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Buying Media-Savviness? Interest Groups as Clients of Public Affairs Consultants

Abstract

Public relations agencies are on the rise, and studies have shown that also membership-based interest groups use their services. These agencies employ public affairs consultants who help their clients influence public policy, and their use may have important consequences for interest group systems. As we know little about why interest groups use public affairs consultants and what kind of groups use them the most, we surveyed nationwide interest groups in Finland. We argue that groups use consultants especially when they face challenges with their advocacy strategies. The results show that the more important media strategies are in their advocacy work, the more groups use public affairs consultants. Business groups are more likely to use public affairs consultants than other kinds of groups. When groups' resources are held constant, more recently-established groups use more money on consultants than older groups. We conclude that consultant use may deepen existing biases in interest group politics by strengthening the business groups' position. The results also imply that media strategies have become especially challenging for groups in the current complex media environment.

Keywords: Public affairs, Public relations, Consultants, Membership-based Groups, Advocacy strategies, Media strategy

Introduction

The public relations (PR) industry, especially its public affairs function, is growing. PR firms have hired ex-politicians and their ex-aides as well as ex-journalists (e.g., Blanes et al. 2012; Palm & Sandström 2014; Blach-Ørsten et al. 2017) as public affairs consultants who help clients influence public policy through mediated or direct communication targeting policymakers. PR firms also have membership-based interest groups, such as business groups and citizen groups, as clients (Lahusen 2002; Hoffmann et al. 2008). However, we know little about why membership-based interest groups use PR consultants' services and what kind of groups use them the most. In this paper, we analyze survey data from nationwide interest groups in Finland to address this issue.

Why is it important to study interest groups' use of public affairs consultants? First, it illustrates how the PR industry's rise may be changing interest representation. Oftentimes, PR agencies are seen as threats to membership-based interest groups, as they represent alternative influence channels that can be used by wealthy organizations and individuals (e.g., Lahusen 2003, p. 199). Studying interest groups' use of public affairs consultants' services shows how public affairs consultants may also potentially benefit interest groups.

Second, however, the PR agencies' rise likely does not benefit all groups equally, and therefore the use of consultants may affect interest group systems' existing biases. Many group systems are biased in that some groups, such as business groups, often have better access to policy-making venues than other groups (e.g., Schlozman, 1984; Lowery & Gray 2004; Rasmussen & Carroll 2014). While hiring PR consultants may deepen existing biases, if groups already in a strong position use them to further strengthen their position, the use of external consultants may also give outsiders and challengers new opportunities to enhance their positions. Consultant use does not automatically increase a group's influence, but it may potentially do so by helping groups use advocacy strategies more effectively. Nevertheless, external consultants are an important lobbying resource that interest group scholars should take into account.

Third, examining consultant use may yield new information about influence strategies (e.g., Schlozman & Tierney 1983; Beyers 2004; Binderkrantz 2005; Dür & Mateo 2013; Berkhout 2013). We argue that groups rely on consultants especially when facing challenges with their advocacy strategies. Our results show that groups invest significant sums of money in public affairs expertise if media strategies are important to them, which implies that media strategies are difficult to pursue effectively in the current complex media environment (see Chadwick 2013).

Our focus is how interest groups use public affairs consultants in Finland, a traditionally corporatist Nordic country (see Vesa et al. 2018). In Nordic countries, the PR industry started to gain momentum later than in pluralist Anglo-American countries (e.g., Miller & Dinan 2000; Davis 2002; Allern 2011). Many scholars argue that, for a long time, corporatism – that is, the institutionalized integration of privileged interest groups into policymaking – downplayed the significance of informal lobbying and media strategies in advocacy (e.g., Rommetvedt et al. 2013). The PR industry started to grow in the Nordic countries only when corporatism declined due to trends such as mediatization, Europeanization, and electoral volatility (Christiansen et al. 2010; Binderkrantz & Christiansen 2015, pp. 1024–25). This increased the importance of informal lobbying and media strategies and made the interest group system more competitive (e.g., Öberg & Svensson 2012, p. 263; Rommetvedt et al. 2013, p. 472; Kantola 2016, p. 37; Lounasmeri 2018, p. 3; Blach-Ørsten et al. 2017, p. 23). At the same time, the role of media in politics has strengthened because of trends such as political de-alignment of newspapers and electoral volatility (Mazzoleni & Schulz 1999; Strömbäck 2008; Kriesi et al. 2007). This mediatization of politics has further increased demand for public affairs consultants in the Nordic countries (Blach-Ørsten et al. 2017, p. 22; Lounasmeri 2018, p. 1).

However, while these general explanations illuminate the structural changes that enabled the industry's rise, they explain little about why *membership-based groups* use consultants and why some groups use them more than others. The core question is why groups buy outside expertise instead of relying on in-house expertise. Our main argument is that groups use public affairs consultants

especially when they face challenges with their advocacy strategies. Finland is a good case, because the public affairs agencies' market started to expand significantly only in the 21st century, slightly later than in other Nordic countries (Lounasmeri 2018, p. 3), probably due to the relatively stronger persistence of corporatism in Finland (see Vesa et al. 2018). Groups in greatest need of public affairs services would be expected to be the first to use them when the market is new. Studying which groups use public affairs consultants in a relatively new market should thus reveal much about what motivates groups to use consultants.

