

What's It Worth? Publicity Metrics Reconsidered.

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There is no standard way to value publicity, and there won't be. There are good reasons for this, but they are not cogent for clients who want to know what they are getting for their money.

This paper examines publicity metrics and arrives at an approach for measuring value. It is not THE answer, but it is a pragmatic system built on the publicity process. Publicity metrics involve process rather than space measurements because unlike paid media in which one purchases column inches or time, publicity requires persuasion of independent journalists to write a story. The approach described here uses ordinary time keeping and spreadsheet software. Some may find it close to what they do, and if so, they are in the vanguard of measuring publicity's value.

A caveat: This paper focuses strictly on publicity metrics. It does not focus on the value of a public relations program, which may include more than publicity. In many PR programs, counseling is a major component and the objective of counseling may even be press avoidance and not publicity generation. For programs that are primarily counseling oriented and secondarily publicity oriented, using any publicity measurement might not be suitable.

Busted Metrics

There are several ways to measure publicity value, but they largely ignore the process of persuasion and the credibility of a journalist's independent assessment. Publicity relies on credibility whereas advertising with an emphasis on media buying finesses it. An independent journalist must find a story credible before considering it, and while reporting the story, must continue to find it believable.

Publicity measurement systems miss the credibility of the medium when they use circulation as a factor in value. Circulation is an eyeball count. A medium with a high circulation can have low credibility, like a supermarket tabloid, or with a low circulation can have high credibility, like a medical journal. Circulation misses credibility vested by the target audience into the medium. A New York Times quote usually has greater impact than Low Valley News (Circ: 1000). On the other hand, if support from Low Valley News is essential to getting elected to the Low Valley school board, a New York Times citation may have no value.

Most measurement systems begin and end with the print, video or audio clip, as if it were the product. However, a newsclip is not a product in the sense that a carefully produced advertisement is. Publicity comes from a process by which a client and media relations person work together and with a skeptical reporter to develop and sell a story idea that turns into a newspaper or magazine clip, video or other form. Without active participation of all three, there is no clip.

Publicity metrics today

The ultimate value of publicity is whether a client is happy. For many PR programs, that is enough. For clients who want measurement, PR practitioners use a range of methods, including:

