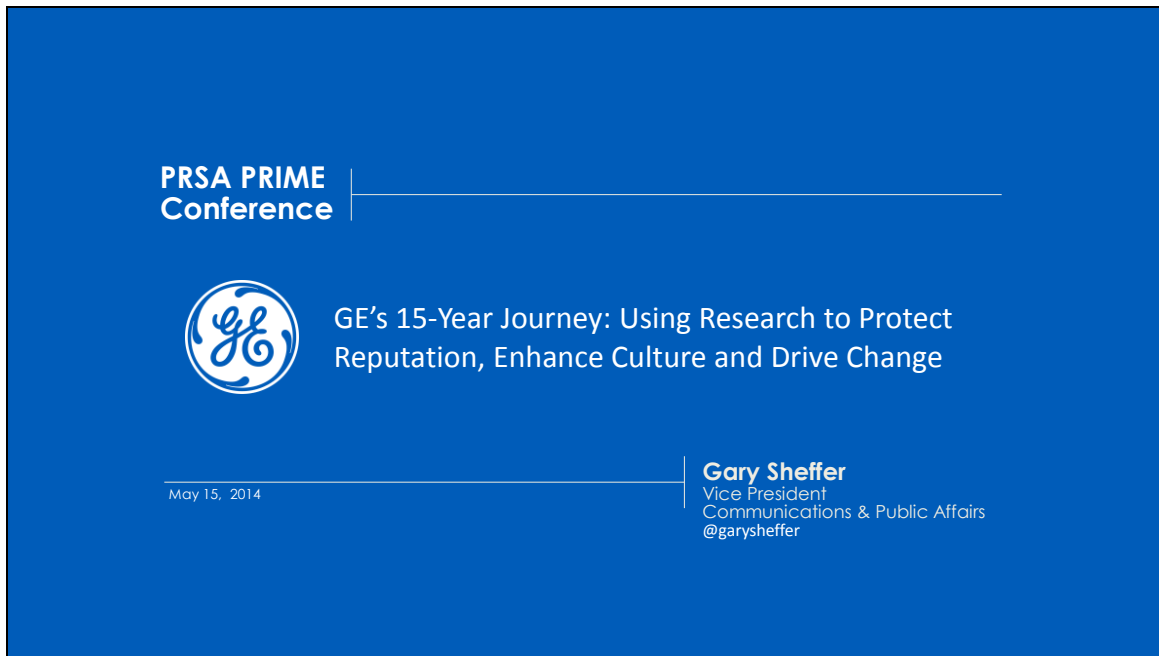



Slide 1



PRSA PRIME
Conference

 GE's 15-Year Journey: Using Research to Protect
Reputation, Enhance Culture and Drive Change

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It strikes me that I could summarize my remarks to you today by paraphrasing Donald Rumsfeld. There are known knowns.

There are known unknowns and there are unknown unknowns. Let me start with the known unknowns first.



We don't know.

The fact is “we don't know.”

There is so much we don't know about research and measurement.

As communicators, we are sitting at a table with others in the company (or in c-suite) who have definitive metrics—the cost of capital, inventory turns, earnings per share, organic growth. In our line of work, we have useful and interesting metrics, but nothing as definitive as this.

You could also say a number of people in recent years have said research and measurement separate public relations from press agent-ry and publicity.

Alstom



The screenshot shows a New York Times article page. At the top, there are navigation links for 'SECTIONS', 'HOME', and 'SEARCH'. The main headline is 'G.E.'s Bid for Alstom Units Puts Siemens in a Bind' by Jack Ewing, dated May 6, 2014. The article text begins with 'FRANKFURT — If the American industrial giant General Electric has a corporate doppelgänger in Europe, it is the German company Siemens. Both are global conglomerates that make trains, medical scanners and — most notably at the moment — the turbines and other equipment that generate and transport much of the world's electricity.' To the right of the article is a small GE logo.

As you may know, at GE the word Alstom has been on our minds a lot in the last several weeks.

Now we can measure sentiment amongst every audience on both sides of the Atlantic that would be peripherally touched by a deal with Alstom.

And when Jeff Immelt asks, I can tell him whether the media impressions were favorable or neutral. But I cannot say that the rollout was statistically positive. I can't draw a pie chart and say, we won. We don't know if we will ever be able to do that. It's possible that we've gone as far as we can go. That we may never get to a *definitive* set of metrics.



But what we do know... is that it is our responsibility as communicators to push the envelope of how far we can go. It's our job to make sure that we are using measurement to be as smart and strategic as we possibly can.