Our large survey of membership-based interest groups allowed us to pinpoint factors that explain their use of public affairs consultants. Earlier studies surveyed only consultant agencies and described what types of groups they most often mentioned as their clients (Lahusen 2002; Hoffmann et al. 2008). By surveying interest groups instead of agencies, we can analyze the drivers of groups' PR agency expenditure. Our hypotheses can be classified into two groups. First, we analyse how PR expenditure is related to groups' advocacy strategies. PR consultants' expertise can be useful for both inside and outside advocacy strategies, that is, for both direct lobbying and media strategies (e.g., Hoffmann et al. 2008, p. 102; Svallfors 2016, pp. 58–59; Kantola 2016, pp. 41–44; Lounasmeri 2018, pp. 6–9). However, we do not know to what extent membership-based groups demand these different types of expertise, as also many other organizations, especially private companies, use PR consultants. Second, we form hypotheses related to how consultant use might affect interest group systems' biases. These hypotheses concern groups' position in policymaking, the type of interests they represent, and their age.

Theory and Hypotheses

The concepts *PR* and *public affairs* have myriad meanings in the academic literature and among practitioners (see Davidson 2015; Hoffmann et al. 2008). In line with Hoffmann et al. (2008, p. 102 [referring to Althaus, Geffken, & Rawe 2005]), we use public affairs as a 'collective term for

integrated political communication strategies’, including both ‘lobbying as interpersonal communication’ and ‘*political* public relations directed to the mass media’ (emphasis added). Thus, the term encompasses direct inside lobbying and indirect media lobbying. In practice, however, it may be hard to distinguish public affairs from other PR and political PR from non-political PR (cf. Davidson 2015).

To build the hypotheses, we need to understand why groups need public affairs consultants in the first place. Hoffmann et al. (2011) argued that organizations use public affairs consultants to bring added value rather than as a substitute for in-house staff. Consultants are important because they are outsiders who ‘have an alternative perspective’, can ‘bring new ideas into client organisation’ and ‘ensure the independent evaluation of clients’ communication strategies’ (Ibid., p. 33). Consultants are also valuable because of their contacts with journalists and policymakers (Hoffmann et al. 2011, p. 34; Blanes et al. 2012; Kantola 2016, pp. 43–44; Blach-Ørsten et al. 2017).¹ Thus, we must consider the circumstances under which interest groups need an outside view to increase the effectiveness of their advocacy strategies and wish to establish or strengthen contacts with policymakers. Our hypotheses are based on the idea that the need to get an outside view from experts is greater the bigger challenges the groups face with their advocacy strategies.

Our first three hypotheses relate to how consultant use is associated with different types of advocacy strategies. Scholars commonly distinguish between inside and outside strategies (e.g. Schlozman & Tierney, 1983; Beyers 2004; however, see Trapp & Laursen 2017). Inside strategies refer to direct communication with and the lobbying of policymakers. Outside strategies include influencing the media and mobilization of groups’ members to influence public opinion and policymakers indirectly. Public affairs consultants can potentially help groups in both respects: they sell their expertise both in direct lobbying of policymakers and influencing policy-making through the media. For example, consultants can advise their clients on the most important policymakers to

¹ Hoffman et al. (2011) also argue that consultants are important because they may have a ‘specialized infrastructure’. However, it is unclear what this term means.

lobby in a given policy field and what kind of arguments and frames work for different political parties (Svallfors 2016, pp. 58–59; Kantola 2016, pp. 41–44; Lounasmeri 2018, p. 7). As to media strategies, consultants sell expertise about the timing, framing, and targeting of public messages to maximize their chances of getting covered and framed by the media in a favorable way (Kantola & Lounasmeri 2014, pp. 7–12; Kantola 2016, p. 44; Lounasmeri 2018, p. 7).

However, we argue that membership-based groups use public affairs consultants mostly in relation to their media strategies, because these are particularly challenging for groups in the 21st century. First, this is because the audience of mediated communication is huge and heterogeneous. Audience expansion means that an advocacy group's mediated message 'reaches beyond its core audience of directly involved parties toward a wider set of stakeholders, non-expert elites, and the broader public' (De Bruycker 2019, p. 105). It may be difficult for groups to predict how their messages are received by these audiences. As detached outsiders with an external view (cf. Hoffmann et al. 2011, p. 37), public affairs consultants are probably well positioned to understand how a group's message will be interpreted by large audiences.

