

# **Using Public Relations Research to Drive Business Results**

by

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Katie was an initial founder and former chair of the Institute for Public Relations special commission on measurement and evaluation. She served as the US liaison to the European Standards Task Force to set international standards for media evaluation. She writes a regular column for *PR News* on corporate image and crisis communications and contributes to *PRNews, Communications World, PR Week, Business Marketing* and *New Hampshire Magazine*.

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**Angela C. Jeffrey**, APR, is Vice President Editorial Research, VMS, and a member of the Commission on PR Measurement & Evaluation. Jeffrey spent two decades in PR, advertising and marketing with the J. C. Penney Company and major national agencies before starting Jeffrey Communications. She founded PRtrak to provide automated media analysis reports. In 2002, she sold the firm to Surveillance Data, Inc., which enhanced the platform by adding "Share of Discussion" analysis. In 2005, New York-based VMS (Video Monitoring Services) acquired PRtrak. She has won several PRSA Silver Anvils and IABC Gold Quills, and in 2006 was named a finalist for *PR News* "Measurement/Research Expert of the Year." In addition, her firm shares in Porter Novelli's 2006 Jack Felton Golden Ruler Award for excellence in public relations measurement and evaluation. Angie graduated summa cum laude from Southern Methodist University with a BFA in Journalism and BBA in Marketing.

**ABSTRACT**

This paper will primarily focus on tying public relations programs to business results. It examines how a variety of organizations have used PR measurement systems to demonstrate the business outcomes of their efforts. Its purpose is to encourage the use of data-driven decision-making within the PR profession. It considers the setting of measurable goals and objectives and provides six case studies from the technology, defense, retail, airline, utility and healthcare industries in which research has been used to further business goals and communications objectives.

## INTRODUCTION

Measurement and evaluation continues to be one of the hottest topics among PR professionals today. There isn't a professional communicator around who hasn't heard the demand for accountability. The problem is that most people worry more about the "how" to do the measurement than about "what" to do with the results once you have them.

Measurement implies a judgment – and implicitly evokes fear in many practitioners – can I "measure up" – will my results be held against me?! We suggest that you remove the term "measurement" from the equation altogether, and replace it with "data-driven decision-making." Focus on "getting data with which to make better decisions" rather than simply judging your prior performance. Making decisions based on data saves time and boosts your credibility.

When faced with tough decisions, you'll never find your board of directors or CEO relying on hunches or gut instinct. Chances are any decisions made at the highest level of your company will be made following extensive research. So why should public relations and/or corporate communications be any different? How credible would your CFO be if he got up in front of the board and said, "I know we're making money because I see checks coming in?"

Just as the CFO relies on data to give advice and make recommendations, you need data to decide where, when and how to allocate resources.

## SETTING THE STAGE – DEFINITIONS

It all starts with deciding what you need to know. Having clear, precisely defined goals and objectives and making them measurable is the first step to any research program. But before we address goal-setting, let's look carefully at the types of results you can hope to achieve through public relations. They are categorized very clearly in **The Dictionary for Public Relations Measurement and Research**<sup>1</sup> as follows:

- **Outputs** – m. what is generated as a result of a PR program or campaign that impacts on a target audience or public to act or behave in some way ... the final stage of a communication product, production, or process resulting in the production and dissemination of a communication product (brochure, media release, Web site, speech, etc.); s. the number of communication products or services resulting from a communication production process; the number distributed and/or the number reaching a targeted audience; s. the dependent variable in research.
- **Outtakes** – m. measurement of what audiences have understood and/or heeded and/or responded to a communication product's call to seek further information from PR messages prior to measuring an outcome; audience reaction to the receipt of a communication product; recall and retention of the message embedded in the product; and whether the audience heeded or responded to a call for information or action within the message; s. the dependent variable in research.

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<sup>1</sup> "The Dictionary for Public Relations Measurement and Research" by Dr. Don Stacks of the University of Miami, available through the Institute for Public Relations, [www.instituteforpr.org](http://www.instituteforpr.org).

