



Applying the Principles of PR Measurement in 2013

The Importance of Proving Everything

Webinar Co-hosted by Ketchum Global Research & Analytics, Booz Allen Hamilton

Booz | Allen | Hamilton

strategy and technology consultants



Ketchum Global Research & Analytics

February 5, 2013

OVERVIEW

The role of analytics in public relations measurement is increasingly on the agenda of today's business leaders. By capturing and analyzing key metrics relating to PR programming, communications practitioners have begun to effectively demonstrate the direct relationship between PR initiatives and tangible business results for clients. In the upcoming year, measurement as an industry topic is expected to continue to gain traction as industry leaders increasingly develop strong, consistent standards to help best determine true valuations of communications.

Recently, Ketchum Global Research & Analytics (KGRA) and Booz Allen Hamilton assembled a panel of thought leaders to discuss the latest trends in communications analytics and measurement. The following is background on the panelists as well as a summary of topics shared in the Webinar.

PANELISTS

David Rockland, Ph.D., Partner/CEO, Global Research and Ketchum Change

Chris Foster, Vice President, Booz Allen Hamilton

Joana Clayton, Advisor in Global Corporate Communications, FedEx Corporation

John Hale, Chief Communications Officer, Veterans Health Administration

Don Bartholomew, Senior Vice President, Ketchum Digital & Social Media Research

BARCELONA PRINCIPLES

The **Barcelona Principles** were adopted in June 2010 at a global industry conference comprised of around 150 companies from 35 countries put on by the International Association for Measurement and Evaluation of Communication. These Principles are now widely accepted worldwide and serve as the fundamentals of PR and communication measurement:

1. Importance of Goal Setting and Measurement:

Goal-setting and measurement are fundamental aspects of any public relations program. Goals should be as quantitative as possible and address who, what, when and how much the PR program is intended to affect. Measurement should take a holistic approach, including representative traditional and social media; changes in awareness among key stakeholders, comprehension, attitude, and behavior as applicable; and the effect on business results.

2. Measuring the Effect on Outcomes is Preferred to Measuring Outputs:

Outcomes include shifts in awareness, comprehension, attitude and behavior related to purchase, donations, brand equity, corporate reputation, employee engagement, public policy, investment decisions, and other shifts in stakeholders regarding a company, NGO, government or entity, as well as the stakeholder's own beliefs and behaviors.

3. The Effect on Business Results Can and Should Be Measured Where Possible:

Models that isolate and determine the effects of communication on business metrics are preferred.

4. Media Measurement Requires Quantity and Quality:

Overall clip counts and general impressions are usually meaningless. Instead, media measurement, whether in traditional or online channels, should account for: impressions

among the stakeholder or audience, tone, credibility and relevance of the medium to the stakeholder or audience, message delivery, inclusion of a third party or company spokesperson and prominence as relevant to the medium.

5. AVEs are not the Value of Public Relations:

Advertising Value Equivalents (AVEs) do not measure the value of public relations and do not inform future activity; they measure the cost of media space and are rejected as a concept to value for public relations. Additionally, multipliers intended to reflect a greater media cost for earned versus paid media should never be applied unless proven to exist in the specific case.

6. Social Media Can and Should be Measured:

Social media measurement is a discipline, not a tool; but there is no "single metric." Organizations need clearly defined goals and outcomes for social media, and media content analysis should be supplemented by web and search analytics, sales and CRM data, survey data and other methods. Additionally, evaluating quality and quantity is critical, just as it is with conventional media.

7. Transparency and Replicability are Paramount to Sound Measurement:

PR measurement should be done in a manner that is transparent and replicable for all steps in the process.



SUMMARY OF KEY DISCUSSION POINTS

Now, three years since the adoption of these Principles, where is the measurement field headed? Key themes from the panelists were:

The need for metrics is universal.

The economic downturn of the past five years has made measurement a strategic tool for maintaining and growing business relationships. The weak financial market has provided opportunities for PR professionals to leverage measurement to prove the value of communications. More and more, there is a real need to develop industry-wide ROI metric standards to measure PR impact consistently and effectively. Measuring against common standards allows for stronger communication programming and greater cost-efficiency for clients and PR practitioners alike.

Moving from measuring outputs to measuring business results provides tangible value to businesses.

Chris Foster discussed challenges related to measurement within the PR industry. PR practitioners still face skepticism from business leaders on the direct relationship between communication programming and tangible business results, such as revenue and profit. Traditionally measured by outputs, such as media placements or impressions, PR tactics historically lacked clear value and empirical support. Adding further dimension to PR measurement, practitioners began to analyze awareness outcomes as a measurement of a client's product/service. Going beyond outputs and outcomes, today's most comprehensive measurement efforts seek to identify how PR directly relates to business results, such as sales or profits. Demonstrating that communication programming can move the needle on business metrics will be a focus for the PR industry moving forward.