Second, the media environment and tools of strategic communication have changed with great speed in the 2000s, creating new challenges for interest groups. The rise of the Internet and social networking has created new forms of digital communication that groups must take into account in their advocacy work (Chalmers & Shotton 2016). The new hybrid media system functions quickly and often unpredictably (Chadwick 2013). Groups not only need to consider how their messages will be treated by traditional, legacy media but also how they will be spread and interpreted on social media. PR consultants sell expertise in how to use digital media as an advocacy tool (Allern 2011, p. 129). The rise of online media has made it harder for the legacy media to make a profit; many media outlets have made cutbacks, many journalists have short-term contracts, and turnover in newsrooms is high (e.g., Kantola 2013), which means that the journalistic field is volatile. This further increases the demand for PR agencies, who hire ex-journalists who can use their personal contacts and inform

their clients about the current situation in a field in constant flux (Kantola & Lounasmeri 2014, p. 9; Kantola 2016, p. 44; Lounasmeri 2018, p. 6; Palm & Sandström 2014, p. 143). Ex-politicians working in PR firms also bring valuable experience in dealing with the media (Allern 2011, p. 133). Based on this discussion, our first hypothesis is the following:

H1. The more important media strategies are for a group, the more money it spends on public affairs consultants.

Public affairs consultants also sell expertise on how to establish contacts and communicate with policymakers. However, we expect that only outsider groups need consultants' expertise in this respect. This is because outsider groups, by definition, lack close contacts to policymakers. Insider groups, in contrast, have close contacts with policymakers and are, for instance, regularly invited to consultations and contacted by civil servants. In Finland, the decline of corporatism has changed interest groups' opportunity structure to some extent (Kitschelt 1986), so that outsider groups now have, in principle, more opportunities to gain insider or semi-insider status. Because outsider groups lack contacts to policymakers, they may rely on public affairs consultants to try to establish these contacts.

As insider groups do not have a great need for consultants to establish contacts to policymakers, they may concentrate resources on sharpening their media strategies. Studies show media strategies are regularly used by insider groups (Beyers 2004; Binderkrantz 2005). While it is easier for insider groups to gain media access (Binderkrantz 2012, pp. 117–118), this does not guarantee that journalists frame groups' messages favorably. Insider groups may thus need consultants to help formulate their messages to appeal to audiences. This leads to the following two hypotheses:

H2. The association between media strategies and the use of public affairs consultants is stronger the more privileged position a group has in policy-making.

H3. The importance of informal contacts with policymakers increases the use of public affairs consultants only among non-privileged, outsider groups.

We expected that privileged groups would use public affairs consultants only to boost their media strategies (H1, H2). In contrast, we anticipated that non-privileged groups would use consultants for media strategies and to establish contacts to policymakers (H1, H3). Thus we expect outsiders to have a broader need of public affairs consultants. Insider groups are usually wealthier (Binderkrantz et al. 2015, p. 107) and are be expected to afford to spend more on PR firms, but all else being equal, we expect that outsider groups use these services more because of their broader need for them. We expect that Finland is a most-likely case to find that outsiders would need PR consultants more than insiders, because although corporatism has declined, it seems to be slightly more persistent than in other Nordic countries (Vesa et al. 2018). Because corporatism grants insider groups institutionalized access to policymaking, differences between insiders and outsiders in terms of access are pronounced. This leads us to our next hypothesis:

H4. All else being equal, the less privileged position a group has in policymaking, the more money it spends on public affairs consultants.

Next, we expect that the public salience of the policy issues that groups work on also affects their need for consultants. Public salience refers to the importance of policy issues among the general public. Studies show public salience affects groups' strategies (Mahoney 2008; Baumgartner et al. 2009; Holyoke 2009; Kollman 1998) and lobbying success (Mahoney 2008; Klüver et al. 2015).

Groups who work in salient policy areas are more likely to use a media strategy (Mahoney 2008, pp. 157–159; Junk 2016, p. 241), because salient issues receive more media attention (Junk, 2016, p. 241). Salience also increases policymakers’ responsiveness to public opinion. The media is an important source of information about public opinion for policymakers (Author, XXX), which makes it important for groups to try to influence media debates about salient issues, especially if their views are in line with public opinion (Kollman 1998, p. 160). Influencing the news is also more difficult in salient issues, because media organizations have the incentive to develop in-house expertise about salient issues (Culpepper 2011), and knowledgeable journalists are potentially more critical of groups’ strategic framing efforts. Salience makes advocacy more challenging also by increasing counter-lobbying (Klüver et al. 2015, p. 452); groups in the European Union (EU) succeed less often in lobbying in salient issues (Mahoney 2008, pp. 196–197). As media strategies are both more important and more challenging for salient issues, we formulate the following hypothesis:

H5. The more salient are the policy areas that a group works in, the more money it spends on public affairs consultants.

The challenges related to media strategies may also depend on the type of interests that groups represent. To succeed in utilizing the media in advocacy, it is important that a group can signal to policymakers that its policy positions are broadly supported and in the public interest (De Bruycker 2019, p. 106). This may be more challenging for groups representing narrow sectional interests, especially business groups, than for cause groups who work for wider goals and diffuse constituencies (Ibid., p. 107). The policy positions of business groups are less often in line with public opinion than those of various civil society groups (Flöthe & Rasmussen 2018, p. 10). Therefore it might be especially hard for business groups to argue why their goals are in the public interest. Moreover, ‘the broader public and the media are often skeptical toward’ business groups, and consequently they ‘can

more easily become subject to critique in media' (De Bruycker, 2019, p. 107). Because of these greater challenges related to media strategies, business groups may have greater need for public affairs consultants. Previous studies found that consultant firms mentioned business groups as their clients more often than other kinds of interest groups (Lahusen 2002, p. 708; Hoffmann et al. 2008, p. 110).

