6-29-2000

Increasing your organization's visibility: a study of business and financial print media

Sandra L. McCollum
Rowan University

INCREASING YOUR ORGANIZATION'S VISIBILITY:

A STUDY OF BUSINESS AND FINANCIAL

PRINT MEDIA

by
Sandra L. McCollum

A Thesis

Submitted in partial fulfillment of the requirements of the
Master of Arts Degree in the Graduate Division
of Rowan University
June 29, 2000

Approved by_______________________
Professor

Date Approved 6-29-00

ABSTRACT

McCollum, Sandra L.

Increasing your organization's visibility: A study of business and financial print media, 2000.
Advisor: Dr. Donald Bagin
Master of Arts Degree

This study provides advice to investor or public relations professionals seeking increased national print media exposure for their organizations.

The author contacted 112 writers, editors and reporters from 16 business publications using postcards or e-mail. Twelve respondents participated in telephone or e-mail interviews.

The author found that reporters prefer to interview a chief executive officer for their stories. Participants also indicated they use outside sources, such as ex-employees, competitors and on-line databases, to learn more about an organization.

Participants were most interested in covering unexpected news, such as a fundamental change in the business, for hard news stories. The journalists indicated feature stories typically involve an overriding theme, a new product, or a new twist on an old strategy.

The participants' advice was the basis for the concluding 10 tips for public relations professionals. The journalists recommended that public relations professionals know the publications they are pitching their stories to, and to deal with the media honestly. Public relations professionals who know their companies, industries and competitors add value as a source for the media.

MINI-ABSTRACT

McCollum, Sandra L.

Increasing your organization's visibility: A study of business and financial print media, 2000.
Advisor: Dr. Donald Bagin
Master of Arts Degree

This study provides advice to investor or public relations professionals seeking increased national print media exposure for their organizations.

Interviews with journalists provided the basis for the concluding 10 tips for public relations professionals.

TABLE OF CONTENTS

ACKNOWLEDGEMENTS

I am indebted to the journalists who granted candid interviews for this thesis—Stephanie Armour and Del Jones of *USA Today*, Robert Barker and Debra Sparks of *Business Week*, Brian Knestout of *Kiplingers Personal Finance*, Joseph Nocera of *Fortune*, Deborah Orr of *Forbes*, Rebecca Quick of *The Wall Street Journal*, and the four others who agreed to participate anonymously.

Dr. Donald Bagin contributed his patience, guidance and encouragement as my thesis advisor. Gary Bagin assisted me in locating potential interviewees for this project. I am grateful to both of them for their help.

Finally, thank you to Dennis, my friends and my family, who always generously provide their encouragement.

CHAPTER 1

INTRODUCTION

This study is intended to provide practical advice to investor or public relations professionals seeking increased print media exposure for their organizations in national business and financial publications.

The practice of investor relations relies on financial theory as well as sound public relations principles. An investor relations professional ensures the timely and accurate disclosure of relevant financial information. This responsibility is not merely an exercise to meet Securities and Exchange Commission requirements. It allows the financial community to accurately assess a firm's financial prospects. In short, it enables the market to properly value a company's stock, which in turn affects the company's access to capital.

A firm may need capital to open a new retail outlet or manufacturing facility, to purchase raw materials or other inventory, or even to hire the most qualified people. While the reasons are varied, one thing is certain. Companies need capital to stay in business.

A company can raise capital by issuing debt or by selling shares of its stock to investors. If the market does not properly value that stock, the sale of shares to investors may not raise enough capital for the company's needs. One of the primary reasons the market may not value a company's stock correctly is lack of information about the company. If analysts and investors do not understand or are not aware of management's strategies, the unique market position of the company, or how its products and services differ from its competitors, stock valuations and investor demand for the stock may suffer.

Researchers have studied the impact of image and financial-relations advertising on the price of a company's stock. The outcomes and opinions of the researchers differ. For example, a 1984 Barron's study found that corporate image advertising can positively impact securities values.[1] Conversely, a more focused study on financial-relations advertising completed in 1984 by George Bobinski and Gabriel Ramirez produced different results. Bobinski and Ramirez found financial-relations advertising does not tend to have a significant overall effect on stock prices. [2]

The differences in these studies may relate to a difference in advertising theory versus financial markets theory, according to Bobinski and Ramirez.[3] Both studies do agree on one finding. Through image and financial-relations advertising, companies can attract the attention of the investment community, which is an important step in maximizing access to capital.

---

[1] Pat Botwinick, "The Image of Corporate Image," *Public Relations Journal* 40 (November 1984): 12-13.

