

What's In A Newswire – And Does It Matter?

By Jon Boroshok

Generations of PR practitioners have asked if there a difference between one press release distribution service (newswire) and another. In an attempt to find a definitive answer, The PR/Marcom Manager decided to try a revolutionary tactic. Rather than go to the vendors themselves and risk an answer full of sales rhetoric, ask the recipients – the media.

Does the “brand” of news wire selected for distributing press release affect whether a journalist will read it or use it? Is one news wire company any more journalistically credible than another? Journalists were given a hypothetical situation: If they simultaneously received the same release via Business Wire, PR Newswire, and Internet Wire, would they be more likely to open it via one particular wire? Would one wire lend more credibility? Would one result in more “hits” than another?

Agency and corporate PR “flacks” know that their success is measured by a bottom line approach - did they receive coverage or not. This same approach was a focus of this article. When speaking with journalists or representatives from the newswires themselves, The PR/Marcom Manager limited discussion about who offers what services, or any peripheral products, options, or features. There was no discussion about customer support.

Here are some typical journalist replies:

“I use PR Newswire the most. I cover telecom and usually need only telecom-specific news. I've found this site does the best job of breaking out telecom into a separate category, so I don't have to wade through a bunch of general technology releases too.”

Rachael King, Senior Writer - The Net Economy

“I don't think I've seen Internet Wire, but the other two are pretty much equal in my mind, and I tend to read them when the headline doesn't sound ridiculous. I'd consider reading e-mails from other newswires, again depending on the header and possibly a brief scan of the contents.”

Alix Nyberg, Staff Writer - CFO Magazine

“I don't really see a whole lot of difference in the veracity or respectability of the various newswires. Some I'll tend to use more than others, but only because of ease of use -- not because I feel one is more reliable and trustworthy. If I'm taking the time to scan a newswire, I'm going to also take the extra step in opening up a press release or news item -- regardless of what wire I'm using.”

Matt Wickenheiser, Editor - WaferNews; Semiconductor Weekly

“Business Wire does a daily telecom round-up of news releases that I really like. It makes it easier for me to see what's going on in telecom, rather than having to go to the BW Web site and troll for telecom-related press releases. But, don't get me wrong, we monitor them all. The PR news wire is good, too. Although, it used to be easier to navigate the PR news wire. They have vamped up their site and it seems to take longer to get to the press releases I want.”

Deborah Mendez-Wilson, Wireless Week Magazine

"I get and subscribe to a number of these wires, including Business Wire and PR Newswire. For the most part, I don't really care what wire releases come from - the news wires are pretty much all the same. The nice part is that you can quickly scan a number of announcements in one place to see if there's anything you need. To me, if the information in a release is relevant to something I am working on or if it's a product that may fit into the edition, I will call the PR guy for more information. To me, the wires are a quick way to scan things all in one place and pretty much all offer the same information."

Sean Buckley , Staff Editor - Telecommunications Magazine

"You're looking at the problem through the wrong end of the telescope. Wire services have absolutely no impact how I feel about a release--zero, zip, nothing. However, there's a good deal of difference from the CLIENT end of things. One difference is the degree to which a wire service can create a well-targeted selection of recipients; another is the completeness of the wire service's lists. I was pleased to find that several of the smaller services have never heard of me, which cuts down the PR spam I get--but if I'm the kind of person their clients want to reach, the list is a dud."

Jeff Tarter, Editor - Softletter

"Business Wire and PR Newswire may carry a bit more credibility than others because they've been around a while. I figure a firm paying to use them is probably legit. The rest are just part of a big blur to me. The most important thing about a wire to me is that it be available via the major news retrieval services -- Dow Jones or Nexis/Lexis."

Eric Convey, Reporter - Boston Herald

These responses provide media confirmation of the suspicions of many PR practitioners – there is little difference in newswires when it comes to media reception. Need more proof? How about a more formal survey, thanks to Dan Janal, co-founder of ShowStoppers Media Receptions (www.showstoppers.com).

According to Janal, his company recently e-mailed a survey to 4,000 tech reporters on a ShowStoppers house list, and 277 responded. While this may not be a statistically significant sampling of all U.S. journalists across all beats, the results of the tech reporter survey backs the common belief among the PR set that journalists don't see a major difference between news wires. Reporters were asked how often they use/check Business Wire, PR Newswire, Internet Wire, and Internet News Bureau, with choices being daily, weekly, monthly, quarterly, annually, or never. Business Wire and PR Newswire scored nearly identical numbers in each category, while Internet Wire placed a distant third. Internet News Bureau was practically a distant afterthought.

Hitting the right targets for less money

PR practitioners have become better educated consumers. Those with PR expertise and business acumen know when to bypass the higher-priced full distribution offered by all the newswires, and opt for cost efficient targeted "circuits" and "newslines," which are specialized lists based on industry or geography. All circuits/newslines include distribution that meets SEC full disclosure regulations. Many also allow the sender of the release to select free distribution to appropriate vertical trades.

Netspoke (www.netspoke.net), a Boston-based provider of reservationless teleconferencing and Web conferencing services sent a press release via BusinessWire. The 500-word release could have been sent via the National Circuit (called US 1 on PR Newswire) at a cost of \$690. Netspoke was advised by their PR agency that as a privately-held company based in Boston, their news would be of interest to local media and to vertical trade media, but not be covered by local media outlets outside of the Boston area. Netspoke sent the release via Business Wire's "Massachusetts Regional Circuit," and selected free distribution to appropriate vertical media, at a total cost of \$125.

