the processes taking place in society. From this point of view, transition of PR to digital space is logical: digital technologies today affect all spheres of human life. Perhaps in a few years there will be no need to apply the term digital to the public relations industry, since there will be no forms and methods of PR activity without resorting to digital technologies.

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