MEASUREMENT & THE THREE i’S

Insights, Innovation and Integration driving the future

Headline Sponsor:

AMEC 10th Global Summit on Measurement

AMEC SUMMIT

BARCELONA
12-14 June, 2018

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Sujit Patil
Vice President & Head Corporate Brand & Communications
“ROO”
(one small step for measurement, one giant leap for PR!)
THE GODREJ GROUP

80 countries
120 years young
54,000 Godrejites
1.1 billion consumers
USD 5 billion revenue
USD 15 billion market cap of 3 listed companies

BUSINESSES

Fast Moving Consumer Goods
Real Estate
Consumer Durables
Industrial Products
Aerospace

GODREJ GOOD & GREEN

EMPLOYABILITY
Train 1 million youth
To enhance their Earning potential

GREENER INDIA
Achieve Carbon neutrality
a positive water balance
and reduce energy consumption

PRODUCT INNOVATION
Generate 1/3 of Our revenues from good and green products

23% of the promoter holding is held in PHILANTHROPIC TRUSTS

We maintain mangroves nearly 3X New York’s CENTRAL PARK on our estate in Mumbai

FORTUNE
#48 GODREJ
CHANGE THE WORLD

GREAT PLACE TO WORK

GCPL
Best large workplace in Asia

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Efficiency v/s Effectiveness

Video
YET, ARE WE REALLY EFFECTIVE… ?

• How does one know that PR is really working?

• Can PR actions express a direct financial result when there are multiple constituencies involved!

• Can one quantify the cost of reputation saved due to effective PR? Can we assign a monetary value to it or the frequent crises a PR team mitigates silently and claim it as the ROI?

• So we shifted gears! Got our end objectives right! The qualitative and quantitative measures were used for course correction of the communications plan.
# WE CONSCIOUSLY ALIGNED PR & COMMUNICATIONS OBJECTIVES TO BUSINESS GOALS

<table>
<thead>
<tr>
<th>BUSINESS GOAL</th>
<th>PR &amp; COMMUNICATION OBJECTIVE</th>
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<tbody>
<tr>
<td>Product/Service sales</td>
<td>Awareness &amp; Perception</td>
</tr>
<tr>
<td>Increase Market Share</td>
<td>Brand preference</td>
</tr>
<tr>
<td>Enhance Corporate Reputation</td>
<td>Alignment between audience, perception &amp; desired reputation</td>
</tr>
<tr>
<td>Employee Retention</td>
<td>Employer Brand</td>
</tr>
<tr>
<td>Crisis Mitigation</td>
<td>Decrease negative impact on reputation</td>
</tr>
<tr>
<td>Increase Market Cap</td>
<td>Positive sentiment</td>
</tr>
<tr>
<td>Higher Valuations – P/E</td>
<td>Image building, branding</td>
</tr>
</tbody>
</table>
WE ADOPTED A HOLISTIC MEASUREMENT APPROACH

1. Comms Output
   - Listening & Target Setting
     - Volume of News
     - Quality of News
   - Dispersion of News Across Markets
   - Cost Effective use of PR Tools
     - Key Message Hit Ratio
   - Balance across Messaging Pillars
     - Publication & Journalism Effectiveness

Most PR teams end their measurements at this stage!

2. Comms Outcome
   - Correlation of News with Campaign TOM scores
   - Correlation with Campaign Disposition Scores
   - Correlation with Brand Reputation Scores
   - Increase in Perception Scores

3. Biz Outcome
   - Increase in Product Queries
   - Increase in Brand Loyalty
     - Increase in foot falls
     - Increase in sales
   - Rise in industry rankings
     - Preferred employer
     - Employee retention
     - License to operate
   - Higher stock price
   - Increase in Top lines

Increase in PR budgets!!
## THE NEEDLE MOVED

<table>
<thead>
<tr>
<th>Thought leadership</th>
<th>Corporate reputation</th>
</tr>
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<tr>
<td>Increase in Product Queries</td>
<td>Increase in Brand Loyalty</td>
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<tr>
<td>Increase in foot falls</td>
<td>Increase in sales</td>
</tr>
<tr>
<td>Rise in industry rankings</td>
<td>Rise in engagement with Millennials and Gen Z</td>
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<tr>
<td>Preferred employer</td>
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<td>Employee retention - Attrition down,</td>
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<tr>
<td>Higher stock price</td>
<td>Increase in Top lines</td>
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### Increase in PR budgets!!

