

Suburban Newspapers of America Webinar

45 Minutes Worth of Ideas To Improve Circulation

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Director of Audience Development
Post and Courier
Charleston, South Carolina

Agenda

- Brief Introduction
- 45 Minutes Worth of Ideas to Improve Circulation
- 15 Minutes Worth of Question and Answers

Steve Wagenlander

- Director of Audience Development
- Privately Held (Yea!) Post and Courier, Charleston, South Carolina
- 100,000 Circulation
- Evening Post Publishing Company owns 4 dailies, 10 weeklies and 12 TV Stations

Idea #1

Analyze Your
Distribution System

Distribution System Options

- Mail
- Employee
- Buy / Sell
- Fee For Delivery
- Distributor / Agency
- None

Mail Delivery

Pros

- Predictable
- Requires fewer employees
- Improved address accuracy

Cons

- Expensive
- Limited Days of Service
- Poor Customer Service
- Blind Faith Delivery (especially TMC)

Employee

Pros

- Complete control
- Operational Flexibility
- Maybe most profitable

Cons

- Expensive
- Opportunity for impropriety
- Burden of loss

Buy / Sell

Pros

- Burden of loss on carrier
- Need fewer employees
- Lawsuit friendly
- Big peer network

Cons

- “Rogue” carriers
- Require high level of contract maintenance
- Loss of price control
- Often hard to explain to customers

Fee For Delivery

- Pros
- Often most profitable
- Streamlined billing process
- Growing peer network
- Cons
- Company has risk of loss
- Can be difficult to explain to non-circulation employees

None

- Have you explored the possibility of having one of your competitors deliver your product?

Distributors / Agency

- Can be either buy/sell or fee for delivery
- Think very large paper route
- FTE friendly
- Your publisher may be fearful of losing control (but it won't happen!)
- Growing in popularity

Idea #2

It's the Quality of New Starts That Matters, Not Quantity

Key Concepts

- You get what you pay for
- You want the paper to be bought, not sold.
- Average Weighted Retention

Source	Avg # Days	# of Starts = 1 yr	CPO	True Cost
Phone	31	11.7	\$25	\$292.5
Crews	42	8.7	\$31	\$269.7
Carrier	66	5.5	\$15	\$82.5
Kiosk	131	2.7	\$65	\$175.5

