Don't Believe The Hype — Look Before You Leap

PUBLISHING TODAY

Our industry is changing, our cheese is moving, our relationships are evolving, our tool set is ballooning, our customers are competitors, our products are shifting – what are we going to do???

We are excited by this. This is opportunity. This is not the end of the road. It’s not the time to throw in the towel or waive the white flag. No one has beaten us; no one has “won”. No one has found a better, more targeted, more insightful manner to generate advertiser value than B2B publishing.

To me, this industry defines both success and opportunity. Our value is there. In fact, I’d argue that it never left, and along with your reliable brand, your trusted editorial and your independent industry expertise, your business value is unique and even greater today.

Let’s replace the general industry concern with a new outlook; opportunity. We continue to read of the demise of print media when many publishers are making more money in it than they did last year. Digital is the future, no doubt about it, but ask your Chief Digital Officer how they plan to increase LTV, and trust me, they will need support from print.

DATA IS NOT STRATEGY

Let’s take a step back and ask, “How did we get here?” By building successful businesses that employ and cultivate others, manage significant audiences, deliver world-class content and have advertisers knocking on our door to access our subscribers.

There is not a single software that will cure all ills or an audience database that will grow your revenue 10x next year. I heard a statistic recently that 1,200 new marketing software products are launched each year. While you have read this, another may have just launched. This brings up two critical questions for publishers. How do I keep up and whom do I trust? No media owner has unlimited resources but you do have to invest in identifying what is right for you and your strategy. If it were one size fits all, there would be one solution and it would all be easy.

An audience database might enable your revenue growth, and a piece of software might help you get there, but strategy drives your choices. All we do is rooted in our strategy. This is how we got here and this is what will help the strongest survive. Every single publisher wants to grow and maintain audience; which in turn increases revenue. Our strategy defines how do we do it better and do it different.

Today’s digital revolution offers both great opportunities, but also great risk. Data and technology are tremendous assets, but at their worst, both are a significant cost. Whether a direct cost (hardware and software to collect and store data), or opportunity cost (lost focus and time). Increasing conversion rates, what you do with the data, what data you collect, how you launch new products to increase consumer LTV - that’s strategy.

Knowing how your audience is engaging with your brand is an amazing tool. Look to your strategy to ask yourself, is an audience database necessary to achieve my goals, and do I have the staff and expertise to execute that strategy? Your strategy is available today. It’s what got you here. This is not new to publishing.
CAPTURING OPPORTUNITY: DATA IS A TREATMENT, NOT A CURE

Today’s digital environment offers media owners the ability to do it differently. But with 1,200 new platforms every year, publishers need to make some difficult and focused choices. Today, you have the opportunity to collect more data – behavior, activities, interactions and more - but there’s a practical and useful limit. You need the staff and technical expertise to understand what you can and can’t do as a company when it comes to owning marketing and database technology.

An audience database is one of many tools which can be used to achieve your goals, but may not be the golden ticket for your business. There is a lot that happens in the media value chain that doesn’t require an integrated audience database. Increasing conversions on your digital forms, bundle like products in the sales process, review current pricing, partner with an association, sell editorial insight through an expert network, sell content marketing services, etc…

THE PROMISE AND REALITIES OF DATA & TECHNOLOGY

The question often arises, what are three things publishers need in order to grow and advance? I often hear, a CMS, a CRM, an audience database, a digital sales staff, etc... My answer is, differentiation, vision and strategy.

Data is a valuable asset to media owners. However, only with the right strategy applied will that data work to support your audiences and advertisers. Then media owners can differentiate your brand from the competition; that is step 1.

The reality is that data and technology enable a media owner to capture opportunities that are available in the market today. Strategy – how you sell your assets, for what price, the quality of your assets, the manner in which you distribute your assets, the metrics used to measure success, the operations required to get your assets out the door, the difficult choices of what assets to offer and what not – is all better enabled by technology and data. Data and technology can inform strategy and at times they can drive strategy – data and technology alone do not constitute strategy.

Back to the 1,200 new marketing solutions launched in the past year, and the two critical questions of media owners. First, “how do I keep up?” I answer with a similar question – do you need to keep up or follow, or does your strategy tell you to lead and do something different? If your managers are telling you that they can achieve a significant contribution if only they could do X, that’s the time to look for X, not before. Make considered decisions – if your strategy doesn’t consider technology as core, don’t build it on your own.

Second, “whom do I trust?” Technology is fleeting, and the only status quo is change. Don’t buy on fear or promise, buy on expertise, vision and commitment. In fact, ask not only for customer references, ask to interview clients who have not renewed. Yes, the industry could use some technology innovation, some new sales methodologies, etc... but upgrading one player does not create a Super Bowl dynasty. Trust those that understand your business, that have walked in your shoes and have goals aligned with your own.

Most importantly, when considering a new technology, say and audience database, as my old professor used to say, ask yourself, “for the purpose of what goal?”. If you need it now, what’s the ROI behind your investment? If you can wait, what are your current goals to grow the business?
CONCLUSION

This industry has so much promise and opportunity ahead, I see it as a very exciting time. As I write this paper, I think back to when Amazon.com was first launched. I recall analysts claiming that brick and mortar will be a thing of the past. Specifically I remember one analyst saying that Nordstrom will no longer have stores, they’ll just sell everything in online storefronts like Amazon. Looking back today, that didn’t happen. Brick and mortar still has its place, and a valuable one at that. Digital still has its place, also a highly valuable channel. But let’s think back and say, what if Nordstrom had swayed from their strategy (great personal service, excellent product selection, qualified and trained sales representatives) and went all in with the next “best thing”. I think we’d all agree that a great brand would have been degraded by the move.

At the end of the day, strategy rules, technology and data enable.

This white paper has been generated from Hallmark’s attendance at the 2014 Publishing 3.0 Conference sponsored by Publishing Executive. It was a great event; intimate, valuable content and constructive, candid and honest discussions about the state of the industry. In fact, as I mentioned at the conference, the discussion was the most progressive I have seen at similar conferences. I applaud the attendees and panelists for moderating.

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