KEY-NOTE PRESENTATION

"An International Perspective on Priority Issues in Public Relations"

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Ladies & Gentlemen, it is my very great pleasure to be here today in the home of one of the oldest civilisations on earth – the birthplace of written communication – to talk about the newest challenges facing our civilisations and the future.

Communication lies at the heart of civilisations. It is through communication in language, art, music and other media that social customs, mores and cultures are sustained and endure.

My business today – both my commercial business and the business of life that I concern myself with – is measuring the effects and effectiveness of communication.

It is very easy for us to say we are in communication. And that we are communicators. But are we? Today I want to challenge some of your long-held assumptions and your thinking about what you do, and talk about what I believe is the most pressing priority in public relations.

In 1992, after working for nine years as a journalist in the media and more than a decade in public relations, a client asked me one day to provide evidence of what I contributed to their business.

I promptly put together and sent the client a long report on all the activities that my firm had carried out. We had issued numerous news releases; published a number of publications which were of award-winning standard; arranged several events that drew large attendances; collected piles of press clippings; and overseen the production of a slick video program. I felt very satisfied and expectantly awaited the client's recognition.

Instead came a curt reply. "No. I didn't ask for an activity report. I asked what you achieved." Specifically, the client asked me to show how I and my team had increased sales, raised share price, built brand awareness, or contributed to the company's objectives in some way.

I turned to my esteemed colleagues in PR and sought their advice. "PR can't be measured in sales or bottom line results. It is intangible," I was told. "It is about image" others said. "It's simply making people feel good" was another claim.

I can't repeat in polite company what my client said to such responses. It was then that I went back to school and over the next two years undertook a Masters degree by research into measuring the impact of public relations and set out on a journey that led me to working with other international thinkers on the *IPRA Gold Paper on Evaluation* in 1994 and eventually to leaving daily PR practice to focus full-time on this issue of measurement and evaluation.

Public relations has suffered from a tragic blind spot that has spawned a myth in the industry – that PR is somehow different to all other business and organisational functions in that it cannot be measured. Assumedly, our employers and clients have to take our word for it.

A survey published by the International Public Relations Association in 1994 found that while 76 – 90% of PR practitioners recognised evaluation as necessary, on average only 18.6% did evaluation – and in some major markets as few as 14% of PR programs involved any objective evaluation.

That was 1994. Have things changed significantly?

Alarmingly, the answer is no. A survey conducted among 4,200 PR Society of America members in 2001 found that the leading tool for evaluation of PR programs in the preceding 24 months was "**press clippings**" and the leading tool or method for planning PR programs was "**intuition and gut feel**". We spend our employers' and clients' money and project them to their most important stakeholders based, in the main, on intuition and gut feel!

A hard-nosed critic could justifiably conclude that therein lies a clear indication of why public relations is not more commonly in the boardroom and a priority at the senior strategic level of companies and organisations.

Surveys among PR practitioners on why research is not used and why evaluation in particular is not carried out has found "cost" is the number one reason given in both the US and the UK. Too "time intensive" was the third most common reason given. Interestingly, the second most common claim is that "clients and employers don't want it".

An inarguable body of evidence – not to mention commonsense – suggests that the latter is an Ostrich attitude and places PR in a vulnerable position in many companies and organisations.

For example, an annual survey of over 4,000 Fortune 500 marketing communication managers in the US conducted by Harris Impulse found in 2000 that 'measuring results' was the equal fastest growing criteria listed as important in hiring and using a PR firm compared to previous surveys.

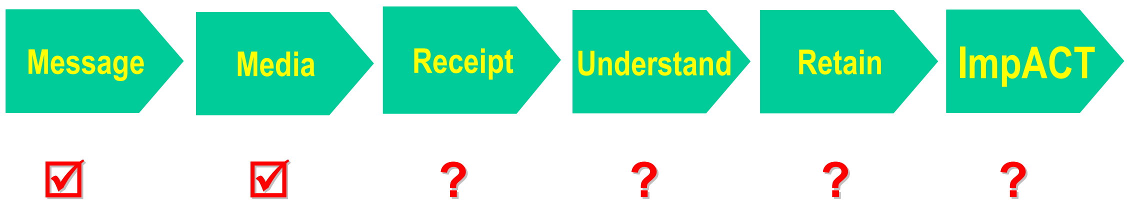
The 2001 Harris Impulse marcoms managers study rated PR performance in 26 key areas. 'Research capabilities' in general rated fifth last and 'measuring results' was rated third last.

