

‘Proof of Performance Metrics’ Gives Big Boost To PR’s Value



Angie Jeffrey

Considering that, just a few years ago, most of us weren’t measuring our PR initiatives at all — and very few were focused on “outcomes” — a significant amount of progress has been made on the measurement front. A study **PRtrak** funded last year for *PR News*, “Attitudes Towards Public Relations Measurement & Evaluation” by David Michaelson, Ph.D., found that 42% of PR measurement budgets now are being directed toward measuring outcomes, while 58% are devoted to outputs (clip counts, impressions, message points, values).

That nearly two-thirds of our budgets currently are being spent on output measurement is important because it’s how we measure the impact of our tactics in generating the news that moves the business. So, in addition to correlating our efforts to business outcomes, how can we make the numbers more meaningful?

The best possible measure to use is called “share of discussion,” which compares the quality and quantity of your media coverage to that of your competitors; I will cover that formula in a subsequent “Tip Sheet.” For now, let’s take a look at two quick formulas to help you transform some of your raw counts into powerful “proof-of-performance” metrics designed to show to management the value of PR .

There are some caveats to consider. From extensive research correlating media coverage to business outcomes, I have learned it is essential to subtract negative results from combined positive and neutral when evaluating audience impressions, media values or article counts. In other words:

- When evaluating story placements, rate them as “Positive,” “Negative” or “Neutral” overall.
- Add up the audience impressions, media values or article counts that have been rated “Positive” and “Neutral.”
- Add up those that have been rated “Negative.”
- Subtract the “Negative” results from the combined “Positive” and “Neutral” results
- The result is called “Net Favorable” impressions, values or story counts.

Cost-Per-Impression

First, figure all costs of a campaign (salaries, out-of-pockets, agency, etc.). Then figure your total net favorable Audience Impressions. Finally, divide costs by impressions to get Cost-Per-Impression.

Example:

- a. Cost of Campaign: \$12,000
- b. Total Net Favorable Impressions: 3 million. (Of 3.5 million total impressions, 3.25 were positive + neutral, and 250,000 were negative Subtract 250,000 from 3.25 million to get 3.0 Net Favorable Impressions
- c. Divide \$12,000 by 3.0 million Net Favorable Impressions
- d. Result: \$0.004 Cost-Per-Impression, or \$4.00 CPM Impressions

Cost-Per-Message:

First, add all costs of publicity campaign. Then add up your total key message points. Finally, divide costs by total messages to get Cost-Per-Message.

Example:

- a. Cost of campaign: \$12,000
- b. Among 500 articles:
 - 50 had 4 messages each, so $50 \times 4 = 200$ messages
 - 150 had 3 each, so $150 \times 3 = 450$ messages
 - 250 had 2 each, so $250 \times 2 = 500$ messages
 - 50 had 1 each, so $50 \times 1 = 50$ messages
 - TOTAL messages = 1,200
- c. Divide \$12,000 by 1,200 = \$10.00 Cost-Per-Message

While these measures are not true return on investment (ROI), they provide a standard “proof-of-performance” metric that is easy to use comparatively and across time. **PRN**

CONTACT:

Angie Jeffrey is VP of PRtrak/Surveillance Data Inc. and a member of the IPR Commission on PR Measurement & Evaluation. She can be reached at angie@prtrak.com.