We also know...that the expectations upon us by the c-suite—to show results and to demonstrate ROI on our initiatives—are greater than ever before. As data and analytical metrics help our organizations develop a better understanding of consumers and stakeholders, CEOs are evolving their views. In sum, there is a greater expectation that similar metrics can and should be applied to communications. Simultaneously, as CEOs increasingly care about more than traditional P&L measures—viewing social responsibility, the environment, philanthropy and employee communications as critical—they **will rely on communications to monitor sentiment and reputation around the issues.**

We also know that the new model of Corporate Communication—which relies on identifying and activating corporate character, and then building advocacy at scale—means that we must have a better understanding of our audiences. We cannot enable advocacy without first understanding what motivates our audiences to action...and that relies on research. At the same time, through this new model, it is incumbent on the chief communications officer to identify the gaps (through measurement) where we are not authentically living our corporate character and to measure progress in living up to it.

Lastly, we know that we are equipped today with the ability to be more effective in measurement, because we can measure more things. In the past, most PR and communications research focused on communication *outputs*, but over time we've seen a concentrated move in the direction of measuring *outcomes*. Outputs concern themselves with messages disseminated, while outcomes are centered upon behavior and attitude. Which is why in the past, PR measures were activity-based: measuring the volume/nature of press coverage or readership of publications.

We are now *far more focused* on attitude- and impact-based measures. Measurements of trust and reputation—via online conversation tone and sentiment—and brand engagement—via interaction with customized, shareable content—allow for a deeper assessment of the actual relationship that an enterprise has with stakeholders.

For instance, with online measurement, we can separate and identify those who are simply *reading about us*, from those who are actively *advocating for us*. Moreover, with technology, measurement can move from gathering snapshots in time (scheduled focus groups) to maintaining an uninterrupted pulse on sentiment over time.

When I joined GE in the 1999, the only metric discussed in our communications meetings was the stock price and where we ranked on the FORTUNE Most Admired list – two metrics that remain important today. But by 2000, my boss Beth Comstock new this wasn't enough and se set us on course to conduct deep research into external and internal perceptions about GE, our reputation and our brand.

As we advanced through a tumultuous decade for our company, we were probing deeper into investor sentiment, return on investment for communications spending, depth of brand penetration, social media return and most recently, how communications metrics can influence strategy and create commercial opportunity.

Today, I want to walk you through that journey a bit and focus on five areas that I think our profession should focus on to advance the science beneath the art of public relations.

Our Journey

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The Way Forward

1
Relentlessly
Drive for
Meaningful
Metrics.



First, we must relentlessly drive for meaningful metrics. As a profession, the Holy Grail still eludes us.

We need to come together to identify and agree on what determines meaningful metrics, and create a standard measurement system across all programs & campaigns to deliver consistent, comparable data. Our credibility depends on it.

“We can't afford dueling measurement systems anymore...we must develop standard definitions and metrics now or be left behind.”

Institute of Public Relations

<http://www.instituteforpr.org/public-relations-research-standards-center/>

In the words of the Institute for Public Relations, “We can't afford dueling measurement systems anymore...we must develop standard definitions and metrics now or be left behind.”

And so IPR is taking a lead. For those unfamiliar with IPR, they have three areas of focus, Research used IN Public Relations, Research ON Public Relations, and Research for Public Relations.

A central part of their work over the last several years has been to create a set of industry standards for research and measurement used in public relations.

IPR's Interim Standards for Adoption

1. Social media measurement
2. Traditional media analysis
3. Ethical standards for research
4. Return on investment
5. Communications lifecycle

<http://www.instituteforpr.org/public-relations-research-standards-center/>



Led by David Geddes, the Measurement Commission of the Institute for Public Relations has established a set of standards for traditional media analysis as well as social, for the communications life cycle (beginning with awareness and extending to advocacy), for return on investment, and for ethics in research and measurement.

A standard could be as simple as agreeing on the definition of a “mention” in social media analysis, and specification around how mentions are calculated. At the other end of the spectrum is defining a standard measurement for actual outcomes of PR activity, i.e., change in purchasing behavior or perception.

These standards have been available to the profession for almost two years and four major corporations – including GE to some extent – are working internally and with their external agency and measurement partners to apply them to our listening reports and campaign recaps. In addition to corporate buy-in, the Coalition has welcomed feedback and input from non-profits, NGOs, agencies, measurement firms, and academia.

The next step for David and his team are to begin exploring additional standards, beyond traditional and social media, as requested by the industry. For example, employee communications, investor relations, etc.