[2] George S. Bobinski, Jr. and Gabriel G. Ramirez, "Advertising to investors: The effect of financial-relations," *Journal of Advertising* 23, no.4 (December 1994): 20-22.

[3] Ibid.

In addition to paid advertising, financial public relations can be a contributing factor in attracting investor interest in a company. Investors read business and financial publications. An investor relations professional who is able to gain coverage in these publications will increase awareness of his or her company, and help to ensure accurate market valuation of its stock through communication of financial and non-financial aspects of the company.

Need for the Study

More than 8,000 companies are traded on the New York, American and NASDAQ stock exchanges.[4] New companies are added daily. With these numbers, it is virtually impossible for brokers, investors and investment bankers to follow all of these companies. Thomas Garbett, a senior vice president at the New York advertising firm of Doyle Dane Bernbach Inc., summarized the importance of exposure in his 1982 Harvard Business Review article. He said, "There are just too many companies and too few analysts to ensure fair and equal evaluation of all companies, particularly smaller concerns." [5]

As companies compete for limited investment capital, investor knowledge of the company is key. In a 1984 Barron's study, 75 percent of respondents indicated that "corporate image advertising" caused them to investigate a company for investment purposes. Furthermore, the same study found that 82 percent of the study group indicated

---

[4]<www.nyse.com> Accessed November 12, 1999.
< www.nasdaq.com> Accessed November 12, 1999.

[5] Thomas F. Garbett, "When to advertise your company," *Harvard Business Review* 60, (March-April 1982): 101.

hat investigation into a company eventually led to a purchase of the stock of that company.[6]

But how does a company best attract investor attention? One possibility is through paid image or financial-relations advertising. However, advertising in key financial publications such as The Wall Street Journal, Barron's and Business Week can be very costly, especially for the smaller, lesser-known companies.

As an alternative, third-party endorsement through public relations activities can play a key role in increasing the visibility of a company. A 1998 Ernst & Young LLP study found that an increase in the quality of investor relations could potentially increase the stock price by up to 5 percent in some industries. Researchers focused on the impact of non-financial information such as management and the company's business plans. The study found a positive correlation between securities ratings and the amount of non-financial data available to analysts. [7]

But then what is the best way to attract the attention of business writers who write for these prominent publications? Why do these writers agree to do a story about one company, while foregoing many others?

If a firm's management had access to this information, they could better direct their efforts to pitching their organization's story. An article in a national financial publication would reach many potential investors, who may eventually purchase the company's stock.

---

[6]Botwinick, 12-13.

[7] "Intangibles Becoming Tangible Part of Investment Decision," *Investor Relations Business (January 4,1999): 12.*

Statement of the Problem

This study will provide guidelines for reaching business writers and gaining positive coverage for an organization in a national business publication.

Procedures

The writer conducted an on-line search of relevant articles and studies in the field over the past twenty years at the Rowan University library. Three databases were used to conduct the search. The results of the search were used primarily to establish the justification for this study. The writer did not find other studies covering the specific topic of this thesis during this literature search.

The author developed a list of questions that she intended to use in interviewing writers associated with major business and financial publications. These questions were reviewed for bias and content by the author's thesis advisor, Dr. Donald Bagin, and graduate students in the Rowan University public relations program.

The author used these questions to conduct qualitative research in the form of telephone and e-mail interviews. The author interviewed twelve business writers from major business publications. A summary of the interview responses is presented in Chapter 4.

Study Limitations

This study primarily focused on gaining visibility for lesser-known, smaller companies. The stock of well-known, larger companies is already widely followed by stock analysts, brokers, and investors. Therefore, it is likely that these stocks are already properly valued in the market. These better-known companies typically already have the necessary access to the capital they need.

In addition, the study ignored the differences in types of business a company is engaged in. Obviously, some businesses are inherently more interesting than others and may be able to attract more attention from business writers.

A third limitation to the study is that it focused only on the national print media, specifically business and financial publications. As a result, the findings may not apply directly to other media such as local newspapers, radio, television and the Internet.

A fourth limitation of the study was the low participation rate of the reporters, editors and writers contacted. In addition, not all respondents were interviewed in the same way. As discussed in Chapter Four, nine of the twelve interviews were conducted by telephone, while the remaining three were conducted via e-mail.

Finally, other studies cited in this thesis were based on the positive effects of financial and image advertising, not financial public relations contributions.

Definitions

Buy-side analysts are financial professionals employed by institutional investors to evaluate corporations' financial and stock performance, quantitatively and qualitatively. The purpose of a buy-side analyst's research is to recommend securities for his or her organization's investment portfolio.

Capital is defined as the financial resources of a firm.

