

PR evaluation –it’s all about relationships

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For decades, the complaint about public relations evaluation has been that it has been more talked about than undertaken. Numerous studies have identified barriers such as lack of knowledge, budget and time that are blocking its extensive implementation across all areas of practice. Clients, too, have often been blamed for telling their public relations advisers to “do PR” and not waste time and money to plan and measure it. An example from a recent study of UK CEOs shows a typical mindset, expressed by Manny Fontenla-Novoa, CEO of Thomas Cook UK Ltd:

I believe enough in PR not to feel that I have to measure it, but I know I should because if I found the right measures it would enable me to spend more on it. Unless I can prove its worth then it will be cut in tough times along with any other discretionary spend.

Which begs the question that if public relations activity is not monitored and measured, how can an accurate judgement be made on the “prove its worth” question? Within this quote, is another conundrum about evaluation – “if I found the right measures ...” – which implies that there is a lack of measurement and modelling methodology for the evaluation of public relations activity. Any scan of public relations literature, both academic and professional, will find that there is considerable research and advice, most recently in *Evaluating Public Relations* published by Kogan Page earlier this year, which reviews recent research and industry trends. In common with other texts, this book puts the notion of a single method of PR evaluation to rest. This supposed Holy Grail of PR has bedevilled the promulgation of best practice in measurement and evaluation and can now be dismissed. Public relations is leaving its roots in publicity and media relations behind and adopting the relationship management model. Practitioners are also getting to grips with evaluation and recent studies support this assertion. This is not happening in isolation. It forms part of a broad effort to make public relations a professional and strategic discipline, one that can demonstrate, rather than simply claim, its outcomes.

Assessing relationships

There is a consensus emerging that the ultimate goal of public relations is to build and enhance relationships between organisations and its key stakeholders. American public relations practitioner (and writer on evaluation), Walter Lindenmann linked this with the developing standard view of public relations activities producing outputs, out-takes and outcomes (see www.instituteforpr.com). More recently, he has replaced ‘out-takes’ with the notion of ‘measuring the success or failure of **long-term relationships**’.

As important as it can be for an organization to measure PR *outputs* and *outcomes*, it is even more important for an organization to measure *relationships*. This is because for most organisations measuring *outputs* and *outcomes* can only give information about the effectiveness of a *particular or specific PR programme or event that has been undertaken*. In order to answer the much broader question – “*How can PR practitioners begin to*

pinpoint and document for senior management the overall value of public relations to the organization as a whole?" – different tools and techniques are required.

The Institute for PR is an American research-based organisation and argues that PR contributes value to an organisation when its communication programmes result in quality long-term relationships with strategic publics (stakeholders). Research it has published by Linda Hon and James Grunig has identified two types of relationships, with four characteristics. The relationships are:

Exchange, where one party gives benefit to the other only because the other has provided benefits in the past or is expected to do so in the future.

Communal, where parties are willing to provide benefits to the other because they are concerned for the welfare of the other - even when they believe they might not get anything in return.

Four outcomes are nominated as indicators of successful interpersonal relationships but can be applied with equal success to relationships between organisations and their publics.

Control mutuality: the degree to which the parties in a relationship are satisfied with the amount of control they have over a relationship.

Trust: the level of confidence that both parties have in each other and their willingness to open themselves to the other party. Three factors are important:

- Integrity: An organization is seen as just and fair
- Dependability: It will do what it says it will do
- Competence: Has the ability to do what it says it will do

Commitment: the extent to which both parties believe and feel the relationship is worth spending energy to maintain and promote.

Satisfaction: the extent to which both parties feel favourably about each other because positive expectations about the relationship are reinforced.

It is proposed that relationships are evaluated quantitatively through a questionnaire and via qualitative methods such as focus groups and interviews. This model of measuring relationships is being widely tested as part of a general trend to the relationship management model of public relations.

Developing best practice

In the UK, there has been considerable investment by the public relations sector peak bodies to investigate best practice. The first of two major studies into public relations practice was published at the end of 2003. *Unlocking the potential of public relations* was jointly funded by the (now Chartered) Institute of Public Relations (IPR) and the Department of Trade and Industry (DTI). The European Centre for Business Excellence was appointed to develop the project framework (available at www.cipr.co.uk). The issues identified by these studies demonstrate how the problems and opportunities associated with evaluation are interwoven across public relations practice. These included:

- Public relations must increasingly be seen in the context of longer-term strategic relationship management and engagement on emerging trends such as corporate social responsibility
- Lack of consensus amongst in-house public relations practitioners as to the importance and effectiveness of audience research. Clearly more to be done to improve the application of research techniques to PR across the industry
- Organisations now outsourcing a broad range of PR activity to consultancies. But the commissioning process is identified as a major problem area, with PR consultancies believing the quality of the brief (objective setting) given by clients to be fairly poor
- PR evaluation was seen as moderately effective across a range of indicators but both consultants and in-house practitioners felt their ability to benchmark performance between different providers of PR was relatively poor

