

ROI: metrics and measurement

By Nancy Evans, senior vice-president

Perhaps one of the (few) silver linings of an economic downturn is the discipline it places on every dollar spent, whether in the household or the workplace. Like any service provider, a public relations agency must deliver value for money.

A great agency understands that the bottom-line deliverable for clients is results-results-results. We can learn our clients' businesses intimately (we do). We can come up with creative ideas (we do). We can use budgets efficiently (we do.) We can be nice people (we are). But at the end of the day, we must demonstrate the effectiveness of our efforts.

We have an internal resource that details dozens of measurement tools and we up-date that resource on an ongoing basis. The tools range from quantification of responses to budget efficiency calculations. In our Canadian offices, we use and adapt the industry-developed MRP model, where appropriate.

The development of these tools has been a great improvement to the industry and allows us to produce more hard metrics. Yet, there remains a great deal of inadequate measurement at work in the PR world.

The classic challenge: outputs vs. outcomes

In PR, we usually measure outputs or outcomes. Outputs are the things we put into the marketplace and outcomes are their impact. All too frequently our industry is limited to measuring outputs. The Holy Grail of measurement remains tracking changes in target audiences' attitudes and behaviours. To get that requires investment in more robust research. Usually for budget reasons, there is often resistance to making this important investment.

But we cannot simply throw up our hands when we hit this impasse. We must be resourceful. While the Communications Department may have limited research capacity, perhaps Marketing has usage and attitude studies, marketing dashboards, and so on. We can piggy-back on those.

Access to web traffic data, sales results and other standard business metrics are very useful. But even a simple omnibus study to track awareness can produce indicative results. A customer quiz on a client web site (with sufficient traffic) can be powerful.

The impact of social media

The best recent development for gauging impact is the rise of social media. Now we can see the effect of campaigns, messages, or just general corporate reputation in real-time and scale as consumers and stakeholders comment, start word-of-mouth chains, praise, lambaste and analyze.

The tools for measuring social media are evolving every day – as are new commercial providers trying to make revenue.

Social media has made “engagement” the hot commodity, but with it opens up a new frontier as we try to determine how to measure engagement.

A few principles

In the meantime, all PR practitioners should consider measurement an integral part of every program. Here are some general principles:

- Be clear on the business need. What we do is a means to an end. For example, generating media coverage to improve perception of a company in order to improve receptivity to sales and marketing efforts. A measurement of outputs will tell us how many media clippings were generated and whether they included appropriate messaging. But a measurement of outcomes will track target audience perceptions of the organization over time or identify sales leads generated.
- Have a benchmark. You can't know where you're headed without knowing where you've been. Benchmark against yourself but also against competitors such as with a Share of Voice analysis.
- Be clear on the audience and measure the impact on them specifically. And this can be most challenging because you need to be able to isolate that sample.
- Leverage existing resources. Dig around and see what other research or assessment is underway in your organization. HR may run an annual employee satisfaction survey to which you can add a couple of questions related to the impact of an internal communications program.
- Don't wait to be asked. If your senior management is not asking you to produce hard measures of your PR efforts, don't get complacent. You never know when that pattern will change. And while measurement is often used to prove the effectiveness of a program, it should really be used to adjust strategy on an ongoing basis. So if you're not doing it for them, at least do it for you.

There are many great resources available about measurement. Here are two of the best: KD Paine has long been a pioneer in PR measurement. Don Bartholomew posts excellent content about measurement.

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