

Align Corporate Communications to Achieve Business Goals

A simple six-step process to use communications
and measurement tools to drive business

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When corporate communications are simply focused on the raw measurement of clips, they aren't measuring the direct and powerful link between corporate communications programs and corporate goals.

FOR DECADES, corporate communications professionals have focused near exclusive attention on the communication aspect of their craft at the expense of corporate business goals, and corporate communications people haven't been measured against what really matters in a business - revenue and profit. As a result there is a strategy disconnect in their organizations. This disconnect has been the fault of management teams (who haven't measured corporate communications teams on what they really value) as well as the corporate communications profession (which sticks to traditional measurements such as "press clips" and "advertising equivalency" to show value). Many PR agencies have perpetuated the problem by publishing slick and expensive "clip books" to show the value of communications programs to management teams. When corporate communications are simply focused on the raw measurement of generic clips, they aren't measuring the direct and powerful link between corporate communications programs and corporate business goals.

CEOs and investors have become increasingly skeptical about the return on investment in the corporate communications department. The quote, "I know that half of my advertising budget is wasted. The problem is that I don't know which half," could easily be applied to corporate communications. But not knowing where half of your PR and communications spend goes just doesn't cut it with the management team or the board anymore. Other departments defend every last dollar spent and have invested in the tools to help them measure how they add value; corporate

communications needs to do the same. Clip books don't matter. Nor does the "advertising equivalent" metric that some PR firms spend hours calculating (which they then bill back to the client). No CEO or management team member is measured on clip counts or ad equivalency. Have you ever seen "press clips" as a line item on a corporate balance sheet? No. So why should the PR department use these forms of measurement?

We've worked on hundreds of corporate communications programs and we've seen how transformational a properly aligned strategy can be.

YOUR ORGANIZATION'S GOALS

What we need to do is align corporate communications objectives with those of the organization. For most corporations, the most important goal is profitable revenue growth, achieved either by generating new customers or by retaining existing customers.

So your first step is to understand your company's business goals and write them down in detail. The important things you write down might be "grow revenue in Europe by 20%" or "increase new member sign-ups to 100 per month in the fourth quarter " or "or generate \$1 million in Web sales next year " or "double revenue in a new product category."

Now that you have the corporate communications plan focused on the right goals, i.e., those of your organization, you are ready to develop a plan to help the organization reach these goals. And like other departments (such as sales), you will also measure your efforts against the goals.

In this way, you will show true value to your management team and board of directors, and you and your team will be seen as a direct contributor to your company's business success.

