

Prove Everything or Die

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DIGITAL MARKETING IN 1 DAY
November 17, 2011



Seven Principles of PR Measurement

1. Importance of **Goal Setting** and Measurement
2. Measuring the **Effect on Outcomes** is Preferred to Measuring Outputs
3. The **Effect on Business Results** Can and Should Be Measured Where Possible
4. Media Measurement Requires **Quantity and Quality**
5. AVEs are not the **Value of Public Relations**
6. **Social Media** Can and Should be Measured
7. Transparency and Replicability are Paramount to Sound Measurement





Set Goals First Before Measuring Communications

Communications vs. Evaluation Goals

Corporate goals



Communication goals



Evaluation goals



Measurable criteria

What is the **overarching business goal** that is to be supported by communications?

What are the **desired (measurable) changes** in the target group as the result of communications?

- **Coverage:** Number of articles in target group (media), penetration of messages
- **Perception:** Brand awareness, recollection of topics
- **Comprehension:** Credibility of content, connection to company
- **Attitude:** Brand loyalty, increased employee motivation
- **Behavior:** Purchase decisions, project involvement

Who? What? How much? By when? Goals should be defined as quantitative as possible

Sample Goals in Need of Some Work

- Drive media coverage (food and lifestyle), product awareness and trial by building consumer buzz
- Shape the bleach dialogue online
- Change the perception of FedEx from a company that ships packages to a company that is a leader in global business solutions
- Chase Sapphire:
 - Create “card envy” among affluent consumers in the San Francisco market
 - Raise awareness that Chase Sapphire offers cardmembers unique experiences, not just more ‘stuff’
- ZEISS Vision:
 - Raise awareness around lens choice and that eyeglass lens choice exists with mid-to-late GenXers, 40 – 45 years old
- Smirnoff Nightlife Exchange Project
 - Set emotional connection with consumers (consideration)
 - Reinforces “Nightlife experts” credentials
 - Key to Lead digital agenda in Brazil

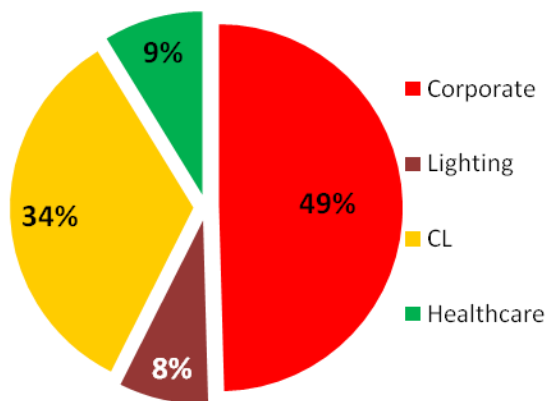


Measure Media Quantity and Quality, Not AVEs

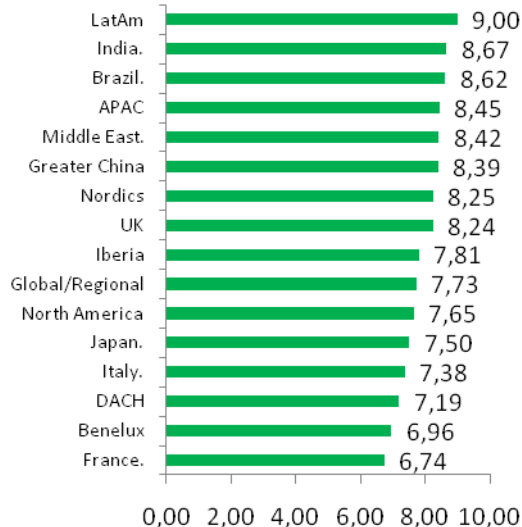
What Good Media Analysis Looks Like: Philips

	March	February	Monthly Net Change (+/-)
Total # of articles	285	234	51
Total # of impressions	216,899,003	198,840,298	18,058,705
AMS (from -100 to 100)	51.43	60.96	-9.53
Net Promoter Score (NPS)*	7.57	8.05	-0.48
Message Penetration (% with 2+ messages)	68.4%	51.5%	16.9%
Tone (positive coverage)	54.0%	65.0%	-11%

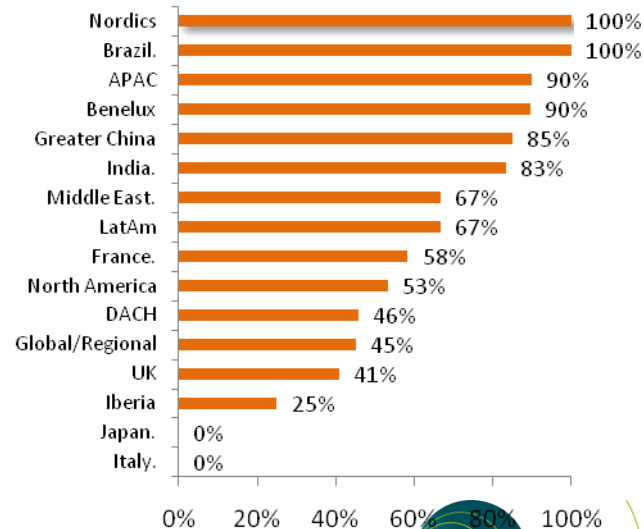
Volume by Sector



Net Promoter Score (NPS)