In the UK, an independent survey carried out by Test Research among senior Marketing Directors in 2000 found that 68% were satisfied with the evaluation of their sales promotions; 67% were satisfied with evaluation of their advertising; 65% were satisfied with evaluation of their direct marketing; but only 28% said they were satisfied with evaluation of PR.

A very recent survey of CEOs and non-CEO directors of companies conducted by the Institute of Public Relations and the PR Consultants Association in the UK which asked what would be required for spending on PR to increase, found 42 per cent said "if they could be more confident of effectiveness".

The message to the public relations industry is clear. Employers and clients – not to mention their shareholders and taxpayers funding public campaigns – want accountability. In both the private and public sector, Key Performance Indicators (KPIs) and Key Results Areas (KRAs), Benchmarking, Balanced Score Card and other metrics to measure performance are now part of the daily language and processes of management. Studies show that senior management is comprised primarily of numerically-orientated professionals who are not satisfied with rhetoric and anecdotal information. And you will have observed that accountability is gaining even greater focus in the wake of recession, company collapses, increasing regulation and consumer cynicism.

W. J. McGuire in the *Handbook of Social Psychology* listed six stages of communication: presentation; attention; comprehension; acceptance; retention and action. A variation of this that I use to describe the process of mass communication and public relations is shown in this diagram that lists the steps as:



In public relations, we are generally very good at understanding the ***message*** or messages. We list them in our plans, we ‘package’ them in persuasive language and attention-grabbing visuals, and even train our employers and clients in how to project them.

We also have expertise in ***media*** – not only press, radio and TV, but in writing publications such as newsletters, staging events, organising creative promotions, and increasingly using the Web. But communication has not yet occurred.

- Target audiences have to **receive** our messages. Otherwise, all our efforts are fruitless.

- Even if they receive them, do they **understand** them?

- Even if they receive and understand our messages, do they **retain** them, or are they swept away under the information overload and seductive persuasion of other messages?

- And, finally, even if they have received, understood and retained our messages, do they have an **impact** in any way – attitudinally or behaviourally? Or are they parked somewhere in people’s psyche in that place where we store information that we don’t really want to deal with. Leon Festinger’s ‘Theory of Cognitive Dissonance’, Joseph Klapper’s ‘Law of Minimal Consequences’ and ‘Hedging and Wedging Theory’ developed by Professors Keith Stamm and Jim Grunig inform us that people can know and understand something and still not change or act in accordance with the information.

  With globalisation, as companies, organisations and governments need to communicate across widely different and diverse cultures, the complexity of achieving understanding, retention and the right impact become even more challenging and cannot be left to guesswork or ‘gut feel’.

I revisit these basic tenants of communication theory to show that what we call public relations often focuses only on the first two steps in the process of communication. As such, it is not communication. It is information dissemination and possibly nothing more.

The message and the media – brought into popular focus by Marshall McLuhan – are merely processes and the production of ***outputs*** which we distribute with the objective of communicating. In counting press clippings, issues of publications we produce, the number of people at events, and such like, we are simply measuring *outputs*. They are not ***outcomes***. They are not results in the sense that management wants and strategic planning requires.

Respected US academics Jim Grunig and David Dozier coined the descriptions ‘communication technicians’ and ‘communication managers’. It is a very useful and important distinction. They went on to say that many, and possibly most so-called communicators are communication technicians.

- Technicians ***do what they do***. They produce newsletters, get publicity, arrange events and so on. They are writers, editors, designers, organisers. These are important and worthy vocations, but they are technicians.