If you have feedback or ideas for IPR, I know I speak for David when I encourage you to reach out with your input.

IPR Research: How People Choose What to Trust Online

Accuracy: Can it be verified offline?	✓ Make it easy to verify accuracy
Authority: What are the qualifications?	✓ Show organization behind site
Objectivity: How biased is the author?	✓ Highlight expertise
Currency: How up-to-date is the information?	✓ Make contact info accessible
Coverage: How comprehensive is the information?	✓ Make site easy to navigate and useful
	✓ Use restraint with promotional content

We now have a standard.



IPR has done a lot of research on How the Public Identifies Truth and Fact Online. At IPR's Second Annual Trustees Research Symposium, IPR Chief Research Editor, Dr. Tina McCorkindale presented how people choose which information to trust and to share online based on research from B.J. Fogg's Stanford Web Credibility Research Project.

What she found is that people evaluate the following:

- Accuracy: Can it be verified offline?
- Authority: What are the qualifications?
- Objectivity: How biased is the author?
- Currency: How up-to-date is the information?
- Coverage: How comprehensive is the information?

The upshot for us are a set of **CONSISTENT** Guidelines for Building Site Credibility (*from B.J. Fogg's Web Credibility Research Project*)

- Make it easy to verify accuracy
- Show a real organization behind the site
- Highlight expertise
- Make contact info accessible
- Make your site easy to use and useful
- Use restraint with promotional content

IPR Research Across the Spectrum

Research used in public relations
To guide and evaluate communications programs
In other words, planning research and measurement

Research on public relations
To understand what we do and how we do it
Benchmarking, best practices and the business of public relations

Research for public relations
Our basic research and social science underpinnings
Often borrowed from other fields

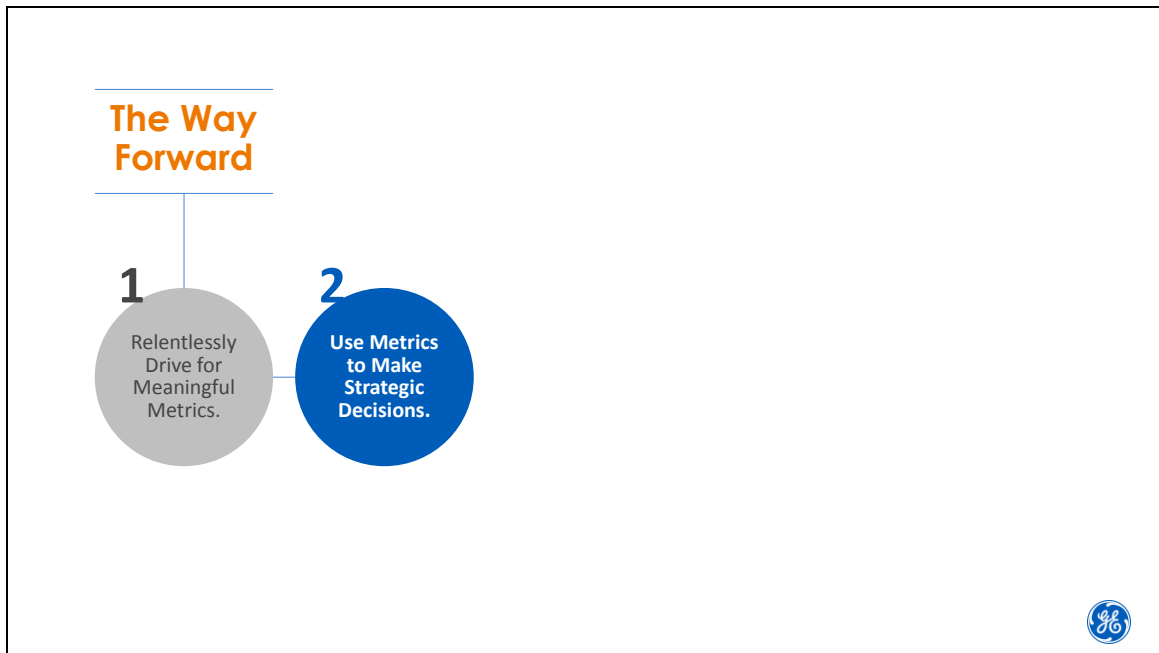
IPR Research ON Public Relations, www.ipr.org

The SCIENCE Beneath the ART of PUBLIC RELATIONS™

In addition to setting standards for research used in Public Relations...IPR does research in other areas as well, that we should all know about.