Corporate image advertising is a form of promotion that seeks to create a positive impression of the company.[8]

Financial relations advertising is a type of image advertising that seeks to create a favorable image of a company among investors and financial markets.[9]

Institutional investors are investors who typically purchase large blocks of common stock and are the largest customers of the securities industry. Insurance companies, mutual funds and pension funds fall into this category.[10]

Sell-side analysts are financial professionals employed by brokerage firms to evaluate corporations' financial and stock performance. These professionals provide the results of their analysis to their firm's stockbrokers, who in turn provide the information to their clients.

[8] Bobinski and Ramirez, 20.

[9] Ibid.

[10] Jay Clark Francis, *Investments: Analysis and Management*, 3d ed. (New York: McGraw-Hill Book Company, 1980), 64.

CHAPTER 2

RELATED STUDIES AND LITERATURE

Researchers have studied the effects of financial-relations, image and general corporate advertising on the price of a company's stock. Conclusions differ among researchers and research methods.

The author researched these related studies and literature at the Rowan University library. The author searched the ABI Inform, Proquest and Webspirs databases over the most recent 20-year period.

The author was unable to find any other studies similar to this study. However, the search did uncover existing research concerning the relationships between investor relations and public relations activities, image advertising, financial-relations advertising and stock price. These studies are discussed in this chapter.

With a 1984 questionnaire targeting 3,141 "business and financial decision makers,"[11] Barron's studied the effects of a positive corporate image. Participants in the study were

[11] Botwinick, 12-13.

institutional and individual investors, investment bankers, stockbrokers and corporate executives of companies with at least $500 million in annual revenues.[12]

Three out of four respondents indicated corporate image advertisements increased their awareness of, or caused them to research investment information about that company. Furthermore, 82 percent noted investigation into a company's securities led to a subsequent purchase of its securities.[13]

Additional findings in the Barron's study focused on the most effective medium for response-oriented image advertisements. Ninety percent of respondents cited print media, specifically business and financial publications as the best avenue for this type of communication.[14]

Barron's also ranked the importance of the information provided by the advertisements. More than 80 percent of respondents valued new product and service announcements, 63 percent noted "use of technology," and 62 percent were interested in change in profits. Additionally, 51 percent ranked "mergers / acquisitions" as an important topic.[15] Notably, each of these topics could be covered by a public relations news release.

Finally, the Barron's study looked at who should be receiving these messages. Five out the six top audiences selected by respondents represented "influentials in the business

---

[12] Ibid.

[13] Ibid.

[14] Ibid.

[15] Ibid.

and financial communities."[16] These individuals are the target readers for most business and financial publications.

Bobinski and Ramirez, in their 1994 research, studied the effectiveness of financial-relations advertising as a tool to boost a firm's share price. They noted that the primary purpose of such advertising is to promote the firm as a product, to increase demand for its securities, and potentially increase the market price of those securities.[17]

In their study, Bobinski and Ramirez selected a sample of 227 Wall Street Journal financial-relations advertisements. They analyzed trading volume and stock price changes around the ad placement dates.[18]

They concluded that while financial-relations advertising may increase securities trading volume, the effect is valid only following the initial appearance of the ad. The study also concluded that such advertisements do not appear to affect the price of the stock in the short term. The researchers attributed these conclusions to differences in changes in the expectations of individual investors and the entire stock market. For example, individual investors may change their expectations about a firm, based on an advertisement. However, the market as whole, which includes sophisticated institutional investors, may not have the same change in expectations.[19]

---

[16] Ibid.

[17] Bobinski and Ramirez, 10-22.

[18] Ibid.

[19] Ibid.

Specifically, Bobinski and Ramirez cited a 1987 study by Karpoff that concluded that changes in stock prices reflect market expectations, while changes in trading volume relate to changes in individual investors' expectations.[20]

Another study by two Northwestern University professors, Eugene Schoenfield and John Boyd, researched the link between corporate advertising and stock price using an econometric analysis. They concluded that advertising campaigns do not have a statistically significant impact on stock prices. They found that the average change is just 2 percent. However, their findings applied only when the market was moving upward. No change was noted when the stock market was falling.[21]

A 1998 study by Ernst and Young LLP's Center for Business Information concluded non-financial criteria account for 35 percent of the investor's decision. Non-financial criteria may include perceptions about management's capabilities and credibility. In addition, investor relations activities and the firm's position among its industry peers are other non-financial measures cited in the study. The study found the most valuable non-financial criteria was management's execution of its business strategy. Interestingly, the quality of investor relations ranked lowest among the non-financial criteria. Respondents apparently did not believe the company is the best source of information about these intangibles. [22]

Jonathan Low of Ernst and Young believes the study results indicate investor relations departments need to be more proactive. Specifically, if a company does not communicate

---

[20] Ibid.

