EXCLUSIVE E-BOOK
30+ Insights and Takeaways
MEDIA SALES SYMPOSIUM

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MEDIA SALES SYMPOSIUM 2017 E-BOOK
30+ Insights and Takeaways

Executive Summary

In January 2017, Matrix Solutions hosted industry leaders and innovators for their inaugural Media Sales Symposium in Orlando, FL. The event highlighted new and proven strategies for sales teams, as media sales continue to embrace the digital frontier. The forum covered digital-specific techniques and provided a swath of insights across media ad sales.

With technology playing a more critical role than ever in the effectiveness of ales, analyzing tools and workflows for integration into sales organizations is crucial. Symposium session topics covered sales workflows, leveraging technology to improve efficiencies, steps for closing deals faster, and ensuring sales organizations are fully equipped to be successful in media ad sales.

In the following retrospection, readers will gain key takeaways from each session.

Media Sales Trends
Gordon Borrell, CEO, Borrell & Associates

The local media industry's leading analyst, Gordon Borrell, kicked off the Media Sales Symposium declaring 2017 as the year that local traditional ad dollars will <u>intersect</u> with local digital dollars

Local ad growth expected to increase 7.6%
- However, not all advertising is the same
- Local, non-digital will decline 6.9%
- Local, digital will increase 22.4%

3 reasons digital is on the rise
1. Cheaper
2. Measurable
3. Functional

Be on the lookout for:
- Weaker advertising being cut to fund digital
- Facebook ad buys to double – reselling Facebook ads… "genius"
- Advertisers to partner with media companies who listen

2017 Local Advertising Forecast

$ in millions

	2016	2017	Change	%
Digital	$ 65,971.08	$ 80,722.08	$ 14,751.00	22.4%
Newspapers	$ 13,567.81	$ 12,305.75	$ (1,262.06)	-9.3%
Broadcast TV	$ 12,050.00	$ 10,040.00	$ (2,010.00)	-16.7%
Cable	$ 3,819.32	$ 3,717.50	$ (101.82)	-2.7%
Radio	$ 10,036.21	$ 9,911.00	$ (125.21)	-1.2%
Out of Home	$ 4,738.85	$ 4,840.86	$ 102.02	2.2%
Direct Mail	$ 7,096.66	$ 6,709.04	$ (387.62)	-5.5%
Directories	$ 6,152.51	$ 5,732.00	$ (420.51)	-6.8%
Other Print	$ 7,064.99	$ 6,470.40	$ (594.59)	-8.4%
Cinema	$ 2,109.00	$ 2,257.94	$ 148.94	7.1%
Telemarketing	$ 972.74	$ 965.96	$ (6.78)	-0.7%
Total Local	$ 133,579.17	$ 143,672.54	$ 10,093.37	7.6%
Traditional Media	$ 67,608.09	$ 62,950.45	$ (4,657.63)	-6.9%
Digital Media	$ 65,971.08	$ 80,722.08	$ 14,751.00	22.4%

Removing political advertising from 2016's numbers, TV and radio spending in 2017 will be roughly the same as last year.

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SOURCE: Borrell & Associates

Omnichannel Reporting
Noah Jacobson, VP Business Development, TapClicks

Data sources are on the rise and reporting has become a daunting task.

Did you know?

FURTHERMORE, USE OF ANALYTICS HAS SHOWN TO = BETTER PERFORMANCE

% of companies above competition[1]

