CLIENTS' EXPECTATIONS MANAGEMENT AND SATISFACTION ASSURANCE IN MEDIA RELATIONS SERVICES

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ABSTRACT

In order to market and promote the services that they provide PR-agencies need to utilize marketing techniques that are different from those used in product marketing. When analyzing the ways PR-agencies tend to work with their clients, one can relate to the concept of service quality management (SQM). Agency's customers compare perceived service with expected service. The authors examine various approaches to service quality assessment and introduce an innovative multiplier system for assessing the newsworthiness of media events for media-relations services. This multiplier can be used by PR-agencies to negotiate and manage client's expectations and reduce the risk of dissatisfaction with provided services.

Keywords: Media-relations, PR-agency management, Service Quality Management, PR-Effectiveness

INTRODUCTION

Public Relations (PR)-agencies are businesses that provide services to clients. Services (including those provided by PR-agencies) have some significant features that distinguish them from goods. In order to market and promote services that they provide, agencies need to utilize marketing techniques that are different from those used in marketing products. PR-agencies' efforts in marketing their services are closely connected to their other functions, these efforts are embodied in every activity of an agency, and in particular - in customer relations and interactions.

Marketing of PR-agencies can be approached as a part of the overall management strategy based on the relationship with the client. The effectiveness of interaction between an account manager and a client's representative is largely determined by the fact that both client and agency are both professionals who speak the same language and have more or less the same level of knowledge and expertise on the subject of their interaction. Contact occurs most often in a very intense and close interaction when the client's interest is much at stake. In this case, the shared experience can either hinder or facilitate the long-lasting relationships.

It should be noted that nowadays technology plays a major role in changing the way agencies and clients communicate in the process of providing services. There is an increasing number of "virtual" agencies, that bring together in one project experts from different regions or even countries. Sometimes the team members never even meet offline, which may pose another challenge for the agency management. But this can also pose challenges for customers, who have more concerns about the quality of the services that they will get from people they never get to meet in person.

The importance of communication on the one hand and the virtualisation of communication on the other form new requirements for the system of interaction between the client and the agency. The client - agency communication is especially important within the context of the formalisation and documentation of all related business-processes. The agency must provide clients with a lot of documents: presentations, invoices, contracts, reports, inquiries, analytical observations and other materials. It should be done promptly and without creating any problems to the clients. One possible strategy is to provide a flawless service of precise deliveries which consists of a well-coordinated process flow.

Formalisation of communication is in fact one of the benefits that clients get from working with agencies. It has a positive effect on the degree of awareness about the entire PR-process and the situation in general. Formal offers clearly define specific tasks, detailed reports indicate the level of performance - all of this creates a sense of order, accountability and structure. The degree of formalisation, convenience of solutions to practical problems of communicating with an agency often become key elements of satisfaction or dissatisfaction for the client. None of the check-points should be delayed and both the content and the quality should not prevent the implementation of the subsequent chain of check-points and events.

In this sense there might be a lot of minor issues and questions that can seriously affect the quality of the interaction between the agency and its client. An example of such questions could be the following: what does the client do and what do the agency's employees do at every stage of the PR-process or campaign? What should be the means of communication between them (using e-mail or other form of non-personal interaction) or what form of interpersonal interaction should be appropriate (whether it is enough to send the invoice by fax or for a particular client it will be better to hand it over personally)? How will the relationship between the client and the agency change in case the staff is replaced on one or the other side?

The role of relationships in the business of PR-agencies is increasingly recognised as a fundamental factor, it is a customer-oriented process related to the whole business, and not only to its particular units, functions or features. The organisation of the communication process with the client has become a necessary strategic element, that determines not only the external relationships, but also communication within the agency itself.

Service quality management in public relations agencies

In fact, when analysing the ways PR-agencies tend to work with their clients, we can relate to the concept of service quality management (SQM). In general, customers compare perceived service with expected service in which if the former falls short of the latter the customers are disappointed (Engelbrecht, Gödde, Hartard, Ketabdar & Möller, 2009; Palmer 2010).

If we apply the SQM model to PR-agencies, we can identify two aspects of the perceived quality of services. According to (Gronroos, 2000) service qualities are categorised in two broad areas: technical quality and functional quality. The first is the *quality of the process* (technical quality), which refers to the way the service is provided (in the case of PR-services it refers to the ways agency justifies research results, provides timely reports during the campaign, the staff is professional, friendly and available). The second is the *quality of the result* (functional quality) which denotes the overall process of the service, it refers to what exactly the agency did according to specifications and reference.