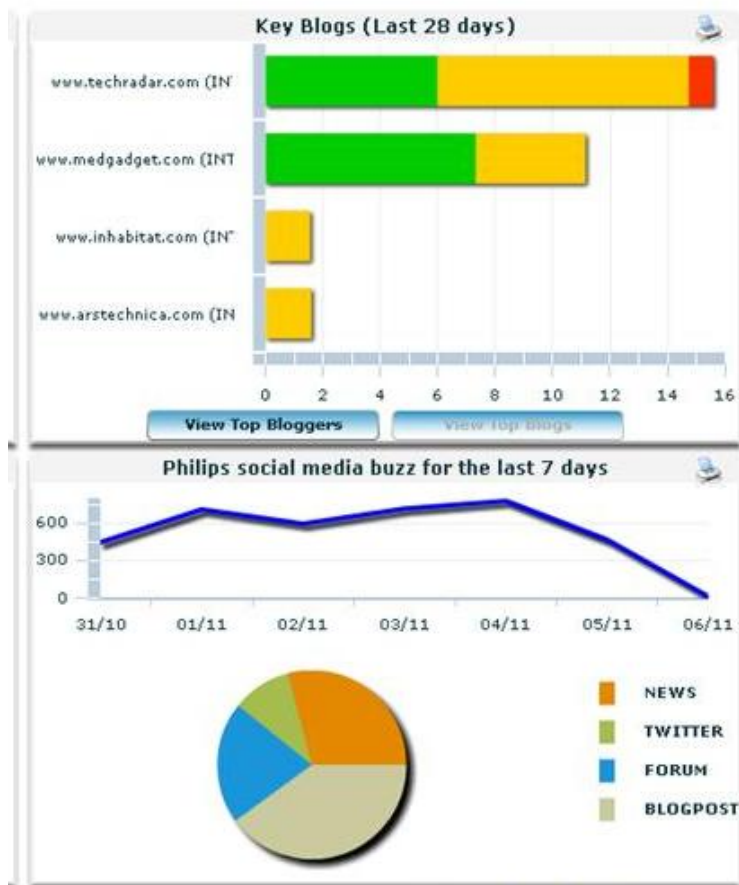


Message Penetration (% with 2+ messages)



Putting Best Practices to Work

ONEVOICE
powered by report international



Select a button to switch between Top Bloggers and Top Blogs

Social media buzz metrics are provided by Sysomos. By clicking anywhere on this chart, you will be taken directly to the Sysomos dashboard

on of flash you are running there is a nice page from [macromedia here](#) which will tell using Flash or installation please e-mail webhelp@reportinternational.com



Social Media Can and Should be Measured

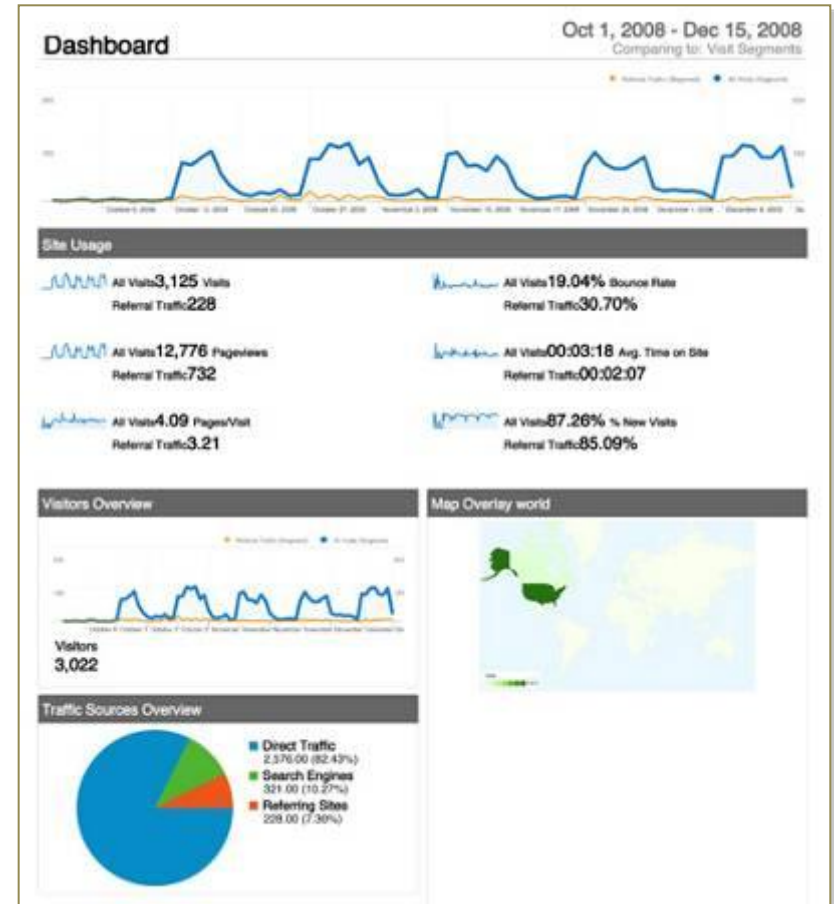
Social Media: Monitoring vs. Measuring

Monitor

- Look for issues to which your organization or brand might want to react
- Identify trends in consumer opinion, desired content/features, etc.
- Provide a qualitative analysis of content

