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## How Do Organizations Measure Comm

by JULIE A. WOODS

Julie A. Woods is executive vice president of product strategy at Cymfony Inc., a provider of real-time media measurement solutions based in Newton, Mass., USA. For more information, visit [www.cymfony.com](http://www.cymfony.com).



The tracking and measurement of any marketing program has always been difficult, time-consuming and limited at best. Metrics can be even more elusive for marketing communication, and, in

many cases, measurement methods are even inadequate or misleading. It's no wonder that so few companies measure their external communication programs.

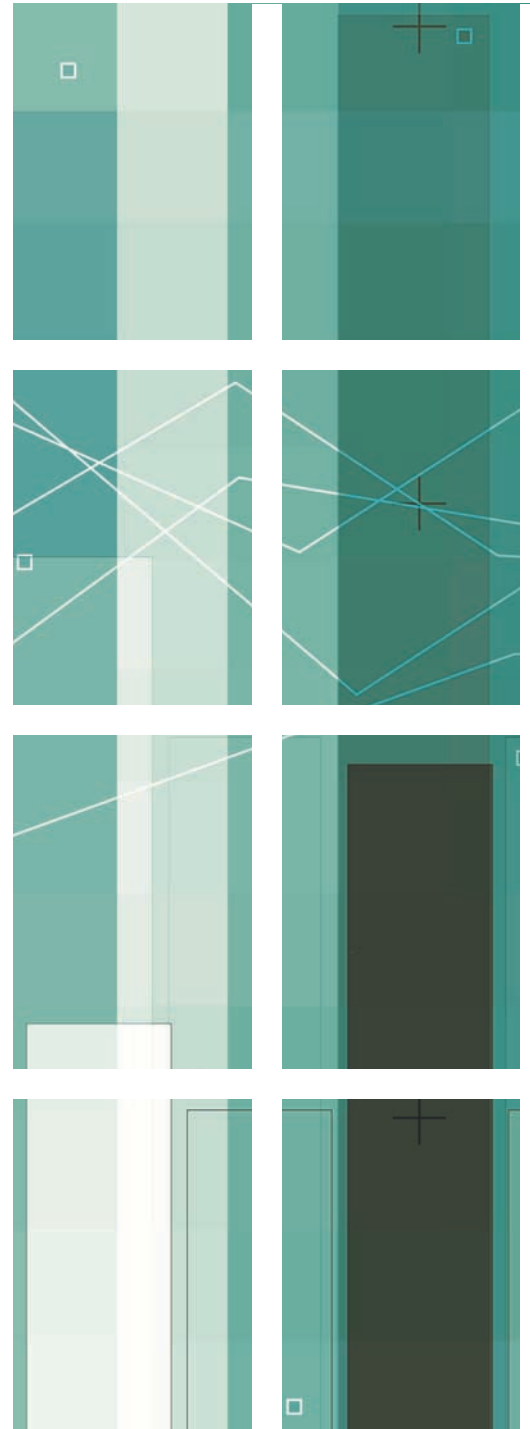
In the "Future Trends" study conducted by Towers Perrin in collaboration with the IABC Research Foundation, it was reported that fewer than 15 percent of survey respondents measure external communication or media-relations efforts. But more than half of respondents are concerned about improving operating performance within their organizations. Other top priorities included rolling out new ways to communicate to the market and building the company and brand image by communicating messages internally and externally.

To achieve these objectives in today's demanding and dynamic marketing environment, measurement and accountability are imperative. Companies are moving away from the notion that marketing budgets should be a set percentage of revenue or based on the previous year's budget. Economic constraints of recent years and the trend toward corporate-wide accountability are forcing communication executives to define new ways to justify their contributions to the bottom line.

The challenge for marketing professionals is to define measurable objectives and incorporate relevant measurement metrics into ongoing communication programs and PR campaigns. Measurement is especially difficult for marketing communication because a great deal of the work and results is based on creativity and the development of relationships.

### TAKING THE FIRST STEP

Fortunately, marketers have within their reach a number of techniques to define measurement parameters and gauge success throughout a campaign, whether it is internally or externally focused. The first step is to identify the strategic corporate goals that can benefit from the successful planning and execution of communication initiatives.



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# TOP 10 MEDIA MEASUREMENT BEST PRACTICES

- > Tie communication goals to corporate objectives.
- > Track a project that matters to the CEO.
- > Measure before, during and after a campaign or initiative.
- > Monitor internal and external messages to maintain consistency of brand and reputation.
- > Measure company's influence across all media outlets and with specific writers.
- > Measure top-tier media separately from all other media.
- > Benchmark performance monthly, quarterly and annually.
- > Combine quantitative assessment and qualitative analysis for a holistic view of measurement.
- > Analyze competitors' communication strategies regularly.
- > Track market activity to identify emerging trends.

These goals may include

- > driving sales leads and revenue
- > increasing customer retention or loyalty
- > increasing employee satisfaction
- > building brand reputation.

Although each goal is often achieved through the combined efforts of many departments, the communication team can define specific aspects of each goal that it can influence. Before launching a new product, for instance, the communication team can test several product messages with selected media targets and determine which gain the best traction in consumer publications. Once the launch campaign is in full swing, it's possible to measure pickup of the messages by the company's top-tier media list and to track adoption of the messages and variants created by reporters who picked up the story line as it was developing. By tying PR messages to web site messages and then monitoring web site and customer call center inquiries, it's possible to track which leads are driven by messages adopted by the media. The communication team can't take complete credit for resulting sales, but it can show a direct correlation between effective messaging and media relations with pipeline development. Operational ties between communication and sales are important financial indicators that CEOs and CFOs understand and relate to.