The perceived quality can be influenced by three major elements: managing expectations, managing current processes and events and managing the image of the agency. Another important element of this model is image of the service organisation. Image has a direct and close relation with service quality of a service firm (Gronroos, 1990; Lehtinen & Lehtinen, 1991). All these spheres belong to the domain of the agency's external marketing efforts.

However, it is also important to pay close attention to the quality management within the agency, i.e., the internal management of quality components. That is the reason why Gronroos (1990) also included in the model of service quality two components: *quality of service development* and *quality of service delivery*.

The quality of development in the work of an agency can refer to how well the proposal was thought-out, justified, and reasoned. Of course, the quality of the implementation and delivery is how the service provided meets the specification of an approved assignment. It is quite obvious that the poor quality of planning and implementation leads to constant disruptions during a campaign, delays, and other problems related to the violation of the terms of execution of certain programmes; necessitates constant correction of the large and small mistakes that inevitably lead to a deterioration of the relationship between the agency and the client.

An essential prerequisite for all subsequent discussions of the concept of quality management in PR-services will be as follows. Service is consumed when it is being produced. That is, the process of production and the process of its sale, consumption is inseparably linked organically and happens simultaneously. In addition, customer expectations are formed, as a rule, on the basis of their experience of communication with other agencies, which can be both positive and negative. In other words, in most cases consumers are influenced by personal experiences and background.

Because uniform standards of PR-services do not exist, customer expectations can vary. Clients compare their ideas about the use of services with their expectations. Of course, if the performance does not meet expectations, customers lose all their interest in the agency; if the perceived quality meets or exceeds expectations, then prospects for co-operation arise and the cost of agency services becomes less of a priority in the assessment of the performance. In this regard, it should be noted that because services of different agencies are not easily compared to each other directly in quality, the client less frequently complains about high prices. Tailor-made individual services, of which PR-agencies are an example, are in general less price sensitive in comparison to goods, because the substitution effect is not as strong (Frank, 2008, p. 118).

When aiming for the purchase of services in a specific price-range, a client that faces the inflated price offer just goes away without signing the contract. At the same time, the agreement between an agency and a client can be reached, and a contract signed, only if the price in the proposal meets the budget requirement. The price therefore can influence the purchasing decision, but price as a factor influencing satisfaction and thus the relationship between the client and the agency is secondary at best. At the same time, dissatisfaction with the quality of the paid (or partially paid) services tends to weaken the reputation of the agency. That is why a service provider must identify as precisely as possible the needs and expectations of its client. Unfortunately, the quality of services is very difficult to assess by both the agency and the client, and it is even more difficult to identify objective indicators of quality that would satisfy both parties.

Discussions on this topic start with the obvious fact: customers will be satisfied if they get what they want, where they want and as much of it as they want. Thus, there is an objective need to translate these necessities to the language-specific management decisions. One of these attempts has been made by Parasuraman, Zeithaml and Berry (1985, 1988). Their SERVQUAL service quality model attempts to show the salient activities of the service organisation that influence the perception of quality (Frost & Kumar, 2000). Moreover, the model shows the interaction between these activities and identifies the linkages between the key activities of the service organisation or marketer which are pertinent to the delivery of a satisfactory level of service quality. The links are described as gaps or discrepancies: that is to say, a gap represents a significant hurdle to achieving a satisfactory level of service quality (Ghobadian, Speller & Jones, 1994). The model of service quality attempts to reflect the basic requirements for the expected quality of service.

The SERVQUAL authors originally identified ten elements of service quality, but in later work (Parasuraman, Zeithaml & Berry, 1993), these were collapsed into five factors - reliability, assurance, tangibles, empathy, and responsiveness - that create the acronym RATER. Below we propose the edited version of the quality dimensions and description of the gaps in relation to the practice of PR-agencies:

> Dimension 1. Reliability. Agency's ability to fulfil its promises and to respond to the comments on shortcomings and mistakes; the ability to act strictly in accordance with the agreements and decisions made. Experience demonstrates that PR-agencies' clients consider reliability as one of the most important parameters of the quality of communication services. This is understandable if we bear in mind that the majority of customers perceive PR as a costly part of their activities and as a fairly risky investment. That is why they closely relate reliability to the essence of the PR-service and in general - to the activities of the agency.
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> Dimension 2. Assurance. This is by no means a friendly smile imitation, as imitation is not the quality. Rather, it is knowledge, courtesy, helpfulness of the staff and the reputation of the agency. Customers pay for personal attention to their company and to

themselves personally. Service is expected to be provided individually. The feeling of significance from getting the service or just choosing a service provider is an important component of the PR service experience. Human need for attention and recognition is of paramount importance. To purchase respect, of course, is impossible, but one cannot make long-term and successful sales and services without respect for the customer.