- Increase in PR budgets!!
- Rise in engagement with Millennials and Gen Z
- Employee retention - Attrition down,
- Higher stock price
- Increase in Top lines
- Higher NPS

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THE NEEDLE MOVED – BRAND RANKINGS

Godrej Masterbrand

Ranked 17th by Trust Research Advisory (Brand Trust Report 2018)
Ranked 10th by Interbrand (Brand Equity Research 2017)
Ranked 14th by Trust Research Advisory (Most Attractive Brands 2017)

India’s Most Trusted Brands (2017) ranking by Nielsen

Godrej Appliances ranked 9th in the Consumer Durables category
Good Knight ranked 2nd in the Household Care category
HIT ranked 9th in the Household Care category
Cinthol ranked 19th in the Personal Care category
Godrej No. 1 ranked 15th in the Personal Care category
Godrej Hair Dye ranked 17th in the Personal Care category
Godrej Ezee ranked 8th in the Fabric Care category

Brand Trust Report (2018) ranking by Trust Research Advisory

Good Knight ranked 3rd in the Pest Repellents category
HIT ranked 5th in the Pest Repellents category
Godrej Appliances ranked 7th in the Durables category
Cinthol ranked 8th in the Bath / Beauty category
THE NEEDLE MOVED – STOCK PERFORMANCE

Reputation matters for retail investors!

Charts and trends that were presented have been removed as data is confidential.
THE NEEDLE MOVED – EMPLOYER BRAND

- GCPL ranked among the top 10 places to work in Manufacturing Sector
- GPL ranked No. 2 in the Real Estate sector (India 2016)
- GCPL ranked No. 12 in Asia’s Best Places to Work; Featured for 3rd consecutive year

GCPL ranked among Best Employers in India in 2017- Aon Hewitt
7 KEY LESSONS LEARNT
#1 Crisp objectives linked to business imperatives are a strong foundation for any PR success story…. Rest is all noise!

Set the expectations right with the C-suite by jointly agreeing on the objectives and measures of success and then go all out to ensure they are met…hence demonstrating maximum ROO.
GOAL SETTING PROCESS HAS TO BE ROBUST

Functional, Business and Group vision

Long Range Plan FY18 - 20

Media Dipstick and Macro economic scenario

National Narratives

Relevant communication Trends

Functional Vision

To be a centre of excellence for branding and communications that Collaborates strategically and operationally with Businesses and shared services For building, managing and enhancing the Godrej group reputation

Group Vision

To be one of the most trusted and innovative Indian brands

To foster an inspiring place to work

To create shared value through ‘good & green’

CC Strategic themes

CC Objectives & Measures

CC Tasks & Projects

Team Structure & Goals
#2 Measures are easy to attach if one knows, “what success looks like.”
Understanding overall corporate / business goals and figuring out how PR can help fulfill them also puts PR in the strategic zone.
## STRATEGIC LINKAGE BETWEEN PR AND BUSINESS

<table>
<thead>
<tr>
<th>Annual Operating Plan Pillars (FY19)</th>
<th>What will success look like - qualitative + quantitative metrics (monthly tracking)</th>
<th>Linkage to business goals (half yearly tracking)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segmented and in-depth media relations and analytics</td>
<td>10% increase in the Qualitative and Quantitative measures for Godrej group and businesses. Increase SOV by 10%, Beneficial Tonality (neutral + positive) &gt; 98%, 10% increase in regional media exposure, 20% increase in authored thought leadership articles, 10% increase in friends of Godrej, uniform geographical coverage, balanced theme coverage</td>
<td>Higher brand scores, awareness, recall, positive sentiment, positive disposition</td>
</tr>
<tr>
<td>Corporate brand building through earned, owned and paid media properties and external stakeholder engagement</td>
<td>5 multi stakeholder thought leadership conclaves as owned media (Future of series) Hub, Hygiene and Hero content as per the content plan – 100% adherence 15 digital videos as per agreed themes for digital platforms, 10% increase in all metrics (Eikona, Radian 6, All digital metrics such as reach, impressions, engagement etc., as agreed)</td>
<td>Thought leadership, corporate brand building, brand recall, Image building, brand positioning, employer branding, Positive sentiment</td>
</tr>
<tr>
<td>Digital PR, influencer engagement, new media and Content creation</td>
<td>60 Digital PR projects with 100% Return on Objectives as agreed with the brand teams / businesses. Overall 10% increase in all digital metrics - Views, influencer reach, following, impressions, trending 3 large on ground events – Content amplification on L’Affaire, Vikhroli Cucina, etc. 4 theme based videos – Identified verticals with associated agreed digital metrics Vikhroli Cucina blog (10% increase in all social media metrics) 5 On ground Masterbrand related events – Thought leadership associations, VR project</td>
<td>Business advocacy, digital safety net, positive awareness, influencer engagement</td>
</tr>
<tr>
<td>ORM, Crisis Communications, Reputation Management</td>
<td>Adherence to the timelines of reports – Monthly and quarterly across all 15 brands 100% adherence to the crisis communication workshop cascade plan % Negative coverage (less than 2% of overall) SOP to be ready for response during and post crisis</td>
<td>Crisis mitigation, reputation index</td>
</tr>
<tr>
<td>Capability Building and Industry networking</td>
<td>100 % adherence to individual development plan New competencies linked to goals of each team member, no. of spokespersons trained 15 Industry awards</td>
<td>Being future ready, advocacy and thought leadership, industry recognition</td>
</tr>
</tbody>
</table>
#3 Track progress using the qualitative and quantitative measures!
Course correction of strategy could be based on these insights.
Quality Factors:
- Godrej Group witnessed a decline in key parameters like Articles, Reach and also factors like Photo, Priority markets and Exclusive articles that led to decline in coverage as compared to February’18

