Workbooks

MEDIA HOUSES AND PUBLISHERS
How to Build Successful Advertising Sales

The internet has changed some industries more than most and the publishing and media industry is a prime example.

It's mainly down to the fact that traditional advertising revenue streams have been affected by the increase in competition from the growth of online media outlets and the subsequent volume of content targeted at audiences.

As a result, it has been more challenging for publishing and media companies to prove the value of their advertising propositions. Publishers have had to change with the times to create brand loyalty from their audiences through targeted, quality content and develop multi-channel advertising models for their clients.

As such, advertising sales has become a more complex process and technology is key. This paper takes a look at how publishers can leverage technology to improve their advertising sales in the digital age.

THE EVOLUTION
of Advertising Sales

In the good old 'Mad Men' days, advertising sales were pretty straightforward. Publishers sold page space, or radio and TV slots and were able to more or less guarantee OTS (opportunities to see) to their clients.

The proliferation of media outlets and the deluge of online content has changed all that – consumers now have so much choice, publishers and media owners are battling for share of voice and sight. They need to be able to create 'cut through' in a bid to prove the value of their content to their audience, engender engagement, create brand loyalty and differentiate themselves from the competition. In doing that, they can create a valuable proposition for advertisers.

As publishing channels have diverged, so publishers have had to innovate and create multi-channel advertising models to appeal to companies, encompassing digital (e-shots, banner ads etc), 'live' (events and awards etc), as well as published (newspaper and magazine ads). At the same time, advertisers have started to demand a clearer return on investment and proof of engagement, so publishers have had to devise metrics such as click throughs, 'dwell times,' and ways to measure 'viewable engagement.' This has all conspired to make advertising sales a much more complex business.

This makes it all the more surprising that many publishers are still reliant on rudimentary processes and systems when it comes to their advertising sales. The multi-channel element of advertising sales means that all the different areas of a publishing business need to be integrated to work together effectively and create visibility across the sales function. And CRM is just the technology to provide that platform.

DEVELOPING A FAILSAFE
Advertising Sales Strategy

To ensure the success of advertising sales, publishers need to prove to clients that their proposition is more valuable than their competitors' and is the right one to reach their audience.

Whether it is a gym company reaching out to health and wellness enthusiasts, or an accountancy software company targeting finance professionals, B2C and B2B publishers need to show they have the right audience, the audience is engaged and they have the right blend of advertising tactics to reach them.

To develop the value proposition and ensure the sales process is effective, publishers need to have a clear and defined advertising sales strategy. There are a number of key components:
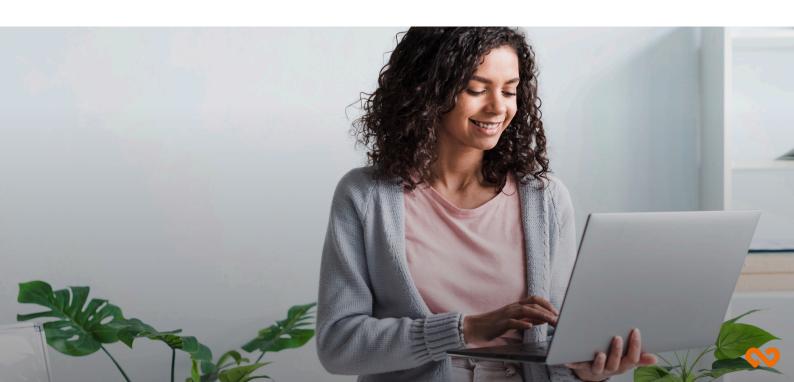
Step one:
GOOD AUDIENCE MANAGEMENT

Put simply, improved audience management and database segmentation leads to better quality audiences for advertisers. If publishers can show they truly understand their audience and can demonstrate how engaged they are, this makes the advertising sales approach much more effective. There are three key elements:

1. **Profiling:** layering demographic information with behavioural information – understanding what readers might be doing on a website, tracking the topics they're interested in, logging the events they attend etc – gives publishers and their advertising clients a three-dimensional picture of the readership and makes it much easier when it comes to defining who to target for an advertising campaign.

2. **Segmentation:** is the ability to group an audience by certain characteristics. Advertisers will often prefer a targeted approach to a scatter gun strategy. But many publishers have multiple systems pinning their audience management together and as a result, have a very fragmented view of the audience and aren't able to segment effectively, which diminishes the value of their advertising proposition. Targeted communication reflects well on the brand for the publisher and increases reader loyalty. And importantly, for sales function, it boosts revenue per advertisement.