H6. Business groups spend more money on public affairs consultants than other kinds of interest groups.

Finally, we expect that the use of PR agencies would be driven by simple dynamics connected to the volatility and constant evolution of interest group populations and, more specifically, the birth of new groups (see Halpin & Jordan 2009; Heylen et al. 2018). Recently founded groups, which are relatively unknown to the public and policymakers, may have greater need of PR firms to build their public image and create a media presence. Young groups may also lack knowledge of their policy fields and need consultants' help to learn about key people in the policy network. While older groups are likely to be wealthier and more able to spend money on PR consultants, we expect that when resources are held constant, younger groups would be more likely to use these services.

H7. All else being equal, the younger the group, the more money it spends on public affairs consultants.

Data and Methods

We surveyed nationwide membership-based interest groups in Finland between November 2015 and January 2016. To build the sample, we imitated the procedure used in the INTERARENA project in Denmark (see Binderkrantz & Rasmussen 2015, p. 558; Christiansen 2012). First, for the period

between July 2013 and June 2014, we identified membership associations that gave oral or written evidence to parliamentary standing committees, appeared in news articles of the two most widely circulated newspapers, *Aamulehti* and *Helsingin Sanomat*, responded to all government consultations on bills and statutes, and were members of ministry-appointed working groups. Second, we also wanted to find outsider groups that did not appear in the aforementioned sources. Because of the corporatist tradition, there exists various listings of groups in Finland, for instance, those of members of peak and umbrella groups (cf. Christiansen 2012). We added all group lists that we found on the Internet and made extensive and systematic Google searches to find more groups, using, for example, different business sectors as search terms (provided by Statistics Finland). These efforts resulted in a list of over 4000 groups. We found the email address of 3,271 groups, to which we sent an invitation to answer our online questionnaire. Around 1,800 groups responded; we excluded groups who reported that they were not nationwide and those disinterested in gaining political influence.²

To investigate groups' use of PR consultants, we asked about their total income in 2014 and approximately what percentage was spent on the services of external public affairs³ professionals (e.g., communication agencies, communication consultants, and professional lobbyists). The wording grouped communication agencies, communication consultants and professional lobbyists, because in Finland public affairs consultants typically work in communication agencies, although a few firms specialize in public affairs (Collander et al. 2017 p. 138; Lounasmeri 2018, p. 4). We used broad wording in order not to preclude any specific purpose for buying public affairs consultants' services. However, this means that we cannot know for what specific purposes groups use consultants nor how broadly or narrowly they defined 'public affairs'. Another caveat is that because we asked about how much money was spent, our survey does not capture services that PR agencies sometimes offer for free – *pro bono* – to citizen groups.

² In the regression analyses, we also performed a list-wise deletion of groups who had not responded to one or more of the questions used.

³ We used the Finnish term 'vaikuttajaviestintä'.

A few groups reported having spent very small amounts on consultants. Various PR agency managers informed us that the minimum yearly sum with which a group can buy any meaningful services from consultants is about 2,000 euros. Therefore, we filtered out from our analyses 109 groups that spent 50–2,000 euros on consultants, because these smaller sums were insignificant and can therefore be response errors.

We used two dependent variables, calculated based on the survey responses. First, we calculated the total number of euros each group spent on PR firms. This dependent variable is zero-inflated, because roughly two-thirds of groups reported having spent nothing on PR firms (see descriptive statistics in Appendix 1). This variable also has strong overdispersion. However, because it is not a count variable, we could not use regular or zero-inflated negative binomial regressions. Therefore, we used Tweedie compound Poisson distribution, which is suitable for modeling non-negative continuous outcome variables with zero-inflated Poisson distribution (Jørgensen & Paes De Souza 1994; Zhang 2013). The Tweedie family is part of exponential dispersion models, and can thus be modeled using generalized linear models (Jørgensen & Paes De Souza 1994, p. 70). We used robust estimates of standard errors, but these yielded partly different results to the model-based estimates. Therefore, we also performed bootstrapping and report them and the model-based estimates as robustness checks (see Appendix 2). Moreover, to spot outliers we calculated Cook's distances, which showed that the Tweedie models had a few outliers that significantly influenced the results. Appendix 2 shows the models when these were removed from the data. Second, we predicted the likelihood that a group would use PR firms running logistic regressions.