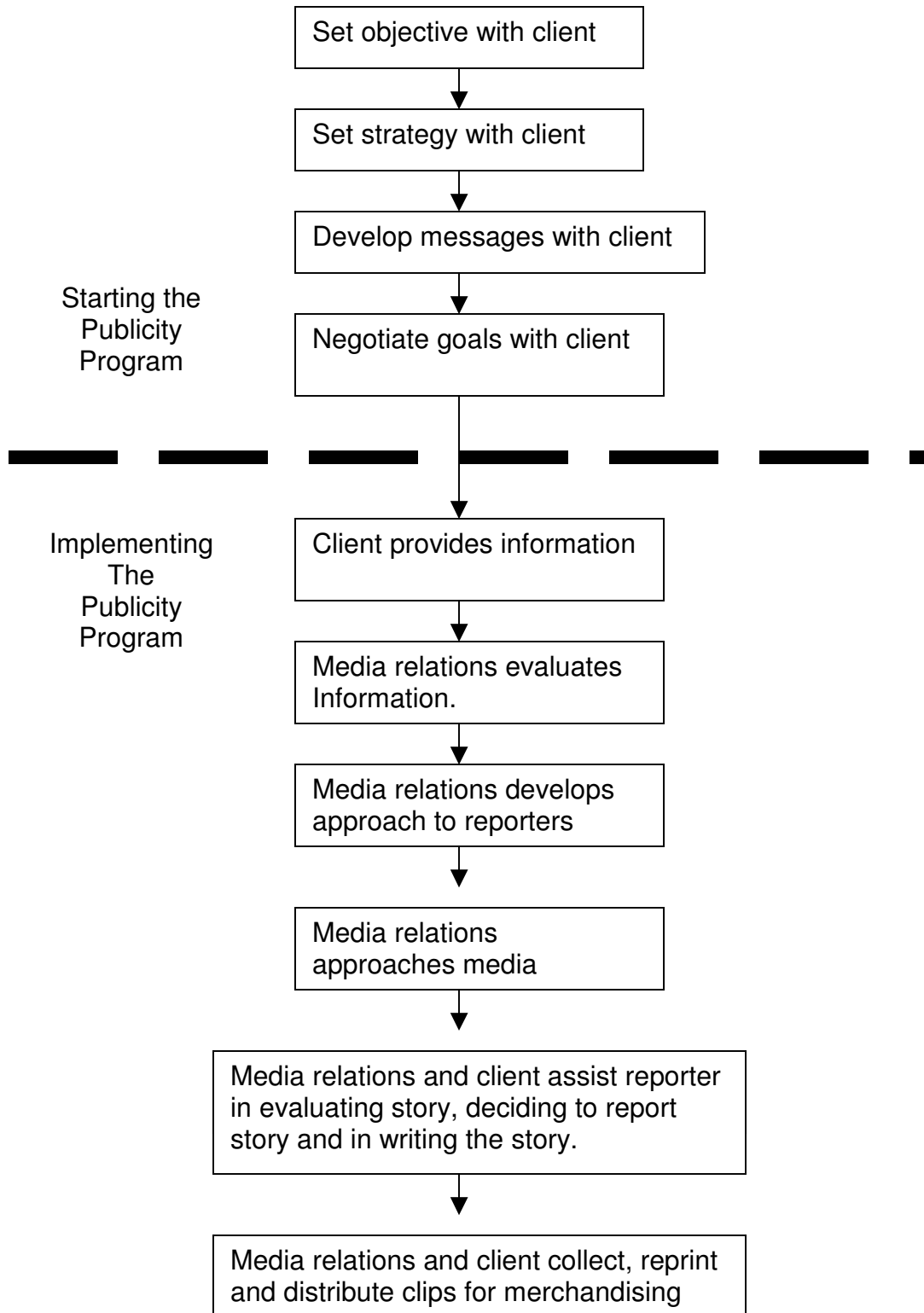
- **Clip counting:** When clips are all the same, such as placement of a pre-written matte story in community newspapers, clip counting might be enough. However, for most clips, which are not the same, counting is meaningless. Do you count a negative story along with a positive one?
- **Advertising space equivalency:** This approach estimates clip value by comparing it with the purchase of equivalent ad space. It includes circulation and pass-along circulation, exposure and other estimates. Advertising space equivalency produces numbers that a marketer is familiar with. It requires no great stretch to use the numbers when planning advertising and publicity campaigns. On the other hand, it misses the credibility factor and treats placement as paid advertisement, which it surely isn't.
- **Content analysis and ranking:** This approach examines each clip to see if the target message was included, if the clip was favorable and whether the story focused on the client directly or indirectly. This measurement gets closer to the value of an individual clip. However, a positive or negative article in a publication with little influence usually has less value for a client than an article in a publication that does. Finally, detailed analysis can be slow and tedious if large numbers of clips are involved.
- **Benchmarking.** This approach looks at the number and content value of clips that competitors generate versus the number and content value of clips a client generates. It provides a barometer of a client's presence in the marketplace. On the other hand, it says nothing about the effectiveness of a publicity effort. A competitor could be outspending or under-spending the client, and the competitor's program could be wasteful or efficient. Secondly, clip collection and processing is a challenge. Not only does one collect and process one's own clips but those of competitors. The expense is more than many companies can afford.

- **Combined approaches.** Some approaches combine parts of all methodologies in a range of reports. Combination metrics can provide insight into what is happening and how an organization is faring. However, if a combination approach has too many parts, it can lead to prolonged and costly measurement activity as well as complex reports that confuse rather than enlighten clients.

Why is publicity measurement so hard?

