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## President's Letter

In the Summer 2007 issue of ADS & IDEAS, we mentioned that the next issue would carry an updated checklist from a previous newsletter for those clients who were interested in outsourcing. Here it is . . .

## Choosing Your Outsourcing Partner

After the decision to go ahead with a rep firm has been made, the selection process begins. The questions of big vs. small, national vs. regional, process-oriented vs. free-wheeling, and vertical vs. horizontal all come into play.



The question of big vs. small is interesting. Bigger firms tend to be more systems-oriented and have their own culture. They also tend to have much better databases and the ability to leverage existing business to help you. Sometimes they will even bring together publishers for group sales.

With smaller firms, the owner may personally sell your magazine and others, trying to fit new business activities and trips to publishing centers into their busy days. Sometimes, if a smaller firm does not have growth plans, the whole operation can be identified with a particular publisher (which can be good or bad).

Some publishers may need national independent representation, others regional. If you need national representation, do you want to work with a large, national firm or a patchwork of several regional firms? National firms can provide centralized billing and some marketing continuity.

Are processes such as monthly reports, forecasting, comp list maintenance, etc. important to you? Some firms are process-oriented and deliver routine business reports, etc. if you need them. Others, particularly smaller, personality-driven firms, are much more free-wheeling. Here, issues like internal sales support can become important.

Do you want your assigned salespeople

to be focused on your magazine or on their geographical territories?

Vertically-oriented firms will assign magazines to salespeople, limiting the number of titles each salesperson handles. These salespeople may or may not be exclusive, but they are dedicated to a small number of titles. Horizontally organized firms assign a territory to each salesperson, and expect that salesperson to sell all of the firm's titles within that territory.

These are just some of the issues. The following is a checklist which might be useful:

## Checklist for selecting a rep firm or an outsourcing sales company

- Can the rep firm's capabilities deliver on your actual expectation?
- Do you like and trust them?
- What is their turnover like?
- Have former employees ever sued them?
- Are they financially sound and can they weather a downturn?
- What is their Dun & Bradstreet rating?
- How long have they been in business?
- Do they have established banking relationships?
- Do their office locations reflect the prestige you would want to project to your customers?
- Is there a plan if the owner retires or meets an unexpected emergency?
- Does a big player dominate them? What happens if the player goes away?
- Do you have an understanding of how the rep company is set up?
- Do you have an understanding of how that firm makes money?
- Have you examined the systems that the firm has in place?
- Does the rep firm have a history of adapting to new systems, if that's important to you?
- Is it understood what other services you might need in the future and whether or not this company can provide those services?
- Do you understand what resources the firm has from a marketing standpoint, such as SRDS, Advertising

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**Leave your comments at**  
**www.adsandideas.com**

James G. Elliott Co., Inc.  
626 Wilshire Blvd., #500  
Los Angeles, CA 90017  
**tel:** (213) 624-0900  
**fax:** (213) 624-4389  
**email:** j.elliott@jamesgelliott.com

Database, PIB, research capabilities and other assets?

- Do you have a clear idea of what the firm's hiring policies are and what their employee behavior tolerance is?
- Do you need a rep firm that can adapt into all of your systems or are you flexible enough to work with their existing systems?
- Do they sell print or other media, like online? Do they have an online growth strategy?
- Do they have internal sales contests and programs to motivate sellers?
- Do they provide sales training?

I am sure there are many more issues, but this checklist gives you a good overview and starting point.

If we can be of any help, please give me a call.

## The Lowdown on Digital Magazines

By Shannon McAndrews

The Magazine Publishers Association has posted almost 200 digital initiatives on their website year to date. This is no surprise – brands have been working overtime to find the best ways to integrate their print and online properties. More and more publishers are reaching out to find the accountability of digital in their print products, and may have found the ultimate hybrid in digital magazines. At first the concept of digital magazines was quickly dismissed in the print media community, after all, one of the endearing qualities of a hard copy magazine is the ability to physically hold it and carry it around. However, as the digital world slowly intertwines with every part of our lives, digital magazines are gaining respect. A true evaluation of digital magazines as a new kid on the block would take some time, but here is a quick overview of some key points.