- Communication managers ***identify and do what needs to be done***. They work strategically meaning they plan and act to achieve desired *outcomes*. They see *outputs* as only the first steps. They go beyond technician tasks and beyond information, recognising communication as a **two-way** process where knowing what target audiences think, feel and want are essential elements in the binary process of communication.

In life, there is a philosophical saying "It's not the destination; it's the journey that counts".

In communication, it's not the journey that counts. It's the destination. Communication is not what we send out; it's what arrives.

News releases, media publicity, events, publications, sponsorships, Web sites, etc are **work in progress**.

Unless we have mental telepathy, we cannot observe whether people receive, understand and retain information, whether they change their attitudes, or why they change their behaviour if they do. And we should not assume the outcomes of these complex processes. **Research** gives us the tools to gain answers to these important questions about whether desired *outcomes* of our work are achieved.

In dissecting the process of communication in this analytical way, it is clear that measurement is not an optional add-on to communication. It is an integral and fundamental element. Without measurement, we are technicians possibly achieving only two of the six steps in communication. We are one-third communicators! It suggests that we need to fundamentally rethink our approach to research and evaluation.

Cost and Time

If the theory in support of using research for measurement and evaluation is unequivocal, and employers and clients do want it as shown in an increasing body of research, what then of the practical barriers of cost and time described by practitioners? Are they justification for our poor track record in using measurement?

A number of models of PR Evaluation have been developed including:

- Cutlip et al's '**PII Model**' which recommended measurement at each step of Planning, Implementation and Impact as far back as 1985;
- The '**PR Effectiveness Yardstick**' developed by Walter Lindenmann in the US;
- The '**Continuing Model of Evaluation**' proposed by Dr Tom Watson in the UK;
- The '**Unified Model of Evaluation**' outlined by Tom Watson and Paul Noble;
- The '**PRE Model'** for Planning Research & Evaluation published as part of the UK IPR Evaluation *Toolkit* in 2001; and
- The '**Pyramid Model of PR Research**' that I have published and evolved over the years since it first appeared in my thesis in 1993.

All of these models provide sound advice and give guidelines on how and when we can measure our work. Several also list practical research methodologies and tools to use.

While the detail of how to measure the diverse range of public relations activities is a subject for a workshop considerably longer than this presentation, let me briefly highlight key principles of using research for measurement and comment on some of the recommended methodologies – particularly in relation to cost and time required.

An important feature of all the models for measurement of PR is that research can be **formal** and **informal** with a corresponding time and cost component. The Pyramid Model of PR Research draws on the recommendations of a number of researchers and academics and lists 35 research methodologies ranging from simple informal methods of gaining feedback to sophisticated structured surveys. Of these, many are low cost, do-it-yourself methods available to PR practitioners within any budget.

To illustrate, let me present to you briefly my **'Top 10' PR measurement methodologies**. Of these, seven are no cost; two can be implemented at very low cost; and only one generally requires professional research expertise and a specific budget.

A further important principle advocated in all of the Best Practice models mentioned is that measurement is not something that is done at the end of PR programs. The ideal time to measure is before you begin for two reasons. First, you can only show progress and improvement if you have a **benchmark**. Secondly, to quote Peter Drucker, "doing the right thing" is even more important than "doing things right".

Measurement of *outputs* ensures you are doing things right. But to establish a benchmark and to ensure you are doing the right thing in the first place, research is required at what is termed the *input* level – the planning phase. For instance, if the *output* planned is a publication, why wait till it has been printed and circulated to find out if it is of interest to readers? Excellence and Best Practice thinking suggests that we measure audience needs, interests and media preferences early in the planning stage before we produce *outputs*. Such an approach blurs the boundaries between planning research (also called formative research) and evaluative research and that is intentional. Planning research and evaluation is a continuous cycle of gathering intelligence and feedback from audiences and incorporating this into on-going planning.