<p>Ignorance. Clients trained in marketing and media buying often do not understand differences between paid media and publicity.</p>	<p>Convenience. Media buying is well known. It is easy to apply media buying formulae to publicity.</p>	<p>Complicity. PR practitioners give in rather than fight against poor metrics.</p>
<p>No Standard. Because there is no standard for publicity valuation, clients impose systems, or agencies adopt systems convenient for them.</p>	<p>Avoidance. Many PR practitioners duck the subject. If a client is happy, they are happy. If a client is not happy, they install a system of some kind. Some agencies focus on corporate reputation and use surveys, focus groups and other research technologies that establish perceptions, but may have little relationship to publicity.</p>	<p>Small industry. Public relations is a small industry. There has never been much incentive to develop accurate metrics.</p>

The Publicity Process



The publicity process

Publicity involves interaction with clients, PR practitioners and journalists (See Illustration). The process starts with development of a clear statement of the client's **objective** for seeking publicity that includes target audiences. It gives a clear statement of the **strategy** to achieve the objective, **messages** to be sent to target audiences and **goals** for success with specific tasks. Publicity programs fail before they get to implementation because these first four steps are done poorly, if at all.

To implement a publicity program, a client provides **information** to the PR practitioner for use in generating publicity. The PR practitioner **evaluates** the information for its interest to reporters based on the practitioner's knowledge of the media, the topic and the marketplace. If the information is of low or no interest to the media, the practitioner **counsels** then works with the client to find more information or to develop a creative way to make information interesting. This involves developing a **story angle** or **media pitch** that the practitioner uses to approach reporters. Or, it can involve writing and editing a **news release** or staging an **event** to attract media attention.

When media-approach vehicles are completed, the PR practitioner **contacts** reporters and tries to interest them in doing a story. Contact requires extensive **follow-up** to insure that material gets into reporters' hands and that reporters have considered it. This is difficult to achieve because reporters often are not accessible. The task of the PR practitioner is to convince a reporter that it is in the reporter's self-interest to produce a story. However, even with a well-prepared and creative idea, reporters may not write a story because they do not find it newsworthy. If reporters decide to do the story, they often meet with the client to flesh the story out. The client provides more information to the reporter or not, which enhances the opportunity for the story to be written or not. The PR practitioner maintains contact with the reporter until all questions are answered and the story appears.

If a story appears, the PR practitioner **collects, measures and distributes** results and, with client approval, arranges for **reprints** to be used in **merchandising** the client's message in support of the publicity objective. (Merchandising is often the most important payoff, but clients sometimes ignore it.) If a story does not appear, the PR practitioner goes back to the client, gets more information and reformulates the approach. The publicity process is delicate. It can move forward, stall or break at any point. That is why it is important to measure the process and not the clip.

What publicity measurement needs

There are several characteristics that publicity measurement needs. Not all of them are easily achievable and in some cases, proxy measurements are the best one can do.

- **Accuracy.** Measurement should reflect the totality of activity and not just aspects of it. Because publicity is a process of persuasion, accuracy calls for measurement of process.
- **Utility.** Measurement should be easy to do, or no one will do it.
- **Transparency.** Any reasonably intelligent PR practitioner and client should be able to read publicity valuation results and know what is going on. Reporting should depict the flow of activity from the beginning to the result.
- **Equity.** Measurement should reflect accurately the value of the work expended and results sought. Valuation is a subject of negotiation between client and PR practitioner. Some clients do not value counsel or writing or distribution, although all these tasks are part of any result.
- **Scalar.** Valuation should be expressed in numbers comparable to similar numbers, and numbers should reveal how effective a publicity effort was in achieving client objectives.
- **Integrated.** Publicity measurement should combine with core measures used in public relations management – time and expense accounting.
- **Content ranking.** A positive story is worth more than a neutral one. A negative story detracts from a client's objective. A feature story on a client is worth more than a quote. A quote is worth more than a mention. Content ranking is a proxy for credibility. A reporter who thought enough of a story to report it or enough of an individual to quote that person provides the story, individual and organization impartial testimony of their importance to the reporter's audience.
- **Media ranking.** A story in a medium highly valued by a target audience is worth more than a story in a medium that is not. Media ranking is another proxy for credibility, and it is independent of circulation. It is a ranking based on perceived media value to the client and target audience.
- **Adaptability.** Measurement should be robust enough to use in a range of publicity activities without jeopardizing accuracy, consistency and comparability.
- **Consistency and comparability.** An independent observer should be able to compare results among different publicity programs. The observer should be able to audit each step and arrive at the same result as the PR practitioner and client.