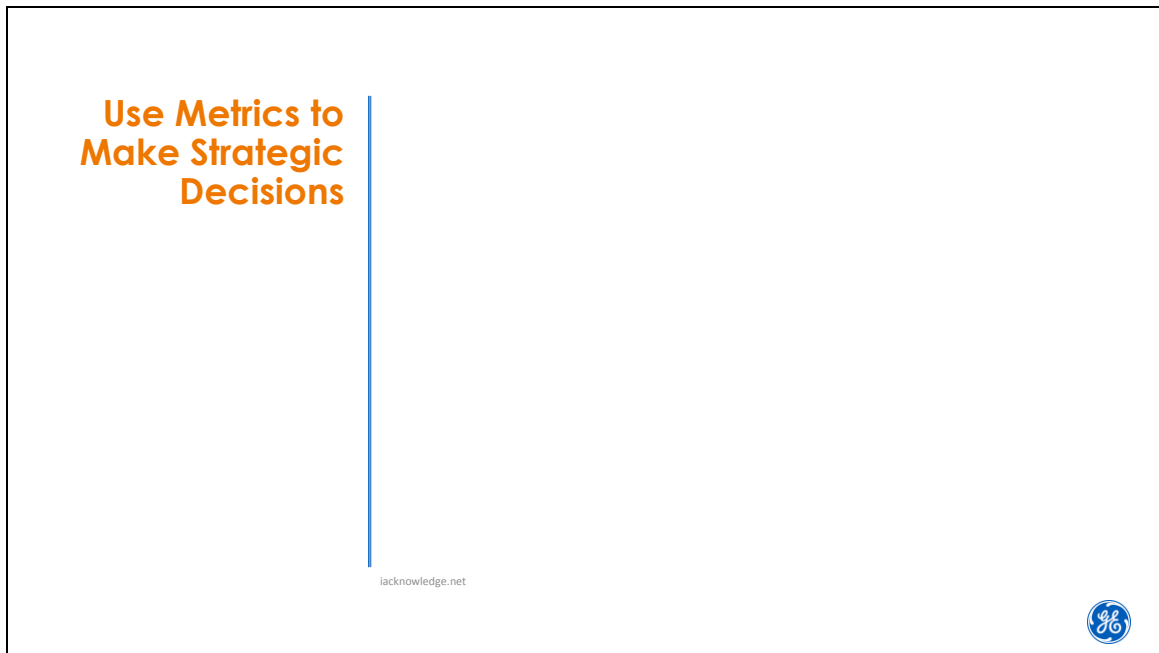
This is one helpful example of the kind of research on Public Relations. They surveyed 1600 PR professionals on their thoughts on the impact of Wikipedia on corporate reputation, and generally on industry professionals' experiences in correcting inaccurate information online.

My point is that there is so much good research being done at IPR, and I encourage everyone in this room to support it, and to apply it in your work.



Second, we must use new tools to make strategic decisions

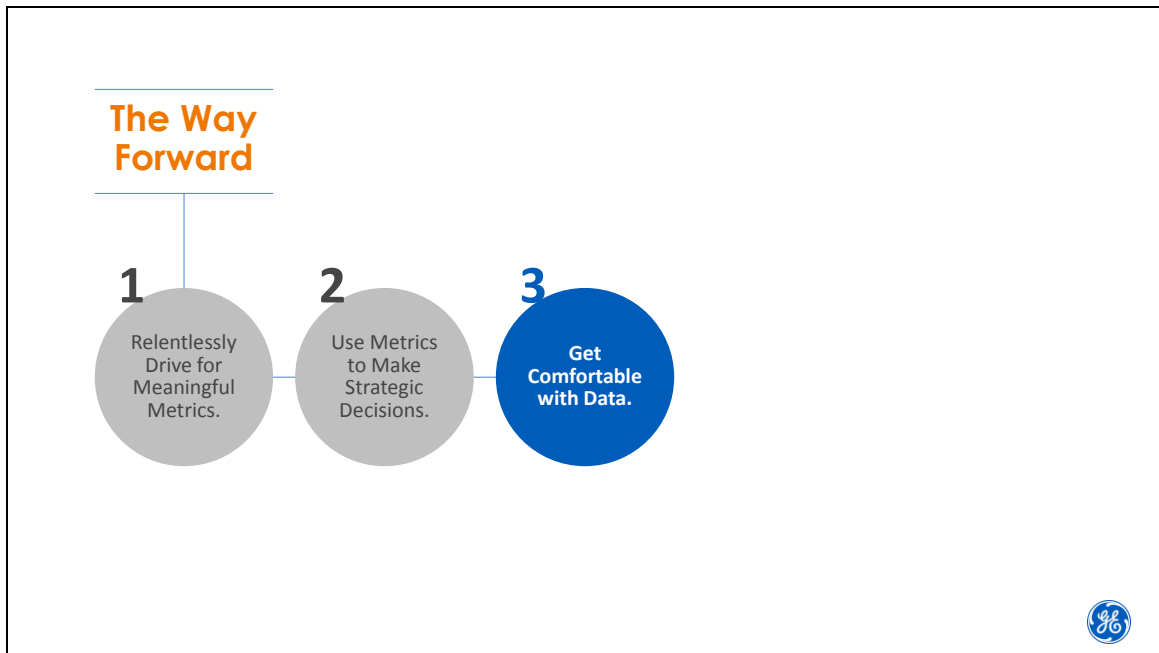
We must consistently find new ways to use existing tools to make strategic decisions.



