



Business-to-business marketing strategies from the award-winning Ad Hoc Communication Resources team.

Want to drive a dagger into the heart of your company's sales?

Cut Public Relations out of the budget.

What seems to be a wise cost-cutting move to shift PR and marketing dollars to additional sales personnel to keep revenue above the waterline, can actually drive a dagger into the heart of the company's sales, according to a new study released by PRtrak/Surveillance Data Inc. (SDI). [This new study shows Public Relations is a crucial sales driver for 2004.](#)¹

Yes, it is true. Modest PR expenditures can bring significant sales improvements and significantly enhance the selling process.

Gary Getto, vice president of SDI/Exogin, says, "The research, which included over 140 individual studies and processed over five million articles, concluded that positive media coverage unconditionally plays a significant role in a company's financial ROI model." In other words, there is a relationship between publicity and changes in business outcomes — namely the closing of sales.

Good News for Business

The PRtrak/Surveillance Data, Inc., research yields indisputable proof that positive Share of Discussion correlates with business outcomes — often highly enough to enable the prediction of outcomes¹. "Not only does it make good sense to measure your media coverage, but it provides your C-Suite hard evidence of the value that positive coverage generates for an organization," says Getto.

What is Share of Discussion?

Getto explains that SoD is the quantity and quality of your editorial coverage compared to your competitors. It is similar to Share of Voice used in the advertising world, but, unlike advertising which is always positive, publicity may occasionally be negative and therefore, SoD is a tonality-adjusted Share of Voice.

¹"IT WORKS: Correlating Outputs to Outcomes – a free white paper at www.prtrak.com.

Why is Share of Discussion Important?

These studies showed that if people consistently say more good things about your company or product compared with your competitors, your sales will increase. Therefore, measuring SoD and relating it to key business metrics enables companies to benchmark their coverage and determine the success of their strategies.

Real-Life Results that Impact Business

The chart below shows how closely sales (shown as the pink line in the below graph) followed a leading pharmaceutical manufacturer's SoD (the blue line). In fact, SoD consistently precedes sales for this product by 12 weeks at a correlation of R= .85, enabling forecasts of future prescription levels based on SoD. This study proves that a sales person is more likely to close a sale when the prospect has heard positive things about the seller in unpaid media.

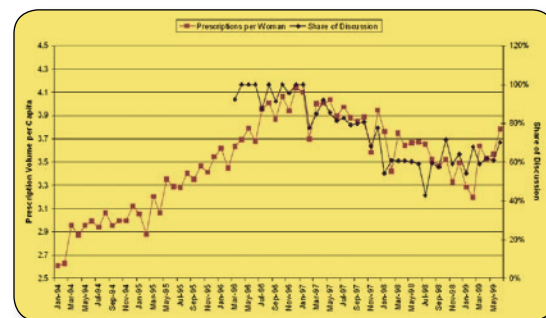


CHART COURTESY OF PR TRAK

Without Share of Discussion, your chance for a sale decreases. Moreover, knowing the return of PR truly justifies it as an integral part of the marketing arsenal and budget.

HOW TO CALCULATE SHARE OF DISCUSSION

- ▶ Capture coverage of company and competitors.
- ▶ Obtain audited media values or impressions, and apply to all coverage.
- ▶ Measure tonality of each mention; subtract negative stories to get net favorable value or impressions.
- ▶ Divide each company's net favorable value or impressions by the total of all competitors to obtain Share of Discussion.
- ▶ Track Share of Discussion against sales, stock price, customer preference, or other predefined outcomes.



WANT TO LEARN MORE?

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