

Slaying the AVE dragon

 By [Francois van Dyk](#), issued by [Ornico](#)

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In preparation for the PR Measurement Summit held in March 2013 in Washington, DC, Ragan Communications and Nasdaq OMX did a global survey among 1500 public relations professionals on measurement with very interesting results. Such interesting results that I was compelled to go on a very long, and mostly cold, quest to dig a bit deeper in search of the magic formula that will defeat the dreaded AVE which is the bane of my life.

What was clear is that 66% respondents in this survey believed that the lack of an industry standard to measure the value of public relations was a big frustration; however, it was rather surprising that 62% believed that there could not be a standard as PR programmes had unique and different objectives. It was indeed a relief to note that only 32% respondents continued to use AVEs, and many unwillingly due to client demand. It seems that indeed some progress was being made in slaying this dragon.

Hence it was an easy decision to get on an Airbus for a 19-hour flight to Washington to go and sit at the feet of the global measurement gurus to gather some of their wisdom. The line-up was indeed impressive: Don Bartholomew, Senior Vice President, Digital and Social Media Research at Ketchum, Chris Boyer from North Shore / LIJ Health System, Christopher Barger (Voce Communications) who is an award-winning communicator, handling General Motors' reputation on social media while they filed for bankruptcy. Many others contributed, ranging from Southwest Airlines' Ashley Petit, Shonali Burke, PBS's Kevin Dando to closing notes by the measurement expert and best-selling author of Likeonomics, Rohit Bhargava.

But let's start earlier. William Thomson, the 1st Baron Kelvin, the 19th century mathematical physicist and engineer who is most famously known for determining the value of absolute zero as -273°C, also left us with two very important statements: "to measure is to know" and "if you cannot measure it, you cannot improve it."

This is really fundamental as you need to determine what objectives your PR campaign needs to achieve and what and how you are going to measure that those communication objectives were indeed met. The measurement metrics need to be determined and agreed upon before the campaign otherwise you will not be able to determine the success or lack thereof. A shotgun approach with the objective to gather as much Advertising Value Equivalent (AVEs) is really not the way to do it. Outcomes need to be measured, eg. behavioural changes in the target market, a growth in revenue etc. and not outputs, eg. 50 articles appeared, 23 retweets etc.

A great example is that you as a communicator are tasked to keep your company's massive retrenchments out of the media, but to remain transparent and minimise negative coverage. Getting huge AVE amounts here meant you obviously failed. A far better objective is to determine specific factors, eg. only to make headlines in two out of 15 daily newspapers. Should you appear in 10 newspapers you can determine that you failed. If you rather approached a specific daily newspaper before the news broke and gave them so much detailed information that other papers would look foolish to rehash the story, you could probably determine with certainty that your communication was a success. Obviously this is a very basic measurement but the choices are legion.

In a recent article, The Measurement Metrics Dilemma (Advantage, January 2013), Brian Berkman also highlighted the AVE problem by citing different measurement results by monitoring and media measurement companies. Different results are easily explainable as different methodologies are used. An AVE is only a Rand value calculated from the size of an advertising rate card, eg. how much would it have cost you, the client, to purchase this media space. Different results occur when "editorial value multipliers" are added as editorial coverage is supposedly more credible than advertising. Such multipliers are nonsense, the truth being that journalism worldwide is threatened by credibility issues as governments, advertisers and big business call the shots. Higher AVE values, achieved by so-called credibility multipliers, are

unfortunately mostly only of value to communication practitioners to ensure AVE targets, and hence performance bonuses and bigger retainers, are met. The truth is measuring communication outcomes rather than outputs, ROI, and reputation is far harder work than AVEs and thus is avoided.

All media is biased in one way or another and generally consumers and the populace know this, rather trusting their peers than communications targeted at them. However, survey results by thestrategyweb shows how social media has changed the game - 77% of consumers claimed they were more likely to purchase a product from a business that has a socially engaged CEO. Though this is a US survey, I can find no better example than the successes FNB has recently achieved, even though CEO Michael Jordaan claims his tweeting is his PR department's worst nightmare!

The adoption in 2010 of the Barcelona Principles by the majority of global measurement professionals has set us on a journey to determine the true value of public relations. However it is concerning that globally 66% of PR practitioners have never even heard of these principles. I would guess locally this figure is much higher.

Ketchum's Don Bartholomew has identified several measurement imperatives for 2013 including measuring what happened, not how much; ensuring that all measurement is transparent; to cease using AVEs as the value of public relations, connecting PR and social media activity to the business impact and most importantly establishing written and measureable goals for PR activities.

To determine a dollar or rand value through one easy formula, which is why AVEs are popular, remain the measurement Holy Grail, although traces of it can be glimpsed. As Chris Boyer demonstrated to us in Washington, a financial ROI for wearing pants can even be calculated! How difficult can public relations then be?

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