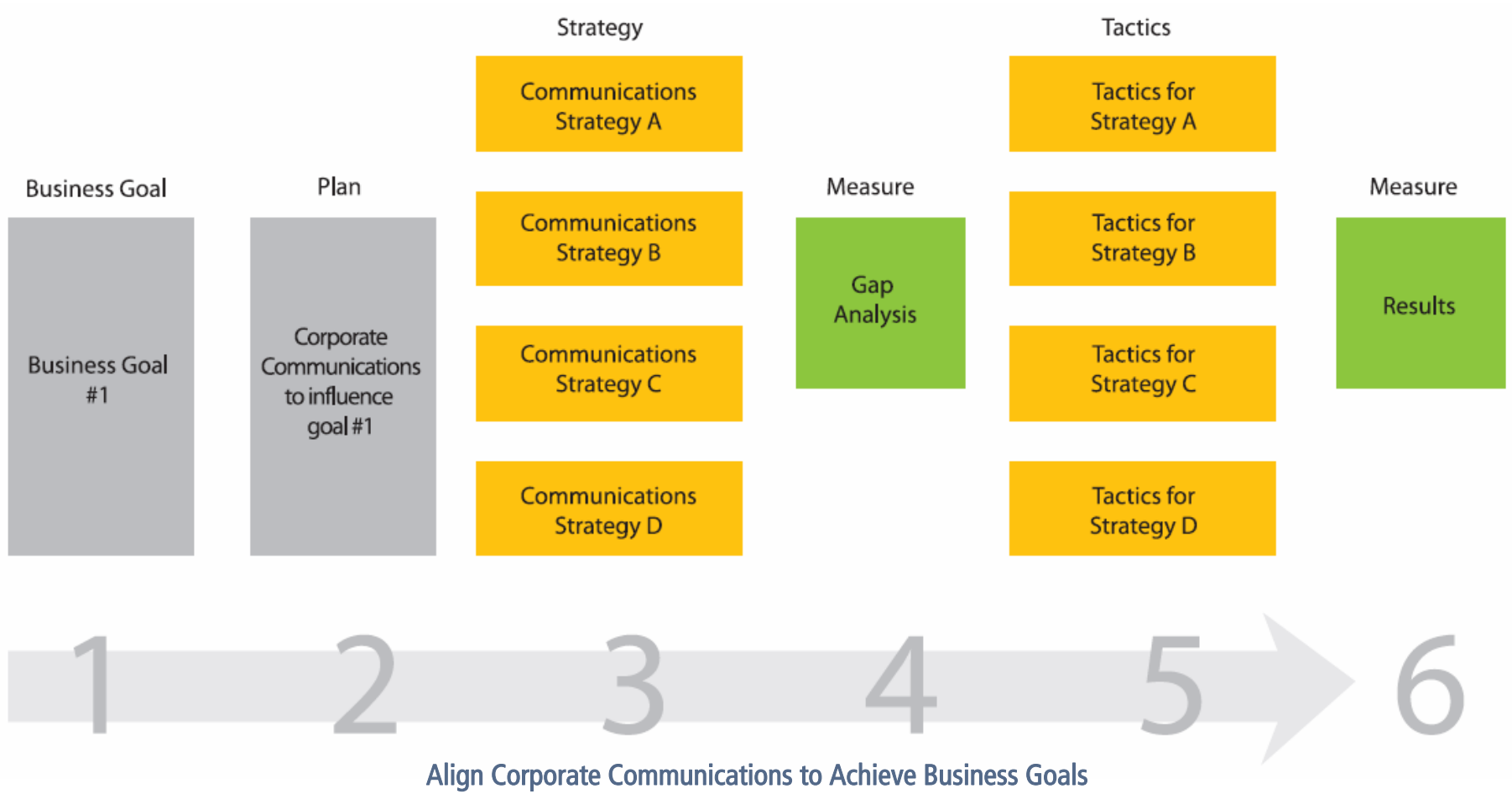
THE SIX-STEP ALIGNMENT PROCESS

Corporate communications departments are full of very smart and enthusiastic people working hard on tactics that don't support organizational goals. That's where the disconnect happens and why there is so much waste in corporate communications budgets. We've worked on hundreds of corporate communications programs and we've seen how transformational a properly aligned strategy can be.

Using this six-step model enables you to align your corporate communications to achieve corporate goals. The model includes two phases of measurement: a benchmark gap analysis in step 4 and results measurement (which typically is an ongoing activity) in step 6.

Step 1 - Understand your corporate business goals. If the management team is focused on a goal of 10% revenue growth in North America, that should be your goal too. We want you to get away from arbitrary measurements like clipbooks and advertising equivalency as your goals and instead work to achieve the real goals of the business.

Step 2 - Develop a corporate communications plan to influence the goals. Your team objective here is to build a plan for achieving each of the management team goals. This will be unlike typical corporate communications plans you might have done in the past that focused on press releases and media relations as a starting point. Instead, you will start with the business goals and work from there.



Step 3 - Create communications strategies to support each goal. Your plan will contain specific communications strategies. For example, you might develop a strategy of becoming better known among influential bloggers who write about issues that are related to the goals you identified in step 1 so they mention your company and products in their blog posts. You will want to develop the strategies that support the corporate goals in a way that you can show it to your management team for discussion and approval.

Step 4 - Conduct a gap analysis to understand your benchmarks. In our experience, management teams love data and metrics, so you will need to supply this to them.

