How to Evaluate Public Relations

By

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A very common question, even among public relations (PR) practitioners is: How do I evaluate the effectiveness of public relations? It really isn't difficult to do this if you think about it the right way.

What Do You Want PR to Do?

We use PR to help achieve numerous business objectives from increasing sales to raising share price to retaining employees. However, whenever we use PR to help achieve one of these objectives, we go through a series of assumptions regarding what PR does.

Assumptions We Make

Let's consider what may be the most common business objective for PR: increase sales. Let's also suppose we're employing a print media publicity program for this purpose. The assumptions we make are:

- 1. If we send out a news release some of the newspapers and magazines we send it to will pick up the story and run it in some form
- 2. If the paper or magazine runs the story, members of our target audience will read the story
- 3. If members of our target audience read the story, some of them will register awareness and/or come to have a more positive attitude toward our product or service
- 4. Some of these people will then purchase our product or service and generate sales for us

Each of these assumptions is really an objective that must be achieved for the following objective to be achieved.

What We Can Measure and How

Where most of us would like to evaluate our PR efforts is at step 4. We'd like to be able to say we spent \$X on PR and it generated \$Y in sales. This is usually difficult to do, because sales are the result of a number of non-PR factors, such as product design and pricing, distribution and other marketing factors such as advertising and the sales force.

Media Coverage and Content

However, we can measure, relatively easily, the achievement of our intermittent goals. To determine what kind of pickup your story got, you can use a number of media analysis vendors and programs, such as Biz 360 (http://www.biz360.com) or Cymfony

(http://www.cymfony.com). Reports from these companies can tell you how many times your story was picked up by what kinds of publications. You can also learn what percentage of the coverage was positive, neutral or negative, if you contract for these kinds of services. You can also look at coverage in terms of topics or discussions important to your positioning or business. For example, a company like Sun Microsystems might want to know what share it had of stories on the topics of "data storage" or "storage software." Sun probably would also want to know what share its main competitors had of these topics and the percentage of coverage that was positive, neutral or negative. With deeper analysis of these kind of data, companies can use this information to design strategic PR programs that position them favorably in the media.

Prospect Awareness and Attitudes

Moving on to PR's effect on prospects, we can measure changes in awareness and attitudes among target audiences using a quantitative pre- and post-survey research design. We would want to measure awareness and attitudes before the PR program and after to determine what change the PR program had driven. Of course, it would be best if PR were the main marketing push during the time between studies. Otherwise, it can be challenging to tease out the effect of advertising or direct mail, for example.

Sales

Under some circumstances, it is possible to measure the actual sales a PR program generates. If, for example, your publicity includes a phone number for interested prospects to call, you can make that be a specific number and track the number of leads the number receives, how many of those leads turn into sales, and the overall volume of the sales.

Tom Nicholson, who worked in PR at Sears Roebuck & Co. wrote an article for the *Journal of Integrated Marketing*. He describes a case in which an article on shoes offered by Sears that appeared in the New York Times drove significant increases in sales over a control market (http://jimc.medill.northwestern.edu/2001/nicholson.htm). Because Tom had a control market, we can be fairly comfortable assuming the increase in sales was from the PR, rather than any advertising or other element. However, it is unusual to have this kind of opportunity to measure the effect of PR.

A Proposal for Small Businesses

All of these approaches to evaluation require an investment. Even at the media-coverage-analysis level, that investment is too much for many small businesses. I suggest such companies make their PR objective support their business objective and be easily measured. For example, if your company is a small professional services firm, there might be eight to ten key trade publications that most of your prospective clients read. Your first year PR goal might be to have positive stories about your firm appear in three of those publications. You might further refine the goal by naming topics you'd like the articles to touch on. You can measure this by getting subscriptions to each of the ten publications, and you may well already have these subscriptions. Alternatively, when PR people work to place stories like this, they know when it will appear and can usually get copies. So you could make demonstrating this success a part of their duties.

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