JAMES G. ELLIOTT CO., INC.
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Ads&Ideas

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Company news

NEW CLIENTS

The James G. Elliott Company has recently added a new client to the company's portfolio:

National Review: *The National Review* is considered one of the leading political opinion magazines in the US. TNR has outsourced its ad sales for the magazine and web site to the Elliott Company.

In addition, *The National Review* has announced a joint advertising effort with *The New Republic* (another Elliott Co. publication), giving advertisers the opportunity to reach both sides of the political aisle. Combined, these two magazines deliver the most influential audience in Washington, DC.

NEW HIRES

We're pleased to announce these new additions to our sales staff:

- **Joy Gariepy** to our Detroit office
- **Stephen Brown** to our New York office

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
www.jamesgelliott.com

What is really happening in the Ad Sales Arena Today?

President's Letter

When I wrote "Do's and Don'ts for Rocky Times" a few months ago for the fall Ads & Ideas, I had no idea how rocky things in the advertising business were going to get. At the ABM Top Management Meeting last month, I found that I wasn't alone.

As a business owner of twenty-five years, I have always tried to lead my company based on projections rooted in the most accurate picture of reality possible, hopefully with numbers that extend out for six months or more. **The need for accurate information becomes even more crucial in tough times, when it is more difficult to get it.** Of course, it is also essential that we are measuring the right things.

Now, the problem is complicated by the metamorphosis the advertising business is going through at the same time this recession is occurring. As the advertising market moves from deep relationship selling with long-term media plans toward a variety of different buying processes including quick transactions, publishers have to be careful that they are getting the whole story from their salespeople. This is not an easy task because sellers are aware that the industry is receding (34,000 jobs lost through November 2008 according to *Advertising Age*) and they don't want to become part of that statistic by reporting bad news. If we ask smart salespeople how many calls they are making, we shouldn't be surprised if the numbers are postively enhanced. If many of those "calls" are only dropping off a media kit, the publisher may get a distorted picture.

I think it is imperative that publishers understand how the business has changed since many of them were in ad sales. To sell pages a few years ago, the most important skills were to be smart, competent and friendly, and able to form lots of personal customer relationships. Sales departments were set up in both consumer and trade magazines to *surround the sale*. That meant that the salesperson went up and down the line of people who had any influence on that sale, entertaining everyone in the sales loop at an appropriate level. At advertising agencies, this included the account groups as well as the media departments. At the client level, it meant both product managers and advertising managers—and higher when you could.

My experience at *Road & Track* was typical of consumer and trade magazine salespeople. The client and the agency account team wanted to see me because they hoped to glean some information they wouldn't be able to get otherwise. I had the inside scoop on editorial, and I was seeing their competitors. I knew where the jobs were, often before they opened up, because I knew my industry and all the players in it. **Today, there are so many channels of information available, particularly about their competitors, that buyers no longer rely on their magazine salespeople for the inside scoop.** What buyers need to know about the industry they can get quickly by doing a Google search.

What about media planners? Same problem, but worse. Media are proliferating, workloads are way up, and staff is much smaller. When I was a media planner a long time ago, I could see 5-6 people in a day. Today, a planner must be aware of 2,000+ consumer magazines, 11,000+ trade, 500,000+ online opportunities (including some major sites and portals), plus television and all the rest. Lack of time, the proliferation of media, and considerably less people power per million dollars of billing is really the issue. Some agencies discourage frequent meetings, because they are seen as interfering with "real" work. Today, it is a rare account where the system allows top to bottom access.

How do clients want to be sold today? It just plain varies. Many clients and agency people do not have time for leisurely lunches and relationship-building on a wide scale. **Although most salespeople are able to build relationships with a few media people, the impact of a**

given magazine at a typical agency is just a shadow of what it used to be. One or two face-to-face meetings a year per magazine is often the rule, and the RFP process supposedly makes more frequent meetings unnecessary for many planners and buyers. Frustrated salespeople trying to surround the sale often find that much of their access to people is limited to e-mails, RFPs and last-minute rate negotiations. Many buyers simply want data, and they want it fast.