Step 4 is the most overlooked in the six-step process, but it is critical for the process of measuring your corporate communications strategy and proving value to your management team. What this step does is develop and analyze metrics that we will use to measure the results of the tactics we deploy. For example, if our strategy from step 3 is to be better known among influential bloggers so they write about us, then in step 4 we will measure how well we are known today based on the number of times our company and product is mentioned on the blogs we have identified. We might also measure how positive (or negative) those stories are and how often we are mentioned compared to the competition. This initial measure—the benchmark—will then be compared to where we would like to be and the resulting gap is what we will be, minimizing by using the tactics in step 5. An added benefit of doing a rigorous gap analysis over several different strategies is that you can compare and contrast the gaps for each strategy. By overlaying a level of importance for each strategy, you can determine the amount of resources that must be devoted to each strategy.

Step 5- Develop communications and media relations tactics for each strategy. In step 5 we actually execute on the programs we have developed for each of the strategies. If you've been following the six-step process that we suggest, you already will have received approval from your management on the strategies to help the organization achieve its goals, and only now are you ready to execute on tactics. Compare this to the typical corporate communications plan where you jump into tactics first thing, writing press releases and dealing with the media without thinking about what it means to the business.

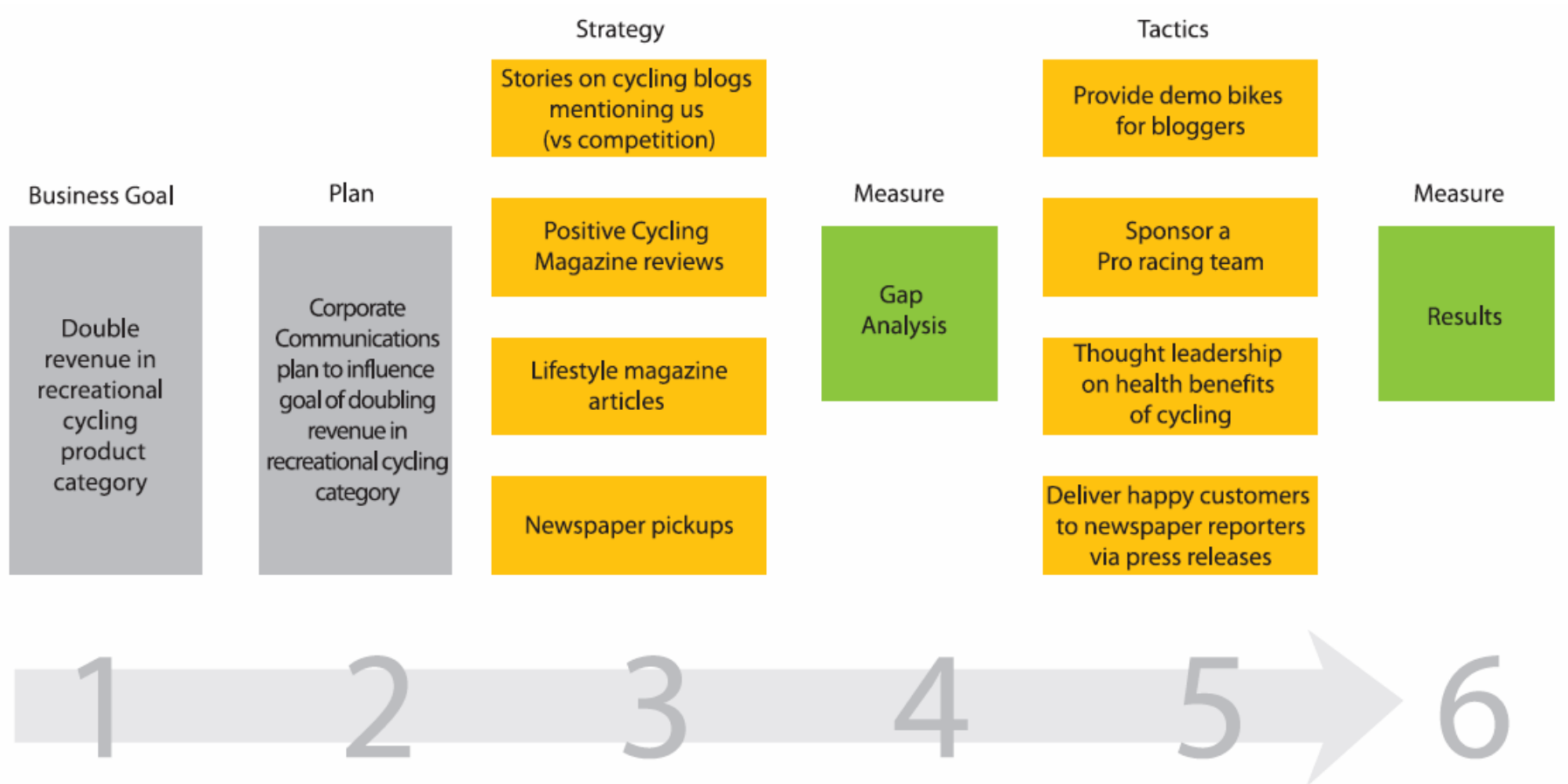
Step 6 - Measure the results of your tactics. This step is critical because it ensures that we are focused on helping the company achieve its goals and it enables us to report back to management on a regular basis.

