

Selling Public Relations Research Internally

Changing The Mindset About Communications

A Report For:
The Commission on Public Relations Measurement
and Evaluation of The Institute for Public Relations

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I

Foreword

"Return on Investment," always a paramount consideration in corporate affairs, has been currently achieving greater importance in the thinking of public relations professionals. Three exhibits are attached for pertinent background reading:

1. *PRWeek's*, report of late 1999 survey of corporate chief executive officers which indicates their rising expectations of what public relations can be expected to accomplish. Collateral research has also recently reported that only a small minority of companies have in place programs to measure and evaluate public relations effectiveness.
2. The March, 2000, issue of *American Demographics* profiles eleven leading communications experts and stresses the importance each puts on effective evaluation.
3. The April 5, 1999 issue of *PRWeek* reported that a survey of corporate chief executive officers found 96% believing that "a good corporate reputation is important," but less than 20% report having research mechanisms in place to evaluate and track their reputation.

A constant challenge to public relations executives is demonstrating how they meet increasing demands for accountability. Obviously needed is greater effort to define and measure incremental behavioral outcomes of every public relations activity that the department or the company initiates.

Results-oriented managers are asserting that successful communications has not occurred unless thought or behavioral change of a recognizable sort can quantify that success (or failure).

Measurable public relations activities can be either:

1. Positive, proactive efforts to gain higher stock price, sale of more products or services, preferred ratings from financial institutions, recruitment and retention of the best employees, to name some of the most obvious.
2. Protective, defensive, crisis management efforts to minimize damage to a corporation's or an organization's reputation, and overall, the building and maintenance of a progressively more positive reputation.

Both these types of activity affect achievement of the organization's business objectives such as sales, profits, long term growth potential, or for a non-profit organization's success in fund raising, and achievement of favorable acceptance by key publics.

While it is difficult to isolate in specific ROI dollar amount that portion due to the impact of other factors like advertising expenditures and the external environment (the seasonal pollen count, El Nino, financial problems around the world, etc.), correlations can begin to be made between Public Relations inputs and dollar outcomes.

The preeminent challenge facing the public relations executive seeking to develop evaluation and measurement systems is gaining acceptance of them from all important parties, starting with the organization head who has to approve the budgets and the staffs who have to develop, execute and then interpret the resulting research.

In short, it is a first-rate selling job, with the classic element of finding the personal and professional advantages to those being asked to sign on to budgeting, planning, and then undertaking adequate research.

It isn't overstating the current challenge to say that public relations departments will have to begin this accountability process voluntarily, or face the prospect of being replaced by those who can. In the ideal situation, the public relations practitioners and senior managers need to demonstrate to overall management accountability measures like other branches of the enterprise have succeeded in developing.

And it is not expecting too much to predict that future successful public relations heads will not undertake programs nor plan events without research at the head-end to establish objectives and post research determining the degree of success achieved.

II

About The Authors Of This Report

In the interest of making the report both easier to read and less technical, little statistical "proof" is offered for the conclusions reached. As a result, the authors feel it advisable to outline the background on each of them, so it will be clearer where conclusions reached are coming from.

In the event, any reader wants more details on the research experience behind any specific statement of conclusion, please feel free to contact either of the authors. Here are the details about how to reach them:

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In 1946, right out of five years of military service in World War II, Walter Barlow joined Opinion Research Corporation, of Princeton. In the twenty years he was with the company he rose through the various levels of research management, becoming President the last six he was with the company.

Barlow's experience has embraced just about every type of research in the technological sense and has covered the major markets of interest to corporate and other public relations professionals. A large part of his work has been spent in conducting research internally for major companies where executives, employees generally, and special technical and other groups were interviewed on matters of interest to corporate clients.

From this experience, and particularly that in developing and managing what is now known as the Executive Omnibus Service which each year evaluates some fifty major U.S. companies on some sixteen reputational attributes, Barlow is able to draw on a considerable wealth of knowledge learned in the course of that work.

Many of the conclusions in the report that follows echo the basic insight that emerged from literally scores of individual surveys of corporate people. Such projects as one undertaken for the Institute (*Establishing Public Relations Objectives and Assessing Public Relations Results*) which specifically covered the role of research in organizational goal setting and evaluation, is drawn upon for conclusions reached and offered.

