

**MEGA-CONFERENCE KEY TAKE-AWAYS**

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**Clark Gilbert – Keynote Presentation**

**DISRUPT; CHANGE; INNOVATE; INTEGRATE**

“Every disruptive innovation looks inferior in the beginning”


“Mobile is as disruptive to the desktop as desktop was to print”

“We hire people to come and work for a digital company - not a newspaper company”

“Our industry is permanently broken and needs to be permanently restructured”

“Opportunities are surrounding us but we need to our cost structure permanently changed”


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## Content Strategies

- ★ Know your cost per story and then develop a plan to greatly reduce it (at Deseret News their average cost was \$227 per story and the TV station was little lower. Online competitors are less than \$10 per story).
- ★ They developed a comprehensive strategy that included: integrated newsroom; in-depth enterprise reporting team; distinctive editorial voice; creation of Deseret Connect & increased digital reach and innovation.
- ★ Example used: New York Times has 30 million monthly unique visitors; Huffington Post has 28 million. Head count is 1,200 vs. less than 100. This is not meant to stir a debate about the quality of journalism between the two. Rather, it is meant to show that "good enough" is OK online as evidenced by traffic numbers of the two sites. Remember the quote from slide one – "Every disruptive innovation looks inferior in the beginning".
- ★ At this point, some in the audience think that Clark is anti-professional journalism. NOT TRUE! A major part of their strategy relies on professional journalists to tackle the most critical areas of importance to their community. Read on...


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## Deseret Connect

- ★ 500 + contributors from Utah – they publish hundreds of stories each week.
- ★ These stories are web first but some are reverse-published in print. (As the quality increases, more and more of these are finding their way into print).
- ★ Average cost per story is \$12 (pay models vary from free to set to performance-based)
- ★ Their features department went from 26 to 4 full-time employees. The remaining four now manage the community contributors. They provide feedback and training.
- ★ Contributors are often subject-matter experts that enjoy writing articles about their areas of expertise.
- ★ All markets, large and small, have this opportunity. Start small and grow it from there. Choose 4-8 subject matter experts that are willing to regularly contribute. (Ideas: allergy doctor; tax expert; home/garden professional; wine expert/buyer).


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## Content Strategies

- ★ Integrated Newsroom – they now send one person to cover the story (from paper, TV, radio) – this saved a lot of money. For smaller papers, Clark recommends teaming up with a local TV station to share the coverage of events.
- ★ In-depth Enterprise Team – they chose six areas of focus including: family; financial responsibility; faith & education. These were topics that were extremely important to the communities that they serve (and also information that readers could not get anywhere else). Clark thinks this part of the total content strategy is extremely important (and thus garners a much higher cost per story).
- ★ All communities should be able to identify 4-6 issues of great importance to their community. The in-depth enterprise reporting team should be able to cover these topics in a way that no other media can. Let go of the obvious (things that readers can get from many other sources – national, international, stocks, pro sports, etc.)
- ★ Distinctive editorial voice – know your audience & plan accordingly
- ★ Increased digital reach & innovation – a must!


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## New Business Models

- ★ "Industry is permanently broken & needs to be permanently restructured" – this means new business models
- ★ Desert Digital is a separate "disruptive" business unit – with separate staff, separate P&L, etc. Almost the entire department comes from the digital world – NOT newspapers. They have hired people from AOL, overstock.com, yahoo, Omniture, vehix, etc.
- ★ KSL.com revenue finished 75% over prior year for 2010; they are forecasting 50% over prior year for 2011. KSL.com is not tied to a news model but six other models including lead-gen; search; etc.
- ★ Telesales department of 24 – sells majority of digital revenue including most of their daily deals
- ★ Most profitable digital offerings: deals including daily deals; email marketing; directories (note: Clark is opposed to partnering with Groupon & giving away your database)
- ★ Clark's advice to smaller papers with limited resources – hire one good person from the digital world to get started (person can be out of market but should have ties to your market). Second step is to hire a digital-only sales rep.


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## Other Key-Takeaways

- ★ We must change expectations for our graphic design teams (from Jason Taylor's session). In Chattanooga, TN, they require members of the creative team to go on a certain number of sales calls each month; they have spec ads goals that they must hit; they critique all of the ads each week; they complete ad logs each day (charting how much time they are spending on each ad or project) and the top creative manager attends all sales meetings.
- ★ If you want self-serve to work, make it as easy as facebook (from Bill Day's presentation). The newspaper industry has made self-serve advertising too difficult. Place a \$20 ad on facebook yourself and compare it to your self-serve option. Only then can you develop a self-serve model that will work and generate new revenue.
- ★ Mobile video revenue will start to double every year (from Sam Matheny/mobile panel). Pre-roll video is highly successful for this group of TV stations with top categories including auto, attorneys, hospitals, real estate and universities. Specialized apps are also worth exploring (their "GoAskMom" app generated \$250,000 in revenue last year.
- ★ In five years mobile will represent 64.7% of all digital advertising (from Gordon Borrell). Text messaging remains a huge opportunity area and will go to \$7.49 billion in the next five years.


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## Other Key-Takeaways

- ★ Advertiser workshops are key to driving huge digital sales (from Mike Blinder's presentation). Share of voice banner campaigns are popular and successful as are coupons. Most programs include multiple package options and limited availability.
- ★ The industry must collaborate in the digital shopping space (from Doug Franklin/Cox and Randy Bennett/NAA). Three very good options exist: zip2save, ShopLocal and FindNSave. Attendees were urged to consider affiliating with one of them.
- ★ Regarding Patch and other new online competitors, Clark Gilbert reminded us that "every disruptive innovation looks inferior in the beginning". Mel Taylor shared that Patch has 800 sites so far including 30 in Philadelphia (will be 60 by the summer); over 100 in California; 73 in Massachusetts and so on. As they build a market, they create efficiencies.
- ★ Cooking schools are hot and lucrative – plan one for 2011 (from Gareth Charter's roundtable session). For those that are affiliated with Relish (Publishing Group of America product) – they have a national program that they will bring to your market. Some groups are using celebrity chefs and are seeing revenue well into the six figures between tickets sales, special sections & other opportunities. More on this at the SNA/Blinder Revenue Summit

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## THANK YOU!

**WANT TO LEARN MORE?**

SNA Foundation – North American Innovation Mission – featuring full day visit with Clark Gilbert & team May 1-6. (2 spots left for just Salt Lake City portion)

SNA/Blinder Group – Revenue Summit – featuring Sales/Leadership & Digital Tracks  
Headline Presentation – Top Ten Ideas to Increase Your Revenue Tomorrow  
May 18-20 – Chicago

Go to [www.suburban-news.org](http://www.suburban-news.org) for information on both events

Save the Date – SNA Fall Publishers' & Advertising Directors' Conference – September 13-16, 2011 – Pointe Hilton Tapatio Cliffs, Phoenix, Arizona

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