But importantly, before you use the tools, you need to know what metric or sentiment you should be measuring—what is the meaningful insight that should impact your strategy?

For instance when determining a communications strategy in the aftermath of Fukushima we needed to understand whether the public blamed GE or did they think this was an event caused by an earthquake and tsunami.

Using tools, we were able to discern that the public did not blame GE, and provide strategic counsel to senior executives whose instincts may have guided them in a different direction.



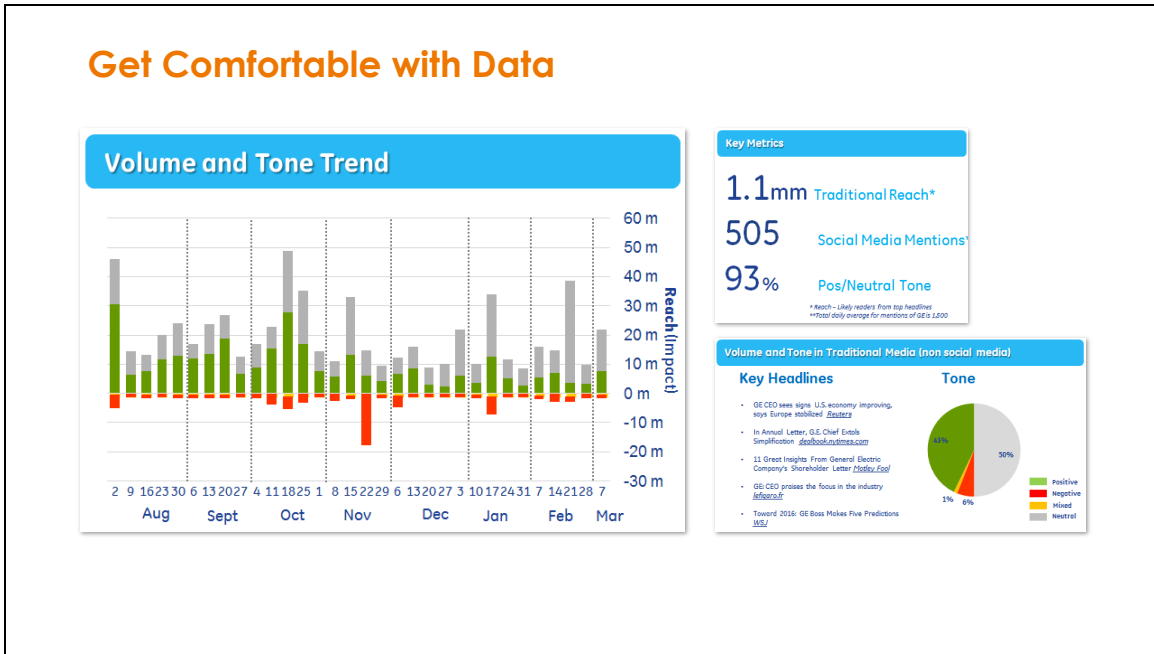
Third, we need to get comfortable with data.

Big Data is an overworked phrase today....but for good reason.

For those of us, however, who earn a living working with words, using Big Data to inform our communications strategies feels intimidating. Few of us are adept at mining it for simple insights.

As a profession, we need to get smart. As Chairman of the Arthur W. Page Society, I have asked our Board and our members to help us define and advance the future role of the Chief Communications Officer. We need ideas that guide the evolution of the role of the CCO and inform training and development, preparing Page members to play a broader role in leading their organizations. One of the areas of focus will be big data analytics.