Idea #3

Eliminate All Route Allowance

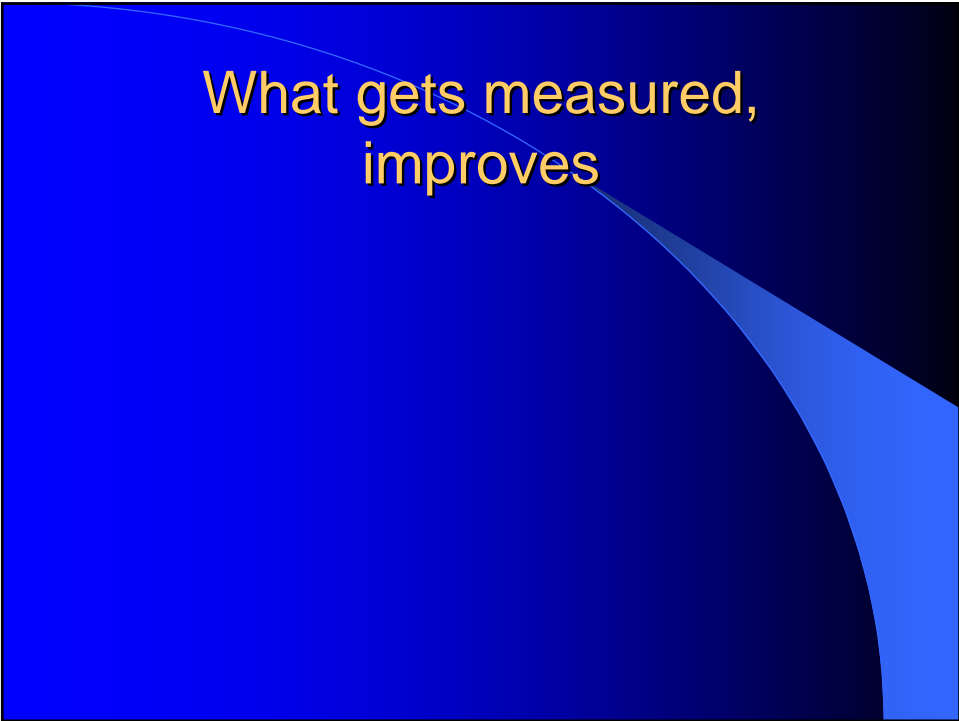
Eliminate All Route Allowance

- In my opinion, Route Allowance is WELFARE for carriers
- Aligns Carriers and Company Goals
- Makes Your Lawyer Happy

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Route Allowance Elimination Example		
Current	(250 papers / day)	
Daily Draw	Rate	Revenue
6,500	\$ 0.25	\$1,625.00
Sunday Draw	Rate	Revenue
1,000	\$ 0.75	\$750.00
Total Revenue		\$2,375.00
Route Allowance	Expense	\$120.00
Monthly Profit		\$2,255
W/O Route Allowance	(250 papers/day)	
\$120 / 6,500 copies		
\$.0185 cents per copy		
Daily Draw	Rate	Revenue
6,500	\$ 0.2316	\$1,504.75
Sunday Draw	Rate	Revenue
1,000	\$ 0.75	\$750.00
Total Revenue		\$2,254.75
Route Allowance	Expense	\$120.00
Monthly Profit		\$2,254.75

Idea #4
Measure, Measure, Measure



AUDIENCE AGGREGATION REPORT			
2008	PRINT READERSHIP (7 Day Circ. Avg. x 2.49 RPC)	WEEKLY ONLINE AUDIENCE (Daily Unique Visitors)	TOTAL AGGREGATED AUDIENCE
1/3	236,406	18,768	255,174
1/10	245,225	22,144	267,369
1/17	250,755	21,253	272,008
1/24	242,349	22,868	265,217
1/31	250,379	27,921	278,300
2/7	247,205	22,169	269,374
2/14	249,423	19,529	268,952
2/21	243,736	20,899	264,635
2/28	248,024	20,873	268,897
3/6	245,564	23,307	268,871
3/13	245,173	26,216	271,389
3/20	242,932	21,154	264,086
3/27	228,291	21,527	249,818
4/3	242,354	27,584	269,938
4/10	243,691	25,772	269,463
4/17	242,265	24,736	267,001
4/24	242,222	23,162	265,384
5/1	242,205	21,511	263,716
5/8	241,114	21,015	262,129
5/15	243,258	23,623	266,881
5/22	240,283	25,161	265,444
5/29	237,436	23,566	261,002
6/5	247,414	25,492	272,906
6/12	223,522	31,483	255,005
6/19	222,227	23,206	245,433
6/26	221,858	22,545	244,403
7/3	227,028	23,651	250,679
7/10	233,482	22,963	256,465

