Earned Media Reach:
The Implications of Knowing What Media Moneyball Will Look Like

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When Billy Beane, the former General Manager of the Oakland A's, began using sabermetrics – the application of statistical analysis to baseball records – to inform how he managed his team, it catalyzed an analytics revolution in the sport that had been on the cusp of exploding for years. Teams began valuing on base percentage over batting average, stealing bases and bunting less, and finding value in previously overlooked players. Sabermetrics, or "Moneyball," categorically changed the way teams were built and baseball was played, and its principles soon pervaded other sports. It is only a matter of time before this type of thinking infiltrates other industries that are on the cusp of their own analytics revolution. While big data has changed the nature of most corporate functions, we believe that in the communications world, this revolution will take hold over the next 12 months.

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Bill James began writing on sabermetrics in 1977, but it took 30 years and a scrappy General Manager to popularize data-driven decision-making in baseball. So why do we think we will see disruption in communications in 2021? Why now?

It will be a confluence of factors. New technologies are enabling media professionals to finally understand, with precision, how many people they are actually reaching as a result of their efforts. Further, much like basketball adopted the sabermetrics approach from

baseball, communications pros will borrow ideas from the advertising profession – a cohort that has already embraced the digital analytics revolution. And finally, we believe the

economic conditions will prompt (or require) practitioners to find better ways to quantify their activity and show the impact of the outcomes they drive.

The Problem of (and Opportunity within) Earned Media Measurement

"Distinguishing the signal from the noise requires both scientific knowledge and self-knowledge: the serenity to accept the things we cannot predict, the courage to predict the things we can, and the wisdom to know the difference." – Nate Silver

Communication has metrics that mislead, just as baseball does. Metrics such as impressions, placements, or engagements are as useful as the common stats Billy Beane disregarded early in his tenure. In some cases, they are directionally helpful, but are predicated mostly on convention – not on whether a measure is an indicator of quality outcomes.

The foundation of communications measurement is simple. To determine the effectiveness of a communications campaign, we must determine if our message is reaching

the key stakeholders we care about, and to what extent. This seems obvious but measuring this reach has eluded earned media pros over the years. Even in an era where all media is digitized, trackable, and measurable, there hasn't been a reliable way to measure how many people see or read a particular story.

The nature of earned media – the trusted weapon of choice for the communications profession – makes it particularly challenging. In earned media you are, in essence, working through a third party to reach your audience. These third parties – the broadcast outlets, newspapers, and digital news sites – "own" the relationship with these audiences. They are the ones with the capability to understand the media consumption habits of their customer – increasingly so in the digital age. That same data is simply not passed on to companies

and corporate communications professionals, who have largely operated in the dark with good guesses and bad assumptions as a result.

There are some directional metrics used; those that the outlets publish – data such as "circulation" and "impressions" and "uniques" – but those figures are high-level. They, for the most part, indicate total reach. For instance, the *New York Times* daily circulation is 500,000. If a company is featured in a *Times'* story, the default is therefore to assign 500,000 "impressions" to the story, without knowing how many people actually read it. Further, this tact won't help us understand if key investors or key customers saw the story. These are critical questions companies need the answers to in order to understand the effectiveness of their public positioning work.

Recently, we've seen two sophisticated approaches that are getting us closer to this capability. The first requires agreements directly with publishers to access and resell page view data. This approach gives professionals certainty about data – as it is coming directly from the source – but lacks detailed audience information some professionals might need. For example, this approach can tell you that a recent *Fortune* story on your company was

read by 100,000 people, but it cannot provide information on whether the majority of those users were your likely customers, or simply online users that clicked on the story because they liked the pictures.

The second approach is to tap into advertisers' programmatic tech stack to give professionals a sense of how their earned media is reaching key audiences without signing agreements directly with publishers. This approach requires taking aggregate advertising bid data that provide indications of how many page views a particular story gets. While the data from this approach does not come directly from the source, it does come with audience-level data. This means the data will not only include page views, but also demographic information about readers of the particular story.

The future will be a hybrid approach that uses publisher level data to zero in on specific page views with inarguable accuracy, and programmatic advertising data to provide specifics on who the audience is. This will be critical to unlocking the analytics revolution, and it is fast approaching.

In the past, there was less at stake in making assumptions about reach, because the average consumer's path to news was more

standardized. You could assume that if your company's message appeared on a nightly broadcast, that it had reached the masses. You could also assume that within a very large mass audience a significant portion of your target audiences – i.e., investors, customers, and prospective employees – were present. But a dramatically decentralized landscape is making this assumption increasingly prohibitive. There are too many different pathways to news for the consumer.

The Implications of (Actually) Knowing Earned Media Reach

In 2021, the dog will catch the car. We will have a precise sense of how many people are reading each news story and have a much-improved sense of whether they are in our target audiences. So, what will the implications be? We have a few predictions:

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1. We will come to terms with the fact that not as many people read our earned media pieces as we thought – to a very extreme degree. In many cases, where we assumed millions saw a piece, we are likely dealing with thousands.

2. We will also come to terms with the fact that, of those people that read stories, many do not read it as closely as we would have hoped. We would not be surprised to have less than 20% of readers spending enough time on a page to read a whole story.

3. Embarrassed by the lack of reach, many will hide this data from their CEOs. The innovators will look the reality in the face and say, "How do we win?"

4. Innovators who accept #1 and #2 above will begin to put digital-first or digital-only content producers on the same playing field as "top-tier media," leading to new access to new outlets.

5. With regard to understanding our audiences precisely, communications professionals will realize that we are decades behind those in advertising who have been targeting and tracking audience impact since the 90s.

6. As part of the process of learning from advertising, we will embrace their norms as it relates to both reach and frequency. A successful earned media story must not only reach a large majority of its target audience, it must reach them with frequency. This will lead to exponential growth in paid amplification of earned media stories.

7. In the short term, budget restraints and internal politics will prevent many communications teams from getting the paid budgets they need to properly amplify their earned media as mentioned above, so they will begin to build audiences organically through email and social media. We will begin to see the reach of corporate communications email newsletters and social handles increase as a bridge to larger paid budgets.

8. As a result of #6, media outlets will see a notable shift in the amount of traffic being driven to their sites by corporates, leading to potentially perverse incentives for publishers.

9. With better measurement of earned media, advertising pros will realize that despite their multi-million-dollar creative budgets, a well-placed earned media story is a much more effective media instrument than any ad could be.

10. As an industry, we will gain more appreciation for the long-tail evergreen stories which pay dividends day after day, and as a result we will realize that the first page of a Google search may be more important than the front page of *The Wall Street Journal*.