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Got PR?

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I delayed going to press as long as possible because the Rupert Murdoch case just keeps getting more interesting, and I couldn't resist seeing what happened next.

It's looking more like a Watergate situation as British Prime Minister David Cameron is being sharply criticized by the opposition Labour party for hiring former News of the World editor Andrew Coulson as his press secretary. Coulson resigned in 2007 once the phone hacking allegations emerged. He stepped down in January 2011 from Cameron's staff and has since been arrested for his alleged role in the activities.

Meanwhile, Murdoch has taken out "We're Sorry" ads in British papers to strike a more conciliatory tone, and abruptly closed the widely read 168-year old News of the World tabloid that was ground zero for the scandal. Murdoch is actually benefitting from the political ramifications of the scandal, which have pushed him and News Corp. off the front page lately. No doubt there will be more political fall-out, careers ruined and money lost.

I devote some space to addressing the often nettlesome process of measuring the effectiveness of media coverage. The old-school view is that "any coverage is good coverage." Executives at BP, Toyota and other companies excoriated by the press lately would clearly disagree. Another maxim is that size (word length, placement on the page) is the main metric. But there are five measurable components to consider, which I explore in my recent contribution to the "PR Measurement Guidebook," published by PR News.

We are blessed with abundant lakes and rivers here in New England. My wife and I are avid canoeists, and upgraded our canoe recently after paddling the same one for 36 years. See the boat unveiling on page 2. Enjoy the summer!

News Corp. scandal has far-reaching impact

Every day seems to bring a new wrinkle and more damage for Rupert Murdoch's News Corp. in this curious and wide-ranging case of self-inflicted wounds that began in its U.K. operations.

The firm, which owns Dow Jones, The Wall Street Journal, Fox Broadcasting, 20th Century Fox movie studio and many other media outlets around the world, has suffered severe damage to its finances and credibility stemming from illegal phone hacking (e.g., breaking in to private voice mail) in the U.K. way back in 2002. Although the incident was discovered fairly promptly and has been investigated, it has reached epidemic proportions for Murdoch now that the illegal practice is found to have involved thousands of mobile phones and has implicated top British politicians, Scotland Yard leadership and Murdoch himself.

In London on July 19, Murdoch and his son James answered pointed questions from a parliamentary committee probing the hacking activities and related allegations of police bribery. The Murdochs steadfastly denied any prior knowledge of the illegal activities and defended the overall ethics of the company and its employees. Meanwhile, in the U.S., the FBI is looking into possible phone hacking of 9/11 victims.

Here are some of the key developments:

- The arrest of Rebekah Brooks, the former editor of Murdoch's News of the World tabloid where the alleged phone hacking originated in 2002.
- Resignation of the chief and assistant commissioner at Scotland Yard (aka Metropolitan Police Service).



More used to selling ads than placing them, media mogul Rupert Murdoch placed mea culpa ads in every national newspaper across Britain in an attempt to slow the damage to his media empire's reputation and finances in the wake of the still unfolding phone hacking scandal.

- Arrest of Andrew Coulson, chief spokesperson for current British Prime Minister David Cameron and a former News of the World editor.
- Cameron was forced to appear before Parliament on July 20. He denied any wrongdoing, but did admit that hiring Coulson was wrong.
- Murdoch's decision to drop his \$12 billion bid for 61 percent of U.K. pay-TV operator BSkyB it does not already own.
- Unexplained (as of this writing) death of a former reporter for News of the World who was one of the first to go on record about the widespread practice of phone hacking at the paper.
- Murdoch's abrupt closure of its 2.7 million circulation News of The World paper, putting a staff of 200 out of work.

("News Corp." cont.)

Marketers, users differ on smart phone advertising

A YouGov survey has found that 79% of smart phone users find advertising on their mobile phones irritating, and 88% ignore ads on applications. Only 5% of those surveyed said that they thought that advertising on mobile phones was a good idea.

Responses from smart phone users to apps were also low: 6% click on an ad from a text, 6% from an email, 4% from the mobile internet, 3% from an app, and 2% from an instant message.

However just over a quarter of respondents said they don't mind ads relevant to them. They would welcome more advertising if it offered money-off

deals or special offers.

Meanwhile, since nearly three-quarters (73%) of mobile/smart phone users connect to social media sites daily, marketers are increasingly directing their messages at identifiable segments of the mobile population. Noting that mobile phone users spend a lot of time checking email, viewing content, sending media and updating profiles via social media, operators and brands are teeing up ads to exploit this captive audience.

So we can expect more ads on our mobile phones. Just think, once upon a time these devices were primarily used for voice communications.

In assessing media coverage, size isn't all that matters

I contributed an article to the 5th edition of the "PR Measurement Guidebook," published by PR News. The 200-page guide is an authoritative resource on the many aspects of this sometimes controversial topic. A summary of the article appears here.