Measure

- Quantify reach, tone, recommendations, etc.
- Identify top users
- Benchmark in advance of interactive activity to track changes over time



KZSI Suite by Program Phase





Outcomes Are Better Than Outputs

Market and Opinion Research – Aims

Use of online/offline surveys in communications processes

→ Basis for communications

Providing important information about relevant target groups

→ Input for communications

Generation of topics and content for press releases

→ Control of communications

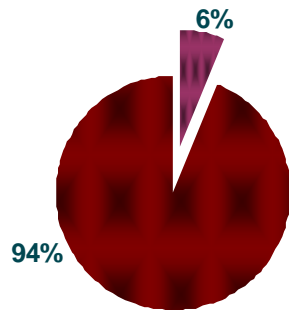
Evaluation of long-term effects of PR activities



Guns N' Roses and Dr Pepper Results

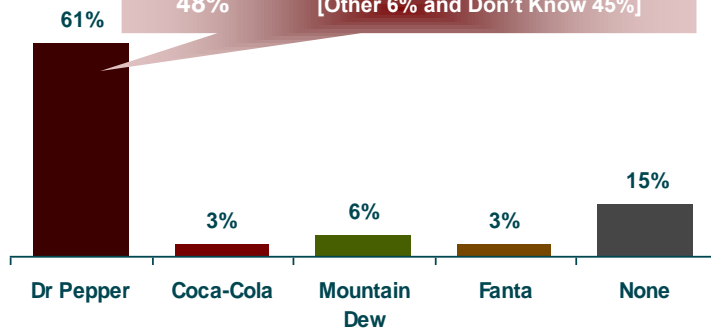
Aware of Guns N' Roses – Axl Rose Album Release Dr Pepper Promotion

■ Aware of Promotion ■ Unaware of Promotion

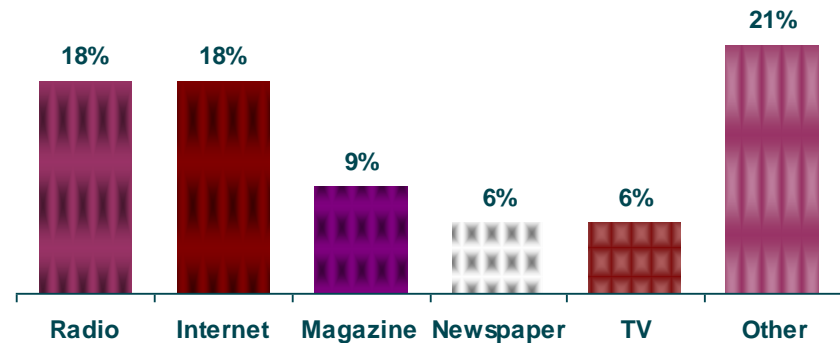


Aided Brand Awareness of Promotion

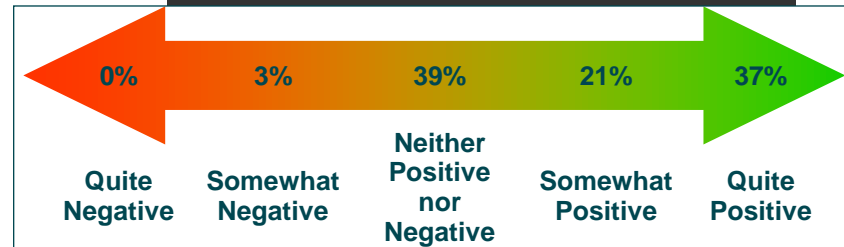
Unaided Awareness for Dr Pepper was 48% [Other 6% and Don't Know 45%]



Source of Awareness of Guns N' Roses & Dr Pepper Promotion



Attitude Effect of on Dr Pepper due to promotion



In General those aware felt somewhat/very positive about the promotion. Those who did not remained neutral. There was very little to no negative impact caused by this promotion. Overall, it shed a positive light on the brand.

Base Sizes: Those Asked (n=539), Those Aware of Promotion (n=33d) d = directional findings only (30-40)

Corporate Brandbuilder – Dow “Human Element”