Dimension 3. Tangibles. Particular attention is given to people and means of communication. Turning people in this parameter is logical, but at the same time humans are largely carriers of quality parameters listed below. Appearance and dress, manner of communication, speech quality are important aspects of perceived professionalism and the general perception of quality of the agency's work.

Dimension 4. Empathy. The ability of agency staff to put themselves in the client's shoes, to accept their point of view on issues that seem to be paramount to them, to take care and pay attention to each individual request. This should obviously include such qualities of the agency's staff as openness, the ability to find a common language, and the ability to communicate without the use of jargon.

Dimension 5. Responsiveness. Willingness of PR-agencies to respond quickly to unexpected requests of the customer. This can also be related to compensation, i.e., the agency's ability to correct mistakes with minimal disruption to the client.

The gap between customer expectations and perception of PR-services occurs when there is one or more of the following gaps (Seth & Deshmaukh, 2005):

Gap 1: between consumer expectations and agency management perceptions. Managers working with the agency on the project do not always correctly identify exactly which components of PR-services are on the top priority list for their client. Oddly enough, here the most competitive strengths of the agency can do a disservice . For example, knowing that the strongest point of the agency is creativity, the project manager may believe that this quality is a dominant component in the relationship with the client, while the latter would be more interested in the turnaround time, costs, or attention to personal experience of media interaction.

Gap 2: between management perception and service quality specification. Most often, the gap, and thus the problems arise in the case where the quality requirements are formulated too vague, ambiguous, or, on the contrary, when these requirements are defined with such sufficient precision and clarity and so well articulated that they become unrealistic for execution. It is clear that the quality standards of this kind have no practical meaning.

Gap 3: between service quality specification and service delivery. This gap most often occurs when the agency personnel is under-qualified, when the agency is overloaded with work, and/or the psychological climate within the agency is too tense. It should be remembered that the customer service at the agency involves not only comfortable interface in the planning and implementation of PR-campaigns, but also optimal, comfortably organised workflow, the ability to quickly contact the right person in the agency, as well as the time to offer a cup of good coffee, and many other details. Provided in a timely manner flawless-looking documents, including invoices, contracts, reports, clippings, memos on meetings, and a plethora of other important papers should be attributed to the specific qualities.

Gap 4: between service delivery and external communication. Customer expectations are in many ways shaped by the messages that the agency disseminates to the public, under the influence of personal image of some personalities or agency professionals, who can be public or sufficiently well-known characters. The concern is that if the agency has allowed itself to promise exclusive terms in their work, it must be very precisely formulated for a particular client - what exactly is meant. This becomes obvious if we take into account that the agent's services are not standardised to the same template of exclusivity. Different clients have varying goals and objectives, and that means that different specialists from the agency staff may be involved in the project.

Gap 5: between expected service and experienced service. This gap addresses the difference between consumer's expectation and perceived service. This gap depends on size and direction of the four gaps associated with the delivery of service quality on the agency's side.

Comparing the dimensions and gaps in quality, the criteria of quality evaluation can be added to this model. The sample list can be as follows:

Criterion 1: The service is easy to get. The practice of PR-agency's relationship and communication with the client should be built from the perspective of customer service. This system requires minimum of negotiation, preparation and approval of the brief, notes on the results of the meetings. In addition, agency's clients must have an absolutely clear idea of who is their contact person in the agency for each particular concern they might have for the project. Of course, these employees should be readily available via a variety of communication channels.

Criterion 2: Agency representatives describe and explain their actions in the language of the customer, these explanations accurately reflect what is going on.

Criterion 3: The agency's staff has the required skills and knowledge.

Criterion 4: The agency's staff is courteous, respectful and caring.

Criterion 5: The services are accurate and stable.

Criterion 6: The agency does not follow basic standard procedures, instead it employs a creative approach to problem-solving and customer satisfaction.

Criterion 7: Tangible measurable components of PR-services reflect its quality. This criterion includes the location of the office and the agency, its hardware, the speed of decision-making, the timing of the execution of services, and the tradition of communication with customers.

Criterion 8: Understanding or knowledge of the customer.