3. **Increasing engagement:** understanding the audience's behaviour will help publishers understand how engaged their audience is. Click throughs, bounce rates, likes, shares, conversions – all this activity can build a picture of engagement. And targeted content is vital for improving engagement – if the publisher can identify the content that interests a reader, they can then bundle relevant content to send them, or flag up deals they might be interested in.

CRM facilitates effective audience management. A single platform that integrates all elements of audience management can give publishers clear insight into their audience and how they behave. And this is crucial when it comes to the success of selling advertising.

Step two:
CROSS BUSINESS ADVERTISING SOLUTION

As advertising has evolved, the business case for a cross business advertising solution has strengthened. Now that advertising can comprise digital, events and live experience elements and the more traditional published advertising, the sales function needs to be linked with the different systems these business areas use. Additionally, the sales end of advertising focuses around marketing, lead generation, qualifying leads and getting sales over the line, but when advertisements are sold, this needs to be linked with delivery, invoice generation and financial systems.

Take the concept of product bundling. It is a strategy that publishers use to encourage customers to buy more goods through selling multiple discounted items together for one price – for example, they might take out advertising on the website and in the magazine, sponsorship of a newsletter, sponsorship of a roundtable event or the sponsorship of an award. A cross business advertising solution, underpinned by CRM, will enable effective product bundling and take away the complexity and inaccuracy of manual processes. Here's how:

1. **Pricing and discount control:** a single CRM platform gives internal visibility for the teams involved and enables them to have control over granting discounts. It also enables the discount to be proportioned between the different teams and business units, which is important for publishers to effectively manage their revenue streams.

2. **Tracking delivery and creative execution:** one of the issues is that different items of the bundle are delivered by different internal teams, all at varying times. Added to this is the complexity of external factors, such as creative input. Technology plays a key role in ensuring everyone in the team knows the status of each delivery item at any one time, as well as alerting the team if something isn't right or a deadline hasn't been met.

3. **Finance:** whilst the customer sees a bundled price, finance teams need to assign that income to the relevant revenue stream. CRM can automate that process, making invoicing, commission calculation and revenue recognition a much easier process.

The delivery of any product sold by a publisher should be seamless and efficient. Any failures can make the company look unprofessional and could result in a loss of revenue. If sales and production teams rely on manual processes, problems can often occur around specifications, delivery and invoicing. An end to end CRM system that manages the advertising sales and delivery cycle and integrates with other elements of the business can solve these issues.

Step three:
ADVERTISING SALES TEAM MANAGEMENT

A CRM system is also vital in helping publishers and media houses to manage their sales teams and help their performance to be more effective. This can be done in a number of ways, including:

Inventory management: this gives sales teams a clear idea of what is available to be sold each month and a target revenue per issue. When advertising packages are negotiated and sold, targets can be adjusted accordingly. This gives advertising sales people a clear picture of what they need to do and they can adapt their approach to meet the new target i.e. broaden their target base, add to the product bundle or slim it down, reduce prices etc.

Strengths and weaknesses: having the ability to track the success of the sales team at key points in the run up to publication will help the team prioritise. CRM uses dash boards and colour coding to create a daily do list. The activity list can be looked at in the context of how much it is worth – it can use scoring to say which leads should be followed up, depending on their shape and size. It can also flag up neglected opportunities. All of this can be used to track if the sales team is on top of its activities or not, which is vital in the publishing industry with its "hard stop" publication dates.

Stopping knowledge drift: CRM has also got an important role to play when people leave the advertising sales team. The last thing a publisher wants is for their star sales performer to leave the business and take all their knowledge with them. CRM logs all information and determines best practice for sales people to follow – this gives firms real insight into team members' productivity and success rates and also stops knowledge drift when people leave.

THE LAST WORD

Advertising is still the single biggest driver of revenue for publishers and media companies, so ensuring the advertising sales process is slick, efficient and – most importantly – integrated with all key systems across the business is vital. This will help publishers to stay ahead of the competition, which is so important in this rapidly changing industry.

All the traditional CRM factors comes to play when fine tuning the advertising proposition for publishers and media companies – the single platform approach, the fact that it pulls the strands from all the different business areas together and the insight it can generate when aggregating data from across the business.

And it's not just a question of improving advertising sales – amalgamating data points across the organisation (subscriptions, events, finance, marketing) will drive better audience engagement and help publishers to provide a better quality audience to companies who pay to access that audience. It's a cyclical process.