Brand Equity +25% Stock Price +29%

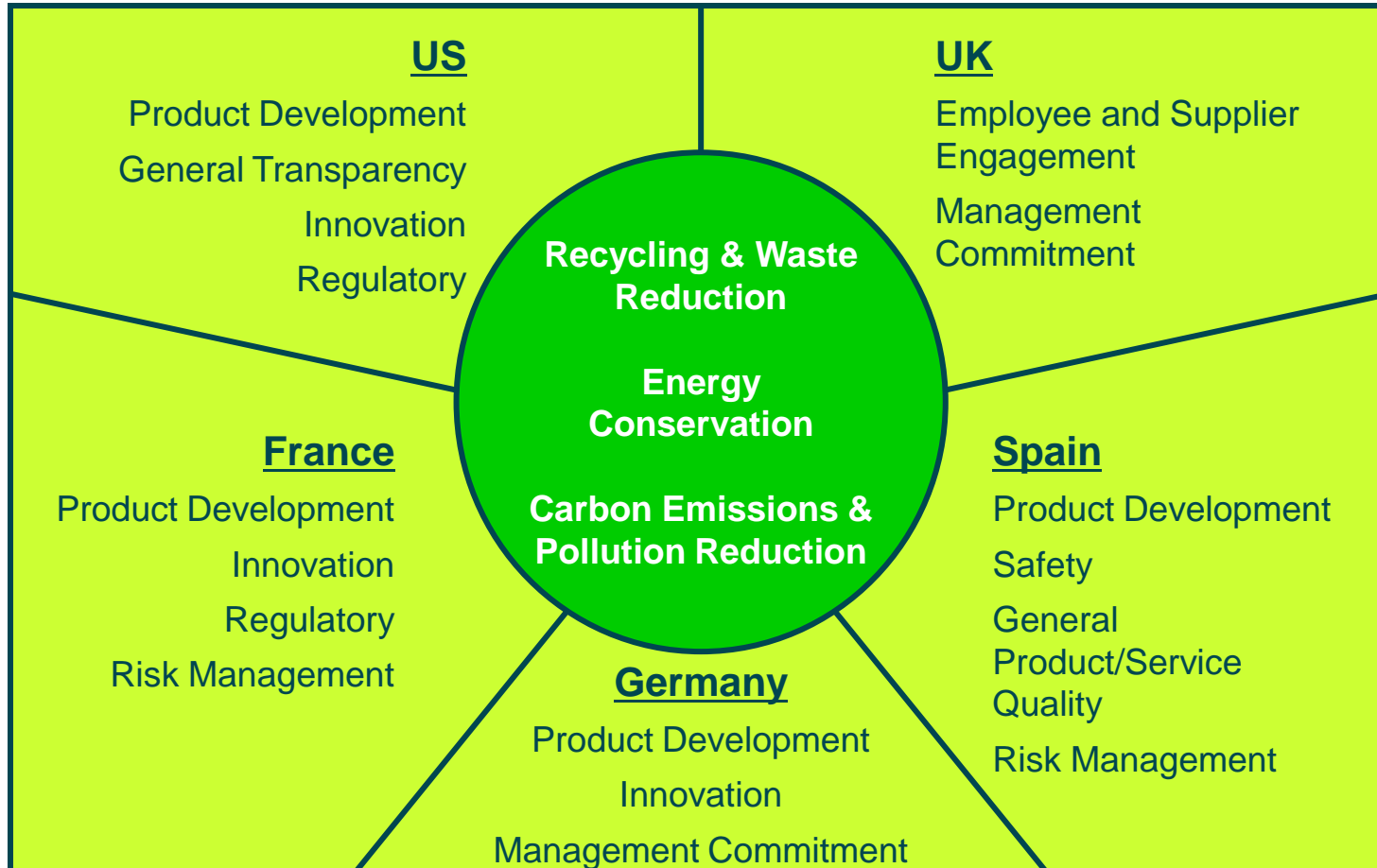
Media Matters	
<i>Communications Exposure</i>	<i>Reputation Score</i>
None	Average
Advertising	↑
Media	↑↑
Internet	↑↑↑



Prioritizing Drivers By Country: Hypothetical Example

In addition to shared key drivers, individual countries can have drivers specific to their market

- For example, in the UK, it is critical to demonstrate employee engagement and a management commitment



Overall Image Key Drivers Across Markets

Industry-Wide



Q10. Using a 0 to 10 scale, where 0 means "Awful" and 10 means "Exceptional," please rate your overall perception of the following brands//**Q14.** Using a 0 to 10 scale, where 0 means "Does not describe at all" and 10 means "Describes completely," please indicate how well each attribute describes the brand.



Business Results Are Better Than Outcomes: The Trend Toward Analytics

Modeling – Aims

Objective: To analyze influences on the trend in business results, taking into account all tools for communication

What is the **impact on company results** generated by specific communications measures?

What is the **optimal communications budget** (ROI) in order to achieve the company's target?

What **media mix** has the greatest effect on brand awareness?

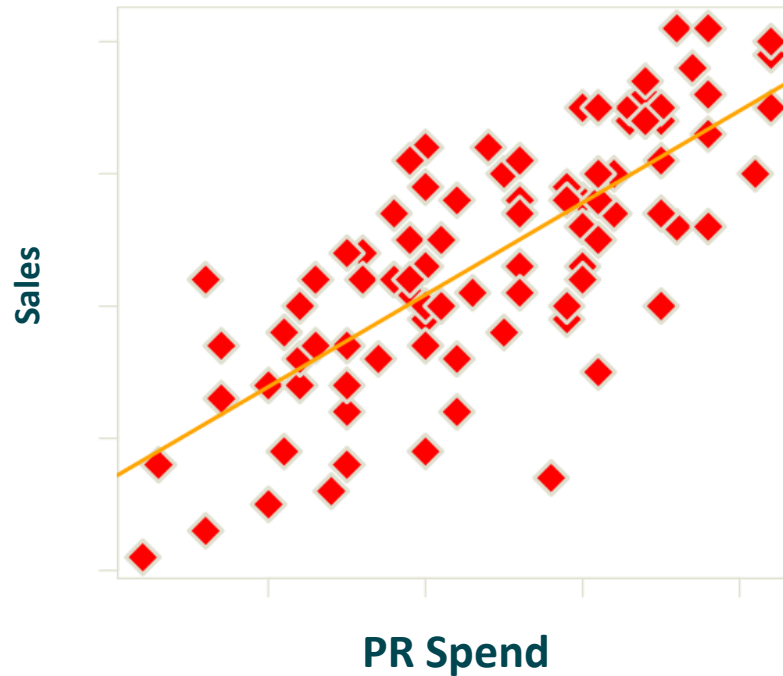
Which **products** in the portfolio drive sales best?