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		PAPER TRUCK FLOW (VS) DEADLINE																				
		FIRST EDITION ON LINES 3 AND 4 (PRESS A)																				
TK #	AREA	OUT	1ST	2ND	3RD	4TH	5TH	6TH	7TH	8TH	9TH	10TH	11TH	12TH	13TH	14TH	15TH	16TH	17TH	18TH	19TH	
DATE	DAY	STR. COLL.	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	
75	TOWN/HORRY	12:30	11:48	12:00	11:20	11:43	11:40	11:32	11:45	12:12	11:16	11:35	11:36	11:25	11:25	11:49	11:40	11:30	11:30	11:30	11:15	
53	UP DORCHESTER	12:20	11:53	12:14	11:24	11:46	11:44	11:37	11:51	12:17	11:20	11:40	11:39	11:28	11:30	11:54	11:45	11:32	11:28	11:38	11:20	
54	UPPER BERKELY	12:25	11:55	12:30	11:23	11:51	11:48	11:40	11:55	12:20	11:25	11:50	11:42	11:30	11:34	11:58	11:45	11:37	11:35	11:38	11:26	
71	BEAUFORT	12:28	11:59	12:04	12:00	12:30	12:12	11:48	11:58	12:22	11:21	12:00	11:44	11:33	11:58	12:05	12:12	12:02	12:12	12:12	12:05	
74	WILLIAMSBURG CTY	12:30	12:00	12:20	12:30	12:13	11:48	11:59	12:25	11:49	12:20	11:48	11:34	11:58	12:10	12:12	12:02	12:12	12:12	12:16	12:05	
72	COLLETON COUNTY	12:33	12:05	12:38	12:00	12:30	12:12	11:51	12:05	12:28	12:00	12:15	11:49	11:37	11:58	12:07	12:12	12:02	12:12	12:16	12:05	
73	COLUMBIA/GHS MAIL	12:35	12:31	12:28	11:30	12:30	12:30	12:15	12:24	12:45	11:31	12:25	11:43	11:32	11:58	12:20	12:12	12:02	12:12	12:16	12:05	
Deadline for first edition papers on Saturdays during local high school football season is 11:15 a.m.																						
		FINALS																				
TK #	AREA	OUT	1ST	2ND	3RD	4TH	5TH	6TH	7TH	8TH	9TH	10TH	11TH	12TH	13TH	14TH	15TH	16TH	17TH	18TH	19TH	
1517	S CHAS CO/JOHNS	2:10	1:50	1:27	1:41	1:38	1:58	1:52	1:53	1:55	1:25	1:30	1:37	1:31	1:41	1:41	2:10	1:24	1:34	1:20	1:30	
4142	GOOSE CRK/MC	2:25	1:24	1:37	1:00	1:24	1:27	1:08	1:28	1:40	1:01	1:04	1:32	1:03	1:00	1:11	1:35	1:25	1:08	1:06	1:31	
43/44/45	45/VILLE/LADSON	2:30	1:45	2:34	1:22	1:51	2:11	1:22	2:15	1:57	1:23	1:19	1:53	1:50	1:28	2:00	2:23	1:25	1:46	1:34	2:40	
212/223	MT PLEASANT	3:00	2:05	3:12	1:57	2:09	1:47	2:05	2:23	2:15	2:23	1:55	2:10	1:20	1:51	1:45	2:36	1:43	2:17	2:03	1:47	
1314	JAMES ISLAND	3:04	2:09	3:24	2:07	2:16	1:21	2:17	2:56	2:35	2:29	2:00	2:15	1:35	1:59	1:52	2:40	1:49	2:26	2:07	1:48	
3132	KING ST/CTR	3:07	1:28	1:06	2:11	2:24	1:28	2:23	2:40	2:39	2:35	2:05	2:20	1:44	2:01	2:02	2:43	2:20	2:31	2:15	1:51	
3335/36	ASHLEY PHOSPHATE	3:10	2:16	3:38	2:30	2:34	1:43	2:33	1:30	2:44	2:42	2:12	2:32	1:14	2:12	1:20	2:47	2:00	2:47	2:33	1:50	
1112/16	ASHLEY PHOSPHATE	3:15	2:30	3:48	2:50	2:47	2:18	3:03	3:00	2:59	3:03	2:23	2:44	1:54	2:25	2:08	2:57	2:06	2:55	2:51	2:04	