Exhibits 1 through 3 follow. (Increase the reading size of page to 200% to view.)

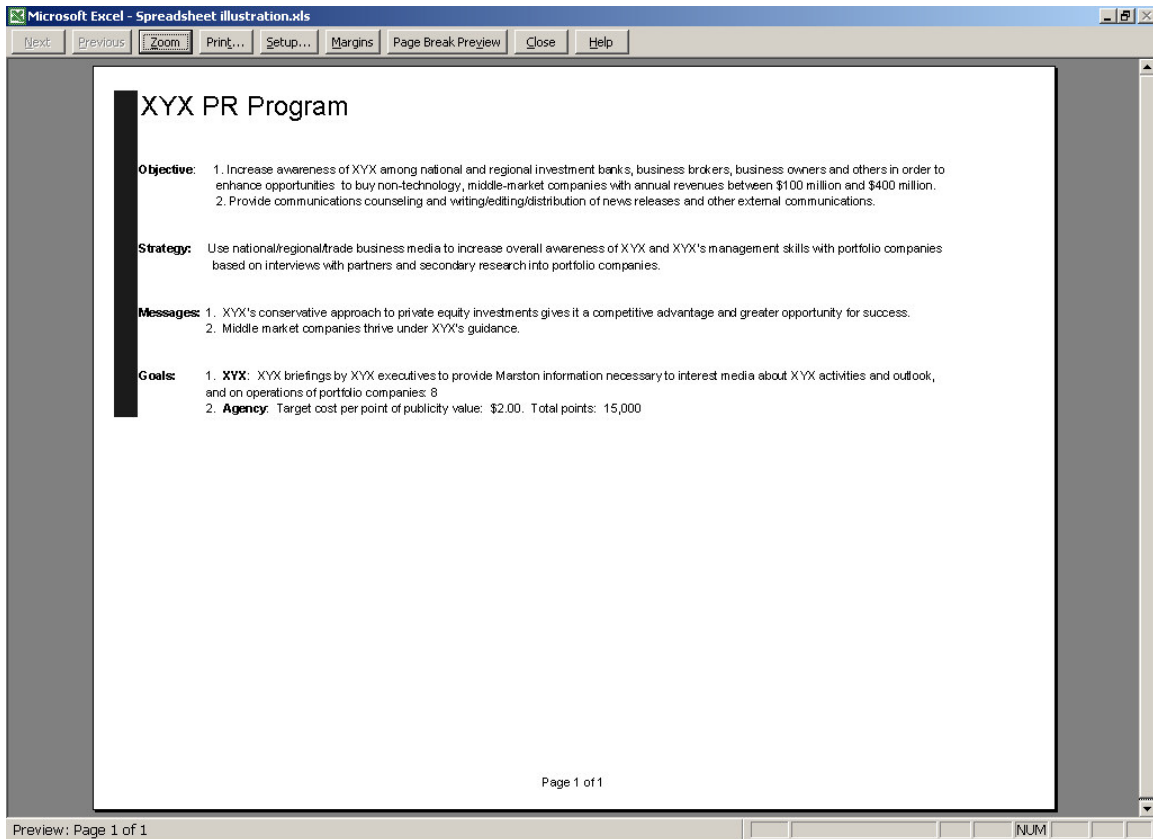


Exhibit 1: The XYX PR Program Summary Sheet

Microsoft Excel - Spreadsheet illustration.xls

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XYX Media Targets

Media Objective: Increase awareness of XYX among national/regional investment banks, business brokers, business owners and others in order to enhance opportunities to buy non-technology, middle market companies with annual revenues between \$100 million and \$400 million.