[21] Garbett, 101.

[22] "Intangibles Becoming Tangible Part of Investment Decision," *Investor Relations Business* (January 4, 1999): 11.

its intangible attributes, analysts may create their own explanations, which may not be accurate. The study did conclude there is a correlation between favorable securities analyst ratings and the amount of non-financial information available to analysts.[23]

The study also found a positive correlation between a potential percentage change in share price and investor perceptions of non-financial performance. However, the significance of intangibles on the stock price varied by industry. For example, the study found an increase in investor relations quality in the oil and gas industry could lead to a 5 percent long term increase in share price. In contrast, in the food industry only a 1.5 percent change in share price was noted.[24]

This Ernst and Young study was completed in three stages. It involved interviews with portfolio managers and industry experts. In addition, 300 sell-side investment reports were analyzed. Finally, 275 buy-side investors were surveyed.[25]

Finally, a 1999 joint survey by Barson–Marsteller, a communications firm, and Wirthlin Worldwide, a marketing research firm, was also applicable to this paper's research. The survey of 2,601 respondents included corporate executives, board members, analysts, institutional investors and the business media. The primary purpose of the study was to gauge audience perceptions of more than 300 companies. A key finding in this study was that people are three times more likely to pay more for, or recommend an admired company's stock. The study results offered additional evidence that intangible factors are an important part of a company's image, and possibly its stock valuation in the

---

[23] Ibid.

[24] Ibid.

[25] Ibid.

market. These intangibles include factors such as management credibility, brand awareness, customer relationships and communication and execution of the company's business plans.[26]

In summary, the author searched three databases for research related to this study. While no similar studies were found, many researchers have tried to determine what, if any, relationship exists between the price of a company's stock and the efforts of a firm's advertising, marketing, investor relations, and public relations departments.

[26] *Investor Relations Business* (July 5, 1999): 2.

CHAPTER 3

PROCEDURES

The author's initial research focused on studies and articles located on the ABI Inform, Proquest and Webspirs databases at Rowan University's library in Glassboro, New Jersey. The author used keyword searches within the database for the following terms: "investor relations," "public relations," "business writers," "financial writers," "business reporters," "financial reporters," "business publications," " financial publications", "financial public relations," "stock prices," "stock valuations," and "shareholder relations." The author reviewed the articles from this search to establish the justification for this study. In addition, the research provided information on five related studies that are discussed and summarized in Chapters 1 and 2.

The author chose a telephone interview format for gathering the data required for this study. In preparation for these interviews, she composed eight interview questions. These questions were reviewed for bias and clarity by the author's thesis advisor, Dr. Donald Bagin. In addition, five graduate students in the Rowan University public relations program reviewed the questions. Comments from these individuals provided the basis for the final format of the interview questions. These questions are detailed in Appendix A.

The author collected names of business writers, editors and reporters from prominent business periodicals including *The Wall Street Journal, Forbes, Barron's* and *Business Week.* The author reviewed articles in various business and financial publications for the names of frequent contributors. The author also contacted a professional in the field to gather names of writers at these publications. Finally, the author used Bacon's Magazine Directory 2000 (48^{th} edition) to find names and e-mail addresses of prospective participants. Appendix B contains a full list of the publications that the author contacted.

A total of 112 business writers, reporters or editors were contacted in three separate stages. The primary reason the prospective participants were contacted in stages was to avoid more than three responses from the same publication. The author strived for a mix of business and financial publications to be represented in the study.

Initially, 34 business writers, editors and reporters were contacted through a double postcard mailing. The first card outlined the purpose of the study and requested a ten-minute interview with the recipient. Interested parties responded with the remaining postage-paid postcard. Positive responses were encouraged to include a proposed date and time for the interview, as well as a telephone number. The initial mailing yielded five positive responses. A second mailing to 28 additional business writers, editors and reporters resulted in two additional positive responses.

Due to timing issues and the low positive response rate for the traditional mail approach described above, the author contacted an additional 50 business writers, editors and reporters by e-mail. The e-mail contained the same language as the postcard, and requested a response by return e-mail. This method of contact yielded five additional positive respondents. While the response rate for e-mail was actually lower than traditional mail, responses were received quickly, generally within 24 to 48 hours.

A total of twelve respondents were interviewed using the list of questions in Appendix A. Nine interviews were conducted by telephone. The remaining three were conducted by e-mail. In those three cases, the respondents indicated a preference for completing the questions by e-mail due to time constraints. The responses were compiled and are summarized in Chapter 4.