		SINGLE COPY																				
TK #	AREA	OUT	1ST	2ND	3RD	4TH	5TH	6TH	7TH	8TH	9TH	10TH	11TH	12TH	13TH	14TH	15TH	16TH	17TH	18TH	19TH	
60	ASHLEY PHOS/SIN	2:55	NA	2:14	NA	NA	NA	NA	NA	NA	2:02	NA	NA	NA	NA	NA	1:13	NA	NA	NA		
26	JOHNS ISLAND/RAV	4:00	1:53	2:20	2:00	1:45	2:37	1:21	1:54	2:00	2:30	1:30	1:28	1:51	1:45	1:40	2:05	1:00	1:20	1:24	1:35	
10	MT PLEASANT	4:00	2:00	2:40	1:45	1:50	2:56	1:40	2:00	2:06	2:45	1:35	1:31	2:03	1:50	1:44	2:15	1:25	1:38	1:36	1:50	
18	MT PLEASANT	4:00	2:04	NA	1:40	1:54	3:05	1:43	2:05	2:15	NA	1:37	1:36	2:12	1:53	1:47	2:23	NA	1:45	2:08	2:05	
9	JAMES ISLAND	4:00	2:20	3:15	3:15	2:20	3:30	2:09	2:24	2:20	3:05	1:40	2:13	2:58	3:08	2:35	3:10	2:30	3:19	2:10	3:05	
35	N CHARLESTON	4:00	2:36	NA	3:00	2:45	2:51	2:45	3:15	2:52	NA	2:30	2:40	2:32	2:20	1:50	2:48	NA	3:20	2:43	3:10	
27	N CHARLESTON	4:00	2:41	NA	2:58	2:40	2:25	2:18	2:45	NA	NA	2:35	2:34	2:28	2:37	2:30	2:42	NA	2:30	3:30	2:40	
36	UP N CHARLESTON	4:00	3:02	NA	3:08	3:10	3:15	3:13	3:22	3:13	NA	2:50	3:15	3:07	3:12	3:05	3:05	NA	2:45	3:45	3:40	
37	N CHARLESTON	4:00	3:04	NA	3:06	2:48	3:20	3:05	3:11	3:07	NA	2:45	2:51	3:01	3:16	3:00	3:15	NA	3:08	3:25	3:24	
24	WEST ASHLEY	4:00	2:52	NA	3:10	2:52	4:00	3:17	3:29	3:37	NA	2:40	3:18	3:13	3:25	3:20	3:20	NA	3:16	2:20	3:22	
25	WEST ASHLEY	4:00	2:40	NA	3:12	3:05	3:45	2:55	2:47	2:41	NA	2:42	2:45	2:41	2:41	3:15	2:35	NA	2:00	2:25	3:12	
16	MT PLEASANT/OP	4:00	2:13	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
34	N CHARLESTON	4:00	3:34	NA	3:08	2:53	3:02	2:07	2:12	3:00	NA	1:45	2:18	2:23	1:58	1:51	3:56	NA	2:15	2:15	2:55	
38	N CHARLESTON	4:00	3:43	NA	3:30	3:45	3:55	3:41	3:53	3:45	NA	3:25	3:29	3:33	3:43	3:49	NA	NA	3:45	4:18	3:55	
20	DOWNTOWN	4:00	3:23	3:41	3:05	3:42	4:05	2:45	3:47	3:30	2:50	3:00	3:17	3:27	3:02	3:40	3:30	3:22	3:15	4:00		
19	DOWNTOWN	4:00	3:29	4:08	3:24	3:21	4:18	3:48	3:35	3:31	2:55	3:16	3:23	3:17	3:37	3:45	NA	1:46	3:30	3:20	4:20	
61	HOTEL WRAP	4:00	3:29	4:00	3:24	3:21	4:18	3:48	3:35	3:31	2:55	3:16	3:23	3:17	3:37	3:45	NA	1:46	3:30	3:20	4:20	
NA	HAWKER	4:00	NA	NA	3:26	3:30	3:37	3:00	3:08	NA	NA	3:20	3:18	3:19	3:04	3:41	NA	NA	3:00	4:00	3:36	
TRUCKS ON TIME:			32	26	33	32	29	33	33	32	33	33	33	33	33	33	33	33	33	33	32	30
TRUCKS LATE:			1	7	0	1	4	0	0	1	0	0	0	0	0	0	0	0	0	0	1	3
NOW BASED ON 33 TRUCKS			97%	75%	100%	97%	88%	100%	100%	97%	100%	100%	100%	100%	100%	100%	100%	100%	100%	97%	91%	
TRUCKS ON TIME %:			3%	21%	0%	3%	12%	0%	0%	3%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	3%	9%

