



Dear Strategic Marketer,

We hope these highlights give you a taste of the experience and expertise shared at this year's Roundtable. We're told they often come in handy for justifying your attendance the following year! When combined with the opportunity to network with some of the industry's pioneers – and the intimacy of the Roundtable makes this opportunity much more viable than at other conferences – we think you'll agree this is the most valuable event of its kind.

Tom Ratkovich, President

Targeted Delivery and Microzoning

Jim Hart, Design Mail

- Your sales plan is evident from commission structure; your strategy is evident from your rate structure.
- When it comes to your TMC coverage, it is more important to understand how bad the bad zips are than how good the good zips are. In other words, understand the zip codes in which you have poor penetration and take appropriate action. Advertisers will always focus on your bad zips.
- How money is spent (ROP, solo mail, preprint) is not the issue. Overall revenue and whether the newspaper salesperson is perceived as a solution consultant is KEY.

Ethnofuturism: Understanding News Consumers of the Future

Steve Diller, Cheskin

- Discussion of eight trends: Changing Consumers, Experience Economy, Personalization, Time Compression, Omninet, Consumers Take Control, Post-Human Future, and Neo-Traditionalism.
- Few ways to capitalize on personalization – special sections, writer/columnist development, allowing for customer contribution.
- Emotional benefits to reading the newspaper – solace, transformation, validation of personal values, awareness.

The Newspaper as Infomediary

Kim Leserman, Media Insight Group

Tom Ratkovich, ASTECH InterMedia

- Basic premise: the newspaper has a unique opportunity to serve as an infomediary in the marketplace, leveraging its ability to match retailers with consumers, integrate distribution methods, integrate data collection methods, personalize content, and so on.
- New Operating Landscape – more savvy customers + product proliferation have contributed to decreasing brand loyalty.
- Newspapers need to find ways to eliminate inefficiencies across communication channels and become responsible for ROI rather than eyeballs (readership).
- Ratkovich's suggested reading: Net Worth by John Hagel and Marc Singer

The Gannett Marketing Technology Initiative

Rick Baker, Gannett



- Presentation of Gannett's home-grown Enterprise Data Management System and process for collecting, storing, and sharing data. All newspapers are moving to the same platform; once integrated, they will be feeding data to corporate nightly. This data can be used to support executive reporting, simple data mining and the development of custom applications.
- The EDMS was created in part to build and deploy software – more quickly and efficiently – to their 99 daily newspapers. Some implementations have taken years to complete due to the disparate systems and the number of newspapers.

Case Studies in Subscriber Retention

John Hay, Links Information Management

- A look at sample retention programs from four Canadian papers. The Hamilton Spectator, The Vancouver Sun, The London Free Press, and the Globe & Mail.
- Hay recommends keeping any type of reward in proportion to the subscriber level – make it relevant for them.
- One of the most impressive points about the Globe and Mail's case study was their ability to send out an offer on their letterhead to their subscribers on behalf of the advertiser.

A CFO's Perspective on Marketing Investments

Sandra Mason, The Globe and Mail

- You must understand the perspective of the CFO in order to get your capital requests approved. In rough times, there are three big financial levers: the number of people you employ, the number of pages you print, and the marketing spend. The marketing spend is viewed as the most discretionary of the three. Capital requests must show how you are going to make money.
- In the first half of 2002, the Globe and Mail spent \$2.8 million on subscriber acquisition and got 16,000 subscribers; in the first half of 2003, the Globe and Mail got 23,000 new subscribers for the same amount of money! The success is attributed to smarter spending on marketing automation, which was funded in the prior year as the result of a strong capital request. Capital requests must have a positive return by the third year and the five-year ROI must be at least 20 percent.

Why We're Still Neanderthals

Bob Brennan, Newsday

- Sophisticated marketing technology is not necessary to be successful. Successful campaigns are based first and foremost on sound marketing principles. Software applications can help you execute faster, in larger volumes and with greater efficiency, but that doesn't mean the applications can't be done.

15 Things You Should Know About Direct Mail

Rick Matsumoto, ASTECH InterMedia

- Whether your direct mail operation is big or small, experienced or new, the key is to drive volume. The difference is that big direct mail operations with lots of experience can drive volume with more complex direct mail products (e.g., high-end brochures) and work with more demanding customers (e.g., auto dealers). On the other hand, small operations that are just getting started should focus on simple products (e.g., postcards) and work with existing newspaper advertisers where a solid relationship has already been built (e.g., homebuilders).
- One of the newspaper's strongest selling points is its willingness to apply direct mail spending (minus postage) to an advertiser's dollar-volume contract. It positions you more



appropriately as a media specialist – not just a newspaper specialist – and helps you overcome most objections.