- **Outcomes** – m. quantifiable changes in awareness, knowledge, attitude, opinion and behavior levels that occur as a result of a public relations program or campaign; in effect, consequence, or impact of a set or program of communication activities or products, and may be either short-term (immediate) or long term; s. the dependent variable in research.

Typically, PR practitioners focus on generating and measuring “outputs” because they’ve never been trained to think beyond this first step. But outputs only count what you’ve “put out there” in terms of effort; they don’t really connect with the real goals and objectives of an organization. So, it’s critical to think in terms of how you will achieve “outtakes” and “outcomes” with your programs, if you hope to really effect change.

The chart below provides some great examples of goals, actions, outputs, outtakes and outcomes to help you think through how you will build measurement into your overall plan. We have also provided an additional, expanded chart in **Appendix A** with further ideas on how to mix and match goals, objectives and measures.

Typical Output, Outtake and Outcome Metrics <sup>2</sup>				
GOAL	ACTION	OUTPUT METRIC	OUTTAKE METRIC	OUTCOME METRIC has to answer “So what?”
Sales Leads	Place product reviews Initiate speakers program Proactive blogger outreach	# meetings # of speaking engagements # of blog mentions # of reviews # of news releases sent # of media contacts made	% awareness of your brand % considering your brand % preferring your brand	# of requests for information
Employee Engagement	Conversations meetings with management, Intranet page, Email blast	How many emails went out? % emails opened Unique visits to intranet page Attendance at meetings	% hearing engagement messages % believing engagement messages	Lower recruitment costs Lower turnover rates
Favorable Positioning as the most Trusted, Reliable Source	White paper program, speakers program, blogger outreach	# meetings # of speaking engagements # of blog mentions # of reviews # of views of online articles	% believing message % agreeing with positioning	# of downloads of white paper # of referrals from blog to unique URL landing page

<sup>2</sup> Created by Katharine Delahaye Paine, of K. D. Paine & Partners, and Past Chairman of the IPR Commission on PR Measurement & Evaluation.

## SETTING MEASURABLE GOALS AND OBJECTIVES

*'Cheshire Puss,' she began, rather timidly, as she did not at all know whether it would like the name: however, it only grinned a little wider. 'Come, it's pleased so far,' thought Alice, and she went on. 'Would you tell me, please which way I ought to go from here?'*

*'That depends a good deal on where you want to get to,' said the Cat.*

*'I don't much care where—' said Alice.*

*Then it doesn't matter which way you go,' said the Cat.*

*'—so long as I get SOMEWHERE,' Alice added as an explanation.*

*'Oh, you're sure to do that,' said the Cat, 'if you only walk long enough.'*<sup>3</sup>

Without knowing where we want to “get to,” it is very hard to define the steps that we need to take to “get there.” Thus, goals and objectives are vital in setting direction, providing focus and defining priority. Without them we drift. It is like shooting arrows without defining or aiming at the target.

- The Big Picture: PR objectives should support the goals of the company as a whole. An organization's goals may include a combination of corporate growth, market share, sales, revenue, membership and donation increases, earnings per share, corporate reputation, social responsibility, innovation, employee retention and loyalty, etc.
- The specifics:

The Objectives Need to be:	
Relevant	<b>Do the objectives support the overall company/brand goals?</b> Objectives must be directly aimed at what the business wants to accomplish. Anything not pertinent to that should be eliminated.
Realistic	<b>Can I/we fulfill the objectives and what will it take to do so?</b> The objectives should be attainable. There needs to be a belief that it is possible to achieve them, but at the same time that it is not too easy. Objectives should not be set too low.
Specific	<b>Who do I want to affect with what?</b> Objectives should be clearly articulated. They cannot be vague. It is not only the desired effect within a set time, but also considers the target audience.
Measurable	<b>What measurements should I consider to establish success?</b> The objectives need to be specific enough to be measurable and monitored to determine progress. Different objectives need different types of metrics.
Timely	<b>Over what period of time am I/are we looking to achieve these objectives?</b> Without a timeframe, it is possible to determine success but impossible to determine lack of success.

