

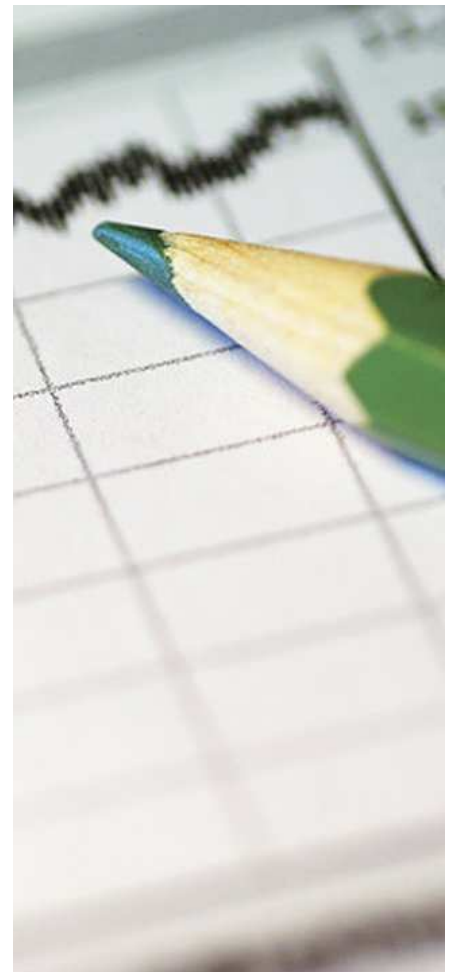
Competitive Insights →

Video News Releases

Trend Analysis

Jan 1, 2004 - May 1, 2006

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Analysis Objective

"Unscrupulous use of video news releases undermines the credibility of all journalists. Television is the main source of news for Americans. It's important viewers know they're watching objective coverage, not thinly disguised corporate or government sales pitches" Tonya Jameson, *The Charlotte Observer* (03/28/2004).

How to Counsel Clients in a Negative Video News Release (VNR) Landscape

Video news releases are under an increasing amount of scrutiny from media, political activists, watchdog groups and consumers, to name a few. In light of recent criticism, the objective of this analysis is to help answer the following questions:

- What is a VNR and how is it used?
- What is at the core of VNR criticism?
- Are VNRs still viable as a public relations tactic?
- How should PR professionals counsel their clients on the use of VNRs?

VNR Defined

Video News Release

A Video News Release (VNR) is a video news segment, typically 30 - 90 seconds in length, which is produced by agencies or corporations and distributed to local television stations, national television stations and cable networks. The stations can air the story in its entirety, lead into the story with an anchor or edit the video using its own reporters for voiceover.

There are two primary types of VNRs: **timely** and **evergreen**. A **timely** VNR uses a newsworthy event to communicate a company's messages or products. An **evergreen** VNR has a longer shelf life and typically involves human-interest stories.

VNRs typically cost \$20,000 or more for production, distribution and follow-up costs. VNRs can be distributed as tapes, downloadable media online or via satellite.

A Medialink Worldwide-Nielsen* survey suggests the following rules to keep in mind when producing a video news release:

- Create a package containing a news-story type release and a few minutes of background tape or B-Roll
- Time the VNR to be approximately 90 seconds in length
- Place audio signals on separate channels so that news producers are able to insert their own voice-overs on one sound channel with the natural sound of the VNR tape
- When distributing a VNR, clearly identify it as a public relations service in the materials provided

*Source: MediaLink Worldwide and Nielsen Media Research



Current VNR Environment

VNRs Under Fire

Long used as a tried-and-true public relations tactic, VNRs have come under fire in the past two years. The VNR controversy stems from two primary events:

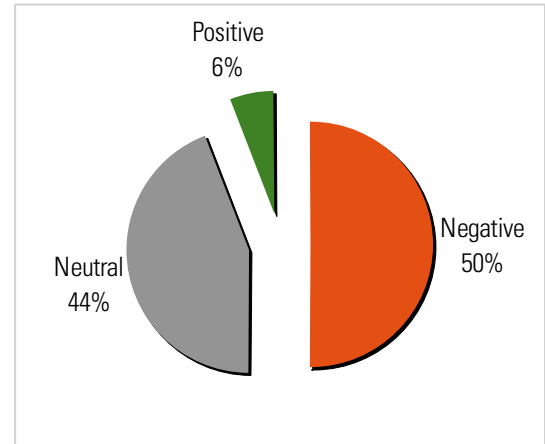
- 1) **Bush Medicare VNR:** The Bush administration produced many VNRs, including one touting its Medicare plan in early 2004. Democrats and journalists criticized this practice, questioning its ethics and calling the VNR "covert propaganda." While the Bush administration is not the first to use VNRs, the practice was especially controversial during the election year since taxpayers funded the VNR. Stemming from this Medicare-related VNR, John Kerry and other legislators suggested FCC regulation that would demand the source of every VNR to be clearly labeled on screen when aired.
- 2) **Center for Media and Democracy Report:** This not-for-profit agency commissioned a study about the use of VNRs by broadcast news media and released its findings in a report titled "Fake TV News: Widespread and Undisclosed." The agency's report, which was released in early April 2006, was negative toward VNRs, but focused even more negatively on the broadcast outlets that aired them. Describing VNRs as "fake news," the report called out specific stations that aired VNRs without disclosing the source of the VNR content and criticized the stations for failing to balance VNR messages with independently gathered footage or basic journalistic research. The report positioned these outlets as "lazy" and "deceitful."



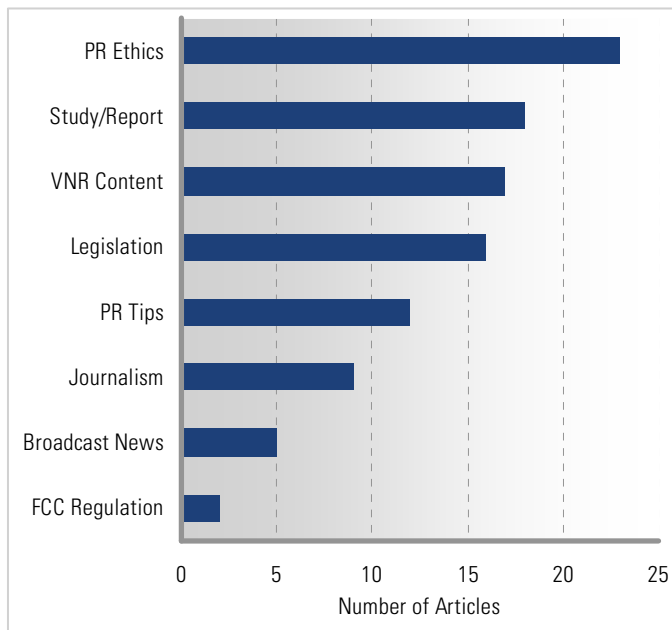
Key Media Analysis Findings

News Stations Account for Negative Coverage

- While one-half of all VNR coverage during the past two years was negative, VNRs inherently were not positioned as negative, but rather the VNR practices of news stations and journalists were criticized by the media and consumer watchdog groups.
- Three key television station and journalist practices associated with VNRs drove negative coverage: 1) failure to reveal sources, 2) failure to ensure the validity of content, and 3) failure to add journalistic content to government and corporate messages.
- Neutral coverage was driven by VNR-specific content. Media neutrally positioned using parts of VNRs, particularly B-Roll from VNRs, as long as stations check the facts and disclose the source. It was never suggested as a good practice that news outlets use a VNR in its entirety.
- Positive VNR coverage, which was associated with six percent of articles, was driven by trade articles providing tips on how to use VNRs and about successful PR campaigns utilizing VNRs.