Lisa Richter, senior vice president and senior partner of Fleishman-Hillard and director of Fleishman-Hillard Research, has 25 years experience directing public opinion and marketing research studies. The 40-plus staff of Fleishman-Hillard Research located in the company's corporate headquarters in St. Louis, Missouri conduct primary and secondary research, media content analysis, competitive intelligence audits, and communications effectiveness audits.

Since joining Fleishman-Hillard in 1975, Ms. Richter has conducted both qualitative and quantitative research for companies and organizations including Caterpillar, Inc., Dell Computer, Emerson Electric, Honda North America, Inc., Anheuser-Busch Companies, SBC Communications, BASF, the Los Angeles Dodgers, Monsanto Company, Ralston

Purina Company, Peabody Coal Company, Washington University School of Medicine, Vision Council of America (VICA), Charles Schwab, and Constellation Energy. Since becoming director of Fleishman-Hillard Research in 1985, Ms. Richter has led the development of Fleishman-Hillard's communications measurement brand, e.c.h.o.TM ("every communication has an objective") and integrated this expertise into many Fleishman-Hillard communication programs, using both traditional and online research methodologies.

Ms. Richter has executed the following types of research: corporate identity, communications audits, communications pretesting, advertising awareness, strategic media content analysis (the Fleishman-Hillard proprietary e.c.h.o.TM system), employee attitude, market and marketing research, environmental communications, investor relations audits, community and voter attitude surveys, membership research, and new product and service concept testing.

Ms. Richter received a bachelor's degree in European history from Connecticut College in New London, Connecticut, and an M.A.T. degree in interdisciplinary social sciences from the University of New Hampshire.

III

Executive Summary

- A. Major barriers to getting effective evaluation accomplished center on people: Senior managers who don't believe "this stuff" can be measured, and staff people, untutored in research, who fear any negative findings might be used against them.
- B. Experienced research specialists on the staff are key to getting effective evaluation sold, and accepted. Most objections to research can be surmounted by intelligent marketing by a communications head, schooled in research capabilities.
- C. Of paramount importance is having on staff talent which can (1) plan and then supervise all research needed (2) establish a professionally-organized data bank where past and current experience can be quickly accessed. And (3) having budgeting and cost control of research supervised by talent experienced in these areas.
- D. Research is only useful insofar as it bears on decisions that improve the effectiveness of public relations program and consulting budgets. Repeated communications of research activity, especially applications to specific problems, up the management chain are important. Keeping the CEO periodically current on what research has produced is a must.

- E. A key to “selling” research internally is to approach the task in modest increments, building upon previous experience.
- F. Where the public relations head is part of the “dominant coalition” in the company or organization it is almost always a result of how effectively research is planned, interpreted, incorporated into decision making, and constantly merchandised throughout the organization.
- G. Two constant needs for success in increasing the acceptance and importance of public relations in organizations affairs: Objectively controlled expenditures and demonstrated measurable results.

IV

Major barriers to internal acceptance of public relations activity measurement and evaluation

Many are the barriers to getting realistic acceptance of measurement, but here are some of the principal ones:

1. Lack of senior management interest and/or support, or even the presence of hostility towards evaluation.
2. Staff inertia, of downright suspicion of the concept of basic evaluation.
3. Competition of other staffs and departments for budgetary support.
4. Lack of professional/research expertise within the public relations staff.
5. The frequently expressed opinion that "values and perceptions as ephemeral as public relations efforts just aren't susceptible to evaluation -- this moonbeam stuff just can't be nailed down."
6. Fear of "being judged" or otherwise finding that enemies or competitors of the public relations function will seize upon research findings to punish individuals or programs, or cause budgets to be cut or abolished.
7. The concept that public relations is "soft activity" results in budgets being usually difficult to achieve, particularly to get them increased when all visible evidence suggests more is needed.
8. The notion prevailing in some organizations that research for public relations research ought to be under the guidance and control of "experts" in the corporate marketing research function.

V

Strategies for overcoming internal barriers

1. Lack of top management interest, support, or even the presence of hostility, towards research and evaluation.

Experience has shown that perhaps the major barrier to top management's support can be gradually overcome when specific evaluation and research results document success, even of the most modest nature.

Importantly, when research results are modest or even lacking entirely, the accompanying determination to capitalize on the knowledge and "do better next time" demonstrates a commitment to improvement.

Constant communication of results-oriented research to senior management eventually can result in their expectation that evaluation will be an integral part of what public relations does.

Perhaps overstated, but from experience comes faith in results, and nothing takes the place of hard figures: "Awareness increased x%, three times more people attended, understanding of key corporate objectives increased by Y %." Needed is the steady effort to relate these changes with behavior of people of all types which impact profits and sales.