Shall communication activities be planned parallel to **competition** or alternate?

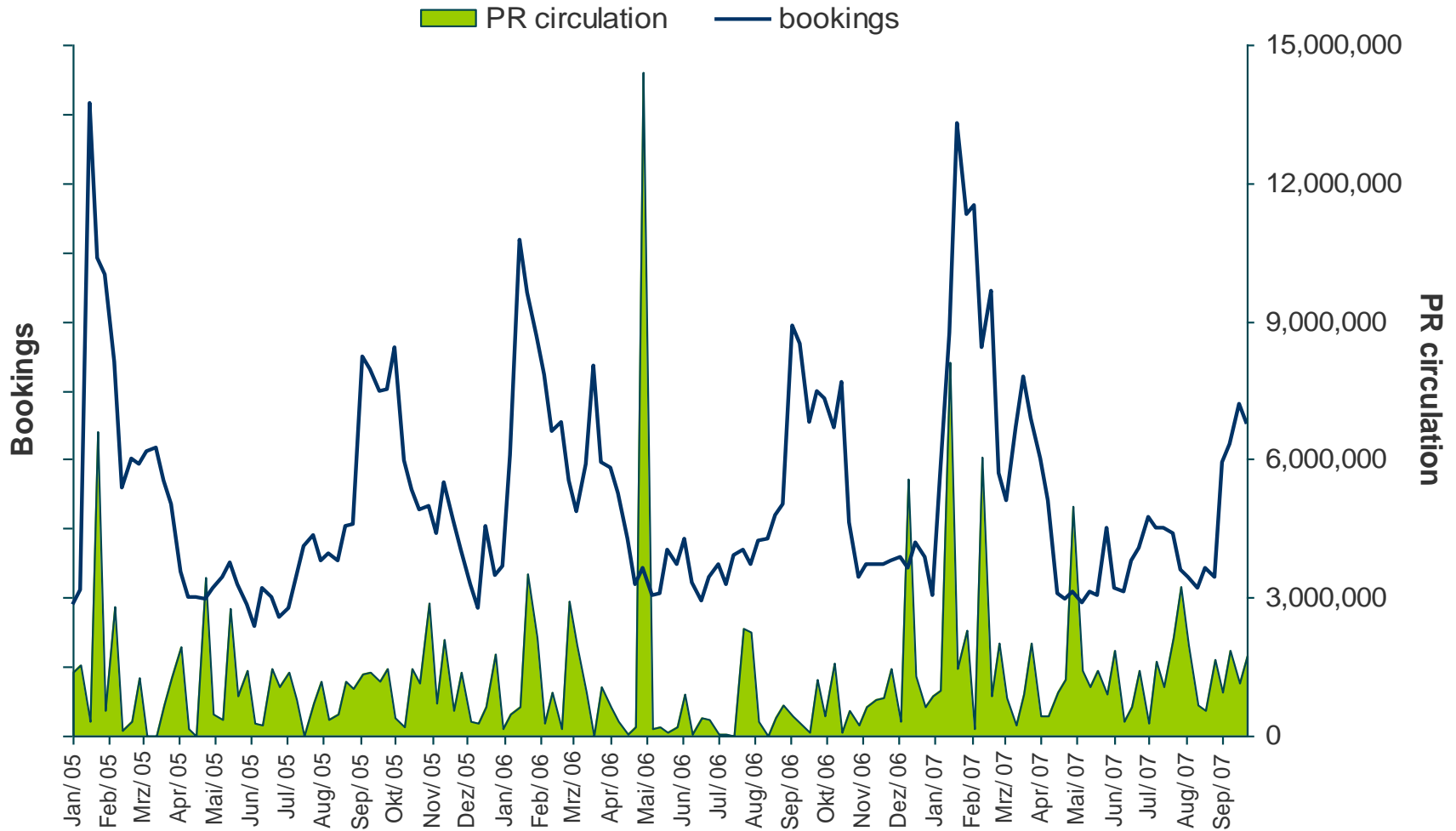
Which **communications strategy** is most successful?

Analytics: What Makes A Good Model?

- The way you judge a good statistical model is by what percentage of the variance can be described by it.
- In regression, R^2 is the statistic that represents “goodness-of-fit “ or how well the regression line approximates the real data points. An R^2 of 1.0 indicates that the regression line perfectly fits the data.