Criterion 9: Credibility. The agency is committed to the development of cooperation at the strategic level, and it becomes a long-term partner for the customers. The client can rely on the agency, and its employees, as they are really eager to strive for market success of the customer and even for career growth of their staff. The agency is a good friend that at any moment can give sensible advice and consultation.

If the above mentioned criteria from the client's point of view are within the limits of acceptable or expected level of quality, then there is very small chance that the client will form the impression of the agency as a remarkably good or poor. Such an agency for the client will be neither bad nor good - just mediocre, as many other agencies. Only in those cases where the perceived quality is outside the expectations (the neutral zone), the client feels a sense of satisfaction or, on the contrary, disappointment.

It is obvious that some elements of the service may cause positive or negative response, or not cause any reaction of the consumer at all. Because customers' needs arise and change depending on various circumstances, for the most effective marketing of the agency the strategy of its customer relations should be clearly defined. On the basis of this understanding Cadotte and Turgeon (1988) offered a typology of the service performance elements. They proposed to classify the elements of service (customer relationship management). The distribution of elements in their service classification can help to develop an effective strategy of quality:

1. *Critical elements of the service*. These elements generally form the smallest neutral zone of expectations. They are the main factors that have a direct impact on the relationship with the client. Expectations of the critical elements must be satisfied in the first place, because they are based on the minimum standards that are acceptable to customers. These elements are called critical because they cause either positive or negative reaction depending on whether or not a minimum standard is met. A PR-agency can be forgiven for ignoring these standards only in very critical situations. In PR services the critical elements in particular include the competence of staff, clarity of interaction with the client, the transparency of this interaction, the deadlines, the availability of agency staff, clarity of the language in which cooperation is carried out, the quality of documents's design.
2. *Neutral elements of the services*. These have the most neutral expectation zone and do not have a significant impact on the relationship with the client. These elements include the colour of the walls in the office of the agency, the presence or absence of parking lots.

Both critical and neutral factors affect one of the most important marketing advantages of a successful agency - customer loyalty. Most of the mid-size and small PR-businesses are built on repeat sales. It is much wiser (and cheaper) to exert maximum effort to retain most of the existing customers than to rely on attracting new ones. Each of the existing customers should be viewed as a potential lifetime customer for the agency, as the main marketing asset. Satisfied customers tend to lead to new customers, so by losing the client, the agency has undermined its market. The longer the agency keeps the client, the higher the value of this marketing asset becomes.

However, the loyalty has a transitory nature, and it is the reason to turn the service relationship with customers in a sustainable corporate strategy. A good level of professionalism in relations with each client increases the perceived quality and value of both intangible and tangible components of the services. So, the essential feature of marketing PR-services is to treat clients as a marketing asset, and even more than that - as part of the organisation, part of the agency. For PR-agency customer retention is a key element of survival.

Customer satisfaction and PR-agency performance evaluation

For each agency there comes a time when a customer stops using the services of the agency and terminates the contract, or does not extend it. This can happen for a variety of reasons. For example, the optimisation of communication budgets and reduction in the expenses for PR-activities, even along with the decision to sacrifice the existing system of communication processes.

Another reason could be a change of management on the client side, when the new management starts with reviewing agreements with sub-contractors. Both of these factors are risky, but hardly manageable. The third reason for the termination of the agency appears to be more important and therefore deserves a closer look - it is dissatisfaction with the work of the agency.

The problem here is that the client and the agency do not always have the same view on the problem of assessment and evaluation of performance. The client often asks the question of whether the achieved result is the best possible. Sixty per cent of the journalists who were invited to the event have written a positive review - is it a good result, or could the percentage be higher? Is the agency to blame for not reaching 75%? How much publicity would be a good result for the allocated budget? These questions do not have easy answers.

The issue of performance evaluation as a part of effectiveness assessment is traditionally one of the key topics in the theory and practice of public relations. It becomes more acute when considering client and PR-agency relationships. On the one hand, customers clearly need quantitative evaluation and measurable indicators to be able to compare various initiatives, timing of actions, and to check the delivered results against expectations.

But agencies need a reliable system of evaluation too, perhaps even more that their clients. Although the initiative to introduce measurable indicators to assess performance more often comes from the client, for the agency this question is no less important. Effective methodologies for evaluating PR-activities can help to avoid conflicts in relations between customer and PR-agency. If the results are evaluated and both parties can accept them, then the agency’s position is less vulnerable. Agencies are primarily interested in using performance measurement systems that allow them to find a common language with their clients and to avoid cognitive dissonance generated by the conflict of overrated expectations with reality. If clients' expectations are adequate, then the chances of dissatisfaction are lower. Compliance with customer expectations and the possibility to pre-negotiate and agree on these expectations are the key to successful long-term cooperation with the customer. In this sense, the PR should act as manageable sphere of activity, which is subject to the same administrative requirements as other areas of managerial work.