Idea #5

Get a Circulation Check-Up

Hire a Consultant To Provide A Fresh Perspective

- Current economic conditions have resulted in many talented circulators looking for work.
- Takes the place of networking
- Price range \$1,000 - \$1,500

Topics to Discuss w/ Consultant

- Staffing Levels
- Yield Per Copy
- Delivery Partnerships
- Route Evaluation Integrity
- Accounts Receivable Reconciliation
- # of Single Copy Locations
- Returns %'s
- Unbiased Opinions from the Field
- Best Practices

Idea #6

Combine Home Delivery and Single Copy

HD / SC Combo Routes

- Eliminates one set of fixed costs
- Remember to balance rates as not to encourage extra returns
- Provides built in recovery runs
- Provides additional income to stabilize turnover in distribution force
- Affords cash flow in today's PBM rich home delivery environment
- Reduces in-house paperwork

Idea #7

How Good is Your Service?

Circulation Customer Service

- Typically measured in CPM (complaints per thousand deliveries)
- My opinion, this is a flawed metric due to my experience as a carrier
- “The Ultimate Question” by Fred Reichheld
- “Would you recommend this product to a friend?”
- Consider a more qualitative and quantitative metric

Subscriber Feedback Methodology

- Insert postage paid post cards in all subscriber bills. Easy pays not included
- We generally mail about 30K with a return rate of 15% over 3 months
- Track results by zip code
- Statistically more accurate than CPM

Tell us how we're doing!

Please take a few moments to complete this short customer service survey. The Post and Courier is committed to providing the best possible service to our customers and your input would be greatly appreciated.

Your Zip Code: _____

1. Is your delivery time satisfactory? Yes No (please circle one)

2. During the past three months, how many times have you called our Customer Service Department?
Never (skip to question 5) 1-2 times 3-5 times 6 times or more

3. What was the purpose of your call?
Report delivery problem Cancel delivery
Make payment Vacation stop
Other: _____


4. How would you rate the representative who handled your call in terms of professionalism?
Poor Average Above Average Excellent

5. How would you rate your overall experience with our Customer Service Department?
Poor Average Above Average Excellent

6. How would you rate your overall delivery service?
Poor Average Above Average Excellent


7. Based on customer service and delivery, what is the likelihood you will still be subscribing to The Post and Courier six months from now?
Unlikely Undecided Likely Very Likely


Thanks again for taking the time to complete this survey. Please drop this postage-paid card in the mail at your earliest convenience. Customer Service - 853-POST



BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO. 141 CHARLESTON SC
POSTAGE WILL BE PAID BY ADDRESSEE

The Post and Courier
134 Columbus Street
Charleston SC 29403-9900





NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

SNA Circulation Webinar - It's Time to Get Operationally Fit

Survey Results
Tell us how we're doing!
29-Jan-10

Question #1	Is your delivery time satisfactory?					
	2009	2008	2007	2006	2005	2004
Yes	98.5%	97.3%	97.0%	96.7%	95.3%	91.7%
No	1.5%	2.1%	3.0%	3.3%	4.7%	4.7%

Question #2	During the Past three months, how many times have you called our Customer Service Department?					
	2009	2008	2007	2006	2005	2004
Never	62.6%	55.1%	52.9%	55.2%	49.9%	40.3%
1-2 Times	84.6%	81.7%	80.3%	80.5%	74.8%	76.1%
3 - 5 Times	13.5%	16.3%	17.2%	17.2%	21.1%	19.4%
6+ Times	1.9%	2.1%	2.5%	2.3%	4.1%	4.5%