SOURCE: TapClicks

- 21% of marketers spend at least 10 hours/ week reporting
- 45% of marketers spend at least 5 hours/ week reporting
- 75% feel reporting is important
- 25% feel they are getting it right
- Campaigns integrating 4 or more channels outperform single or dual-channel campaigns by 300%
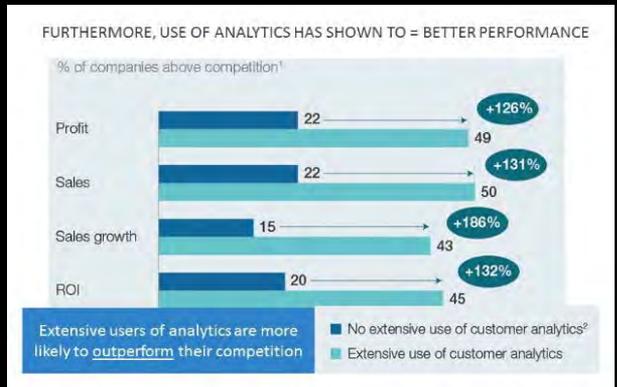
Reporting does take time, but it also enhances performance:
Extensive users of analytics outperform their competition as follows:

- 126% more profitable
- 131% increased sales
- 186% sales growth
- 132% higher ROI

5 steps from discovery to delivery when using TapClicks' omnichannel marketing reporting platform:

1. Aggregate data: both linear and non-linear at scale seamlessly
2. Customize it: to make it your own i.e. Facebook ad report will roll up under your branding
3. Manage and configure: each report can be customized by client
4. Tell the visual story: the system provides visual representation of data
5. Share with your clients: schedule automated reports

"Media companies need a partner that can provide robust analytics at scale in an end-to-end seamless way. When you know the plot, there is opportunity to gain 'a-ha' moments" – Noah Jacobson

Linear vs. Non-Linear

Moderated by: Joe Lampert, EVP Media Practice, Edge Technology Services
Panelists:

- *Mark Gorman, CEO, Matrix Solutions*
- *Adam Roberts, CTO Advertising Management, Imagine Communications*
- *Jeff Puzenski, Media Industry Leader, Infinitive*
- *Mike Kelly, VP Sales, Wide Orbit*
- *Tim Ware, VP Advanced Television, Tremor Video*

Non-linear advertising has morphed media ad sales into a long tail, selling a little of a lot more

Knowing what products comprise the long tail becomes imperative for how sales teams slice and dice. No matter how you slice or dice the ad mix there is something to be said for the relationship that the broadcast sales representatives maintain with advertisers. Are there greater opportunities for media companies to leverage those relationships for standalone non-linear deals? Mark Gorman, CEO, Matrix Solutions, offers food for thought in and around Pandora's strategy of putting their own boots on the ground for sales in lieu of partnering with a media company to expedite their reach.

Going forward, will there be a single sales team selling multiple, or multiple teams selling singular?

The one-team-approach will not only happen, but it will be what media companies will be advocating for. Mike Kelly, Vice President Sales, Wide Orbit, adds that we will see new agencies pop-up and retained for such services along with seeing product experts emerge among teams as a natural course of action.

One attendee asked the question: "I am leaving non-linear money on the table. Help me?" The responses from panelists:

- Use value of all platforms, smarter
- Stop chasing the same categories; go after B2B, open aperture
- Don't fear programmatic, it can be a big advantage
- Analyze every member of your team and see who can learn the new world

How CRM & Sales Technology Improve the Bottom Line

Moderated by: Eileen Fredette, Success Manager, Matrix Solutions
Panelists:
- *Brian Toy, Corporate Director, Digital Sales, RayCom Media*
- *Mark Zahar, VP Sales, TapClicks*
- *Margaret Adriatico, Project Manager, EW Scripps*

Technology is all well and great, but only if it is being utilized

And at that, consistently and properly. Margaret Adriatico, Project Manager, EW Scripps, shared with attendees her own personal story in recognizing her team's stellar close rate of less than 24 hours… *that was* until she dove in further to uncover that deals were not being entered until they actually came through. This caused a chain reaction of head-nodding from most of the panelists. To combat the non-use of systems, the panelists pinpointed executive buy-in and proper training as best practices for technology adoption success.

Technology + Data + People + Process = Success

Using technology to its fullest potential does increase productivity and efficiency, yet it is dependent upon people and processes. Executive buy-in and support from the top helps reinforce usage of the system and the more it is used, the more media companies get out of it. Establishing processes is also key to ensuring consistency both in data and workflows.