## ACCOUNTABILITY

Finding a sure way to account for traditional media ROI is like finding the Holy Grail for marketers. As of now, an excellent way for a print product to find this accountability is digital magazines. Digital delivery opens a whole new world for advertisers and readers that simply does not exist with hard-copy magazines. With digital editions, advertisers know exactly which pages readers turn to and how much time they spend on each article. Marketers could easily find out typical reading patterns, such as special columns, and plan their advertising accordingly.

## CREATIVE UNITS

Live links allow you to quickly jump from the table of contents to the article of interest. Clicking on an ad brings you directly to their website. Digital versions of cover wraps, bellybands, gatefolds, and BRCs produce the same effect as their print versions, for a fraction of the cost. But the best part, in my opinion, is the inclusion of multimedia properties such as video. For example, a click on the picture of an author may bring you to a webcast with their interview. For marketers, they have the ability to run commercials – and see how long people are tuned in to it.

## PROFILE OF DIGITAL MAGAZINE READER

In May of this year, Texterity, a leader in the digital magazine field, partnered with BPA Worldwide to produce a study titled "Profile of the Digital Magazine Reader." Their methodology consisted of over 11,500 digital magazine readers — who read at least one digital magazine recently — and a cross section of magazines, including trade and consumer titles. The key findings from the study include:

- 88% of digital readers are "very satisfied" or "satisfied" with their digital magazine
- Digital edition readers take action regarding a product or service 90% of the time, with over 65% visiting the advertisers' website
- 89% of respondents read their issue within a week, 42% read immediately or the same day
- Subscribers like digital for the ability to search issues, ease of saving, and environmental friendliness
- Digital readers are primarily business professionals with a median age of 45

For the complete study please visit [Texterity.com](http://Texterity.com)

I admit to my own initial reservations about digital magazines. However, one may prefer the digital over print version for one reason or another. More text heavy magazines, such as business publications, may be better in digital format because the live links bring the immediacy needed in research and information gathering. Conversely, magazines rich in photography may generally be best suited for print.

My marketing interest in digital magazines recently piqued, when the James G. Elliott Company, Inc., acquired the sales and marketing responsibilities for Ancestry Magazine, flagship magazine of Ancestry.com. The base circulation will be 600,000, and Ancestry Magazine will enter the digital magazine field as one of the largest online consumer magazines available. Like any launch, there is plenty behind the scenes work in bringing a new product to market, but this is definitely the most exciting, market-shaping form of media we as marketers have to work with.

Shannon McAndrews is the Asset Integration Director for the James G. Elliott Co. Inc. She has 10 years of advertising experience on both the agency and publishing side.

## Company news

### Ancestry Magazine to focus on digital edition for relaunch.

Ancestry.com has commissioned the James G. Elliott Company, Inc. with the sales and marketing responsibilities of their magazine and website.

Ancestry.com recently announced the launch of one of the largest digital consumer magazines to date with an initial circulation of 500,000. Effective with the March/April 2008 issue the digital version of Ancestry Magazine will be delivered to all paid annual subscribers of Ancestry.com. A print version is available for customers who prefer to receive their information in print format and for newsstand distribution, bringing the total circulation to 600,000.

Ancestry.com and Ancestry Magazine will be represented in the New York, Los Angeles and Chicago markets. Ancestry Magazine and AncestryMagazine.com are published by The Generations Network, Inc., parent company of Ancestry.com, Genealogy.com, RootsWeb.com, and MyFamily.com.

### Kiplinger's Personal Finance has one of the largest paging increases

among all magazines for the November 2007 issue according to min (Media Industry Newsletter). *Kiplinger's*, a client of Elliott since February 2007, jumped almost 30% over the November 2006 issue.

### James G. Elliott Co., Inc. newest member of AMERICAN BUSINESS MEDIA.

Founded in 1906, ABM is the global association serving the print, digital and event needs of business information providers. Jim Elliott was a panelist on "Business Information What is It, How to Build It and Monetize It" discussion at ABM's 2007 Top Management Conference, where he focused on the value database research has in the marketing mix and what publishers need to do effectively monetize it. Visit <http://www.jameselliott.com/news.html> to view his segment.



The Association of Business Information Companies