Similar newlines and savings would also be possible via PR Newswire. Internet Wire does not offer regional circuits, although their charges for a full national distribution are considerably less than full distribution via BW or PRN.

The Newswires Speak

The PR/Marcom Manager interviewed Tom Bechtold, Business Wire's VP of Marketing, and Michael Terpin, Internet Wire's Chairman & Chief Marketing Officer. They were asked to overview how their services work from a journalist's perspective, as well as differentiate their newswire from the competition.

Bechtold agreed that the approach used by Netspoke makes sense, and that a Business Wire rep being asked for counsel would advise a similar strategy rather than automatically trying to sell up to the highest level of service.

He explained that Business Wire works with the publications or individual reporters to help them receive releases in the manner best suited for their particular needs. Larger publications tend to get satellite feeds, while others may receive releases via the Internet. BW also uses a "press pass" system, allowing a reporter to access a Web site or received e-mail with information filtered to their preferences. The individual reporter can choose to see a headline, a few paragraphs, or a full story.

From a reporter's perspective, Bechtold feels BW's differentiator is vertical targeting and filtering of content to their preferences. He agreed that the main competition is PR Newswire, and admits that if a publication receives both PRN and BW, odds are that neither is treated any differently. The two are often mixed together by industry, at the same speed. He also claims that Business Wire has more wire and data feeds into some of the financial publications than Internet Wire, and that Internet Wire is short on satellite distribution needed for "full disclosure."

Terpin feels Internet Wire is better suited for full disclosure because of real time feeds into databases and financial media such as Yahoo and CBS Market Watch. He does admit that IW is not in MSNBC, and reaches Motley Fool but not the rest of AOL. He also claims that PR Newswire does not reach CNN or Edgar.

Internet Wire uses the Internet and XML to feed releases to the media. It offers journalists categorized "channels" that they can sign up to receive, and the sender of a release selects which channels will carry that release. Some publications have content management systems, enabling reporters to get e-mails containing headlines with hyperlinks to the full release. Daily papers get real-time feeds of full stories.

Terpin says IW's key differentiator for reporters is that it is subscription driven, and that its e-mail feeds are simpler (headline, sub head, link). He stressed that IW is also very similar to BW and PRN is good ways, particularly in terms of reception. Using Yahoo finance as an example, he said that there is no difference by "brand" in how a release appears.

PRN and BW prices are based on a 400 word release, with additional costs per 100 word increment. There are different prices for different circuits and newlines. IW does not price based on a word count. It does not offer any limited distribution or regional circuits/newsletters, but the Netspoke release would receive IW's full distribution for \$325.

Learning Anything New Yet?

Experienced PR practitioners know wires are not the answer to getting placements, but they have become a necessary evil, especially for public companies that need to meet SEC full disclosure requirements. While putting a release over a newswire will generally satisfy the SEC by disclosing information to investors via financial databases and news services, it won't deliver a nice fat pile of strategically-placed media clips.

Without being asked, many journalists said newswire releases were not the best way to reach them. Some admitted to being turned off by a release that everyone else was getting. Some only looked at headlines without opening the release, which might prove that the headline on a release is far more important than many practitioners realize. A hyped headline might mean an express trip to the trash file.

A personalized, targeted pitch that reflects an understanding of the reporter's beat and publication/show has a much better chance of success than a press release sent to the masses via a newswire. Here are some poignant examples:

"Frankly, you get the same brand of PR blather from all of the news wires. What differentiates the various services is the way in which they present information. I rarely read beyond the third paragraph of any release so what I'm looking for when I choose to follow up on an announcement is content. Does this release fit with any of the projects that I'm doing right now. Or does it fit with my beats. What counts is a clear jargon free headline, a to the point lead, and a couple of supporting paragraphs that sells the release's point of view effectively."

Andy Walker, Editor - Cyberwalker Media

"I don't care one bit what service a press release comes from, I care what company issued it and how credible their communications have been in the past. Some companies give informative, jargon-free news releases, but I'm not going out on a limb here by saying they are in the minority. The credibility of most press releases, for me, ends once I get past the dateline. Business Wire, PRNewswire and Internet Wire should stop squabbling amongst themselves like a bunch of two-year-olds and start encouraging their clients to put a bit more substance in their press releases."

Matthew Boyle - Fortune

"A release sent to our editor personally by a PR person they have worked with in the past on a good story will always get noticed. The wires are more for investors seeing you show up in AOL, Yahoo and Factiva newsfeeds."

Anne Holland - MarketingSherpa.com

"Speaking for myself, we do tend to gravitate toward releases sent out by BusinessWire or PRNewswire, but only because those are the most reputable and best known players who seem to post the most releases. But who sends the release is really not as important as the content of the release -- and the company issuing it. We cover companies in Central Massachusetts, so if a release is from a company within our geographic area, we always see it and read it. Whether we do anything with it depends upon the news it contains."

The bottom line for us, though, is the news and information, not how it is delivered. Even a quick email about big news - such as a merger, a multi-million dollar venture capital deal, a sale, etc - will

always get our attention. But releases are just a starting point, which will always be followed by more reporting.”

Jim Bodor, Business Reporter - Worcester Telegram & Gazette

Conclusion

Can you say “commodity?” So much for revolutionary tactics.

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