As an industry, we all have to reorient our thinking to be data-centric and to be able to thoughtfully collect and analyze meaningful data. We can't just leave this to the experts to understand and interpret it.



For GE, we've adopted Prime Research listening and reporting across our companies' varied businesses and regions for one consistent and efficient take on monitoring and measurement.

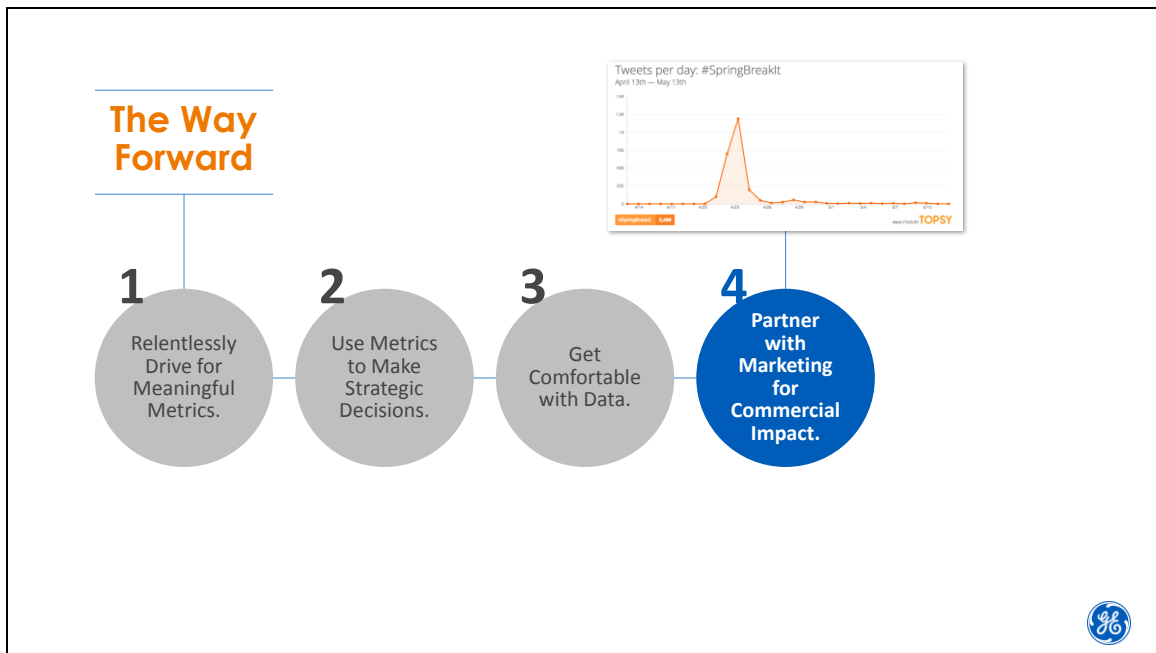
Based on their Global Listening Tool, Prime provides a comprehensive snapshot that accurately measures:

- volume of conversation across traditional and social,
- total traditional reach based on a unique formula that actually accounts for likelihood to see (rather than the inflated impressions figures we're used to),
- key influencers driving social conversation based on activity and following.

In addition, Prime measures traditional media sentiment on a human validated 7 point scale to determine positive, negative & neutral tone.

Perhaps most importantly, Prime and the Global Listening Tool help us identify trends over time – peaks and troughs for all of the above so we can compare apples-to-apples and get a sense of context for all the listening data coming in.

By using Prime across our business, we have grown more comfortable with data by knowing what to expect and having a frame of reference for the numbers we receive. With consistent metrics, we're able to accurately gauge the success of an announcement or the severity of an issue by looking at the numbers with the lens of historical context and a point of comparison.



Fourth, we must partner with marketing for commercial impact

Marketing and communications have to work together on this.

To be blunt, they have the money. And they also have a history of making decisions based on customer data, and turning that into actionable insight. Marketers have a distinct advantage in that they historically have focused on consumer data.

At the same time, they also need help. If you look at companies built on marketing—the Amazons of the world—they have trouble demonstrating meaningful metrics. They are not measuring their value in profit—they can't. How do you truly measure the engagement level of customers?

For my colleagues in Marketing at GE, social media ROI is measured by engagement. Each marketing campaign is deemed successful or not by comparing the dollars invested to the engagement driven. Measurement is usually delivered in metrics like “cost per click” or “cost per engagement” – meaning how many promotional dollars did we spend to get one click-thru to our content, one Retweet or reply, one Favorite or Like.