Evaluation methods should be quantifiable, but at the same time they should help to avoid situations when customers begin to compare PR with advertising, where the results can be measured directly, for example, in terms of financial performance, or using statistics. The effectiveness of PR-activities cannot be measured by direct assessment of sales or incoming calls. For advertising such instruments are acceptable, but in the field of PR, they simply do not work. Thus, regardless of the specific practical problem, the issue of PR effectiveness evaluation naturally raises the question of criteria and indicators.

As an introductory remark it should be noted that the scope of practical PR-activities performed by agencies is too wide to fit a uniform system of the evaluation of results. Even if we focus solely on the work of agencies, the fact that agencies are different from one another in their approach to work will make developing a single unified method of evaluation hardly possible.

Although the question of classification of PR-services had beed raised repeatedly by various authors, in order to address the issues discussed in this paper we propose to distinguish between three types of agency services: a) strategic communications consulting, b) event management and c) media-relations. Naturally all of these three areas are closely related and overlap each other, and often one agency works in all three directions, sometimes providing services of all three types to the same customers.

Despite a certain artificiality and superficiality of the proposed classification it is easy to see where the boundaries are. Consulting service operates under the general laws of consulting business, where the unit of measurement of success is improvement - positive trend observed in the measured parameter as a result of the proposed solutions implementation. Consulting services too are individual and specific for creating a universal system of effectiveness evaluation. When it comes to long-term work, for example, in the field of strategic reputation management consulting, we are likely to be faced with the need to conduct large-scale research on the effects of PR. In addition, consulting business in general is well described and studied, and approaches to communication consulting are in many ways similar to the approaches to other consulting spheres, for example, legal or financial consulting.

With the events management service things are more complicated, since assessing the quality of an event organisation process can be very subjective. But compliance with the approved scenario, lack of conflicts and mishaps, the overall level of service, successful delivery deadlines and other quality parameters of the agency's work along with the level of client's general satisfaction are all indicators of the event's success.

From our point of view, the most perspective area for developing and implementing more refined approaches to evaluation is media-relations. We define and understand this field in the broadest sense of the word - as generating managed publicity, working with media for the purpose of informing the public. And this is how most customers worldwide understand the basic function of public relations, no matter what PR-practitioners say about their strategic role in the long-term success of the business.If we consider a single tactical action in media-relations, its effectiveness should be as a rule quite amenable to precise evaluation.

It has been more than 30 years since Grunig (1983) noted that a key contribution to the problematic image of PR is the lack of objective evaluation methodology of PR-programs. The flip side of the same problem is the absence in the majority of PR-programs and projects of any clear and measurable goals. Too often the wording which occurs in the plans and proposals differ in breadth, inaccuracy, and vagueness. The consequence of this is the prevailing distrust of the results of the agency as a little run and poorly controlled forecasting. Poorly defined goals, such as “increasing the awareness” and “correcting the attitude” are easy victims of excessively wide interpretation. What part of the target group of the public should be made aware? What is the current level of awareness? What are the expected changes in the percentage of awareness? Without clear and precise goals it is impossible to measure the effectiveness. Grunig and Hunt (1984, p. 122) state that what PR-practitioners usually refer to as their target is typically a set of ill-defined, unreasonable and unmeasurable effects of communication.

The list of problematic issues in determining the effectiveness of PR-activity of the company is quite large - ranging from setting measurable goals and to the evaluation criteria of media-relations. It is not surprising that among the clients themselves and the public-relations specialists there is a general perception that determining the effectiveness of PR-activities is extremely difficult, if not impossible. There is even a joke: “The effectiveness of PR is equal to the sum of money invested multiplied by the eloquence of the PR-agency.”

The problem, however, is not simply in creating Key Performance Indicators (KPI) or measurable indicators This problem is partially solved in the framework or macro-model of evaluation (Macnamara, 1992), which introduced the revolutionary concept of inputs, outputs and outcomes.