EXAMPLE OF THE SIX-STEP PROCESS AT WORK

Let's look at these six steps using an example of a hypothetical bicycle manufacturer. In step 1, the corporate communications team meets with the company's executives to understand the corporate goals. Let's assume that one business goal is to "double revenue from the recreational cycling product category." Because the corporate communications people must be aligned with corporate goals, they develop a plan that will help the organization to achieve this important goal.

The corporate communications team develops a plan in step 2 and the individual strategies in step 3 that will be used to help the business achieve the goal. For example, they might want to increase the ratio of times that their products are mentioned on cycling blogs compared to the competition. Each strategy is written down because later the strategies and metrics will be shared with others in the organization.

The critical measurement step where the corporate communications people establish benchmarks happens in step 4. The company establishes benchmarks showing its current status, and then identifies steps to achieve its business goals. An important aspect of this step is conducting a gap analysis that will help to identify the priorities for each strategy; that way the communications team knows where to focus in order to gain the most leverage from its programs.



Align Corporate Communications to Achieve Business Goals: Example = Bicycle Manufacturer

The execution of the tactics (e.g., a program to provide demonstration bikes to influential bloggers to help increase the percentage of blog posts that mention the company's products compared to the competition) happens in step 5. Finally, in step 6, a continual measurement program is established to make sure that the plans are working and also to report back to management on progress. This final step is also important to show how the corporate communications department is essential in supporting business goals; it justifies the department not just as a cost center, but as a group that helps drive business goals such as revenue.

THE GAP ANALYSIS IN DETAIL

Measuring your corporate communications programs is absolutely essential for you to not only show your success to management, but also to increase your standing within your company and get your own seat at the management table. The gap analysis that we touched on in step 4 is one of the most effective ways to speak to management with real and concrete data about your departmental goals. Just like the sales department and their intricate spreadsheets, a gap analysis will show your management team and board that the corporate communications department has the financial and analytical rigor that the executive team expects and respects. This kind of analysis is still rare in companies today because we have been so focused on executing on our tactical jobs of issuing press releases and maintaining media relations.

The gap analysis takes each communications strategy you have developed and compares the current status with the desired goal. The easiest way to do this gap analysis is to identify a way to measure each strategy; assign a **target** of what you would like to achieve **based on a one-to-ten scale**. Then use **media measurement and text mining** tools to establish a current benchmark for each strategy, also on a one-to-ten scale. By subtracting where you are today (the current benchmark) from where you would like to be (the target) you get the **gap for each strategy**. You can then apply the same one-to-ten scale to **assign a level of importance to each strategy**. By multiplying the gap by the importance, you'll end up with a priority scale of the communications projects—your department can use this to apply funds and manpower and also to **get sign-off from the executive team**.