The report argues that if public relations practitioners are to become advisors (or counsellors) at strategic levels within their client or in-house organisations, they must be able to quantify the value of the advice that they offer. Turning to the issue of standard measures to evaluate PR, there does not seem to be any consistency in views on which measures are effective in assessing the impact of PR on the attitudes of target publics. While there is no particular preference, there was general approval of the measures available such as periodic surveys, individual feedback, and the use of (or sales of) products and services. So there seems to be a consensus that there is no measure that is right for all circumstances.

The report implies criticism of practitioners (particularly those working in-house and in the private sector) for not understanding research and not taking it seriously. It points out that there is a tendency for practitioners to place research within marketing rather than being an integral part of the public relations planning process. But the report is unequivocal in stating that research is intimately linked with evaluation and requires expertise in its delivery.

Moving to a broader perspective on evaluation the IPR/DTI report confirms that consultancy practitioners, at least, are looking at evaluating the client relationships their public relations counsel is supporting, rather than simply concentrating on the process of public relations practice: “50% of respondents from PR consultancies stated they measure the quality of relationships with stakeholders/publics on behalf of their client organisations”. This thinking is extended in comments the report makes on evaluation in general, where (among others) the strength of relationships over time is one of the points made, alongside stressing the need again for effective and well-resourced research capabilities.

The DTI/IPR report study concludes that the future for PR practice, and therefore evaluation, is concerned with facilitating, supporting and improving a complex web of stakeholder relationships.

.. a future where PR will be concerned with managing multi-stakeholder interactions. PR practitioners will be involved in interactions with many different stakeholders, whether they are within the organisation, customers or other immediate stakeholders, or one of many other publics. Within this multi-stakeholder environment, PR practitioners will need to become expert in assessing the interactions between different publics and how these

affect the organization. They will need to understand what the organization and its actions mean to each stakeholder group.

Business language and evaluation

The recent debate over use of financial/management language such as Return On Investment (ROI) has been strong in the United Kingdom, with it being featured in the two reports from the IPR that had conflicting outcomes. This use of business language is reminiscent of the Holy Grail single evaluation method argument in that a business term is promoted for wide evaluation usage. The first report, as mentioned above, was the DTI/IPR report of 2003. Its steering group recommendations promoted usage of ROI:

- 1) The Institute of Public Relations and industry bodies should collate and promote resources on the return on investment (ROI) in public relations and identify best practices how boards and management teams request, receive, consider and utilise public relations advice and support to help their organisations better achieve their business objectives.

In 2004, an alternative view came forward in another IPR report which included survey data and interpretation from the media analysis company, Metrica Research. Entitled *Best practice in the measurement and reporting of public relations and ROI* (available at www.cipr.co.uk), the report found that only 6% of respondents (following prompted questions) claimed to measure the contribution of PR in ROI related terms. In discussing the survey data, the report argues against a broad use of ROI or PR ROI:

The actual definition of ROI is a ratio of how much profit or cost saving is realised from an activity against its actual cost, which is often expressed as a percentage. In reality a few PR programmes can be measured in such a way because of the problems involved in putting a realistic and credible financial value to the results achieved. As a result the term PR ROI is often used very loosely. This is not only confusing but also misleading and helps explain why the PR industry has traditionally found it difficult to demonstrate meaningful success that links PR cause to PR effect.

Having considered both cases, the report found against PR ROI and in favour of an alternative, 'evidence-based PR', with the caveat that, "the term 'PR ROI' should only be used when a ratio of how much profit or cost saving can be directly attributed to specific PR activities". Other recommendations included:

- A significant change in the culture of the PR industry is required towards more sophisticated PR measurement as opposed to the 'magic bullet' approach that so many PR practitioners appear to desire.
- Many problems stem directly from an over-simplified view that 'PR is basically free advertising'. This leads to 'measures' such as AVEs (advertising equivalents), which continue to be used despite being discredited.
- When PR is compared with advertising, this should only be done using directly comparable measures, such as 'reach and frequency', 'cost per thousand', or changes in awareness and attitude measured through credible market research.

Conclusion

Public relations evaluation is increasingly using a wide range of measurement techniques that benefit its emphasis on relationship management. The Holy Grail of a single industry-wide all-purpose method of measurement is fading into history and the use of ROI as one-term-fits-all for outcomes is also being left behind. With greater confidence amongst practitioners and wider education on research methodology, public relations practice can develop its integrated approach to planning, research and evaluation to best effect.

AUTHOR

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