<sup>3</sup> Alice In Wonderland by Lewis Carroll – Chapter 8, the Queen's Croquet-Ground.

- The benefits of goals and objectives:

*When clear objectives are in place, they:*

- Provide a focus and motivation for the team with everyone working toward the same outcome
- Supply the foundation to the planning, underpinning the various activity
- Aid in determining priorities to maximize the effectiveness and efficiency associated with each activity so as to make the greatest impact
- Determine success or failure – they provide the framework against which to be measured.

The following Case Studies provide some examples of public relations programs in various industries that have had specific business challenges, successful programs based on clear goals and objectives, and measurements that considered outputs, outtakes and outcomes results. In the end, you will see how this type of discipline can help you utilize measurement data to make business decisions to drive outcomes.

## **CASE STUDIES**

### **Case Study One: Determining Which Tactics are Working or not Working**

The most frequent use of research is probably to determine which tactics are or are not working within a communications program, and by “working,” we mean contributing to the overall objectives in an efficient and effective way.

Before it became part of IBM, Lotus Development introduced some 20 products during the course of the year. When it came time to plan for the next year’s product launches, the Director of Corporate Communications demanded to see tangible results from the previous year before allocating budgets. In order to determine what worked and what didn’t work, the PR staff gathered the 2,400 or so articles that mentioned Lotus during the previous year and analyzed each one to determine whether it left a reader more or less likely to purchase Lotus software, and whether it contained one or more of the company’s key messages. All articles were analyzed by a recent college grad who was in the market for software.

The results were revealing. The \$350,000 launch of a word-processing product, complete with tons of shrimp in a very fancy party, generated a bunch of coverage, but very few of the resulting articles contained key messages. Conversely, a \$15,000 press tour yielded just as much coverage, but with far greater inclusion of key messages. On a cost-per-message-communicated basis, the press tour delivered about ten times the value.

#### **Summary:**

- **Business Goal:**
  - Capture leading share of market in appropriate software categories
- **Communications Objective:**
  - Communicate key messages through media coverage

- **Measurement Metrics:**
  - Outputs: Number of articles/impressions generated
  - Outtakes: Media acceptance of the product as measured by % of articles containing key messages
  - Outcomes: Lower cost-per-message communicated
- **Results:**
  - Determined that the press tour was the most cost effective launch tactic.
  - Determined that problems with one program were due to individual PR manager, not weakness in program.
  - Final cost-per-message communicated: \$0.25 for press tour and \$3 for event.

### **Case Study Two: Using Research to Win Support for Your Strategy**

At a major defense contracting firm, the use of spokespeople as part of a campaign to win a major defense contract was highly controversial. Traditionally, the company's spokespeople had been engineers who were very media-shy. However, a competitive media content analysis of the leading business and trade press coupled with an investigation of contract outcomes showed a connection between the frequency and visibility of a company's spokespeople in media articles and contract wins. Looking at the media content and visibility of each of the various players in the industry, they determined that the more the company's spokespeople were quoted, the more likely they were to win the bid. As a result, the PR team had no trouble convincing its spokespeople to meet with the media, and the company embraced a proactive PR program.

#### **Summary:**

- **Business Goal:**
  - Win contracts
- **Communications Objective:**
  - Position the brand as innovative and technologically superior
- **Measurement Metrics:**
  - Outputs: Number of trade press articles
  - Outtakes: Media acceptance of client spokespeople as industry authorities: share of spokespeople quoted; share of favorable positioning on key issues
  - Outcomes: Win contracts
- **Results:**
  - Went from last place in share-of-quotes to first in 12 months and increased share-of-quotes 10% to 70%.
  - Doubled visibility of brand in 12 months
  - A significant increase in the number of competitive contracts won

