

Advertising Sales Tips

IDEAS FOR ASSOCIATION PUBLISHERS

Understanding Advertising Agencies

If you are selling advertising, then most likely you are regularly dealing with advertising agencies and the various members of their staffs. The majority of advertising dollars are spent by ad agencies on behalf of their clients and all but the smallest advertisers utilize ad agency professionals. These agencies provide a broad range of services to their clients. They offer advertising and marketing services including such things as market research, art and design, branding, production services, and media placement. It is the media placement function that is most important to those of us who sell advertising.

The media department of an agency is responsible for the evaluation and recommendation of which media their clients should place their advertising. Media buyers identify the publications, websites, and other media which deliver the target audiences their advertising is intended to reach. They gather media kits and focus their attention on such things as the editorial calendar, special advertising opportunities, and, of course rates. Working within each client's budget, they develop their media schedule in which the publications and specific issues are chosen. This is followed by the issuing of contracts and insertion orders for the ad space to be purchased. Simply put, your job as an ad sales professional is to be sure your products are known by the ad agencies that represent the advertisers you want to reach.



There are a number of resources available to you to accomplish this and here are two basic ones. If you are dealing with large national advertisers which utilize the services of large ad agencies, we recommend that you subscribe to an online service called the Advertising Redbooks (www.redbooks.com). This is a database which collects the names of all major advertisers and identifies the key decision makers within those companies as well as the names and contact information of the advertising agencies they use. This is a subscription-based service and therefore, there is a charge for access to it.

You also can reach agency media buyers by listing your publication with Standard Rate & Data Service (SRDS). This is a desktop directory which lists, by category, the advertising rates, editorial calendars and other information about publications which are actively seeking advertising. This book and online service is usually the first place media buyers look in order to identify the publications serving the markets their clients want to reach. SRDS also offers publishers a number of enhancements which are designed to increase the visibility of your publication. Additional information is available at www.srds.com.

Many companies today are foregoing the traditional ad agency by creating "in-house" agencies. This is a staff person or department which is responsible for doing many of the same things that traditional ad agen-

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cies do. In most cases, in-house agencies do the media evaluation and buying, but they usually subcontract out for the creative services, market research, and other services. Also, most in-house agencies will expect to be granted the standard 15% ad agency commission, and most publishers honor this request. Many small to medium size companies are structured this way, but there is a growing trend among larger advertisers to also do this, primarily because they can save a lot of money by

retaining the 15% commission.

As is the case in all sales and marketing programs, the first thing you must do is to identify your customer and effectively deliver your message to him or her. Always keep in mind that not only is your customer the advertiser, but it is also the advertising agency. Be sure to target your efforts at this important and influential segment of your market.

Extend Your Brand. Increase Your Revenue

There is one basic rule which applies to any organization wanting to increase revenue: Find new products to sell to existing customers, or find new customers for existing products. Brand extension is the one proven way to accomplish both. A look down the cereal aisle of your local supermarket will take you to the shelves upon which sit the Cheerios brand. The original Cheerios were introduced in 1941 by General Mills and that product today accounts for 10% of the dry cereal market in the US. But, in order to grab a larger share of market and increase revenue, General Mills has taken this well known and popular brand and added new products under that banner. Today, there are nine distinct cereals sold under the Cheerios brand each targeting a different segment of the market. There is Cheerios Multi-Grain for the health conscious adult as well as Cheerios Fruity for children and other Cheerios products for everyone in between. The result is that General Mills has created new streams of revenue by building on its popular core brand. Associations are in the very strong position to do the same thing.

Your association publishes a magazine that is well known and respect-

ed throughout your industry or profession. Readers have come to rely on it for fair, informative, and credible information, news and analysis. Your magazine's brand is its title as well as the brand value of your organization. Your organization also produces an annual convention or exhibition. This product, too, carries the brand of your organization and is viewed as an important industry event which delivers valuable content, networking opportunities, and highly relevant offerings from exhibitors. But, most associations manage each of these revenue-generating products as independent product lines without seriously looking at opportunities that could be derived from the co-branding of these products or through brand extension.

When I worked for a large professional society, I rebranded the exhibit floor at our national convention under the organization's magazine title. The advertising/exhibitor community saw this as an increase in the value of what they were receiving from the organization and the result was that we sold out a larger exhibit hall in the first year of this program. All of that growth came from companies new to our exhibits but which had been print advertisers

and understood and had a positive relationship with the brand.

If you are producing a successful annual convention with exhibits, a major new source of revenue is to co-produce a virtual conference and exhibit. Usually launched in conjunction with the opening of the live event, this web-based product adds value by bringing content to the members who do not attend as well as creating a significant new revenue stream through the sale of virtual exhibits and sponsorships. Such a product is not a competitor to your own show but is an enhancement that allows your association to extend its message for months after the live event while becoming a major new source of non-dues revenue. It is an extension of your established brand that reaches a wider audience while generating significant new funds.

As your association plans and carries out its sales and product strategies for 2010 carefully consider how brand extension can help you meet your revenue goals just as it does for companies like General Mills. Look around. Perhaps you can take home more from your next trip to the supermarket than just groceries.