One example is illustrated by the graph here, which shows one of our Marketing-led “owned moment” social campaigns –#SpringBreakIt – a hashtag created by GE around a one-day digital push to show the world how we test our advanced materials at GE. With the help of paid promotion on Twitter and a series of compelling videos and GIFs hosted on Tumblr – **the hashtag itself was used on Twitter over 2,000 times** in just one day.

Paid promotion shouldn't be limited to the Marketing department.

Digital communications – more than any other PR function – operates at a nexus with Advertising and Marketing. We must embrace, rather than shy away from this ambiguity and harness the power of paid media when it makes sense for the business and for reputation.

Native advertising – or advertorial content where we tell PR and business stories but on a paid platform – is a perfect example of the type of content that requires cooperation between advertisers and communicators. We must harness paid platforms for stories that serve our business interests.

Paid amplification can be tapped in such a targeted and strategic fashion for social that it can't be ignored a means for reaching highly specific audiences like investors, potential employees, customers or even journalists.

So begins the 'land grab' -- we are all in this together.

**Launching the
“Industrial
Internet”**



2012
43% believed GE
“lacks the expertise...[for]...big data.”

Today
60% believe GE is the most innovative
technology company because
*“Only GE combines advanced industrial
manufacturing, innovative technology,
with big data analytics to give its
customers cutting edge solutions and
advanced technology products.”*

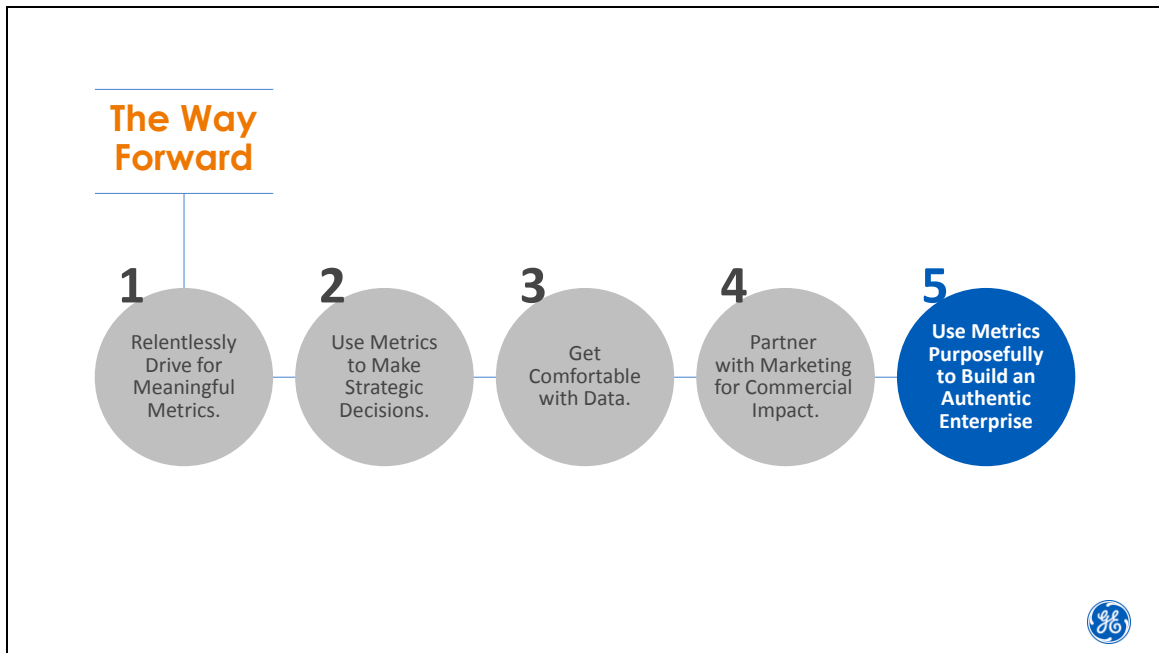


Another example of partnership is when we were preparing to launch the Industrial Internet. It was important for our marketing team and communications to partner to ensure that the language we were using mirrored what the public already believed about GE....particularly in the markets where it was most critical for us to succeed.

As we were heading into launch, survey data showed that we had little credibility in Silicon Valley.

We used this data to develop a “market-making” PR plan focused on “humble” customer storytelling and open innovation challenges. The result is that in: 2012: 43% of business decision makers believed GE “lacks the expertise” for “big data.”

Today: 60% of business decision makers believe GE is the most innovative technology company.