The main independent variables were measured and constructed as follows. The variable measuring the importance of *media strategy* was constructed as a mean of items asking how important groups believed different media tactics were for themselves (very important to not important on a scale of 1 to 4 (scale reversed for analyses; cf. Binderkrantz 2005)). The variable includes (1) press releases and press conferences, (2) contacting journalists, (3) writing letters to editors, (4) placing ads

in newspapers (or similar media), (5) publishing blog texts, (6) publishing other texts or pictures on social media (e.g., Facebook or Twitter), and (7) publishing videos on social media. The importance of direct contact with policymakers (variable *contact policymakers*) was measured similarly. This variable is the mean of groups' self-reports of how important contacting (1) public servants, (2) ministers, (3) parties' leading politicians, and (4) other members of parliament was within their advocacy tactics.

The *privileged position* in administrative policy-making was measured as the mean of responses to questions about how often groups were (1) contacted by public servants, (2) invited to respond to written consultations, (3) consulted on committee membership and (4) invited to join committees, preparatory working groups, etc. (see Binderkrantz 2005). Answers were on a scale of 1 to 4, from very often to never (scale reversed for analyses).

Our issue salience index measured how active groups were in policy areas related to issues that citizens considered to be the most important at the time of the survey. Eurobarometer surveys from fall 2013 to fall 2014 show consistently that the most important issues for Finnish citizens were unemployment, health and social security, economic situations, and government debt (European Commission 2013; 2014; see Appendix 3). The surveyed groups were asked about their activity in 19 policy areas. Five areas match most closely to the four issues of most concern to citizens: labor market policy; industrial and consumer policy; monetary, fiscal and tax policy; social affairs and family policy; and health policy. The *salient issues* variable indicates groups' activity in these five areas (see Appendix 3). This index may also reflect the general intensity with which the groups tried to influence policy-making. To control for this, we used the remaining policy area items to construct a variable measuring activity in *non-salient issues* (see Appendix 3).

Group type was coded based on the INTERARENA coding scheme (for example, Binderkrantz et al. 2015). Groups were coded into seven categories: trade unions, business groups, institutional groups (e.g., museum or university groups), professional associations, identity groups (e.g., patient

groups), leisure groups (including religious groups) and public interest groups (e.g., humanitarian or environmental). To assess reliability, a random sample of 100 groups was coded by another researcher, and Cohen's Kappa was satisfactory at 0.83. The variable *groups' age* was calculated by subtracting the year the survey was conducted from the self-reported year in which the group was founded.

We included three additional control variables. First, as many EU-level PR and public affairs firms have interest groups as their clients (Lahusen 2002; 2003), it is possible that consultant use may be associated with the Europeanisation of interest group politics. We therefore included a variable measuring on a scale from 1 to 4 how active groups were in *EU policy*, from very active to not at all active (scale reversed). Second, we controlled for groups' logarithmically transformed *income*, measured as self-reported income in 2014. Third, we controlled for groups' self-reported number of employees *involved in advocacy*, which we also logarithmically transformed.

Results

The respondent groups reportedly spent in total over 17 million euros on the services of public affairs consultants in 2014. In Finland, public affairs consulting is typically offered by communication agencies. The most recent market study shows that the total revenue of communication agencies in 2012 was 80.5 million euros and the sales margin was 59.4 million (Finnish Association of Marketing, Technology and Creativity 2013). As not all groups answered our survey and communication agencies sell also other services than public affairs consulting, interest groups seem to account for a sizable share of the public affairs consultants' client base.

One out of four (25.2%) groups spent at least some money on public affairs consultants. About one out of six (17.5%) spent between 0.01 to 9 per cent of their annual income, and 7.6 per cent spent more than 10 per cent of their annual income. Groups spending more than 10% of their budget on

consultants were found among all kinds of groups: new and old, outsiders and insiders. This means that consultants are not used exclusively by established and influential groups.

The Tweedie regressions predicted the absolute sums spent on PR firms (Table 1), and binary logistic regressions predicted the likelihood that groups used any money on consultants (Table 2). In Model 1, we excluded resources (income and staff size), because we expected that groups' overall size of resources strongly affects their use of consultants. In Model 2, we added resources but excluded media strategies to find out to what extent media strategies mediated the effect of issue salience on PR expenditure. In Model 3, media strategies were added, and Model 4 included interactions between strategies and privileged position to assess H2-H3.

In H1, we posited that groups who placed more importance on media strategies would spend more money on PR firms. The results showed that the importance of media strategy was positively associated with the sums spent on PR firms (Tables 1). Even when resources were taken into account, a one-point increase in the importance of media strategy was associated with a 47% increase in money spent on PR services ($p < 0.05$). The effect of media strategy was especially pronounced on the likelihood of using PR agencies (Table 2). A one-point increase in media strategy increased this likelihood by 114 per cent ($\text{Exp}(B) = 2.140$; $p < 0.001$). The findings support H1, but the effect of media strategy seems stronger on the likelihood of using consultants than on the total sums used.⁴

[Table 1 about here]

[Table 2 about here]

In H2, we predicted an interaction effect in which the positive association between the importance of media strategy and PR expenditure would be stronger the more privileged position a

⁴ As a robustness test, we also ran model 3 with an alternative variable that measured the frequency of using the media strategy. This yielded similar results (Tweedie: $B = 0.45$, $p = 0.027$; logistic: $B = 0.496$, $p = 0.012$), although in the logistic regressions the effects were slightly weaker than when using the variable which measured importance.

group had in policy-making. When estimating the total sums, the coefficient for the interaction term between media strategy and privileged position in model 4 was positive, as expected, but the effect was only marginally significant, and non-significant in most robustness checks (Table 1; Appendix 2). Also, the coefficient was close to zero in the logistic regressions (Table 2). Therefore, H2 was not supported.

