

ballou >> pr

Musiwave
Case Study

Challenge:

Drive Musiwave's valuation by growing reputation beyond home country (France), and establishing/securing reputation in the United Kingdom and United States. Be top-of-mind for executives in key industries seeking new sources of revenue streams, command a premium price in case of acquisition.

Situation:

Combining the popularity and ubiquity of the mobile with the portability of a music player, Musiwave had developed a full-track music system that allowed users to download music to their mobiles, by-passing the need for computers or playback devices.

Relatively well established in France, Musiwave had already launched its mobile music service in Europe, including the highly visible Vodafone launch which covered several countries including the United Kingdom. Musiwave was posting impressive numbers, but it had held off on entering the U.S. market, which was behind the rest of the world in terms of mobile entertainment.

This posed a huge problem in terms of recognition for Musiwave, which was openly discussed when the management of Musiwave approached Ballou PR (BPR) wishing to raise its valuation, anticipating an acquisition by either a French, English or, most likely, an American company.

Strategy:

In mid 2004, there were a lot of questions about how the music industry would make money in the age of digital music and how wireless companies would develop revenue streams around databased services. Additionally, MP3 players, and the iPod in particular, were the hottest consumer items.

The team had to raise awareness of Musiwave as a solid company that could solve serious problems within the wireless and music industries, and turn that awareness into articles in telecommunications trade publications and, more importantly, key business publications that senior executives of potential acquirers read for counsel and information.

Strategy, cont'd:

The BPR team set out to obtain business coverage in all three markets – especially tough in the U.S., as Musiwave had neither a corporate presence nor clients in the country. The team used industry speaking opportunities, the media (business and trade), market research analysts and financial analysts relations (specifically, one-on-ones with private equity analysts), to reach the audience of decision-makers. The primary focus was to position the chairman and founder, Gilles Babinet, as an authority in the mobile music industry. To manage the fact that Musiwave had no presence in the U.S., the team positioned Musiwave as “the shape of the mobile music industry to come” to the U.S. analysts and media.

Tactics:

The team was certain that mobile music would soon break out as a major topic of industry conversation, so it pre-emptively set out to convince the U.S. media that the idea of music on a mobile wasn't as strange as it sounded. The team installed the software on a number of mobiles and sent them to reporters at key trade and business publications, allowing them to experience the convenience of the service themselves. The team also did the same with French and English reporters to allow them to try the services as they rolled out in their respective countries.

In addition, the team planned bold attacks upon the iPod, showing how mobile music makes iPod/iTunes irrelevant, and backed it up with facts and figures. This startling “David and Goliath” tactic obtained a great deal of coverage.

Hoping to couple the anticipated media flurry with the well-timed buzz surrounding mobile music, the team sent Gilles Babinet on four media/analyst tours in the U.S. over a period of six months, along with speaking engagements at industry events, which culminated in a slot at Forbes' prestigious CEO conference in Paris in June 2005.

Results:

Musiwave was purchased by Openwave, a public, U.S.-based company, for € 99.5 million in September 2005 (plus a € 15 million earn-out), and BPR is credited for its role: “A very significant part of that valuation is the result of Ballou PR's work,” says Gilles Babinet.

Results, cont'd:

In addition, highlights of press before the acquisition included:

United States

The Wall Street Journal, Investor's Business Daily, Barron's, Smart Money, Dow Jones News Service, BusinessWeek, Business 2.0, CNET News.com, The Seattle Post-Intelligence, Online Reporter, CNNMoney.com, RCR Wireless, Digital Music News, Converge!, and Telephony.

United Kingdom

Financial Times, BBC Online, Mobile Entertainment, Music Week, and Billboard.

France

Les Echos, Le Figaro, Le Monde, La Tribune, Le Nouvel Observateur, Defis, Challenges, Capital and Agence France Presse.