Scoring basis:

	Score
Media that increase awareness of XYX broadly among national/regional investment banks, business brokers/owners and others	10
Media that increase awareness of XYX regionally among regional investment banks, business brokers/owners and others	8
Trade media that increase awareness of XYX among regional/national investment banks and in its own industry	5

Media	Score	Media	Score	Media	Score
New York Times	10	Washington Post	8	Institutional Investor	5
Wall Street Journal	10	Los Angeles Times	8	Pensions & Investments	5
USA Today	10	Crain's New York Business	8	Daily Deal	5
Business Week	10	Chicago Tribune	8	Buyouts	5
Fortune	10	Boston Globe	8	Private Equity Analyst	5
Forbes	10	Atlanta Journal/Constitution	8	Corporate Acquisitions	5
CNBC	10	Minneapolis Star Tribune	8	PrivateEquityCentral.net	5
CNN	10	Dallas Morning News	8	Mergers & Acquisitions	5
Nightly Business Report	10	Miami Herald	8	Trades covering XYX portfolio cos.	5
Fox Business News	10	Philadelphia Inquirer	8		
CFO	10	Weekly business journals in target markets	8		
Fast company	10	Weekly bizjournals in cities with XYX portfolio companies	8		
IndustryWeek	10				
Inc.	10				
Financial Times	10				

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Exhibit 2: The Media Plan Report

Microsoft Excel - Spreadsheet illustration.xls

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XYX Reporting

Staff	\$/hour
VP	250
Mgr	175
Publicist	125

Content Value
Negotiated
High value = 10
Medium value = 5
Low value = 3
Negative = 0

Value by placement type
Negotiated
Feature on XYX = 20
Press release from XYX = 8
Story in which XYX is discussed = 5
Quote or mention of XYX = 3

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Date	Client Briefings / Info Delivery	Exp. + \$/Time	Evaluation / Counsel/ Story Develop	Exp. + \$/Time	Event/ News Release /Prod/ Dist.	Exp. + \$/Time	Media Approaches / Follow up	Exp. + \$/Time	Interviews	Placements	Media Value	Content value	Type Value	Reprint / Distrib ?	Total Points	Total \$
Oct-06	Z et al. Briefing re XYX story	\$ 688	Pitch letter Intro XYX	\$ 600			40	\$ 1,225	Institutional Investor, and Z et al.	Institutional Investor, article by Q	5	10	20	no	1000	\$2,513
			Pitch letter - Portfolio Cos.	\$ 600			40	\$ 1,400	Institutional Investor and W	Institutional Investor, article by D	5	10	20	no	1000	\$2,000
			Pitch letter - Meet Z	\$ 600			40	\$ 1,313	The Daily Deal - Z et al.	Daily Deal Profile	5	10	20	yes	1000	\$1,913
					Release	\$ 1,200	25	550	Equity Central.net with Z	PrivateEquityCentral.net Q and A with Z	5	10	20	no	1000	\$1,750
									Private Equity Central.net with Z	PrivateEquityCentral.net Extended comment on industry trends	5	5	5	no	125	\$ -
	1	\$ 688	3	\$ 1,800	1	\$ 1,200	145	\$ 4,488	5	5				4125	\$8,175	
									Hit %	34%						
									Interview/Clip	100%						
											\$/point	\$1.98				

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Exhibit 3: The Publicity Value Report

Another approach

The three exhibits above are a publicity program for XYX, a financial investment company. They are three sheets, or tabs, in a Microsoft Excel spreadsheet. The system requires only one other piece of software – a good timekeeping program. There are several on the market. We use Timeslips, a program that allows one to code time by client, project and activity. It can also track expenses. The first tab is a concise statement of objective, strategy, messages and goals of the XYX PR program. Reaching these simple statements required much discussion with the client to distill thinking. The key to each statement was that it be actionable. The PR practitioner could take specific steps to reach a client objective, and these steps could be described in a measurement process. If the PR practitioner cannot define specific steps, then no measurement is possible. (There are publicity programs that are indefinite in implementation.)

The second tab of the spreadsheet lists the media objective, the basis for scoring media and the media ranked by score. This sheet and its numeric values are negotiated with the client from the outset. It requires understanding of what the target audiences read, listen to and/or view and depends on the perceived value of the media to the client and audience. It is common that a client will place little value on a medium that has a high impact on a target audience. It is up to the PR practitioner to persuade the client to include it. The magnitude of media ranking values is subjective, but their relationship is not. One could just as easily assign scores of 100, 80 and 50. The numeric range is a proxy for the value of the publication to achieving the client's objective. The value is not a proxy for the magnitude of the medium. *Low Valley News* could just as easily be ranked 10 and *The New York Times* ranked 5. Proportional differences among values must be kept over time to compare programs. Ranking one program's media 100, 50 and 30 and another's media at 100, 80 and 50 sets up incompatibility. This is true as well for content ranking and placement type value. Comparable rankings must be consistent.