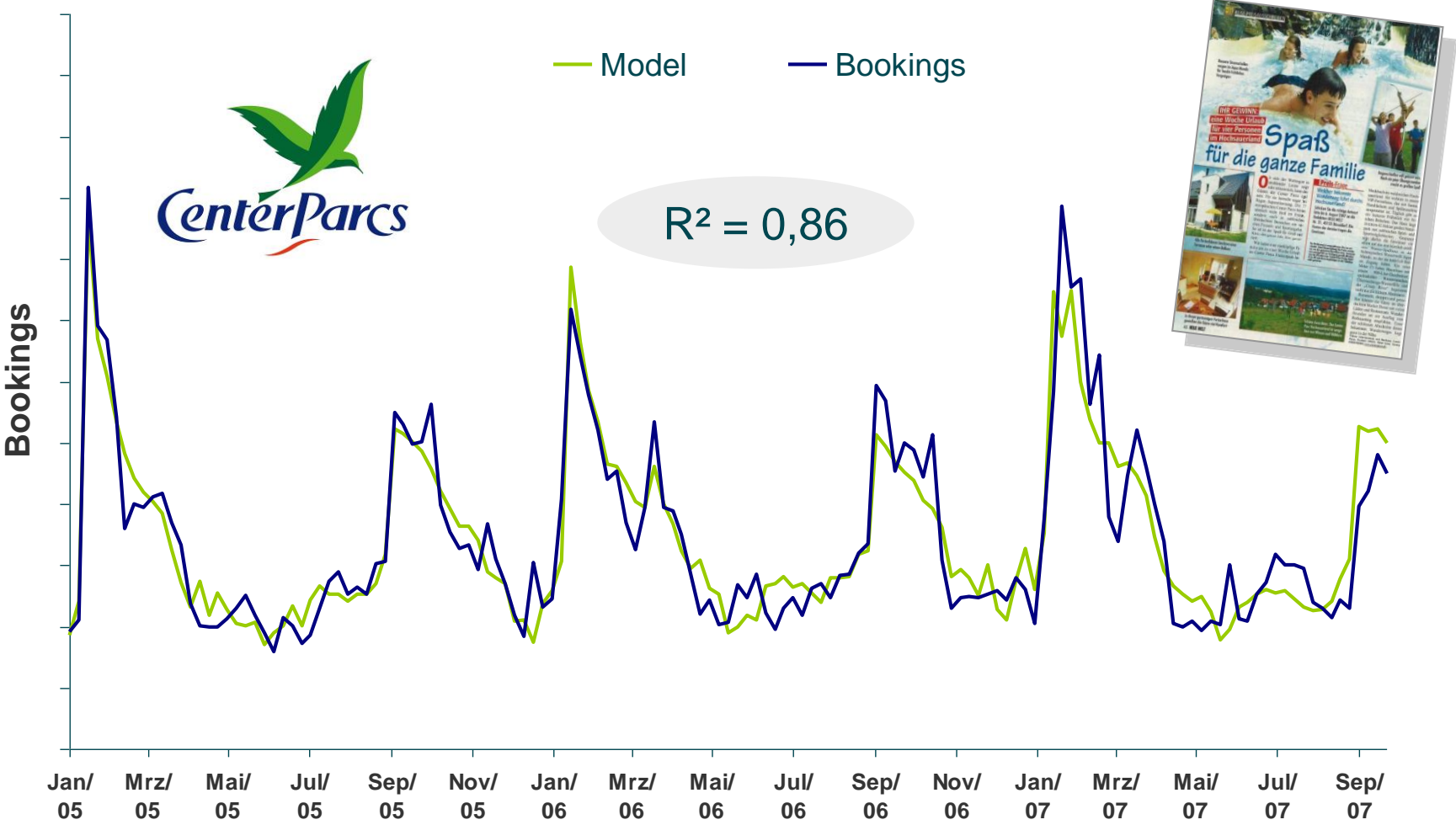


Center Parcs – Bookings vs. PR circulation



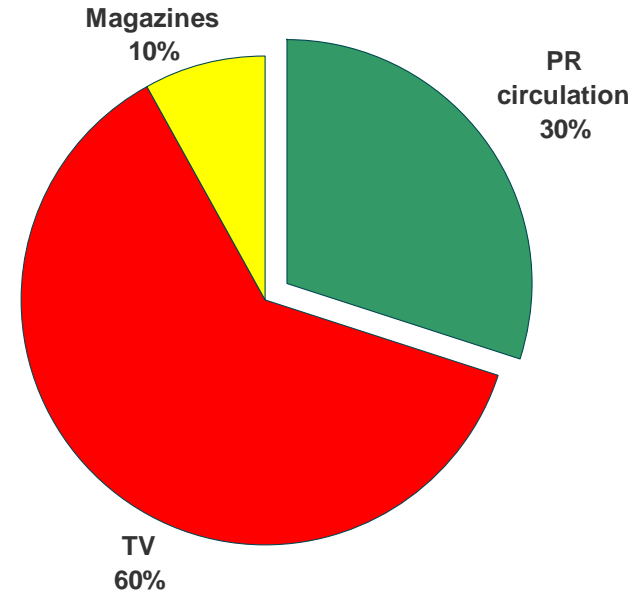
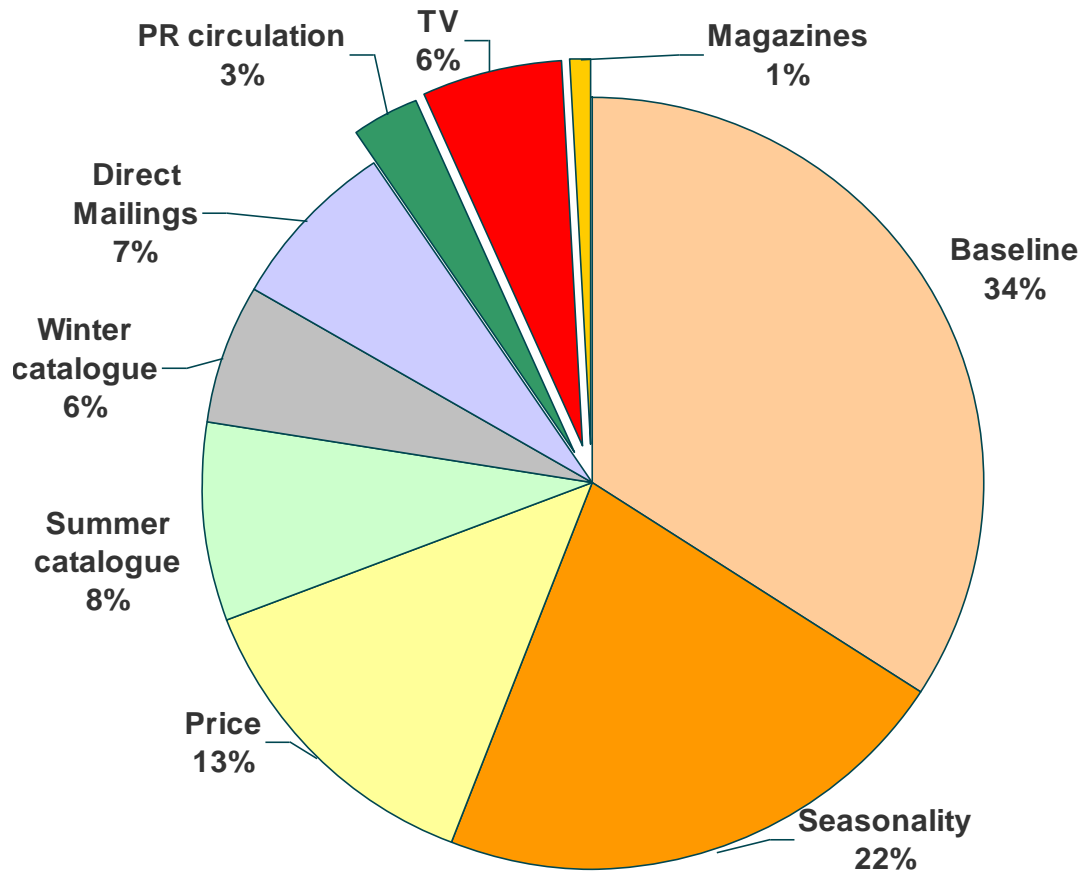
Source: Center Parcs Germany, own calculations

Center Parcs – High Adjustment of the Bookings



Source: Center Parcs Germany, own calculations

Center Parcs – Effects on Sales (Bookings)



basic sales: 56%
(baseline + seasonality)

mass media: 10%
(Benchmark: 5 – 20%)

Source: Center Parcs Germany, own calculations

CPG Company: Sales Modeling

Volume Decomposition: (May 2008 – Apr 2010)

