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## What have you done for me lately?

In a business environment that features increasingly sophisticated customers, aggressive competition and sometimes shrinking budgets, it's imperative to show tangible results from marketing and communications expenditures.

Sometimes, that is easier said than done. But it is possible to measure communications effectiveness in a timely and cost-effective way. One key is having very specific and clearly defined objectives. Then you must determine what intermediate steps you need to achieve the objectives, and you must know what tools you can use to measure whether you've been effective.

It is shortsighted to measure all communications on whether the customers immediately come calling.

### Industry examples

To find out what tools business-to-business marketing professionals use most often and how they measure the impact of their communications, the Pittsburgh office of Ketchum Public Relations conducted a national survey of 480 marketing and communications executives. They found:

- 90 percent of marketing communications executives conduct some type of marketing return-on-investment assessment.
- Of this group, 61 percent track increases in sales volume and 60 percent also look at the number of leads generated by a tactic or program.
- More than half (53 percent) track impressions and the amount of news coverage — the most basic method of measuring public relations results.
- Only 61 percent work with a plan with predetermined, measurable goals.
- What are some of the tactics these businesses employ?
  - 95 percent rely on media releases.
  - 88 percent have a World Wide Web site.
  - 85 percent produce sales



### PUBLICITY

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literature.

- 77 percent generate direct mail pieces.
- 76 percent attend trade shows.

Other tools included the use of specialty items, trade magazine advertising and co-marketing partnerships.

### Better tools, better results

Some forms of communication, including public relations, should not be tied directly to sales. You need to take a longer term approach and use communications to establish credibility, increase awareness and build competitive distinction.

As a starting point, communications objectives that support the company's overall strategy should be determined before plans are developed. Then you can measure the effectiveness on three basic levels.

### Outputs

The first level of measuring communications is tracking outputs. This measures the amount of exposure an organization receives in the media. It tracks the number of placements, the number of impressions (calculated by multiplying the placement by the number of people who potentially saw it), the equivalent ad value (calculated by multiplying the placement by how much it would have cost to buy advertising — this doesn't factor in the increased credibility of public relations), and/or the likelihood of having reached a specific audience.

Some research tools include clipping reports, publicity audits, content analysis and simple public opinion polls. The main question here is: "Did we

get our message out?"

The clip analysis method remains one of the most prevalent evaluation techniques, and results are reported in terms of the number of clippings or media impressions. There are several good news clipping companies including Burrelle's, Luce or Bacon's, and this service is getting more sophisticated. Now these companies can also measure the types of media and whether the coverage was positive, negative or neutral. There are also broadcast-monitoring services that can provide the same types of information.

While clips produce a tangible result, the challenge with this form of measurement is that it doesn't calculate whether people actually paid attention to the message, whether they understood and remembered it, whether they changed their opinions or beliefs, or most importantly, whether they took any action as a result of what they saw.

### Outgrowths

A second level of measuring communications is measuring what's known as outgrowths. This tracks whether or not the target audience actually received and understood the message.

Some research tools include focus groups, one-on-one interviews, surveys and recall studies. In this scenario, you ask: "How did we do in getting our audience to remember, understand and pay attention to our message?"

### Outcomes

The most advanced level for measuring communications is following outcomes.

Measuring outcomes tracks opinion, attitude or behavior change and seeks to determine whether there has been a shift in views or actions when it comes to an organization, its products or its services.

Research tools include before-and-after studies or pre-and-post tests, experimental research and sophisticated data analysis. In this

scenario, you ask yourself: "How did we do in getting our audience to change its behavior, attitudes or opinions?"

While the final scenario is the most complicated and expensive, it produces the results most often sought by upper management.

The bottom line is that chief executive officers want to know how much the awareness needle moved or how industry watchers feel about the company. The trouble comes when upper management seeks this type of advanced data while using only the most basic measurement tools.

### Look for other results

Beyond increased sales, some other benchmarks of effectiveness could include increased inquiries, votes, attendance, donations, volunteers, employee morale and job satisfaction, crisis aversion and costs savings.

Beyond producing more suitable results for company leadership, another benefit to measuring communications and public relations results is adding value to the function and moving beyond press releases and parties.

Accountability is expected throughout business — on the production line, in the accounting office and in the sales department. Communications results are just as important and also ultimately affect the bottom line. They include increased understanding, improved relationships, effective message delivery, earned respect, credibility with media, changed attitudes, competitive distinction and a fine-tuned image.

The quest to find ways to measure and justify expenditures is ongoing, and the industry continually improves as professionals strive for ways to establish how much messages impact the bottom line and how well an organization's strategic goals can be achieved through effective communications.

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