Corporate Communications Gap Analysis Formula*

TARGET	MINUS	CURRENT	EQUALS	GAP	TIMES	IMPORTANCE	REVEALS	PRIORITY
Measurement Target communications strategy A		Measurement Current communications strategy A		Gap A		Importance of A		Priority A
Measurement Target communications strategy B		Measurement Current communications strategy B		Gap B		Importance of B		Priority B
Measurement Target communications strategy C	-	Measurement Current communications strategy C	=	Gap C	X	Importance of C	=	Priority C
Measurement Target communications strategy D		Measurement Current communications strategy D		Gap D		Importance of D		Priority D

*Each measurement is calculated on a 1 to 10 scale / 10 is highest

We can't stress enough how this kind of rigorous gap analysis helps the corporate communications teams who use it to work effectively with management. To illustrate the gap analysis further, let's look at the bike company again.

Corporate Communications Gap Analysis / Example: Bicycle Manufacturer Measurement Elements

TARGET	MINUS	CURRENT	EQUALS	GAP	TIMES	IMPORTANCE	REVEALS	PRIORITY
Measurement Target Stories on cycling blogs mentioning us (vs competition)		Current Measurement Stories on cycling blogs mentioning us (vs competition)		Gap A		High		Priority A
Measurement Target Positive Cycling Magazine reviews		Current Measurement Positive Cycling Magazine reviews		Gap B		Highest		Priority B
Measurement Target Lifestyle magazine articles	-	Current Measurement Lifestyle magazine articles	=	Gap C	X	High	=	Priority C
Measurement Target Newspaper pickups		Current Measurement Newspaper pickups		Gap D		Moderate		Priority D

Each measurement is calculated on a 1 to 10 scale / 10 is highest

In the gap analysis example, we compare each measurement target with the current state. The best way to get these measurements so they are accurate is to use a media measurement tool. Looking at the top strategy in this example of increasing the ratio of times that the company and its products are mentioned on cycling blogs compared to the competition, the gap analysis is used to compare the current measurement percentage with the target percentage. It is important that the media measurement tool used will be able to draw from the content on millions of blogs so that the correct bike blogs are mined for information we require. The tool also needs to be able to measure each individual blog post for mentions of the bike company's products compared to the competition and calculate it as a percentage.

With some illustrative example numbers thrown in, the gap analysis measurement data might look like this:

Corporate Communications Gap Analysis / Example: Bicycle Manufacturer Measurement Calculations

TARGET	MINUS	CURRENT	EQUALS	GAP	TIMES	IMPORTANCE	REVEALS	PRIORITY
80% Stories on cycling blogs mentioning us (vs competition) 10		20% Stories on cycling blogs mentioning us (vs competition) 2.5	=	7.5		7	=	52.5
4 / year Positive Cycling Magazine reviews 10		0 / year Positive Cycling Magazine reviews 0	=	10		10	=	100
5 / month Lifestyle magazine articles 10		3 / month Lifestyle magazine articles 6	=	4	X	7	=	28
5 / month Newspaper pickups 10		2 / month Newspaper pickups 4	=	6		4	=	24

Each measurement is calculated on a 1 to 10 scale / 10 is highest

...the head of corporate communications commands tremendous respect because he has applied rigorous measurement analysis to his job.

Let's say our target is to get our product mentioned on 80% of the bike blogs that discuss products (compared to the competition). We assign the highest measurement of 10 to this target. If our media measurement tool indicates that our bikes are only mentioned on 20% of the bike blogs compared to our competition, then we're currently at a 2.5 on the ten-point scale and our gap is 7.5. We do the same measurement for each of our strategies to determine the gaps. We then assign a level of importance to each, also on a ten-point scale. In this example, the bike company corporate communications team might say that getting positive product reviews in bike magazines is the highest priority (a 10), with stories on blogs and in lifestyle magazines each a 7 on the ten-point scale. By multiplying the gaps by the importance, we end up with the priority ranking for each strategy on a 100-point scale.

Imagine the head of corporate communications for the bike company showing this analysis to the management team and board of directors. Without even executing on the plan yet, the head of corporate communications commands tremendous respect because he has applied rigorous measurement analysis to his job.