Quantity Factors:
- Godrej Group received less coverage in high circulated dailies like The Times of India, Hindustan Times, The Economic Times & Mumbai Mirror as compared to Mahindra Group
#4 Numbers orientation for the PR team is a must!
Need to speak a language that the C Suite relates to…

**MARTIANS**
(Boardroom folks)

- **RESULTS**
  - Numbers, Impact, ROCE, Profitability
  - Growth Charts, Trends & Graphs
- **WORK**
  - Reviewing results
  - Looking at spreadsheets
  - Strategizing

**VENUTIANS**
(Communicators)

- **RESULTS**
  - 50 media at the event
  - A front page headline
- **WORK**
  - Bantering

(* That’s what a majority of the Martians think!*)
C-SUITE UNDERSTANDS COMPARATIVE TRENDS (VIS-À-VIS IDENTIFIED PEER SET)

**Index Score** = (Quality x Quantity) of Exposure

**Quality of Exposure** = (Net Tonality) * (Photo Weightage + Priority Markets Weightage + Weightage of Exclusive Coverage)

**Quantity of Exposure** = OTS (opportunity to see)

**Note:** Net Tonality: (B CCMs*2)+(N CCMs)-(A CCMs*4).

OTS: Circulation*No. of Articles
TRENDS FOR CORPORATE & EACH BUSINESS
(VIS-À-VIS IDENTIFIED PEER SET)

Managing News Tonality

- 1% decline in Negative Tonality
- 3% growth in Positive Tonality

SOV – Corporate vis-à-vis identified peer set

Maximum Share of voice with high positive tonality

Increasing Thought Leadership Contribution From Spokespersons

Media Platform wise Split

Index

Millions

Corporation vis-à-vis identified peer set

Maximum Share of voice with high positive tonality
#5 Don’t stop at the first step – analyse outcomes!

1. Brand Exposure
   >I Read>

2. Brand Engagement
   >I FELT>

3. Brand Conversion
   >I DID>

Biz Outcome

Comms Output

Input + Planning

Sales, sustenance, queries
Recall + Disposition

Comms Output

Input + Planning

Recall + Disposition

Sales, sustenance, queries

Comms Output

Biz Outcome
### Performance of Pillars

We perform well on the communication pillars of Success, Consistent Performance & Culture. Innovation & Investment Value remain our key focus areas.

<table>
<thead>
<tr>
<th>Net scores</th>
<th>TATA</th>
<th>Samsung</th>
<th>Goody</th>
<th>Mahindra</th>
<th>DLF</th>
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<tbody>
<tr>
<td>Overall Admiration</td>
<td>+22</td>
<td>+7</td>
<td>+6</td>
<td>0</td>
<td>-1</td>
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</table>

<table>
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<tr>
<th></th>
<th>Build the Nation</th>
<th>Culture</th>
<th>Customer Centricity</th>
<th>Innovation</th>
<th>Effective Leadership</th>
<th>Consistent Performance</th>
<th>Investment Value</th>
<th>Success</th>
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<tbody>
<tr>
<td>20</td>
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Measuring effectiveness of communication around admiration drivers vis-a-vis identified peer sets helps figure out messaging buckets that need more push.
Majority of the respondents rated Godrej 'Very Good' on the admiration scale.

In terms of total respondents, Godrej was the second most admired company after Tata Group, with a respondent count of 22 journalists, Tata Group’s count was 37 journalists.

The Editors/COB’s ranked Godrej mainly at #4 in terms of admiration levels.

Rank by the Reporters was mainly #3.

Build on the concept of friends of Godrej.

Reporters need to be tapped more to increase top of mind.
#6 **Do PR for PR!**

- Educate your organization on what PR can deliver!
- Manage detractors!
- Celebrate milestones!
Invest in measurement tools!

Cost of “not measuring” can be high!
#1 Crisp objectives linked to business imperatives are a strong foundation for any PR success story….. Rest is all noise!

#2 Measures are easy to attach if one knows, “what success looks like”

#3 Track progress using the qualitative and quantitative measures!

#4 Numbers orientation for the PR team is a must!

#5 Don’t stop at the first step – analyse outcomes!

#6 Do PR for PR

#7 Invest in measurement tools
THANK YOU