PR Ethics Led Coverage Topics

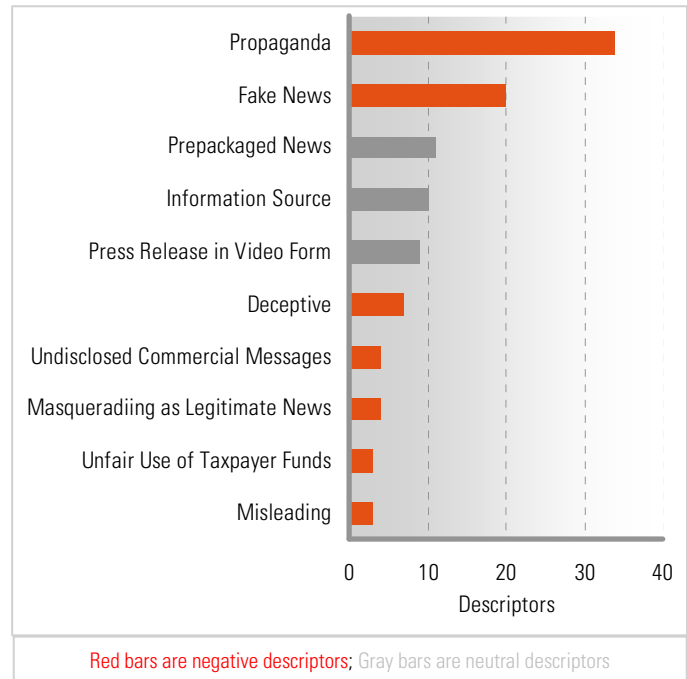


- Articles covering, and most often questioning, the use and validity of VNRs by the government and corporations drove coverage for “PR Ethics” category of articles.
- Other key drivers of coverage during the period were the Center for Media and Democracy Report (Study/Report) and VNR Content, accounting for 20 and 18 percent of coverage, respectively.
- Government was the primary industry associated with VNR coverage. Government VNRs were positioned less favorably than corporate VNRs. Other industries commonly associated with using VNRs were healthcare and food.



VNRs Predominantly Positioned as Propaganda

- Of the top ten VNR descriptors, 70 percent were negative and none were positive.
- The leading VNR descriptors, “Propaganda” and “Fake News,” portrayed video news releases in a negative light and accounted for nearly half of all descriptive messages.
- Negative descriptors focused primarily on government use of VNRs as “propaganda” or as “fake news” that can be misleading and deceptive.
- Neutral descriptors of VNRs were related to the news releases as being informative, pre-packaged news sources for journalists.



What it Means for PR Professionals

VNRs Still Relevant

Negative coverage surrounding VNRs stemmed from the perception that they are hidden commercial messages within a trusted news medium. Despite negative coverage surrounding VNRs, VNRs are still relevant and can be valuable sources of information for journalists and consumers when the following guidelines are considered:

- Clearly Label VNRs:** Provide an on-screen label for the VNR or provide instructions for what to display on screen in conjunction with the VNR footage.
- Provide Background Information:** Provide sufficient background information, including references and third party resources journalists can contact.
- Ensure Newsworthiness:** Use VNRs for newsworthy stories only.
- Assist Journalists:** Help journalists create their own stories by packaging VNRs as a set of interviews, B-Roll and facts that can be inserted into stories rather than building complete stories.
- Educate Team and Clients:** Stay informed of current legislation regarding VNRs, particularly as it relates to labeling, to safe-guard the agency’s and its clients’ VNR practices. Currently, there is pending legislation on the labeling of VNRs.



Analysis Parameters

Time Frame

This analysis is based on articles that appeared in the media from January 1, 2004 through May 1, 2006.

Content Sources

Media coverage included in the analysis was provided from all media sources available through Factiva.

Search Parameters

This analysis includes prominent coverage of Video News Releases (VNR). All coverage included in the analysis mentions Video News Release (VNR) at least two times.

Methodology

Determining Favorability

Competitive Insights analyzed each article that appeared in media coverage, assigning a positive, negative or neutral tone rating to each article.

Competitive Insights uses a team of analysts to evaluate media coverage. Analysts review editorial content against the following definitions:

- A positive article is one where the data is mentioned favorably overall, including the use of praise in the reporting.
- A neutral article is one where the data is mentioned factually overall, without highly favorable or unfavorable comments.
- A negative article is one where the data is reported critically overall—potentially leaving the reader negatively disposed toward the brand or company.

Both positive and neutral coverage are desirable and beneficial, as each serves to either increase awareness of the brand or praise the brand/company for its offerings.



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Competitive Insights uses the results of your communications campaigns as *quantitative sources* to uncover and track strategic opportunities and attitudes toward companies and their brands. Competitive Insights applies proven search methodology and *qualitative interpretation* based on industry expertise to reveal the essence of positioning and messaging in the media. All of our solutions for market research are designed to use for the creation, targeting, positioning and monitoring of marketing communications.