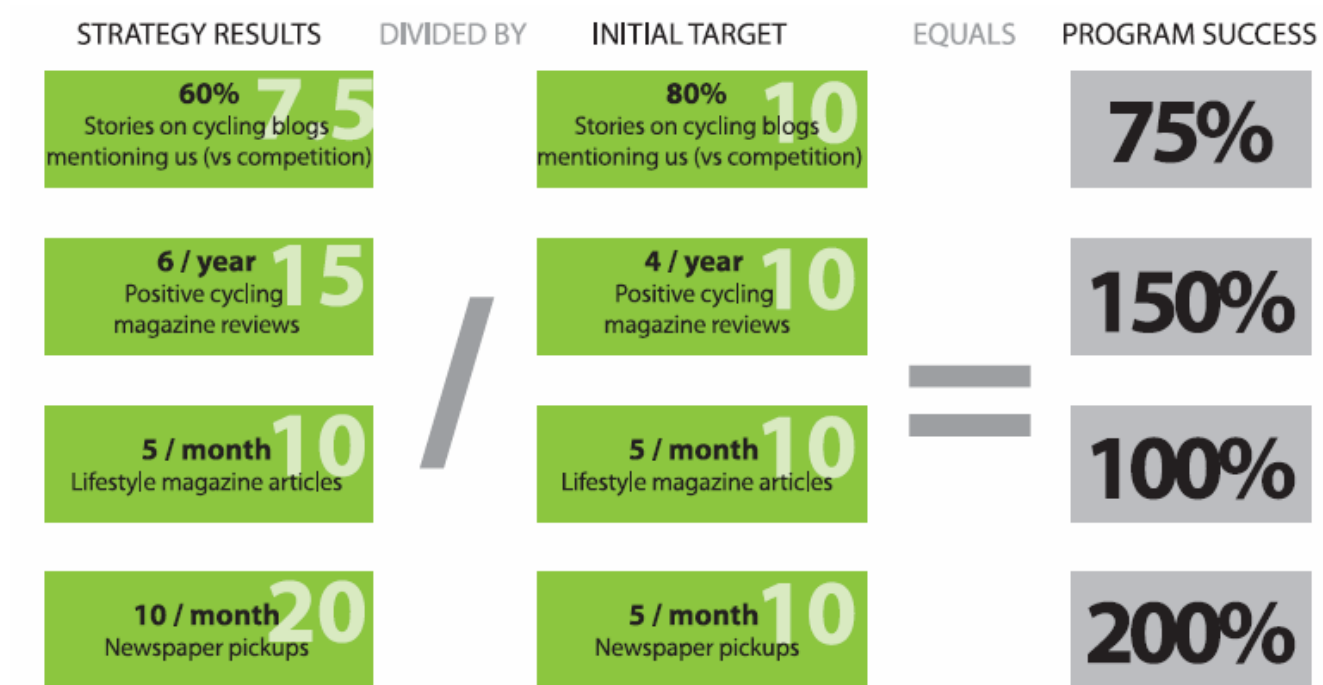
TACTICS TO SUPPORT THE GOAL, AND MEASURING PROGRESS

Again, think about the approach outlined in these pages compared to what you're doing today. Without the rigorous measurement and plans to align your efforts to that of the business, you're unlikely to command the respect you deserve. The alternative that we propose is that with the rigor of the six-step process together with effective measurement, you're now poised to execute on the plan.

In step 5 we begin to work the tactics. In the bike company example, we're now providing demo bikes to bloggers, sponsoring a bike racing team to help influence positive product reviews in the bike magazines, doing thought-leadership activities around the health benefits of cycling and creating a press release strategy and working the media relations angle with newspapers.

On a regular basis we measure our progress, and at the end of the year we report back to the management team on how we helped to achieve their goals. Let's take another look at the bike manufacturer to illustrate how this step 6 process of measurement (and reporting to management) would work. On a regular basis as we execute on our tactics, we would use the media measurement and text mining tools to analyze our position in each of our strategies and compare those positions to our goals.