There are two major obstacles on the way to a wider implementation of complex multi-level system of measurement: the resistance of agencies and clients resistance. For agencies an important element of differentiation of their services is their own trademark approach and copyrighted evaluation methodology. This obviously contradicts the logic of the introduction of industrial standards. Such an individual approach to the assessment of the effectiveness of PR-activity is inevitably based on a number of arbitrary assumptions. These assumptions are based on the vision which is fundamental to the agency. For example, Fleishman-Hillard Vanguard – a PR agency based in Moscow- suggest to measure reach by doubling the circulation since “one copy is read by more than one person.” The reality however is that such multipliers have been proven over and over to not exist generally.

Ogilvy's in their valuation technique likewise formulate some assumptions about the existence of a correlation between a number of variables. In particular, according to their methodology, a printed material without any illustration is 7% less efficient than the illustrated material, and the reference to competitors or mentioning them in the text reduces the effectiveness by 7-14 %. Such assumptions can be well-founded if they are based on the results of specific studies or a clear understanding of the characteristics of the market. Meanwhile, without the appropriate convincing justification such assumptions may seem at least debatable. For example, references to competitors in the article may or may not reduce the effectiveness of the material. On the contrary, "thoughtful" audience can perceive such a text as more objective and analytical, and thus more trustworthy and deserving of attention.

Customers, in turn, are used to the traditional indicators. One of these methods familiar to clients is the AVE (Advertising Value Equivalent), an indicator of the results of PR activities for placement of materials in the media over the cost of advertising materials of the same volume. The evaluation is determined by the total volume of all publications and calculated costs of advertising in the same amount in the same publications. This method is a frequent target for criticism.

Indeed, comparing PR with advertising is incorrect for a variety of reasons. On the one hand, the journalistic material is accepted as more reliable by the audiences compared to advertising. It makes the impression of an independent, objective opinion. On the other hand, editorials, unlike advertising, are not fully under the control of the customer and can contain a variety of contradictory or questionable judgments, mixed opinions, etc. The mention in the press, even the most favourable, does not perform the same functions as advertising, it has a completely different information an communication value, as compared to the effect of advertising and advertising exposure. Experts have long warned about the disadvantages of using the AVE and do not recommend its use as a method of reliable evaluation. Meanwhile about 50% of all agencies worldwide are still using the AVE and the complete rejection of this measure will confuse both the industry professionals and clients.

Apparently, the solution may be in the fact that the AVE along with the assessment of other factors such as the tone of publication, the presence of the key themes in the message, reference to keynote speakers etc., altogether should make the evaluation more complex and amenable to further analysis. One of such proposed complex solutions is Weighted Media Cost (WMC) (Jeffrey, Jeffries-Fox & Rawlins, 2010) - the practice of utilising the cost of media to the broadcast time or print/internet space occupied by a client as an objective market proxy number for comparative analysis against historical performance, against objectives, or against competitors. The absolute number itself has no meaning or value beyond that of any index used for comparisons of any kind. Proper use includes the subtraction of all negative coverage; assigning costs to only the space or time occupied by an organisation; using audited, negotiated media costs to the extent possible; and refraining from claims that WMC scores are outcomes of public relations campaigns. A score derived from Weighted Media Cost could be referred to as a Weighted Media Cost Index, especially when utilised without dollar signs.

This concept applies indirect comparison of publicity and advertising that appears in the dynamic relation to PR-purposes and competition in the density of the brand presence in the message, the visibility of posts, influence of the source, the size of the audience. In fact, this is an expanded and slightly modified AVE with all its questionable traits. Regardless of the output that needs to be measured, Advertising Value Equivalents (AVEs) should not be included. AVEs have been widely discredited, and the use of Advertising Value Equivalents (AVEs) was abolished as a legitimate approach.

Setting expectations in media-relations services by using expectations multipliers

Public relations agencies need to measure and report their results if they hope to keep their clients. Evaluation methods that they use need to be effective, productive and innovative. Any system of PR-activities evaluation must be related to planning, as it should allow one to formulate the expected results at the stage of preparation of PR-activity. Evaluating the effectiveness means comparing the results achieved with the intended outcomes.

Conflicts of misunderstanding and lack in transparency of PR evaluation are the result of the poorly formulated goals. And experience demonstrates that it is in the interest of the PR-agency not to gloss over the situation, expecting that the basis of evaluation is subjective. It is better to discuss at the very beginning of the project how the results will be measured and assessed.

Although it is necessary to define strategic goals and objectives of PR-activities, it is also necessary to define the objectives in terms and concepts that can then be used as criteria for evaluating effectiveness. For this purpose PR-goals must be properly formulated. One should strive to set goals that can be quantified, and to demonstrate a holistic approach to evaluation, covering both traditional and social media, and take into account the changes in awareness, attitudes and behaviour of key publics. It should be noted that agency’s clients often prefer to focus on how PR impacts company's business (sales or market share, attraction of investments or number of new job applications).