Therefore, my 'Top 10' measurement methodologies begin at 'ground zero' – at the *input* stage when we are gathering information, making decisions on media, content, and strategy. At the input stage, key research methodologies that are available at no cost and with little time investment include:

1. **Secondary data**
   There is an enormous amount of research data available on almost every area of PR from employee communication to Intranets. The starting point of planning and measurement is to leverage the learnings of others. Existing research is widely available on the Web, in published research papers, PR industry journals, and sometimes internally in market research, customer satisfaction studies and HR surveys.

2. **Case studies**
   Similarly, case studies exist in the public domain at no cost and capture learnings from thousands of programs. Case studies are often not recognised as research, but when used systematically are a formal research methodology that can be applied in almost every field of PR to identify Best Practice and strategies that have proven effective.

3. **Consultative or Advisory Groups**
   A very simple no-cost way to gain feedback is to use existing or to establish consultative or advisory groups within key target audiences. These can be effective in community relations, employee communication and dealing with groups such as consumer organisations, environmentalists and other NGOs.

4. **Pre-testing**
   The advertising industry uses pre-testing extensively. Few advertisers or agencies would consider launching an advertising campaign without pre-testing it on target audiences to gain early measurement of its likely effectiveness. However, it is estimated that around two per cent of PR is pre-tested. One simple, fast and no-cost example of pre-testing is making PDF files of mock-ups of publications, Web pages or copy and e-mailing them to a sample of the target audience for feedback. This can identify problems early and allow shaping of communication to suit audiences' needs.

5. **Response mechanisms**
   Again the advertising industry and direct marketing use simple capture systems such as 1800 toll-free numbers, coupons or competitions to measure response to campaigns. Response does not tell us whether audiences are changing their attitudes or behaviour, but it does show they are receiving messages, engaging with them and understanding them – particularly if the response mechanism asks questions such as a quiz.

6. **Web analysis**
   Software exists on every Web server which tracks visits and sessions and can tell us pages of information accessed, files downloaded, and often by whom. By simply setting up unique URLs for PR campaigns different to those used in advertising or other communication, inquiries and even sales can be measured and causally linked to public relations. Web analysis is simple but rarely used beyond the IT department.

Two key measurement tools for public relations available for <u>low cost and minimal time</u> investment are:

7. **Media content analysis**
   Instead of simply collecting and presenting management with press clippings that vary widely in quality and target audience reach, media content analysis provides data on the likely impact of the publicity by identifying key metrics such as the frequency of positive and negative **messages**, '**share of voice**' (SOV), total audience reached (often referred to as **Impressions** or '**Opportunities to See**'), reach of specific target audiences, and trends in coverage over time (noting that repetition and frequency are key factors in creating impact). Media analysis can be outsourced to a number of specialist research firms that provide these specialist services such as CARMA International, which means that no time is required. Or, if budget is an issue, there are low cost software programs now available for do-it-yourself media analysis including **MEDIAudit®** produced by my company. MEDIAudit® is a very easy to use and fast Windows program that, with minimal data entry, generates data and high quality charts reporting all of the key impact metrics that I just mentioned.

Ultimately, to identify awareness, attitudes, interests, needs and preferences of target audiences we have to ask people their views through interviews, surveys or focus groups. Because many PR activities are targeted at specific audiences such as attendees at events or readers of publications rather than the general public, large structured surveys are often not required. *Outcome* measurement can be conducted through:

8. **Interviews** which can be self-administered – ie done yourself.

9. **Mini-surveys & feedback forms** which can evaluate awareness, attitudes and change following events, readership of publications, etc. On the **MASS COMaudit®** CD that contains the MEDIAudit® media analysis program, my company also supplies 10 **PROforma survey questionnaires** designed by professional researchers for common PR functions such as reader surveys for publications, an audience survey for events, an employee survey, and so on. This total suite of PR research tools sells for a once-only licence payment of US$495. I do not believe that 495 US dollars is beyond the budget of many PR departments. However, even in the extreme case that it is, there are FREE survey questionnaires available on the Web.

10. **Professional surveys**
    Major surveys usually do require budget to engage specialists. But independently conducted surveys may only be required once a year. Furthermore, questions can often be 'piggy-backed' on to other existing surveys such as market research, perception audits, or HR surveys for minimal cost.