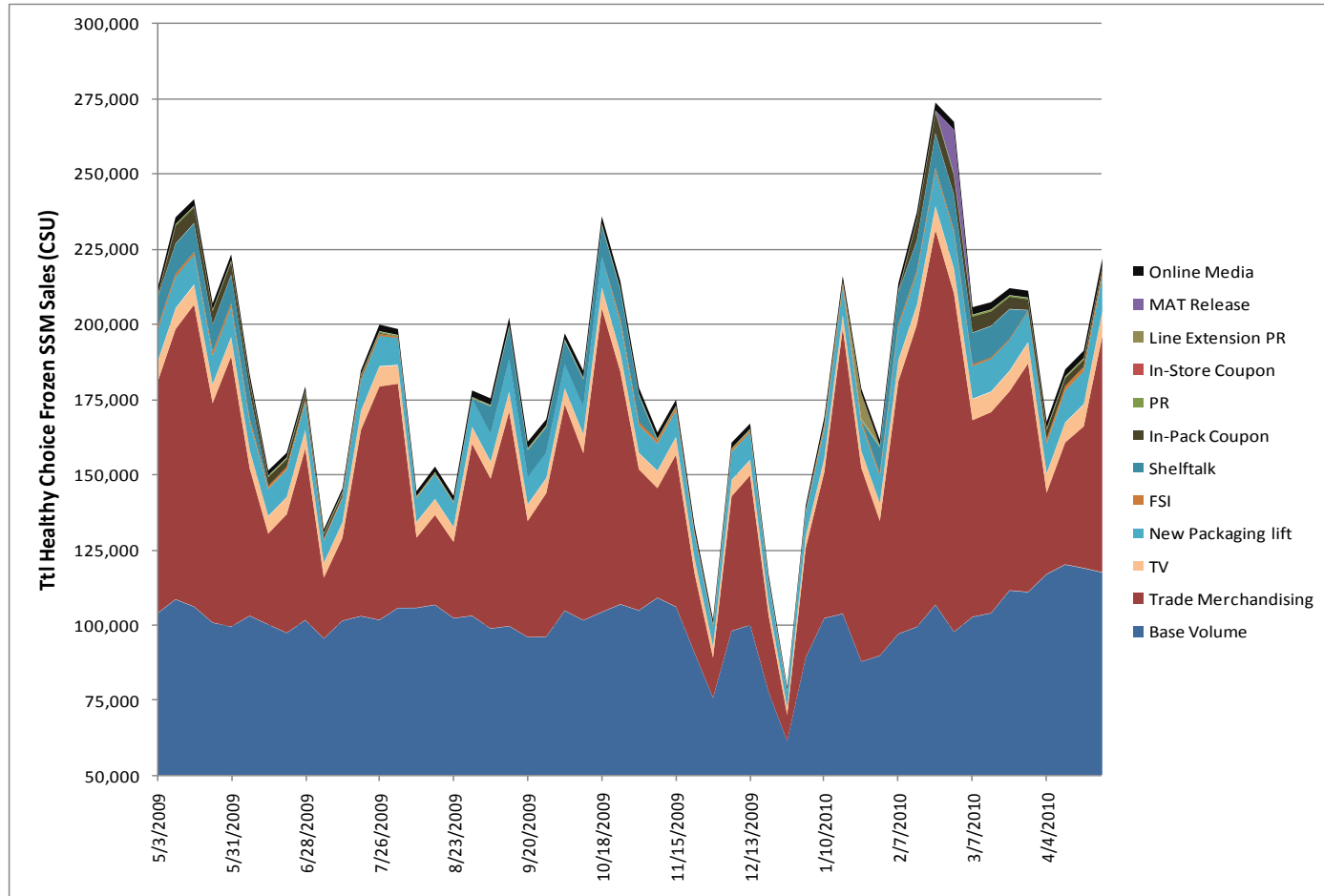
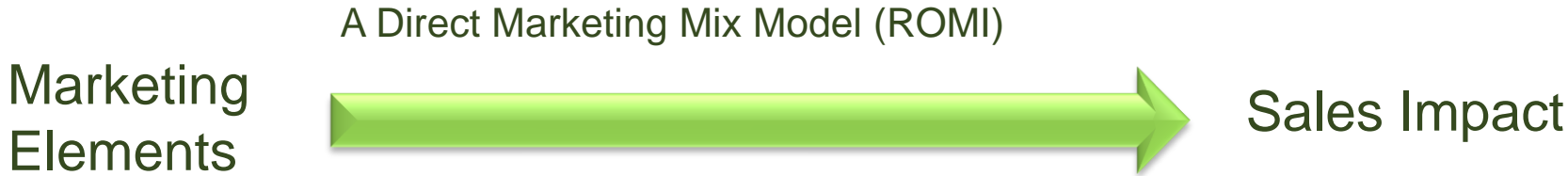


Chart data reflects estimated volume from the sum of 65 DMAs

CPG Company: Sales Modeling

Calculating the impact of marketing elements on sales in 2 ways:



Non-Profit: Optimal Marketing Mix for Leads

- Comparing the effectiveness of direct mail, radio advertising, online activity, and two forms of Point of Purchase materials

Channel	Dollars Spent Total (Annual)	Leads* Generated Per \$1,000	Total Leads Generated (Annual)
Direct Mail	\$8.5 mi	7	59,747
Radio	\$930K	5	4,645
Online	\$189K	33	6,249
PoP H	\$ 227K	10	2,270
PoP P	\$472K	23	11,126

$$R^2 = .668$$

$$\text{Model 1: Leads}^{\S} = 96.51 + 0.007(\text{Direct Mail}) + 0.005(\text{Radio}) + 0.033(\text{Online}) + .010(\text{PoP H}) + .023(\text{PoP P}) + 136(\text{If summer}) + 168(\text{If fall})$$

Non-Profit: What Happens If There is a Shift in Point of Purchase Programs?

- If professional PoP outreach is used for all annual PoP marketing spend instead of ever using a hodgepodge approach, potential revenue increase is \$8.2 million

\$ Shifted from PoP H to PoP P	Net Leads Gained	Potential Increase in Revenue
\$226,983	2,951	\$8.2 million



From Barcelona to Lisbon: Outlook and Summary

Move forward – From Barcelona to Lisbon



amec



8-10 June 2011, Lisbon

3rd European Summit on Measurement

1. How to measure the ROI of PR
2. Create and adopt global standards for social media measurement
3. Measurement of PR campaigns and PR programmes needs to become an intrinsic part of the PR toolkit
4. Educate clients to insist on measurement of outputs, outcomes and business results

The 10 Golden Rules of Measurement

1. Establish written goals
2. Measure the quantity and quality of media
3. Understand the same principles apply to traditional and social media
4. Do not use AVE as the value of PR
5. Add PR questions to tracking surveys to easily capture outcomes
6. Collect media data in a manner usable for market mix modeling
7. Recognize that analytics is the future of PR measurement—ROI is the answer
8. Make sure all measurement is transparent
9. Use measurement to track progress and to design programs better
10. Realize that communications experts are not necessarily measurement experts

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