Corporate Communications Results Measurement / Example: Bicycle Manufacturer



Each measurement is calculated on a 1 to 10 scale / 10 is highest

For example, if we managed to get 60% of the bike bloggers to mention our product in their posts as a result of offering them demonstration bikes to use we would be slightly short of our target of 80%. Remember that we had assigned the initial target as 10 on the scale, so achieving 60% of bloggers means that we scored a 7.5 on the ten-point scale. Dividing our results by the target shows that we achieved 75% success on this strategy. Note that when you measure results, it is possible to overachieve on your target, so we may have a result that is higher than ten on the scale. If we managed to score ten newspaper pickups per month, that would be 20 on the scale (because the target was five a month) so we achieved 200% on that strategy.

Media Intelligence technologies enable communications professionals to visualize and instantly bring context to millions of stories and articles produced by thousands of media outlets. At the same time, with visibility in to how the media contributes to your organization's communications strategy and the ability to compare coverage across time and geography, you will be able to benchmark against competitors and peers.

The challenge is to measure your success in a meaningful way, not just through clip books

MEASUREMENT IS THE NAME OF THE GAME

Media Intelligence offerings, such as Factiva Insight, transform coverage from volumes of relevant text to visible metrics based on expert research analyses. Media Intelligence products are powerful custom-configured research analysis services that provide visualization tools for corporate communications professionals to easily monitor global media.

Communications professionals quickly see results and no longer waste time with press clipping books. Visualization tools allow you to monitor coverage of competitors and peers and to compare your results across time, geography, and other variables. Effective measurement is essential for corporate communications professionals to understand and formulate effective strategies; links to company results are part of an effective Media Intelligence strategy using these tools. By efficiently monitoring communications programs and linking the results to program and company objectives, corporate communications professionals engage the media more effectively and become more valuable to their organization.

Media Intelligence technologies enable communications professionals to visualize and instantly bring context to millions of stories and articles produced by thousands of media outlets. At the same time, with visibility in to how the media contributes to your organization's communications strategy and the ability to compare coverage across time and geography, you will be able to benchmark against competitors and peers.

BEGIN WORKING WITH THE SIX-STEP PROCESS TODAY

There's no better time to begin applying some rigor to your corporate communications than today. The first step is to understand your company goals, and then you need to develop a plan to use corporate communications to help achieve those goals. You need to measure your results with Media Intelligence monitoring tools and establish a benchmark through gap analysis. And after you've executed on the tactics you need to constantly measure and improve. We hope the result for you is that you'll end up with a well-deserved seat at your company's management table.

ABOUT THE AUTHOR



DAVID MEERMAN SCOTT is an online thought leadership strategist. The programs he has developed have won numerous awards and are responsible for selling over one billion dollars in products and services worldwide. His new book *The New Rules of Marketing and PR: How to use news releases, blogs, viral marketing and online media to reach buyers directly* was published by Wiley in June 2007. He has lived and worked in New York, Tokyo, Boston, and Hong Kong and has presented at industry conferences and events in over twenty countries on four continents. Check out his blog at www.WeblnkNow.com

ABOUT FACTIVA INSIGHT FROM DOW JONES



FACTIVA INSIGHT FROM DOW JONES offers high-quality media analysis driven by Factiva's nearly 6,000 global and local sources as well as millions of blog posts and content from influential Web sites.

Accurately measuring and assessing global exposure is increasingly difficult because of the many drivers of successful corporate communications. As the media becomes fragmented, monitoring online news sites and consumer-generated media including blogs is critical to an effective media program.

The visualization tools in Factiva Insight enable you to instantly bring context to millions of articles produced by thousands of media outlets. Factiva Insight is the easiest way to understand media exposure because Factiva distills vital news from its comprehensive content set and transforms the volumes of text into rich graphics. With these measurements, you spend less time on day-to-day tactics and more time on strategic planning. The visualizations let you instantly recognize hot spots in the media as well as make connections between the quantity and frequency of coverage of companies, subjects and industries. With Factiva, you can track where and how frequently a topic is being covered and what is being said.



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