

# Two ways to make the most of online advertising

*Step 1: Get back to the core sales techniques. They haven't changed.*

By Adolfo Mendez  
ASSOCIATE EDITOR



Mike Blinder, advertising consultant

Mike Blinder sees an upside to the slowing economy.

"It takes all the bad sales people off the streets," said the founder and president of the Blinder Group, New Port Richey, Fla., at Inland's recent Interactive Sales and Revenue workshop.

Blinder, who began his career as a radio disc jockey, has worked in online sales for various media companies since the early 1990s. These days he crisscrosses the globe helping newspaper companies maximize their revenue, in part, by taking advantage of the latest Internet technology.

He's a tough-talking consultant who is unequivocal about the revenue expectations newspapers should have in a slowing economy. "If you're not getting at least five percent of your ad revenue from your Web site, slap yourself silly," he told workshop attendees. (The five percent figure is based on a 2006 report by Williamsburg, Va.-based

Borrell Associates.)

Blinder said one of the biggest reasons many newspapers aren't performing better is because they have permitted technological developments to distract them from a key fact — namely, that the core sales techniques haven't changed.

He is referring to prospecting and qualifying, getting one's "foot in the door" and conducting a needs analysis for the client. "If we do not qualify and prospect every single day, we're dead," Blinder said. "With so many gatekeepers today, we need to make sure we are reaching the

decision-maker."

Blinder said media reports about the demise of newspapers are overstated but, as a result, many people have the impression that newspapers aren't viable advertising options.

"Newspapers don't work," Blinder said. "How many of us have heard that?"

Blinder — who goes on sales calls with his clients — said that when he encounters this objection on the street, he knows how to overcome it. "I say, 'Great. I'm going to buy all your advertising for you.' The [advertiser] says, 'What?!' I say, 'Yeah, I'm going to buy all your advertising for you — only I get to write the copy. I'll write, 'Everybody who goes to your store will get a \$100 bill.' The advertiser says, 'No, no...' Why? Because it [print advertising] works."

Newspaper sales reps can also overcome objections based on the perception that the only people who read newspapers are "old, aging and declining," Blinder said. Instead, sales reps should refer to their total audience as being "young, affluent, educated," he said.

Who does the publication reach? It's critical for the advertiser, but does the sales team really know? The sales team must know the exact audience for every product, Blinder said. "If you don't like niche marketing, get out of this business."

*Step 2: Reinvest in the latest online products.*

By Adolfo Mendez  
ASSOCIATE EDITOR

For newspapers to own the local market, they must be willing to re-invest in online products.

"Our competition is not stupid," said newspaper consultant Mike Blinder. "If we don't own our local market, the cable company or the local TV station will."

Advertisers won't abandon newspaper companies if those companies are aware of the options and tools available for them to leverage to their advantage. There is no getting around the Web.

"There's no research that indicates that if you take down your Web site, your traditional circulation magically goes up," Blinder said. So, how do newspapers succeed online?

Begin by putting in place the right structure and compensation. Blinder argued that companies often fail to properly compensate their sales staff for online revenue. "If you want sales reps to focus on a product, you have to compensate them," he said.

Under ideal circumstances, the online sales team is compensated based on total online sales, not individual sales. In addition, both sales managers and sales reps should have clearly-defined goals for all products, including online.

Newspapers should have call sheets and hold weekly meetings to monitor everyone's progress. If goals aren't met, "something bad should happen," Blinder said, leaving it up to the newspapers to decide what the corrective action should be.

## Banner ads and video

Advertising online can take many forms, from simple banner ads to pre-rolls.

"People complain about pre-roll ads, but they work," Blinder said. Even when such ads are at optimal length — 15 seconds — "people resent them." Besides, "people hate ads in general," he said.

Although the appeal of banner ads is on the decline, newspapers

shouldn't ignore them, Blinder said. Papers can still get 60 percent of their banner ad revenues from a \$15 CPM (cost per thousand). However, the advertiser's message must be clear. "The Web is not a magic medium to make a bad ad work," he said.

The effectiveness of banner ads could be improved if they were thought of as billboards. Just as a billboard gives contact information, so should a good banner ad. They must be more than just a company logo and a "click here for savings" note.

Encourage advertisers to maximize effectiveness by changing their banner ad every nine days, if not more frequently. "If it goes stale, it will fail," Blinder said.