To make better decisions, we need more comprehensive intelligence from our salespeople. For example, we might start by finding out how many real sales calls our salespeople make, on various categories of clients. How many actual face to face calls do they make versus telephone or WebEx? But then the key question should be asked, how many calls *can* they make on their different categories of clients? What's the average length of these calls? How many sales are coming in from an RFP with no meetings, but only telephone and e-mail contact? How many from an RFP after just one meeting, or an RFP with several meetings? How many from no RFP, but just from relationships? And how many from other sources? Do most of today's sales come from a multi-dimensional set of relationships or from a one-dimensional transaction with an agency or buying service primarily focused on the rate? Publishers need this information to develop strategies for different kinds of clients.

We urgently need to know what clients, account people and media people really think about the way they are being sold. Do they want separate salespeople specializing in print and online, or are they looking for integrated sales programs? If we find that the majority of sales are one-dimensional now, and a lot of them are purely transactional, publishers will really need to think about what that means to them. Does the current reality support the high cost to publishing organizations of continuing to staff the old way? Big expense accounts were supposed to help build relationships. How pertinent is that idea today? How should markets be segmented? By size of prospect company? Or type? Geography? Are different types of sales personalities better suited to sell one segment over another? What is the most effective structure for the sales force?

Every publisher we know is scrambling to get results today. Every publisher needs numbers, not theory, right now, even as many sales organizations are being reduced in size. I suggest that the answers to these questions we are asking will help us to succeed by dealing with the new reality, and not simply by demanding "more effort" from our sales teams. **We need to incentivize salespeople to tell us what we need to know, not what they think we want to hear.** ■

Strategic Staffing

By Dana Borowka, MA

If your organization is facing tough times, what is the strategic way to decide who stays and who goes? What steps should you take to get the best out of your top people, and to raise the level of the rest? If you do need to trim staff, how do you position your organization for long-term success? We think you will find valuable help in our new book, "Cracking the Personality Code," www.crackingthepersonalitycode.com. Here are a few tidbits.

Selecting Top Performers & Managing for Profitability

Learn what is driving your top people. If you help them to succeed you'll create a high level of retention and become a magnet for recruiting. Here are some action items to consider:

1. Use an in-depth work style and personality assessment during the hiring process and for current staff.
2. Use the data to manage, which in turn will reduce the learning curve for new hires and help to better understand current staff members.
3. Place individuals in positions where they can succeed based on their strengths.
4. Take the time to constantly mentor and create plans to help individuals grow.
5. Identify traits of individuals that you want in your organization and target those individuals through specific messages in ads, on the web, through networking and association gatherings.

For your A players (your major contributors), play to their strengths and help them grow. Pay special attention to them: don't ignore them just because they are doing well. These are the individuals who will leave if they don't feel engaged in helping the organization to continue to grow and improve.

For your B players, nurture them through mentoring so they can become A players down the road. For your C players, measure and possibly remove them if they are eating up your time. Never spend 80 percent of your time and energy on the people who are producing 20 percent of your results. But be sure you are evaluating the right things! Don't write off those C players too fast.

Are Your Managers Managing for Success? – Check out this Story!

A small hotel chain had reservation reps who were not meeting the volume level that was required. The manager thought they were just C players; he blamed the failure on his team. When a new manager came in, she sat down with each individual and then with the group. She discovered that a high percentage of guests were calling in to verify the reservation and to get directions 24 hours before they were due to arrive at the hotel property. This used up valuable call time, so as a team they brainstormed together and came up with a brilliant idea. Since the reps were asking for email addresses as part of the original reservation, why not send an email confirmation 24-48 hours prior with a fun page welcoming the guests and including links for weather and directions?

Guess what happened? Calls were reduced and the reps were able to take more calls for new reservations with less hold time—all because the manager took the time to ask questions to peel the onion back to identify the underlying issue. When the reps were asked why this topic hadn't been addressed in the past they simply responded, "No one asked and we never thought of it".

Set Your Sights on the Future

If you need to reduce the size of your organization, do your best to keep your "A" and "B" players, and sort out your "C" players quickly. This is the time to set your sights on the future, deal with the present by supporting your team and ask for input. Set your organization on a course for long term success by using proactive and collaborative mentoring, management and vision. ■

www.lighthouseconsulting.com

Dana Borowka, MA, is CEO of Lighthouse Consulting Services, LLC. He has more than 25 years experience consulting, helping organizations raise the hiring bar through in-depth workstyle and personality assessments, leading seminars and speaking to groups.
dana@lighthouseconsulting.com

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