The panelists walked through their trials and tribulations of inheriting systems and/or launching from a clean slate, and regardless of how it was introduced to the company, the significance of getting teams up to speed and using it routinely.

Most of the panelists are users of Matrix Solutions' media ad sales platform and they referred to it here as a lifestyle with one panelist acknowledging that what they can get from the system changes over time. The need to use technology to its fullest potential is further reiterated. For example, if deals are put into the system from the onset, it provides the entire organization visibility, allows the individual AE to get alert notifications, staying top of mind until it closes, and more.

In addition to the proactive alert notifications, users are also able to take advantage of precise analytics and use that to their advantage for future sales opportunities. And in the truest form of full circle, it provides the executive who bought in to the concept comprehensive insights into their business so they can in turn make better and more efficient business decisions.

The Fractured Media Landscape: Finding New Opportunities
John McMenamin, CRO, Media Village.com

The media landscape is changing.
Unforeseen competitors are becoming new threats, i.e. Amazon is not only beating Walmart in digital commerce, but moving to compete with FedEx in distribution centers and looking to take on Elon Musk's SpaceX.

Social is where it is at.
Facebook and YouTube are becoming more viable revenue sources for media companies and although Snapchat is not a powerhouse yet, it is the one to watch. Snapchat is not only moving toward IPO, but it shows impressions tied to purchase, which is where the industry is going.

What's next?
- *The need to be a 'marketing' sales person not just TV, radio, or digital*: Composition targeting, where an advertiser asks for a specific audience, such as women aged 24-35 that are buying Pampers and shop at Target twice a week.
- *The evolving new media agency*: Back in the day you had the print sellers and the digital sellers. You tried to migrate the agencies, however the print sellers feared the digital sellers wouldn't understand. So, they would bring both to the client, which was expensive and time-consuming. It must be collaborative.
- *The speed of the industry's evolution is going to accelerate:* Innovate on any level – affirming that publishers that innovate will become partners and high-valued strategic investors, which will create high-growth revenue opportunities.
- *Keep an eye on the evolving audience and content dynamics, such as millennials, digital natives, and cord-cutting.*
- *Attract and engage a large, loyal audience:*
    - The end game used to be simple: just get more eyeballs. However, engagement now rules the day.
    - Digital distributors are able to show who engaged with a particular piece of content.
    - Don't think about your audience as eyes, but rather fans – empower the consumer, make it fan-centric, easier to monetize – and ensure they provide personal information.

# Connecting the Workflow Between Ad Ops and Sales
Jeff Puzenski, Media Industry Leader, Infinitive

Why is optimizing a workflow important?
- Investment in technology is 13x compared to training and adoption
- Proper adoption can result in 400% higher return

Find root causes
It is very important to recognize small issues before they become big. One way to do so is to back into what the root causes of high-level issues are, such as lack of trust in data, inefficient profit, etc.
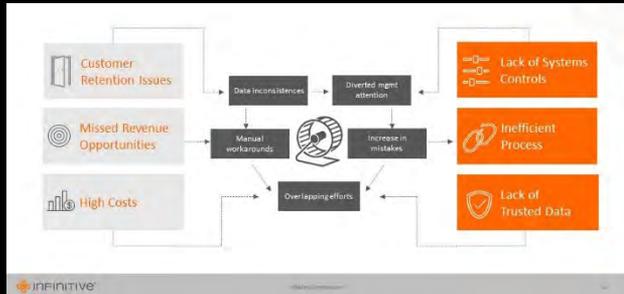
SOURCE: Infinitive

shown in image right, *Finding Root Causes*. The root cause of such may be due to missed revenue opportunities, lack of customer retention, or high costs.

Invest in a singular system that centralizes *all* data
One of the biggest issues Infinitive finds in workflows is maintaining a master contact record. This is due to multiple, non-integrated, siloed systems throughout the workflow, thus duplicate records exist not only creating inefficiency, but opening the need for redundancies to maintain it and leaving room for errors when doing so. The recommendation is to rely on a simple, sales-centric Customer Relationship Management (CRM) system that can house the master contact record, sharing it with other necessary systems in the workflow through seamless integration.