The responses were used to provide investor and public relations professionals with ten general guidelines for increasing favorable print media exposure for their companies outlined in Chapter 5.

CHAPTER FOUR

FINDINGS

A summary of this study's findings is presented below.

Outside Sources of Information

The author asked each of the participants which outside sources of information are used in their research. The purpose of this question was to determine which sources reporters and business writers use for information that is not controlled by the company's representatives. Study participants indicated a wide variety of outside sources are used to obtain information about a company. This information is typically used in the early stages of story development. As expected, all participants use multiple sources of information in researching their stories. The most commonly cited sources are listed below, in order of their frequency of mention among research participants:

Outside Sources of Information:	Used by % of participants*:
On-line databases services	75%
Wall Street analysts	75%
Ex-employees	42%
Competitors	33%
Customers	33%
SEC filings	25%
Internet	17%

* Percentages do not add up to 100%. Participants provided multiple answers.

Nine out of 12 participants cited on-line database services for news retrieval as a favorite source. A frequently-mentioned database was Lexus-Nexus.

Nine out of 12 participants also indicated Wall Street analysts were a source of information; however, two respondents expressed some skepticism with analyst information. One respondent indicated sell-side analysts tend to "recite the company line" and generally do not complete much independent research. Nearly 42 percent of respondents use ex-employees on a regular basis for information. However, one respondent indicated these sources are typically off-the-record, unless the comments are positive.

Four respondents cited competitors and customers as potential sources. Three listed SEC filings as a source of information. Two stated the Internet is a possible source. Other sources cited by participants included investors, book authors, university professors, fund managers and industry associations.

Internal Sources of Information

In an effort to determine whom reporters and writers are more likely to listen to, they were asked whom they preferred to speak with from a company. A summary of the most frequently mentioned responses is listed below:

Internal Sources of Information:	Preferred by % of participants*:
Chief Executive Officer	83%
Chief Financial Officer	42%
Public Relations Officer	42%
Company Websites	17%
Chief Operating Officer	17%
Technology Officer	17%
Investor Relations Officer	17%
Employees / Workers	17%

* Percentages do not total 100%. Participants provided multiple answers.

In general, respondents want to receive their internal information from the most appropriate person for their story. Not surprising though, 83 percent preferred to interview the chief executive officer. Next in line were the chief financial and public relations officers, each chosen by five out of 12 respondents. The choice of public relations officer was somewhat surprising, given the negative impressions many of the respondents expressed as an aside about public relations staff. Brian Knestout of *Kiplingers Personal Finance* indicated a preference for dealing with the public relations office because "they are typically ready for the calls and are a one-stop shop."

Company web sites and the chief operations officer were mentioned by two respondents each. Technology officers, investor relations officers and workers were mentioned by two respondents each. Two respondents indicated they prefer to speak with workers who often know more about the operational details than senior managers. Joseph Nocera of *Fortune* indicated he prefers to speak first to "underlings who know the gritty details." This method allows him to "have a story" by the time he meets with the CEO.

Information Format

Two-thirds of respondents said they used telephone interviews most often to obtain information for their story. Six out of 12 preferred face-to-face interviews. The higher usage of telephone interviews was generally attributable to the need to meet tight deadlines. Only 25 percent indicated e-mail and regular mail were the preferred methods of data collection from the company. The public relations department and the company's web site were also among the choices.

What makes a News Story

Respondents were asked an open-ended question about the main factors that prompt them to write a story about a company. The answers varied significantly among respondents. The most frequently mentioned responses are summarized below for both hard news and feature stories.

Hard News Stories:	Named by % of Participants*:	Feature Stories:	Named by % of Participants*:
Fundamental change or unexpected event	58%	Overriding theme	33%
Auditor changes / accounting irregularities	17%	Relevance to readers	25%
Change in management	17%	New products, industries, financial structure	8%
Falling stock price	17%	New twist on an old strategy	8%
News about a major customer or supplier	17%	Exclusivity of story	8%

* Percentages do not total 100%. Participants provided multiple answers.

The one major category, in which 58 percent of responses could be clustered, was a fundamental event or change, or news that impacted the industry or company in a significant way. Unexpected news not yet factored into the stock market was of particular interest for hard news stories. In essence, these respondents were seeking the "big story."

Two respondents mentioned auditor changes and accounting irregularities as newsworthy topics for hard news stories. Other motivating factors for hard news stories were changes in management, falling stock prices, and news about a company's major customer or supplier. Del Jones of *USA Today* indicated he chooses stories based on what his readers want to read about. Deborah Orr of *Business Week* stated she looks for "a story that changes the way people think about a topic."