Blinder said his "favorite" approach is video within a banner ad. The moving images get the visitor's attention and produce better results. However, a combination of other factors can also help produce results. "Bigger ads, better results," he said. "Fewer ads on a page, better results."

Another tip: "Don't price it monthly," Blinder said. "Price it weekly because the amount you quote is lower. You might bill it monthly, but don't sell it that way."

Infomercials are also doable, but it's better to run them as part of a story as opposed to standalone or in their own section. Quality is paramount. "A bad, locally-produced commercial is worse than no locally-produced commercial," he said. "If you have some stupid idiot in front of his business, filming it with a small little camera, it can actually make the business look worse. If you're going to do it, let's do it right."

It's better to wrap the videos into a vertical. "Then you're driving them into content," Blinder said. He has experienced success mixing videos with stories about such topics as health or home improvement.

Business videos should be five minutes, and they should "explain the value proposition of a business' services." Blinder said restaurant videos shouldn't run

ONLINE ADVERTISING: CONTINUED ON PAGE 15

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# Online advertising: push with variety of video options

CONTINUED FROM PAGE 14

longer than one minute. "How long does it really need to be for me to get the point?"

On the other hand, videos on home improvement could be longer. "If I'm going to spend \$5,000 on storm shutters, I'll definitely watch a video first to learn if this stuff is what I should buy," Blinder said. "That's how I see the value of video. Get people to view them by making them more content-specific."

David L. Allen, interactive media programmer for the *Sandusky (Ohio) Register*, takes still images and graphics and combines them into animation. Some local car dealerships already produce their own broadcast commercials, so the paper will edit those and post them online.

"There's a lot more information on a television commercial than you need when it's viewed on a computer monitor," Allen said. "So we change the format for online so that it doesn't take as much bandwidth."

The paper recently invested in a new video player that upgrades

the experience visitors have when they watch videos online at sanduskyregister.com/video.

Blinder said newspapers can do more than produce videos. "If you produce a commercial for a newspaper client, why not also be a conduit to all of their social networking?" he said. The paper could serve as a distributor of the advertiser's video beyond just the newspaper's Web site. "I'd push them to 20 different Web sites — video Google, YouTube, video Yahoo."

Newspapers need to be like TrafficGeysers.com. "Once you upload the video, they will distribute it to over 25 social sites," he said. "This is what I think we should be. If we can say, 'I'm going to be your conduit to the other worlds,' then we 'own' the advertiser for the next 20 years."

Newspapers can also produce infomercials for local businesses to post online. "Today, few want to invest in the technology necessary to do it right," he added. "If you really want to do this right, you need to hire a videographer. You need to buy a good computer with editing software. Tell that to a newspaper owner and he'll say, 'Are



The Sandusky (Ohio) Register recently invested in a new video player that lets visitors to its Web site view videos in a bigger, easier format.

you kidding? I'm slashing and burning my editorial team.' Rather than invest in the product, they're slicing expenses."

There are low-cost alternatives, Blinder said. "They may not be as cool as having the newspaper send a cameraman to your store, but they work," he said.

One alternative to infomercials is Adfare, a Newbury Park, Calif.-based company that helps newspaper companies produce videos

for local advertisers. Sales manager Steve Noble said videographers usually cost more than most papers are willing to pay. "The times when people have asked about sending a videographer to their store, they're expecting it to be considerably less than what we would normally estimate the cost," he said. "It will cost anywhere from \$1,500 to \$2,500 to send a videographer out there. Most retailers balk at that."

Adfare can produce a video for \$100. Costs on the video production side are kept low because the company makes it money via Web hosting. It charges a low monthly fee to host the videos, which is attractive to newspapers because they don't have to worry about bandwidth issues. "A lot of the smaller newspapers are limited in terms of the bandwidth they have," he said. "They'll come to a company like Adware not only for the production, but the bandwidth."

Noble said the easy availability of technology inspires a do-it-yourself mentality among some advertisers. "The tools to do-it-yourself just aren't there," he said. "If we could do it for \$50 or \$100 bucks, why would you waste your time on it anyway, to save, what \$20?"

"Our business model may change if the demand for high-quality video from a videographer increases," Noble said. "Right now, there's interest in video, but the willingness to spend money to invest in something new isn't there yet, not in a big way. Many people are still testing the waters."

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