The third tab of the spreadsheet is where everything comes together. It appears complicated but isn't. The sheet reads from left to right. At the top are staff costs, ranking numbers for content value and ranking numbers for placement type. The first column is the date. Reporting can be done in any consistent range – monthly, bi-monthly or quarterly. Because bills tend to come in slowly from vendors, it is unlikely that one could get an accurate record of expenses in less than a month.

Column 2 lists client briefings and/or information delivery and the time/expense taken to process them (Column 3). Information starts the publicity process and digestion of information is the first billable task a PR practitioner will do.

Column 4 -- Evaluation/counsel/story development –continues information digestion, but the focus is on finding and developing a story that the media might be interested in. This may require meetings to brainstorm ideas, further research

and deeper conversations with the client. If a story idea has been isolated, the emphasis may be to find facts and figures to support the idea. In this case, the PR practitioner wrote three media contact (pitch) letters, each of which was listed separately. Time and expense (Column 5) can blur with initial briefing time because a briefing can turn into evaluation and story development. In practice, unless briefings and evaluation are clear steps in a given publicity program, time and expense for client briefings and evaluation are estimated and can even be lumped together.

Column 6 -- Event/news release production and distribution -- reflects structured activities, or projects, with a beginning, middle and end. Any project is likely to be large in terms of time and expense. Producing a press conference or media event can run into tens of thousands of dollars. These costs directly feed publicity generation and can be the largest part of program expense. It is important for clients to understand that such expenditures can significantly change publicity value unless, of course, expenditures produce large results.

Column 8 --Media approaches and follow-up -- detail the number of reporters approached and the time and expense it takes to work with them (Column 9). A large part of publicity is pursuit – that is, making calls and getting reporters to pay attention. Column 8 sets up a ratio between media approaches and placements, or clips, listed in Column 11. This ratio gives a quick gauge of how well a story is “selling” to reporters. A 1:1 ratio is hardly ever obtainable – that is one clip for each media approach. A 1:20 ratio is more likely. That is, one reporter writes a story out of 20 approached. Ratios that rise too high are a quick indication of poor targeting (spamming) or an unpersuasive story. A low ratio, on the other hand, indicates extraordinary success.

Column 10 – Interviews -- is important for the PR practitioner and client. It can happen in publicity that a PR practitioner will work hard to get a client before a reporter for an interview. However, the reporter decides not to write the story. There are numerous reasons why this might happen, but the PR practitioner still deserves credit for making the reporter-client connection. Ordinarily, one would expect close to a 1:1 ratio between interviews and placements. If a publicity program isn't achieving that, the client and PR practitioner need to examine how the story is being communicated during interviews.

Placement (Column 11) lists print, video, audio or other clips that resulted from the efforts in the previous columns. Column 11 is the only report that most clients get without understanding what was done. One can argue, and PR practitioners have, that clients do not want or need to know the process. When I first started in PR, the publicity process was a “black box” to remain hidden from the client. But, we learned over the years that clients who do not understand the process do not value publicity correctly. As a practical matter, if a publicity effort has been unusually successful, column 11 can run for pages and make the spreadsheet unwieldy -- for example, the same Associated Press story runs in 100 newspapers. When this happens, a spreadsheet can become cumbersome. If placements have all the same media, content and type value, one can put them in as one entry and save time and space.

The Media, Content and Placement Type columns (Columns 12, 13, and 14) provide the publicity scoring. Media value comes from the listing of target media in XYX Media Targets. Content value is scored from high in which a story gives key messages to zero for a negative outcome. Placement Type deals with the emphasis of a clip from a feature story on the client through a partial reprinting of a press release to a quote or mention. These columns can be refined or adapted in a number of ways to suit a publicity program, as long as scoring remains comparable. The columns help a client and PR practitioner determine quickly where publicity value is coming from, whether a quote in a high-value medium or a feature in a lesser-value medium. A practitioner may not be able to get a desired story into high-value media but is able to get extensive coverage in lower-value media that achieves the same objective.