It should be noted that 50 percent of the participants indicated they never or rarely write hard news stories. Instead they and their publications focus on feature stories.

For feature stories, the responses were also varied. However four respondents indicated they look for a larger, "overriding theme" and tend to use several companies in the story as examples of that topic. Three participants also named relevance to readers as a major consideration for feature story topics. Other newsworthy topics mentioned were new products, industries or financial structures. A contrarian viewpoint, a new twist on an old strategy, and exclusivity of the story were additional ideas provided by participants. Challenges faced by a company or industry and how they were surmounted was yet another area of interest for stories.

Initiating Contact with the Media

Respondents were asked about the best means for company representatives to initiate contact with them. Two-thirds of the participants indicated e-mail was a good option. One-third of the respondents preferred the telephone. Knestout of *Kiplingers Personal Finance* cautions "calls can throw you off because you receive so many." And Nocera of *Fortune* indicated he does not want public relations people to call him because he "does not need PR people to generate or tell stories."

Fax and regular mail were also options mentioned by three and two respondents, respectively.

Best Advice

The respondents were asked to provide their best piece of advice for new entrants into the field of public relations. Nearly 42 percent of the respondents stated that professionals should know the publication, the reporters and the type of news they cover, before contacting them. Most of the respondents indicated they receive many unsolicited calls each day, and it can be an annoyance when people do not take the time to read the publication. Debra Sparks from *Business Week* advises, "as a public relations professional, you should avoid throwing paint at the wall to see if it sticks." Rebecca Quick of *The Wall Street Journal* pointed out that *The Wall Street Journal* provides a daily tip sheet to interested parties, detailing the types of stories the paper is seeking.

The other frequently cited piece of advice was simple – Be honest. Robert Barker of *Business Week* stresses the importance of "guarding your credibility."

The respondents provided some other valuable suggestions. Jones of *USA Today* suggests "bending over backwards to help when you receive an unsolicited call from a reporter." Others suggested adding value as a source of information about competitors and your industry.

Orr of *Business Week* suggests trying to "think like a journalist and avoid bombarding people with news releases." Finally, Knestout of *Kiplingers Personal Finance* suggests getting back to reporters if you are unable to answer a question. If someone "hedges," he becomes skeptical of his or her answers.

Anonymity

While the participation rate for this project was relatively low, only four of the respondents requested anonymity. Therefore those four names will not appear in this thesis.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

The basis for the following conclusions and recommendations was primarily provided by the results of the research outlined in Chapter Four.

Conclusions

The conclusions of the research can be summarized in the following list of tips and suggestions for gaining coverage in the national business and financial print media. While this list is not intended to be all-inclusive, it does provide a solid starting point for increasing an organization's visibility in these types of publications.

Tip #1: The organization's representatives should be prepared to work with the media.

While this may sound simplistic, the research shows that members of the media expect an organization's representatives to have at least the basic background information readily available when they call. If the organization's representative is unorganized or wastes precious time gathering background information, he or she will jeopardize the organization's relationships and credibility with the media. They may not call again.

Tip #2: An organization's internal media contacts should know the organization, its industry and its competitors.

It is important for organizations to include their public relations directors in key management discussions. As the media intermediaries, they must be knowledgeable about the organization, its operations, and its products and services. They also must stay up-to-date on new developments in the company and the industry. Public relations professionals may also use other tools to accomplish this goal.

For example, an organization's management may identify and use key communicators or opinion leaders in all of the functional areas of the company to gain information. Research from this study indicates that the media contact employees and ex-employees while developing stories. Therefore it is in the best interests of the organization to develop and maintain the lines of communication between management and their employees. By doing so, management may be able to prevent or reduce the occurrence of inaccurate or inappropriate information appearing in a national publication.

Public relations professionals may also regularly use other sources of information about their company and its industry. Company reports are a potential source. Typically each division of an organization produces monthly or quarterly reports that are disseminated to senior management. Distribution lists for these reports should include the public relations director. In addition, analyst reports and industry trade publications are excellent sources of information about a company's business. Conferences and seminars encourage public relations professionals to meet and interact with their counterparts from the competition. Research from this study suggests that the media expect company representatives to know their major competitors and how their company differs. The media also value media intermediaries who can act as a source of information about the industry and the companies in that industry. Clipping services enable a company to follow its competitors, their products, operations and management philosophy.

Media intermediaries who know their organization, industry and competitors can develop stronger relationships with the media by acting as an industry expert for stories. The research in this study indicates that the media value this type of information. Consequently, media representatives who can provide such information may be able to gain increased visibility for their own organizations and have more opportunities to deliver their messages.