You can read the full article on my website. This topic is my third PR Guidebook submission accepted by PR News. The other two are on my site as well.

Public relations professionals are expected to use their media relations skills to generate print and online coverage that reflects the strategic messaging, market positioning and brand equity that their employers or clients want to project. While the size number of placements is one barometer of success, I use five qualitative metrics to get a better idea of whether the results

of the communications process met strategic objectives. Finally, I roll these metrics into a numeric score – the Media Branding Analysis (MBA) rating– to assess the potential bottom line impact of media coverage.

These metrics are listed below, and I cover them individually as they relate to the MBA score:

- 1. How important is the media outlet?** Did you make the Wall Street Journal or the Rapid City Gazette? Trade media coverage is also important.
- 2. Is the article a standalone or round-up?** Are you the sole subject or just one of many companies mentioned?
- 3. Are your key strategic messages included?** Product names, specific technology, taglines or slogans, etc. need to be mentioned for good search engine optimization.

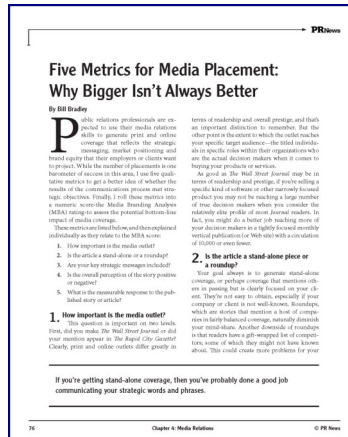
- 4. Is the overall perception of the story positive or negative?** On standalone pieces or lengthier round-ups, the headline, lead paragraph and closing paragraph will generally determine what kind of sentiment readers

will take from the story.

- 5. What is the measurable response to the published story or article?** Did the coverage result in a measurable increase in inquiries about your company or client, or the specific product or service that was covered? A hefty clip book looks nice, but if the coverage didn't move the needle on sales activity then you haven't met your business goals.

The "MBA" Test

I have devised a Media Branding Analysis (MBA) methodology to score the effectiveness of media coverage based on the points above. Read the full article on my website to see how the system works. This approach was a big hit with the PR News editors.



The article appears in PR News's "PR Measurement Guidebook" and in June 27 issue of PR News.

News Corp. (cont.)

- Multi-billion dollar lawsuit by News Corp. shareholders as the value of the company has fallen by \$8 billion since July 1, a drop of 17 percent.

It's interesting to watch the reaction of a top executive in a time of crisis. Murdoch began by minimizing the scope of the issue, much like BP's CEO Tony Hayward did in the immediate aftermath of the Gulf oil disaster. "I would like my life back," he said, and also played down the spill's effect. The Gulf was "a big ocean," he said. "The environmental impact of this disaster is likely to be very, very modest."

In his first significant statement on the crisis, Rupert Murdoch condemned some of the allegations made against his newspapers as "total lies" and admitted he was "getting annoyed." He said any damage to the company was "nothing that will not be recovered," and dismissed speculation that it might sell off its newspapers as "pure and total rubbish."

It is encouraging I guess that he's done an about face by apologizing in public appearances and by placing "We Are Sorry" ads in every national British newspaper. But it's clearly too little too late to deflect the growing threat to his media empire.

I agree with those who fault him for closing News of the World barely a week after the public outcry broke. British tabloids are known for their aggressive smear tactics which, I suspect, has some basis in the British legal system that at times acts as if the accused is guilty until proven innocent - the opposite of how things work in the U.S. This fuels the sometimes baseless accusations against powerful figures that puts them on the defensive instead of exposing the tabloid press as headline-grabbing opportunists.

By abruptly closing the News of the World, established in 1843 and the biggest selling English language newspaper in the world, Murdoch presumed to cleanse the bathwater by sacrificing the baby. It's a classic case of shooting the messenger while ignoring the underlying culpability.

Clearly there will be more resignations and hearings into this matter in the days and weeks to come. I expect News Corp. will survive essentially intact but appropriately humiliated...much like our own financial system in the wake of the mortgage crisis and Wall Street meltdown that continues to take its toll.

Contrition by those who abuse power is a start, but the lingering aftertaste remains a bitter insult for those affected.

Time for a new canoe!

My wife and I are avid wilderness canoeists. We have enjoyed our 16.3 foot Old Town Penobscot canoe since 1987 but decided to upgrade to a Kevlar boat after renting one for a week-long Adirondack adventure with our granddaughter and a nephew last summer (Got PR, August 2010). They used our Old Town and we rented a Kevlar.

That did it. We put money down last fall on an 18.6 foot Wenonah Minnesota II boat with the outfitter we rented from last summer, and picked up the canoe in late June when we spent a long weekend in one of their cabins on Blue Mountain Lake. The outfitters left the canoe for us to "open," and the photos below show me unwrapping the present. She's a sweet boat....and at just 45 pounds, it's 18 pounds lighter than our Old Town. Happy paddling indeed!