Meanwhile, in reality, all of these variables are influenced by too many factors that cannot be directly controlled by PR - ranging from internal factors (e.g., failure in pricing policy, poorly organised system of distribution, wrong investment decisions) to external factors (government regulation, economic cycles, the expansion of foreign brands, etc). It is therefore necessary to draw borders of the area of direct responsibility of PR as a function, and within these boundaries to evaluate the results of the PR-agency efforts.

We emphasise here that the holding of such boundaries does not mean making PR decisions in isolation from other managerial issues. Naturally, PR-activities are closely linked to marketing and corporate management, HR, etc. At the same time, the assessment of PR activities needs to be directly related to the criteria that can evaluate PR results.

In a simplified sense, media-relations can be boiled down to a variety of ways of increasing media presence and generating publicity, as it is not always easy to find out exactly which objectives are pursued by the customer. For the client eventually to get exactly what he really wants (and it may differ from the goals he declares), the PR-agency needs to put some extra effort into investigating the real rationale.

Thus, in order to ensure maximum compliance of the services delivered and to meet the client's expectations, it is necessary for both the client and the agency to reach mutual agreement and shared understanding of the expected result. To do this it is important to formulate the basic parameters and to set quantitative measurable goals at the very beginning of the planning stage. The problem though remains, that client and agency may have different ideas of what an expected result for a particular activity in a particular situation should be.

To solve this problem, we propose to conduct a preliminary assessment of the event's (inject's) potential at the planning stage. This assessment will be taken into account when forming managerial expectations and evaluating the results. This assessed factor can be called the multiplier of information potential (or newsworthiness potential) and it reflects the possibility of using an occasion or an event (news inject, in other words) to generate publicity. Assessment is reflected in the multiplier. It reflects the obvious idea that different events in the client's life have different potential for generating publicity. For example, a new model of the product is likely to generate more interest from the press if compared to a minor improvement of the existing product. Information that had been kept secret is more newsworthy than official confirmation of what had already leaked out.

Obviously, this assessed publicity potential is influenced by various factors - such as participation of the authorities, the presence of keynote speakers from abroad, etc. Depending on the presence or availability of these and also on other multiple factors, as well as on combinations thereof, information potential may vary from high to medium to low.

Information potential multiplier, or newsworthiness coefficient, can be a key tool in the assessment of agency's performance, especially if used in the combined evaluation of other quantitative indicators.

This assessment needs to be negotiated with the client, justified and confirmed by reasoning. In case of a change in key newsworthiness parameters (for example, the lack of confirmation from the keynote speaker), multipliers may be modified in the appropriate direction.

And the multiplier is needed precisely for negotiating what results should be expected and perceived as satisfactory or not satisfactory if the potential of the occasion is taken into account. This multiplier can be given a quantifiable character - the higher the potential of the event, the lower is the multiplier, which is inversely proportional to the newsworthiness. For example, for a highly newsworthy occasion the multiplier can be 0.5, while for the occasion with an average capacity it can be set as 1.5, and for the occasion with a low potential - 2.0.

In this case, if an inject is given a low estimate, the achievement of high results, for example, in the number of publications in the media, is more valuable than the same coverage for a more newsworthy event. The multiplier reflects the obvious correlation between inject's or event's potentials to generate publicity and the effort required from the agency to make it happen. Because working with injects with low newsworthiness potential requires more effort from the agency, it deserves more praise; and even more modest results should be perceived as satisfactory. Same results for an occasion of high potential may be, on the other hand, disappointing.

Accordingly, similar or even identical quantitative results obtained from events with different newsworthiness potential reflect differences in the effectiveness of the agency's work with these injects. Conversely, the apparent differences in the quantitative results of coverage of the injects with different potentials do not mean that in one case the agency worked worse, and in the other - better. These differences merely reflect the differences between the newsworthiness potential of the information injects. Newsworthiness multiplier may be used to assess these quantitative impacts as a percentage of responses to the media invitation, or the percentage of output materials relative to the number of the media representatives who attended an event, etc.

Here it is important to stress that the multiplier itself can be and always is totally arbitrary, but it is absolutely valid as long as it reflects the difference in newsworthiness between different events and is agreed upon by both the client and the agency in advance.