2. Inertia is often a result of simple inexperience with what research is and how it operates.

People unschooled in developing evaluation programs feel inadequate when it comes to developing the means by which they can quantify in one way or another what it is they are doing.

The obvious solution to this type of staff inertia is to develop learning experiences that equip staff members with the insight and knowledge they need.

A key to helping staff understand and employ research is having on the staff someone with research experience who can act in the dual capacity as a teacher of techniques and a developer and manager of the research the department determines it needs.

Further, such a staff member is vital in helping establish the ways of research and evaluation that are (A) simple enough to be explained easily and (B) clear enough to show management what has happened, or what is being done about what has happened.

Overall suspicion tends to diminish when staffers realize that what is being sought is insight permitting improvement and not simply data to club someone responsible for the matter being researched.

The only distinction is that research on public relations has the dual problem of being relatively new on the scene as well as measuring what many think is either ephemeral or even unnecessary.

3. Lack of professional research expertise within the public relations staff is more the rule than the exception, even among major large organizations. Staff members responsible for planning and executing public relations programs cannot be expected to engineer the research needed to plan the effort, and then to evaluate it on a past time basis.

Starting with the head of the department, staff members need continually to increase their experience and knowledge of evaluation and measurement methods and procedures.

If the top person sets the pace, continually emphasizes the value and need for good evaluation, smart staff members will quickly get the message. The presence of a trained researcher on the staff, or, if that is practical or beyond the budget, the availability of a trusted consultant hear at hand, can make the difference.

4. The frequently expressed opinion that values and perceptions as ephemeral as public relations efforts possess just aren't susceptible to evaluation.

When the opinion is thrown around that public relations is in a field so ephemeral and even difficult to define, one often hears the observation that evaluation is like trying to capture and measure moonbeams.

Experienced staff members, schooled in research, know that, regardless of how difficult an objective might be -- to "prove" that ten dollars of evaluation creates 20 dollars of results -- there is no escaping the need to try.

With literature being as extensive as it is today, there is scarcely a move that public relations people can make that isn't capable of at least some sort of defensible evaluation. Smart staffers, now equipped with the Internet can click onto sites all over the world that can help them, too; the Internet is ideal for exchanging ideas and sharing experiences.

One fundamental barrier problem with research over the Internet is the absence of control of the interview situation. Getting specific information on a sampling basis is relatively easy, but getting reliable qualitative research such as fundamental attitudes and reactions is difficult when the interview situation

cannot be strictly controlled. And there is the every-present problem of keeping responses confidential.

Many public relations events are capable of producing hard data: How many people came, what they bought, what they said in exit interviews, their intentions as a result of what they learned, etc.

More esoteric matters often can be illuminated by a handful of in-depth interviews, undertaken by some professional trained in teasing out the nuances that often are so hard to define.

With more and more money being expended in public relations -- and the evidence is around that budgets tend to be going up -- there is likely to be less of the "moonbeam" type of wisecrack used to dismiss things that just shouldn't be dismissed.

5. The fear of "being judged" or otherwise finding that enemies or competitors of the public relations function will seize on research findings to punish individuals or programs, even causes budgets to be cut or abolished.

Fear that research results will be distorted or used as weapons is always present in some degree or other, and is a real barrier to selling the concept of good evaluation. Here the department leader and project managers have a main job of protecting people whose efforts are being surveyed.

The salutary thing about basic and valuable evaluation that public relations itself develops and agrees to live by is that, once underway, findings that aren't earth shaking take on a different hue: "We learned a lot, and here's what we are going to do about it." It takes time to overcome the doubts and boredom of a key group, and one has to be satisfied with modest gains.

Then, too, when the public relations department develops its own evaluative programs and gets them professionally implemented, there is a manifest value in presenting the results to top management. And it is the rare top manager which cannot be impressed by the willingness to risk asking questions, and then being willing to listen and act on the results.

Again, if the head of the department takes the lead here, he or she will find that subordinates will be less loath to reach for evaluation, even informal and less than far reaching, of their own efforts.

6. The concept that public relations is "soft activity" results in budgets annually difficult to achieve, particularly to get them increased when all visible evidence suggests that more is needed.

With the often encountered reaction at the top of companies and organizations that public relations is a sort of necessary “soft” expense, getting real support for adequate budgets can be truly monumental. But the experience of companies which have gone the furthest in developing their own research expertise and capability report that they have less difficulty today in getting budgets approved.