In H3, we expected that the importance of informal contacts with policymakers would increase the use of public affairs consultants only among non-privileged groups. When resources and media strategy were held constant, the main effect of the importance of contacting policymakers was not significant in any model (Tables 1–2). The relevant interaction term in the Tweedie model 4 did not have any effect on total expenditure either, which suggests a rejection of H3. However, the interaction between privileged position and the importance of contacting policymakers had a small negative effect in the logistic regressions, and this effect was consistent across the models performed as robustness checks (Table 2; Appendix 2). A marginal effects plot (Appendix 4) showed that in line with the hypothesis the effect of the importance of contacts with policymakers was positive among outsider groups and negative among insiders. However, since the effect was not significant (on a $p < 0.05$ level) among either outsiders or insiders (Appendix 4) and because the interaction term was only marginally significant ($p < 0.1$), the evidence to support H3 was very weak.

In H4, we expected that groups that lacked a privileged position in policymaking use more money on consultants when groups' resources were held constant. In line with this expectation, the total sums used on consultants decreased as privileged position increased (Table 1). This effect was, however, significant only at the five percent level in the full models, marginally significant in the bootstrapped models ($p < 0.1$) and became non-significant when outliers were filtered out (Appendix 2). Moreover, a privileged position did not increase the likelihood of using PR agencies (Table 2). In sum, H4 received only very weak and partial support.

H5 posited that groups who worked in salient policy areas would be more likely to use public affairs consultants. The Tweedie model 2 showed that the variable measuring issue salience had a positive and significant effect on total PR expenditure ($B = 0.42$; $p < 0.05$) when media strategy was not held constant (Table 1). This effect became only marginally significant ($p < 0.1$) when media strategy was controlled, but the coefficients ($B = 0.35$ and $B = 0.34$) were still clearly above 0, and the effects were significant with model-based estimation and when outliers were filtered out (Appendix 2). The finding that the effect of salience became smaller when media strategy was held constant suggests that groups working on salient issues need to take media more into account, which increases their need for PR services. This was also seen in the logistic regressions, but the effect was only marginally significant when media strategy was not held constant (model 2), and it became non-significant when it was held constant (models 3–4). In sum, H5 received only partial and weak support. Issue salience seemed to slightly affect the levels of PR expenditure, especially when media strategy was not held constant, but it had no systematic effect on the likelihood of using PR agencies.

H6 was that business groups would spend more money on consultants than other kinds of groups. Model 1 in Table 1, in which resources were not held constant, did not fully support this expectation. While business groups were estimated to spend significantly more than institutional, professional and identity groups, there was no significant difference between business groups and unions, leisure groups and public groups. This result was, however, partly driven by two outliers, identified by Cook's distance. The maximum sum spent by unions was more than twice as high (1,020,000 euros) than that of business groups (500,000 euros), while the maximum spent by leisure and public groups was nearly double (900,000 and 830,000 euros, respectively). When two outliers were excluded from Model 1 (see Appendix 2), business groups were estimated to use more money on PR firms than all other kinds of groups, except unions. However, when resources were taken into account in models 2–4, business groups used significantly more money than unions. In these models, however, the difference between professional groups and business groups was not significant, but

becomes significant when outliers were removed (Appendix 2). Moreover, all logistic regression models showed that business groups were significantly more likely to use consultants' services (Table 2, Appendix 2). Descriptive statistics showed that almost half (46 percent) of business groups used these services, while this share ranges between 11.0 percent (professional groups) to 30.7 percent (institutional groups) among other kinds of groups.

In sum, H6 was supported in the sense that business groups were more likely to use public affairs consultants (Table 2). The picture was more complicated regarding total expenditure (Table 1). Total sums used on consultants were not necessarily higher among business groups than among unions and some citizen groups, when resources were not held constant, but a few outliers had a huge impact on these models. When resources and outliers were accounted for, the total expenditure used by business groups was on average higher than among other kinds of groups.

In H7, we posited that younger, more recently established groups would be more likely to use PR firms. Groups' age had a positive and significant effect in the Tweedie model 1, indicating that the absolute amounts of money spent by older groups were higher when resources were not held constant. However, as expected, this effect became negative and was highly significant when resources were kept constant (models 2–4). Logistic regressions also showed that, when keeping resources constant, younger groups were more likely to use public affairs consultants (Table 2). These findings clearly support H7 by showing that, all else being equal, younger groups used more money on PR services and were more likely to use them in the first place.