### **Case Study Three: Achieving Corporate Goals in Retail**

Some time ago, the J. C. Penney Company remodeled its leading stores in 31 major markets to attract an upscale shopper. All markets were provided the same advertising, promotion and PR instruction, but the Dallas/Fort Worth market produced an unprecedented PR campaign called "Art Sunday at JCPenney." The campaign was comprised of four arts festivals, each benefiting performing-arts charities in the areas surrounding each store, and featured hundreds of performing and visual artists, runway

shows themed "Fashion as Art," sumptuous food and drink and celebrities such as Tony Bennett in his Southwest debut of his oil paintings. The events received terrific attendance and press, but did they meet corporate goals of impacting sales through a higher-income shopper?

As is often the case, the answers lay down the hall in the accounting department. The staff was able to compare sales results for the three months following the Grand Re-openings for all other JCPenney remodeled markets against Dallas/Fort Worth. They learned that not only had the Dallas/Fort Worth market achieved the highest rates of sales increases in the country, but that credit card usage (which indicated a higher-income shopper) had doubled. This campaign received a PRSA Silver Anvil and IABC Gold Quill, and became a model for other J. C. Penney districts in the years that followed.

### **Summary:**

- **Business Goal:**
  - Increase sales by X% in the D/FW District's four modernized stores among upscale shoppers in the three month period following Grand Re-opening.
- **Communications Objective:**
  - Meet sales goals by drawing an upscale audience to the four modernized stores through arts fundraising events and major media outreach.
- **Measurement Metrics:**
  - Outputs: traffic counts at events; volume of media coverage; numbers of luxury vehicles in parking lots
  - Outtakes: percentage of credit-card-use increases (indicating higher-income shoppers)
  - Outcomes: % sales increases in the four D/FW stores as compared with the average increases of modernized stores in 30 other markets in the three month period
- **Results:**
  - More than 10,000 guests were counted by store security passive voice; media coverage surpassed that of all other markets, and luxury vehicles populated all parking lots.
  - Non-JCPenney credit card sales doubled, indicating the goal of attracting a higher-income shopper had been achieved.
  - The D/FW stores greatly exceeded the rates of sales increases of all other modernized JCPenney stores nationwide during the 3-month period following the event.

### **Case Study Four: Measuring PR's Contribution to Sales**

Southwest Airlines routinely tests the tactics it uses before launching its presence in a new city. Typically it'll start with a word-of-mouth PR campaign – and will measure the number of inquiries as well as the number of reservations. They then schedule a major PR event, and again measure inquiries and reservations. After the PR has died down, they turn on the advertising and later direct mail and email outreach. At each stage, they measure the number of inquiries and the number of reservations to determine which tactic had the highest yield. They also incorporate unique URL's into specific press releases to track actual ticket sales from people clicking on the press release. That way they can test the effectiveness of key words and phrases in each release in terms of generating traffic to [www.southwest.com](http://www.southwest.com).



### **Summary:**

- **Business Goal:**
  - Sell more airplane tickets
- **Communications Objective:**
  - Drive traffic to web site from press releases and media stories
- **Measurement Metrics:**
  - Outputs: Number of articles
  - Outtakes: Awareness of Southwest service to the region; % increase in unique visitors to web site from PR site
  - Outcomes: Number of tickets sold
- **Result:**
  - Over \$40 million in ticket sales from press releases.

### **Case Study Five: Improving Customer Service – A Catalyst for Change**

A major utility company was particularly concerned at the negative attention it was receiving in the media. This study spanned broadcast, print, online news, blogs and social networking sites as well as online forums. Management needed to assess the extent of the negative coverage, the areas to which it could be attributed and consider appropriate action to improve the situation. The PR team knew that this process was not going to deliver good news, but by quantifying how bad it really was, it became a catalyst for change within the organization. This is an ongoing work in progress.

