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The Brand

President's Letter

Last month, I attended the American Business Media Spring Conference in La Quinta, California. For those of you who are unfamiliar with this group, the ABM is the association of business information providers, delivering business intelligence to industry, Madison Avenue, Wall Street and the Beltway. Founded in 1906, ABM's member companies represent nearly 6,000 print and online titles and 1,000 trade shows.



Anyway, as a relatively new, very impressed associate member, I spent a couple of days listening to senior magazine executives wrestle with the changing environment in both how people receive information and how magazine publishers who attempt to adapt to this changing climate make money.

Many publishers I spoke with expressed the conviction that they are stewards of their brands—historically print brands, but now expanding to other media. The consensus is that they need to get back to basics, and to find better ways to leverage their brands.

Power of the Brand

In the most recent issue of ADS & IDEAS, we argued that branding will be critically important to companies who want to do business on the Web. We think that branded content is more believable, just as familiar product brands are perceived as being more trustworthy. For example, we think that an unknown prodigy who starts posting financial content on the Web will be at a huge competitive disadvantage to a site like Kiplinger.com, written by editors who have been trusted advisors to a community of investors for more than 80 years. We would argue that powerful print brands will be the ultimate winners on the Web IF they can adopt appropriate Web strategies.

We would also argue that magazine space sellers are more experienced at selling the value of the brand than sellers of other media. In an integrated sale with print and digital components, an experienced print seller will have an advantage over sellers of other media.

Thinking Ahead

To me, operating more efficiently means looking at one's business from the ground up and getting back to basics. Are there changes that can be made in the fundamental business? Can certain functions be outsourced? Can production be outsourced? Can partnerships be created that create efficiency? And, since this next question is in my core business, can sales be outsourced? Why not?

There will, of course, be lots of reasons why not. People often are afraid of change because they believe it might affect them negatively. I have heard lots of the reasons why not, but every day now, I am hearing new ones. Several of the usual arguments against outsourcing sales include:

- When a magazine outsources sales, they lose control of their relationship with their client.
- How could a salesperson who works on the outside be as familiar with a particular magazine brand as one that works on the inside?
- Agencies prefer working with company direct sellers.
- Sellers who work on so many different properties would never give “mine” the attention it needs and deserves.
- Outsourced sellers couldn't possibly understand the complexity of all of the media platforms that surround the core magazine brand.

Back to Basics

Let's put this in the context of American business. A majority of studies show that over 80% of all products and services are sold, not by the creator of the product/service, but by an outsourced company. Many of the largest industries which advertise are dominated by

outsourced selling operations like the automotive and food services categories. And what is an ad agency if not independent? How about the television and the radio business? How about the new Internet ad sales networks?

Now to some of the specific objections stated above:

- If the property can support and deserves dedicated sellers, why can't this be discussed and negotiated with the outsourced selling group so that they provide this service?
- If the product is perceived to be complicated, how is it that a magazine brand trains its own new hires? Why can't this training be accomplished for outsourced sellers?
- The same goes for multiple assets that a brand might have. How does one train new sellers? Why can't this be done for an outsourced group? By the way, isn't it possible that the outsourced sales company might have, collectively, more experiences that could be very enlightening and broader than the company considering outsourcing?
- And, as to controlling one's relationships, how does the magazine currently own and manage those relationships with an inside selling group? Why can't that same process happen with an outsourced group in just the same manner?

Going back to basics means checking all one's assumptions at the door. Things change: the environment is different than it was. Strategies that would not have been considered just a few years ago may be the very best solutions to today's challenges. In the case of outsourcing sales, is the decision-maker sure about the way that "an independent rep firm" operates today or are the assumptions based on a couple of experiences? The breadth of size and scope among companies which call themselves independent reps

is as broad as companies that call themselves publishers... pretty wide indeed! ■

What Works

By Daniel Ambrose



I was going to call this column "What Sticks" but that is already taken.

Publishers have been wrestling with the strategy question 'how do I manage my magazine and website when they seem to be in competition with each other for readers and advertisers?'. Courageous publishers took the plunge under the philosophy of "I have to compete with myself because if I don't someone else will." But after 12 years of wrestling with this issue, we can say that 'best practices' now lead us to a more sophisticated approach, and that, thankfully, research supports it.

Now we can clearly say that a Hybrid Media approach is the answer. It recognizes several obvious but previously under-recognized facts: first, that any magazine brand, especially consumer brand, has many former and future readers out there in the marketplace who don't happen to read the single issue that we use to measure circulation. Second is that frequency — called duplication when media buyers want to imply it's bad — is not just good but required for effective advertising. And finally, there is the principle that a reader of a magazine doesn't get the same 'values' out of reading the magazine that they do from the different experience that is absorbed from a website. Just because a reader reads one medium, doesn't mean they won't use the other.

All this matters because

in the new "accountability" world where we operate, we have to manage our business with a clear eye on What Works, or 'What Sticks.' That book, now almost a year old, is based on rigorously conducted research. Much of it is about getting creative right. But Chapters 13 and 14 must be worth at least a billion dollars to the magazine industry (that's only about a 5% increase). So here are a few gems that are too good to be paraphrased:

"Seeing an ad multiple times in the same medium can actually be less efficient than if people see a well-orchestrated advertisement in different media, say television, magazine and online." (*What Sticks, Chapter 14 'Media Psychologies' page 187*)

"Media planning should emphasize the surround-sound effect." (*page 188*)

"Seeing a consistent message across media creates a more powerful pattern in consumers' brains than the mere repetition of the exact same message in the same media."

"Until we discovered this surround-sound marketing effect at work with online and magazine ads, Astra-Zeneca was following a very logical approach... was steering away from buying ads from companies that had both a magazine and online for the same media (such as Prevention magazine and Prevention.com)."

"Given the way that magazine and online advertising worked together, in concert, we found more value in using the combination of both." (*all three above excerpts from page 189*)

So now it should be clear that advertisers ARE better off buying online AND print from you... and you are better off selling online and print together.

Yes, I know many advertisers don't understand this, or aren't properly organized to make this happen. That is why we have salespeople. ■

Daniel Ambrose is a media management consultant and advertising sales trainer. He has been Director of Corporate Advertising at Hearst Magazines, Vice President and Publisher of Child. He has done strategy consulting on the launch of iVillage.com, about.com, mediabistro.com

and many other internet companies, is a member of the Boards of Directors of Guard Publishing Company and Kaboose, Inc, and a member of the Advisory Board of Pando.com and GoDengo.

Company news

The **American Bar Association** has assigned the James G. Elliott Co., Inc. responsibility for all sales, marketing, and research for its **ABA Journal** and **ABAJournal.com** properties—significantly expanding the Elliott Company's current regional sales assignment.

AD INK: In the April issue of FOLIO Magazine, there is an article entitled "Working With Independent Sales Reps." Within that article, a "Checklist for Selecting a Rep Firm" is prominently displayed. The checklist was excerpted from Jim Elliott's Ads & Ideas article in the Summer 2007 issue.

If you are interested in seeing that list, or obtaining back issues of Ads&Ideas, you may find and download them from the "News" section of the Elliott website: www.jameselliott.com.

TRAINING: Twenty-six members of the Elliott Co. sales staff recently completed a 12-hour Hybrid Media Sales Webinar conducted by Dan Ambrose. Because most of our salespeople come from print backgrounds, the course focused on how to leverage that experience to create new sales opportunities in digital media.

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