Groups' income was the only control variable that had statistically significant systematic effects across the models. Unsurprisingly, wealthy groups spent much more money on public affairs consultants (Table 1) and were more likely to use their services than less wealthy groups (Table 2).

Conclusion and Discussion

PR firms are on the rise, and membership-based interest groups are among their clients. As little is known about groups use PR firms for public affairs purposes, we have reported the results of a survey of Finnish interest groups.

First, we found that groups who thought media strategies were important spent more money on public affairs consultants and were more likely to use their services than groups who did not find media strategies important. We argue that this reflects the great challenges groups face when designing their media strategies: the audience of public communication is huge and heterogeneous, the media environment has become very complex, and the journalistic field is volatile. This finding is likely generalizable across many different countries and types of group systems, because groups' challenges with media strategies are not limited to Finland and other Nordic countries.

The association between media strategies and the use of PR consultants is an important finding, because PR companies also sell expertise regarding direct contact with policymakers. We found that the importance of inside lobbying, however, was not correlated with membership-based groups' PR expenditure. This may be surprising given the strong tendency of PR agencies to hire ex-politicians and their ex-aides. However, probably firms and other organizations whose primary goal is not advocacy are more likely to use consultants for inside lobbying than membership-based groups. This finding, however, probably cannot be very broadly generalized. In particular, the geographical distance between groups' headquarters and the policymaking arenas may be a relevant factor here. In Finland, most interest groups have their headquarters near the capital where most national-level political decision-making takes place. The situation seems very different in a large country such as the United States, where it is 'easier for interest groups to hire contract lobbyists and public relations firms than to create their own Washington offices' (Leech et al. 2005, p. 21).

We also found that groups working on highly salient policy issues spent slightly more money on consultants than groups not working on salient issues. This is consistent with our findings about

the close relation between consultant use and media strategy, because issue salience increases groups' need for media lobbying (Mahoney 2008, pp. 157–159; Junk 2016, p. 241). However, we found only weak effects and the evidence should be considered tentative at best. This might be because we looked at public salience, which reflects the importance of issues for citizens as measured by surveys. The use of consultants may be more strongly associated with issues' salience in the media, which probably more directly increases the importance of media strategies.

Our results show that the use of public affairs consultants was most common among business groups. They also spent more money on consultants than most other kinds of groups, even though the single biggest spenders were unions and citizen groups. We argue that this is because media strategies are especially challenging for business groups. Even though inside strategies are generally more important for business groups than outside strategies (for example, Dür & Mateo 2013), it seems they spend significant amounts of money to also use the latter effectively. This reliance on PR consultants' expertise might explain why an earlier study showed that media strategies were not less effective for business groups, as could be expected given the media and public's skepticism towards business advocacy (De Bruycker 2019). Many studies show that interest group systems are biased towards business interests (Schlozman, 1984; Rasmussen & Carroll 2014; Binderkrantz et al. 2015; Vesa et al. 2018). Our findings may imply that business groups can improve their position even further with the help of consultants. However, by focusing on money used on consultants, we might have slightly underestimated the use of consultants by citizen groups, especially public groups, for whom Finnish PR agencies may offer services free of charge, *pro bono*.

While consultant use may deepen biases by strengthening business interests, we also found contrary tendencies. Younger groups used more money on public affairs consultants when resources were held constant. The recent rise of the Finnish PR industry may thus benefit new groups and decrease biases in access patterns, which are usually dominated by old, established groups. However, younger groups were estimated to use more money only when resources were held constant. Older

groups have more money to spend, and therefore the availability of consultants will probably not turn the tables completely.

The finding that outsider groups did not use public affairs consultants much more than insiders supports the conclusion that the rise of PR agencies will not significantly empower weaker groups. We argued that due to the corporatist tradition Finland is a most-likely case to find that outsiders spend more on public affairs consultants. The very weak effect we found means that we cannot expect groups' position in policymaking to affect consultant use in other interest group systems.

This study has filled a gap in the literature by studying what explains interest groups' use of public affairs consultants. Our study is, however, not without limitations and should be seen more as a starting point for more elaborate studies. Our survey asked about groups' use of consultants as well as strategies only on a general level. Future studies could obtain deeper insights by investigating groups' strategies in relation to particular lobbying campaigns or lobbying on specific issues (e.g., cf. Baumgarten et al. 2009). Future studies could also investigate the functions of public affairs consultants for the groups more closely by using qualitative methods such as interviews, for example.

Conflict of interest statement

On behalf of all authors, the corresponding author states that there is no conflict of interest.

