

Case Study: Effect of Scripps Newspapers Program to Increase Sales in a Tough Economy

E. W. Scripps Newspapers

Scripps Newspapers include daily and community newspapers in 13 markets and the Washington-based Scripps Media Center, home to the Scripps Howard News Service. Scripps newspapers include the Commercial Appeal in Memphis, the Knoxville News Sentinel, the Ventura County Star in California, and other daily newspapers in Florida, Texas, Illinois, California, and South Carolina.

Business Situation

In a tough economy, current advertisers cut back on spending. To make up the difference, one strategy is to dramatically increase the volume of sales presentations.

That strategy worked well for Scripps Newspapers in the first six months of 2009. Scripps achieved a 25% year-over-year growth in Immediate® sales presentation volume in the first six months of 2009 compared to the same period in 2008. The volume increase was achieved with 8% fewer sales reps.

Revenue performance was driven by success with new accounts, as Scripps achieved a 14% growth in first half revenue from new accounts compared with the same period in 2008.

The January-June tally of Immediate sales presentations to advertisers was 10,394, up from 8,324 for the same period in 2008. Increasing presentation volume is crucial because in this economy, newspapers have to get business from more advertisers. The average sale this year is a little lower than in the same period last year. The presentation volume increase largely offset the lower average sale, and total Immediate revenue this year is just 3% below the same period last year.

Each of the first two quarters showed strong year-over-year presentation volume growth, with momentum building in the second quarter. Immediate presentation revenue in the second quarter was the second highest total in the 19 quarters Scripps has tracked revenue performance, a little below the record set in fourth quarter 2007.

Major factors that contributed to the volume increase

Scripps expects reps to do sales presentations and backs it up by tracking actual in-the-field presentation volumes and sales results. As basic as this seems, some media companies do not do this. Some expect it but don't track it. Scripps began tracking presentation volumes and sales results in late 2004 with the rollout of Immediate, and has increased sales presentation volumes every year.

Commit to a hard-hitting, fact-based sales story. There is a strong story to tell in local markets, and research can prove it. Scripps properties in large markets use Scarborough studies, and thanks to 56% growth in U.S. newspaper website audiences in the past four years, research now makes a strong case both for newspaper/website combinations and for websites alone. In mid-size and smaller markets, Scripps uses Advertiser Key Indicator (AKI) studies in even years. AKI, managed by Blaire Dorsey, Research Analyst with Scripps Research, has a multimedia focus, reporting on print products, digital products, inserts, and coupons. In addition, AKI "Shop and Spend" data proves that the huge majority of local adults use Scripps media to make local shopping and brand decisions, facts captured in sales libraries.

Ensure that reps understand the sales story. As Immediate sales libraries were updated, Immediate Success Manager Katrina Browne did live "Selling with Research" training webinars to get presentation volumes off to a fast start after library updates. "We introduced a new, better way to sell newspaper and online," said Browne. "We emphasized selling online, and also we made sure reps could tell the Shop and Spend story."

Leverage local market sales energy with presentations. Scripps set the plan in motion, calling for renewed focus on selling more effectively with Immediate, using the research studies for fresh leverage. "We know the goal," said Browne, "is to find ways to leverage local initiatives and energy." She huddles with local contacts on a regular basis, coordinates training, and facilitates action steps. Jeff Honeycutt, Immediate Training Manager, joined Holly Hoffman, Scripps Texas Research Manager, in training Texas properties, emphasizing ways to do presentations both better and faster. In other Scripps markets, Honeycutt tailored training to support specific local sales initiatives. "Scripps properties are also active users of sales training and sales aids on the Immediate Learn Site," said Honeycutt.

If increasing sales presentation volumes works in a tough economy, it should work even better as the economy improves. By tracking sales presentation volumes and revenues, Scripps will know the answer.

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