### **Summary:**

- **Business Goal:**
  - Improve company image
- **Communications Objective:**
  - To improve overall company image
  - Isolate the damage of negative media attention
- **Metric:**
  - Outputs: % negative coverage in relation to overall coverage and comparison of this coverage to positive coverage
  - Outtakes: Impact of negative coverage by area of attribution
  - Outcomes: Monitoring the outputs over time to track change
- **Result:**
  - Customer Service was the major cause of negative coverage
  - The findings were presented internally and used on an ongoing basis to monitor performance and set improvement goals
  - Stories were developed to show a more personable side to the company

### **Case Study Six: Using Competitive Analysis for Hospital PR Planning**

High Point Regional Health System in North Carolina built a major new cancer treatment center to increase consumer preference and market share in this key service line. Communications management knew increasing the hospital's share of positive media coverage would impact consumer preference, so planned a media outreach around the center's opening and commissioned a Share of Discussion Study<sup>4</sup> of the hospital's and

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<sup>4</sup> the quantity and quality of its media coverage compared to that of its competitors

competitors' media coverage for several years, with drill-downs to key service lines. The client's Share of Discussion scores were correlated against its bi-annual consumer preference survey, and market share was compared against that. As it turned out, the preference scores correlated very closely with the client's Share of Discussion in key service lines such as Cancer ( $r=.97$ )<sup>5</sup>, and showed that the PR department was performing brilliantly against service-line business goals. The study's on-going quarterly Share of Discussion reports enable the PR staff to monitor its performance in more than a dozen service lines, and to modify media and marketing outreach as needed.

### **Summary:**

- **Business Goal:**
  - Increase market share through increased consumer preference in its cancer service line
- **Communications Objective:**
  - Increase consumer preference by increasing the hospital's Share of Discussion in cancer treatment
- **Measurement Metrics:**
  - Outputs: Share of Discussion
  - Outtakes: Consumer Preference Study results; correlations of Share of Discussion scores to Consumer Preference Study scores
  - Outcomes: Market Share
- **Results:**
  - Share of Discussions scores for cancer increased during grand-opening year
  - Correlations between Share of Discussion and Consumer Preference Study results were  $r=.97$  (Pearson Product Moment Coefficient)
  - Consumer Preference Study scores for cancer increased approximately seven percent during the corresponding period with a six-month lag
  - Market Share for cancer increased 5.8% for the corresponding period with a nine to twelve month lag
  - On-going analysis reveals both success and challenges in cancer and other key service lines each quarter

### **CONCLUSION**

This paper is meant to be an idea-starter on how public relations professionals can utilize research to demonstrate their ability to truly affect organizational outcomes. The Measurement Matrix in the following Appendix provides additional ideas on how to mix and match various measurement techniques to ensure you are collecting the right kinds of data from which to make decisions. For additional resources, visit the Institute for **Public Relations Commission on PR Measurement and Evaluation** website at: [www.instituteforpr.com](http://www.instituteforpr.com).

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<sup>5</sup> "Exploring the Link Between Share of Media Coverage and Business Outcomes," by Dr. Donald Stacks, Dr. David Michaelson and Angela Jeffrey, APR; [www.instituteforpr.org](http://www.instituteforpr.org).