Essential for an effective public relations operation is the acceptance by senior management that public relations should be managed scientifically, just like other corporate functions. Those companies most successful in their handling of the public relations function inherently agree with this concept and operate accordingly.

7. The notion, prevailing in some organizations, that research for public relations ought to be under the guidance and control of "experts" in corporate marketing research or other function.

Because marketing research, particularly in more consumer-oriented companies, has been around a long time, and often commands appreciable budgetary support, it is all too easy for top executives to tell public relations to "run it by market research."

While there is nothing inherently wrong about doing just that, the danger is that market research people, usually undereducated in measurement and evaluation of qualitative and complicated public relations ideas, bring little to the table by way of help.

Even worse is permitting marketing research to call the shots, because there is always the danger that, through choice of questions and issues to research, market research will be affecting policy which is the purview of public relations.

It's a matter of turf, of course. But most successful public relations executives jealously guard the conception, preparation, and activation of research necessary to their own planning.

8. Competition of other staffs and departments for budgetary support.

Competition for the money to do the job is a fact of life, and for public relations executives, one that is complicated by the fact that relatively few have developed the staff expertise and undertaken the evaluative research which permits legitimate fighting for the money to "enhance and preserve the corporate reputation."

The only known antidote here is developing the rationale for the needed research budget through break-down of its elements and programs and then demonstrating

that there are no other resources within the organization which can meet the needs.

Then there begins the gut-level type of negotiation which anyone familiar with budgeting meets every day.

Experience with adequate measurement and evaluation systems demonstrates that research saves money by eliminating or changing ineffective programs.

VI

The importance of staffing and budgeting public relations research

Two basically different situations are present:

- A. The company or organization has its own department, but also retains a public relations consulting organization. Some consulting organizations present themselves as able to develop, handle, and execute through suppliers the research needs of the client organization. Other consulting organizations offer advice and background experience, leaving it to the client to deal with whatever outside research help is called for.

Both situations exist, and each can successfully fill the organization's needs for research planning, execution and marketing of results. The only reservation experience seems to add in this area is that for a client company to put the research responsibility completely in the agency's hands runs the danger of having the agency set policy by defining research objectives and interpretation of results.

Best results come, when consultants are involved, when the company retains control over the planning, execution and implementation of whatever research is undertaken, with the agency operating as a support system giving advice, occasionally furnishing staff assistance, but otherwise deferring to the client head for basic strategy and decision.

- B. Another approach, widely used, is for a company organization to build into its staff the capabilities of planning, handling, and interpreting of any research developed. Obviously, this requires research professionals present on the staff, with probably subordinates to help in the execution and analysis and delivery of the results.

In such an instance, a company can even set up what amounts to a research company within its own walls, but this is usually present only when overwhelmingly important secrecy is needed to protect the research findings from getting into the wrong hands.

Company research capabilities of an extensive nature are not often found, because most big companies today find it more cost-beneficial to maintain a professional research function which is basically concerned with planning, budgeting, and managing the research program. With so many and varied research suppliers available today, a good staff can often produce, with outside assistance, equivalent excellent results that an in-company facility can, but at substantially lower costs.

Then, too, corporate research staffs can at times become insulated from the best that is going on outside, and find that much that they need to know about is passing them by.

The overriding considerations in staffing and budgeting are these:

- A. Having an adequate and professionally-competent manager to plan and oversee whatever research is undertaken, and in a strong enough position to challenge the department head when a decision, in his or her judgment, is going to be a mistake.
- B. The establishment of a data bank which collects and codifies the research that has been done, and forms the basis for planning and budgeting follow up, as well as additional proprietary research.
- C. Having talent available (presumably it could be the research manager) proficient in budgeting and setting up of controls to see that commissioned research is done correctly, on time, and within budget.

VII

The need for constant merchandising and marketing of the research process, results, and ongoing plans for development

If there is one area where many staffs miss a great opportunity it is in neglecting or insufficiently marketing the findings and conclusions of the research it undertakes.

Even if the research involved is the relatively simple readership and overall evaluation of a newsletter, what is found, particularly in terms of what needs to be done about it, is of basic interest to a surprising number of readers. Getting such a newsletter, they have the capability of understanding what the findings are and can follow the results action.

For a chief executive, it obviously behooves the department head to selectively inform him/her of anything which is of specific and private interest, and do that before letting the organization know.

