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8-10 June 2011, Lisbon
3rd European Summit on Measurement

The Case for Non-Financial ROI Metrics

Philips' Perspective

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Return on Investment

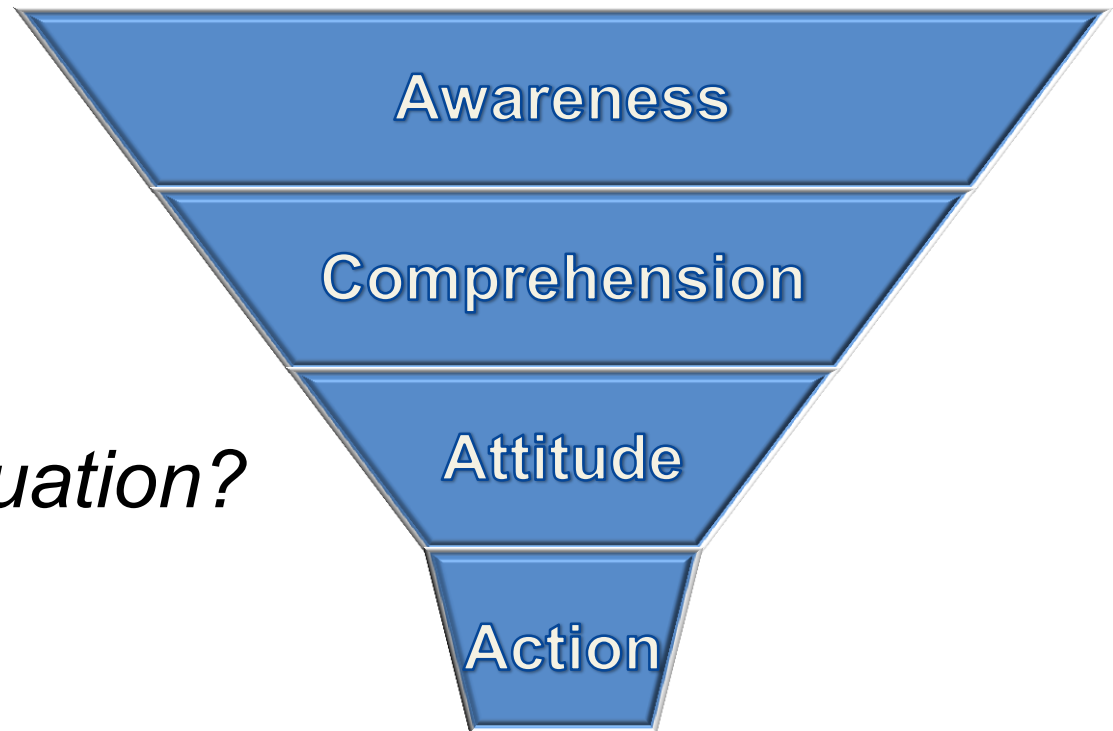


Communications → Revenue?

ROI is based on incremental revenue / incremental costs.

Where does the effect of communications on...

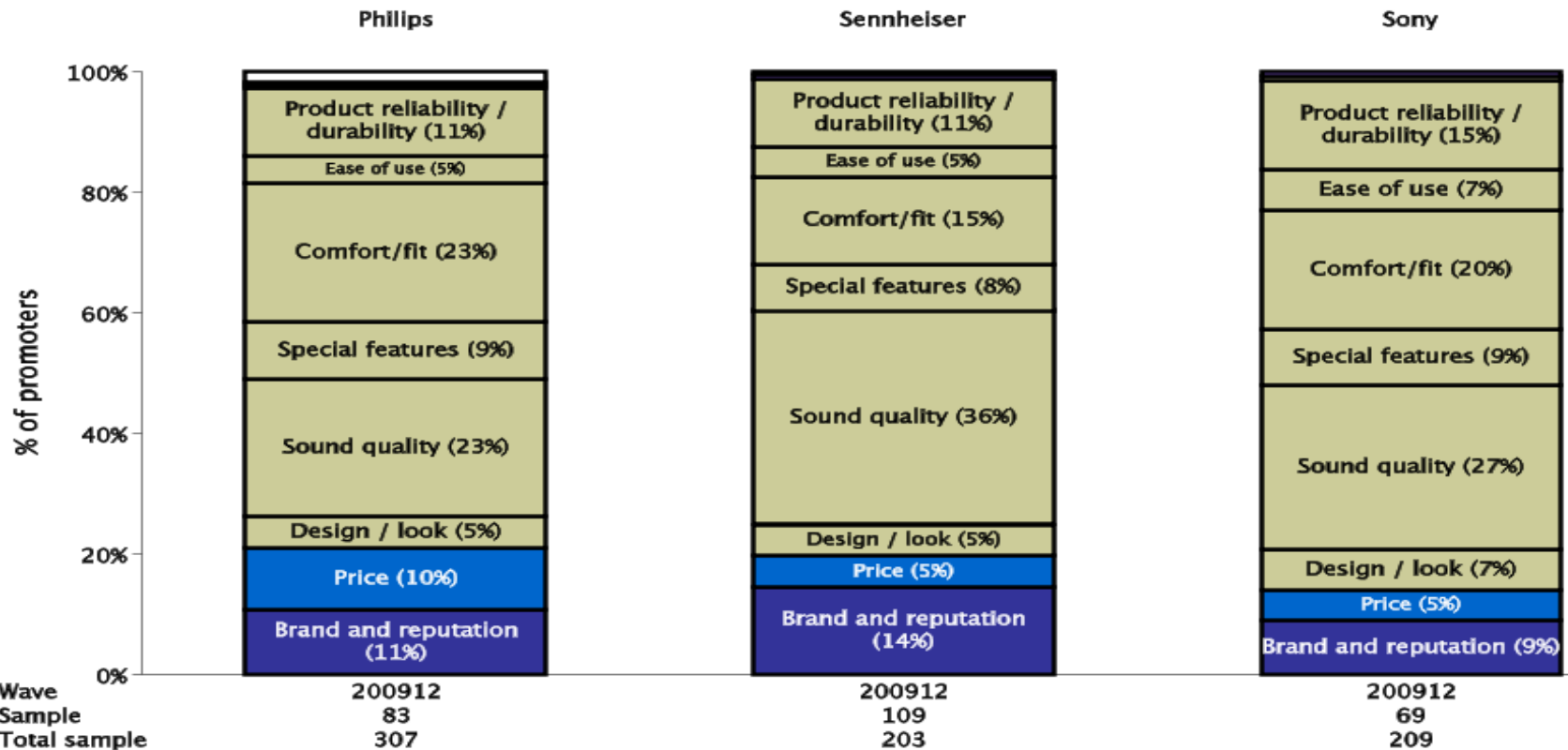
- Awareness
- Comprehension
- Attitude &
- Consideration