Keep it simple: When implementing a sales-centric CRM system, keep it simple, otherwise, sales will shy away from adding/managing critical information.

Key ways for optimizing the digital ad workflow
- People: drive accountability
- Data: unify master data/records
- Tech: sales-centric CRM
- Process: automate and integrate

How a Concrete Sales Process Improves Efficiency and ROI

Moderated by: Kim Ashley, Learning Solutions, Principle Consultant, Facilitate Learning Solutions
Panelists:
- *Tom Ray, Executive Vice President, Doyle & Associates*
- *Dennis McCarthy, President, Paradigm Group*

2 key strategies to sales process success
1. Align the entire team from sales executives, to sales management, and sales professionals.
2. Ensure all programs are dovetailed together to formulate a process.

Process improves efficiency
Tom Ray, Executive Vice President, Doyle & Associates, shared with us a specific example where a lack in process led to incorrect information dictating a decision. In this scenario, the advertiser made the decision to cut all advertising based on the fact that all of his customers made their way into the retail shop by simply driving by. However, it was later uncovered that when sales added new orders to the system they were prompted to answer the question 'How did you hear about us?" Being a required field, the salesperson would simply tab to select the first answer, which as you can guess, was 'driving by.' The lack of time and training led to misinformation and a poor business decision.

Keys to impart a solid process for success
- Instill a sales acumen over a business acumen
- Use formal diagnosis, i.e. "This is what we are going to talk about…" helps guide the discussion to uncover:
- What are the pain points?
- What solution can be prescribed to help
- The more times a tool can identify upsell opportunities, the more effective it is
- Be repetitive in the process, applying a drip method versus fire hose approach for onboarding
- Make all steps intentional, consistent, measurable, and ongoing
- Don't train just to train. It must be relevant. Make it count.

Automation in Advertising
Mike Chevallier, Vice President of Sales, Rubicon Project

The perception of programmatic advertising
- "No" *(yes - this as a legitimate, knee-jerk response to programmatic advertising)*
- Passive revenue stream
- Actively selling "programmatic" to specific buyers
- Used as complement to direct sales

Develop a strategy for programmatic
Incorporate programmatic advertising at the ground level, as it is much easier to grow it as an integrated revenue channel from the onset versus adding it as an afterthought. If things start off incorrectly, it is much harder to regain control.

SOURCE: Rubicon Project

Programmatic advertising as a private marketplace
- Buyer wants to use data to target audiences
- Buyer wants to automate workflow across multiple supply partners
- Seller wants to create "invite only" access to biddable inventory
- Seller wants to create a branded storefront for certain subset of buyers to buy reserved inventory
- Seller wants to create advance clearing mechanism for unsold inventory with controls
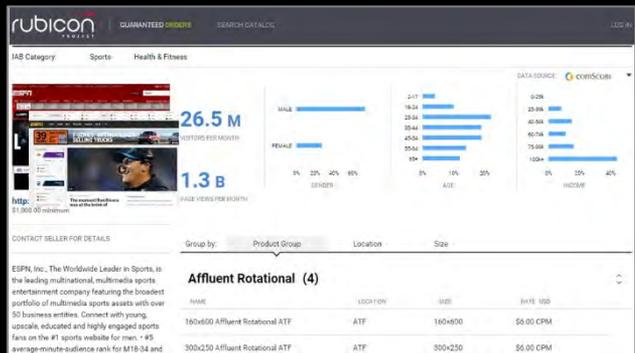
Make programmatic a part of the overall ad strategy
Advertisers are finding programmatic as a valuable piece of their overall strategy and are allocating dollars towards it. Media companies should not only ensure they offer it as part of their cross-platform advertising strategy, but should be looking for effective ways to optimize it.