Repeated reporting of research results, and importantly what is done as a result, of them gives the department an opportunity to tell the organization that, in effect, it's managing its activity in a way that other branches of the business have been doing for decades. And on this matter of merchandising, let it not be forgotten that people outside, particularly in the financial area, are avidly looking for evidence that a company is smartly managing its assets. A company which turns in a sparkling financial performance can be appropriately recognized, but when that company also manages its communications activity with sensible and appropriate evaluation, and then communicates that to key analysts and writers, a desirable perception of competence in another area is evident.

VIII

A few comments on budgeting that appear worth mentioning

Researchers are frequently asked, "What should we be spending on research?" And the doctrine answer is that, because communication is strictly a two-way proposition, that the amount spent on corporate "talking" should be the research objective.

No one has even come close to matching the research budget with the "talking" budget, if for no other reason than advertising alone is generally of huge proportions, and there just isn't room for a comparably big research budget.

But experience is showing that about 10% of the public relations budget is a reasonable amount to budget for research. The initial objection may be that, "Research has never been budgeted before, so that means other programs will have to be cut that much."

And successful companies are finding that budgeting research, and then requiring that it be done, done right, and then reported and implemented, has an all-around salutary effect on everyone, including the executives who have to approve the budgets, and the staffs who have to spend them.

IX

A case study from the consulting field

An experience from the consulting field illustrates an effective approach to the concept of selling research. In this instance, the agency has found that the most effective ways to sell research is to "give some of it away" at the front end to demonstrate its value to account planning and evaluation and "train the client" what to expect, and ultimately pay for quantification of some kind.

This agency reports that with this investment they establish a concrete starting point, and have found that many "non-numbers" oriented public practitioners tend to be convinced of the value of measurement once they see "baseline" bar charts and potential graphs of measures like:

- Client "share of media voice" against key competitors
- Percentage of articles containing target messages against message communications of key competitors
- Buying patterns in test/control markets with/without PR using scanner data
- Change in unaided and aided awareness pre/post programs
- Attendance at events
- Web site click-throughs
- Inquiries to a toll-free telephone number
- Etc.

In seeking new business, this agency will invest in conducting benchmark media analysis of recent competitive coverage in key media, and determining awareness and attitude surveys among key groups of individuals (15 to 30 interviews), consumer Omnibus polls, etc., to make tangible certain measures that the agency will track their program results against. This investment helps sell the agency over others in part because the data, while mainly qualitative, is used to develop what is perceived to be a more strategic approach.

Ultimately, of course, it is the client who decides the need for some sort of measurement research to identify impact achieved, and then to agree to pay for it. This agency has found that most clients end up wanting research they are willing to pay for.

This little case study can be quickly adapted to the corporate organizational situation where the public relations department has not budgeted or been able to buy research. Let an aggressive department head follow the plan outlined by the agency, using a lot of ingenuity and a little money, and it's quite possible that a compelling case can be made for a start in research budgetary planning.

“Start” is a deliberate choice in words, because that is all that can be hoped for in the initial stages.

X

A Final Observation

A few years ago, The Institute for Public Relations Research and Education commissioned a survey of corporate practice and experience in the area of research and evaluation.

With the help of a group of experts, the research house undertaking the study developed a list of 33 companies, each one of which was judged to be in the forefront of whatever thinking is going on in research and evaluation. One of the major findings is that research plays a key role in the public relations function's internal success.

All public relations departments in the 33 companies reported at a high level, but it was clear that eight were definitely represented in what is often referred to as the “dominant coalition.” The heads of public relations in these companies were around the table when the company’s decisions were made and obviously had a hand in formulating them.

Here are common characteristics of those eight companies:

1. Public relations reports to the CEO in all cases.
2. Public relations goals are set annually, keyed to corporate goals.
3. Research on effectiveness is budgeted annually.
4. Research supervision is assigned to specific staff member.
5. Evaluation is tied directly to goal setting, both corporate as well as departmental.
6. Five in eight have trained professionals in charge of research.
7. Five in eight send staff members to advanced training at, for example, The San Francisco Academy and The Institute for Public Relations Research and Education seminars.

The universal experience of these eight companies is that research and evaluation play an absolutely crucial role in the ability to do what their companies expect of them. "It has become a way of life, and we wouldn't think of managing our affairs without it," is the way one well known and respected head of corporate public relations expresses it.

Even good research won't solve all problems, obviously, but without it, there is little hope that public relations will be able to rise very far in importance without objective evidence of (1) control of expenditures and (2) demonstrated measurable results.