Measurement methodologies and tools are available at no cost and at low cost. Also, many are available that require very little time input. The reasons for not doing research for planning and evaluation in the PR industry are worn-thin excuses, not barriers.

From my industry studies over the past decade, the *real* reasons we do not do research for both planning and evaluation are three-fold:

1. The ***outputs-focussed*** nature of much PR and lack of a strategic commitment to achieve ***outcomes***. We have simply not seen the need to evaluate our work beyond counting press clippings, publications produced and so on – what is referred to as 'measurement by kilogram'. There is almost an obsession with *quantitative* measurement and little *qualitative* assessment. This reaches its extreme in practices such as **Advertising Value Equivalents** ('ad equivalency') where, in most cases, the total volume of publicity is multiplied by the media's published advertising rate and presented as the alleged value of PR. This is done despite the fact that editorial media coverage often includes neutral and even negative comment; competitor mentions and may be in media that do not reach target audiences. Clearly advertising would never appear under such circumstances. The relatively high cost of advertising is based on the guarantees that the content is always highly favourable, it never promotes competitors, it is well positioned and it only appears in key media reaching target audiences. AVEs are widely rejected by researchers, academics and most professional PR bodies and so they should be. They are invalid, often grossly misleading and simply 'bad science'.

   The 7th Annual Strategic Public Relations Conference held in Chicago on October 2-4 this year has published a booklet on PR measurement which includes several articles supporting AVEs. Advocates of the practice have withdrawn from extreme applications of AVEs and suggest only counting positive editorial mentions and not using published advertising rates which are inflated as most advertisers buy space at considerably less than the published casual rate. However, many users of AVEs still apply 'credibility multipliers' based on an assumed credibility differential between news and advertising which comes up with totally unsupportable and inflated dollar values, and most count coverage in media that do not reach key target audiences which clearly cannot be effective in achieving objectives. I am pleased to say that MASS MEDIAudit® does not calculate Advertising Value Equivalents, but evaluates more relevant *qualitative* criteria that affect impact such as messages communicated, targets reached, share of voice, etc.

2. The second real reason that PR is often not measured is a lack of **SMART objectives** in many PR plans – ie. objectives that are Specific, Measurable, Achievable, Relevant and Timely. PR programs frequently have broad objectives such "to improve the image of XYZ organisation" which is unmeasurable because it does not identify what the current image is, how much it is to be improved by, within what target audience, or within what time frame. PR objectives are also often poorly thought out and do not allow PR to be tracked and impact to be differentiated from that of advertising or other communication. With careful objective setting, this can be done by identifying and tracking specific messages distributed through PR and not appearing in advertising, or measuring awareness or attitudes in markets in which advertising has not appeared.

3. Probably the major reason measurement is not undertaken, which contributes to the other factors, is **lack of knowledge** of applied research methodologies at an informal and formal level. Until recently, few PR practitioners were trained in research and there is still an inadequate focus on research for planning and measurement in undergraduate university courses and Continuing Professional Education programs.

To not do research for measurement and evaluation is, in the least, short-sighted and under-performing as a communication professional. At worst, it could be argued that not doing evaluation is:

- **Irresponsible** as it leads to a continuation of activities and campaigns that may be ineffective and, therefore, a waste of money and resources; and

- Even **unethical**. Is it ethical to continue to spend employers' and clients' budgets – including taxpayers' funds – on activities without rigorous accountability? I also question the ethics of continuing to use methods such as AVEs when almost every respected academic in the field, researchers, the majority of professional PR organisations internationally and a number of advertising bodies condemn the practice as invalid and misleading.

  I know the argument that clients and employers sometimes ask for AVEs. But so do clients and employers occasionally ask for other undesirable actions such as trying to cover up bad news. As professional PR practitioners, we counsel and use our best endeavours to convince them to do otherwise. That is our role. That is our responsibility.