The second point that we offer for the client and the agency to agree upon at the planning stage is a prioritised media list, which justifies the selection of media (the argument for an agreed criterion for media selection). This may include the choice of the regional or national media, matching media to the target publics etc. At this stage media in the list are ranked by priority from the point of view of specific injects from high, to medium, and low priority. For example, for a local or regional event it can be important to take into account such factors as the high value of the local newspaper as compared to the national issue of a "big" newspaper.

Given the rate of information potential (newsworthiness) and the media priority decisions, client and agency may proceed to harmonise key performance indicators by which performance will be assessed. These indicators should be transparent and reflect all aspects of the measurements (data sources , their selection criteria and methodology for the analysis). Such indicators can include the following:

- the effectiveness of work with the media list that is operationalised in the percentage of journalists who attended the event;
- the percentage of published materials from the total number of selected media by priorities;
- the total amount of publicity (weight ratio);
- the qualitative indicators that reflect the content side of the published materials. The quality of publicity is based on the level of compliance of content to the key messages (how many of the reported materials reflected the key messages in the journalistic text).

Using the multiplier can take us to the next level of working with more sophisticated indicators - for example, assessing the agency's work with media list given the event's newsworthiness. For instance, an event has been rated as average (medium level of newsworthiness) and it is was given a 1.5 multiplier. One hundred invitations were distributed and 20 journalists confirmed participation. The effectiveness of the agency's work with the media list can be calculated with the ratio of confirmations to invitations sent by the following formula:

$$\text{confirmations/invitations*multiplier} = 20/100 * 1.5 = 0.3$$

If the newsworthiness of the event is lower, the multiplier could be set as 2, and the same confirmation rate will be equal to a higher effectiveness. This reflects a greater contribution of the agency in providing the same quantitative results under less favourable conditions:

confirmations/invitations*multiplier = 20/100 * 2 = 0.4

Similarly, one can find the parameter to reflect the percentage of published materials to the approved priorities in the ranked media list (quality of publicity). For a client it is important not only to get a certain number of references in publications, but it is even more important to ensure that the communication tasks are fulfilled and that the target publics are reached.

The quality of publicity is a breakdown of publications in the media by categories depending on the priority. The indicator reflects the effectiveness of the agency's work with the media depending on the importance and usefulness of a specific media for the given inject (occasion or event). This parameter is calculated by the number of publications within each priority media category. The indicator can also be used in combination with the newsworthiness potential factor (newsworthiness multiplier). It will then assess the publicity given the level of newsworthiness potential. For example, 35% of output in high-priority media for the event with newsworthiness multiplier of 2.0 can be expressed as follows:

number of publications/number of media in the priority group * multiplier = 0.35 * 2 = 0.7

This indicator reflects the effectiveness of the agency in getting the event of a low newsworthiness potential in the top-priority media.

The next factor is the quality of content, i.e. the key themes of relevant publications (key messages). This parameter can be calculated as an extent to which the content represents key messages (how many of them are reflected in the journalistic materials). This factor is lowering multiplier too, i.e. if only one of four key points is mentioned in a particular publication, the quality of the publication content cannot not be higher than 0.25. Of course while evaluating the quality of the content one should consider not only the number of key points, but also the opinion expressed, and the general tone of the publication.

CONCLUSION

The proposed method of multipliers also suffers from a certain arbitrariness. However, the task that is performed using multipliers is not associated with increased levels of objectivity in assessment, rather it is aimed to improving the consistency of management expectations of the agency and the client. It is not an evaluation device, but a tool for negotiation and client relations management.

This performance evaluation system that takes into account objective factors together with indicators that reflect the fact that media-relations can be viewed as a process that consists of several measurable blocks or elements. The understanding of these elements define the relationship between the client and the agency. These relations have a partner character and the main difficulty in maintaining them lies in the ability to isolate various group factors from each other and to understand the contribution of each element provided by each party to the cumulative effect. Of course, the task of getting the most transparent assessments is associated with some simplifications and approximations.

Meanwhile, the acknowledgement of the fact that the effectiveness of media-relations (whether for a single event, inject, or a lengthy campaign) depends not only on how the agency operates and how efficient it is, but also on the level of newsworthiness of the event that the clients want to have covered. By acknowledging this interdependence, the client and the agency have the opportunity to agree on mutual expectations and avoid conflicts in the evaluation of results.

This practice allows greater coordination and satisfaction for the client from the experience of cooperation with the agency. In the long-term, stable relationships which are based on profound positive impressions are formed over a long period of interacting with the agency.

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