

AVE: What a load of rubbish!

Historically, the South African public relations (PR) industry used Advertising Value Equivalent (AVE) to measure the PR effectiveness or return on investment of news coverage, as the cost of buying space taken up by a piece of coverage in print, online or broadcast media, like it was an advertisement.

PR account executives would sit with a ruler and a heap of newspapers, measuring the size and space of a piece of coverage. They would then use that information to measure the equivalent advertising value of a particular space.

The value of AVE has, however, been debated in the media industry, focusing on both its reliability and validity. Many people are attracted to AVE because it seemingly put a rand value on media coverage, which enables media relations people to compare their results with advertising in terms of rands and cents.

I have several problems with the AVE, for example:

- A community newspaper runs a very negative story about Car Manufacturer X on their front page. The article states that Car Manufacturer X's cars are dangerous and likely to blow up if you switch on the ignition. The advertising rate for the newspaper is R117 per column per centimetre, so at maximum the full page will be worth R20,000. Is it fair to say the negative impact on Car Manufacturer X is R20,000? Surely not.
- There is a beautiful four page article in the Getaway magazine about the Karoo and on the last page in the last line the article states that the journalist drove a Car Brand X across the rugged terrain. Does Car Brand X's AVE equal four pages? Surely not.

More reasons why we need to look beyond AVEs as a PR measurement tool in this evolving industry are:

- Debatable use of multipliers: AVE multipliers can range drastically - from three to ten! This inflates figures tremendously and focuses more on making internal parties happy over a figure, without providing actual substance.
- Social media platforms (Twitter, Facebook, Pinterest, etc.) are overflowing with new users that interact with and follow brand profiles. AVEs don't take into account the dominance of social media, and thus presents a weakness in the measurement of impressions.
- Forced equivalency with advertising: Studies have proven that an advertisement and an editorial have very different levels of credibility. It is therefore pointless to draw false equivalence between advertising and PR.

A new measuring tool

The world has moved away from AVE and is now increasingly using Source Rank, which uses an algorithm that includes the circulation, readership, advertising rate and target audience being banded into groups 1-10.

The same methodology is used for online, except that traffic to a site, unique visitors, page impressions, time spent on a site etc. is included in the 'banding' process. In South Africa Source Rank 1 would be Sunday Times, Daily Sun, iol.co.za and news24.com, as examples.

Sources: Five Reasons to look beyond advertising value equivalent (Edelman Digital), Institute for PR: Advertising Value Equivalent, The AVE debate: Measuring the value of PR (Cathy Bussey)

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