## APPENDIX

### The Measurement Matrix<sup>6</sup>

Business Goal or Objective	PR Objectives	Outputs to Measure	Outgrowths to Measure	Comparing to Outcomes
<b>Sales of Products and Services</b>	Increase awareness	Media analysis on quantity, quality and reach of coverage; attendance at special events; numbers of speeches given. Consider using Efficiency Metrics like Cost-per-Impression, Cost-per-Media Value Ratio, or Cost-per-Message.	Surveys before and after program to help establish link between outputs and awareness, preference or intent; consider omnibus or Internet surveys if cost is an issue; track responses to messages through sales departments, call-centers (establish 800 numbers for specific releases), or web visits (special URLs).	Benchmark and graph numbers of leads, prospects or customers before, during and after campaign. Get paid-media schedule and plot along with non-paid media efforts on a calendar spreadsheet, and overlay with sales data (offsetting for sales cycle) and look for correlations. You should see more spiking from non-paid media versus paid-media efforts. OR - consider correlating media efforts with sales goals through Share of Discussion.
	Increase preference			
	Stimulate trial			
	Increase media recommendations			
	Increase purchase intent			
<b>Increased Market Share</b>	Increase Share of Discussion	As above, but focus mainly on competitive media analysis on share of overall coverage, key message, positive and negative, media recommendations, key spokesperson quotes. Also track numbers of customers at the beginning and end of the campaign.	As above. Surveys will help establish the link between your output measures and whether or not the audience is moving toward behavioral objectives. Consider CGM or WOM analysis - looking for trends in positive internet discussion and recommendations.	As above. Obtain Market Share data from Marketing or Sales; plot on graph and overlay your share measures against it. Also consider services such as Brand Keys and Loyalty Builders to establish more in-depth customer analysis before and after event, and try to correlate.
	Increase share of message			
	Increase share of positive coverage			
	Increase share of journalist recommendations			
	Increase share of quotes			
	Increase positive opinions among current customers			
<b>Enhanced Brand Equity</b>	Reinforce brand characteristics	Media analysis focused on messages of value and brand character; competitive analysis if possible.	Unaided awareness survey before and after campaign to see if audience can play-back your messages.	As above, plot efforts against sales. Consider getting average revenues per-sale, and see if they have increased.
	Increase perception of value			

<sup>6</sup> Provided by Angela Jeffrey, APR, Vice President Editorial Research, VMS and Member of the IPR Commission on PR Measurement & Evaluation.

## The Measurement Matrix<sup>7</sup>(Continued)

<b>Business Goal or Objective</b>	<b>PR Objectives</b>	<b>Outputs to Measure</b>	<b>Outgrowths to Measure</b>	<b>Comparing to Outcomes</b>
<b>Enhanced Reputation</b>	Increase alignment between desired reputation and audience perceptions	Media analysis focused on messages of importance to each stakeholder audience; positive/negative letters, emails and CGM/WOM messages received.	Do focus groups or surveys using Dr. Grunig's paper at <a href="http://www.instituteforpr.com">www.instituteforpr.com</a> on attitudes toward: Control Mutuality, Satisfaction, Trust, Commitment, Exchange Relationship, Communal Relationship.	Compare efforts to survey results, and to increased/reduced CGM and WOM messages received.
	Improve strength of all relationships - and prioritize.			
<b>Mitigate Crisis; Optimize Stock Price</b>	Reduce negative impact of crisis on perceptions of the firm	Real-time media analysis focusing on message and tonality. Do media audit on published pieces created for the crisis. Were messages clear?	Omnibus Studies, overnight polls and CGM/WOM content analysis to determine attitudes, perceptions.	Plot media measures, tours, public meetings, etc. on chart with sales, stock price, and positive/negative index for CMG/WOM. Of course, benchmark these at the beginning of the crisis!
<b>Increase Profitability</b>	Reduction in turnover and better customer service	For employee outreach, do media audit of internal efforts to communicate against specific PR objectives. Measure external efforts in ways mentioned above.	Run internal survey on attitudes via website before and after employee campaign; or monitor blog chatter for changes in tone; hop onto marketing department surveys for metrics on attitudes, preference or intention to buy for external audiences.	Plot output measures against benchmarks such as turnover rate, customer service ratings, average cost-per-sale; last year's cost of communications, etc. (Data is available in marketing, sales and finance departments). Use survey or CGM information to verify receipt of messages. Find out costs of hiring/training a new employee, or cost of acquiring a new customer in your industry, and translate to how much money the campaign may have saved the company. (See Metrics section next for further explanations).
	Decreasing cost per sale			
	Decreasing cost of communications			

<sup>7</sup> Provided by Angela Jeffrey, APR, Vice President Editorial Research, VMS and Member of the IPR Commission on PR Measurement & Evaluation.