Question #3	What was the purpose of your call?					
	2009	2008	2007	2006	2005	2004
Report Delivery Problem	61.7%	62.0%	65.5%	61.2%	70.5%	72.2%
Cancel Delivery	2.3%	2.7%	2.5%	2.4%	1.5%	1.6%
Make Payment	3.3%	3.8%	4.4%	3.4%	3.5%	3.6%
Vacation Stop	32.7%	31.5%	27.5%	33.0%	24.6%	23.4%

Question #4	How would you rate the representative who handled your call in terms of professionalism?					
	2009	2008	2007	2006	2005	2004
Poor	2.2%	2.0%	2.6%	2.5%	4.2%	4.7%
Average	17.7%	20.8%	22.5%	24.8%	27.9%	29.7%
Above Average	28.8%	30.1%	29.6%	30.6%	30.3%	34.9%
Excellent	51.3%	47.1%	45.3%	42.1%	37.5%	41.0%

Question #5	How would you rate your overall experience with our Customer Service Department?					
	2009	2008	2007	2006	2005	2004
Poor	1.4%	1.3%	2.1%	2.5%	3.6%	2.8%
Average	16.0%	17.1%	19.0%	20.4%	23.2%	18.7%
Above Average	31.3%	31.6%	32.1%	31.5%	33.1%	26.5%
Excellent	51.3%	49.8%	46.8%	45.5%	40.1%	32.3%

Question #6	How would you rate your overall delivery service?					
	2009	2008	2007	2006	2005	2004
Poor	1.5%	2.2%	3.0%	2.5%	4.4%	4.1%
Average	9.3%	11.3%	14.3%	14.6%	16.7%	15.3%
Above Average	24.9%	26.7%	26.3%	27.7%	27.3%	26.2%
Excellent	64.3%	59.8%	56.5%	55.2%	51.7%	51.4%

Question #7	Based on Customer service and delivery, what is the likelihood you will still be subscribing to The Post and Courier six months from now?					
	2009	2008	2007	2006	2005	2004
Unlikely	1.2%	1.3%	1.0%	1.0%	2.2%	2.3%
Undecided	4.6%	4.2%	4.7%	4.4%	6.2%	6.2%
Likely	20.4%	20.3%	21.2%	21.0%	22.8%	21.2%
Very Likely	73.8%	74.1%	73.1%	73.5%	68.8%	68.1%

Question #8	How likely are you to recommend The Post and Courier to family, friends, neighbors, or a coworker?					
	2009	2008	2007	2006	2005	2004
Unlikely	3.6%	n/a	n/a	n/a	n/a	n/a
Undecided	6.4%	n/a	n/a	n/a	n/a	n/a
Likely	32.8%	n/a	n/a	n/a	n/a	n/a
Very Likely	55.0%	n/a	n/a	n/a	n/a	n/a

Idea #8

Understand Your Audit Rules

Are You Ready For 10/1/2010?

- If you are ABC audited, the definition of paid circulation changes October 1, 2010.
- New key metric will be Total Circulation (as opposed to Paid Circulation) which is comprised of the Paid Circulation and Verified Circulation.
- Paid Circulation will only include home delivery, single copy and business traveler.
- Verified will include NIE, contractor and employee, third party and free copies.

Are You Ready for 10/1/2010

- Most newspapers will see a decline in paid circulation due to some categories being reclassified as verified.
- Have you explained this changes to your advertising department?
- How will preprint advertisers react to Verified vs Paid?

Idea #9

Manage Your Customer Intervention
Cycle

Do you REALLY know what bill subscribers are paying?

- Carefully script customer contact points from new start verification through retention.
- How many bills are you sending subscribers and which one has the highest response rate?
- Effectively managing this process can save printing and postage.

Contact Information

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