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Online Video Advertisement Offers Proven Results in Tens of Thousands of New Online Revenue for Journal Register and the West Chester (PA) Daily Local News

The Challenge:

The research is there. Online video ads are projected to generate billions of dollars in advertising in the near future. So it is no surprise that more and more of the Web's emphasis will shift to online video in the months and years to come. But how can local media companies take advantage of this revenue potential now? The folks at Journal Register Company wanted to seize the opportunity now, in order to find new, near term online revenue through the offering of online video ad opportunities to their local advertisers. So, they sought out two vendors to assist them with the effort. AdFare managed the production and distribution of the local online video advertisement. While The Blinder Group assisted with the planning and packaging of the program, along with providing sales team training with guaranteed revenue generation.

Synopsis:

Journal Register Company selected one of their suburban Philadelphia properties, The West Chester (PA) Daily Local News, to pilot the program, which centered around the ability to offer local advertisers a thirty second (:30) online video ad on the newspaper's Web site (DailyLocal.com).

The online video ad would play within an application hosted by AdFare. The application offered the local advertiser one of two options. First, the ability to play their pre-produced video online or AdFare could produce an ad for the client by using images and copy sent to them electronically by the newspaper. All produced videos appear within a new locally branded, online video directory page, hosted by Adfare, which the newspaper branded: "AdTube Chester County's Video Guide to Great Merchants!"



Vendor will also develop an Online Video Directory

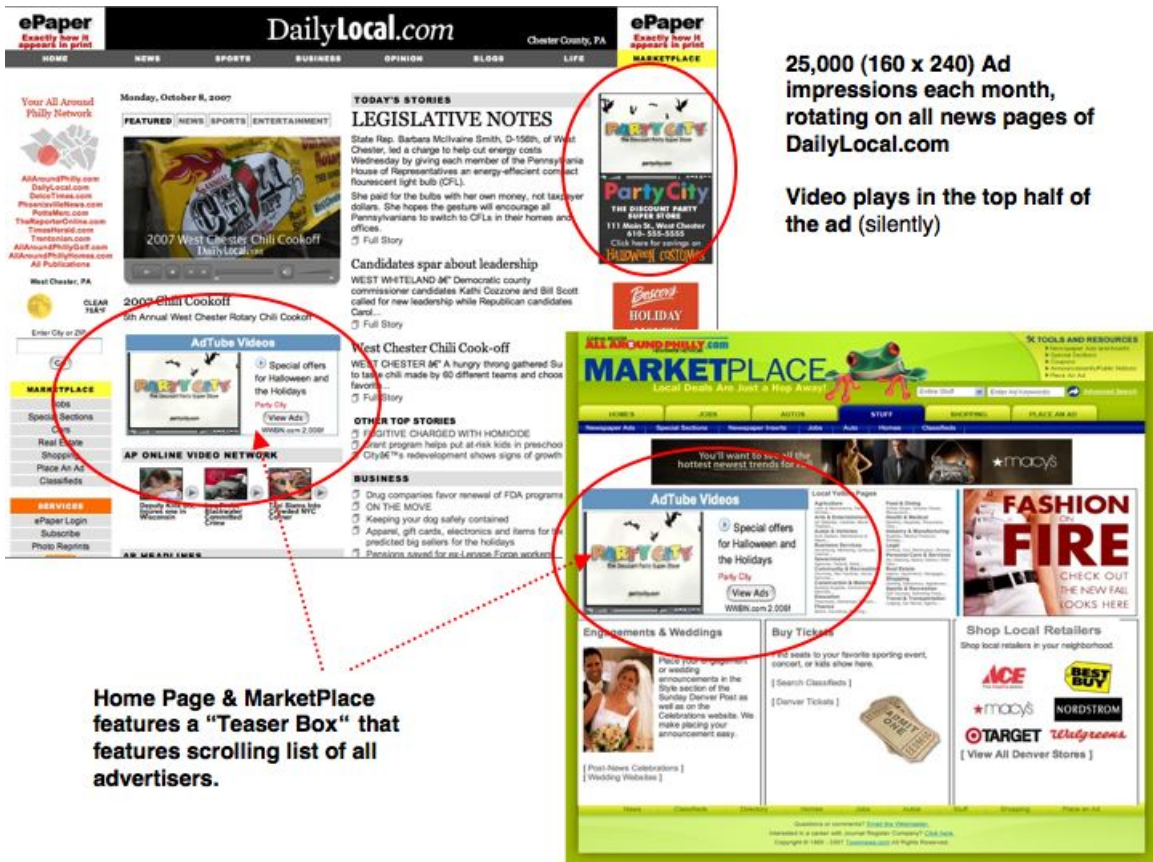
While users are viewing a video, they can access advertiser's:

- Web site
- E-mail
- Newspaper ad
- Coupon / Offer

(Figure #1: AdTube Online Directory)

This AdTube Directory was linked, within the newspaper's common navigational elements. Additionally, it was linked from a new "Video Teaser" box, placed on the home page of DailyLocal.com and the Journal Register regional online "Marketplace" Web site (AllAboutPhilly.com). The "Teaser Box" scrolled a list of all participating video advertisers. As well as, featuring a small video player that can play any chosen video when the user clicked a scrolling listing.