The Reprint/distribution column (Column 15) is a reminder to the client. If publicity has not been reprinted and merchandised, the client is not taking full advantage of the credibility that publicity brings to messages and marketing. PR practitioners should make every effort to keep most of this column in the “yes” category.

Points in the media, content and placement type value columns are multiplied and entered into Column 16 – the Total Points column. Line item expenses are added and entered into the Total Dollars column (Column 17). These are summed at the bottom of the column to determine the total publicity value points gained and dollars spent getting them.

Three ratios below the table become simple and comparable measurements for clients and PR practitioners to watch. The first (\$/point) is cost-per-point. This is the key measure of publicity value, and it answers the question, “What did I get for my money?” It is the number a client will look at most because it summarizes the process of publicity in a way that monthly retainers or project fees cannot. Gross monthly or project fees ignore the many activities required in the publicity process and prevent a client from understanding the work that goes into publicity. Cost-per-point, because it is the culmination of the publicity process laid out on one page, is a detailed explanation of where money went and how results were achieved.

The second ratio is “hit percentage” (Hit%). This ratio divides total media approaches into the number of placements that resulted. This is valuable because it shows the client how much effort the PR practitioner expended to get a story into the media. It also tells the client and practitioner whether the story is persuasive to the media and/or whether the practitioner is selling it effectively. Hit percentage will vary by story idea, by medium and by reporter. Over time, however, a client and PR practitioner should discern a range in which the client’s stories fall, and the hit percentage can provide clues to the kinds of stories to develop.

The final ratio is the interview to clip comparisons (interview/clip). As discussed earlier, this should be close to 1:1 – one clip for each interview. But that doesn't always happen because a client might not be able to provide newsworthy interviews to reporters. This ratio is a warning to the client and practitioner that the client might need assistance in telling the story.

Summary

How well does this proposed system meet criteria for a publicity valuation program?

- The measurement **accurately** reflects the process of persuasion.
- The measurement joins data available in PR departments or agencies that keep time and expense records to publicity reports regularly sent to clients. Its **utility** is acceptable.
- PR practitioners and clients can read the report from left to right and understand where money has been spent. The system is **transparent**.
- The system values each major component of the publicity process **equitably** rather than just the clip.
- Valuation is **scalar** and expressed in numbers comparable to similar numbers.
- The system **integrates** publicity with time and expense measures used in PR management.
- The system provides **content and media ranking**.
- The system is **adaptable** to a range of publicity outcomes from many results to few.
- The system is **consistent and comparable**.

Elements of this system are in use today in PR agencies and departments. It is a relatively small step to implement it entirely, and it is possible that some agencies and departments have already done so.

There are caveats that make the difference between success and failure of this or any metric used to report publicity value. PR practitioners can and will play with categories and columns to make themselves look better. However, while category shifting can improve individual column results, the dollar-cost ratio will stay the same. In the end, the client still knows the cost-per-point of publicity. Regrettably, the losers from category shifting are PR managers who do not know where time and expense costs are going and so cannot properly regulate the system. Secondly, PR practitioners will resist a new process of measurement. They will say as long as a client is happy, they will not offer a measurement that could confuse or unsettle the client. This is as it should be. Neither this system nor any other should interfere with a happy client relationship. This proposed system is for clients who are not happy with current publicity measurement and

who want a system that provides a clear view of what the client is getting for the money spent. Finally, significant training issues accrue to time entry. Many PR practitioners, even with timekeeping software that tracks activities by the second, resist using timers and are less than diligent about entering time accurately. This is an area in which PR managers have long needed to change behavior. On the other hand, accurate timekeeping is an issue that goes beyond publicity valuation. It strikes at the heart of PR program management.

We believe, however, that the system described here is a pragmatic way to value publicity based on the process of persuading independent journalists to write about clients and their messages. It is fundamentally fairer than most systems in use.

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