Tip #3: Public relations professionals should know the publications and the reporters who are likely to cover their organization, its industry and its competitors.

The number one media complaint uncovered in the author's research is that public relations people do not know the type of news their publication covers. If in doubt, it is always best to read the publication before sending a news release. Reporters, editors and writers complain that they receive hundreds of phone calls, faxes and news releases each week concerning stories that are not appropriate for their publication. If this is accurate, it means that many public relations professionals are not doing their research. It also means opportunities exist to stand out as a professional who researches publications and reporters to find the best placement for a story. Knowing the appropriate publications for his or her organization will assist the public relations professional in developing relationships with the media. Some publications, such as the Wall Street Journal, print a daily tip sheet that is available to anyone seeking coverage in that publication. The tip sheet provides details on the types of stories the publication is seeking.

In addition to knowing the types of stories a publication covers, it is also important to know its deadlines. Deadlines are most important if a time element exists for the story. If the public relations department misses a deadline for a monthly or weekly publication, the story will not be covered if it is out-of-date at the time of the next issue.

Finally, it is important to find the best method to contact the reporters who would cover your organization's news. The research in Chapter four indicates it is a matter of personal preference. Some reporters prefer a direct phone call, while others want a fax or e-mail message. Providing information to the appropriate publication in the preferred format with adequate lead-time increases an organization's chances for delivering their messages through the media.

Tip #4: Honesty is a key in developing relationships with the media.

The goal of the business and financial media is to present accurate, timely information. Lying or intentionally misleading the media will damage relationships and cause the organization and its media representative to lose credibility. The truth will almost always come out eventually. An organization's media intermediary should never attempt to answer questions for which he or she does not know the answer. Speculation about a matter still under investigation at a news conference is never a good practice. In the case where information is available but the media intermediary does not have it within reach, it is appropriate to follow-up with the reporter within a reasonable amount of time. In such cases, the media representative should be considerate of the reporter's deadlines.

Credibility is the single most important factor that enables organizations and its media representatives to develop solid relationships with the media. A company's media contact should never jeopardize the organization's reputation with careless remarks or inaccurate information.

Tip #5: Public relations professionals should learn to think like journalists.

Public relations professionals should try to view their organizations in an unbiased way. While a new product release may be exciting to an organization's president, it may not interest a publication's readers. Or the product release may simply not be a newsworthy event if ten similar products already exist in the market. Successful journalists focus on their publication's subscribers. Therefore, the stories journalists chose to cover are determined by the interests of their targets.

A creative approach can result in greater news coverage for an organization. Public relations professionals should look for a twist on a story that may interest a reporter or a publication's readers. For example, in the case of a new product release, a new feature or benefit not previously delivered by competing products may be newsworthy. In some cases, pitching a story may mean sharing the spotlight with competitors that may be mentioned in the same story. While this type of coverage may not be the first choice of an organization's senior management, it is more preferable than having the media completely reject a story.

This tip ties into tip #2. A public relations professional who is knowledgeable about his or her organization, its industry and its competitors is more capable of developing story ideas that interest the media.

Tip #6: An organization's senior executives should prepare before media interviews and news conferences.

The study research indicates the business media have a strong preference for interviewing the chief executive and chief financial officers of an organization. Therefore, it may be necessary to allow access to senior management to gain coverage for an organization.

While these senior executives may be extremely qualified to run a business, they may not have all of the necessary skills to survive a media interview. Media coaches can prepare senior executives to act as an effective spokesperson for the organization. Although not every story will require an interview with senior management, they should be prepared to be the company spokesperson when the situation requires it.

Tip #7: Organization should open the lines of communication with their stakeholders to develop and maintain relationships.

Reporters use a variety of sources for information when developing a story. Research from this study shows suppliers, customers, current and former employees, stock analysts and major shareholders are all potential sources of information. While confidentiality agreements may reduce the occurrences of inappropriate comments to the media or other third parties, it is impossible for organizations to completely control information obtained from these potential sources.

As a result, organizations should keep these stakeholders as well informed as possible about the business. Whenever feasible, the organization's messages should be delivered to the stakeholders first, before pitching a story to the media. If these stakeholders already know and understand the organization's goals, they may even be able to assist you in delivering a consistent message to the business media and their readers.

During a crisis, it is especially important to contact stakeholders early. Organizations can disseminate information to these audiences before it appears in the media, and solicit their cooperation in referring any inquiries about the organization directly to the media contact within the company.

Tip #8: Organizations should develop a media policy and communicate it to their employees.