The advertiser's online video ad was also embedded within the top half of a 160 x 240 pixel "Mini Tower" online ad. So as not to be intrusive to the audience, the video began to play silently, each time a Web page was loaded, that has that particular ad placed within the content. Visitors had the option of interacting with the ad by clicking on it to hear the audio sound or clicking on the link at the bottom portion of the online ad, to visit the advertiser's Web site.



25,000 (160 x 240) Ad impressions each month, rotating on all news pages of DailyLocal.com

Video plays in the top half of the ad (silently)

Home Page & Marketplace features a "Teaser Box" that features scrolling list of all advertisers.

(Figure #2: Online ad elements)

In addition to the components previously mentioned, all participating advertisers were featured within an existing print Web Directory, which appeared in the newspaper 3-days each week. These participating advertisers received a special graphic component, added to their listing which highlighted them as an AdTube video advertiser.

Packaging Pricing

Participation in the program was limited to only 30 advertisers, each committing to a full-year participation, for a \$99/ week investment. In return, the newspaper provided:

- A produced, 30-second online video advertisement (extra fees apply for a change in video content)
- A scrolling video listing on the home page of the Web site and regional Marketplace site, within the AdTube "Teaser Box."
- A guaranteed minimum of 25,000 monthly, ROS, online "Mini Tower (160 x 240) ad impressions rotating on all the Web site News Pages.
- Inclusion no less than 2x/week in the Video Print Directory product.

Sales Team Training

The Blinder Group conducted an initial training session with the traditional salespeople of the newspaper to instruct on:

- Prospecting new multimedia business
- The basics of multimedia marketing and how the medium works
- Best practices in selling online solutions
- The benefits of bringing interactive products to market
- Methods for using the Web to garner more market share
- How to attack the competition with online offerings

The training also included content informing the sales staff of the Blinder Group's return visit, in which "4-legged" sales training/closing calls were performed with the reps, to assist in the launching of this initiative. Salespeople were urged and encouraged during the meeting, to set up a large amount of appointments, with qualified "decision-makers" of area businesses.

During that training, the sales staff was supplied with proven support documents that reinforced the training, as well as provided an appointment- setting script to assist them in setting up the calls.

Sales Support Materials

The Blinder Group also assisted in the production of the associated sales support collaterals necessary for this program's deployment. A simple, easy-to-follow multiple page flyer was developed so the advertisers (and the sales team) could easily grasp the features and benefits of this sales program being deployed. Too often media companies do not graphically explain the online portions of sales programs in an easy-to-follow manner, thus creating confusion during the sales process. The Blinder Group has incredible success creating powerful sales presentations.

(Figure #3 4 sample pages of the 11-page presentation created by The Blinder Group)

Guaranteed Revenue Generation:

One of the key elements in ensuring sales success of this initiative is garnering advertiser approval of meeting attendance, as well as the validity of the concept in general. Some of these advertisers are new to marketing their business online and feel wary of trying new ideas. One of the most effective means of accomplishing attendance and acceptance is to introduce the advertiser to an industry respected “outside” consultant who has had success with similar programs, with similar businesses, in similar markets, all across North America. That is why many media companies contract with the Blinder Group to perform “4-legged” sales training/closing calls with traditional ad reps, to assist in the launch of programs like the one defined in this document. Also, during these assisted, “4-legged” sales training/closing calls provided by The Blinder Group, the accompanying salesperson learns new, valuable techniques in how to sell innovative programs, like this one, in an effective manner.

The Blinder Group has a proven track record of generating high “closing” ratios, resulting in significant revenue, for client media companies that have deployed this form of advertising sales initiative. During these assisted, “4-legged,” sales training/ closing calls, with the sales reps in West Chester PA, The Blinder Group achieved a 66% “closing ratio” during the initial 1st visit, when the call was performed in front of a

“qualified decision-maker,” resulting in over \$62,000 of new online revenue during the initial week of deployment. Once the initial training week was completed, the sales people continued to sell the program resulting in a total to date of slightly more than \$150,000 of new online revenue “on the books” for the West Chester (PA) Daily Local News.

“We’re very glad we contacted Mike Blinder to assist in the packaging and deployment of our new AdTube program,” stated Daryl Hively, Corporate VP Interactive Media for the Journal Register Company. His company assisted us greatly with getting the offering we developed ready for market as well as helped us provide the kind of effective training we wanted to local reps to experience, so they would feel eager and empowered to sell it!”

“Mike’s training was great!” stated Ann Dodd, Advertising Director for the West Chester (PA) Daily Local News. “The reps were psyched and pumped, which definitely helped us get them motivated to take the new AdTube program to market. We could not be more pleased with the result of the assisted sales calls they provided as well. The high ‘closing ratios’ prove that having them here for the week, really helped us ‘jump-start’ this important initiative.”

Local Client Contacts:

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