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Public companies

Web-based media have unique challenges

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The Internet has radically changed both investor and media relations.

Web-based financial publications have become important sources of information, particularly for retail investors. A lot of investors rely on these newfangled, non-traditional media outlets to get an investing edge, whether it's a specialized publication related to a specific industry or a generalist online financial news outlet like theStreet.com or cbsmarketwatch.com.

Because there are so many publications online, it is important to know exactly what is out there. Keeping in tune with the latest developments on the Internet is different from staying on top of traditional media outlets because the Internet tends to have a life of its own.

As someone who deals with the Internet on a daily basis, an investor relations officer almost has to take the reverse role. One of the best strategies that an IRO can employ is to pretend to be an investor searching the Internet for information about your company.

Peruse online publications, visit the relevant investor chat rooms and message boards and find out what is being said online about your company.

Along with expanding the scope and speed of information, these fast-growing online publications are becoming vastly more sophisticated as they develop and become more entrenched. And some in the traditional print media are using online publications to deliver more detailed and up-to-date reports.

Make it clear

Since online information is rapidly becoming more sophisticated, it is important for a company to deliver an increasingly clear and concise message to the media. This way investors will be able to understand what the company is trying to convey even when it comes from a wide variety of sources.

IROs also need to understand how to target relevant online publications. The message still has to be tailored to fit with the publication targeted.

In making that initial contact with online journalists, it is often better to communicate via e-mail rather than phone, because reporters of online financial news are Internet-focused.

The Internet is nothing more than a new, different way of distributing your news. Writing a press release for an online publication is basically the same as writing for more traditional print media.

Fingers on the pulse

Online journalists don't necessarily have to keep the same deadlines as other print publication reporters. Many online journalists update their articles repeatedly throughout the day as the story develops.

By establishing good personal contacts in the media, you can make sure the coverage your company is receiving is correct, comprehensive and consistent.

When contacting an online reporter, make sure to personalize the message. Reporters can be very discerning individuals who tend to take great offense at receiving a standard e-mail that has been mass-distributed to hundreds of other journalists.

In short, all journalists want news and like to get the scoop.

When it comes to deciding precisely which online publications to target with press releases and news stories, it is basically a brand name issue. When investors recognize the name of an online publication they are far more likely to read it.

For example, some trade magazines have online versions that carry more up-to-the-minute news and analysis than their related print versions.

Retail investors tend to prefer CNBC.com and CNN.com. Wire services like Associated Press, Bloomberg and Reuters also have online sites that are popular with shareholders. Institutional investors are looking to pionline.com, the online version of Pensions & Investments, for the latest news updates and performance data.

Feedback

Along with online publications, companies need to monitor Internet bulletin boards and chat rooms for rumors and opinions. By scouring different chat rooms, bulletin boards and Web sites, a Web monitoring service can help an IRO understand what is being said on the net and who is saying it.

For example, message board participants often provide hyperlinks to obscure corners of the Internet where your company is being covered, pointing the way for you to target follow-ups.

Assuming an IRO is targeting specific journalists and regularly talking with them, it is also important to see what they are writing about by visiting their Web sites. Again, try

taking on the role of the investor. Browsing the Internet, searching for news and views on your company with the mindset of an information-hungry investor can be an effective ploy for IROs seeking to monitor media coverage.

When dealt with properly, the media can be a useful and profitable conduit for IROs seeking to communicate their message to the financial community.

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