

ARIZONA REPUBLIC INCREASES SINGLE COPY SALES

By Jim McNulty

THE ARIZONA REPUBLIC

[The Arizona Republic](#) is Arizona's leading provider of news and information, and has published a daily newspaper in Phoenix for more than 110 years. As the state's premier media company, The Republic is much more than a newspaper. It is part of a multimedia presence that includes web sites, specialty publications and direct mail services.

The Republic's goal is to be a technologically advanced, integrated information services company that provides people with information they need, when they need it, and through whatever medium they choose to receive it. It has a national reputation in its field as a leader in innovation and customer service.

One of the fastest-growing major metropolitan newspapers in the country, The Arizona Republic ranks among the top 20 newspapers in daily circulation. The Republic is the state's largest newspaper, reaching approximately 1.5 million readers per week.

SITUATION

The Republic wanted to get a better handle on its single copy sales -- newspapers sold from newsstands -- and optimize availability to match their readers' needs. Location was a key issue for increasing these sales, which in turn could help attract and reward advertisers.

To achieve this, they had numerous key questions that needed answers:

- Why so many sell outs — how many more could be sold?
- Why so many zero sales — bad location, bad day, broken machine?
- Were there enough locations?
- Did they have the right locations?
- Where could they find new locations?
- Can data support these decisions?

CHALLENGE

The Republic had a circulation system with all location addresses and a segmentation identifier. The segmentation identifiers are looked at in two different views. One is to use the Federal Standard Identification Classification (SIC) code to group businesses. The second is a coding system The Republic developed locally that is similar to the SIC codes, but consolidates or splits into finer groupings, e.g., separating out restaurants by several different types based on their primary focus. They also had Dun and Bradstreet businesses license files for the metro area, letting them target specific SIC-coded businesses to their circulation system.

Could they connect the two together? Could they learn anything from the two?

For answers, The Republic turned to **ASTECH InterMedia**, the leading provider of data-driven, revenue-focused marketing automation solutions to the publishing industry. To help the Republic get the exact information it needed, ASTECH turned to **MAAX™**, its revolutionary marketing automation and analytics solution.

MAAX introduces an unsurpassed level of usability while remaining uncompromising on the robust functionality required to drive marketing applications. In other words, while MAAX delivers all of the features and functionality needed for comprehensive segmentation, analysis and campaign management, its extraordinary ease of use tempts even the folks in the corner office to "get their hands dirty."

MAAX is delivered to ASTECH InterMedia by its partner **smartFOCUS**, the specialized supplier of enterprise marketing management software for direct and database marketing.

SOLUTION

The Republic loaded single copy data into MAAX, including: location names, addresses; number of papers delivered/returns/sellouts (by day); zone/district information; and segmentation information. This gave The Republic the ability to use MAAX to develop cross-tabs and reports to filter locations/prospect locations by area, and to review types of businesses by newspaper sales at those sites. It also allowed them to experiment with the tails of the normal distribution curve to compare, for instance, businesses on the high sales end to similar businesses on the low sales end and determine why such a similar pairing ended up on opposite ends of the statistical curves.

Then they loaded advertising zone information into MAAX, and linked single copy locations to the Dun and Bradstreet data for a 93% match rate. They also created derived fields using built in functions in MAAX to translate single copy segmentation into SIC Code groupings. For example, they could group the several different SIC codes that make up gasoline stations into a single "derived" or "virtual" field, or even "band," in MAAX to group the codes for analysis.

After the next step – generating queries to slice through data by zone and business segment – Republican marketers developed recommendations.

They used MAAX bandings and virtual fields to re-classify SIC codes to a "segment," such as Zone 12 and drug stores, allowing them to group similar businesses into a single analysis "bucket." And they were able to show "sellouts" by zone, a new opportunity to maximize sales. Looking at penetration of sales outlets within these segments, they were able to align with the Republic's operational planning by pinpointing advertiser opportunity and the gains that represented for the newspaper.

RESULTS

Across the board, using the valuable information derived with MAAX, The Republic was able to increase their single copy sales.

They were soon able to lock in on valuable new targets, such as identifying clusters of apartments and high-selling locations by zones, profiling area customers by latitude and longitude, and surrounding them with single copy sales stands. Locations such as hotels and smaller grocery stores, previously considered well-covered, were also shown to represent fresh sales opportunity.

Guided by their zone data, they moved machines to different locations, whether across the street or miles away, finding new sales and readership.

Picking another area that looked ripe for sales locations, The Republic looked at dwelling units and determined that their best potential customers were in single family homes more appropriate for home delivery. This led to a highly successful direct marketing campaign.

The results? Readership, single copy sales and subscriber numbers have all increased, as has overall sales. Using MAAX to uncover and focus on exact areas of opportunity, The Arizona Republic continues to boost the effectiveness of its customer marketing and the value that represents to its advertisers.

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