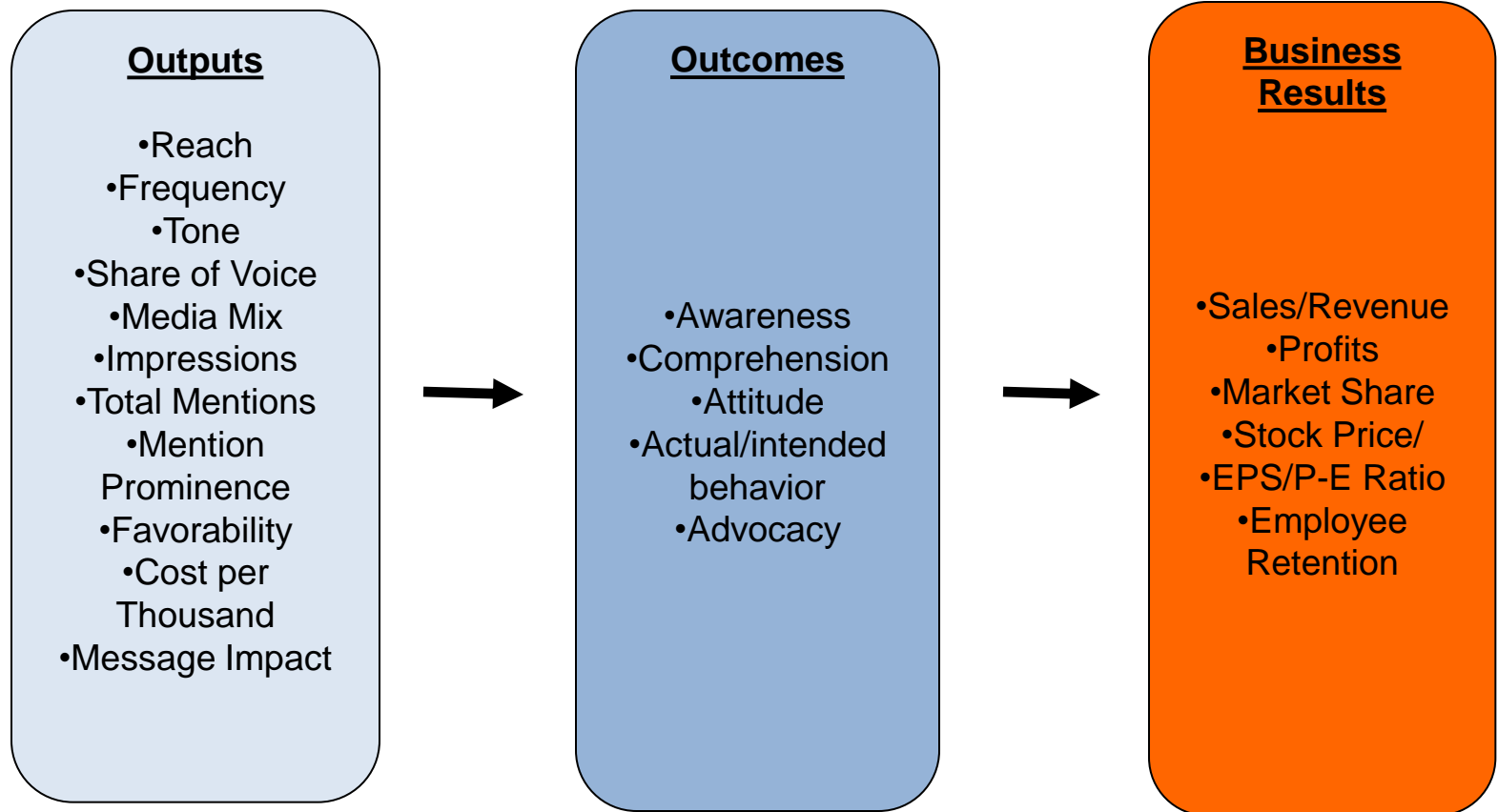
...figure into the equation?

Purchase Reason

What to Focus Message On



End Goal = Business Results?



ROI of Corporate Communication

Challenges We Face

- Brand equity is comprised of intangible parts
- Indirect association between PR and sales
- Understanding base vs. incremental results
- Industry is overall overwhelmed by ROI metrics ...
... while clients are demanding them
- Need to show ROI across a range of financial and non-financial indicators



Non-Financial ROI Metrics

- Employee retention
- Calls to customer service line
- Loyalty behavior / Scope of purchases
 - Recommending brand
 - Repeat purchases
 - Customer retention
- Number of influencers advocating your message
- Online engagement with consumer base
- Community support for company initiatives
- Customer satisfaction
- Message recall



Where Do We Go From Here?