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Table 1. Tweedie regressions predicting interest groups' use of public affairs consultants' services (euros)

	Model 1	Model 2	Model 3	Model 4
	B (S.E.)	B (S.E.)	B (S.E.)	B (S.E.)
(Intercept)	5.21 (0.53) ***	-2.49 (0.86) **	-2.88 (0.92) **	-0.70 (1.27)
Group type (ref: Business)				
Union	0.04 (0.32)	-0.75 (0.30) *	-0.79 (0.29) **	-0.76 (0.29) **
Institutional	-1.00 (0.35) **	-0.72 (0.34) *	-0.76 (0.34) *	-0.77 (0.33) *
Professional	-1.37 (0.36) ***	-0.39 (0.34)	-0.43 (0.36)	-0.53 (0.35)
Identity	-1.03 (0.34) **	-1.08 (0.34) **	-1.20 (0.34) ***	-1.22 (0.34) ***
Leisure	0.03 (0.63)	-0.79 (0.38) *	-0.91 (0.40) *	-0.94 (0.39) *
Public	-0.16 (0.54)	-1.03 (0.52) +	-1.16 (0.52) *	-1.18 (0.51) *
Privileged position	0.11 (0.17)	-0.35 (0.16) *	-0.32 (0.16) *	-1.41 (0.64) *
Groups' age	0.01 (0.00) *	-0.01 (0.00) ***	-0.01 (0.00) ***	-0.01 (0.00) ***
Media strategy	1.09 (0.20) ***		0.47 (0.20) *	-0.36 (0.52)
Contact policymakers	0.24 (0.17)	0.28 (0.14) *	0.14 (0.15)	0.20 (0.39)
Salient issues	0.66 (0.20) **	0.42 (0.19) *	0.35 (0.18) +	0.34 (0.18) +
Non-salient issues	-0.67 (0.31) *	-0.18 (0.31)	-0.28 (0.30)	-0.34 (0.30)
EU policy	0.17 (0.13)	0.10 (0.12)	0.13 (0.12)	0.14 (0.11)
Income (ln)		0.96 (0.07) ***	0.93 (0.08) ***	0.94 (0.08) ***
Staff advocacy (ln)		-0.26 (0.18)	-0.27 (0.18)	-0.34 (0.18) +
Privileged position * Media strategy				0.39 (0.22) +
Privileged position * Contact policymakers				-0.01 (0.19)
AIC	6542.89	6297.08	6292.06	6292.53
BIC	6615.21	6374.22	6374.02	6384.13
Log Likelihood	-3256.45	-3132.54	-3129.03	-3127.27
Deviance	400663.95	262346.91	259028.65	257371.69

N=917. Entries are coefficients with standard errors in parentheses *** p < 0.001, ** p < 0.01, * p < 0.05, + p < 0.1

Table 2. Binary logistic regressions predicting the likelihood of using any amount of money on public affairs consultants' services (reference category = 0 euros)

	Model 1	Model 2	Model 3	Model 4
	B (S.E.)	B (S.E.)	B (S.E.)	B (S.E.)
(Intercept)	-3.35 (0.44) ***	-7.13 (0.77) ***	-8.01 (0.82) ***	-9.71 (1.47) ***
Group type (ref: Business)				
Union	-1.08 (0.29) ***	-1.31 (0.31) ***	-1.41 (0.32) ***	-1.44 (0.32) ***
Institutional	-0.91 (0.35) **	-0.91 (0.36) *	-1.02 (0.37) **	-1.02 (0.37) **
Professional	-1.75 (0.31) ***	-1.20 (0.31) ***	-1.35 (0.32) ***	-1.35 (0.32) ***
Identity	-1.57 (0.28) ***	-1.55 (0.30) ***	-1.84 (0.31) ***	-1.83 (0.31) ***
Leisure	-1.36 (0.31) ***	-1.51 (0.34) ***	-1.80 (0.35) ***	-1.75 (0.35) ***
Public	-1.23 (0.31) ***	-1.47 (0.33) ***	-1.79 (0.34) ***	-1.79 (0.34) ***
Privileged position	0.24 (0.14) +	-0.22 (0.16)	-0.15 (0.16)	0.85 (0.65)
Groups' age	0.00 (0.00) +	-0.01 (0.00) *	-0.01 (0.00) *	-0.01 (0.00) *
Media strategy	0.95 (0.17) ***		0.76 (0.19) ***	0.74 (0.53)
Contact policymakers	0.01 (0.13)	0.22 (0.13) +	-0.02 (0.14)	0.57 (0.37)
Salient issues	0.38 (0.18) *	0.32 (0.19) +	0.23 (0.19)	0.22 (0.19)
Non-salient issues	-0.41 (0.28)	-0.12 (0.29)	-0.22 (0.30)	-0.22 (0.30)
EU policy	0.05 (0.11)	-0.01 (0.12)	0.01 (0.12)	0.02 (0.12)
Income (ln)		0.59 (0.07) ***	0.57 (0.07) ***	0.56 (0.07) ***
Staff advocacy (ln)		-0.22 (0.18)	-0.26 (0.19)	-0.20 (0.19)
Privileged position * Media strategy				0.02 (0.24)
Privileged position * Contact policymakers				-0.32 (0.18) +
AIC	918.47	830.13	815.55	815.21
BIC	985.96	902.45	892.69	901.99
Log Likelihood	-445.23	-400.07	-391.78	-389.61
Deviance	890.47	800.13	783.55	779.21

N=917. Entries are coefficients with standard errors in parentheses. *** p < 0.001, ** p < 0.01, * p < 0.05, + p < 0.1