And fifth, we must use metrics purposefully - to build an authentic enterprise that engages in a human and personal way. When I say Authentic Enterprise—as defined by the Arthur Page Society, what I mean is an organization that is grounded in a sure sense of what defines and differentiates it. And then consistently behaving and acting in a way that reflects that definition.

So our job is two-fold. To build the authentic enterprise, we need to use research and measurement to listen to the stakeholders—within and outside of our company—to get at that definition of what differentiates us.

Several years ago, when I first came to GE we brought in a cultural anthropologist in an effort to better understand employees and what motivates them. That moment in our history began to unearth an insight which has helped us to better communicate and behave in a way that is authentic to our origins and the beliefs of our employees.

In sum, what employees saw as our key differentiator was not the stock price, but that we work to solve the tough challenges.


Over time, we have continued to mine these insights from employees...moving to include more qualitative assessments over time. So not just an employee survey, but reading comments they post and gauging what they read on the intranet...to ensure that we are consistently presenting ourselves in a way that is authentic to who we are, and what we believe.

...the manifestation of which you see today in GE Works.

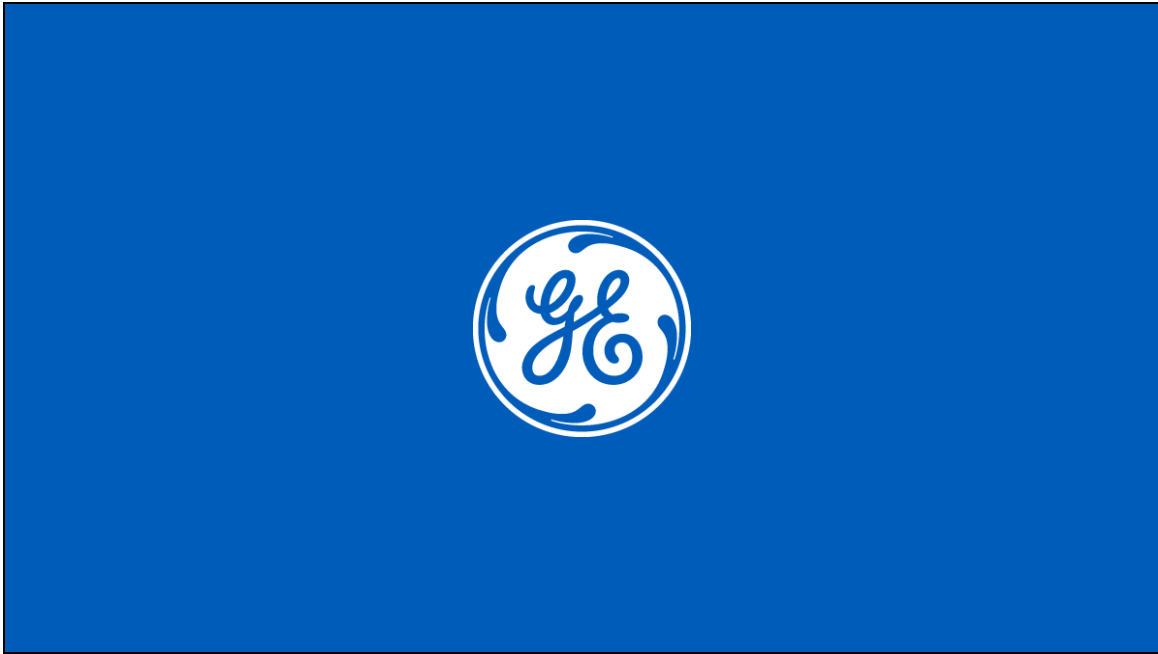
The GE Works Equation

We look at what the world needs **X** a belief in a better way **+** a relentless drive to invent and build things that matter **=** A WORLD that WORKS BETTER Building, Powering, Moving & Curing

GE works on things that matter. The best people and the best technologies taking on the toughest challenges. Finding solutions in energy, health and home, transportation and finance.
Building, powering, moving and curing the world.
Not just imagining. Doing. GE Works.



...which we believe to be the authentic expression of who we are.



I have shared a bit today about our 15 year journey with research and measurement.

And it is a journey...we are not there yet.

We do not know the full extent of how research and measurement can further change and improve our ability to offer strategic counsel to our companies. We know that we must continue to push the limits of what research can do for us. We must push to strengthen our capabilities to use it...becoming more adept at using big data.

We must form partnerships outside of communications around insights we glean. And most important, we must join together to adopt an industry standard. Failing to do so jeopardizes the very quality we seek through research—which is to bring greater credibility to the strategies we offer, and greater value to the companies we serve.

Thank you very much.