The PR industry, like many other fields, searches for the 'Holy Grail' that will propel it to a higher plane. Some say it is changing our name from public relations to something else. Others seize upon new buzz words and concepts such as **Corporate Social Responsibility** (CSR), **Corporate Citizenship** and **Reputation Management**. Many would have you believe that these new practices are the key to the boardroom door and the most important issues in our industry.

But, to return to my key theme at the beginning – the need to understand and achieve *outcomes* rather than simply producing *outputs* – Corporate Social Responsibility and Reputation Management are not *outcomes* either. CSR and having a good reputation are important, but they also are processes or *outputs*. They are not an end in themselves.

Companies and organisations practice Corporate Social Responsibility and build their reputation for a reason.

What is that reason? What is the ultimate *outcome* that we should aim to achieve or support?

The highest priority, over-arching objective of all entities, including all companies and organisations, is **sustainability**.

- Corporate sustainability.
- Organisational sustainability.
- Government sustainability.

Staying in business and succeeding. Staying in Government. Staying a viable organisation. Staying a viable nation. That is ultimately what all management planning and activity is designed to do. Even profit in commercial entities is less important than sustainability because profits in one year followed by losses is not a viable strategy. It is the sustainability of profits and the organisation that is desired.

Public relations needs to show how its efforts contribute to sustainability.

And, to conclude on a positive and exciting note, it is here that public relations can shine if only it rises to the challenge of learning how to measure *outcomes*.

While brand advertising can help build long-term sustainability, product advertising, sales promotion and most direct marketing do not substantially contribute to corporate or organisational sustainability. Their primary focus is short-term sales targets, achievement of marketing objectives, or beating a competitor.

Public relations that builds mutual understanding with communities, enhances key stakeholder relationships, and maintains 'permission to operate' for businesses and organisations goes to the core of sustainability.

Public relations, when practised professionally and to its full potential, can make a substantial and possibly an indispensable contribution to companies, organisations and governments.

It is up to us to show this is true. To show it is true, we have to account for and count what we do – not the processes or *outputs* we produce on a daily basis, but the *outcomes* that result from these investments.

We have to measure up to measure up.

Conclusions

I believe that it is important to have international intellectual leadership in our industry and I call on IPRA to more strenuously encourage and educate public relations practitioners to adopt research-based planning and evaluation to provide strategic integrity and accountability in their programs.

I also call on national public relations bodies in all markets to follow the lead of the IPR in the UK in making planning research and evaluation a high priority issue in the Continuing Professional Education of members.

I call on the PR Society of America (PRSA) in particular – the leading professional body in the birthplace of modern public relations – to re-establish that country's leadership in this field by taking a stand on research integrity instead of bowing to popular sentiment or sitting on the fence in relation to unreliable 'quick and dirty' evaluation methods such as Advertising Value Equivalents.

I call on PR educators to help us train **communicators** instead of information disseminators by including research courses in PR and mass communication degrees and Continuing Professional Education curricula.

Finally, I call on public relations practitioners to rise to a professional level – to be true professionals and true communicators; to focus on creating understanding, building relationships and bringing people and institutions into harmony rather than measuring our success by clippings in a scrapbook.

In 2001, 45 per cent of the 250 largest global companies published reports on the **Triple-Bottom Line** – that is the results of the company financially, in human resource and community terms, and in environmental terms.

At the launch on April 4 this year in New York of the Global Reporting Initiative (GRI), a new international tool for Triple-Bottom Line reporting by companies, it was stated that "sustainable development in the 21st century demands a new information structure".

We should not only be part of that information structure, we should be leading it and shaping it. Are we up to that challenge? Can we rise to play a central and pivotal role in social and political affairs and change that is occurring, or is public relations doomed to a window-dressing role as puffery and spin?

A fundamental part of communication is listening. And research, in its simplest terms, is organisational listening to hear what stakeholders and communities think, feel, need and want. It is bringing their views and priorities into the organisation – not just presenting the organisation's views to its stakeholders. Therefore, without research in planning and for evaluation, we are not communicating.

It is time to stop just talking (for me as well). It's time to listen.

Thank you.

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