Using Technology to Drive Recruitment Dollars

Christopher Frey, Gannett

- CRM means something different to everybody – for the purpose of his presentation, it is Customer Relationship Marketing (rather than Management).
- Gannett properties are under the gun to do more with the same sales force, so they created tracking software to help sales reps organize their accounts without making it feel like busy work for the rep. They wanted to maintain the philosophy that technology is an enabler not a solution.
- In addition to technology, Frey emphasized the need to implement a scripting process for permission-based contacts primarily through email and fax. He touched on the importance of an email subject line – rather than talking about “us” or “our product,” it needs to get to what the advertiser needs.

B2B Marketing Made Simple

Gene Ruckman, Asheville Citizen-Times

JoAnn Gottschalk, Marketing G2

- Why B2B Marketing? 80% of newspaper revenue comes from advertiser sales.
- It's important to realize that your B2B database will never be 100% accurate – in fact, it's common for 10%-20% of business data to be out of date by the time it gets into a database. JoAnn says, “The devil's in the details!” In other words – you should focus on the insights that can be gained from 80%-90% not get hung up on the imperfections.
- The Citizen-Times showed examples of B2B applications that generated a total of \$90,000 of revenue in their first year. Not bad for a newspaper of its size (55,000 daily)!

Developing eMarketing Strategies for Subscription Marketers

Patrick Glennon, Marketing G2

- Newspapers have many touch points with customers – telemarketing, direct mail, etc. The newspapers' daily interactions can give you another source of data – email addresses. These addresses open another communication path to upgrade, upsell, etc.
- Self-service, as option for subscribers, scores highly in market surveys.
- The Jackson, TN case, in which the Sun recently eliminated outbound telemarketing, was mentioned by Rick Baker. The pressure to produce circulation from other sales sources will increase exponentially in the coming months.

Acquisition and Retention Strategies to Drive Subscription Growth

Sue Lilly, The Age

- Circulation was declining from 1996-2000. Stabilized from 2001-2003 by keeping offers and creative relevant to target groups, appropriate testing of trial programs, strategic use of upsell and renewal tactics.
- Key was in ability to segment the market, then to tailor and test various offers against each segment.
- Direct debit is now the primary upsell from the 10-week trial subscription. Comprises 25% of subscriber base, has a renewal rate of over 87%.



Data-Driven Marketing – Success Factors (and Ideas) for Getting Started

Al Frowiss, Copley Press

- “Drink the Cool Aid” – Marketers know their data better than anyone and must be able to show the data and its value to upper management and get their buy-in. The data and your expertise must be sold to those on the executive level.
- Look for base hits to keep things moving! With data-driven marketing, your organization should pursue initiatives / processes that are simple. These results will be insightful at first. Eventually they will result in better questions by department leads. These questions will result in more insightful analysis. The cycle continues...
- In order to convince the organization to have the appropriate culture for data-driven marketing, it will take time and as a company they will have to learn! In the past, 80% of their time and effort was spent collecting data and 20% using the data. In the near future, they'd like the ratio to be the exact opposite!

Modeling Applications Made Simple

Richard Li, Demographic Research Company

- A discussion of different analytical modeling techniques applicable to the newspaper industry. Comparing the differences between profiling and modeling and the advantages of each. Profiling considers all attributes whereas modeling weights the attributes to give a better and clearer picture of the profile.
- Types of modeling presented: response, non-pay, up-sell, attrition, and multi-channel.

Email Marketing: New Opportunities for Reaching Subscribers

Greg Gilbert, ASTECH InterMedia

- Email Marketing is a viable and valuable tool to be considered as a supplement to your direct mail campaigns. It can open new relationships with subscribers. It provides the opportunity for faster execution of campaigns at a fraction of the cost of direct mail, which provides the opportunity for a greater return on investment. Faster execution + less cost + faster response = increased ROI.
- Email marketing is acceptable when the address has been appended to either a current customer's record or former customer's record and that person(s) have been given the opportunity to opt-out from any future solicitations, but have chosen not to do so.

The 2004 Roundtable on Strategic Marketing has been tentatively scheduled for August 22-25. Put it on your calendar now! And if you haven't turned in your evaluation, please fax it to 303.296.9969. See you next year!