



Adopted by the IPR Commission on
Public Relations Measurement and Evaluation

October 8, 2010

Report of the Advertising Value Equivalency (AVE) Task Force

Submitted by: Dr. Brad L. Rawlins, Chair, Department of Communications, Brigham Young University, Task Force Chair

Task Force Members: Toni Griffin, Director, Public Relations, MetLife; Rebecca Harris, Senior Communications Manager, General Motors; Fraser Likely, President, Likely Communication Strategies Ltd.; Tim Marklein, Executive Vice President, Measurement & Strategy, Weber Shandwick; Brad Rawlins, Mark Weiner CEO, North America, PRIME Research.

1. Motion passed at October 2009 Measurement Commission Meeting:

The IPR Commission on Public Relations Measurement & Evaluation voted to reject the term, concept and practice of Advertising Value Equivalency (AVE) in October 2009.

2. Definition of AVE

The calculation of space or time used for earned media (publicity or news content) by comparing it to the cost of that same space or time if purchased as advertising.

3. Reasons why we reject the practice of AVE

The term, Advertising Value Equivalency, erroneously suggests that the space and time occupied by *earned media* generated through public relations is equivalent to the same space and time of *paid media* when purchased as advertising. There is no evidence to suggest that advertising and editorial space hold equivalent value. Advertising is purchased and affords complete control to the advertiser for content, placement and frequency and is almost always positive. In contrast, publicity, or earned media, is only *semi-controllable* after ceding the final output to the medium that may result in positive, neutral or negative messages. While *earned* and *paid* media deliver messages, the editorial imprimatur represented through earned media is a key differentiator. The two are not equivalent concepts and should not be treated as such.

Additionally, AVE is not a proxy for measuring the return-on-investment of public relations. AVE subjugates the value of the messages delivered through public relations simply to the cost of the space and/or time occupied by advertising, not the impact or effectiveness of public relations in its broadest definition. Even more problematic is the use of AVE to represent a public relations outcome, and a meaningful measure to represent a financial return on investment. This obfuscating practice often prevents or misdirects focus from quantifying the more meaningful outcomes of public relations. The Commission recognizes that the use of AVE is a common

practice because calculating AVE is inexpensive and accessible but this does not justify the practice as appropriate.

4. Measuring the Value of Public Relations

First and foremost, the commission encourages measurement and evaluation practices that demonstrate the degree to which public relations efforts contribute to organizational goals. Ultimately, outcome-based measures—such as awareness, understanding, attitudes and behaviors—provide a better way to demonstrate public relations' unique impact. While some of these outcomes might be *transaction-oriented* (sales, membership, donations, enrollment, etc.), there are other important results of effective public relations. Examples of viable and quantifiable public relations outcomes include improved relationships, increased trust, higher levels of satisfaction and loyalty, enhanced reputation and meeting expectations for social responsibilities.

5. Measuring Public Relations Messages

The Commission recognizes that achieving outcomes requires communicating effectively with key audiences. Therefore, it is necessary to measure the quantity and quality of public relations output in order to demonstrate a contribution to outcomes. Whenever possible, it is best to isolate the message generated by public relations and control for other variables in order to more accurately measure the likelihood of direct impact on the target audience.

Measuring media coverage is a valuable way of evaluating media-focused public relations and the delivery of intended and unintended messages. However, AVE does not evaluate the quality of media messages and their probable impact on outcomes. Any measure of media coverage should also include variables such as tone, prominence, placement, appearance of key messages, the portion of story that applies to the organization or its key messages, and the credibility and targeted reach of the medium in which the message appears. It is also better to compare data to previous performance, expected outcomes, or competitors. Without these comparative contexts, the numbers are not as meaningful.

These best practices for measuring quality of media output are not intended to supersede the importance of measuring outcomes, nor do we suggest that the primary purpose of public relations is to generate media coverage. Rather, these recommended practices propose to improve the way that media coverage is measured and evaluated when it *is* an essential part of the process.

###