As the results of this study indicate, the media will sometimes speak to employees to get their story. By developing and actively communicating a corporate policy on media relations, an organization can provide guidelines its employees can refer to when contacted by the media. The policy should include the appropriate media contacts within the organization.

The organization may consider training its employees on this policy using a role-playing session. The goals of the training could include not only the behavioral objective, but a knowledge objective as well. Specifically, the knowledge objective may involve employees understanding the benefits of the company delivering a consistent, unified message to the media.

The policy should also include a fact sheet for the media that details the appropriate contacts and their phone numbers. The organization should also communicate to the media that such a policy does not necessarily limit their ability to obtain information about the company. Instead, the policy serves as a guide for the most efficient way of obtaining that information.

Tip #9: Organizations should invest in and maintain an up-to-date website.

The research in this study indicates that websites are increasingly becoming a popular source of company information. Many reporters look for websites while developing story leads. In the fast-paced world of news coverage, reporters may not even have enough time to contact an organization for background information. A website could make that information more easily accessible. A website may also mean the difference between one organization being featured in an article versus a competing company.

However, merely having a website is probably not enough to attract continuing positive media attention to an organization. Dated information may result in a publication printing inaccuracies about a company. Worse yet, the media may not be aware of an organization's introduction of a competing product, or management's shrewd change in business strategy. As a result, an organization may unknowingly forfeit the opportunity to appear in a story that features its competitors. For this reason, it is important for organizations to update their websites regularly.

Tip #10: Organizations should have a well-rehearsed, updated crisis plan in place.

As the study results indicate, some members of the media focus their efforts on developing stories about negative events or bad news. Crises and the corresponding news coverage are not always preventable. However organizations that are prepared to address the crises, large and small, may be better able to present the entire story to their publics through the media. In addition, a current plan may enable an organization to adapt to business opportunities that a crisis may create, and benefit from the potential for the corresponding positive news coverage.

Recommendations for further study

This study covered only a small percentage of business and financial national print media. Another study that focuses on gaining coverage in local business newspapers and publications may provide some insight for companies seeking regional coverage.

Another interesting follow-up study that compares and contrasts traditional print media with the new Internet media would likely produce some key differences in strategy. Finally, a study of television and radio would likely produce different results as well. The high speed of news delivery via television, radio and the Internet may provide other pitfalls and opportunities to organizations seeking coverage in those arenas.

APPENDIX A

INTERVIEW QUESTIONS

1. What outside sources do you use for information about a company?

2. Within a company, from whom do you prefer to obtain your business information?

3. In what format do you prefer to obtain the information?

4. When deciding to write a hard news story about a company, what are the main factors that prompt you to do so? (i.e. what factors about the company did you deem newsworthy?

5. Are these factors the same for a feature story opportunity?

6. What is the best way for a company's representative to initiate contact with you?

7. If you were speaking to a group of public relations students starting in careers that would lead them to deal with business and financial writers such as yourself, what is the one best piece of advice you would share?

8. May I use your name in my thesis, or would you prefer to remain anonymous?

APPENDIX B

PUBLICATIONS CONTACTED

Barron's
Bloomberg Magazine
Business Week
CFO Magazine
Forbes
Fortune
Inc.
Individual Investor
Institutional Investor
Kiplingers Personal Finance
Money
Newsweek
USA Today
U.S. News and World Report
The Wall Street Journal
Worth

APPENDIX C

INTERVIEWS CONDUCTED

Name	Publication
Anonymous	Barron's
Anonymous	Inc.
Anonymous	Inc.
Anonymous	Individual Investor Magazine
Stephanie Armour	USA Today
Robert Barker	Business Week
Del Jones	USA Today
Brian Knestout	Kiplingers Personal Finance
Joseph Nocera	Fortune
Debra Orr	Forbes
Rebecca Quick	The Wall Street Journal
Debra Sparks	Business Week

BIBLIOGRAPHY

Bobinski, George S., Jr. and Gabriel G. Ramirez. "Advertising to investors: The effect of financial-relations." *Journal of Advertising* 23, no. 4 (December 1994): 20-22.

Botwinick, Pat. "The Image of Corporate Image." *Public Relations Journal* 40 (November 1984): 12-13.

Francis, Jay Clark. *Investments: Analysis and Management,* 3d ed. New York: McGraw-Hill Book Company, 1980.

Garbett, Thomas F. "When to advertise your company." *Harvard Business Review* 60 (March-April 1982): 101.

"Intangibles Becoming Tangible Part of Investment Decision." *Investor Relations Business,* 4 January 1999, 12.

Investor Relations Business, 5 July 1999, 2.

<www.nasdaq.com> Accessed 12 November 1999.

<www.nyse.com> Accessed 12 November 1999.