## PERFORM A COMMUNICATION AUDIT

Once the primary measurement goals are defined, the next step is to perform a communication audit across all communication vehicles, including internal publications, media kits, media coverage, sales materials, customer e-mails, advertisements and web sites. It's important to understand customer and media perception of the company and its brands. Inconsistencies in messaging and focus can lead to confusion among customer prospects, partners and employees. In addition, the communication team may find that it can reduce the number of materials created to communicate critical messages, thereby reducing actual production and design costs.

## DEFINE MEASUREMENT BENCHMARKS

After you successfully perform a media audit, it's time to define meaningful metrics to benchmark communication activities and assess performance against tactical and strategic objectives. Benchmarks should include monthly, quarterly and yearly analysis of outputs and outcomes. In most cases, this will require a combination of quantitative and qualitative analysis. Benchmarks should assess trends in audience perception, corporate or product reputation, and influence among thought leaders, as well as tangible results of campaigns measured against cost factors.

## COMMUNICATE THE ECONOMIC IMPACT

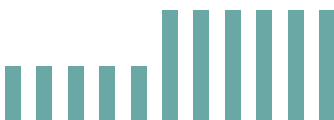
Continual measurement will help gauge the success of ongoing campaigns as well as uncover new opportunities and competitive threats. By proactively measuring communication goals against corporate objectives, the communication team can elevate the CEO's understanding of the economic impact of marketing communication to a new level. Rather than counting media clips, the team focuses on the strategic impact of communication on customers, employees and other stakeholders.

## STUDY EXAMPLES OF MEASUREMENT SUCCESS

Case studies from the IABC Gold Quill awards program provide numerous examples of well-run communication campaigns that include measurement as a vital factor in determining the success of the campaign. These case studies, provided as a benefit of IABC membership, are a tremendous resource for corporations and agencies. Not every case study is a perfect fit for every company, but all provide great learning opportunities.

Two Gold Quill award winners—Barclays PLC and the firm of Runyon, Saltzman & Einhorn for Krispy Kreme Doughnuts—offer helpful examples of successful measurement techniques. Both award winners were able to measure their

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communication successes by spending the time to define their goals up front, align them with corporate objectives, and understand their audience's perception and interests. They designed programs to meet corporate objectives while providing compelling messages to their target audiences that resulted in happy employees and customers.

**Barclays PLC.** The Barclays case study, submitted by John Egan, editorial director of Barclays PLC, demonstrates how consistent use of messaging across all corporate communication vehicles improves employees' retention of company positioning goals and reduces operating costs.

Barclays decided to review their suite of 35 internal publications to determine their effectiveness in the eyes of employees. The review provided Barclays with the opportunity to determine if there were more cost-effective ways to communicate corporate information while also raising editorial standards.

To gauge the success of this initiative, Barclays first conducted a communication audit to evaluate the messages used across all internal magazines and publications targeted to employees. The company also assessed the understanding, retention and perception of those messages among employees through a series of 27 focus groups, 1,145 readership surveys and 300 telephone interviews.

In its initial analysis, Barclays found inconsistency of corporate messages across its publications and duplicate efforts that were driving up costs for production, design and distribution. Furthermore, employees were not entirely satisfied with the information in the publications and lacked time to read everything they were receiving. Barclays learned that employees highly valued internal communication, but they wanted more information about their particular line of business in a more timely fashion. The company decided that the solution was to implement a new communication and publication model that had "one-voice" consistency while meeting the diverse needs of each internal audience.


Ultimately, the company was able to reduce the overall number of internal publications, which resulted in 60 percent cost savings and 40 percent reduction in paper usage. Employee satisfaction and readership grew significantly, resulting in 87 percent of employees regularly reading articles about their business lines, which is critical in a rapidly changing environment.

**Krispy Kreme Doughnuts.** This case study, submitted by Estelle Saltzman of Runyon, Saltzman & Einhorn, demonstrates the use of measurement tools to determine brand perception before, during and after a major new media program and the correlation of communication results against sales objectives.

In March 2000, Krispy Kreme was well established in the southern region of the United States but just starting to branch out across the country. The company hired Runyon, Saltzman and Einhorn to design and execute a store launch campaign in northern California that would drive awareness for the brand as well as actual store sales. The measurement benchmark was to exceed the growing national chain's then-current record of US\$253,000 for opening-week sales in a single store.

The consulting team faced numerous challenges, including the fact that doughnut store openings generally aren't interesting to the media. They needed to create a buzz and build anticipation long before the store opened to ensure blockbuster results on opening day that would carry through the first week. Their first step was to figure out how to distinguish this store opening from other openings and media events in the region. The team set about creating highly memorable messaging, engaging the local police department, local radio stations and newspapers to participate in grand-opening events and setting up a series of advance press releases, media advisories and newsletters to keep Krispy Kreme in the news.

The Union City, Calif., Krispy Kreme store surpassed the national record for first week sales by more than 15 percent, recording sales of US\$298,000. The cost of the campaign was only US\$25,000. The momentum created by the success of the launch carried forward throughout the year, leading to an award as the Krispy Kreme Franchise of the Year in 2002.



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#### MAKE A COMMITMENT TO MEASUREMENT

Both case studies illustrate the tremendous strategic, tactical and operational benefits of implementing a robust measurement program that is driven by corporate objectives. Any organization can begin a measurement program immediately by identifying the objectives that management cares most about and finding ways to tie communication goals to these objectives. The first step is to make a commitment to measurement. **CW**