Implementing measurement throughout the entire communication process is essential for proving effect on bottom-line.

Chris Foster also stated that it has become essential to measure communications efforts throughout the entirety of a program to show actual value versus perceived value. Referring back to the hierarchy of outputs, outcomes and business results, it becomes essential to isolate and observe all communications efforts (PR, advertising, marketing, etc.) to go beyond correlation and understand true causation. Using science-based measurement methods to objectively analyze the capacity of PR allows communication programming to be viewed as a valid, functional business tool.

Social media has gone from a “should” be measured to a “must” be measured.

The boom of social media and its impact on the consumer mindset mandates the need for robust, standardized measurement to harness and gauge communications value. With endless information available online through “big data,” analytics become important for consolidating and filtering mass amounts of material into true insights. Don Bartholomew, discussed social intelligence as a key media measurement tool for driving top level marketing strategy.

Predicted outcome for AMEC European Summit on Measurement 2013.

The Webinar closed with a question as to what would be the most important result of the upcoming Summit, now three years since the Barcelona Principles were created. Don Bartholomew stressed the importance of starting to demonstrate the promise of social media measurement, as there is a growing need for real life examples and case studies of how we can tie PR and social media directly to business performance impact. Joana said she would like to understand how these metrics can be applied and analyzed from a marketing, rather than PR, perspective. From a public organization perspective, John expressed that he would like to hear a richer discussion about how measureable social media metrics can be put in forms that are meaningful in the healthcare arena in terms of how they establish better relationships with key stakeholders. Lastly, Chris would like to see further alignment and excitement in the industry around embracing the power of communications and measurement.



PANELIST BIOS

David Rockland, Ph.D., Partner/CEO, Global Research and Ketchum Change

Dr. David Rockland leads Ketchum's research, measurement, analytics and insights services. In addition, he is CEO for Ketchum Change, the firm's change communications consulting enterprise. He also formed Ketchum Interactive, now known as Ketchum Digital. David is Chairman of the International Association for Measurement and Evaluation of Communication. He led the development and implementation of the first-ever industry standards for PR measurement in 2010, the Barcelona Principles, as well as the setting of a 2020 agenda for measurement and evaluation of communication. He regularly lectures at various conferences and other events around the world about the Barcelona Principles and other aspects of communications measurement, and writes a monthly column on measurement for the Public Relations Society of America. He is an emeritus member of the IPR Commission on PR Measurement and Evaluation, and was its Chairman for 2007 and 2008.

Chris Foster, Vice President, Booz Allen Hamilton

As Booz Allen Hamilton Vice President, Chris Foster is a leader in the firm's strategy and organization capability, focused on strategic communications within the healthcare business. His professional experience includes a broad knowledge of public health, managed care, healthcare provider groups, media relations, and pharmaceutical marketing, as well as alliance development and social media. He has worked in a variety of environments ranging from global public relations agencies and trade associations to national political campaigns and healthcare provider groups. Chris led many national and global public awareness and communications campaigns for companies including Pfizer, AstraZeneca, Amgen, and Novartis. He specializes in working with the federal government and private healthcare companies on stakeholder engagement and public education campaigns.

Joana Clayton, Advisor in Global Corporate Communications, FedEx Corporation

Joana currently serves as a communication research coordinator at FedEx, responsible for managing and maintaining the global corporate reputation of FedEx. In this role, Joana is charged with coordinating research among all company stakeholders, as well as with organizing research needs and processes with Human Resources, Marketing, Investor Relations, and other departments. She also manages various supplier and consultant relationships. Her specialties include global brand management as well as management of advertising and corporate communications.

John Hale, Chief Communications Officer, Veterans Health Administration

John oversees communications and marketing efforts across the 152 hospitals within the Veteran Health Administration's network. His experience is unique in that it spans extensive private and public sector experience, including large organizations such as the United States Air Force.

Don Bartholomew, Senior Vice President, Ketchum Digital & Social Media Research

Don Bartholomew is Senior Vice President, Digital and Social Media Research for Ketchum. He is a member of the Measurement Commission of the Institute for Public Relations, and has counseled and completed research and measurement projects for numerous companies including BMW, Gatorade, Abbott, Dell, Remy Martin, Merck, Johnson & Johnson, Banana Boat, Forest Labs, Bayer, Eli Lilly, Medtronic, WTA, ATP, SEMATECH, Pioneer and RadioShack. Don is a frequent speaker on public relations and social media measurement and ROI. Recent speaking engagements include BlogWorld Expo, North American Summit on Public Relations Measurement, Best Practices in Corporate Communications, BMA, PRSA, TPRA, PRSSA, Austin Software Council, The American Gas Association, The Branding Institute and the University of Texas.

For more information on this and other communication measurement topics, please contact:

analytics@ketchum.com

www.ketchum.com/research-analytics