Using Empathy to Connect with Clients
Sean Ammirati, Entrepreneur and Investor, Birchmere Labs

How do you cultivate an entrepreneurial culture?
- Deploy models focused on processes and best practices
- Provide opportunities to apply immediately
- Share different entrepreneurs' case studies

Get in front of your customer/potential customer
In making a case for true entrepreneurship, Sean Ammirati, Entrepreneur and Investor, Birchmere Labs, shared that the facts lie outside of the building, adding that customers only care about their problems and not your solution. Using empathy when discussing their problems is a valuable way to connect, retaining as much of the pain point as you can. Relating to and understanding the customer's pain will help you to build and apply a more effective solution to their problem.

Recommendation: Use an 8.5" X 11" piece of paper to help guide customer conversations. The paper positioned landscape and folded in thirds with columns to capture the following:
- Problem
- Current situation
- Possible solution

Launch early to fail fast
He urged that new products need to be launched early to give opportunities to fail quickly, i.e. don't waste time building in stealth mode, bring it to the customer as quickly as you can to capture viable first-hand feedback on its effectiveness.

See worksheet right to use in your next client facing meeting.

POSSIBLE SOLUTION

CURRENT SITUATION

PROBLEM

Examining the Modern Digital Workflow
Jinny Laderer, President of vCreative
Panelists:
- *Georgia Beasley, Director of Digital Sales, Beasley Media Group*
- *Elisa DeFoe, Co-founder/VP of Social ROI, Social News Desk*

The implementation of digital has not been as smooth of a transition given its multi-faceted dimension. What's important is understanding what is trying to be achieved. Understanding the goal and following through is the only way that we as an industry can better and grow.
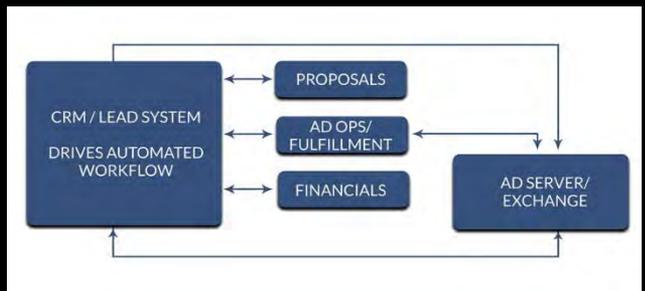
Conversions should be the key performance indicator
Advertisers are making digital part of their strategy based on the ability to effectively target their audience. Tethered to that thought-process is the ability to get in-depth and insightful analytics.

Digital is as big as traditional media and should not be treated like a sidecar
The integrated media campaigns are most successful and digital is a viable component to that. Just because it is more work now, does not mean we should shy away from it. We need to embrace it and decipher more effective ways to monetize it moving forward, as opposed to using it as a scapegoat, should the campaign not be as successful as planned.

SOURCE: Matrix Solutions

May take 3 years to generate a valuable ROI
Right now, digital is siloed. It needs to be executed similarly to traditional media to monetize more efficiently. Elisa DeFoe, Co-founder/VP of Social ROI, Social News Desk, points out that there are more opportunities for digital in non-traditional business hours, i.e. audiences are engaging with social during the evening and on weekends.

Why Matrix Solutions?

Matrix Solutions has been innovating sales management solutions since the early 1990's, playing a key role in evolving how media ad sales are captured, managed, and monetized. Sales professionals and teams, more than ever, are playing a vital role in media companies' forward thinking success. Thus, the Media Sales Symposium served as an opportunity to shine on a light on this often-underserved sales organization when it comes to discussing key insights, trends, challenges, and opportunities for the media industry-at-large.

About Matrix Solutions

Matrix Solutions' cloud-based Media Ad Sales Platform serves as an effective, enterprise-wide solution for managing advertising revenue. Functioning as a fully-integrated layer within a company's workflow it enables users to aggregate, access, and interact with their pertinent sales data including insights, revenue, and analytics. The extensive sales capabilities and revenue-generating proficiency of the platform provides users a valuable return on investment. For more information on the Pittsburgh-based Matrix Solutions visit www.matrixformedia.com.

MONARCH IS COMING

A global, media ad sales platform
built for your unique sales workflow.

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